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The Forrester Wave™: Master Data Management, Q1 2019

The 12 Providers That Matter Most And How They Stack Up

by Henry Peyret
March 12, 2019

Why Read This Report

In our 29-criterion evaluation of master data management (MDM) providers, we identified the 12 most significant ones — BackOffice Associates, EnterWorks, IBM, Informatica, Magnitude Software, Pitney Bowes, Reltio, Riversand, SAP, Semarchy, Stibo Systems, and TIBCO Software — and researched, analyzed, and scored them. This report shows how each provider measures up and helps enterprise architecture (EA) professionals select the right one for their needs.

Key Takeaways

Informatica, Reltio, And EnterWorks Lead The Pack

Forrester's research uncovered a market in which Informatica, Reltio, and EnterWorks are Leaders; Semarchy, Pitney Bowes, Riversand, SAP, Magnitude Software, and TIBCO Software are Strong Performers; and IBM, BackOffice Associates, and Stibo Systems are Contenders.

IoT, Ecosystem Capabilities, And Data Context Are Key Differentiators

As first-generation MDM technologies become outdated and less effective, improved second-generation and third-generation features will dictate which providers lead the pack. Vendors that can provide internet-of-things (IoT) capabilities, ecosystem capabilities, and data context position themselves to successfully deliver added business value to their customers.

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by Henry Peyret
with Gene Leganza and Robert Perdoni

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Table Of Contents

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Toward The Third Generation Of Master Data Management

The first generation of MDM served to consolidate customer, product, or financial information across multiple systems of record, such as when M&A activity resulted in multiple enterprise resource planning (ERP) systems. Data quality and compliance were the main features of first-generation MDM. The evolution of systems of engagement enabled firms to better serve customers and employees, and a second generation of MDM solutions appeared to serve omnichannel strategies, requiring real-time and multiviewpoint capabilities to support multiple lines of business.

The internet of things has led to systems of automation and systems of design, which introduce new MDM usage scenarios to support co-design and the exchange of information on customers, products, and assets within ecosystems. This is ushering in a third generation of MDM for which flexibility, data virtualization, and data syndication are key, with more stakeholders involved in governing data. Today's MDM initiatives:

› **Prioritize agility over compliance.** Where first-generation MDM was hard to implement, with lengthy projects to put change management processes in place to govern data, the second generation prioritizes agility to help lines of business improve their marketing and customer experience. MDM initiatives serve to find the right balance between protecting customers' private data while delivering the best value through personalization. MDM implementations prioritize iterative and agile methodologies, which deliver faster time-to-value.

› **Are becoming a cornerstone of digital transformation for product-focused firms.** For some industries, like consumer packaged goods (CPG) or retail, MDM for products is becoming the centerpiece of flexibility. For example, a large CPG firm that manages 1,500 attributes per product today expects that number to explode to accommodate the information customers want. SmartLabel and GS1 initiatives are adding to that trend. MDM within ecosystems, connecting to product information management (PIM) systems, is becoming a key success factor for such strategic MDM implementations.

Evaluation Summary

The Forrester Wave evaluation highlights Leaders, Strong Performers, Contenders, and Challengers. It's an assessment of the top vendors in the market and does not represent the entire vendor landscape. You'll find more information about this market in our Now Tech report on MDM.[1]

We intend this evaluation to be a starting point only and encourage clients to view product evaluations and adapt criteria weightings using the Excel-based vendor comparison tool (see Figure 1 and see Figure 2). Click the link at the beginning of this report on Forrester.com to download the tool.

FIGURE 1 Forrester Wave™: Master Data Management, Q1 2019

THE FORRESTER WAVE™

Master Data Management

Q1 2019

Challengers　　Contenders　　**Strong
Performers**　　Leaders

Stronger
current
offering

Reltio

EnterWorks

Informatica

Riversand

TIBCO Software

Magnitude Software

Pitney Bowes

BackOffice Associates

Semarchy

IBM

Stibo Systems

SAP

Weaker
current
offering

Weaker strategy　　　　　　　Stronger strategy

Market presence*

*A gray bubble indicates a nonparticipating vendor.

FIGURE 2 Forrester Wave™: Master Data Management Scorecard, Q1 2019

	Forrester's weighting	BackOffice Associates	EnterWorks	IBM	Informatica*	Magnitude Software	Pitney Bowes
Current offering	50%	2.72	3.77	2.49	3.72	3.17	2.86
MDM first-generation capabilities	15%	2.90	4.20	3.00	4.50	2.80	3.50
MDM second-generation capabilities	25%	3.00	3.60	3.20	4.20	4.10	4.00
MDM third-generation capabilities	25%	1.30	3.80	2.20	1.60	3.20	2.60
Implementation accelerators	20%	3.80	4.20	1.80	4.60	2.60	1.00
Platform characteristics	15%	3.00	3.00	2.20	4.50	2.70	3.20
Strategy	50%	2.30	3.30	2.60	4.70	3.00	4.30
Product strategy	50%	1.00	3.00	3.00	5.00	3.00	5.00
Performance	35%	3.00	3.00	1.00	5.00	3.00	3.00
Market strategy	15%	5.00	5.00	5.00	3.00	3.00	5.00
Market presence	0%	4.00	3.00	5.00	5.00	2.00	2.00
Revenue	50%	5.00	3.00	5.00	5.00	1.00	3.00
Number of customers	50%	3.00	3.00	5.00	5.00	3.00	1.00

All scores are based on a scale of 0 (weak) to 5 (strong).
*Indicates a nonparticipating vendor.

FIGURE 2 Forrester Wave™: Master Data Management Scorecard, Q1 2019 (Cont.)

	Forrester's weighting	Reltio	Riversand	SAP	Semarchy	Stibo Systems	TIBCO Software
Current offering	50%	3.92	3.49	2.29	2.84	2.21	3.32
MDM first-generation capabilities	15%	4.30	4.00	3.70	2.90	2.00	3.80
MDM second-generation capabilities	25%	4.70	3.70	2.10	2.80	2.35	3.70
MDM third-generation capabilities	25%	3.60	3.00	1.00	2.60	1.35	2.45
Implementation accelerators	20%	3.00	3.80	3.00	3.40	3.40	3.80
Platform characteristics	15%	4.00	3.00	2.40	2.50	2.00	3.00
Strategy	50%	4.00	3.30	4.00	5.00	3.00	3.00
Product strategy	50%	5.00	3.00	5.00	5.00	3.00	3.00
Performance	35%	3.00	3.00	3.00	5.00	3.00	3.00
Market strategy	15%	3.00	5.00	3.00	5.00	3.00	3.00
Market presence	0%	2.00	3.00	5.00	1.00	3.00	4.00
Revenue	50%	3.00	3.00	5.00	1.00	3.00	5.00
Number of customers	50%	1.00	3.00	5.00	1.00	3.00	3.00

All scores are based on a scale of 0 (weak) to 5 (strong).
*Indicates a nonparticipating vendor.

Vendor Offerings

Forrester included 12 vendors in this assessment: BackOffice Associates, EnterWorks, IBM, Informatica, Magnitude Software, Pitney Bowes, Reltio, Riversand, SAP, Semarchy, Stibo Systems, and TIBCO Software (see Figure 3).

FIGURE 3 Evaluated Vendors And Product Information

Official company name	Product evaluated	Product version
BackOffice Associates	Information Governance Cloud with the Data Stewardship Platform	
EnterWorks	EnterWorks Enable 9	Enable Version 9
IBM	InfoSphere MDM	
Informatica	Informatica Master Data Management	
Magnitude Software	Magnitude MDM	10
Pitney Bowes	Spectrum Technology Platform	18.2
Reltio	Reltio Cloud	2018.3
Riversand	Riversand Platform	
SAP	SAP Master Data Governance	SAP Master Data Governance on SAP S/4HANA 1809; SAP Master Data Governance 9.2
Semarchy	Semarchy xDM	4.4
Stibo Systems	Stibo Systems MDM	Release 9.0
TIBCO Software	EBX	5.9.0

Vendor Profiles

Our analysis uncovered the following strengths and weaknesses of individual vendors.

Leaders

› **Informatica provides a modular set of MDM products powered with AI.** Informatica has been a long-time player in the MDM space with multidomain cloud and on-premises offerings. It also provides Customer 360, Supplier 360, and Product 360 (PIM) as prebuilt MDM solutions as well as industry accelerators such as syndication capabilities for GDSN/GS1 for CPG and retailers' exchanges of product information.

Informatica's future product strategy is to include its AI engine, CLAIRE, to simplify MDM integration, provide matching, discover relationships, or automate rules-based data quality. Forrester expects Informatica to tailor its MDM product to the growing midsize market and to

prepare its offering for the IoT with better support for asset data domains. In February 2019, Informatica purchased Allsight, providing out-of-the-box customer insights for customer master intelligence.[2] This will enable it to provide a third-generation MDM product. Informatica declined to participate in our research.

› **Reltio renews the MDM category with modern architecture and advanced features.** Reltio provides a multidomain MDM product in the cloud only, using a multitenant architecture. This allows users to continuously benefit from the latest update and reduces the need to provision the platform. The platform is available today on Amazon Web Services (AWS) and Google Cloud Platform (GCP), with Microsoft Azure on the road map. Reltio uses machine learning, knowledge graph, graph database, auto-optimization of storage, and embedded analytics to provide one of the most versatile MDM products on the market and one of the few ready to evolve into MDM's third generation.

Reltio's strategy is to develop its marketplace for MDM applications and frameworks to get help from third parties to accelerate broader market adoption. Reltio is also focusing on serving more personas with a configurable user interface as well as better performance, reference data management, and data cataloguing. Its customer references appreciate Reltio's ease of use and that the platform adapts very well to the way a company works, not requiring any change management. They regret the difficulty of implementation and the lack of service-support responsiveness.

› **EnterWorks provides MDM for ecosystems in a B2B2C model.** EnterWorks provides a family of products that includes product information management and digital asset management. Its MDM is a truly multidomain, cloud, on-premises, and hybrid platform that provides data modeling, mastering, and distribution.

EnterWorks' offering is particularly effective for harmonizing the distribution of product information within ecosystems thanks to its syndication capabilities. The ever-increasing demand for customers to get more information before buying makes the sharing of information in B2B2C scenarios increasingly critical in industries such as food, CPG, and retail. EnterWorks' support of ecosystems is preparing it for the third generation of MDM. Its product strategy focuses on user personalization, AI, and machine learning. Customer references like the product's ease of use, fast time-to-value, and flexibility. They would appreciate a better user interface, ERP integration, and API services.

Strong Performers

› **Semarchy revolutionizes MDM using modern cloud architecture and agile methods.** Semarchy provides a cloud, on-premises, hybrid, and multicloud solution to simplify MDM adoption. It uses semantic technologies around the SemQL language to interrogate and query any data, including graph data. It also provides technologies like autogeneration of forms to quickly develop applications. All of these technologies enable a new, agile approach to MDM adoption. As an accelerator, Semarchy provides an application supporting the EU's General Data Protection Regulation (GDPR), which includes the right for portability — which is rare on the market.

Semarchy's product strategy is to continue to simplify the user interface, add collaboration capabilities, involve more stewards, and produce meaningful dashboards. Its customer references appreciate the ease of implementation, deployment, and use; the ability to adapt to the organization; and the time to deliver the Semarchy product. They also appreciate Semarchy's high level of direct support to achieve the best levels of success. They would like even more efficiency through data governance automation using machine learning.

› **Pitney Bowes offers functions for customer, enterprise, asset, and location domains.** Pitney Bowes' offering is powered by a graph database and knowledge graphs to dynamically add on-the-fly viewpoints. The vendor's specialty is customer information, location intelligence, and customer engagement in support of digital transformation and risk and compliance initiatives. As a consequence, Pitney Bowes' solution is often used in complement to other MDM multidomain solutions.

Pitney Bowes' short-term strategy is to continue to develop persona-specific MDM apps and to use its advancements in graph visualization and data virtualization to develop differentiators like a visual query builder, community detection, a recommendation engine, and on-the-fly entity data enrichment. Its longer-term strategy is to build MDM apps around customer 360 subjects, AI, and machine learning to enhance MDM automation capabilities. Its customer references appreciate the product's ease of use and the direct support from Pitney Bowes. They would like faster time-to-value.

› **Riversand provides a modern MDM platform.** Built using the latest cloud and big data architectures and best practices, Riversand's offering represents a disruption compared to its previous generation. Its MDM platform is completed by solution applications like product information management, used by its retail and CPG customers. The platform is multidomain, including customers, products, and assets, and it also includes advanced MDM product capabilities with hierarchy management as well as syndication with the Amazon Marketplace and Google Shopping. It provides modeling, business rules, automatic and machine-learning-driven data quality, and workflow-based governance. The platform also provides an interesting context management capability to comply with more complex governance processes, such as regionalized processes or those involving suppliers.

Riversand's strategy is to support business scale by developing apps for its new platform in-house and expanding its market into industries and use cases beyond its usual retail and CPG markets. Customer references appreciate the ease of deployment and multitenancy advantages. They would like an easier migration path from the previous on-premises version.

› **SAP positions MDG as strategic among its broad portfolio of business solutions.** With SAP Master Data Governance, SAP provides a multidomain MDM solution on-premises and in the cloud with quality, stewardship, and governance capabilities. The solution integrates very well with SAP business solutions such as SAP Commerce Cloud, SAP Marketing Cloud, and SAP C4/HANA.

SAP's strategy is to make Master Data Governance and DataHub central to an enterprise's data strategy to gain "information excellence for the intelligent enterprise." SAP's approach from an MDM perspective is to benefit from Data Hub, in-memory HANA, and Information Steward data governance to enhance MDG's MDM capabilities. Customer references appreciate the alignment with the rest of SAP's portfolio solutions and technology strategy (HANA, Cloud, and Information Steward), but they regret the complexity and the need to apply some organizational change management to adapt to the product.

› **Magnitude Software provides a classical on-premises and cloud MDM solution.** Magnitude offers a portfolio of data management components: business information modeling; MDM; product information management; digital asset management; and a dynamic information warehouse. These focus on serving systems of record with quality capabilities (matching, deduplication), plus load and transform capabilities. In addition, Magnitude provides MDM business solutions to serve business users within a single app for multiple regions, multiple countries, and for companies with complex businesses.

Magnitude's product strategy includes developing dashboards, creating a new user interface, and continuing to enhance foundational MDM capabilities like integration. Machine learning, AI, and the IoT are on its longer-term road map. Customer references appreciate the ease of use, ease of implementation, and ease of deployment. They also appreciate Magnitude's customer service.

› **TIBCO Software benefits from its Orchestra purchase to enter modern MDM with EBX.** TIBCO Software is a long-time provider of MDM. It purchased Orchestra Networks in December 2018 and will continue to support its previous MDM offering.[3] EBX will form a complementary piece in TIBCO's portfolio of connected intelligence solutions. EBX is a multidomain MDM, reference data management, and metadata management platform. TIBCO provides modeling, simple integration, data quality, and process-based collaboration. It also offers role-based (stewards, data managers) or subject-based (GDPR, reference data, metadata) perspectives, including personalized dashboards, data models, workflows, and searches.

TIBCO is currently redefining its strategy after the acquisition. EBX customer references like its ease of use, ease of implementation, and ease of deployment. They also like their relationship with the vendor and the fact they share a strong and clear product road map. In future releases, customer references would appreciate more data governance automation using AI and/or machine learning.

Contenders

› **IBM provides Infosphere MDM for enterprises.** IBM's offering is part of its unified governance and integration portfolio. The vendor also launched a new MDM Express in 2018 for midsize companies and departmental use cases, with a free trial version available online. In addition to the usual MDM capabilities, IBM delivered Entity Analytics in 2018 to provide a 360-degree view of customers and products. IBM recognizes the increasingly strategic importance of data — as well as a platform approach to accommodate enterprises' data strategies.

IBM's product strategy is to enhance its capabilities, focusing on ease-of-use from installation to configuration and operation; using machine learning to reduce time-consuming tasks, such as entity maintenance; improving the overall time-to-value; and delivering the latest cloud and managed technologies. Customer references appreciate IBM's support, but they would like better search capabilities, an easier product to use and deploy, and faster time-to-value.

› **BackOffice Associates provides full data governance around MDM capabilities.** Information Governance Cloud, BackOffice Associates' cloud environment, includes data quality and MDM capabilities executed through on-premises or cloud agents (Data Stewardship Platform). It uses several technologies, including a rules engine, knowledge graph, AI, and machine learning, to automate the data governance tasks as well as to determine the business value of improving data quality. BackOffice Associates is often used to complement SAP MDG because it is accelerating ERP consolidations/migrations but its MDM capabilities are broader than this usual use case.

Customer references use Information Governance Cloud to consolidate and/or migrate from multiple ERPs. They appreciate the platform's ease of use and ease of deployment, its visible business value, and its complementarity with SAP Master Data Governance. However, they regret that BackOffice Associates doesn't deliver the full range of MDM capabilities, such as enabling the change of data structures.

› **Stibo Systems offers a multidomain MDM platform.** Stibo Systems' MDM platform provides modeling, profiling, data quality, integration, and data governance capabilities. Stibo Systems uses MDM as a foundation for several dedicated applications, such as customer MDM, product data syndication, product lifecycle management (PLM), and PIM solutions. The vendor is developing specific capabilities to support asset 360, the IoT, and geofencing with capabilities to regroup sensors following multiple dimensions. These will become generally available in 2019.

Stibo Systems' strategy includes an improved user experience, better integration, and faster time-to-value. Customer references like the product's ease of use, deployment, implementation, and adoption. They also appreciate the time-to-value, product flexibility, and vendor support. In the future, customer references would like to see features to automate data governance using AI and machine learning as well as more functionalities for collaboration.

Evaluation Overview

We evaluated vendors against 29 criteria, which we grouped into three high-level categories:

› **Current offering.** Each vendor's position on the vertical axis of the Forrester Wave graphic indicates the strength of its current offering. In addition to usual platform characteristics and implementation accelerators, we evaluated vendors on typical MDM first-generation criteria, such as data quality, matching, compliance, process-based collaboration, and reference data management. To comply with second-generation MDM, we evaluated the customer 360, product 360, hierarchies and graphs,

and dynamic data governance. Finally, for third-generation MDM, we evaluated the vendors' support for IoT data; their ecosystem capabilities; and their capability to provide more data context, manage asset data domain, and automate data governance and data virtualization.

› **Strategy.** Placement on the horizontal axis indicates the strength of the vendors' strategies. We evaluated product strategy, performance in terms of growth and market strategy.

› **Market presence.** Represented by the size of the markers on the graphic, our market presence scores reflect each vendor's revenue and number of customers.

Vendor Inclusion Criteria

Forrester included 12 vendors in the assessment: BackOffice Associates, EnterWorks, IBM, Informatica, Magnitude Software, Pitney Bowes, Reltio, Riversand, SAP, Semarchy, Stibo Systems, and TIBCO Software. Each of these vendors:

› **Supports second-generation MDM features, at minimum.** The functionality included customer 360, product 360, and advanced features like hierarchies and graphs or dynamic data governance.

› **Currently markets MDM products.** Evaluated products were generally available on or before November 23, 2018.

› **Meets minimum revenue requirements.** We chose vendors with a minimum of $20 million in annual revenue for MDM.

› **Has regional and multiple vertical market presence.** We chose vendors having commercial presence in at least two world regions and that serve more than one vertical market.

› **Has mindshare among Forrester's enterprise clients.** Evaluated offerings appear frequently in Forrester client inquiries, shortlists, consulting projects, and/or case studies.

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Supplemental Material

Online Resource

We publish all our Forrester Wave scores and weightings in an Excel file that provides detailed product evaluations and customizable rankings; download this tool by clicking the link at the beginning of this report on Forrester.com. We intend these scores and default weightings to serve only as a starting point and encourage readers to adapt the weightings to fit their individual needs.

The Forrester Wave Methodology

A Forrester Wave is a guide for buyers considering their purchasing options in a technology marketplace. To offer an equitable process for all participants, Forrester follows The Forrester Wave™ Methodology Guide to evaluate participating vendors.

In our review, we conduct primary research to develop a list of vendors to consider for the evaluation. From that initial pool of vendors, we narrow our final list based on the inclusion criteria. We then gather details of product and strategy through a detailed questionnaire, demos/briefings, and customer reference surveys/interviews. We use those inputs, along with the analyst's experience and expertise in the marketplace, to score vendors, using a relative rating system that compares each vendor against the others in the evaluation.

We include the Forrester Wave publishing date (quarter and year) clearly in the title of each Forrester Wave report. We evaluated the vendors participating in this Forrester Wave using materials they provided to us by December 20, 2018, and did not allow additional information after that point. We encourage readers to evaluate how the market and vendor offerings change over time.

In accordance with The Forrester Wave™ Vendor Review Policy, Forrester asks vendors to review our findings prior to publishing to check for accuracy. Vendors marked as nonparticipating vendors in the Forrester Wave graphic met our defined inclusion criteria but declined to participate in or contributed only partially to the evaluation. We score these vendors in accordance with The Forrester Wave™ And The Forrester New Wave™ Nonparticipating And Incomplete Participation Vendor Policy and publish their positioning along with those of the participating vendors.

Integrity Policy

We conduct all our research, including Forrester Wave evaluations, in accordance with the Integrity Policy posted on our website.

Endnotes

[1] See the Forrester report "Now Tech: Master Data Management, Q1 2019."

[2] Source: "Informatica Acquires AllSight, AI-Enabled Customer Insights Startup," Informatica press release, February 28, 2019 (https://www.informatica.com/about-us/news/news-releases/2019/02/20190228-informatica-acquires-allsight-ai-enabled-customer-insights-startup.html).

[3] Source: "TIBCO Announces Acquisition of Master Data Management Leader Orchestra Networks," TIBCO Software press release, December 4, 2018 (https://www.tibco.com/press-releases/2018/tibco-announces-acquisition-master-data-management-leader-orchestra-networks).

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