Total Economic Impact

The Total Economic Impact™ Of The Semarchy Data Platform

Cost Savings And Business Benefits Enabled By Semarchy

A FORRESTER TOTAL ECONOMIC IMPACT STUDY COMMISSIONED BY SEMARCHY, MAY 2025

FORRESTER®

Executive Summary

As data becomes a strategic and competitive differentiator, the demand for accurate, consistent, consolidated, governed, and accessible data has skyrocketed.[1] Organizations can address this demand through master data management (MDM) solutions that harmonize data across multiple domains. Having a unified view of core business data can allow organizations to drive operational efficiencies and elevate customer experiences while supporting their digital transformation journeys.

Semarchy provides MDM and data integration solutions that allow enterprises to deliver business value and scale to meet complexity. Through workflow automations, low-code design, and lightweight architecture, Semarchy allows enterprises to deploy data-rich applications tailored to business needs. The Semarchy Data Platform consists of three modules: DM (Master Data Management), DI (Data Integration), and DG (Data Intelligence).

Semarchy commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Semarchy.[2] The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Semarchy on their organizations.

315%

Return on investment (ROI)

$5.1M

Net present value (NPV)

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed four decision-makers with experience using Semarchy.[3] For the purposes of this study, Forrester aggregated the experiences of the interviewees and combined the results into a single composite organization that is a global, $10 billion dollar that operates both as a B2C and B2B organization. It has 70,000 employees.

Interviewees said that prior to using Semarchy, their organizations lacked a clear, unified MDM strategy. Due to recent M&A activity, many of the organizations remained overwhelmed with duplicative and dispersed data, and they struggled to maintain consistent data management processes across business units and functions. Business users lacked access to real-time data to consult for their day-to-day operations, and homegrown data applications required extensive technical resources for development and maintenance.

Interviewees explained that with Semarchy, their organizations improved data integrity and accelerated time to value for their data projects while data stewards and business users gained efficiencies in their unique workflows and improved collaboration across roles with access to a single source of truth. The interviewees detailed ways in which Semarchy drove business cost savings, surfaced new business opportunities, mitigated business risk, and supported compliance preparedness.

Key Findings

Quantified benefits. Three-year, risk-adjusted present value (PV) quantified benefits for the composite organization include:

- **Data steward workflow efficiencies.** With access to key platform features including a consolidated dashboard, automated enrichment tools, and match-and-merge functionalities, data stewards at the composite organization are up to 60% more efficient in their administrative workflows by Year 3. This allows the composite to repurpose data steward work as additional data projects are built in Semarchy. Over three years, this is worth $819,000 to the composite.
- **Business user workflow efficiencies.** Semarchy provides business users at the composite organization with access to quality, real-time data that is easy to navigate, query, and export. This drives annual efficiencies of 60% for master data-related workflows, and business user adoption increases each year as additional data projects are built in Semarchy. Over three years, this is worth $4.1 million to the composite.
- **Legacy environment cost savings.** By switching from a homegrown data application-based environment to Semarchy, the composite repurposes four software developers and four database architects who were previously responsible for writing code and maintaining storage and integrations manually by Year 3. Over three years, this is worth $1.3 million to the composite.
- **Business cost savings.** The composite engages external suppliers to support its operations. With increased adoption of Semarchy and harmonized master data, the composite gains the ability to better negotiate on its external supplier contracts each year. This drives incremental discount cost savings of up to 3% by Year 3. Over three years, this is worth $461,000 to the composite.

Unquantified benefits. Benefits that provide value for the composite organization but are not quantified for this study include:

- **Accelerated time to value.** Interviewees said Semarchy offers an agile platform for users to take a scaling number of data projects to production quickly in a flexible and adaptive way. In some cases, this equated to more than 20 projects in production at the same time.
- **Data quality improvement.** Semarchy allows data stewards to centralize, de-duplicate, enrich, and improve visibility of master data. Interviewees said this increases overall data integrity, particularly as more data is mastered within the platform over time.
- **Cross-functional collaboration improvement.** Data stewards, business users, and MDM project managers gain the ability to collaborate with one another in new ways given use of a unified and centralized platform.
- **Surfacing of new business opportunities.** In addition to driving business cost savings, improved overall visibility and integrity of data can surface new business growth opportunities and innovations, such as expanded sales and improved customer support.
- **Mitigation of business risk.** Governed master data plays a critical role in automating alerts that help avoid production-related business incidents and risks.
- **Support for compliance preparedness.** By centralizing and mastering key data domains, organizations can better prepare for compliance-related requirements, such as GDPR.
- **Responsive customer support.** Interviewees said Semarchy offers responsive and informed customer support that can meet a team's unique technical needs during initial configuration or ongoing project development.

Costs. Three-year, risk-adjusted PV costs for the composite organization include:

- **Semarchy fees.** The composite pays an annual platform fee, which increases year over year as its MDM use case needs increase. This translates to an increase in Golden Records limit of 100,000 in Year 1 to 5 million in Year 3. For Semarchy, a Golden Record is a single, authoritative, and accurate representation of a data element or subject (e.g.,

a customer, prospect, product, employee, attribute mapping, or supplier) that is derived from various sources and maintained in a centralized repository. These fees also cover core integration needs. Over three years, the composite pays $585,000 to Semarchy.

- **Implementation and ongoing management.** The composite dedicates six resources over the course of six months to initial platform configuration and pays an initial implementation fee of $25,000 to Semarchy. On an ongoing basis, the composite dedicates two resources to continuous development, upgrades, management, and integration work. Over three years, the composite pays $1 million for these costs.

The financial analysis that is based on the interviews found that a composite organization experiences benefits of $6.7 million over three years versus costs of $1.6 million, adding up to a net present value (NPV) of $5.1 million and an ROI of 315%.

Key Statistics

315%

Return on investment (ROI)

$6.7M

Benefits PV

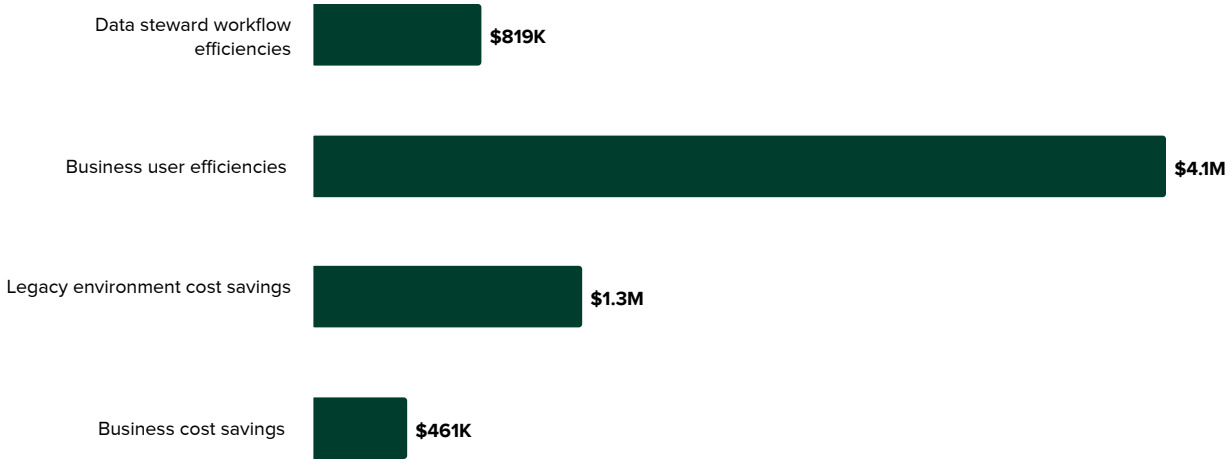
$5.1M

Net present value (NPV)

<6 months

Payback

Benefits (Three-Year)



The Semarchy Data Platform Customer Journey

Drivers leading to the Semarchy investment

Interviews				
Role	**Industry**	**Revenue**	**Details**	**Semarchy Products**
IT project manager	Construction	$2.8B	Operations: North America Employees: 5,000	DM
Enterprise MDM technical lead	Media	$7.9B	Operations: Global Employees: 70,000	DM
Technical lead	Financial services	€26B	Operations: Global Employees: 150,000	DM, DI
Product owner and tech lead	Oil and gas	$195B	Operations: Global Employees: 87,000	DM

Key Challenges

Prior to the investment in Semarchy, the interviewees' organizations managed their data without a clear, unified master data management strategy. Many of the organizations faced recent periods of organizational growth through M&A activity. As a result, different business units would follow their own processes for governing data and setting up workflows, often using homegrown applications and spreadsheets. The interviewees' organizations sought ways to consolidate dispersed data, streamline data application processes, and improve data quality. One interviewee said their organization had prior MDM technology in place, but that it sought a new solution due to performance, maintenance, and license issues.

Interviewees noted how their organizations struggled with common challenges, including:

- **Duplicative and dispersed data from recent M&A activity.** Many interviewees described periods of organizational growth during the last decade. While they said the M&A activity was beneficial to their organizations in some ways, it also led to significant duplication and disorganization of enterprise data. These organizations decided that to effectively drive business impact, they needed to master key domains, like customers and suppliers. The enterprise MDM technical lead at a media organization said: "Over the last 10 years, we've grown dramatically through acquisition. [We've obtained] 100 odd companies small and large. These companies come with a lot of systems. Each has its own CRM, financial systems, or ERP solution. This is a lot of data to consolidate."
- **Lack of real-time data.** Interviewees explained that data stewards at their organizations would clean and govern data on a consistent basis. However, given limitations of data storage systems and integrations, the data was never real-time. This affected business users' ability to drive accurate day-to-day decision-making. The technical lead at a financial services organization provided an example: "[Before using Semarchy,] there was a big data warehouse where, every night, the files that we were generating were injected into a system, which was exposing it to all the systems. Every day at 8 p.m., the claims that were cleaned and administrated by the data stewards during the day were exposed to everyone. But everyone had to look at the picture, which was not moving."

- **Inconsistent data management processes.** Interviewees explained that prior to using Semarchy, each team and department performed data management work in its own preferred way. This decentralized nature of working caused quality and process differences that led to unnecessary complexity, internal frustration across teams, and potential loss of business opportunity. The IT project manager at a construction organization said: "Across the different business units, different applications [and] different processes were getting followed. One of the objectives of using Semarchy DM was to bring it all together [into a] single source of the truth [to have a] single process, data quality, etc."
- **Extensive maintenance required for homegrown applications.** Interviewees explained that their organizations' bespoke data applications required extra developer and support team resources. These technical resources were often split between business units depending on needs and priorities, rather than centralized at the organizational level. It also remained challenging to maintain these systems consistently with inevitable employee turnover. The enterprise MDM technical lead at a media organization put it simply: "If you write a big system that is bespoke and people come and go as they do, that's quite a burden overhead."

> *"We were lacking a more agile platform for data management. [With our legacy systems,] we couldn't develop as rapidly without impacting other areas in the organization. Semarchy fills that niche for us."*
>
> **Product owner and tech lead, oil and gas**

Investment Objectives

The interviewees searched for a solution that could:

- Provide a single source of truth for enterprise data.
- Improve data quality and governance.
- Streamline legacy data workflows.
- Meet and align with business unit objectives.

> *"Semarchy is very adaptable. You can shape it the way you want. It doesn't push you down a certain path. That's one of the advantages of using DM."*
>
> **IT project manager, construction**

Business Case Evaluation

Why Semarchy?

After a request for proposal (RFP) and business case process evaluating multiple vendors, the interviewees' organizations chose Semarchy and began deployment. Interviewees explained that their organizations chose Semarchy because of the following platform features:

- Platform agility
- Intuitive user interface
- Ability to show early business value
- Automated enrichment tools
- Match-and-merge capabilities

The IT project manager at a construction organization said: "We looked at five different vendors. We provided datasets and asked for a demo. We did a technical evaluation. On our scorecard, we had a questionnaire, business requirements, technical integration requirements, product support, qualifications, and references. We looked at various data authoring, match-and-merge capabilities, data quality governance, visualization and reporting, enrichment, profiling, and workflow management. For the business feedback, this included attractiveness, intuitiveness, efficiency and speed, dependability, and novelty. Based upon multiple criteria, Semarchy came out on top."

The enterprise MDM technical lead at a media organization said: "Semarchy was purchased because it has a nice user interface, it was very cost-effective compared to the other suppliers, and it was fairly easy to deploy. My initial job was to show that it could be deployed quickly. ... We were able to sell it internally quite easily because when you see your own data in a platform, people really listen. You can show from an MDM system and the match-and-merge facility how data can be consolidated and matched together and how you can get a unique record for client information."

The same interviewee continued: "MDM is something you have to sell internally. We were able to do that quite successfully. We had a methodology, which was primarily getting stakeholders' data and showing what Semarchy could do. That took off the ground fairly quickly, and that's when we got the further funding for hiring more people."

> *"In a large, dynamic organization with quick growth through multiple acquisitions, you need to constantly sell new stakeholders on MDM. They're used to operating in their own way of working. It's much harder to force people. It's much easier if you get them to see the benefits of what they're doing."*
>
> **Enterprise MDM technical lead, media**

Composite Organization

Based on the interviews, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the interviewees'

organizations, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

- **Description of composite.** The global, $10 billion dollar composite operates both as a B2C and B2B organization and has 70,000 employees.
- **Deployment characteristics.** A team of six resources (a combination of developers, data stewards, business analysts, and MDM project managers) work on configuring the platform over a period of six months to reach a production state. The composite organization begins mastering one domain in Year 1 and mastering additional domains in years 2 and 3. In total, the composite has 5 million Golden Records in Semarchy by Year 3.

KEY ASSUMPTIONS

- $10B revenue
- 70,000 employees
- Global operations
- B2B and B2C

Analysis Of Benefits

Quantified benefit data as applied to the composite

Total Benefits						
Ref.	**Benefit**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Atr	Data steward workflow efficiencies	$135,000	$351,000	$540,000	$1,026,000	$818,520
Btr	Business user efficiencies	$855,360	$1,710,720	$2,566,080	$5,132,160	$4,119,352
Ctr	Legacy environment cost savings	$207,000	$621,000	$828,000	$1,656,000	$1,323,494
Dtr	Business cost savings	$95,625	$191,250	$286,875	$573,750	$460,523
	Total benefits (risk-adjusted)	$1,292,985	$2,873,970	$4,220,955	$8,387,910	$6,721,889

Data Steward Workflow Efficiencies

Evidence and data. Forrester research states: "The role of the data steward is evolving rapidly to keep pace with the expanding responsibilities of data organizations. Firms are consuming and purchasing more data for analytics and AI while trying to keep pace with the increase and change in regulations in many areas."[4]

Interviewees explained that data stewards are responsible for routinely administering their organization's master data. This includes aggregating, cleaning, matching, and forming Golden Records to publish for business users to consult directly and to populate into other downstream systems. Interviewees said that with Semarchy, the data stewards gained efficiencies in their workflows while the platform's match-and-merge functionalities, enrichment tools, and dashboard views automated and optimized much of their old processes. Additionally, some interviewees said their organization was able to create a centralized MDM team and gain better control of project resource allocation.

- The enterprise MDM technical lead at a media organization said: "We moved from two or three different systems with poor quality and that weren't coordinated to one system where the quality is good and everything is connected. This leads to a big improvement in workflow."
- The IT project manager at a construction organization said: "We have a number of rules in place for match and merging. If the acceptance criteria is over 80% or 90%, then it'll automatically merge. We've been able to automate a lot of this process for data stewards."
- The same interviewee said, "[Having] a centralized MDM team rather than decentralized teams processing requests leads to a more automated and efficient system."
- The product owner and tech lead at the oil and gas organization said: "With the automation that you can build into Semarchy, it definitely enables a better-quality Golden Record via enrichment, which is then distributed back out to the different core systems."

Modeling and assumptions. For the financial analysis as applied to the composite organization, Forrester assumes:

- The composite develops one data management project in Semarchy in Year 1, two by Year 2, and three by Year 3.

- The number of data stewards dedicated to data projects in the prior environment increases each year, with three dedicated in Year 1 and 10 dedicated by Year 3.
- With Semarchy, 50% of data steward work is repurposed in Year 1, 55% is repurposed in Year 2, and 60% is repurposed in Year 3.
- The fully burdened annual salary for a data steward is $100,000.

Risks. The cost of this benefit may vary among organizations depending on:

- The number of data management projects developed in Semarchy.
- The number of data stewards dedicated to data management project work.
- The salaries of data stewards.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $819,000.

60%

Data steward work repurposed with Semarchy

> *"Before Semarchy, spreadsheets would go flying. Now, we have a stable platform to enter, enrich, and validate the data. We have a wonderful system of checks and balances with the data with five levels of governance approval."*
>
> **Enterprise MDM technical lead, media**

Data Steward Workflow Efficiencies					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
A1	Data management projects developed in Semarchy	Composite	1	2	3
A2	Data steward FTEs dedicated in prior environment	Composite	3	7	10
A3	Percent of data steward work repurposed with Semarchy	Interviews	50%	55%	60%
A4	Data steward FTEs repurposed	A2*A3	1.5	3.9	6.0
A5	Data steward FTEs dedicated with Semarchy	A2-A4	1.5	3.1	4.0
A6	Fully burdened annual salary for a data steward	Composite	$100,000	$100,000	$100,000
At	Data steward workflow efficiencies	A4*A6	$150,000	$390,000	$600,000
	Risk adjustment	↓10%			
Atr	Data steward workflow efficiencies (risk-adjusted)		$135,000	$351,000	$540,000
	Three-year total: $1,026,000			**Three-year present value: $818,520**	

Business User Efficiencies

Evidence and data. Forrester research states business users need consolidated and reliable MDM data to "gain insights, optimize operations, ensure compliance, and deliver top-class customer experience."[5] Interviewees explained that their organizations' master ongoing data management projects inform operations, decision-making, and analysis for a wide range of business units – from finance and sales to field operations and customer experience. Interviewees said Semarchy provided business users with a platform containing real-time data that was easy to navigate, query, and export data from, which created efficiencies and improved data visibility for business users. Interviewees also explained that business user adoption increased year-over-year as business stakeholders aligned with their technical teams to intentionally create use cases together within the platform.

- The product owner and tech lead at an oil and gas organization said: "There are time savings for some of the ongoing projects. For example, [before] the well-integrity specialist would have to spend time pulling the datasets together to have a common model that works off the same master data. Now, with more automated reporting, they can set up more thresholds than they could have in the old systems. They're pulling in more data where they could be [automatically] notified of, 'Here's an area that needs to be checked.'"
- The enterprise MDM technical lead said, "The business has been surprised with what you can do with master data generally, so the use cases have grown over time."
- The technical lead at a financial services organization said: "Semarchy's choice of conception and design makes the comprehension of the tools faster for the users. There is less adaptation time. And, before, the export of data was pretty limited. Now, they can export data much easier because it's a native feature in the platform."
- The same interviewee said: "Users now consume the data directly from the API. There are some systems that have databases, but you can't exploit it because the names of the fields are not the same, like a black box. In Semarchy, the database is clear and is usable by humans. It's pretty representative of the data model in the database behind. The system's interoperability is easier now. … Additionally, you are reading the system in real time. Before, you had to wait 24 hours."
- The IT project manager at a construction organization said: "We had input 60,000 records and then, once we merged, we were down to 20,000 organizations. This helps any kind of Power BI analysis of the vendors that we have. If you're trying to assess what our spend is with certain vendors, now we can actually see who are all the vendors associated with a certain organization."
- The same interviewee said: "One KPI was getting every business user that accesses vendors to go through xDM. We're 100% adopted now. All the requests are coming in, and people are understanding what it is."

> *"We decided to keep the development very close to the business rather than it being a centralized IT sort of thing. This allowed what we created to meet their needs."*
>
> **Product owner and tech lead, oil and gas**

Modeling and assumptions. For the financial analysis as applied to the composite organization, Forrester assumes:

- The composite develops one data management project in Semarchy in Year 1, two by Year 2, and three by Year 3.
- For each data management project, 1,500 business users consult the master data for day-to-day operations.
- On average, each business user dedicates 48 hours annually to consulting the data. With Semarchy, business users

gain 60% efficiency in these tasks.

- The average fully burdened annual salary for a business user is $92,000 ($44 per hour).
- The composite recaptures 50% of this work for productive activities.

Risks. The cost of this benefit may vary among organizations depending on:

- The number of data management projects developed in Semarchy.
- The number of business users who consult master data and the extent to which they consult master data for their daily tasks.
- The salaries of business users.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $4.1 million.

60%

Efficiencies for business users consulting master data

Business User Efficiencies					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
B1	Data management projects developed in Semarchy	A1	1	2	3
B2	Business users who consult master data for day-to-day operations	Composite	1,500	3,000	4,500
B3	Average time dedicated per business user to consulting master data in prior environment (hours)	Interviews	48	48	48
B4	Efficiencies with Semarchy	Interviews	60%	60%	60%
B5	Fully burdened annual hourly salary for a business user	Composite	$44	$44	$44
B6	Productivity recapture	TEI methodology	50%	50%	50%
Bt	Business user efficiencies	B2*B3*B4*B5*B6	$950,400	$1,900,800	$2,851,200
	Risk adjustment	↓10%			
Btr	Business user efficiencies (risk-adjusted)		$855,360	$1,710,720	$2,566,080
	Three-year total: $5,132,160		**Three-year present value: $4,119,352**		

Legacy Environment Cost Savings

Evidence and data. Interviewees explained that their organizations used a combination of spreadsheets, homegrown data applications, and certain functionalities of existing business applications to store and govern existing data prior to using Semarchy. They said that despite some methods and systems in place, their organizations did not handle nor govern their master data rigorously. Interviewees from organizations with bespoke, homegrown applications explained that the transition to Semarchy allowed them to repurpose technical resources (e.g., software developers and

database architects who were previously responsible for writing code and maintaining storage and integration aspects of their data applications manually).

- The product owner and tech lead at an oil and gas organization said: "While there is a ramp-up to be able to develop within Semarchy, it's a no-code or low-code solution. This means that you don't have to necessarily have a dedicated developer. You just have to have somebody who wants to take the time to learn it. There's a lot of time-saving, beneficial tools that you do your modeling within it. It automates a lot of steps and [creates] documentation [and] APIs for you automatically. I think those are all features that greatly speed along the development."
- The enterprise MDM technical lead at a media organization said: "There was a clear saving of technical resources who were no longer needed to maintain the bespoke applications. Now, it is centralized and developed by Semarchy."

Modeling and assumptions. For the financial analysis as applied to the composite organization, Forrester assumes:

- The composite develops one data management project in Semarchy in Year 1, two in Year 2, and three in Year 3.
- In Year 1, the composite repurposes one software developer and one database architect. This number increases to two in Year 2 and to three in Year 3.
- The fully burdened annual salary for a software developer is $130,000.
- The fully burdened annual salary for a database architect is $100,000.

Risks. The cost of this benefit may vary among organizations depending on:

- The number of data management projects developed in Semarchy.
- The extent to which software developers and database architects are needed to maintain data projects in the prior environment.
- The salaries of software developers and database architects.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $1.3 million.

Legacy Environment Cost Savings					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
C1	Data management projects developed in Semarchy	A1	1	2	3
C2	Software developer FTEs repurposed with Semarchy	Interviews	1	3	4
C3	Database architect FTEs repurposed with Semarchy	Interviews	1	3	4
C4	Burdened annual salary for a software developer	Composite	$130,000	$130,000	$130,000
C5	Burdened annual salary for a database architect	Composite	$100,000	$100,000	$100,000
Ct	Legacy environment cost savings	(C2*C4)+(C3*C5)	$230,000	$690,000	$920,000
	Risk adjustment	↓10%			
Ctr	Legacy environment cost savings (risk-adjusted)		$207,000	$621,000	$828,000
	Three-year total: $1,656,000			**Three-year present value: $1,323,494**	

Business Cost Savings

Evidence and data. Aside from prior environment cost savings, interviewees also explained that their organizations tracked ongoing business cost saving metrics. The IT project manager at a construction organization detailed an example specific to their company's external supplier relationships. They said that through increased business-user adoption of Semarchy and harmonized master data, their organization assessed how the number of discounts applied to new external supplier contracts increased with improved decision-making. The interviewee explained: "Getting value from repeat business by using certain preferred vendors is a metric that is slowly improving, as well. One goal is to reduce the number of vendors in order to consolidate and use the preferred vendors for various financial benefits of working as a partnership."

Modeling and assumptions. For the financial analysis as applied to the composite organization, Forrester assumes:

- The composite's annual revenue is $10 billion.
- The composite interacts with external suppliers, and the total external supplier contract value is 45% of the annual revenue.
- The composite receives a 0.5% discount if it sources vendors from preferred vendors list.
- In the prior environment, the composite filled 50% of its external supplier contracts with preferred vendors to attain the discount.
- With Semarchy, the composite increases the number of contracts that earn discounts each year.

Risks. The cost of this benefit may vary among organizations depending on:

- The organization's annual revenue.
- The extent to which the organization uses external suppliers.
- The ability to negotiate discounts with vendors.
- The extent to which discounts were earned in the prior environment.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $461,000.

Business Cost Savings					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
D1	Revenue	Composite	$10,000,000,000	$10,000,000,000	$10,000,000,000
D2	External supplier contracts as percentage of revenue	Composite	45%	45%	45%
D3	Total external supplier contract value	D1*D2	$4,500,000,000	$4,500,000,000	$4,500,000,000
D4	Discount applied if preferred vendor fills contract	Interviews	0.50%	0.50%	0.50%
D5	Percent of contracts filled by preferred vendors in prior environment	Composite	50%	50%	50%
D6	Cost savings on external supplier contracts in prior environment	D3*D4*D5	$11,250,000	$11,250,000	$11,250,000
D7	Incremental increase in cost savings with Semarchy	Composite	1%	2%	3%
D8	Additional cost savings with Semarchy	D6*D7	$112,500	$225,000	$337,500
Dt	Business cost savings	D8	$112,500	$225,000	$337,500
	Risk adjustment	↓15%			
Dtr	Business cost savings (risk-adjusted)		$95,625	$191,250	$286,875
	Three-year total: $573,750			**Three-year present value: $460,523**	

Unquantified Benefits

Interviewees mentioned the following additional benefits that their organizations experienced but were not able to quantify:

- **Accelerated time to value.** Interviewees said Semarchy offers an agile platform for users to take data projects to production quickly in a flexible and adaptive way. The enterprise MDM technical lead at a media organization said, “The technology has held up very strongly for us with all of our users, projects, and environments.”
- **Data quality improvement.** Interviewees explained that through centralization, de-duplication, enrichment, and overall increased visibility, data integrity improves. The IT project manager at a construction organization said: “We inputted 60,000 records and, once we merged, we were down to 20,000. That is part of the [improved] quality: understanding where we have duplication or multiple records of a single organization. We can now visualize all the records.”

  The enterprise MDM technical lead at a media organization said: “Reference data can be anything from a list of brands or legal entity companies that they could sit in within your workplace system, your CRM system, financial systems, etc. We can store it centrally, govern it centrally, and then propagate that data. We’re able to improve the overall integrity of all the reference data we have.”
- **Cross-functional collaboration improvement.** Through centralized and optimized processes, data stewards, business users and project managers gain the ability to collaborate with one another in new ways on a unified platform. 1The IT project manager at a construction organization said: “It’s almost given a handrail to the business for data quality and processes when it comes to vendors for us. That’s allowed us to really run in the same direction.”

- **Surfacing of new business opportunities.** Aside from business cost savings, master data management projects influence areas of innovation and growth, including expanded sales and better customer support. As an example, the product owner and tech lead said: "[Semarchy] has driven some innovation within our systems as far as some of the end-user-facing applications for fuel sales that they've created, [such as] a portal that allows a customer to pull up a full list of everywhere that we sell fuel and to be able to initiate the order process."
- **Mitigation of business risk.** Interviewees said having high-quality, governed master data plays a critical role in automating alerts that help avoid production-related business incidents. The product owner and tech lead at an oil and gas organization said: "[Semarchy provides] a very major risk mitigation where multibillions of dollars can be [avoided] if something catastrophic happens to one of our systems. There are multiple layers to check along the way [to avoid an incident], but the more quality information that we can put [users'] hands on early in the process, then the better the ability to head off potential issues."
- **Support for compliance preparedness.** Forrester research states: "With clear data lineage, real-time observability, and advanced reporting functions, organizations can mitigate and manage operational risks from data breaches, inaccuracies, and non-compliance."[6] As an example, the enterprise MDM technical lead at a media company shared: "We're looking at retention policies now because we have more data. For GDPR, for example, we can centralize these initiatives internally by having master data. We couldn't do this so easily before."
- **Responsive customer support.** Interviewees explained that Semarchy's support team meets their organizations' needs for additional help, whether that be during initial configuration or ongoing development. The product owner and tech lead at an oil and gas organization said: "From the beginning, we've had a Friday drop-in session with one of their best technical experts where users could show up and ask questions. The whole community of people could learn from each other [during] a one-hour per week Friday session as well as [have] some ability to book time with [the support team] for individual work to go a bit deeper. That was very useful, especially in the first year or two."

> *"The agility [of the platform] is one of its pluses. You can rapidly develop within it and take things to production. We were looking for a lightweight agile master data management solution, and that's where Semarchy has definitely fit the bill and provided what we needed."*
>
> **Product owner and tech lead, oil and gas**

> *"The support team is the best part of Semarchy. They respond to a problem in less than 24 hours. Most of the time, they unlock the situation pretty quickly. When we have some things that really block us, they publish a fixed patch pretty quickly."*
>
> **Technical lead, financial services**

Flexibility

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Semarchy and later realize additional uses and business opportunities, including:

- **Exploring how MDM can enrich AI initiatives.** Interviewees commented on different ways their organizations may use Semarchy to enrich and enable AI models. The technical lead at a financial services organization said: "We have an implementation of our AI internally, and they are publishing the API soon. I might try to plug it with Semarchy to add some enrichment. We'll see when it's live if we can make some use case to improve the quality of life of the data stewards."
- **Defining additional domains to master.** Each interviewee's organization was on a unique path of choosing which domains to focus on as part of its continued development. The enterprise MDM technical lead at the media organization said: "We have a big roadmap ahead [in] 2025. [We are] looking at the financial dimensions of the business in a bit more detail. We have a lot of subsidiaries. The next big project for 2026 will be the list of suppliers. As a media company, we engage a lot of advertising, billboard, and digital marketing companies."

> *"We look to add more users in the coming years. The more we can utilize DM, the more it allows for process improvements and increased adoption."*
>
> **IT project manager, construction**

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in Total Economic Impact Approach).

Analysis Of Costs

Quantified cost data as applied to the composite

Total Costs							
Ref.	**Cost**	**Initial**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Etr	Semarchy platform subscription fees	$0	$105,000	$210,000	$420,000	$735,000	$584,560
Ftr	Implementation and ongoing management	$406,987	$253,000	$253,000	$253,000	$1,165,987	$1,036,160
	Total costs (risk-adjusted)	$406,987	$358,000	$463,000	$673,000	$1,900,987	$1,620,720

Semarchy Platform Subscription Fees

Evidence and data. Interviewees said their organizations pay ongoing subscription fees based on their Golden Records limits and which Semarchy modules are deployed. There is no definitive industry standard for evaluating Golden Records as it varies by use case, domain, and the number of source/target systems, etc. Because of this, each organization has customized pricing tied to its licensed Golden Record limit without any other constraints. Interviewees said the platform subscription fees are not limited to the number of domains, use cases, users, data sources, attributes, etc. Pricing may vary. Contact Semarchy for additional details.

Modeling and assumptions. For the financial analysis as applied to the composite organization, Forrester assumes:

- The composite pays a platform fee that increases year over year as the number of MDM use case needs increases.
- This translates to an increase in Golden Records limit of 100,000 in Year 1 to 5 million in Year 3. It also covers core integration needs.
- The composite pays $100,000 in Year 1, $200,000 in Year 2, and $400,000 in Year 3.

Risks. This cost may vary among organizations depending on:

- The Golden Record limit each year.
- Integration needs for the organization's specific MDM use cases.
- The organization's data catalog and quality monitoring needs with the DG module.
- Any negotiated discounts.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $585,000.

Semarchy Platform Subscription Fees						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
E1	Semarchy platform subscription fees	Semarchy	$0	$100,000	$200,000	$400,000
Et	Semarchy platform subscription fees	E1	$0	$100,000	$200,000	$400,000
	Risk adjustment	↑5%				
Etr	Semarchy platform subscription fees (risk-adjusted)		$0	$105,000	$210,000	$420,000
	Three-year total: $735,000			**Three-year present value: $584,560**		

Implementation And Ongoing Management

Evidence and data. Interviewees said Semarchy first performed a quick proof of value (POV) to demonstrate initial value for their organizations and that the POV was typically two to four weeks. They said to set up their organization's first application in a production environment, they had to integrate their data sources, define their data dictionaries and conceptual data models, and work with business stakeholders to understand the requirements. On an ongoing basis, the organizations had teams continue to maintain and develop new applications, train additional users, and optimize workflows. These teams included developers, data stewards, business analysts, MDM project managers, and testers.

The enterprise MDM technical lead at a media organization said: "We were able to show prototypes of some of the apps quickly. Then, we had our first small app running in a live production environment in a few months and, subsequently, we had a lot of work over the next three years as the systems got bigger and more users were trained in Semarchy."

> *"The most important investment when you use Semarchy DM or DI is the database. The more powerful the database is, the more efficient the system is. Semarchy DI and DM both use the same philosophy of using and exploiting the database resources."*
>
> **Technical lead, financial services**

Modeling and assumptions. For the financial analysis as applied to the composite organization, Forrester assumes:

- The composite pays an initial implementation fee of $25,000.
- The composite dedicates six months and six resources to configure Semarchy.
- On an ongoing basis, the composite dedicates two resources to performance adjustments, quality fixes, optimization in the database, and meetings with Semarchy.
- The blended fully burdened annual salary for a resource involved in implementation and ongoing optimization is $115,000.

Risks. This cost may vary among organizations depending on:

- The initial configuration period and number of resources required.

- Employees' annual salaries.
- Whether or not the organization pays an implementation fee to Semarchy.
- Whether or not the organization purchases ongoing professional services and/or ad hoc consulting hours for new and existing data management projects.

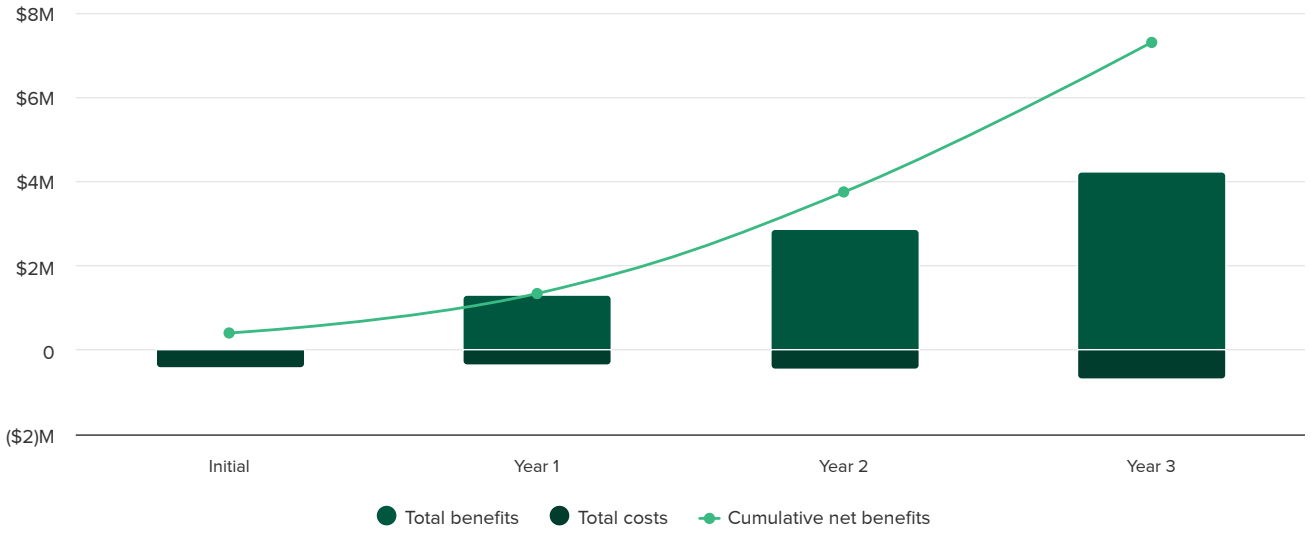
Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $1 million.

Implementation And Ongoing Management						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
F1	Implementation fee to Semarchy	Semarchy	$25,000			
F2	Time for master data project production (months)	Interviews	6			
F3	FTE resources involved in implementation	Interviews	6			
F4	Blended monthly burdened salary for resources involved in implementation	Composite	$9,583			
F5	**Subtotal: Implementation costs**	**F1+ (F2*F3*F4)**	**$369,988**			
F6	FTE resources dedicated to ongoing data management and integration	Composite	0	2	2	2
F7	Blended annual salary for resources dedicated to data management and integration	Composite	$0	$115,000	$115,000	$115,000
F8	**Subtotal: Ongoing costs**	**F6*F7**	**$0**	**$230,000**	**$230,000**	**$230,000**
Ft	Implementation and ongoing management	F5+F8	$369,988	$230,000	$230,000	$230,000
	Risk adjustment	↑10%				
Ftr	Implementation and ongoing management (risk-adjusted)		$406,987	$253,000	$253,000	$253,000
	Three-year total: $1,165,987			**Three-year present value: $1,036,160**		

Financial Summary

Consolidated Three-Year, Risk-Adjusted Metrics

Cash Flow Chart (Risk-Adjusted)



Cash Flow Analysis (Risk-Adjusted)						
	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	($406,987)	($358,000)	($463,000)	($673,000)	($1,900,987)	($1,620,720)
Total benefits	$0	$1,292,985	$2,873,970	$4,220,955	$8,387,910	$6,721,889
Net benefits	($406,987)	$934,985	$2,410,970	$3,547,955	$6,486,923	$5,101,169
ROI						315%
Payback						<6 months

Please Note

The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.

TEI Framework And Methodology

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment in Semarchy.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that Semarchy can have on an organization.

Due Diligence

Interviewed Semarchy stakeholders and Forrester analysts to gather data relative to Semarchy.

Interviews

Interviewed four decision-makers at organizations using Semarchy to obtain data about costs, benefits, and risks.

Composite Organization

Designed a composite organization based on characteristics of the interviewees' organizations.

Financial Model Framework

Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.

Case Study

Employed four fundamental elements of TEI in modeling the investment impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

Glossary

Total Economic Impact Approach

Benefits

Benefits represent the value the solution delivers to the business. The TEI methodology places equal weight on the measure of benefits and costs, allowing for a full examination of the solution's effect on the entire organization.

Costs

Costs comprise all expenses necessary to deliver the proposed value, or benefits, of the solution. The methodology captures implementation and ongoing costs associated with the solution.

Flexibility

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. The ability to capture that benefit has a PV that can be estimated.

Risks

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

Financial Terminology

Present value (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.

Net present value (NPV)

The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made unless other projects have higher NPVs.

Return on investment (ROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.

Discount rate

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.

Payback

The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

Appendixes

APPENDIX A

Total Economic Impact

Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists solution providers in communicating their value proposition to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of business and technology initiatives to both senior management and other key stakeholders.

APPENDIX B

Supplemental Material

Related Forrester Research

Invisible Experience Competency: Master Data Management, Forrester Research, Inc., January 2, 2024.

APPENDIX C

Endnotes

[1] Source: The Master Data Management Solutions Landscape, Q1 2025, Forrester Research, Inc., January 13, 2025.

[2] Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists solution providers in communicating their value proposition to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of business and technology initiatives to both senior management and other key stakeholders.

[3] Note: At the time of interviews, none of the interviewees' organizations had deployed the DG module.

[4] Role Profile: Data Steward, Forrester Research, Inc., August 15, 2022.

[5] Source: Advancements In MDM Solutions Mean Data Harmony And Future-Ready Insights, Forrester Research, Inc. December 11, 2023.

[6] Source: The Master Data Management Solutions Landscape, Q1 2025, Forrester Research, Inc., January 13, 2025.

Disclosures

Readers should be aware of the following:

This study is commissioned by Semarchy and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the study to determine the appropriateness of an investment in Semarchy. For any interactive functionality, the intent is for the questions to solicit inputs specific to a prospect's business. Forrester believes that this analysis is representative of what companies may achieve with Semarchy based on the inputs provided and any assumptions made. Forrester does not endorse Semarchy or its offerings. Although great care has been taken to ensure the accuracy and completeness of this model, Semarchy and Forrester Research are unable to accept any legal responsibility for any actions taken on the basis of the information contained herein. The interactive tool is provided 'AS IS,' and Forrester and Semarchy make no warranties of any kind.

Semarchy reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

Semarchy provided the customer names for the interviews but did not participate in the interviews.

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