The Business Value of Semarchy

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Executive Summary

Master data management (MDM) is a necessary capability in today's modern data environments, which are highly distributed, diverse, and dynamic, resulting in complexity and confusion. MDM can help control critical data entities within an organization, such as data about people, partners, products or things, places, and assets, to reduce complexity and increase clarity. Unfortunately, MDM projects are often perceived as large, complex, and costly endeavors that take a long time to realize value and demonstrate a return on investment. Perception can become a reality depending on the effectiveness of the project team and the capabilities of the core MDM software technology. This document describes the experiences of organizations that deployed the Semarchy MDM solution, an innovative MDM technology that contradicts this perception. Semarchy promotes a different approach from other MDM technologies and delivers value through efficiency and productivity gains, providing decision-makers with timely information, improved accuracy, and better support in business operations and customer experiences.

IDC conducted research that explored the value and benefits for organizations using the Semarchy MDM solution to more effectively manage, blend, and analyze data.

IDC found that Semarchy provided significant benefits to interviewed organizations by:

- Improving the efficiency of data engineering teams and increasing the productivity of data analysts through better data governance, integration, and mastering

- Enabling better strategic and data-backed decision-making by decreasing organizational silos, creating a golden record of data, and enforcing data standards and quality across the organization

Situation Overview

The journey to become a data-driven organization is fraught with challenges, primarily due to modern data environments' highly distributed, diverse, and dynamic nature. MDM is a pivotal discipline for gaining control over this complexity, emphasizing the importance of managing data about the entities most crucial to an organization. Every business event (transaction, interaction, shipment, and receipt) has some relationship to people, partners, products or things, places, or assets. Modern hybrid and multicloud environments make it difficult for organizations to have a unified view of their data due to fragmentation.

MDM provides a centralized hub where data from disparate sources can be collected, integrated, harmonized, and made accessible consistently, enabling better analytics, reporting, and insight generation.

Despite the recognized importance of MDM, its implementation is often seen as complicated, requiring significant investments. Data complexity, quality, governance, security, privacy, and compliance requirements across hybrid and multicloud environments, coupled with organizational silos, cultural resistance, and resource constraints, can make MDM implementations difficult. A modern MDM solution must leverage technology and process innovations to accelerate implementation and achieve faster time to value, break down silos, and promote adoption through ease of use and integration into existing work routines. Solutions should be adaptable, avoid one-size-fits-all templates, and foster business engagement from the outset. Focusing on clear data definitions and adopting flexible work methods can accelerate implementation and enhance accountability throughout the business.

Semarchy has addressed these challenges, offering rapid, tailored data management solutions through its MDM (xDM), data intelligence (xDG), and data integration (xDI) products. Semarchy offers no-code/low-code design and promotes using a bottom-up implementation strategy, enabling organizations to achieve rapid time to value in data management initiatives. Semarchy solutions focus on harmonizing data management processes and unifying data to derive actionable insights, enhance decision-making, and drive business value effectively.

Semarchy MDM Solution Overview

Semarchy has over a decade of experience in rapidly delivering tailored data management solutions in as little as 16 weeks for clients of all industries, sizes, domains, and use cases. Semarchy's MDM product is xDM, and, together with the xDG and xDI integration products, customers can handle critical data challenges such as integration, discovery, enrichment, management, governance, and reporting across any domain.

As an innovative data management solution, Semarchy technology is agile, flexible, and adaptable to the client's data domain and industry. These characteristics were evident in the experiences that the organizations interviewed in this research study reported, representing four different verticals and each mastering different data domains.

Participants have reported that the Semarchy implementation and support teams prioritize understanding each customer's unique goals. They also mention platform flexibility, a reduction in the number of data and organizational silos, and the teams' efforts to work with customers in building solutions to meet their goals. This is evidence that Semarchy understands that technology is only part of the solution and that getting technical and business stakeholders engaged using specifically designed solutions is the key to success.

As the name suggests, data semantics is a big part of the Semarchy solution in unlocking data value and easing the burden of data management. Semantics puts data into the business language and the context of the real world. Semantics relates to the underlying concepts and relationships that the data represents, as opposed to the actual values of the data or the technical schema definitions associated with the data. Semantics is also key to data transformation, integration, quality management, and preparation for use in analytics, operations, and decision-making. Organizations that benefit from semantics see its value within everyday processes that leverage data in the business, which is evident in the benefits that respondents in this study reported.

The Business Value of Semarchy

Study Firmographics

IDC conducted in-depth interviews that explored the value and benefits organizations achieved in deploying and using the Semarchy MDM solution. In total, four organizations were interviewed that knew the benefits achieved from using the MDM solution. IDC asked participating organizations various qualitative and quantitative questions about the impact of Semarchy on their staff and overall business operations.

Table 1 (next page) showcases the firmographics of the study participants. As shown, there were a variety of enterprise-sized organizations, with an average of 27,250 employees and $55.3 billion in annual revenue. Most of those interviewed were in the United States (3). Study participants represented the beverage, manufacturing, utilities, and technology verticals.

TABLE 1

Firmographics of Interviewed Organizations

	Average	Median	Range
Number of employees	27,250	8,250	4,500–88,000
Annual revenue	$55.3B	$4.0B	$3.0B–$210.0B
Countries	United States (3), United Kingdom		
Industries	Beverage, manufacturing, utilities, technology		

n = 4; Source: IDC Business Value In-Depth Interviews, June 2024

The Choice and Use of Semarchy

The interviewed organizations had various goals and criteria when they selected Semarchy to master data and create golden records. Before deployment, they faced the challenge of data residing in various platforms, applications, and locations. Interview participants recognized the value of gaining control and reconciling their data to better serve their organization and customers. Importantly, Semarchy appealed to those interviewed because it was easy to use, agile, flexible, and suitably priced.

Study participants elaborated on their selection of Semarchy below:

Business challenges from lack of MDM:
"My organization purchased Semarchy because we didn't have MDM and had business challenges because of this. We purchase a lot of data from third parties because we lose visibility of our products once they leave the door. Bringing this data together from different places requires reconciliation. Add in 40–50 countries and it becomes daunting to marry all the data up."

Usability and price:
"My organization selected Semarchy because it was simple enough to be useful, was solid enough to make sense, and had a suitable price."

Better data organization:

"My organization was in the process of moving one of our legacy customer incident management systems, a 30-year-old system, to the cloud. This presented us with an opportunity to organize our customer data better. It was important for us to make sure that all the information we have that is public facing is clean and that our users have a good experience. As a part of that initiative, we evaluated multiple platforms. We chose Semarchy because it met our budget and flexibility requirements and had the best features that matched our needs."

Platform agility:

"My organization wanted a more agile data management platform than we had. We selected Semarchy because it would enable us to develop rapidly and make changes in it."

Data governance:

"My organization did not have a handle on data governance before Semarchy. This tool has helped us set up the process and workflow and show data quality issues easily. It has helped us with our governance initiative to better govern customer data."

Table 2 illustrates the organizational usage of Semarchy for study participants at the time of their interview. As shown, the interviewed organizations used Semarchy to master data, on average, in 28 applications and nine databases. Semarchy reconciled a total of 46 data sources.

The following table provides additional usage metrics:

TABLE 2

Semarchy Usage

	Average	Median
Number of sites	52	50
Number of business/analytics applications	28	21
Number of databases	9	2
Number of total sources of data (estimated) for Semarchy	46	39

n = 4; Source: IDC Business Value In-Depth Interviews, June 2024

The Most Significant Benefits of Semarchy

Study participants significantly benefited from Semarchy MDM in four key areas of their data and business operations. The first significant area of impact was data governance. The MDM solution created better visibility of activities and data, easily helping stewards review, approve, or reject changes to the master record. Second, the interviewed customers noted that Semarchy was a central data hub. This centralization helped them achieve tighter data integration from multiple sources. Additionally, they found that Semarchy enabled them to master data by defining information and sources better. The final area that Semarchy impacted was overall business operations. Mastering data and generating golden records enabled better strategic and data-backed decision-making.

Study participants offered these comments regarding the most significant benefits of Semarchy MDM:

Data governance:
"Semarchy gives us a one-stop shop for stewards to go in and look at the data as it is being authored in the system. There is an approval workflow and standardization that is happening as the data is being entered into the system. From a governance perspective, it gives the stewards visibility, which they did not have in the past. They can see all the activities around the customer master and review, approve, or reject them."

Data integration:
"Semarchy has given my organization a central hub for data that is quite strong. We have more than one data ingestion pattern, and Semarchy enables us to service the different sources. It's about being the middle hub and ensuring the data matches what we need."

Data mastering:
"Semarchy enables us to get to a single definition of our own products and competitor products across our purchased data sources. We have gone from zero definition to using Semarchy, which has had a significant impact."

Business enablement:
"Since deploying Semarchy, my organization has been able to make more informed decisions about pricing and our competitive environment."

The Productivity Impact of Semarchy

Interviewed organizations found that Semarchy positively impacted the efficiency of their data engineering teams. The MDM solution was easy to use and learn. It featured low- code capabilities and the flexibility they needed to unify data from multiple sources and various patterns. A study participant noted, *"Semarchy gives our data engineers tools they didn't have before, such as functionality for matching and enriching data. It is a low-code/no-code solution, mostly a configuration of menus. Some SQL must be written, but Semarchy makes that straightforward. It simplifies because it automates and creates APIs and has easy front-end configuration."*

As a result, as seen in **Table 3**, Semarchy enabled data engineers to work with 10% greater efficiency, meaning they needed 1.8 fewer FTE employees to support and maintain their data than with their previous solution. IDC values this efficiency gain at $177,083 per year.

TABLE 3

Data Engineering Team Efficiency Gain

	Before Semarchy	With Semarchy	Difference	Benefit
Total FTE count	17.7	**15.9**	1.8	10%
Value of staff time per year	$1,770,833	**$1,593,750**	$177,083	10%

n = 4; Source: IDC Business Value In-Depth Interviews, June 2024

IDC noted that Semarchy enhanced the productivity of data analysts (i.e., business analysts, data scientists, and business intelligence). As previously stated, the solution was intuitive and easy to use. This benefit extended to data analysts, and, as a result, they gained self-service access to very high-quality, reliable, and centralized data. This enabled them to more confidently and effectively prepare and create reports. IDC calculated that data analysts were 38% quicker to deliver insights with Semarchy. One organization stated, *"Our data analytics team is more productive with Semarchy. They can build within the data quality rules or the business rules on the data, which gives them peace of mind. The user interface is intuitive. We find that after we train them, they come back with some tips and tricks that they have learned that make their job easier. They are more confident in their data and more efficient with how they use their data."*

Table 4 illustrates the calculated impact of Semarchy on data analysts. This team could work at the equivalent productivity level of having an additional 3.4 FTE analysts on staff, a 17% productivity boost. For the interviewed organizations, IDC valued this gain at $234,500 in staff time per year.

TABLE 4

Data Analyst Productivity Gain

	Before Semarchy	With Semarchy	Difference	Benefit
FTE equivalent productivity level	20.0	**23.4**	3.4	17%
Value of staff time per year*	$1,400,000	**$1,634,500**	$234,500	17%

n = 4; Source: IDC Business Value In-Depth Interviews, June 2024

The Operational Impact of Semarchy

IDC qualified that various data end users at interviewed organizations felt the impact of Semarchy providing flexible, centralized, master data management. The MDM solution provided data across all business areas, including C-level, finance, sales, and marketing. The quality data that Semarchy provided helped these end users make informed decisions to drive business strategy. Additionally, the solution's usability created an environment with smoother data operations and processes. Ultimately, this helped interviewed organizations better support their customers and overall business.

Study participants discuss each area of their business that Semarchy impacted below:

C-level:
"Our Semarchy data impacts investment decisions."

Finance:
"Our finance team is benefiting from Semarchy streamlining processes. This is because they are at the tail end of the process: When customer transactions go through, they need to invoice. Finance was the one creating the customers in our legacy systems; now, they don't have to. Customer information is automatically pushed into our ERP and financial systems. So, they have improved workflows."

Sales and marketing:

"Our sales teams at our retail gas stations use Semarchy data so that product ordering is accurate and consistent."

Manufacturing:

"My organization has a lot of refinery equipment. Our manufacturing team uses Semarchy to manage their formulas and their products."

Additional end users:

"Semarchy impacts our call centers, field support, and spare parts order group. These teams have access to better, up-to-date, cleaner customer data. When a call comes in and they need to know the system they're talking about, its location, and who the contacts are, they can easily access that information now."

Finally, IDC noted that individual organizations recognized additional noteworthy benefits from using Semarchy. These benefits do not extend to all four interviewed organizations and are not aggregated.

Individual customer metrics include:

- 25% reduction in the time required to complete analytics work

- 10% increase in productivity for data governance teams

- 5% more productive business unit end users

- 15% higher customer satisfaction

- 50% quicker to train end users on the platform

- 10% less IT support for end users to access analytics capabilities

The Top Value Drivers of Semarchy

In summary, IDC found that Semarchy provided value to interviewed organizations in four key areas. The flexible, easy-to-use MDM solution decreased organizational silos by providing organizations with the tools and governance needed to unify data into golden records. In creating golden records, those interviewed could enforce data rules, standards, and logic across their entire organization. It cannot be understated how difficult to achieve this would be without Semarchy understanding each organization's unique data goals and objectives.

Study participants discuss Semarchy's value below:

Deep understanding of MDM goals and objectives:
"Semarchy makes it a priority to understand its clients' goals and objectives. What Semarchy does is MDM; it must be sure that it is asking the right customer questions to understand our needs. It understands our goals and builds around them."

Platform flexibility:
"Semarchy performs well because it is very flexible in terms of what we can do with the platform. You can build whatever you want, however you want, based on your need."

Decreased silos:
"Semarchy is excellent. It gives us the tools to bring the data together and master it. We can view its historical state at any given point in time. The workflows around data governance help my organization. Also, just doing this work and having this data across multiple groups forces the groups to come together and realize how that data is being used within each group. We are less siloed as a result."

Creation of golden records:
"Semarchy has been fantastic in giving my organization the ability to get to golden records. We also gained the ability to enforce logic, business rules, data standards, and data quality for the organization."

Challenges/Opportunities

Semarchy offers a unique and streamlined approach that simplifies MDM, helping organizations meet the demands for high-quality mastered data in the modern data environment. However, many organizations also avoid MDM projects because they can be complex, time consuming, and costly.

This perception has plagued modern MDM software vendors because it reflects challenges associated with legacy MDM software and project approaches that were not always successful. It is important to understand that technology is only part of the solution. Even modern projects with modern technology can run into organizational issues such as resource availability, data security and data sharing compliance constraints, budget, and personal agendas of project stakeholders, which can cause the project plan to drift, stall, or go in a different direction. These types of situations and issues are out of Semarchy's control. Yet, the tool itself can help facilitate better communication and collaboration and provide alternatives that meet the needs of security and compliance policies.

It's also important to note that MDM is only part of the intelligence about data that modern organizations need, as their data is highly distributed, diverse, and dynamic. They require data cataloging, governance, quality management, and lineage, in addition to MDM, to take control of modern data environments. Customers interviewed in this study reflect that Semarchy has recognized this as an opportunity, as it supports some of these use cases today and continues to broaden its technology capabilities by introducing its data intelligence product, messaging, and go-to-market initiatives to address all aspects of data intelligence. This will benefit existing customers and expand Semarchy's addressable market opportunities.

Conclusion

Master data management is crucial in navigating the complexities of modern data environments, which are highly distributed, diverse, and dynamic. Semarchy's MDM solution challenges the traditional perception of MDM projects as cumbersome and costly, offering a streamlined, innovative approach that delivers significant value. Organizations leveraging Semarchy's technology experience benefits such as increased data engineering team efficiency, productivity gains for data analysts, and operational improvements across various business units. This positions Semarchy as a solution to current data management challenges and a forward-looking partner in the evolving data landscape.

Appendix: Methodology

IDC's standard business value methodology was utilized for this project. This methodology is based on gathering data from organizations using the Semarchy MDM solution as the foundation for the model. IDC collected quantitative benefit information during the interviews using a before-and-after assessment of the Semarchy MDM solution's impact. For this study, IDC interviewed four organizations using the Semarchy MDM.

IDC bases its financial calculations on several assumptions: Time values are multiplied by burdened salary (salary + 28% for benefits and overhead) to quantify efficiency and manager productivity savings. For the purposes of this analysis, based on the geographic locations of the interviewed organizations, IDC has used assumptions of an average fully loaded salary of $100,000 per year for IT staff members and an average fully loaded salary of $70,000 per year for non-IT staff members. IDC assumes employees work 1,880 hours per year (47 weeks x 40 hours).

Note: All numbers in this document may not be exact due to rounding.

About the IDC Analysts

Stewart Bond
Research Director, Data Integration and Data Intelligence Software, IDC

Stewart's core research coverage includes watching emerging trends that are shaping and changing data movement, ingestion, transformation, mastering, cleansing, and consumption in the era of digital transformation. Having worked in the IT industry for over 25 years, from early experience in database and application development through solution design and deployment to strategic architectural consulting, Stewart has worked through some significant changes in the IT industry. His depth of field experience coupled with market insight gives him a unique perspective, valued by his customers and peers.

More about Stewart Bond

Megan Szurley
Business Value Manager, Business Value Strategy Practice, IDC

Megan Szurley is a manager for the Business Value Strategy Practice, responsible for creating custom business value research that determines the ROI and cost savings for enterprise technology products. Megan's research focuses on the financial and operational impact of these products for organizations once deployed and in production. Prior to joining the Business Value Strategy Practice, Megan was a consulting manager within IDC's Custom Solutions division, delivering consultative support across every stage of the business life cycle: business planning and budgeting, sales and marketing, and performance measurement. In her position, Megan partners with IDC analyst teams to support deliverables that focus on thought leadership, business value, custom analytics, buyer behavior, and content marketing. These customized deliverables are often derived from primary research and yield content marketing, market models, and customer insights.

More about Megan Szurley

Message from the Sponsor

Semarchy

At Semarchy, we enable organizations to quickly discover, govern, manage, integrate, and leverage critical information scattered across multiple systems. In 2023, 100% of our customers met their implementation goals, a testament to our rapid delivery approach and dedicated customer success team. Our focus on ensuring successful data initiatives is the reason we've consistently been recognized as a leader in the master data management and data integration industry.

With 400+ clients from all industries trusting us to manage over 1 trillion consolidated master records, our unified platform allows businesses to build custom data management apps in days and measure ROI in under 12 weeks. Contact us and see why data leaders trust Semarchy to accelerate their data journey, and deploy your tailored data management solution by next quarter.

Contact us

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