

3 WAYS MASTER DATA MANAGEMENT CAN ENABLE DATA MONETIZATION

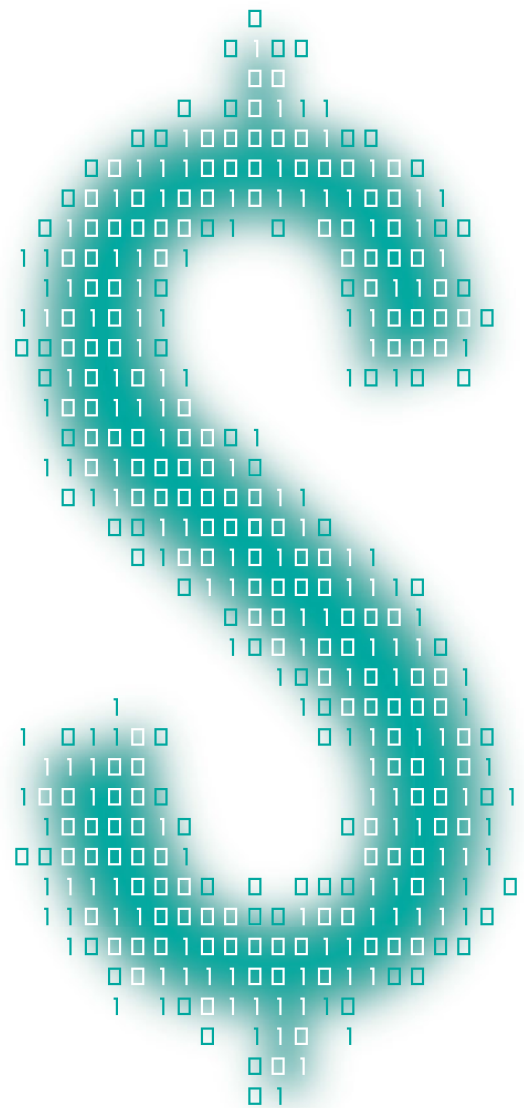


Data monetization is about achieving direct financial results from having access to data that is stored, maintained, classified and made accessible in an optimal manner. Master data can be monetized, and master data can be the key to monetizing a lot of other data.

This means that well executed Master Data Management (MDM) can be a substantial enabler for data monetization.

There are basically three different ways of monetizing data:

- Selling data
- Wrapping data around products
- Data analytics and decision making





Selling Data

To sell data that you have collected and has been enriched by you is the good old fashioned way of making money from data. This is what the likes of Dun & Bradstreet, postal services around the globe and many others have been doing for years either as their main reason of being or as an important part of the business.

In that way the data becomes third party data to others. In MDM implementations third party data is often used as input in order to achieve better data quality. You will however also be able to sell the data that you have compiled. This data can be well arranged master data, transactional data described by well defined master data or big data identified against well understood master data.



Wrapping Data Around Products

Today tangible products as well as services must be supported by data. In pharmaceuticals we see digital therapeutics where medicine comes with devices and apps for measuring the effect through data. In hospitality the accommodation must be described with a lot of data and so must the surrounding location. In ridesharing data has a lot to say: When will your ride arrive? How can it be identified? What is the rating of the driver – and what is your rating as a passenger? You cannot be successful in this game and in any industry without a solid way of handling master data.

More and more products are sold online. This has been going on in B2C (business-to-consumer) for a long time and is now also becoming the norm in B2B (business-to-business). This shift means that products must be described with customer friendly terms and hold all specifications to support a buying decision based on data. If you are the manufacturer or brand owner, you must supply this data to your merchants or marketplaces. If you are the dealer or retailer you must get the data from your suppliers. In that way product master data becomes second party data and the completeness, accuracy and consistency of this data determines the potential revenue from the products they describe.



Data Analytics and Decision Making

Protip: *In the increasingly globalized and fast-moving business environment of today, data replaces gut feelings.*

Better and faster decisions based on data is your weapon within the competition where you participate. Your own data – your first party data – mashed up with second party data and third-party data in the right balance are the ingredients in the recipe to success.

Making this data stick together involves master data management. You can only reach the right answers within the available

time if you have a 360-degree view of your customers and of your other business partners. You must combine that view with the extensively described products that flow through your business. Also, you must manage relationships between customers, products and locations.



In Summary

Regardless of whether you have the opportunity to sell data, wrap data around products and/or underpin analytics and decision making with extensive and consolidated data sources, the starting point for data monetization is well managed master data that accurately and consistently identifies and describes the involved parties, products and locations.

Check out the Profisee blog for more helpful resources, best practices, and strategy around Data Management.