

Reltio Identity 360 turns the tables on perceptions of difficult-to-implement legacy MDM

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Introduction

The concept of master data management (MDM) perhaps comes with some deserved emotional baggage. Historically, MDM implementations were often slow to deploy, and even slower to produce ROI. These deployments often became siloed when only a limited set of users had access to the system. An entrenched on-premises architecture and mentality further impeded progress as the business world ventured into a cloud-first and multicloud era.

That currently is changing as organizations realize the value of well-managed data. According to 451 Research's Voice of the Enterprise: Data & Analytics, Data Management & Analytics 2H 2020 survey, 38% of participants report that 'higher quality of data/insight' is a main way data governance initiatives have added value to their organizations – the top response. Reltio is looking to help organizations score 'quick wins' in terms of ROI with its new freemium-model Identity 360 offering that leverages the company's cloud-centric and multi-domain MDM capabilities to master data around specific individuals – such as customers – in a quick-start model.

The 451 Take

If there's one thing MDM historically has not been particularly known for, it's quick results. At best, projects had the tendency to get mired in architectural idealism, and that in turn led to deployments effectively being siloed off to a few skilled workers. On-premises architecture, or architecture based on on-premises roots, was little help. With its cloud-native approach, Reltio is nimbler in this regard. The move to offer freemium versions of its software based on specific use cases is a further advancement to ensure that organizations have the ability to 'try before they buy' and see quick results before they pen a check.

Identity was the logical place to start for Reltio with its 360 line of freemium offerings: customer data remains one of the most common master data use cases today. But make no mistake, Reltio Identity 360 is underpinned by the same core platform and technology as its enterprise products.

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With that comes a rich array of capabilities, and the ability to easily upgrade should scale demand that the organization do so. Still, the vendor increasingly competes in a bustling market for customer data platforms (CDPs), which blurs the boundaries for prospective customers, particularly when it comes to customer experience (CX) technology.

Context

Founded by specialists from Informatica (and before that, Siperian), Reltio was launched in 2011 on a cloud-based platform for developing enterprise applications driven by graph-based MDM functionality. The company found early success with healthcare and life sciences customers, although it has since expanded to a diversified array of industries. When we last wrote about Reltio, it had added data quality indicators to its core MDM offering.

Today, the vendor offers its overarching Reltio Connected Data Platform, which is a cloud-native, multi-domain MDM platform that can master data for various business entities, whether that be customer, product, partner, location or other defined categories of business information. The Reltio Connected Data Platform is currently available on both AWS and Google Cloud Platform.

One of the most common categories of data to master remains customer data. Reltio meets that need with its Connected Customer 360 offering, which is a customer data platform designed to provide a single source of mastered information on individual-defined customer identities. Other products include Reltio Enterprise 360, which offers the full breadth of data mastering capabilities for high-scale environments.

The company is based in Redwood City, California, and currently has approximately 350 employees. To date, it has raised \$117m in funding, with the most recent infusion being a series D round in May 2018 for \$45m. Investors have included New Enterprise Associates, Sapphire Ventures, Crosslink Capital and .406 Ventures.

Products

Reltio introduced its Identity 360 offering earlier this year, available as a freemium model, with the free tier capped based simply on number of unique, consolidated profiles – 10,000 being the maximum unique IDs under the free license. The free tier is underpinned by the same technology as the paid tiers, and upgrading is made as simple as paying and requesting Reltio to switch on additional profile capacity, user permissions and capabilities.

Identity 360 is designed to master 'person data,' with the most common use case being data from customers, often in a B2C scenario. However, the product is fully capable of mastering data around any type of definable personal identity, including employees and contacts in addition to customers or patients. The offering uses the concept of 'consolidated profiles' to master data, collecting relevant data across systems associated with the identity into a single golden record or source of truth that has been stitched and merged from various sources.

Reltio Identity 360's features include modern elements of MDM technology, including – but not limited to – identity resolution, universal ID, data quality features, dynamic survivorship, and progressive stitching. Progressive stitching, in particular, is a capability that allows the organization to progressively enrich the customer/person profile with additional new information such as transaction data, running analytics on it and bringing the results back into the mastered profile. Security and compliance credentials include capabilities to comply with requirements associated with GDPR, HITRUST, HIPAA, SOC and SOC 2, further expanding the scope of use cases and geographical reach of the product.

The free tier or freemium offering is most notable for Reltio Identity 360, but Premium and Enterprise tiers are also available. The free version offers self-service support and a cap of 10,000 consolidated individual profiles, while the Premium version, priced at \$1,000 per month, unlocks more features such as online support; preconfigured identity and relationship graph; country-specific address standardization; verification and geocoding; expansion to 50,000 consolidated profiles and the option to add an additional 50,000 profiles for \$1,000 per month; and capacity for consolidated profiles with additional support options. The Enterprise tier features custom pricing at any scale, and the full breadth of support services.

Competition

While Reltio contends that it has the first free-tier, identity-based offering in the MDM market, it still realistically vies with all of the usual suspects, many of which have cloud-based capabilities of their own, and could theoretically introduce freemium models should they choose to, architecture permitting. One rival of note is Riversand Technologies, which has a similar focus on cloud-based MDM functionality and a multi-domain model.

In terms of mainstay large players in the MDM space, it would be impossible to ignore firms such as Informatica, which offers MDM in addition to a broad array of additional data management modules and capabilities such as data governance, catalog and quality. Other prominent providers that offer MDM in addition to data management capabilities include Dell Technologies' Boomi, Hitachi Vantara, IBM, Oracle, Precisely (formerly known as Syncsort), SAP, SAS Institute and TIBCO. Although it no longer actively pitches MDM capabilities, Talend (recently acquired by Thoma Bravo for \$2.4bn) still has customers that utilize MDM functionality.

Midsized competitors also are plentiful in the MDM sector, and are represented by names such as Ataccama, Infotrellis, Magnitude Software, Naveego, Semarchy, Stibo Systems, Syniti (formerly known as Backoffice Associates), Winshuttle (with its Enterworks product) and Zaloni. Tamr is another notable player in this regard that recently pivoted its positioning and offerings to more directly address cloud-native and ML-driven data mastering needs.

Overlap with the customer data platform segment is relevant here. Major names include Adobe, Informatica (via its AllSight assets) and SAP (via its Gigya assets). Teradata also has a CDP.

Finally, some data mastering capabilities are beginning to emerge lower in the technology stack, particularly at the database layer. Vendors like MarkLogic offer in-database data mastering, although they may not compete in the 'traditional' MDM market, strictly speaking.

SWOT Analysis

Strengths	Weaknesses
MDM products are rarely known for easy adoption or implementation, and Reltio's cloud-native foray into the freemium model is certainly a retort to that. Customers can try before they buy, and easily upgrade to higher-powered capabilities should their needs progress. Identity 360 leverages the same underpinning technology platform, regardless of payment tier.	As rivals continue to re-platform and adapt to cloud-native architecture, the freemium model may not be particularly difficult to replicate. Reltio's relatively modest size and marketing budget may put it at a disadvantage if and when any of the large legacy MDM providers decide to repackage their offerings and make them more accessible. Visibility may continue to be a challenge in a relatively mature space.
Opportunities	Threats
Freemium models open up a vast swath of the SMB market that may have otherwise been hesitant to engage with a software firm in a long sales cycle. The midmarket, in particular, often has unmet needs in terms of data management and MDM. Reltio's approach with Identity	Overall, Reltio's positioning very much blurs the lines with the CDP and CX sectors. And although this may be justifiable to some extent, it can create potential confusion among customers. The CDP space is dominated by much larger vendors that could easily squeeze out Reltio's marketing

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360 may help it take root among smaller organizations that have ambitions to grow.

efforts with noisier efforts of their own.

Source: 451 Research, LLC