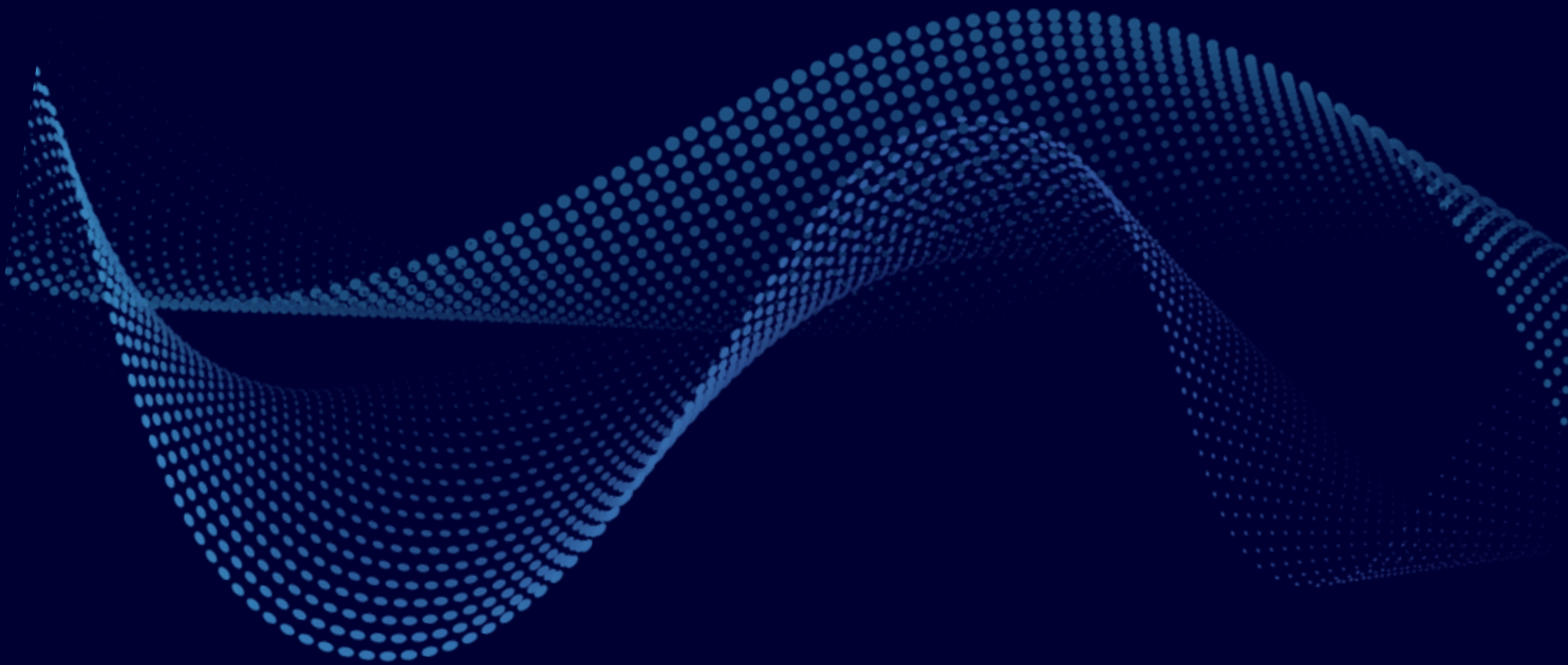**RELTIO**

Enterprise data leaders: Our AI ambitions are stalling out on silos

2024 Reltio survey of enterprise data and IT leaders

Unlocking AI's promise begins with data

Data has always been the beating heart of enterprise technology. From early mainframes to cloud computing and now AI-driven digital transformation, data has been the key to unlocking new capabilities, driving innovation, and achieving business success.

Despite its promise, data has also been the Achilles' heel of every major enterprise technology revolution. Its potential has often been hindered by challenges of fragmentation, poor quality, and limited integration—all of which prevent IT and data leaders from fully realizing the business value of emerging technologies.

Reltio, the leader in AI-powered data unification and management, wanted to understand better how data teams can break through silos and unify data to improve business outcomes. So we conducted a survey in 2024 to find out what is top of mind for data and IT leaders.

> " *AI and Customer 360 initiatives hold immense potential, but without trusted, unified data at the core, they won't work. Enterprises must prioritize breaking down silos and building a strong, unified data foundation to unlock real business value.*
>
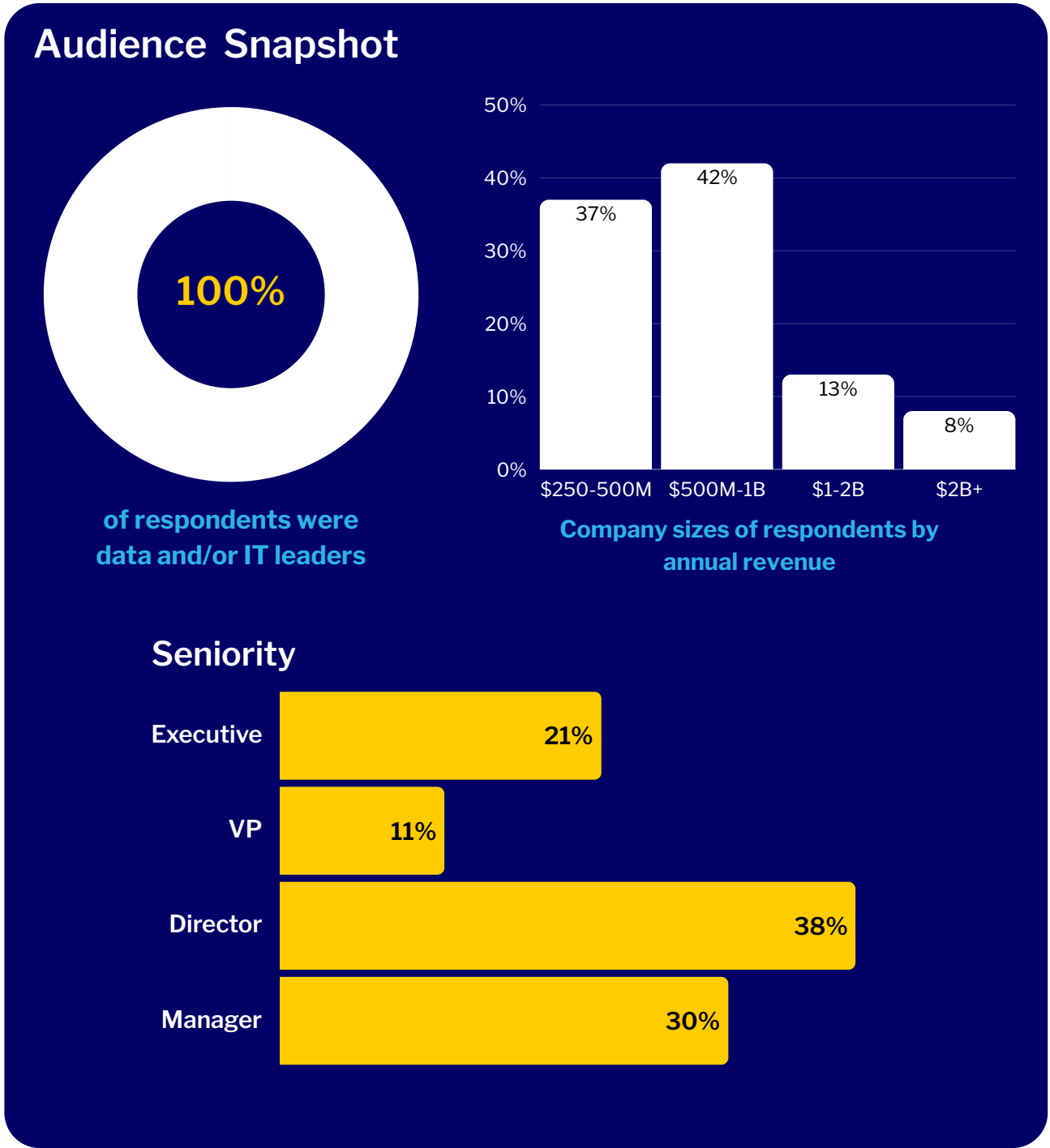> **Manish Sood, Founder and CEO, Reltio**

We found that silos, app sprawl, and inconsistent data quality have held back enterprise AI ambitions. AI efforts are falling short due to fragmented data ecosystems that undermine trust, explainability, and operational integration.

Today, as enterprises race to implement AI-driven solutions, the stakes have never been greater. AI promises to reshape entire industries by automating complex tasks, driving predictive insights, and enhancing customer experiences.

Reltio is pleased to bring you this survey and look forward to opening the discussion on how to break these barriers and unleash the power of your data in the future!

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Survey Audience

Reltio hired an independent research team to survey 204 IT data leaders at mid to large organizations about how they're tackling the biggest data challenges and opportunities. The margin of error for this study is +/- 6.9% at the 95% confidence level.

Audience Snapshot

100%

of respondents were data and/or IT leaders

Company sizes of respondents by annual revenue

$250-500M	37%
$500M-1B	42%
$1-2B	13%
$2B+	8%

Seniority

Executive	21%
VP	11%
Director	38%
Manager	30%

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Summary of findings

- Data and IT leaders reported that 40% or more of their enterprise data is derived from over 50 different applications. (Figure 1)

- Siloed customer, product, and supplier data were all identified as barriers to AI and other initiatives. (Figures 2&3)

- The top three AI initiatives enterprises are investing in are customer service, process automation and predictive analytics. (Figure 4)

- AI initiatives have failed or stalled primarily because of poor data quality, lack of trust and explainability, and poor integration with existing systems. (Figures 5, 6 & 7)

- Most data and IT leaders agree that breaking down silos and having a data strategy would improve AI initiatives, operational efficiency and business outcomes. (Figure 8)

- Data and IT leaders are prioritizing Customer 360 initiatives, focusing on customer service, product recommendations and personalized marketing. (Figure 9)

Key insight:

AI initiatives have failed or stalled primarily due to poor data quality, lack of trust, and lack of system integration.

Most data and IT leaders agree that breaking down silos and implementing a unified data strategy is the key to unlocking AI's full potential.

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# Application sprawl constrains enterprise data

Survey respondents reported significant data silos, challenging key enterprise initiatives such as AI. Breaking these silos down could vastly improve their AI outcomes, they reported in our survey.

Data silos introduce several operational and strategic problems. They limit visibility across the organization, impede data-driven decision-making, and increase complexity.

Our survey found that **AI initiatives struggle** to deliver value without unified data and a data strategy.

Enterprise data is trapped in silos

Figure 1

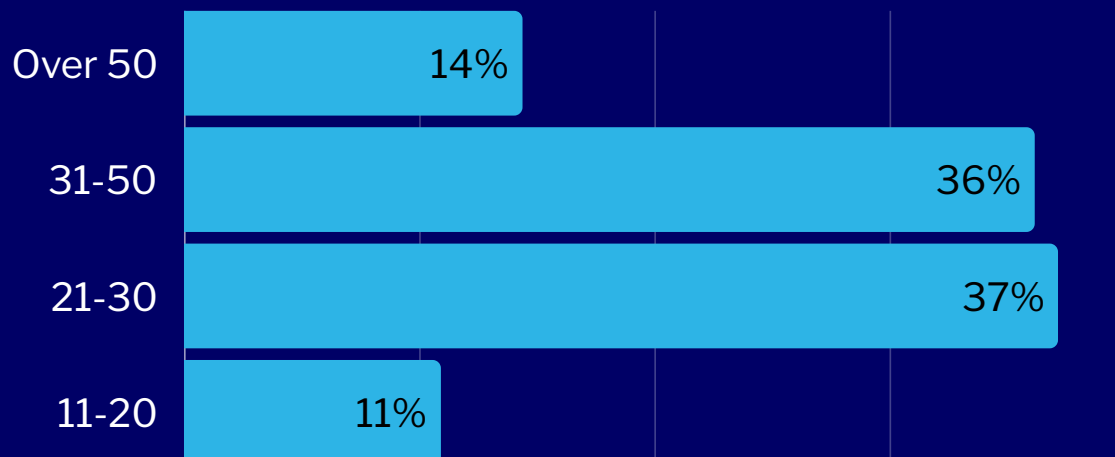| 81-100%	61-80%	41-60%	21-40%	0-20%
8%	38%	35%	13%	5%
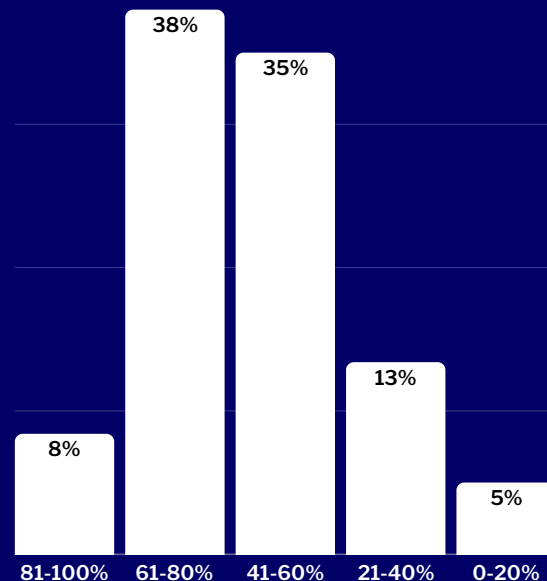
What percentage of your data is derived from more than 50 applications, leading to significant data silos?

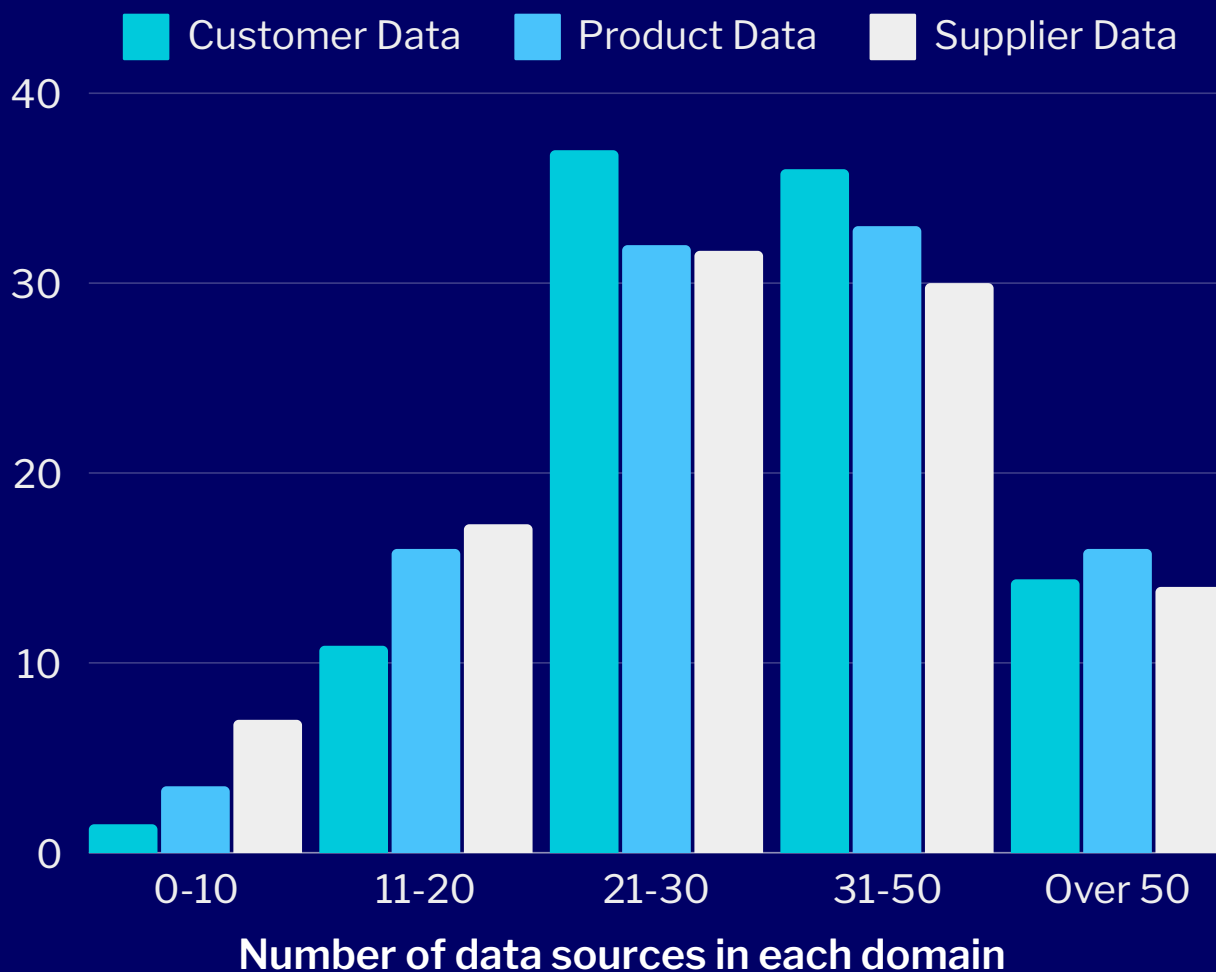## Most have customer data in over 30 apps

Figure 2

# of data sources

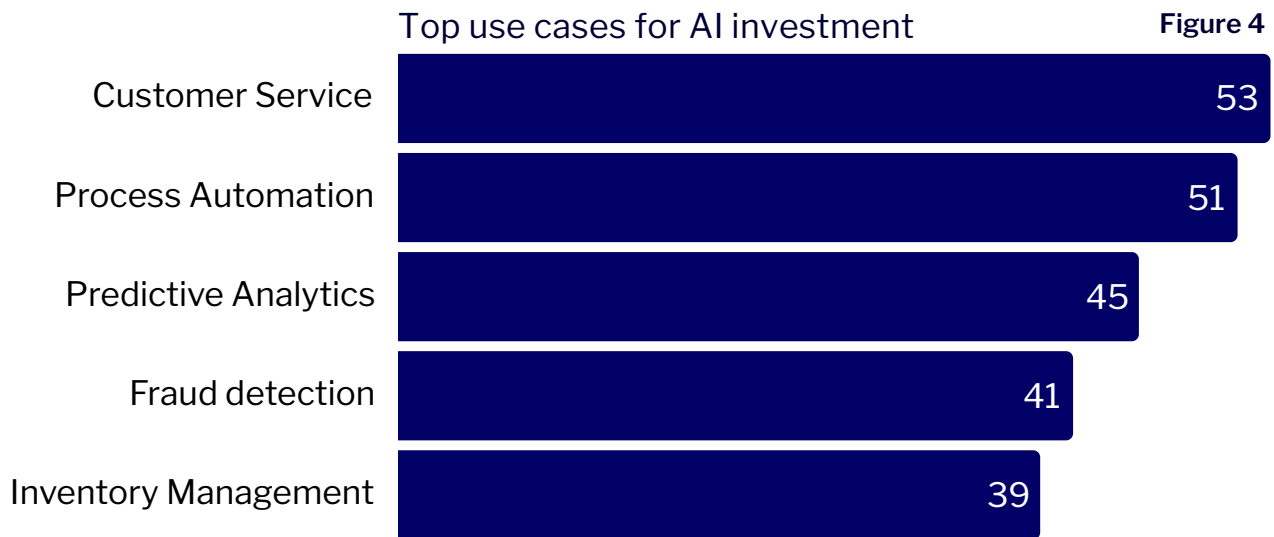|	
Over 50	14%
31-50	36%
21-30	37%
11-20	11%

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The harsh reality of enterprise data silos

As enterprises adopt more specialized applications to address business needs, data becomes fragmented across countless systems, creating silos that are difficult to bridge. These silos isolate critical information about customers, products, and suppliers, making it challenging to create a unified, accurate, and real-time view of the business. The result is a patchwork of disconnected systems that complicates data management and slows enterprise agility.

Figure 3

Number of data sources in each domain

Legend: Customer Data, Product Data, Supplier Data

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Enterprises are investing in many AI initiatives

Top use cases for AI investment

Figure 4

Customer Service	53
Process Automation	51
Predictive Analytics	45
Fraud detection	41
Inventory Management	39

## AI investments are crucial for enterprise growth initiatives

Many enterprises investing in AI are seeing meaningful returns across key areas. AI is driving revenue gains and boosting sales performance. Omnichannel retailers report revenue uplifts between 3% and 15%,[1] while asset managers see a 20% increase in customer conversion rates.[2] Additionally, 83% of sales teams leveraging AI have experienced measurable revenue growth.[3]

On the efficiency front, AI-powered automation is streamlining operations and reducing costs. Digital self-service through AI chatbots has improved customer satisfaction scores by 12%,[4] while intelligent process automation (IPA) has driven average cost savings of 32%.[5] In mergers and acquisitions, AI has reduced integration time by 25% and increased the likelihood of achieving merger goals by 15%.[6] Financial institutions report fraud detection improvements of 20% to as much as 300%. Meanwhile, companies using AI-driven privacy and security automation have cut the average cost of a data breach by $1.76 million—a 39%[7] reduction—while shortening breach resolution times by 108 days.[8]

While some enterprises have achieved success with AI initiatives, our survey revealed that many still struggle due to siloed data hindering their progress.

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Many report that their AI initiatives are *failing*

Figure 5

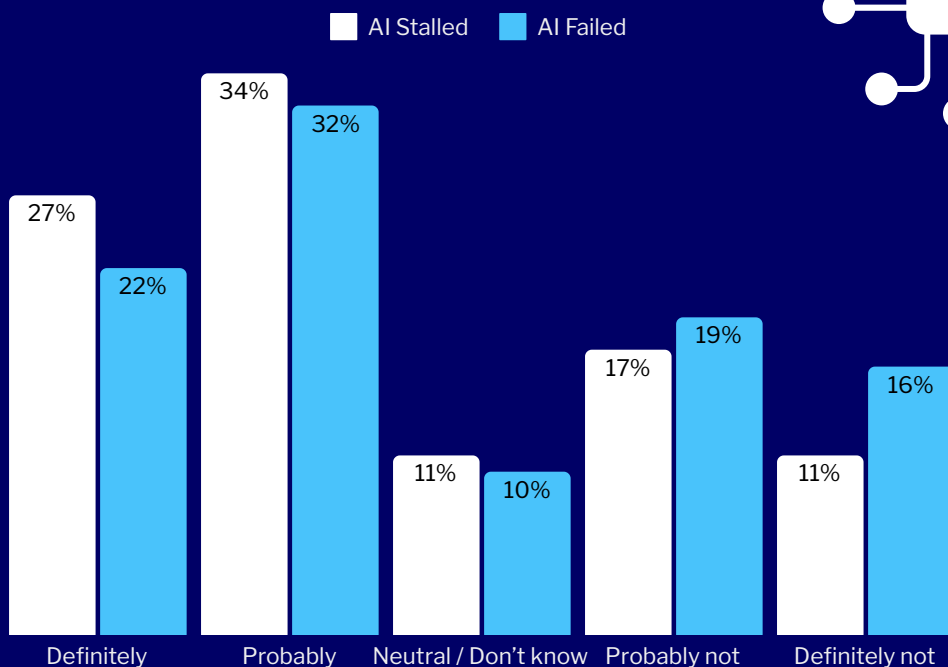43%

21%

24%

10%

Over 50%   41-50%   31-40%   21-30%
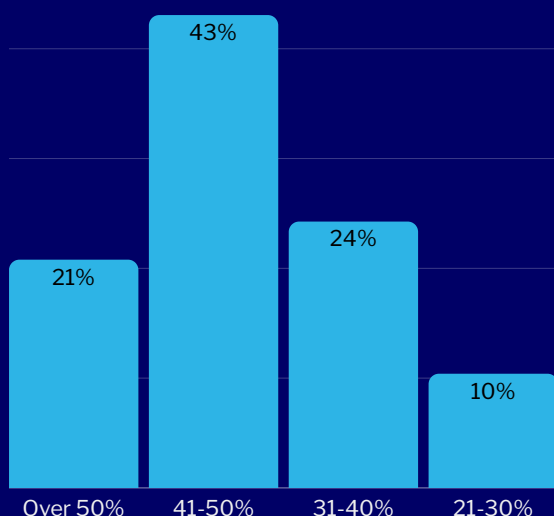
What percentage of your organization's AI initiatives have met their expectations?
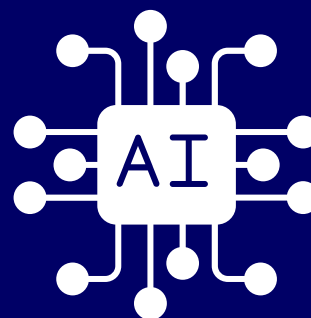
Only **21% of respondents** said that more than half of their AI initiatives **have met expectations**

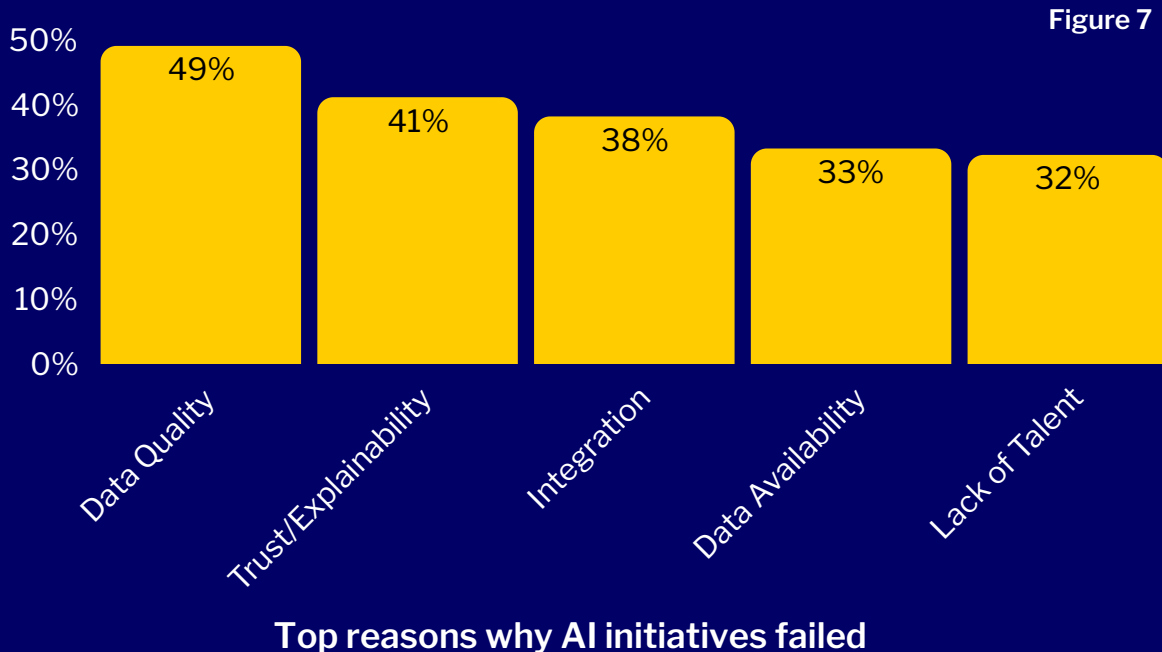# AI initiatives have *stalled* or *failed* because of poor data quality

Figure 6

☐ AI Stalled   ☐ AI Failed

27%   34%   11%   17%   11%
22%   32%   10%   19%   16%

Definitely   Probably   Neutral / Don't know   Probably not   Definitely not

Number of stalled or failed AI initiatives due to poor data quality

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Data quality, trust and explainability, and integration issues are the largest AI barriers

Figure 7

Top reasons why AI initiatives failed

Chart data:
- Data Quality: 49%
- Trust/Explainability: 41%
- Integration: 38%
- Data Availability: 33%
- Lack of Talent: 32%

Inadequate data strategies are also blocking the road to AI success

63%

Nearly two-thirds of IT/Data leaders believe their transition to AI is likely hampered by an inadequate or lack of a data strategy

An AI strategy is only as strong as the data it relies on. Before investing in AI, enterprises should prioritize a robust data strategy that ensures data is unified, trusted, and readily accessible. Without a solid data foundation, AI struggles with incomplete, inconsistent, or siloed data, leading to poor insights and failed initiatives. A clear data strategy defines how data will be managed, integrated, and governed across the enterprise, creating the reliable data pipeline needed to fuel AI-powered innovation. In today's AI-driven world, data isn't just an IT asset—it's the strategic enabler that determines whether AI initiatives succeed or fall short.

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Removing data silos unlocks AI potential

Smashing silos would improve AI outcomes

Figure 8

- 41% — Very large
- 50% — Large
- 7% — Neutral
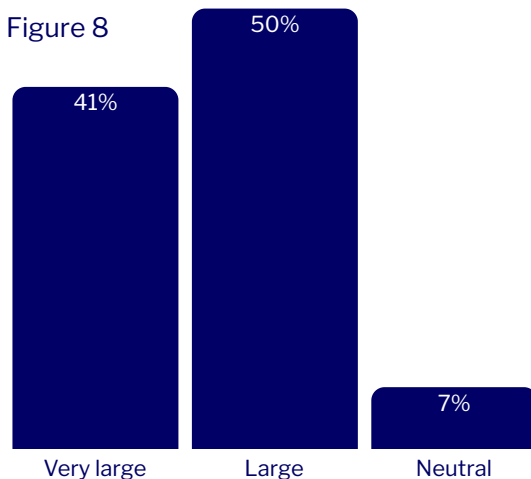
What improvement do you think breaking down data silos could have on AI initiative success rates?

91%

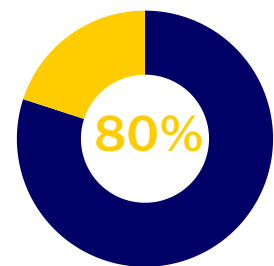believe breaking down silos would improve AI outcomes

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The power of unified, AI-ready enterprise data

Unified enterprise data unlocks unparalleled business potential by providing a single, trusted source of truth across the organization. When data is seamlessly integrated from diverse sources—customers, products, and suppliers—businesses gain a holistic view that drives smarter, faster decision-making. Unified, AI-ready data enhances operational efficiency by creating interoperability and enabling real-time insights.

Operational efficiency improvement

88%
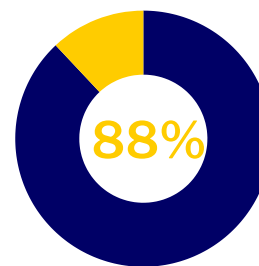
Business outcomes improvement

80%

Reltio's survey found that 88% of respondents believe breaking down silos would create a large improvement in operational efficiency, while 80% reported that it would create a significant improvement in business outcomes.
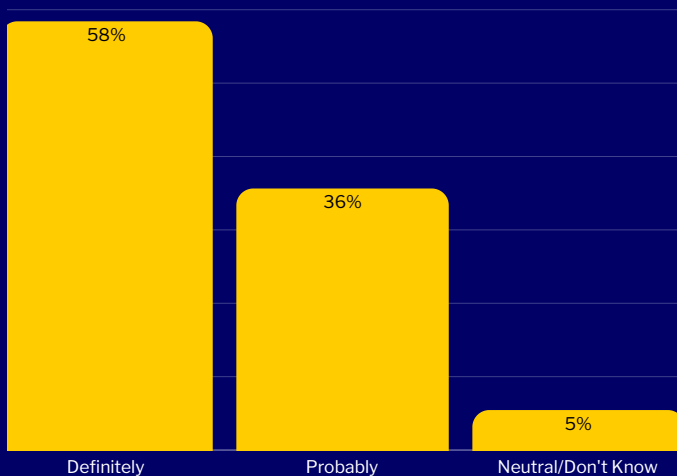
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Customer 360 is a strategic necessity

Customer 360 is a unified, real-time view of customer data across all touchpoints and business systems within an organization. It integrates data from various sources, including sales, marketing, customer service, and product interactions, creating a single, trusted source of truth about each customer.

For enterprise data and IT leaders, Customer 360 requires breaking down data silos, ensuring that teams have consistent, accurate, and actionable customer information. It enhances operational efficiency by enabling real-time insights and automated workflows while supporting AI-driven initiatives like personalized product recommendations and customer service automation. Customer 360 isn't just a competitive advantage—it's a strategic necessity for maximizing business impact and fostering long-term customer loyalty.

Most data/IT leaders are prioritizing Customer 360

Figure 9

58%

36%

5%

Definitely   Probably   Neutral/Don't Know

Does your organization prioritize Customer 360 views for enhancing customer experiences and operational efficiencies?

Top Three Customer 360 Initiatives

1. **Customer Service**

2. **Product Recommendations**

3. **Personalized Marketing**

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Sources:

1. AI-powered marketing and sales reach new heights with generative AI, McKinsey research
2. The Tide Has Turned, Global Asset Management 2023, Boston Consulting Group
3. 83% of sales teams that use AI saw revenue growth. Salesforce
4. 50+ Vital Statistics on AI in Customer Service for 2024 GetZowie
5. The Impact of Intelligent Automation on Cost Savings, Deloitte
6. How Generative AI is Revolutionizing the Merger & Acquisition Process, Cogent
7. Mastercard supercharges consumer protection with gen AI, Mastercard
8. How Generative AI is Revolutionizing the Merger & Acquisition Process, Cogent

About Reltio

At Reltio, we believe data should accelerate the speed of business and fuel your success. Our AI-powered data unification and management offerings deliver unified, trusted data where and when it's needed, so that enterprises can be responsive to changing business needs. Reltio Data Cloud™ (formerly "Reltio Connected Data™ Platform") encompasses our entire ecosystem of solutions, including Reltio Customer 360™, Multidomain Master Data Management (MDM), and Entity Resolution. Reltio Data Cloud unifies disparate data sources in real-time, creating a single, trusted source of truth. Leading enterprise brands across multiple industries around the globe rely on our award-winning data unification and management capabilities to improve efficiency, manage risk, and drive growth.

To learn more, visit www.reltio.com

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