REGION FOCUS: WORLDWIDE

The Business Value of Collibra Data Intelligence Cloud

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Executive Summary

At this point in history, data is universally accepted as a foundational asset for every organization. Executives now openly articulate the need for their organizations to leverage data to increase their enterprise intelligence. Increasing enterprise intelligence begins with improving intelligence about data.

Data intelligence enables data transparency, so that organizations have trust in their data and can drive better data-driven business outcomes, which helps them compete in a digital-first world. Data intelligence further offers organizations a way to realize substantial quantifiable gains.

To explore the value and benefits that organizations can expect to see, IDC conducted research across eight organizations with experience and knowledge about the benefits and costs of using Collibra Data Intelligence Cloud.

Collibra Data Intelligence Cloud is a data intelligence solution that tightly integrates data catalog, governance, lineage, quality, observability, and privacy capabilities into one end-to-end platform.

Based on the research, IDC estimates that study participants are seeing an average annual benefit of $9.1 million per organization and a 484% return on investment (ROI) over a three-year period. Organizations realized these financial gains by:

- Bolstering the productivity of data analytics, compliance, application development, and data governance teams, among others, by increasing cross-organizational data usage

- Reducing costs through automation, which in turn enhanced data quality, reduced errors, accelerated data issue remediation, and optimized governance to provide more context and trust for mission-critical data

- Increasing revenue as a result of better decision making

Business Value Highlights

Click each highlight below to navigate to related content within this document.

484%
three-year return on investment (ROI)

$9.1 million
total average annual benefits

$784,000
average annual benefits per 100 core users

8.9-month
payback period

57%
quicker to locate data and reports

14%
more data-related errors addressed per week

13%
increase in productivity for data analytics teams

$532,697
net revenue gains on average per organization

Situation Overview

Gathering intelligence about data is not trivial in modern environments that tend to be highly distributed, diverse, and dynamic. Organizations seeking to become data companies are doing so in their drive to become digital first, because data is at the heart of digital. To succeed at becoming digital first, organizations need to be data first, which includes developing high levels of data literacy within a data culture where everyone can trust the data used to make decisions and drive business outcomes.

Trusting data requires intelligence about data, providing transparency to ensure that the highest-quality data is being used in the right context and within appropriate governance controls. Data intelligence is fueled by metadata—that is, data about data, such as data location, origin, and quality level. Intelligence also includes insights into accountability, business context, and compliance controls. Data intelligence can also help organizations balance security and compliance with data innovation, because the more that is known about data, the easier it is to ensure the data is used compliantly.

The business value of leveraging data intelligence is the focus of this paper, as it looks at improvements in data worker efficiency, effectiveness, adherence to regulatory requirements, and time to market for new products and services to quantify business and IT cost savings. Organizations interviewed in this study have data distributed in hybrid and multicloud environments, and across hundreds of applications, while managing hundreds, if not thousands, of data producers and consumers. The study also provides insight into the business value of data intelligence by quantifying business outcomes of these Collibra customers.

> To succeed at becoming digital-first, organizations need to be data-first, which includes developing high levels of data literacy within a data culture where everyone can trust the data used to make decisions and drive business outcomes.

Collibra Data Intelligence Cloud Overview

The Collibra Data Intelligence Cloud is a single system of engagement for data that provides a comprehensive catalog, flexible governance, automated lineage, continuous data quality and observability, and built-in privacy via a single, integrated platform. This cloud-native, enterprise-grade platform enables users

to be more productive by ensuring they can quickly find, understand, trust, and access data across numerous sources and business applications as well as business intelligence (BI), analytics, and data science tools.

Collibra Data Catalog captures and manages multiple types of metadata, such as physical, logical, and semantic metadata gathered through Collibra's native and third-party integrations. An active metadata graph captures data models, relationships, and mappings that span diverse information assets and connects them in order to provide rich context to the data, so that it can be trusted and acted upon. The product offers roughly 200 asset types, 700 attribute types, and 250 relationship types, as well as 80+ integrations to quickly and easily capture an organization's business and technical metadata.

Collibra's foundation in data governance gives users the ability to document and manage metadata assets, create privacy and policy assets, and assign ownership, attributes, and other responsibilities to strictly define things like prioritization, access, rights management, and terms and conditions. Organizations can also use out-of-the-box, configurable workflows to automate the management of assets as well as automate data-oriented business processes, allowing users to efficiently collaborate across all data. By defining and embedding governance and policies on how data will be created, used, and managed, organizations can ensure secure and compliant access to, and use of, data.

With Collibra Data Lineage, organizations can automatically map, maintain, and visualize end-to-end lineage across data sources and systems, with more than 25 native harvesters that extract lineage from source systems, SQL dialects, ETL tools, and BI tools. Collibra provides both business and technical lineage via interactive, easy-to-use diagrams that make lineage information accessible to all users, driving visibility and trust in data.

Collibra Data Privacy enables organizations to discover and mitigate data privacy risk. With Collibra, organizations can operationalize and manage policies across the privacy lifecycle, discover and protect sensitive data, and address global regulatory requirements.

Collibra Data Quality & Observability uses machine learning to generate adaptive checks and rules that proactively identify data quality issues across a wide range of data sources. Predictive, continuous, and self-service data quality helps rule writers to focus on high-impact tasks such as eliminating the root causes of data errors, and business users to access high-quality data for analytics and AI modeling. Collibra Data Quality & Observability centralizes and automates data quality workflows to help organizations comply with global regulations, gain better quality control over end-to-end data pipelines, and streamline data and analytics processes.
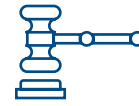
By defining and embedding governance and policies on how data will be created, used, and managed, organizations can ensure secure and compliant access to data and its use.

The Business Value of Collibra Data Intelligence Cloud

Study Demographics

IDC conducted research that explored the value and benefits for organizations using Collibra Data Intelligence Cloud to improve data literacy, transparency, adoption, discovery, and quality. The project included eight interviews with organizations that were using the solution. The interviewed organizations all had experience with and knowledge about the impact of using Collibra Data Intelligence Cloud and were asked a variety of quantitative and qualitative questions about their IT operations, data usage, core businesses, and costs.

Table 1 (next page) presents study demographics. The organizations that IDC interviewed had an average of 186,190 employees and $62 billion in annual revenue. These companies had an average IT staff of 2,890 engaged in supporting 10,060 data-specific employees and 6,575 compliance and risk employees, with 1,085 business applications and 9.8 million customers and/or external users. In terms of geographic distribution, four companies were based in the United States, with the remainder in Australia, Germany, Norway, and Switzerland. The following diverse vertical markets were represented: consumer goods, education, energy, financial services, insurance, manufacturing, military, and nonprofit.

TABLE 1

Firmographics of Interviewed Organizations

	Average	Median	Range
Number of employees	186,190	7,500	330–1.4 million
Number of IT staff	2,890	1,000	50–15,000
Number of data-specific employees	10,060	875	15–75,000
Number of compliance and risk employees	6,575	130	3–50,000
Number of external customers	368,200	4,000	500–1.5 million
Total number of business applications	1,085	390	10–4,500
Company revenue	$62 billion	$23 billion	$5 million – $340 billion
Countries	United States (4), Australia, Germany, Norway, Switzerland		
Industries	Consumer goods, education, energy, financial services, insurance, manufacturing, military, nonprofit		

Source: IDC Business Value Research, March 2022

Choice and Use of Collibra Data Intelligence Cloud

The interviewed organizations described their use of Collibra and explained their reasons for selecting it. In general, they expressed the need to be able to use their data more effectively. Study participants cited specific reasons for their choice, such as the fact that Collibra helps them reduce time to market through accelerated discovery of high-value data across the enterprise, enabling recognition of business-relevant insights. They also appreciated the advantages of efficient workflows and built-in automation features that Collibra provides for data stewards, including integration into Outlook. Others noted that Collibra is a market leader in data cataloging and data intelligence and effectively combines business and technical views of the data with a true community approach.

Study participants elaborated on these and other benefits:

A market leader for data cataloging and data intelligence:
"We saw the lack of a data catalog and other data intelligence capabilities within our organization. We tried to build our own but soon realized that, from a strategic point of view,

it made more sense to go with a market leader. After some vendor comparisons, we selected Collibra."

A data-driven approach to reducing time to market:
"We needed to reduce our time to market, and analytics and becoming data-driven supported that initiative. We needed a solution that helped us to be much faster with data discovery."

Efficient workflow and automation for data stewards:
"My organization selected Collibra for workflow and automation to allow our data stewards to work efficiently, including integration into Outlook."

The combination of business and technical views of data:
"My organization chose Collibra because it combined business and technical views of the data. Also, the overall solution was the only one that had a true community approach, which was very important to us."

The need for a mature commercial solution:
"We had a homegrown data management system, heavily based on Excel. However, as we matured, we wanted a commercial solution. After a review cycle, we selected Collibra."

Table 2 provides a snapshot of the use of Collibra Data Intelligence Cloud across interviewed organizations. On average, 519 business applications were in play, using 807 physical servers and 2,514 virtual machines (VMs).

> ❝ The overall solution was the only one that had a true community approach, which was very important to us."

TABLE 2

Organizational Usage of Collibra

	Average	Median
Number of datacenters	9	2
Number of sites	60	4
Number of business applications	519	88
Number of physical servers	807	10
Number of virtual machines	2,514	625
Number of data regulations	73	12

Source: IDC Business Value Research, March 2022

Figure 1 shows the location of data supported by Collibra. Most data was located on a private or public cloud (57%), followed by on premises (41%).

FIGURE 1

Location of Data Supported by Collibra

(% of respondents)

On premises	41%
Private cloud	31%
Public cloud	26%
Hosted environment	1%
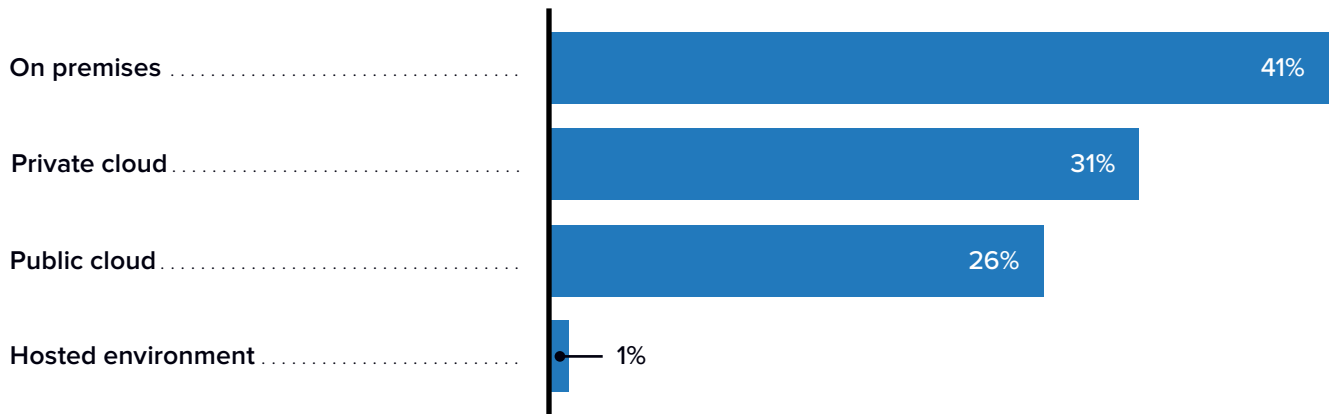
n = 8; Source: IDC Business Value Research, March 2022

IDC's study focused on four primary Collibra product offerings: data governance, data catalog, data lineage, and data privacy, with varying levels of adoption by study participants. Among the companies interviewed, all are using both data governance and data catalog (see **Figure 2**).

FIGURE 2

Collibra Features Used

(% of respondents)

Data governance	100%
Data catalog	100%
Data lineage	50%
Data privacy	25%
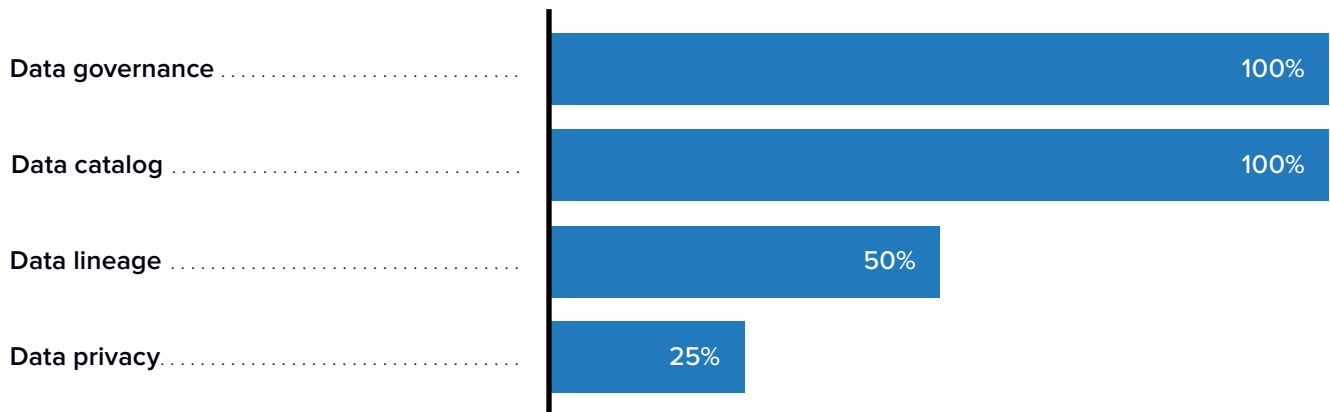
n = 8; Source: IDC Business Value Research, March 2022

Business Value and Quantified Benefits of Collibra Data Intelligence Cloud

Interviewed organizations attributed significant improvements to their operations and business because of their use of Collibra Data Intelligence Cloud. They described increasing the efficiency and value of cross-organizational data usage by improving the effectiveness of core users and data end users. With Collibra, they enhanced data quality, reduced errors, quickly facilitated data issue remediation, and optimized governance to provide more context and trust for mission-critical data. Ultimately, these benefits enabled interviewed organizations to see higher revenue; end users had greater confidence in data, which increased productivity and business performance.

Interviewed organizations spoke to the most significant impacts of their use of Collibra:

Single source of the truth:
"Everybody is now talking about bringing things into the data catalog. They recognize we now have a single source of truth that is undisputed. This gives people confidence about what path they need to pursue. For people that are new to this, they can see examples in Collibra that help them understand how they need to manage/use data."

The unification of complex data models historically stored across the organization:
"It's my organization's vision that a more unified data model will have a measurable impact on the business."

Partnership approach:
"A wide range of Collibra capabilities were appealing. We have not yet run into any need not met by Collibra. We particularly liked Collibra's experience helping other customers like us in the past. We wanted a partner we could learn from."

Less expensive than legacy systems:
"The size and maintenance cost of our legacy systems were driving factors in selecting Collibra."

Flexibility in modifying the platform to meet unique needs:
"We were able to modify Collibra's operating model to suit our needs. This flexibility was a winning feature."

IDC's business value analysis shows that the Collibra benefits noted previously provided significant value for interviewed organizations. As shown in **Figure 3** (next page), IDC calculates that the interviewed organizations will achieve average

> **"** We particularly liked Collibra's experience helping other customers like us in the past. We wanted a partner we could learn from."

annual benefits worth $9.1 million based on the combined benefits of staff efficiencies, business enablement, and IT cost reductions. The use of Collibra amounted to average annual benefits of $784,000 when calculated on the basis of 100 core Collibra users (see **Figure 4**).

FIGURE 3

Average Annual Benefits per Organization

(Average $ per organization)

Average annual benefits: $9.1 million per organization

	$967,875	$800,787
$7,346,542		
Direct staff benefits	**Business productivity benefits**	**IT cost savings**
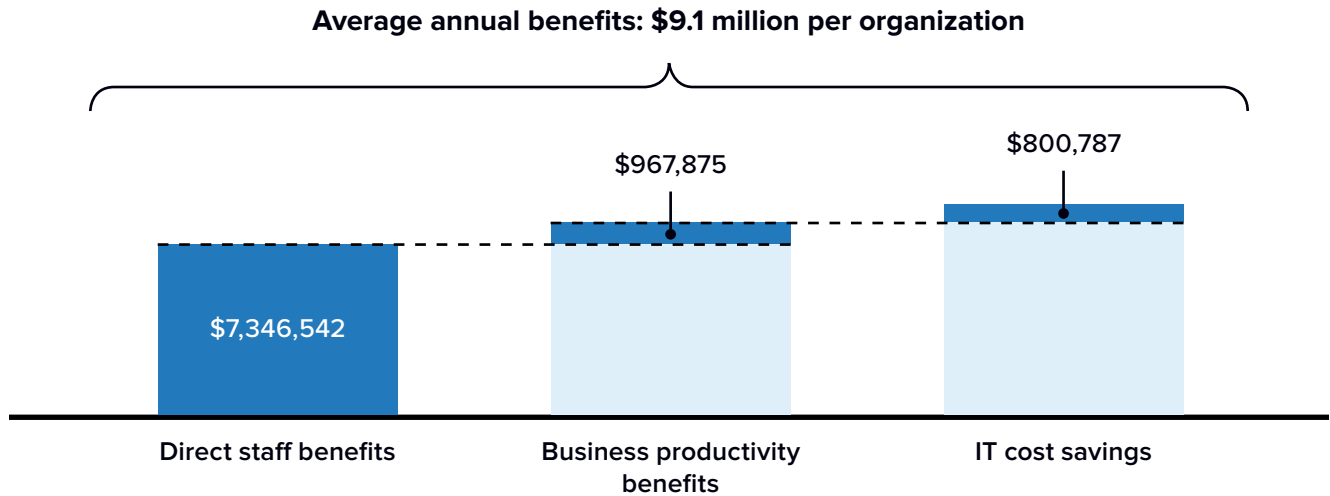
n = 8; Source: IDC Business Value Research, March 2022

FIGURE 4

Average Annual Benefits per 100 Core Collibra Users

($ benefits)

Average annual benefits: $784,000 per 100 Collibra users

	$83,255	$68,882
$631,938		
Direct staff benefits	**Business productivity benefits**	**IT cost savings**
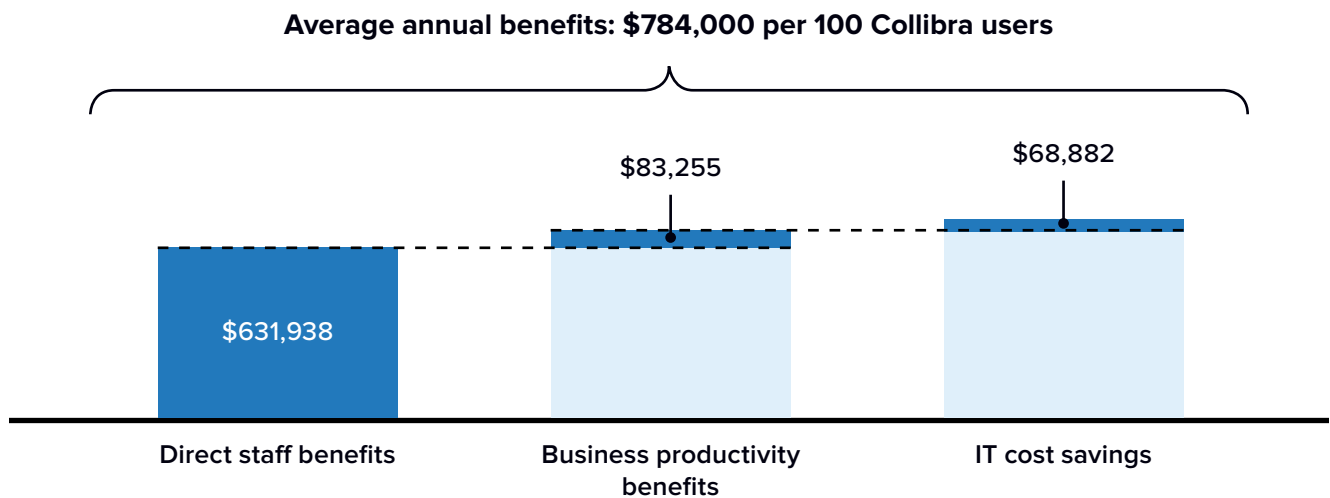
n = 8; Source: IDC Business Value Research, March 2022

Improved Data Management

Enterprise intelligence is driving growth in organizations of all types and sizes. IDC's research shows that 60% of organizations **with excellent enterprise intelligence (i.e., those that scored highest on IDC's enterprise intelligence index scale)** saw major improvements in decision making, compared with 1% of organizations with poor enterprise intelligence.

Improving the security and integrity of data continues to be a critical challenge, even as managing data is becoming increasingly complex and existing systems aren't always capable of performing as required. Collibra Data Intelligence Cloud is designed to help companies navigate these challenges to make their data as timely, relevant, trusted, and useful as possible across the organization.

Study participants identified a variety of benefits related to their use of Collibra. They stressed how Collibra helped improve self-service access to data and how Collibra's automated governance functionality helped them prioritize data-oriented projects. They also appreciated Collibra's ability to help them define cross-organizational roles and responsibilities. Study participants further cited the value of a single source of truth for data discovery and governance, a distinct benefit for organizations that were siloed and fragmented. The ability to automate compliance efforts was called out along with improved analytics that resulted from more transparency around data.

Study participants commented on these and other benefits:

Ability to prioritize work through automation:
"Collibra opened the door to improved self-service access to data. This could only be done with this platform. It has removed the 'I don't know' factor in many situations. It also opened the way to automated data governance. We can now do data-driven governance. This allows us to prioritize our work based on potential impact."

Actionable roles and responsibilities:
"We have a data governance standard that sets out roles and responsibilities. Collibra is where we make this actionable so that people can see what they are responsible for. Previously, this was done manually."

Single source of truth for data discovery and governance:
"My organization is siloed and fragmented, with distributed infrastructure and data usage. Collibra is the single tool we use to bring all these parts together and migrate them so that we can make sense of them. This is our data discovery and governance tool that is used universally."

> "
> Collibra opened the door to improved self-service access to data. This could only be done with this platform."

Capital allocation compliance done with greater effectiveness:
"My organization is responsible for capital allocation, which we must report to regulators. One thing that should go along with this is a list of all the inputs and all the quality criteria. Collibra helps us do this—something that was previously done manually."

Analytics improved through transparency:
"Collibra has helped drive a much greater level of consistency in terms of how all employees and customers understand our data and how to use it. Transparency around the meaning of the data has improved our analytics."

IDC evaluated how the adoption and use of Collibra Data Intelligence Cloud impacted staff efficiencies beginning with data analytics teams, which include titles that span data scientists, data engineers, data stewards, and business intelligence analysts. Interviewed companies reported that the platform helped these teams work with greater productivity by providing a single source of truth with well-cataloged data and information lineage while offering better data quality and transparency.

These quantified benefits are shown in **Table 3**. After adopting Collibra, interviewed companies saw a 13% improvement in data analytics team productivity that was equivalent to 44 full-time employees (FTEs). This amounted to a substantial annual productivity-based business value of $4,414,408 per organization.

TABLE 3

Data Analytics Team Productivity Gains

	Before Collibra	With Collibra	Benefit	Benefit (%)
Equivalent productivity level (FTEs)	283	327	44	13
Value of staff time per year	$28,285,592	$32,700,000	$4,414,408	13

Source: IDC Business Value Research, March 2022

IDC then looked at the productivity gains for data handler teams, which include staff responsible for handling and supporting data that is used by data analytics operations within their organization. Interviewed organizations reported that staff involved in handling data did so with greater confidence due to Collibra's more transparent and conveniently configured platform. After adoption, companies experienced an 18% improvement in team productivity, which was the equivalent of gaining 30 additional FTEs and resulted in an annual business value of $2,096,333 for each organization (see **Table 4**, next page).

TABLE 4

Data Handler Productivity Gains

	Before Collibra	With Collibra	Benefit	Benefit (%)
Equivalent productivity level (FTEs)	136	166	30	18
Value of staff time per year	$9,488,667	$11,585,000	$2,096,333	18

Source: IDC Business Value Research, March 2022

An increase in business complexity has created challenges in maintaining regulatory compliance for companies of all types. Interviewed organizations noted that Collibra enabled them to report to regulators with greater ease, created standards for data retention and customer information, and enabled easier internal audits.

Interviewed companies experienced a 3% boost in the productivity of their compliance and auditing teams. This amounted to an annual business value of $1,509,771 for each organization (see **Table 5**).

TABLE 5

Compliance and Auditing Productivity Gains

	Before Collibra	With Collibra	Benefit	Benefit (%)
Equivalent productivity level (FTEs)	606	627	21	3
Value of staff time per year	$42,410,854	$43,920,625	$1,509,771	3

Source: IDC Business Value Research, March 2022

Another critical dependency for business environments is application development, and IDC identified this as another key area where Collibra Data Intelligence Cloud made a substantive contribution to companies participating in the study. The use of Collibra enabled their developers to have quality information readily available, thereby enabling them to work with greater efficiency.

Table 6 (next page) shows that interviewed companies experienced a 5% improvement in application development team productivity, equivalent to gaining six FTEs. IDC calculated that this provided an annual average business value of $582,750 for each organization.

TABLE 6

Application Development Team Productivity Gains

	Before Collibra	With Collibra	Benefit	Benefit (%)
Equivalent productivity level (FTEs)	124	130	6	5
Value of staff time per year	$12,367,250	$12,950,000	$582,750	5

Source: IDC Business Value Research, March 2022

One of Collibra's core value propositions is improving data governance. Future-facing governance is an increasingly complex task, and IDC research suggests that for many organizations, governance is one of the least mature capabilities. A recent IDC survey on the topic of data trust indicates that while organizations are highly focused on data security and privacy, they are not doing a good job of implementing a holistic approach to data governance that includes understanding data lineage, quality, and location and assigning accountability for data. Only 40% of respondents felt their organizations were able to perform these activities very well (score of 9 or 10 out of 10), with the total population scoring their organizations at 7.8 out of 10.

Not surprisingly, increasing governance maturity remains a critical area of focus for interviewed organizations as well. Study participants reported that the Collibra Data Intelligence Cloud enabled their organizations to set data governance standards with clearly defined goals, actions, and responsibilities. **Table 7** quantifies these benefits, which show a 28% overall improvement in data governance team productivity, amounting to an annual productivity-based business value of $387,410 for each organization.

TABLE 7

Data Governance Team Productivity Gains

	Before Collibra	With Collibra	Benefit	Benefit (%)
Equivalent productivity level (FTEs)	14.6	20.1	5.5	28
Value of staff time per year	$1,021,340	$1,408,750	$387,410	28

Source: IDC Business Value Research, March 2022

When combined, these core Collibra users previously saw, on average, a 9% productivity boost, resulting in an annual productivity-based business value of $8,990,669 in total for each organization (see **Table 8**, next page).

TABLE 8

Core Collibra Data Intelligence Cloud Users

| Core Collibra User Summary	Before Collibra	With Collibra	Benefit	Benefit (%)
Equivalent productivity level (FTEs)	1,163	1,270	107	9
Value of staff time per year	$93,573,706	$102,564,375	$8,990,669	9

Source: IDC Business Value Research, March 2022

Collibra Data Intelligence Cloud enabled core data users and end users at interviewed organizations to locate higher-quality data with greater speed and efficiency by using glossaries, formalized categorizations, and other automated functionality. IDC took a granular look at the post-adoption impacts by identifying and quantifying the performance levels for a number of typical data accessibility tasks. As shown in **Figure 5**, after the adoption of Collibra Data Intelligence Cloud, the time needed to locate data and reports was reduced by 57%. In addition, staff time required to address errors was reduced by 34%, with companies able to address 14% more errors weekly.

FIGURE 5

Data Accessibility and Quality KPIs
(% improvement)

Time to locate data/reports 57%

Staff time to address errors 34%

Data-related errors addressed per week . . . 14%
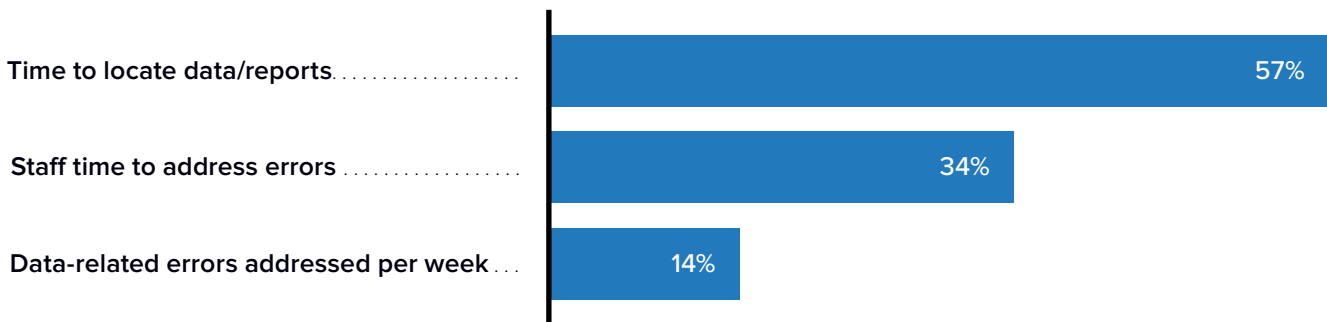
n = 8; Source: IDC Business Value Research, March 2022

Business Enablement Benefits

Among interviewed organizations, the improved data intelligence functionality experienced with Collibra had direct and measurable impacts on business operations. Companies optimized key aspects of their business by ensuring the quality and integrity of data used for critical decision making. In addition, Collibra's visualization and automation capabilities

for data discovery and data curation, along with newer data governance features, accelerated tangible business outcomes.

Study participants enabled more efficient business operations through the creation of their data marketplace. Participants also noted higher levels of data transparency and literacy across their organizations, leading to faster and more effective decision making. More efficient employee onboarding was additionally referenced as a positive outcome, resulting from data being more readily searchable and understood across the companies in question.

Study participants commented on these and other benefits:

One-stop shop for accessing and understanding data:
"We are sharing with our users a vision of using Collibra to provide one-stop shopping for accessing data and understanding its ownership and governance. They have bought into this vision and are helping us build out a new world of better organized and managed data. This is a big sign of their confidence in the data. The buy-in we're seeing is a big measure of success in the early stages of development."

Improved confidence due to transparency:
"My organization has found that improved confidence in data is a desired side effect of improved transparency and better data governance. By improving ownership and accountability, people have more confidence in that data."

Ability to find and gain access to the right data:
"Data users need to know what data rules apply in order to get good quality data. Ownership transparency and good data governance are also important. This is where the community approach helps. Having visibility into what is personal/ private/public is also a time-consuming task that must be automated. On the data consumption side, being able to find the data that is appropriate for a given use case and then being able to authorize/gain access is a benefit."

Timely access to high-quality data:
"We provide business value by providing data products to the company. The goal is providing the right data at the right time. We provide a standardized platform for accessing and using data technology."

Deeper understanding of complex data:
"We differentiate ourselves in the market by virtue of the chemistry data we possess. Being able to facilitate access and understanding of this complex data is a core challenge. Collibra helps us do this."

Decreased onboarding time:
"Teams responsible for onboarding found they could use our data stores to help people understand abbreviations and business descriptions. Time to productivity for a new employee has been shortened."
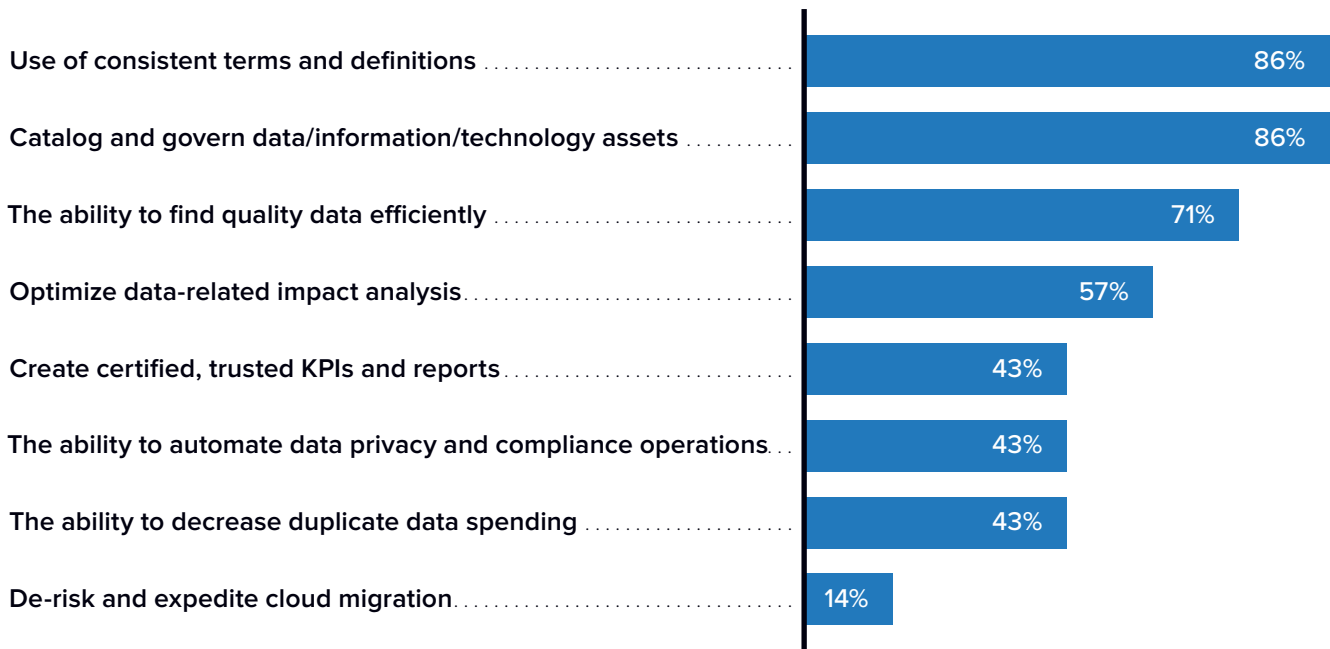
> "
> My organization has found that improved confidence in data is a desired side effect of improved transparency and better data governance."

Collibra Data Intelligence Cloud enabled interviewed organizations to strengthen their business operations by increasing confidence in data and providing data users with the ability to find, understand, access, and use data. More specifically, Collibra Data Intelligence Cloud allowed organizations to create glossaries, catalog their data effectively, and build clear lineage. These capabilities are all foundational to data intelligence.

To further evaluate these benefits, IDC used a series of key performance indicators (KPIs). As shown in **Figure 6**, organizations saw the greatest improvements around the use of consistent terms and definitions (86% of companies), cataloging and governing data/information/technology assets (86% of companies), and ability to find quality data efficiently (71% of companies).

FIGURE 6

Business Impact KPIs

(% of organizations)

Use of consistent terms and definitions	86%
Catalog and govern data/information/technology assets	86%
The ability to find quality data efficiently	71%
Optimize data-related impact analysis	57%
Create certified, trusted KPIs and reports	43%
The ability to automate data privacy and compliance operations	43%
The ability to decrease duplicate data spending	43%
De-risk and expedite cloud migration	14%

n = 8; Source: IDC Business Value Research, March 2022

Business enablement improvements included better productivity for end users such as marketing, sales, HR, and legal teams. **Table 9** (next page) shows these impacts. After adoption, interviewed organizations saw a 6% productivity boost for end users. This amounted to the equivalent of adding 62 FTEs and resulted in an annual productivity-based business value of $651,784 for each organization.

TABLE 9

Business Enablement—Data End-User Productivity Gains

	Before Collibra	With Collibra	Benefit	Benefit (%)
Equivalent productivity level (FTEs)	949	1,011	62	6
IDC operating margin	15%	15%	–	–
Value of staff time per year	$9,960,716	$10,612,500	$651,784	6

Source: IDC Business Value Research, March 2022

IDC then quantified business enablement improvements based on their financial impacts. Interviewed organizations noted that Collibra adoption directly correlated to an increase in revenue because they were able to better service their customers, thanks to better data. In addition, their go-to-market efforts benefited from greater agility and faster times to market.

Table 10 shows significant revenue gains through business enablement, with $3,551,313 in higher average annual revenue for each organization. IDC's financial model applies a 15% operating margin assumption, resulting in net revenue gains of an average of $532,697 for each interviewed organization.

TABLE 10

Business Enablement—Higher Revenue

	Per Organization	Per 100 Core Collibra Users
Total additional gross revenue per year	$3,551,313	$305,479
IDC operating margin	15%	15%
Total additional net revenue—IDC model*	$532,697	$45,822

Source: IDC Business Value Research, March 2022
* IDC model assumes a 15% operating margin for every additional dollar of revenue.

ROI Summary

Table 11 presents IDC's ROI analysis for study participants' use of Collibra Data Intelligence Cloud. IDC projects that study participants will achieve three-year discounted benefits worth an average of $21.3 million per organization ($1.8 million per 100 users) through improved staff productivity, better cross-organizational data usage, and more efficient business operations. These benefits compare with total three-year discounted costs of $3.6 million per organization ($314,165 per 100 core Collibra users). IDC projects that these levels of benefits and investment costs will result in an average three-year ROI of 484% and a break-even point of approximately nine months.

TABLE 11

Three-Year ROI Analysis

	Per Organization	Per 100 Core Collibra Users
Discounted benefits	$21,328,600	$1,834,654
Discounted investment	$3,652,300	$314,165
Net present value (NPV)	$17,676,300	$1,520,489
Return on investment (ROI)	484%	484%
Payback period	8.9 months	8.9 months
Discount factor	12%	12%

Source: IDC Business Value Research, March 2022

Challenges/Opportunities

When building out a data intelligence program, the biggest challenge faced by every organization is adoption. This is because these initiatives require significant change management efforts, as data management processes change the way people work. That change can be difficult.

Additionally, the scale of these data intelligence initiatives can be very daunting in both organizational reach and technological scope, making it difficult for organizations to decide where to start. Starting with too broad a scope can bog down an initiative if too many

stakeholders are involved, while launching with a narrow scope can result in the implementation of technology solutions that are not able to expand or effectively scale to meet the evolving needs of an organization over time.

Collibra Data Intelligence Cloud helps organizations future-proof their investments by ensuring they can start small and scale on demand as their data intelligence needs grow. As these organizations implement Collibra, they should look to build and foster a data culture by showcasing how data intelligence can drive and accelerate business outcomes. To do so, IDC recommends that organizations select KPIs that are reflective of the needs and goals of the business. By focusing on prioritizing use cases that can quickly deliver on KPIs, organizations adopting Collibra generate buy-in early on and ultimately speed adoption. In this way, they can maximize the return on investment of their data and of Collibra's platform as a result.

Conclusion

Organizations that want to compete in a digital-first world must put data first. Modern data environments are highly distributed, diverse, and dynamic. Centralizing data into a warehouse or a data lake mitigates some of the challenges associated with leveraging data for analytics that drive business outcomes, but this approach also compounds data management issues, because it requires yet another copy of the data. As data becomes more distributed, it becomes less trusted, because every time data moves, it changes shape, becomes distorted, and loses its connection back to the source.

Centralizing intelligence about data provides transparency of data location, lineage, quality, and privacy and infuses trust in the data, which subsequently accelerates data-driven outcomes. Comprehensive data intelligence platforms like the Collibra Data Intelligence Cloud deliver the necessary transparency while also lowering barriers to adoption, which encourages wider deployment and use in data-driven organizations.

IDC believes the best validation of product claims comes from customers who actually use the products. This study evaluated and quantified Collibra customers' improvements in data intelligence. These improvements delivered the transparency required to overcome data challenges and delivered significant business value for organizations competing in a digital-first world.

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Appendix: Methodology

IDC's standard Business Value/ROI methodology was utilized for this project.
This methodology is based on gathering data from organizations currently using Collibra as the foundation for the model.

Based on interviews with organizations using Collibra, IDC performed a three-step process to calculate the ROI and payback period:

1. **Gathered quantitative benefit information during the interviews using a before-and-after assessment of the impact of using Collibra.** In this study, the benefits included employee productivity gains, staff time savings, and reduced costs.

2. **Created a complete investment (three-year total cost analysis) profile based on the interviews.** Investments go beyond the initial and annual costs of using Collibra and can include additional costs related to migrations, planning, consulting, and staff or user training.

3. **Calculated the ROI and payback period.** IDC conducted a depreciated cash flow analysis of the benefits and investments for the organizations' use of Collibra over a three-year period. ROI is the ratio of the net present value (NPV) and the discounted investment. The payback period is the point at which cumulative benefits equal the initial investment.

IDC bases the payback period and ROI calculations on a number of assumptions, which are summarized as follows:

- Time values are multiplied by burdened salary (salary + 28% for benefits and overhead) to quantify efficiency and manager productivity savings. For 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 that employees work 1,880 hours per year (47 weeks x 40 hours).

- The net present value of the three-year savings is calculated by subtracting the amount that would have been realized by investing the original sum in an instrument yielding a 12% return to allow for the missed opportunity cost. This accounts for both the assumed cost of money and the assumed rate of return.

- Because IT solutions require a deployment period, the full benefits of the solution are not available during deployment. To capture this reality, IDC prorates the benefits on a monthly basis and then subtracts the deployment time from the first-year savings.

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

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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.

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Megan Szurley is 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.

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