

The State of MDM Modernization 2025

Insights from Informatica
Master Data Management Customers

Where data
& AI come to 

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Master Data Management Evolves into a Strategic Business Driver Across the Enterprise

Modern master data management (MDM) has become a transformational tool for today's data-driven enterprise and a cornerstone for modern enterprises. As organizations look to boost agility, decision-making and operational resilience, the ability to unify critical domains like customer, product, finance and supplier data into a single, trusted view is more important than ever. By eliminating data silos and delivering 360-degree visibility, a cloud-native, AI-powered MDM solution enables smarter engagement, stronger compliance and seamless integration with analytics platforms.

To gauge the pace and scope of this growth, “*The State of MDM Modernization*” survey was conducted this year, and the findings offer compelling insights.

New research from TechStudio™, an Energize Marketing® company, in partnership with Informatica, confirms that MDM modernization is underway. The 2025 survey, conducted among 300 Informatica on-premises MDM users worldwide, explores how organizations use on-premises MDM today and details their plans for modernization and the business outcomes they expect from cloud adoption. Every respondent surveyed is either actively planning to move to the cloud or is at a various phase of their cloud modernization journey and is actively modernizing their MDM stack, with most shifting toward cloud-native architectures. Modern MDM goes beyond simply moving on-premises MDM workloads to the cloud to drive enterprise-wide business

transformation and deliver tangible business outcomes, such as cost optimization, risk reduction and AI-readiness.

This year's findings reveal that today's enterprises are aligning on a cloud-first, cloud-native mandate. Today, enterprises are integrating MDM with advanced analytics platforms to leverage real-time insights, expanding into traditional and non-traditional domains and adopting modular, governed solutions that scale with their business needs.

Enterprises are taking a more measured approach to de-risking their modernization initiatives — 60% of respondents plan to modernize within one to two years. Organizations are choosing refactoring over rebuilding, protecting their existing technology investments while accelerating time to value and gaining the scalability of cloud-native platforms.

Perhaps most notably, enterprise MDM evolved from an IT-led initiative to a shared priority across IT, business and data leaders.

Informatica's MDM SaaS solution, a core part of the **Intelligent Data Management Cloud™ (IDMC)**, is purpose-built for scale, flexibility and analytics integration. As organizations embrace cloud-native architectures and enterprise-wide data modernization strategies, Informatica is well-positioned to support **the next phase of MDM modernization**. The growing adoption of IDMC highlights the strategic importance of a cloud-native, AI-powered MDM solution in delivering trusted, governed and accessible data across the enterprise.

Key Findings: The MDM Modernization Journey

Of the respondents surveyed:



Are actively modernizing, and all expect to complete cloud MDM modernization within two years.



Reported 3x to 6x growth in adoption of non-traditional master data domains such as location, supplier, material and employee.



Prefer refactoring over reimplementation, protecting existing investments and accelerating time to value.



Are within the first three years of their broader cloud modernization journey.



Now use more than one cloud provider, illustrating the rise of multi-cloud strategies.



Are taking a more measured, strategic approach, planning to modernize within one to two years.



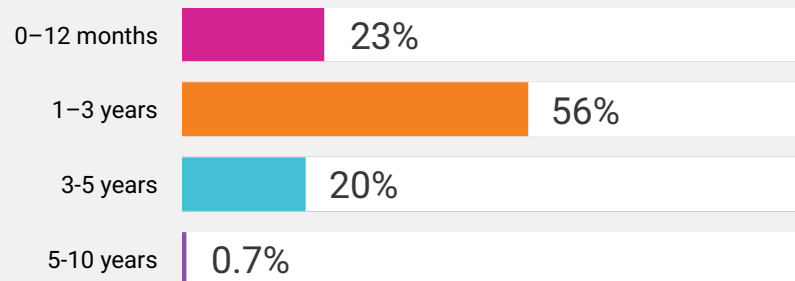
Informatica's MDM SaaS solution, a core part of the Intelligent Data Management Cloud (IDMC), is purpose-built for scale, flexibility and analytics integration.

MDM Modernization Is Fully Underway Across Enterprises

MDM modernization has moved beyond aspiration to active and pervasive adoption across enterprises. Every respondent in this year's study confirmed they are modernizing their MDM environment. Nearly 80% of respondents expect to complete their modernization journey within three years, and nearly half of those are targeting full execution within the next 6 to 12 months.

There is a growing urgency among enterprises to act and move their on-premises MDM solution to the cloud. MDM is no longer viewed as an optional and long-term strategy; it is now a strategic priority directly aligned with business transformation goals.

Where are you on your cloud modernization journey?



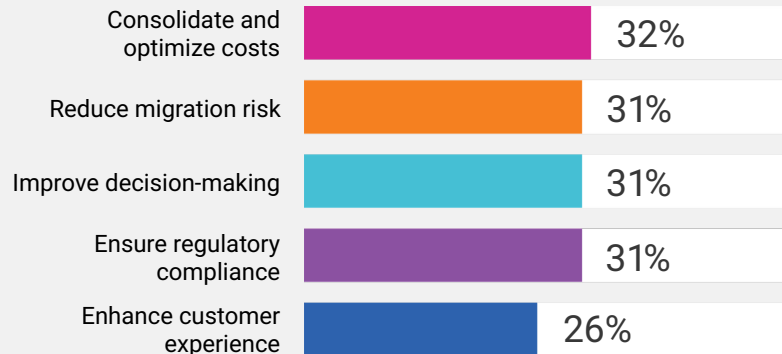
Commitment is strong, with near-term and three-year horizons emerging as critical phases for modernization.



Cloud-Native MDM Is Driving Efficiency and Insight

Today's top reasons for modernizing MDM in the cloud focus on delivering quantifiable business impact. Cost optimization (32%), migration risk reduction (31%) and improved decision-making (31%) lead the list, followed closely by regulatory compliance and customer experience.

What are the top drivers for modernizing your on-premises MDM in the cloud?



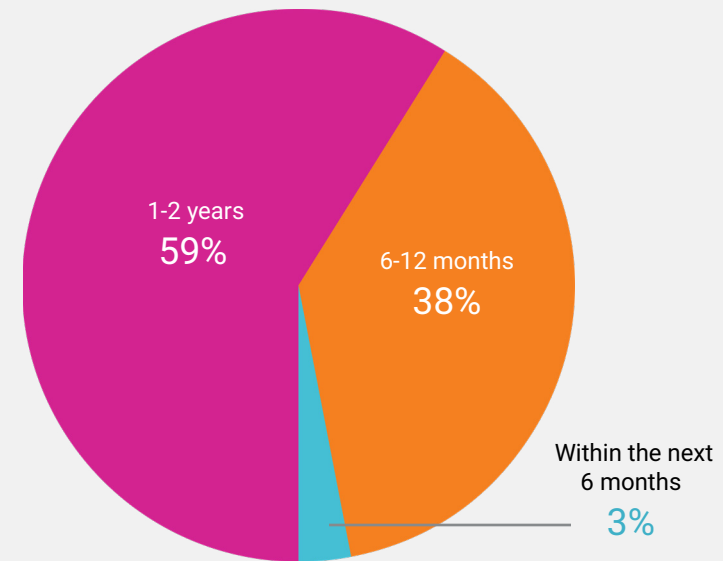
Enterprises Are Taking a Strategic Approach to Modernization

Rather than viewing an MDM modernization initiative as a simple data migration, enterprises should better understand how modern, cloud-native MDM supports comprehensive data ecosystems that integrate across multiple domains, advanced analytics platforms and downstream business systems.

This strategic, incremental approach to modernization derisks their modernization initiative. It enables organizations to fully leverage advanced capabilities like AI-powered automation, multi-cloud deployment, operational needs and real-time analytics integration, saving migration cost, time and effort.

This implementation timeline highlights a broader understanding that successful MDM modernization requires long-term planning, business alignment and scalable architecture. Enterprises are approaching MDM modernization as an intentional, phased journey rather than a rushed initiative to derisk their modernization journey.

What is your timeline for modernizing your on-premises MDM in the cloud?



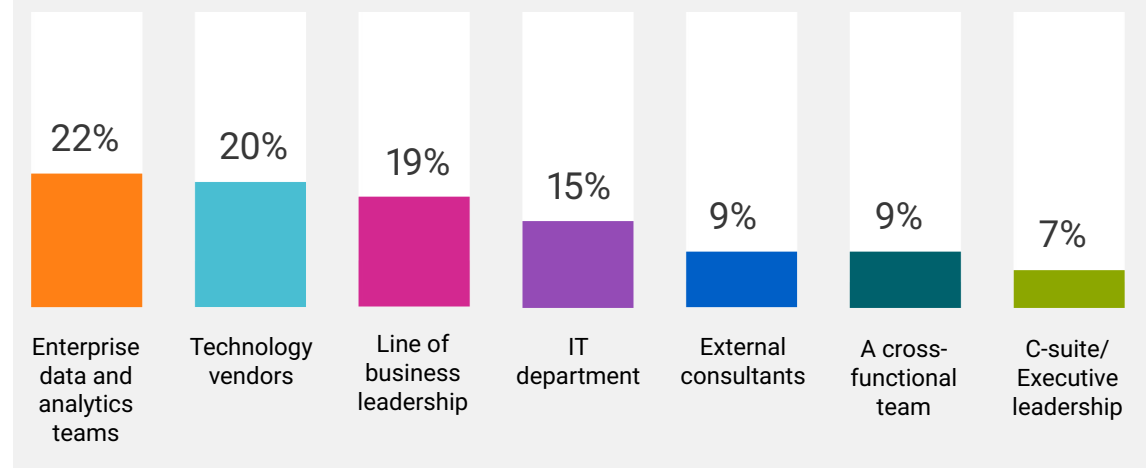
The next 6–24 months will be pivotal, with most companies targeting completion in this window.

Modernization Is Now a Multi-Stakeholder-Led Initiative

MDM modernization ownership has expanded beyond IT. As MDM modernization becomes more strategic, responsibility is now shared across data leaders, business stakeholders and technology partners. In this year's survey, enterprise data and analytics teams (22%) are the most likely to lead MDM modernization efforts, followed by technology vendors (20%), business leaders (19%) and IT teams (15%).

The diversity of ownership highlights just how cross-functional MDM modernization initiatives have become. Close collaboration and alignment between IT, business and analytics teams ensures that modernization efforts support enterprise-wide digital transformation goals, outcomes and long-term scalability.

Who are the main drivers of MDM modernization within your organization?



Modernize Don't Rebuild: Protect Your Investments

Refactoring is the preferred approach for MDM modernization, with 97% of enterprises opting to optimize their existing stack rather than rebuild from scratch. This strategy protects prior investments, accelerates time to value and reduces migration risk, cost and complexity — while enabling cloud-native, AI and automation capabilities. Organizations favor refactoring for its faster ROI, minimal disruption and practical path to a modern MDM solution, unlike reimplementation, which is often costly, complex and resource intensive.

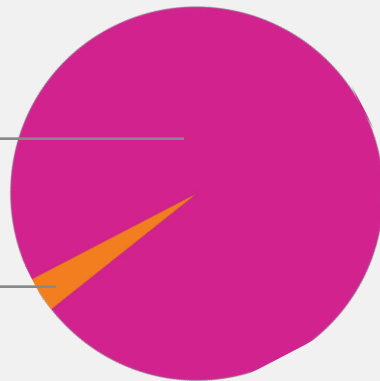
What is your preferred approach to move MDM to the cloud?

"Refactor"
(incremental changes)

97%

"Reimplement"
(a complete rebuild)

3%

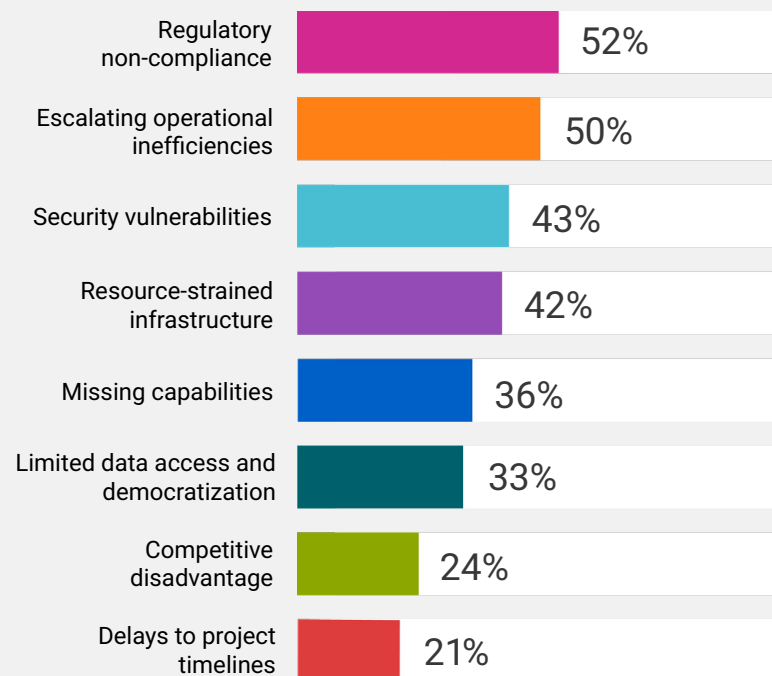


Inaction Threatens Compliance, Efficiency and Security

MDM modernization is no longer optional; delaying it can be fraught with risks. More than half of respondents (52%) believe postponing MDM modernization efforts could expose their organizations to compliance and regulatory risks. 50% of respondents cited operational inefficiencies, while 43% pointed to increased exposure to security risks.

These concerns reflect the growing role of a cloud-native MDM solution in maintaining enterprise resilience and ensuring security and compliance. What was once seen as IT's sole responsibility is now viewed as a trusted data foundation and a cornerstone for business continuity, regulatory readiness and secure operations.

What are the top risks you fear if your MDM modernization plans are delayed?

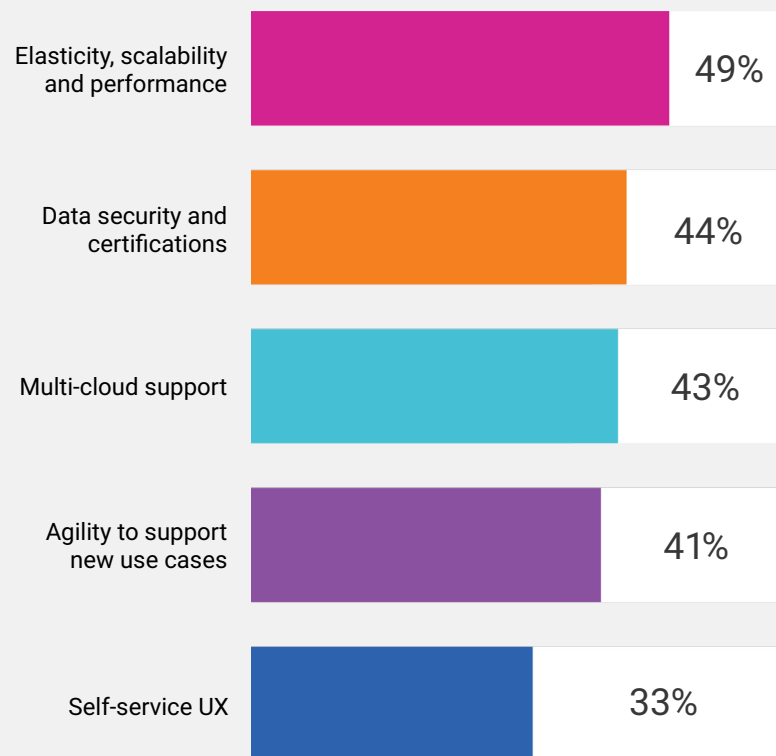


Scalability and Security Are Must-Haves

As enterprises modernize, expectations for cloud-native MDM platforms have solidified around core, critical cloud capabilities. 49% of respondents cited elastic scalability as essential, followed closely by data security and certifications (44%) and multi-cloud compatibility (43%). Roughly one-third of respondents selected usability and automation features, such as self-service, in-product guidance and AI-powered automation.

The data clearly shows that scalability, security and flexibility are requirements. Modern, cloud-native MDM platforms must scale efficiently, integrate across complex environments, support intelligent, AI-ready data use across the enterprise and provide strong security.

What features do you expect from a cloud-native MDM solution?



Multi-Cloud Adoption Accelerates in 2025

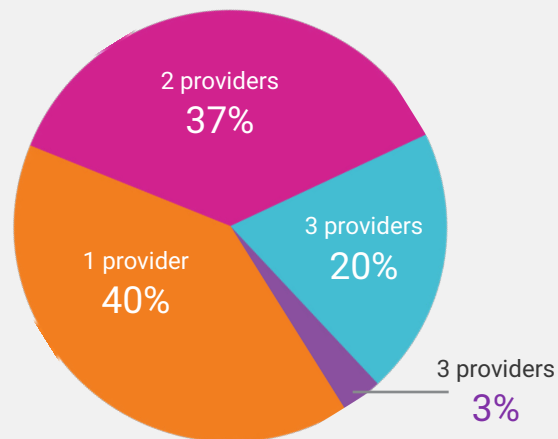
Enterprises increasingly adopt multi-cloud strategies to support workload portability, vendor flexibility and alignment with broader enterprise architecture goals. In this year's survey, 60% of respondents selected more than one cloud provider, illustrating a strong preference for multi-cloud environments.

The most common multi-cloud combination is Google Cloud with Microsoft Azure, followed by other pairings, such as Google Cloud with Oracle Cloud Infrastructure, and three-cloud stacks, such as AWS, Azure and Google Cloud. Respondents reported 15 distinct cloud combinations, highlighting the diversity of cloud deployment strategies.

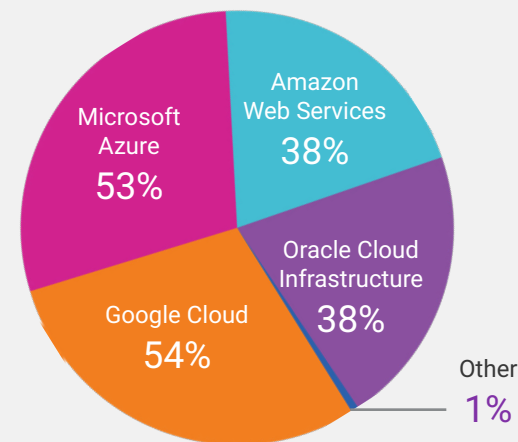
While some companies had consistent cloud choices across teams, others showed varied adoption patterns depending on the respondent. This suggests that cloud strategy is often driven by specific functions, use cases, countries or business units rather than centralized decision-making.

This broad adoption highlights the growing need for cloud-native MDM platforms that can operate across multiple environments. Flexibility and interoperability are critical to achieving enterprise resilience, scalability and agility.

Multi-Cloud Adoption by Number of Providers



Cloud Providers in Use



The Next Frontier: Operational and Supply Chain Domains

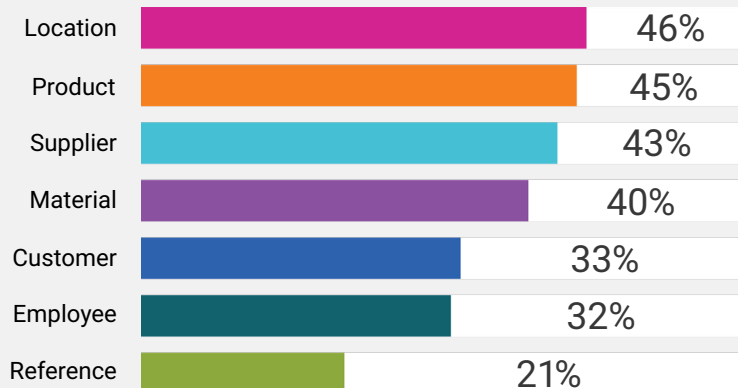
Modern MDM strategies are expanding beyond traditional boundaries. This year's survey shows all seven master data domains surpassed 20% adoption, signaling broader maturity in enterprises deploying MDM solutions across the business.

Customer and product data remain foundational, with strong current and future support, suggesting they have already been widely implemented. What stands out is the accelerated momentum behind operational and supply chain domains. Location, supplier and material each are increasing in adoption, reaching over 40% in 2025. Modernization plans continue that trajectory, with supplier, location and product cited by nearly half of respondents as key areas for expansion.

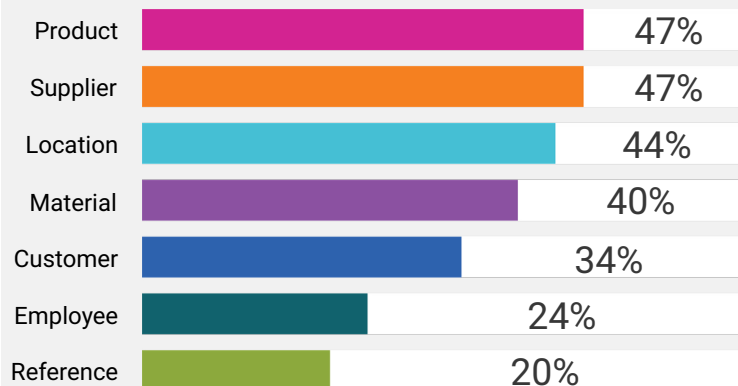
Employee data also gained new relevance. Once viewed as a secondary domain, it now represents 32%, reflecting the increasing importance of workforce data in business planning and compliance.

This growing distribution across domains reinforces the shift from MDM as a point solution to a pervasive, centralized, cloud-native data foundation driving enterprise-wide data strategy and adoption. As organizations evolve their data strategies, they are looking to modern, cloud-native MDM to support multiple domains and unify cross-functional data for smarter, faster decision-making and trusted insights.

Which master data domains do you currently manage in MDM?



Which master data domains do you plan to manage in MDM?



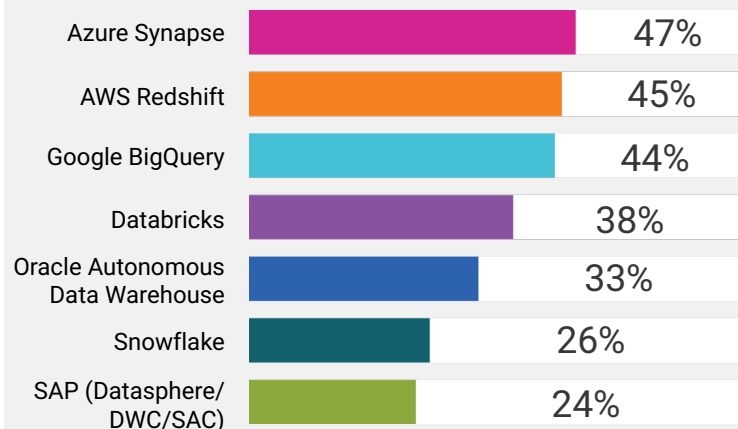
Insights Start with Trusted Data Foundations

Organizations are building on MDM's long history of unifying enterprise data, extending this core strength into modern analytics ecosystems by connecting trusted master data directly with real-time analytics platforms to accelerate insights and decision-making.

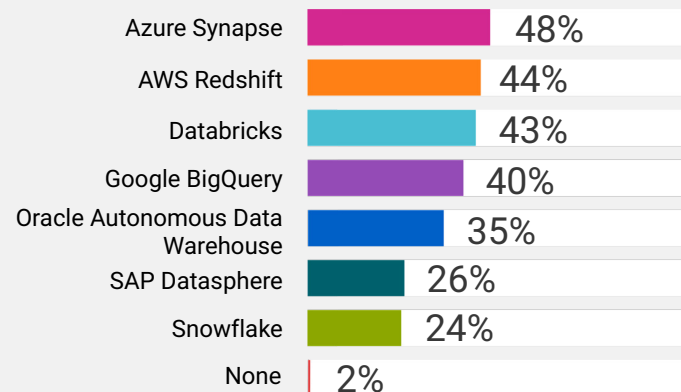
Respondents are nearly evenly split in their current use of Azure Synapse (47%) and AWS Redshift (45%). Integration with Google BigQuery (44%), Databricks (38%) and Snowflake (26%) is also gaining momentum. Future plans show continued MDM SaaS adoption across these platforms, with nearly half of all respondents planning to feed master data into Synapse, Redshift and Databricks, and strong intent for BigQuery, Oracle ADW, SAP and Snowflake.

These patterns confirm that MDM SaaS is evolving into a critical foundation for AI-ready data ecosystems. Enterprises are building data infrastructure that supports data quality and governance and enables real-time decision-making and advanced analytics at scale.

Which of the following analytical systems are you currently feeding master data to?



Which master data domains do you plan to manage in MDM?



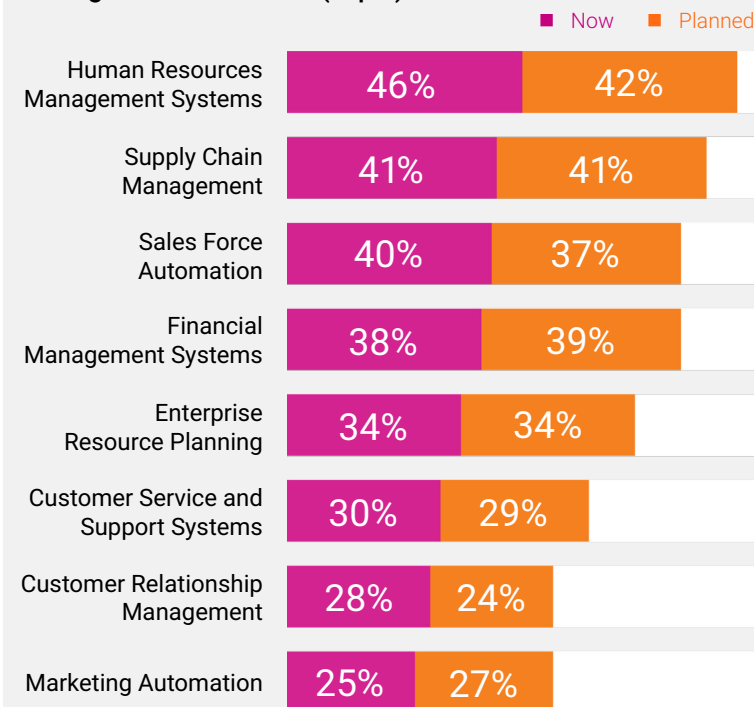
MDM Integration Is Expanding Across the Enterprise Stack

MDM has long supported integration across key operational and business systems, typically led by IT and shaped by business domain priorities. This year's data confirms that trend, with strong integrations across HR management systems (46%), supply chain platforms (41%) and sales force automation tools (40%), in addition to finance, enterprise resource planning (ERP) and marketing platforms.

Customer-facing systems, such as customer relationship management (CRM) (28%) and customer service and support tools (30%), also remain essential, reinforcing the continued focus on the customer domain noted earlier in the report. These integration patterns align closely with the domain priorities discussed earlier, particularly around customer, product and supplier data as MDM continues to become more broadly adopted to support a cross-functional, enterprise-wide initiative.

Planned integrations closely mirror current levels across most systems, suggesting that many organizations have reached a stable level of maturity. Growth is most notable in areas like inventory management and marketing automation, where adoption appears to be gaining traction.

Which operational or transactional systems and application types do you integrate with MDM today, and which do you plan to integrate in the future? (Top 8)



(Remaining categories: Inventory Management Systems 18% now; 24% planned, Digital Experience Platforms 17% now; 16% planned, Customer Engagement Platforms 12% now; 14% planned, Other 2% now; 2% planned. Multiple responses allowed.)

Planned integrations closely track current levels, indicating a stable MDM footprint across core systems



Customer Story

Holiday Inn Club Vacations: Unifying Customer Data to Power Personalized Travel Experiences

Challenge: Holiday Inn Club Vacations (HICV) needed to unify fragmented customer data across seven systems to fuel a new era of customer obsession. Their goal: deliver personalized, seamless travel experiences and drive post-resort loyalty, all while replacing the limitations of their legacy MDM solution.

Solution: HICV selected Informatica Customer 360, implementing it alongside IDMC Cloud Data Governance, Catalog and Cloud Data Quality. With cloud-native scalability and low/no-code capabilities, the team rapidly built a trusted 360-degree view of more than 350,000 member-owners.

Results:

- Fast, low-effort implementation with minimal development
- Seamless data consolidation and duplicate resolution
- Recognized as one of the most successful IT projects in HICV's 40-year history

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"Informatica was the solution that fit our needs the most, and what excited us most was just the ease of everything. Customer 360 was cloud-ready from the start, and IDMC Cloud Data Governance and Catalog and Cloud Data Quality, which we implemented at the same time, were nearly plug-and-play."

Michael Nolder

Senior Director of Enterprise Data Management, Holiday Inn Club Vacations



Customer Story

RS Group: Consolidating Customer Data to Reduce Fraud and Drive Smarter Engagement

Challenge: As RS Group expanded through acquisitions, fragmented data systems made creating a unified customer view difficult. The complexity of managing data across multiple platforms posed risks to fraud detection, hindered AI and analytics efforts and made it harder to deliver consistent, personalized experiences across digital channels, resellers and direct sales.

Solution: RS Group implemented Informatica's cloud-native MDM solution, which is part of IDMC. With built-in integration, governance and quality services, the platform allowed the team to connect AWS, Azure, Oracle, SAP, Salesforce, Treasure Data and Snowflake environments — without heavy development — using low- and no-code connectors.

Results:

- Over 1 million customer and contact records consolidated
- Predicting up to **33%** reduction in fraud
- A unified, enterprise-wide view that supports both risk mitigation and personalized engagement

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33%
reduction
in fraud

"We have consolidated over one million records for our customers and contacts across disparate systems and are predicting that our work will support up to 33% reduction in fraud."

Amanda Fitzsimmons

Sr. Director, Customer Data and Insights Group, RS Group

Top Takeaways

The State of MDM Modernization survey confirms what data leaders and business executives are already experiencing: modernizing MDM to a cloud-native solution is a critical enabler for business transformation. Now, more than ever as AI becomes more mainstream, MDM plays a critical role in driving agility, improving decision-making and strengthening operational resilience. Leaders quickly recognize the value of cloud-native MDM in overcoming data visibility challenges and leading with a 360-degree view of their business.

MDM modernization is more than an IT project; it is a cross-functional business initiative that spans AI, analytics, compliance, operations and customer experience. Expectations are rising as more enterprises adopt modular, governed, cloud-native MDM solutions. Investments in an MDM SaaS solution must deliver quick value, trusted insights, built-in security and boundless scale.

This reality reflects the shift toward real-time, enterprise-wide data orchestration with cloud-native MDM as the backbone behind smarter engagement, streamlined operations and more confident decision-making.

By the numbers:

All are actively modernizing and expect to complete cloud MDM modernization within two years.

Nearly 80% are within the first three years of their broader cloud modernization journey.

97% prefer refactoring over reimplementation, protecting existing investments and accelerating time to value.

Explore how **Informatica's cloud-native MDM solutions** can support your enterprise-wide transformation.

Start your MDM modernization today.

Survey Methodology

Now in its second year, The State of MDM Modernization survey provides a comprehensive view of how enterprises are evolving their data strategies. The study was conducted by TechStudio™, an Energize Marketing® company, in partnership with Informatica in May 2025. Designed to capture the priorities and challenges facing senior data and technology leaders, the study offers a global view of how MDM strategies are maturing across industries and regions.

The 300 respondents included senior-level executives across North America, Europe and Asia-Pacific. Geographic distribution was as

follows: 44% from EMEA, 43% from the Americas (U.S. and Canada) and 13% from the APJ region. Participants represented companies currently using Informatica Master Data Management solutions. They included CIOs, Chief Technology Officers, Enterprise and Cloud Architects, and senior leaders in Data Management, Applications, AI and Business Strategy. The findings reflect current modernization trends, priorities and challenges among global MDM decision-makers and are intended to inform data-driven transformation strategies. The survey is statistically valid at a 95% confidence level with a $\pm 5.6\%$ margin of error.

About Us

Informatica (NYSE: INFA), a leader in AI-powered enterprise cloud data management, helps businesses unlock the full value of their data and AI. As data grows in complexity and volume, Informatica's Intelligent Data Management Cloud™ delivers a complete, end-to-end platform with a suite of industry-leading, integrated solutions to connect, manage and unify data across any cloud, hybrid or multi-cloud environment. Powered by CLAIRE® AI, Informatica's platform integrates natively with all major cloud providers, data warehouses and analytics tools — giving organizations the freedom of choice, avoiding vendor lock-in and delivering better ROI by enabling access to governed data, simplifying operations and scaling with confidence.

Trusted by about 5,000 customers in nearly 100 countries — including over 80 of the Fortune 100 — Informatica is the backbone of platform-agnostic, cloud data-driven transformation.

Informatica. Where data and AI come to life.™

Where data & AI come to



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