

# Buy vs Build



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# **D&B Enrichment for Informatica MDM**

Globalsoft and Dun & Bradstreet have teamed up to offer a data enrichment solution tailored specifically for Informatica MDM. A combination of software and services delivered via D&B Direct API, the solution includes the following pre-built software components:

#### 360 Connector

Family of applications that interface with the DaaS Framework of the MDM Hub (10.2+) to provide access to D&B Direct from within the MDM UI

#### Monitor

Stand-alone web application to execute D&B Direct Monitoring services. And an option for MDM solutions executing data staging in MDM;

#### SBC for SFDC

D&B Direct extension to create accounts within salesforce for MDM users

All technology purchase decisions include a Cost Benefit and Buy-vs-Build analyses. These can be explicit, with detailed reports that support a decision; or may be implicit, with quick calculations that are handled with "top-of-my-head" thinking. With this white paper we will explore the factors that influence the Buy-vs-Build decision for this solution.

# Factors to consider for Buy vs Build

The following are the key factors to consider when determining whether to purchase these components or whether it is better to build these yourself:

Function

- Time to Value
- Risk
- Cost

Skills

Support & Maintenance

Each of these factors need to be considered when determining whether it makes sense to build versus buy a solution. The result will be unique in each case, specific to the evaluating organization at a point in time.

Globalsoft & D&B offer these components because there is sufficient value in buying them instead of each customer building their own version for their specific needs. Those needs are common enough across all users that a single build can provide broad usage, with development & maintenance costs spread across the customer base.

Although each customer will have a scenario that is specific to them, in most cases the conclusion will be that buying a solution makes more sense than building their own. When looking at each factor, it usually breaks down as follows:



**Function**: if the solution being considered does not meet the functional requirements, then build would be a better choice.

**Time to Value**: in every case buying will deliver a faster time to benefit



**Risk**: in every case, buying reduces risk as compared to building a custom component that is unique.



**Cost**: in many cases, when considering TCO, buying will have a more favorable cost factor. But not in every case. And the cost benefit will not be as great a determinate as other factors mentioned here.



**Skills**: This one is very specific to the organization; the ability to carry skills related to developing and maintaining the solution

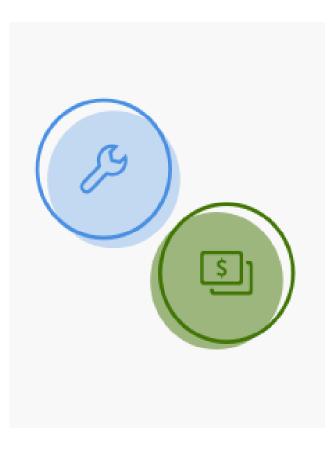


**Support & Maintenance**: often overlooked in the buy-vs-build decision but essential for long-term success of the solution

## To Buy, or to Build?

Each organization that is considering purchasing a solution will determine whether it makes more sense to purchase that solution or to build it themselves. The decision-making process will fall along a spectrum; comprehensive analysis, usually by an independent party, with a detailed report including a recommendation; to a "top-of-the-mind" calculation quickly made by a decision maker, which is based on whatever existing knowledge and experience that he may have.

The solution cost, urgency, and importance will impact how much effort and rigor is applied to the Buy-vs-Build decision. Implementing a multimillion-dollar ERP solution will require greater rigor in this decision than a \$25K purchase. In some cases, particularly those with lower dollar implications and higher urgency, the "top-of-mind" method will sufficient since it will be good enough with low risk. But for most, some level of analysis needs to be applied to make sure the correct decision is being made. Typically, this would be done as an extension to a Cost Benefit analysis.



# Which Enrichment Solution is right for me?

The D&B Enrichment solutions have been created for customers of Informatica MDM MDE, as well as those who have selected Customer 360 or Supplier 360. For those who have selected a 360 solution, additional pre-built functionality is provided.

For customers of:	Informatica	Informatica	Informatica MDM
	Customer 360	Supplier 360	Multi Domain Edition
Solution Components	<ul> <li>C360 Connector</li> <li>D&amp;B Direct Monitor</li> <li>SBC for SFDC for integration w/ Salesforce</li> </ul>	- S360 Connector - D&B Direct Monitor	- E360 Connector - D&B Direct Monitor

# **D&B Direct Enrichment Solution**

Globalsoft, D&B, and Informatica have teamed up to offer a data enrichment solution for Informatica MDM. This solution is tailored specifically for Informatica MDM and is comprised of a package of prebuilt components along with access to defined D&B services via their API.

The solution includes the following pre-built software components:

#### 360 Connector

A package of components specifically designed for different Informatica MDM solutions:

- DaaS Adapter: connectivity between MDM and D&B Direct API. Displays match results in MDM UI.
- Linkage Module: creates new entities for related parties identified by D&B
- 360 Provisioning code: MDM enhancements and mappings for specific MDM solutions.
- **IDQ Maplets**; stub mappings that provide a template and head-start for configuring mappings between the DaaS Adapter and IDQ

#### 360 Connector family:

- C360 Connector; for Informatica Customer 360
- S360 Connector; for Informatica Supplier 360
- E360 Connector; for Informatica MDM MDE

## **Direct Monitor**

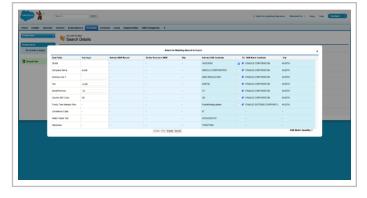
Stand-alone web application to execute Monitoring functions.

Automatic updates delivered whenever D&B makes changes

## **SBC for SFDC**

Extension of D&B Direct for Informatica MDM providing coordination between Salesforce CRM and Informatica MDM, allowing SFDC to be the system of creation while following the governance of MDM.

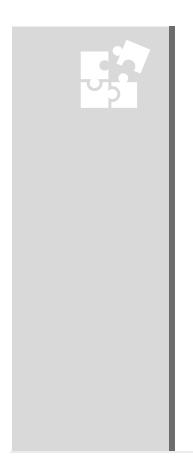






# Buy vs Build

As noted above, each organization (and individual) will perform a Buy vs Build analysis and decision at some level. For the D&B Enrichment Solution we have identified the primary factors that will impact this decision:



## **Function**

This is the primary determinant. If a component you are looking to buy does not meet the minimum functional requirements, then the decision is easy. You will need to build. It gets more complicated when minimum functionality is provided but other desirable functionality is not included. Then you will need to weigh additional factors:

- How important are the additional functional capabilities? Are you willing to pay the additional cost to get them? What is the cost benefit of these functions?
- Can the component(s) to be purchased be extended or customized to include the additional functionality? And what is the cost to do so?

In most cases, a buyer will determine a functional match before the need for a buy vs build decision, so if you have gotten to the point of Buy vs Build you have already determined it meets the functional requirements. So, you then need to evaluate based on other factors.

## **Time to Value**

This refers to how long it will take until you have an implemented solution in production. In all cases, a purchased pre-built solution will offer an advantage of how quickly you can implement. This is the primary reason for offering the solution; by building it ahead of time you can implement quicker.

The time savings for buying a solution will depend on the functionality required by the user. For example, implementing a full D&B Enrichment solution, including Monitoring, will save considerable time. But if only implementing match and DCP enrichment, the time savings would be less compared to "building your own".

Based on our experience implementing this solution, we can provide the following estimates as a comparison:

## **Risk**

Next on our list of factors to consider is the Risk associated with Buy vs Build. The Buy decision is designed to be less risky:

- **Conformance Risk**: The product is built to carry out a function. It has been successfully tested to conform to a set of requirements. And is backed by an engineering and support team to continue to conform to those requirements.
- Performance Risk: The product has been tested at certain performance levels so the performance characteristics are known.
- **Time risk**: The longer a solution takes to implement, the greater the risk that it will not be ready in the required time frame. For this reason, the Buy decision carries less time risk.
- Cost risk: The purchase cost of the components are known, as is any related support or maintenance costs. The cost to implement the purchased components can be estimated with reasonable certainty. Whereas building a custom solution carries much greater cost risk. Much of it related to the time risk discussed above. The risk of costs exceed budget is great than for a purchased solution.

## Cost

This would seem to be pretty straightforward: comparing the cost of buying a solution versus building it yourself. Where it gets challenging is with the following:

- TCO: Make sure you include all costs associated with the solution over the life of the solution. It is more than just development costs. It should include the costs to provide support. It should factor in the cost of make changes should the MDM be upgraded or if the solution needs to be extended.
- **Development costs:** What is the cost of using development resources? It could be low if internal resources are not needed elsewhere, otherwise you need to pay for development resources.
- **Opportunity Costs:** There is a cost of not having the solution available in the time frame you need it. If a Build solution takes an additional 5-10 months as compared to a Buy solution, then there is the opportunity cost of not having this solution in place for that period of time.

## **Skills**

When assessing whether to build or buy, you need to factor in whether you have the skills to design, build, and maintain the solution. Some of these can be brought in from a service provider, of course at a cost, but regardless of where you get them, you will need to have access to the skills (and knowledge about the solution) over its life if you choose to build. When buying a solution, you can rely on the vendor to maintain those skills and knowledge base as you maintain the solution over its life.

## **Support & Maintenance**

This factor considers how this solution will be supported & maintained once it is implemented. How will be bugs be addressed? What happens when you upgrade to a new version of Informatica MDM? What happens if D&B makes changes to their API. With a custom-built solution resources will need to be retained with the knowledge and capacity to keep the solution supported.

For the "Buy" solution, the vendor, in this case Globalsoft and D&B, provide responsive support that can troubleshoot issues and assist the customer in solving the issue. When new versions of the MDM Hub are released, the vendor will test to make sure the solution is compatible and make any changes that may be necessary. Likewise, if there are changes to the API this will be updated in the solution and provide to the customer. It means the customer does not need to retain resources to keep this solution functioning.

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## Conclusion

Each organization has a unique scenario that will influence these set of factors in their own, unique way. As a result, each organization will have a different value for buying the D&B Enrichment solution as compared to building a comparable solution. The weighting of the individual factors will go a long way to providing that value. Some organization will heavily weigh the Cost factor, others the Time to Benefit factors. Often undervalued are the other factors; Risk, Supportability, and Maintainability. These are less easily qualified but become more important the longer you rely on the solution.

In conclusion, purchasing the D&B Enrichment solution will provide the fastest time to benefit at the lowest cost. The amount of that benefit may vary significantly but will always be a benefit. But the hidden benefits related to Risk, Support, and Maintenance should not be minimized, as these will likely provide long lasting benefits.

# About Globalsoft

Globalsoft is an MDM-focused global software consultancy with over twenty years of experience helping customers and vendors solve challenges with Data Management and Integration.

For customers of Informatica MDM, Globalsoft has developed products and solutions to maximize the return from MDM, and its extensive experience makes Globalsoft a preferred provider of MDM services.

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