



Unlocking the power of data to drive transformation

The Phillip Morris International story

After nearly 120 years in business, PMI is reinventing products, consumer relationships and business decision-making. Underpinning this dynamism is a new approach to data.



PHILIP MORRIS
INTERNATIONAL

A successful traditional tobacco company...

Philip Morris International (PMI) is a leading international tobacco company that has a long history – in 1847, Mr. Philip Morris opened a shop on London’s Bond Street. Today, PMI’s products are sold in over 180 markets, and in many they hold the number-one or number-two position by market share. Six of the top 15 international cigarette brands in the world are PMI’s, including Marlboro. More than 150 million consumers worldwide use PMI’s products, and the company employs more than 77,000 people.

...building its future on smoke-free products

PMI is currently undergoing the largest transformation in its history: shifting to build a future on smoke-free products, which are a better choice for adult smokers. In 2018, 92% of PMI total R&D expenditure were related to smoke-free products, accounting for more than \$350m, with more than 400 people focused on research and development in facilities in Singapore and Switzerland.

From a scattered data landscape...

PMI has a long history of data collection, which served its historical business – the manufacture and sale of cigarettes. This data contributed to PMI's success as a consumer packaged goods company. However, over time, the way the data was managed created data silos, data duplication, multiple sources of truth, and inconsistent data definitions. This historically ungoverned and scattered data landscape proved unable to support the full usage of data within PMI for today's and tomorrow's needs. Changing the way PMI was managing and leveraging its data became crucial to unlock its potential and position data as a key enabler of PMI's transformation.

...to a dual data strategy

For this data revolution to occur, PMI decided to change the culture around the way both senior management and the business makes decisions. On top of experience, instinct, and common sense, PMI wanted to add actionable insights generated from analytics and based on a solid data foundation. These two elements define PMI's dual data strategy. PMI believes that data governance and data science are “two sides of the same coin.” Data governance and data science must work in tandem to achieve PMI's data goals, including:

- Empowering the business to use data in decision-making
- Addressing PMI's historic data challenges
- Enabling collaboration through a new data culture

To build a solid data foundation, the company radically altered its approach to data management, by implementing proper data ownership, definitions, models, processes and business rules and established a single source of truth.

Creating a team, mapping out a journey

To implement its dual data strategy, PMI created an internal Enterprise Analytics and Data (EAD) team. The team brought together individuals who understood the cultural importance of data and had the skills to oversee the necessary changes in data governance and data science.

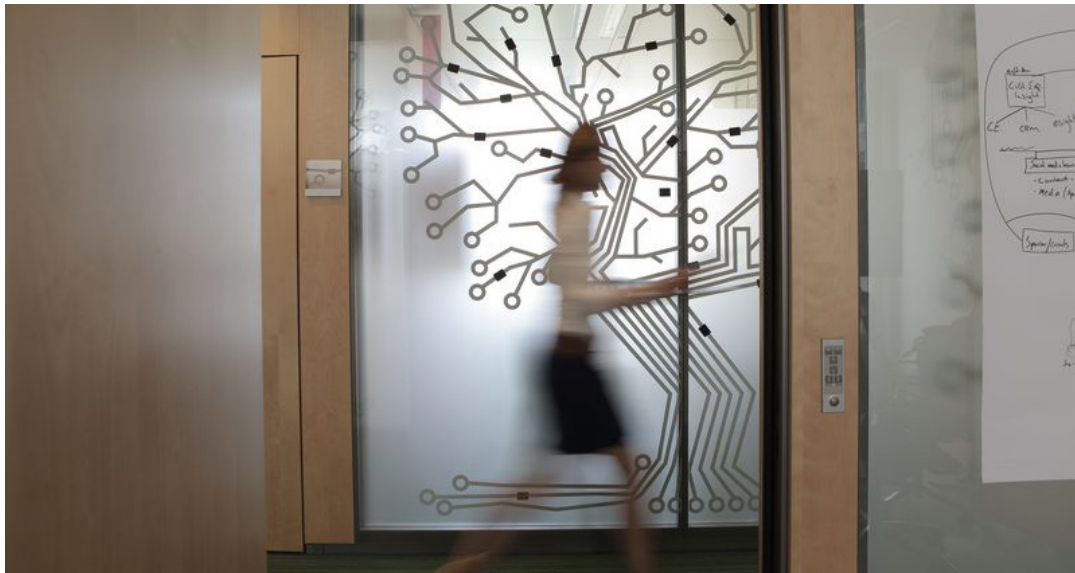
The PMI EAD team developed a roadmap of short- and long-term objectives, as well as corresponding strategies for bringing PMI's new data capability into being. This living document is continually evolving — team members have quarterly workshops where they share knowledge and update each other on the progress made.



Understanding the terrain to be traveled

A significant focus of the PMI EAD team is a cultural change to help PMI's business decision makers understand how data and analytics will enhance corporate performance. Without this cultural change, the data transformation program would fail to thrive.

In the first 18 months, several initiatives began, with an eye towards fostering this cultural change. For example, the PMI EAD team rolled out a data maturity model assessment program that was very effective in achieving business buy-in. This measurement tool empowers PMI's individual business functions to assess their own data maturity, including data ownership, processes, definitions and models, as well as data quality. These assessments establish a data baseline that then provides visibility and transparency into the state of the organization's data at the beginning of the project. The assessments also allowed PMI to identify opportunity gaps among different departments.



As well, PMI EAD began using a technology-based data governance platform as the foundation for all its corporate data initiatives. PMI EAD had specific needs from a data governance solution. For example, they required a platform that would enable data assets to be described using business language, so that PMI business users could find the data they needed using terms they used daily. The Collibra data governance and catalog platform enables this approach. It also provides visibility and transparency into all of PMI's data assets and allows PMI to easily centralize its data management.

Achieving change in both analytics and culture

The PMI EAD team is successfully helping the company to realize its goals of creating a data analytics capability that goes hand-in-hand with a more data-focused approach to decision making. Collibra serves as PMI's foundational data governance tool, helping the PMI EAD team turn its strategy into a reality. Together, they are giving the company a deeper understanding of its data and are providing trusted data insights for business decision-making.

“Collibra enabled us to unlock data knowledge to everyone in the company, it’s a game changer to become a truly data driven enterprise.”

—Jeroen Diepstraten Director Enterprise Data Architecture, Philip Morris International

Beginning the journey in the right way

The PMI EAD team views data governance as a journey, not a destination. The team continues to roll out the Collibra solution alongside a cultural shift around how data is managed and used, across the organization. PMI EAD aims to have business users recognize the Collibra platform as the single source of truth for the company's data. Already, the combination of the new approach to data management, supported by Collibra technology, is making a real difference to business decision makers within PMI.

As the PMI EAD team moves on to the next stage in its data governance journey, the team has the following advice for those organizations just kicking off a new program:

- **Establish a dedicated team** – It's important to put in place a team of people with the right expertise to deliver a data governance program. The team's mission and approach to data governance should be well-defined and have senior management support.
- **Start fast and small** – There can be a real temptation to roll out a data governance program to the entire organization simultaneously. Consider beginning in a more focused way, which will make it easier to demonstrate impact.
- **Be willing to evolve** – As implementation moves through the organization, it's important to listen to the business, and adapt when it makes sense to.

PMI is embracing change – in the products it sells, the way adult smokers use its products, how it undertakes R&D, and how it makes decisions. The way PMI uses data is changing too, and its new data governance program is supporting this exciting transformation within the organization.