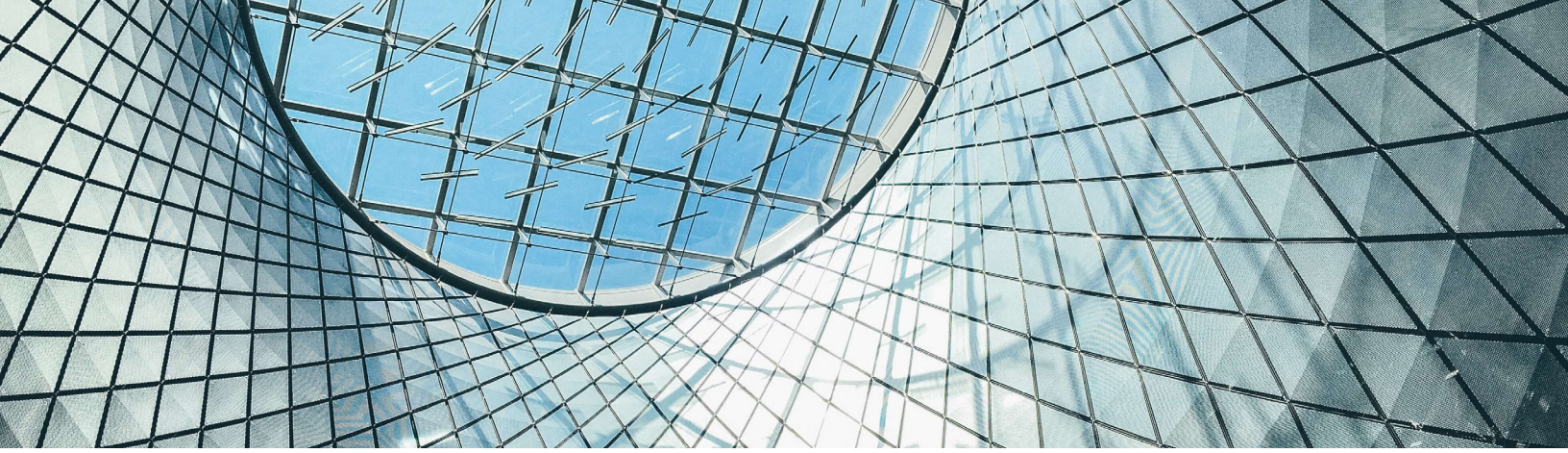

Market Insight Report Reprint

From data fabric to “dataware,” Cinchy thinks now is the time for an architectural shift

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by Paige Bartley

Data integration has always been a challenge – app-to-app connectivity and copy-based data integration create difficulties in garnering insight and managing security requirements. Cinchy sees a future where data integration, collaboration and management are possible via a “dataware” copy-less architecture.

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Introduction

For all its complexities in execution, data integration has historically served a straightforward purpose: to bring together divergent sources of data and combine them into harmonious datasets that can then be consumed for business purposes. The challenge is that IT architecture has only become more diverse over time – in 451 Research's Voice of the Enterprise, Data & Analytics, Data Management & Analytics 2021 survey, 37.3% of respondents report that their organization has over 100 distinct departmental data silos. In joining data sources, many traditional data integration approaches have created derivative sets and copies of data that further frustrated efforts at overarching data management and governance.

Cinchy sees this as unsustainable and envisions a future where all data collaboration, access and governance exist via a copy-less data architecture – an architecture in which data is independent from applications, and applications are no longer a primary data store or environment for data lock-in. With this copy-less concept of "dataware," Cinchy hopes to enable an ecosystem in which individuals truly own their own data – facilitating data privacy – and in which software simply acts as a layer to manage data use and resources.

THE TAKE

Data copies can be a nuisance from a data governance, risk management, cost and productivity perspective. Yet the current complexity of the application ecosystem often spawns data copies as efforts are made during data collaboration, integration and sharing. In this sense, Cinchy's vision of delivering a single-copy "autonomous" data architecture is a departure from the status quo, with the intent that early adopters of this architectural model will have the opportunity to exist as silo-less organizations, analogous to how many businesses today are inherently born into cloud architecture.

The Cinchy dataware concept seeks to solve rudimentary challenges in data management; namely, data being held hostage by individual applications and their respective technical controls. This innovation is an opportunity, but could (at least in the near term) position the company against some of the largest application providers in the market – providers that generally seek to create "sticky" end-user experiences based on application user interface (UI) and data gravity.

Context

Cinchy was initially founded in 2014, when the company was incorporated by current CEO and co-founder Dan DeMers and current CTO and co-founder Karanjot Jaswal, although the product was first brought to market commercially in 2018.

We have written about the company before, most recently in late 2020 when Cinchy positioned itself primarily as a form of data fabric. However, rather than traditional point-to-point architecture for connecting and harmonizing data sources, the company used a network-based architecture that enabled datasets to be directly "linked" across the data fabric rather than copied between apps and systems, similar to how the web links content via the internet. With the ability to link data from both existing connected sources as well as autonomous data – data "born" directly in the Cinchy environment – the product's goal was (and still is) to provide organizations with a comprehensive, collaborative ecosystem to deliver a multitude of data-driven use cases.

The company has continued to expand since 2020, with a reported growth rate of 2x revenue since the end of 2020. Now with a cited 51 employees (up from 31 at the end of 2020) and over 150 reported enterprise customers, Cinchy has expanded from its initial success with large financial services firms to regional banks and credit unions, as well as other data-intensive sectors such as retail and supply chain. To date, however, roughly half of the company's customers still have some affiliation with the financial sector. While Cinchy is based in Toronto, the company uses a remote work model focused primarily on talent rather than geographic location, and reports employees ranging from Canada and Spain to the U.S.

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Notably, Cinchy has reported that sales cycles have continued to shorten over the last two years and that an increasing percentage of inbound prospects now have an existing level of knowledge of the company's approach prior to engagement. Total institutional funding to date has been $15 million over accelerator, seed and series A rounds. At present, the company is in the process of planning its next funding phases, but past investment participation has included Information Venture Partners, Manulife, Blindspot Ventures, Techstars, ScaleUp Ventures, BDC Capital and MaRS.

Platform

Cinchy now describes its product approach as "dataware" and its Cinchy Dataware Platform provides an architecture to fundamentally decouple data from applications, allowing customer organizations to essentially tap into a cohesive fabric of single-copy data, without relying on point-to-point data integrations between existing applications. The company's intellectual property lies primarily in its ability to essentially create a digital twin of data that exists within applications: keeping those digital data twins in the Cinchy Dataware Platform in sync at all times with the originating applications, regardless of what management controls are applied or what collaboration and edits may occur. No asynchronous data copies are ever made, and Cinchy customers can choose to either use the Cinchy Dataware Platform as their primary data interface or continue to interact with data via the UI in originating applications (or, in many cases, both).

Data in the Cinchy Dataware Platform is always under the customer's control, and is not shared directly with Cinchy, facilitating third-party risk mitigation and regulatory needs. Enterprise access-based data collaboration remains the focus of the platform, and the concept of the dataware approach is to use the technology as the native data store for the organization's data assets. Individual application UIs can still be leveraged for UX preferences of individual end users, but the applications are essentially tapping into the master data "power grid" of single-copy digital twins managed within Cinchy, much like an individual device might plug into a socket for electricity. The enterprise applications themselves continue to exist as user experiences pulling from a common commodity of single-copy enterprise data.

By creating a complete view of the organization's connected data ecosystem, collaboration and intelligence on data collaboration is facilitated, even across data coming from highly disparate applications. Cinchy users with the appropriate access credentials can view a complete data collaboration log across multiple apps and sources, streamlining needs for compliance and audit as well as roll back capabilities to earlier versions of data. Users of the Cinchy ecosystem can access and collaborate upon any data, as appropriate based on access controls, within the environment – any changes are reflected back in the connected applications due to the patented synching mechanisms.

For organizational data privacy and governance efforts, Cinchy offers the benefit of singular view across applications as well as coordinated data management control across use cases, untethered from traditional departmental application silos or software, with the ability to both read and write. Data stewards or other individuals in data management and governance roles can theoretically use the Cinchy Dataware Platform as a common mechanism to implement controls for organizational data access, views, usage and binding policy. Individuals can be given direct control of their personal data as needed for regulatory compliance or privacy initiatives.

Cinchy can be deployed via a number of architectural options, including on-premises, vendor-hosted cloud environments or private cloud.

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Strategy

Cinchy goes to market with the pitch that companies of the future, adopting Cinchy native architecture, will essentially be able to be born into a silo-free data environment unbound from the inherent data control of individual applications. The company emphasizes that point-to-point data integrations are not linear in complexity of effort and cost, but rather exponential, and that this integration pursuit is unsustainable at modern scale. In this sense, it makes sense that Cinchy's target audience remains large and very data-intensive organizations with a high level of data complexity.

In targeting prospective customers, the company looks for early adopter firms that – aside from fitting the above profile of data scale and complexity – are receptive to the concept of novel technology architecture facilitating full data ownership and control. Common sales cycle conversations include enterprise IT leadership and direct or indirect reports to the CIO function of the organization. Enablement of end-user business productivity with data is a common theme and motivator for product purchase, but cohesive data governance and data management controls frequently facilitate the sales conversation, especially for prospects in highly regulated industries.

At present, Cinchy primarily operates via direct sales but with a growing number of reseller and implementation partners. The product is currently offered via free trial for fully signed customer agreements to offer prospective clients a sense of functionality, and the full-featured environment is available via three tiers: Platform, Premium and Platinum. All tiers include an unlimited data browser, unlimited access to data and come with support options. Add-on builder subscription packs allow creators to build and share tables, queries and APIs.

Competition

Cinchy's technical IP is its ability to create digital twins of data that untether data from application ownership but the product's practical use cases and business functionality could put it up against several providers that position as data integration, data fabrics, data catalogs or even master data management (MDM).

In the data integration and data fabric arena, some common names may include data management mainstays such as IBM Corp., Informatica Inc., Hitachi Vantara, Precisely (fka Syncsort), Tibco and Talend, as well as other providers such as SnapLogic, Syniti and Zaloni.

K2view also competes with Cinchy, via a virtual "micro-database" architecture that manages and integrates data based on defined business entities, complete with security and governance controls. Microsoft Corp. (Dataverse) competes in the sense that it allows organizations to store and manage data that is used by business applications.

Data catalogs, particularly in a self-service model, can often serve to facilitate business access toward aggregated data sources. In this sense, providers such as Alation, Collibra and data.world are worthy of note. These environments commonly also include mechanisms for ongoing data governance as well as connectivity to analytics and visualization environments. Many large providers mentioned earlier also offer data catalogs and adjacent data governance products.

Master data management (MDM) platforms, in their business use cases, may serve some similar purposes; however, the architecture is generally quite different from Cinchy. Some examples of players in the MDM space that were not already mentioned above include Ataccama, insightsoftware (via Magnitude assets), Mastech (via InfoTrellis assets), Reltio, SAS Institute, SAP SE, Semarchy, Stibo Systems, Syndigo (via Riversand assets) and Tamr.

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SWOT Analysis

STRENGTHS

Cinchy, via its technology IP, is addressing a very real problem in data management that currently is the basis of countless enterprise data silos – application lock-in of data. The concept of dataware offers a much more unified and governed view of organizational data assets without having to abandon the benefit of application UI/UX.

WEAKNESSES

For promoting such a paradigm shift in data management and data use, the company remains relatively small and lean with modest funding. While Cinchy has respectable enterprise customer momentum with early adopters, it will need to lean in to the education of more conservative prospects and expand internationally.

OPPORTUNITIES

The desire to securely collaborate around data resources within the enterprise is growing as organizations try to establish a thriving organizational data culture amid proliferating regulations. Cinchy provides strong mechanisms not only for liberating and aggregating data from source applications, but also providing tools for consistent governance, security and privacy.

THREATS

Cinchy's IP essentially "jailbreaks" data from the exclusive control of business apps, theoretically undermining the company's ability to form strong business partnerships with some of the most popular enterprise application and SaaS providers on the market. While app UI utilization is certainly not mutually exclusive with Cinchy platform use, some SaaS incumbents in the market could myopically view Cinchy as a threat.

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