Market Data Spending Is on a Roll

How Trading Professionals Determine Budgets

August 22, 2023

Executive Summary:



Spending on market data is going up across the board. Among buy-side market participants in our recent study, 80% believe data budgets will rise over the next 12 months, with over one-quarter anticipating a rise of at least 5%. Some categories of market data are growing by 10% or more. Market data spending is clearly on a roll.

This upward trend in spending reflects more than just the annual increases baked into contracts—it reflects strong underlying demand. At the same time, the vast majority of study participants select their data providers based on overall data quality rather than price. This has allowed market data providers to keep premium prices intact, as long as they continue to deliver the highest quality data with little or no down time and, in some cases, with increasing breadth and depth.

That's not to say cost doesn't matter. Cost always matters, but decision-makers do not place it at the top of their lists. Moreover, how spending decisions are made varies greatly from firm to firm. Our research shows that decisionmaking is centered in business units on the buy side, as well as heavily influenced by regional considerations (especially on the sell side). For buyers, willingness (and ability) to spend depends heavily on the growth trajectory of investment and trading strategies focused on the asset class (e.g., equities vs. fixed income) and the inherent uniqueness of the data (e.g., alternative data for making investment decisions). In addition, the prioritization of real-time data to enhance trading strategies and operations is a real phenomenon, but not always necessary for different use cases.

This demand for data quality, paired with a willingness to spend, results in a robust market for market data that shows little (if any) signs of slowing.

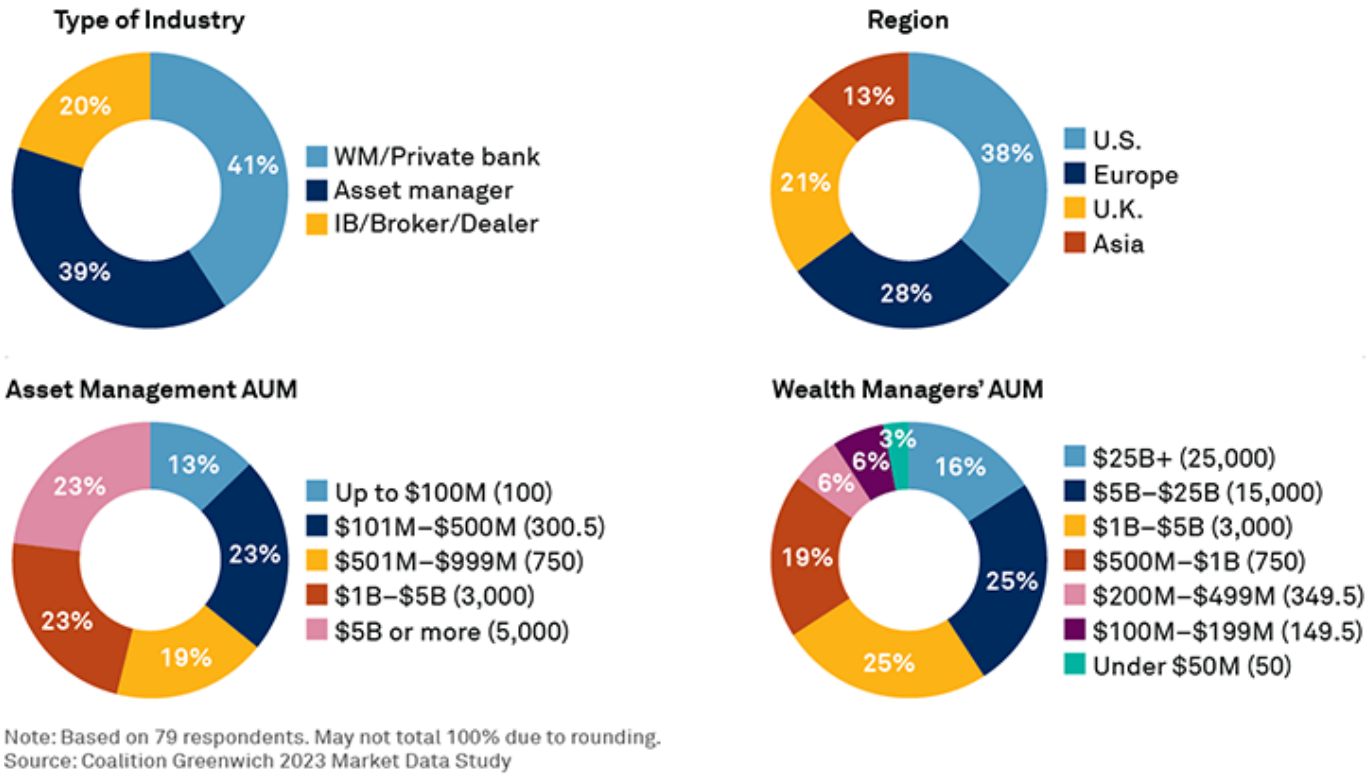
Methodology:

During April and May 2023, Coalition Greenwich, in partnership with SIX, interviewed a total of 79 global buy-side and sell-side market participants to confirm what drives their choice of market data vendor, what types and frequency of data these firms are buying and consuming, and their views on anticipated future use cases,

sources and delivery. The majority of opinions came from professionals working at either asset management firms or wealth management firms/private banks, with experts at dealers and banks making up the balance. Nearly half of asset management firms in our study reported AUM of at least $1 billion, with about one-quarter of that group reporting AUM of at least $5 billion. Likewise, respondents tended to work for larger wealth management firms/private banks, over half of which had AUM of $1 billion or more.

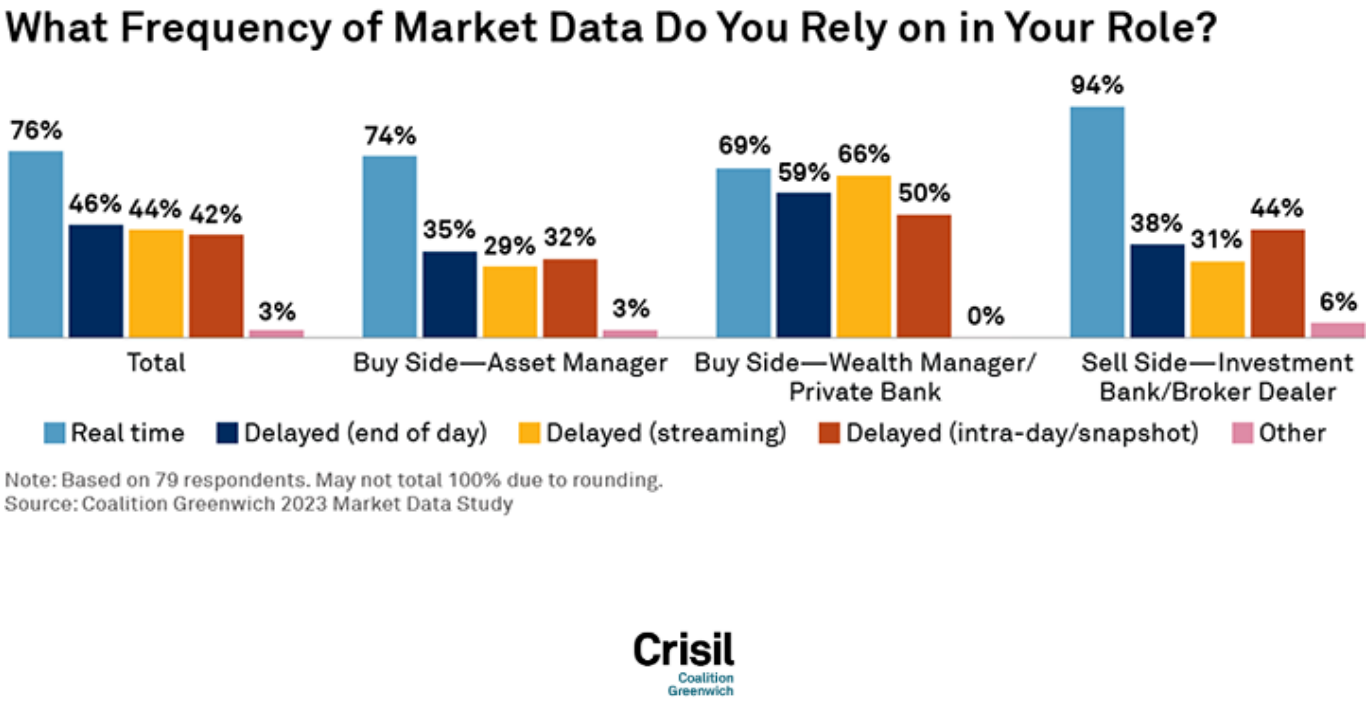
Looking across regions, the majority of participant business is conducted in the U.S., followed closely by Europe. The U.K. and APAC make up a smaller piece of the pie. While buy-side firms are distributed across all regions, nearly all sell-side respondents—which primarily consist of large global banks and dealers—conduct the majority of business in the U.S.

Respondents



Note: Based on 79 respondents. May not total 100% due to rounding.
Source: Coalition Greenwich 2023 Market Data Study

In most cases, participants hailing from buy-side firms have between one and 25 people within their area of responsibility or business function using market data. On the sell side, this figure was often much higher, with nearly one-third of participants pointing to over 100 people using market data. When it comes to the frequency of data being used, real-time data stood out from other frequencies as the preferred data type for both buy-side and sell-side study participants. As the market environment becomes more volatile and unpredictable, the value of real-time information grows and is leading capital markets professionals to increasingly rely on higher frequencies of information.



Crisil
Coalition Greenwich

---

www.greenwich.com | ContactUs@greenwich.com

Coalition Greenwich, a division of CRISIL, an S&P Global Company, is a leading global provider of strategic benchmarking, analytics and insights to the financial services industry.

We specialize in providing unique, high-value and actionable information to help our clients improve their business performance.

Our suite of analytics and insights encompass all key performance metrics and drivers: market share, revenue performance, client relationship share and quality, operational excellence, return on equity, behavioral drivers, and industry evolution.

About CRISIL

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better. It is majority owned by S&P Global Inc., a leading provider of transparent and independent ratings, benchmarks, analytics, and data to the capital and commodity markets worldwide.

CRISIL is India's foremost provider of ratings, data, research, analytics, and solutions with a strong record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights and efficient solutions to over 100,000 customers through businesses that operate from India, the U.S., the U.K., Argentina, Poland, China, Hong Kong, and Singapore.

For more information, visit www.crisil.com

Disclaimer and Copyright

This Document is prepared by Crisil Coalition Greenwich, which is a part of Crisil Ltd, a company of S&P Global. All rights reserved. This Document may contain analysis of commercial data relating to revenues, productivity and headcount of financial services organisations (together with any other commercial information set out in the Document). The Document may also include statements, estimates and projections with respect to the anticipated future performance of certain companies and as to the market for those companies' products and services.

The Document does not constitute (or purport to constitute) an accurate or complete representation of past or future activities of the businesses or companies considered in it but rather is designed to only highlight the trends. This Document is not (and does not purport to be) a comprehensive Document on the financial state of any business or company. The Document represents the views of Crisil Coalition Greenwich as on the date of the Document and Crisil Coalition Greenwich has no obligation to update or change it in the light of new or additional information or changed circumstances after submission of the Document.

This Document is not (and does not purport to be) a credit assessment or investment advice and should not form basis of any lending, investment or credit decision. This Document does not constitute nor form part of an offer or invitation to subscribe for, underwrite or purchase securities in any company. Nor should this Document, or any part of it, form the basis to be relied upon in any way in connection with any contract relating to any securities. The Document is not an investment analysis or research and is not subject to regulatory or legal obligations on the production of, or content of, investment analysis or research.

The data contained in the Document is based upon a particular bank's scope, which reflects a bank's data submission, business structure, and sales revenue Reporting methodology. As a result, any data contained in the Document may not be directly comparable to data presented to another bank. For franchise benchmarking, Crisil Coalition Greenwich has implemented equal ranking logic on aggregate results i.e., when sales revenues are within 5% of at least one competitor ahead, a tie is shown and designated by = (where actual ranks are shown). Entity level data has no equal ranking logic implemented and therefore, on occasion, the differences between rank bands can be very close mathematically.

The data in this Document may reflect the views reported to Crisil Coalition Greenwich by the research participants. Interviewees may be asked about their use of and demand for financial products and services and about investment practices in relevant financial markets. Crisil Coalition Greenwich compiles the data received, conducts statistical analysis and reviews for presentation purposes to produce the final results.

THE DOCUMENT IS COMPILED FROM SOURCES CRISIL COALITION GREENWICH BELIEVES TO BE RELIABLE. CRISIL COALITION GREENWICH DISCLAIMS ALL REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, WITH RESPECT TO THIS DOCUMENT, INCLUDING AS TO THE VALIDITY, ACCURACY, REASONABLENESS OR COMPLETENESS OF THE INFORMATION, STATEMENTS, ASSESSMENTS, ESTIMATES AND PROJECTIONS, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARISING OUT OF THE USE OF ALL OR ANY OF THIS DOCUMENT. CRISIL COALITION GREENWICH ACCEPTS NO LIABILITY WHATSOEVER FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND ARISING OUT OF THE USE OF ALL OR ANY OF THIS DOCUMENT.

Crisil Coalition Greenwich is a part of Crisil Ltd., a company of S&P Global. ©2026 Crisil Ltd. All rights

reserved.

greenwich.com ContactUs@greenwich.com Ph +1203.625.5038