

Infosys BPO Market Data Solution

Capability Optimization and Doing More with Infosys BPO Sourcing and Procurement: Strategic End-to-End Market Data Management

Management of financial market data is becoming increasingly challenging for financial institutions, market participants, and exchanges. There is a growing competition to have the most accurate data available in order to react to market fluctuations. The influx of business intelligence used to drive this process is known as market data.



Cost management efforts for market data-related expenses have proven to only have a limited effect; expenses that are typically among the highest in a financial services firm – after human capital, office space, and IT. Globally, financial firms spend over US\$25 billion on market data services each year¹.

An end-to-end (E2E) approach means higher savings through category and process experience and better outcomes through access to benchmarks and market knowledge.

Challenges Implementing Market Data Management Solutions

Organizations often struggle to effectively manage costs in this area for a number of reasons:

- Market data is a key tool used by deal rooms and research, which by nature have consistent fluctuations in information requirements
- Organizationally, market data management's roles and responsibilities are often not clearly defined within the firm
- Procurement staff often lacks the market knowledge to leverage their buying power in order to achieve the most favorable pricing and contract terms
- At an alarming rate, systems are being designed internally without the knowledge of sourcing departments, placing firms in risk of vendor audits and potentially costly claims for unrecovered revenue
- Firms that succeed with cost reduction and data quality goals are often challenged by sustaining those efforts over time

Capability optimization delivers

Accelerated outcomes	Improved cost visibility	Efficiency in contract management	Vendor consolidation
Higher, sustainable value (savings)	Improved service and value delivery	Alignment of spend and need	Clearly defined market data policies and procedures

¹The Burton-Taylor Financial Market Data/Analysis Global Share & Segment Sizing 2013 Report

Value from an end-to-end category management approach means higher savings through category and process experience

- Spend analysis
- Benchmarking peer group pricing
- Category planning and cost modeling
- Supply market analysis

- Category planning and cost modeling
- Structured renegotiation
- Contract and knowledge management



- Strategic sourcing
- Requirements assessment
- Remix of products and services

- Performance management
- Process transformation
- Development plans
- Supplier segmentation
- Benefits tracking

- Usage, process, policy, and compliance management
- Analysis and creation of a proactive compliance program

Case Study: End-to-end Category Management for Market Data Services

A global investment firm felt that market data-related expenditures were high with respect to other expenses. An overall diagnostic was recommended to determine market data services and market data support costs, identify and execute cost savings, and design processes to institutionalize change management and cost containment.

Objectives

- Optimize market data acquisition, demand management, change control, and governance

Our solution

- A complete inventory was performed and verified for all domestic locations
- Identified cost savings opportunities and developed departmental / user market data profiles

- Worked with market data groups to design and implement user change management and vendor management processes

Result

- Provided a thorough understanding of market data usage and costs
- Identified a 20 percent spend recurring annual savings of ~US\$70 million spend for the client's domestic locations, of which 10 percent was realized during the course of the initiative; consolidated market data billing in one location, saving an additional US\$150,000
- Implemented request procedures and vendor management guidelines to enhance control over spend

A flexible approach

As your partner, we will work with you to construct a solution best suited to your needs by using our comprehensive, category management strategic sourcing approach. Following are factors considered when proposing and building a market data services category solution for you.

- Your objectives
- Long-term goals
- Sustainability
- Financial objectives
- People and culture

Infosys BPO Sourcing and Procurement Practice

Our practice has robust solutions designed to provide transformational benefits across the entire source to procure to payment value cycle. The practice's end-to-end integrated procurement transformation solutions are designed to deliver an optimal mix of competency, skills, tools and technology, delivered through a global operating model. To know more, contact: Rajiv_Gupta@infosys.com

About Infosys

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Infosys BPO, the business process outsourcing subsidiary of Infosys, provides integrated end-to-end outsourcing and delivers transformational benefits to clients through cost reduction initiatives, ongoing productivity improvements and process reengineering.



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