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ABSTRACT

There are a variety of reasons which prevent users from making the most of information products. The practitioner must keep current with the myriad of information sources available and try to stay aware of changes in coverage. This paper categorizes the types of data in a large financial institution as follows: press sources, mergers and acquisitions data, financial information, market research reports, ownership data, and equity and bond data. It then identifies ways providers could better serve the information community, in terms of five factors which will ultimately determine the success of the information practitioner: quantity, quality, functionality, fragmentation, and cost. A "wish list" of future databases includes: more accessible data on investment and pension funds; a database devoted solely to rankings from key journals such as "Fortune" and "Business Week"; a database pulling together all key data sources that go into the company profile: financials; and share prices, broker recommendations and forecasts. (AEF)

Missing links — user needs vs. producers' offerings

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Introduction

In this session I hope to give an overview of how I perceive providers could better serve the information community. There are a wide variety of reasons which prevent users from making the most of the products on offer: here I will attempt to identify these and then apply them to the variety of sources commonly used within a financial environment. I would stress that all the opinions in this talk are my own, and I am sure each information user in the room would have their own views on this rather controversial topic.

At first sight, it appears that the title to this talk should lead me to provide a long list of databases I would most like to see on the market. All the databases that would make my life easier. However, upon closer inspection it appears that the subject is more complex than this.

The problem

All practitioners know that 80% of user needs can be met if one has unlimited resources, unlimited financial budgets to purchase key research; unlimited time to get the job done. Our problem, and one of the main reasons many of us use online services so heavily, is that we don't have unlimited resources. Users need answers quickly; they need to get value for money *now*!

So the practitioner invariably must access his or her source rapidly and produce a cost effective result. The issue is accessibility.

How easy is it for me to retrieve the data I need? How cost effective will my results be? How good is the information I am retrieving, and have I accessed the best source? These are the questions that confront the practitioner.

Five key issues

In considering what users need to bridge the missing links, it therefore seems appropriate to look at the key data types most commonly used in a large information unit and consider them with regard to five key issues that determine accessibility:

1. Quantity	is there enough data on the subject?	the producer's responsibility
	is there too much data?	the user's responsibility
2. Quality	how reliable is the data?	the producer's responsibility
	how sensibly is it presented to avoid confusion?	the producer's responsibility
3. Functionality	how easy is it to use the database interface?	the producer's responsibility
	how consistently and thoroughly is the data indexed?	the producer's responsibility
4. Fragmentation	are all the key sources available from one source?	the producer's responsibility
5. Cost	can I afford to access this data?	the user's responsibility
	does it represent value for money?	the user's responsibility

It is the combination of these five factors that will ultimately determine the success of the practitioner — and as we see, very little is actually within the control of the practitioner. The practitioner must keep up to date with the myriad of information sources available and try to keep tabs on changes in coverage. Keeping one's skills up to date is a constant process and has recently become even more vital as more and more products are placed on the end-user's desktop. It is very easy to lose touch with a product if one is not using it day in, day out, but this knowledge is vital as the information practitioner begins to embrace the role of on-site trainer for such

products.

In a large financial institution it is possible to categorise the types of data used as follows:

Press sources	online newspapers, historic and real time such as Reuters Business Briefing, FT Profile, NewsEdge.
Mergers & Acquisitions data	databases giving financial details of deals, joint ventures etc., such as Acquisitions Monthly or SDC.
Financial information	public or private company accounts data such as Disclosure or D&B records.
Market Research reports	industry surveys providing industry structure data, market shares and competitor lists available through the MAID database or individual files on the major online hosts.
Ownership data	shareholder details of companies.
Equity and Bond data	share prices, volumes, market values, bond redemption yields etc.

I have omitted the broad group of specialist sources which cause so many of us problems, such as pharmaceutical or telecommunications sources, as issues vary widely according to subject.

Applying my five 'accessibility' categories to these basic types of data, I would conclude the following:

Press sources

1. Quantity	Lots! Too much even, as there is often duplication of stories.
2. Quality	Questionable as a source of facts, but essential for market comment.
3. Functionality	Here is where the crunch comes! There is so much information available good indexing is essential to aid fast, accurate searching. Too often this is lacking.
4. Fragmentation	Becoming a problem as sources like the Financial Times and Wall Street Journal are at present available through limited hosts.
5. Cost	Generally users feel they get value for money.

Mergers & Acquisitions data

1. Quantity	Limited number of providers, but not a problem as quality is the key issue.
2. Quality	Generally poor. There is no consistently accurate source, which means users need access to all available sources, including press articles, to corroborate figures.
3. Functionality	Good. The specialist databases exploit the natural format of the data to allow various methods of searching.
4. Fragmentation.	Due to the limited number of specialist providers, not a problem. Only an issue when one resorts to press articles.
5. Cost	Expensive.

Financial information

1. Quantity	Public information — good. Private company data — sketchy according to country.
2. Quality	Public — generally good as it is based on actual accounts. Private — poor, unsafe. Often only sales figures available.
3. Functionality	Public — unless one is accessing the full accounts, the spreadsheet options often offer poor functionality. Spreads may be standardised across countries resulting in misleading figures. For those providers who do grasp the nettle and supply full financial details, the search interface is often so complex that users who are not accountants need customised reports and spreadsheet. Private — even where searching for private companies within the same industry, one invariably finds the assigned SIC codes too broad.
4. Fragmentation	As more spreadsheet systems become available, one is faced with the problem of standardisation discussed above!
5. Cost	Varies.

Market research data

1. Quantity	Lots! Especially for consumer topics. Still poor on industrial subjects such as process engineering!
2. Quality	Questionable according to reputation of producer. Nevertheless useful for a snapshot of the industry.
3. Functionality	Generally good — the structure of the reports lend themselves to relevant indexing. Improvements could still be made on Maid, though. For example, it would be valuable to be able to search across reports for specific tables of data, i.e. market share of yoghurt in Europe, without having to go through tables of contents of numerous reports (as is possible on Markintel).
4. Fragmentation	MAID have done a good job bringing together key sources. Many providers appear to be moving to marketing their products themselves now, though, which is leading to an increase in sources available on CD.
5. Cost	Good market research data is expensive to collect and consequently expensive to access either in printed reports or online.

Ownership data

1. Quantity	Too little. Institutional owners prevail and only the UK and USA markets are well covered.
2. Quality	There are very few sources for this information, so users tend to take what they can get. There is room for more products.
3. Functionality	Good. Data is structured well to allow detailed searching.
4. Fragmentation	Not enough sources out there to be a problem yet.
5. Cost	Expensive, reflecting the difficulty providers have in finding this type of data.

Equity and bond data

1. Quantity	Whilst the number of providers is still small, the quantity and coverage of companies is good. This is because the ultimate data providers are the relevant stock exchanges.
2. Quality	Generally good, though one occasionally finds some peculiarities caused by erratic loading procedures. It is essential that the user understand what exactly he is receiving and the definitions relevant to the data types, e.g. is volume double or single counted by a particular exchange?
3. Functionality	Generally good, and improving!
4. Fragmentation	Not an issue.
5. Cost	Expensive, especially when one wants to have multi access.

It should be clear from this analysis that providers could do a lot to improve accessibility without even starting to tackle the wish list of future databases!

Wish list of future databases

But what would be on that wish list?

- more accessible data on investment and pension funds;
- a database devoted solely to rankings from key journals such as *Fortune* and *Business Week*;
- a database pulling together all key data sources that go into the company profile: financials,
- share prices, broker recommendations and forecasts.

Or to quote one colleague when I asked her what she would like from providers: more discounts!

The indications are that the missing links I have defined will not be addressed in the near future. A recent Frost and Sullivan (Ref 1) report predicted the following growth in revenue by product type across Europe and suggests that we are all in for more of the same — almost 60% of revenue from online services in the year 2000 is expected to be from financial databases.

Year	Financial %	News %	Sci/Tech %	Business %	Biblio %	Other %
1990	60.6	4.8	7.5	18.5	7.1	1.5
1991	61.1	4.8	7.2	18.8	6.7	1.4
1992	61.3	4.9	6.9	19.2	6.1	1.2
1993	61.4	4.9	6.7	19.7	6.1	1.2
1994	61.2	5.0	6.5	20.2	5.9	1.1
1995	61.0	5.1	6.3	20.9	5.6	1.1
1996	60.7	5.2	6.2	21.5	5.4	1.0
1997	60.3	5.3	6.0	22.1	5.2	1.0
1998	60.0	5.5	5.9	22.8	5.0	0.9
1999	59.6	5.6	5.7	23.5	4.7	0.8
2000	59.2	5.8	5.6	24.1	4.5	0.8

Of late providers seem to have been concentrating their investment efforts on producing end-user front-end systems in an attempt to woo the end-user market, so it would seem unlikely that my more basic suggestions will be addressed. In addition, we should not forget that revenues from historical databases account for a very small portion of the whole industry.

A final plea

Nevertheless, I would conclude with a final plea to providers:

- take more responsibility for the quality of sources available online. Concentrate on the key sources over the numerous copycat style products;
- invest in good, consistent indexing of data;
- be more proactive in helping users update their skills. Offer free training and get to know your client well. In my experience the firms that assign one key account manager to coordinate all the interaction between provider and user better match user needs;
- involve clients more in the development of new services. Use beta site tests to get a real idea of what will make the product valuable to the user.

Finally I would remind all providers of a remark made back in 1994 (Ref 2) which is still relevant today: 'it's not what you've got, it's how you access it!'

References

[1] Frost & Sullivan: European Online Databases Service Markets, December 1995.

[1] Monica Horten, Survey of Technology in the Office, *Financial Times*, October 1994.

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