



Unlocking Cost Savings with Bloomberg Data License Optimization

Organizations leveraging Bloomberg Data License (DL) often deal with complex data needs spread across multiple entities, each with its own specific requirements. But do you know that significant cost savings are achievable through just one simple optimization process? By aligning your data request-response service, you can streamline operations and cut unnecessary expenses. Now let's delve into how you can potentially save on your Bloomberg invoice by optimizing your request-response service.

Understanding Bloomberg Data License Optimization

Optimization within the Bloomberg Data License framework primarily revolves around **synchronizing the data request modes** used by various entities under an organization. Currently, Bloomberg offers two primary commercial models for requesting data under the Per Security option:

1. **Ad-hoc Mode:** Data is requested on-demand, providing flexibility for entities with irregular or specific data needs.
2. **Scheduled Mode:** Data is requested at predefined intervals, ensuring consistent and predictable delivery for regular updates.

When multiple entities within the same organization request overlapping data but use different modes (e.g., one using Ad-hoc and another using Scheduled), it leads to cost inefficiencies. Each entity incurs separate costs for the same data, despite being part of the same organizational umbrella. Synchronizing these modes enables cost-sharing for duplicate instruments, significantly reducing overall expenses.

Key Benefits of Data License Optimization

1. **Reduction in Duplicate Costs:** By aligning data request mechanisms, entities within the organization can share the cost of overlapping securities and data categories. This reduces the burden of paying for the same data multiple times.
2. **Improved Efficiency:** A unified approach simplifies the management of data requests, making it easier to track, verify, and adjust usage as needed.
3. **No Contractual Changes Required:** Implementing optimization does not require renegotiating contracts or making significant administrative changes. It only involves a technical adjustment to the data request mechanism.
4. **Scalable Savings:** The larger the overlap between requested securities and data categories, the greater the potential cost savings. Organizations with significant data needs stand to benefit the most.

How to Opt-In for Optimization

If your organization's entities are using different data request modes, it's time to consider optimization. Fortunately, opting in is a straightforward process:

1. **Verify Your Permissions:**
 - Log into Bloomberg's Customer Service Centre (CSC).



- Navigate to the Verification Reports section.
- If you don't have access, click on "User Profile" under your name in the top-right menu.
- Under the Permission Name column, select "View Data License Verification Reports" and choose the accounts you need access to. Submit your request, which will be routed to your firm admin for approval.

2. **Align Data Request Modes:**

- Determine whether your entities should use Scheduled or Ad-hoc mode. Consider operational needs and data usage patterns to decide the best fit.
 1. In order to effectively consider operational needs, in depth interviews and surveys should be conducted with end users utilizing the data. Please reach out to VEMA Consulting team to see how we may be able to assist in this process.
- Work with Bloomberg's technical support team to implement the necessary changes. This involves updating the request mechanism for each relevant DL account.
 1. This can be a cumbersome process, and hiring an outside resource with the technical knowledge can help ensure this process goes smoothly.

3. **Monitor Optimization Impact:**

- While Bloomberg does not provide post-optimization commercial estimates, you can monitor cost savings using verification reports. Keep an eye on duplicate instruments and overlapping data categories to gauge the benefits.

Practical Insights for Success

- **Evaluate Overlap:** The greater the overlap in requested securities and data categories, the larger the potential savings. Conduct an internal review to identify areas of duplication.
- **Engage Stakeholders:** Ensure that all relevant teams, such as IT, finance, and data management, are aligned on the optimization goals and process.
- **Communicate with Bloomberg:** Leverage Bloomberg's support resources to address any technical challenges and ensure a smooth transition.

Final Thoughts

Optimizing your Bloomberg Data License setup is a low-hanging fruit for cost savings. With no contractual changes required and only minor technical adjustments, organizations can unlock significant efficiencies and reduce unnecessary expenses. Take the first step by verifying your permissions and assessing your current setup. Aligning data request modes is just one simple cost-saving measure that lowers your organization's data spend. For more cost-saving tips reach out to info@vemadata.com.