



Financial Reporting Council

# Structured data investor survey

FRC Lab, Financial Reporting Council

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# Background

## Objectives and Methodology



### Objectives

- Understand how XBRL data is being used by investors in practice, and how this compares to their use of other sources of structured data
- Identify the barriers to wider usage and opportunities for improving access and efficiency

### Methodology

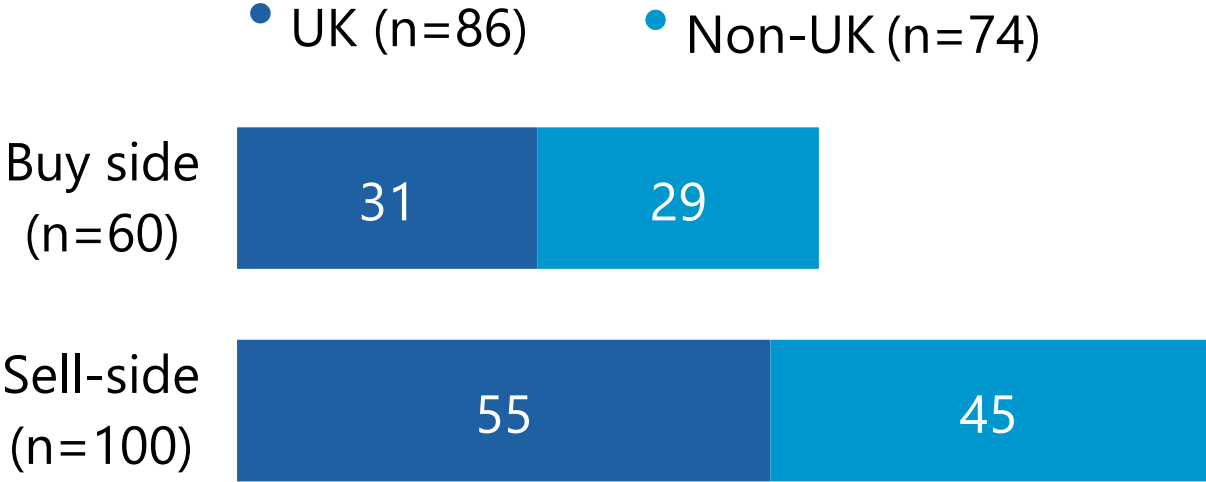
- Commissioned a specialist research provider, CoreData Research, to conduct a survey with their proprietary panel of investors
- Survey ran from 30 August – 29 September 2023
- 7 demographics questions and 23 main questions

# Background

## Sample

### 160 investment professionals

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### Screening criteria

Respondents were only allowed to complete the survey if they:

- used company-level financial or ESG data at least quarterly;
- had a buy-side or sell-side role;
- were involved in investing in UK companies in an investing or asset allocation role; and
- had more than 2 years of experience in the financial sector.

# Survey findings

## Survey structure

1

Investor data  
sources

- Desired characteristics of data sources
  - Use of different data sources
- 

2

XBRL data

- If using XBRL data, how?
  - If *not* using XBRL data, why not?
- 

3

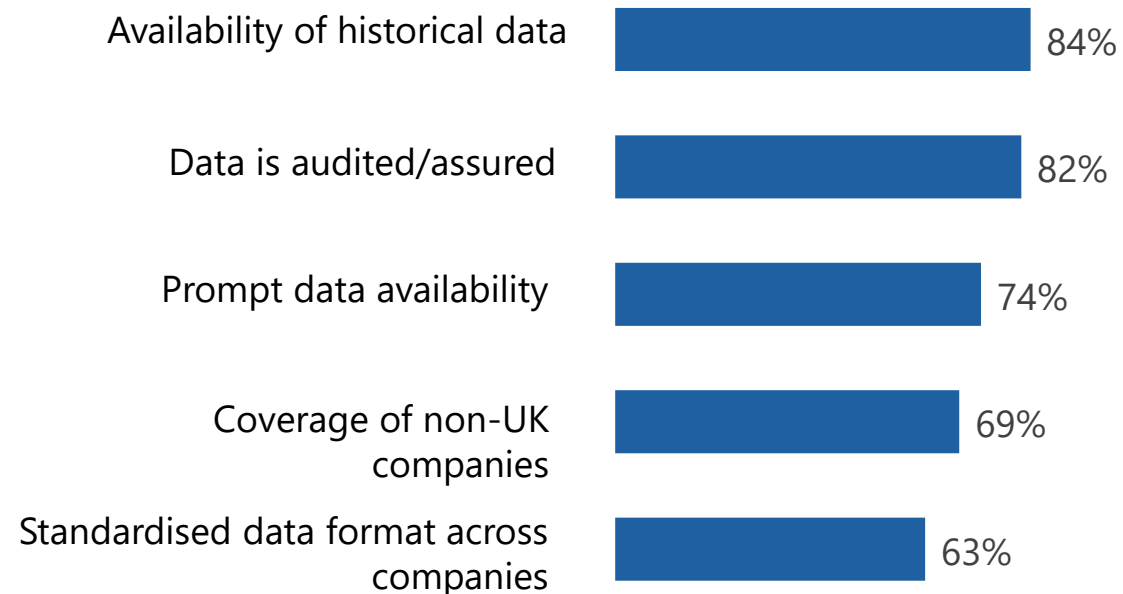
Future  
opportunities

- What could be improved to increase data usage?
- What areas of reporting would be useful to get tagged?
- Impact of AI developments

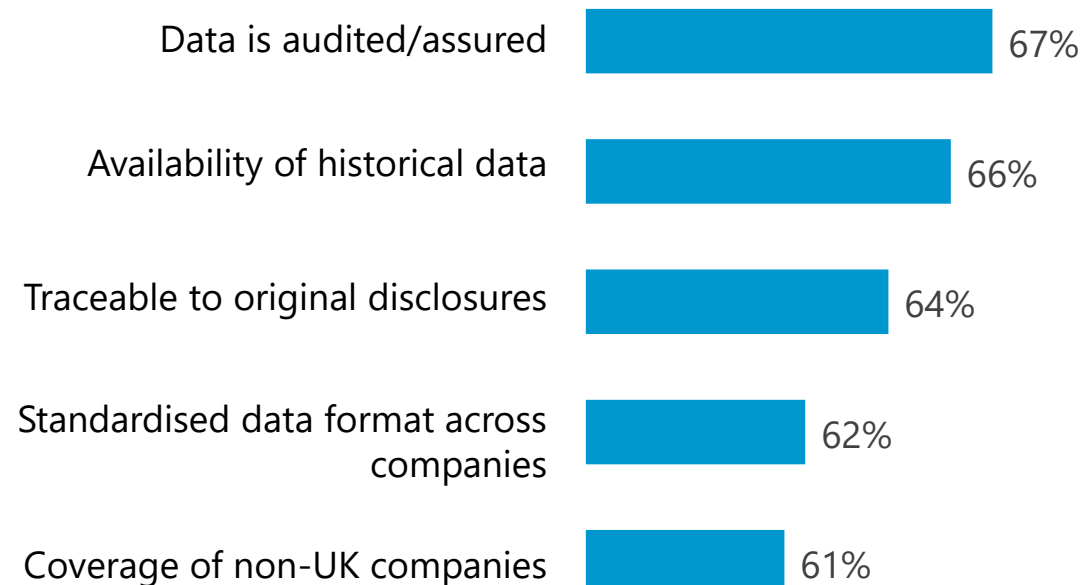
# 1. Investor data sources

In choosing data sources, what are the most important features you consider?

## Financial data sources (top 5 features)



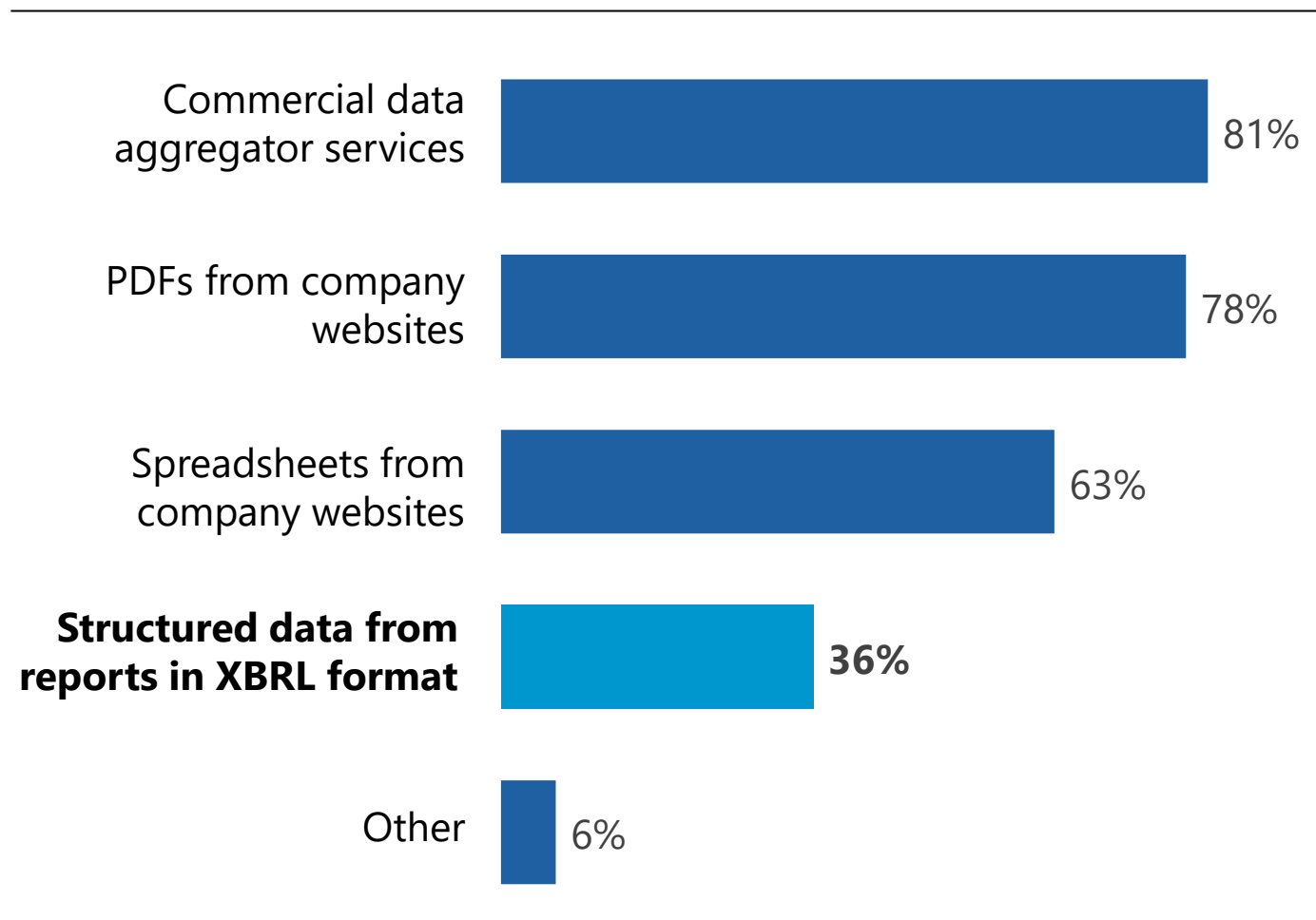
## ESG data sources (top 5 features)



% Important (Extremely important + Very important)

# 1. Investor data sources

From which sources do you get company-level financial data?



- Multiple answers were allowed.
- There was a higher take-up of XBRL data among sell-side professionals (48%) than buy-side professionals (15%).
- Data aggregators' services may be based on XBRL data as well – the survey results do not capture this indirect usage.
- 89% of those using PDFs extracted the data manually (copy-paste)

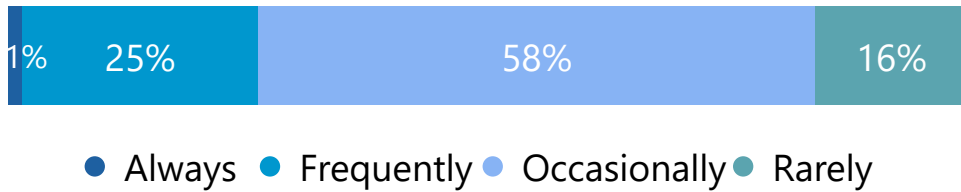


## 2. XBRL data

### If you use XBRL data, how?

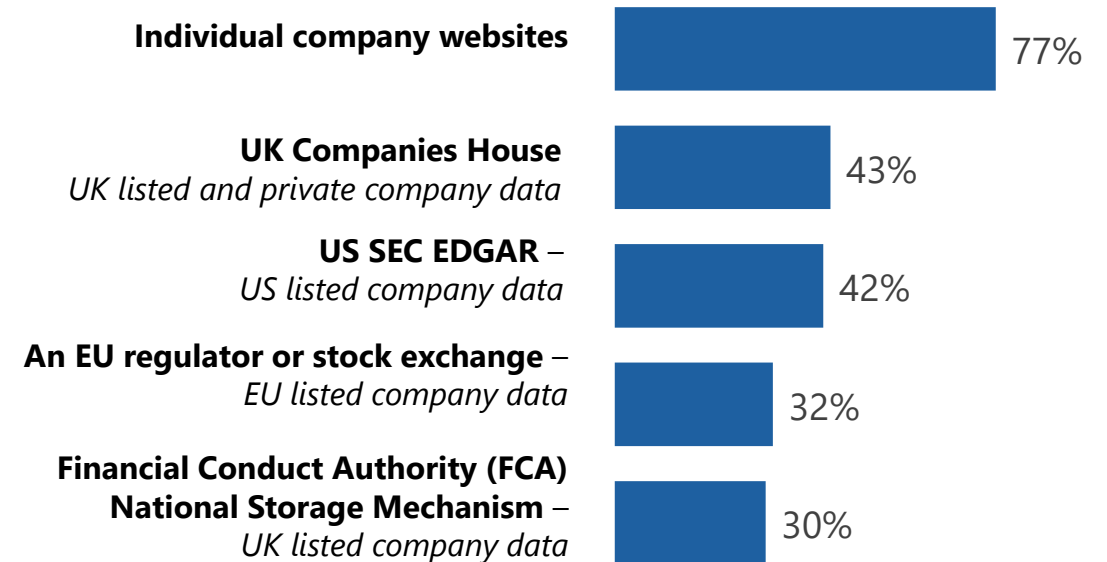
#### How often do you use data in XBRL format in your role?

% of the respondents who use XBRL data



#### From which sources do you use structured data in XBRL format?

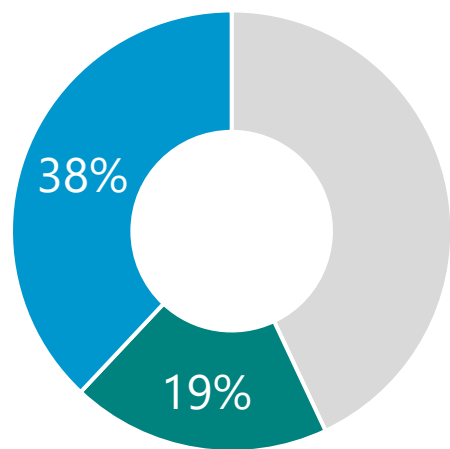
% of the respondents who use XBRL data (multiple answers allowed)



## 2. XBRL data

### If you do not use XBRL data, why?

Familiarity with XBRL or similar terminologies among non-users is low:



● XBRL data users (financial and ESG data)

- Non-users **unfamiliar** with structured data terminologies
- Non-users **familiar** with structured data terminologies

Among the non-users who are familiar with XBRL:

83%

Are unaware that in the UK, companies' annual reports are freely accessible in XBRL format from the Financial Conduct Authority (FCA) and Companies House

### Primary challenges of using XBRL (Top 3)

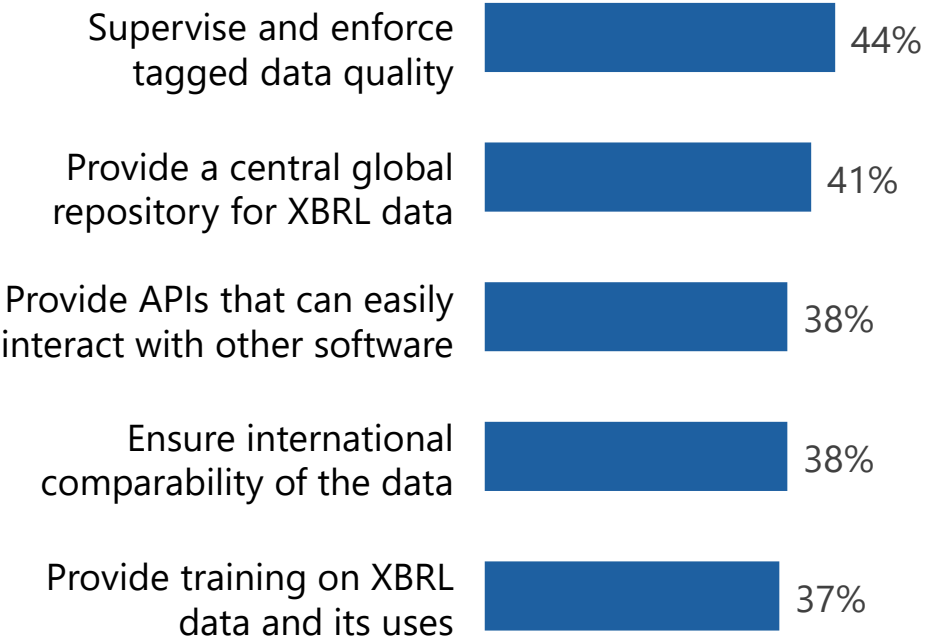


% of non-XBRL users who are familiar with XBRL, multiple answers allowed

# 3. Future opportunities

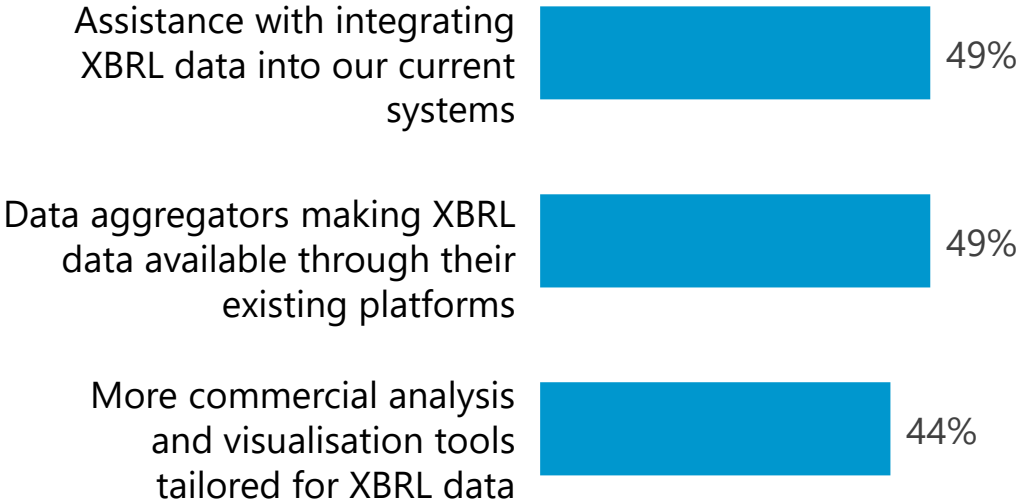
## How to increase XBRL data usage

What could governments, regulators or standard-setters do to increase usage of XBRL-tagged data?



Top 5, % of respondents who are familiar with XBRL, multiple answers allowed

What other factors could support data usage?

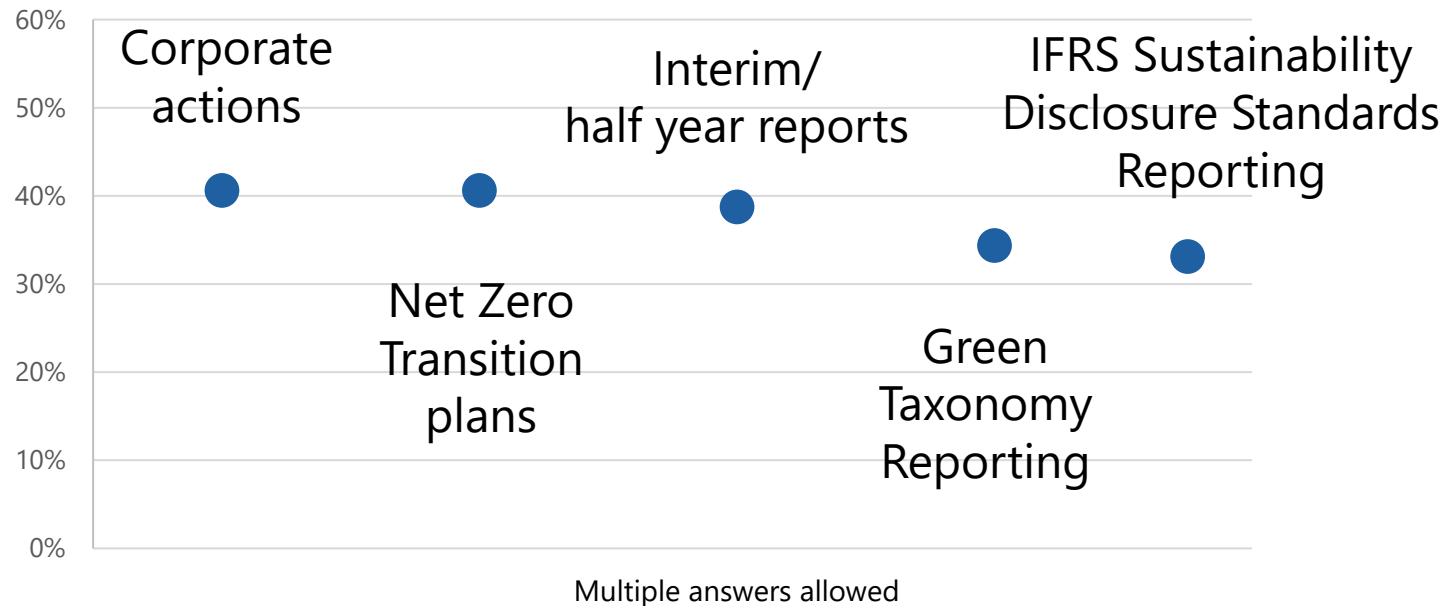


% of respondents who are familiar with XBRL, multiple answers allowed

### 3. Future opportunities

In which areas of corporate reporting could tagging be useful?

#### Priority areas for tagging (top 5)



- Top priorities include new environmental-related reporting.
- Importance of historical data availability (see slide 7) would support 'digital from the start' approach for these areas.
- Areas to which respondents assigned a relatively low priority included: non-EU/UK GAAP financial reporting, diversity and inclusion reporting and cybersecurity disclosures.

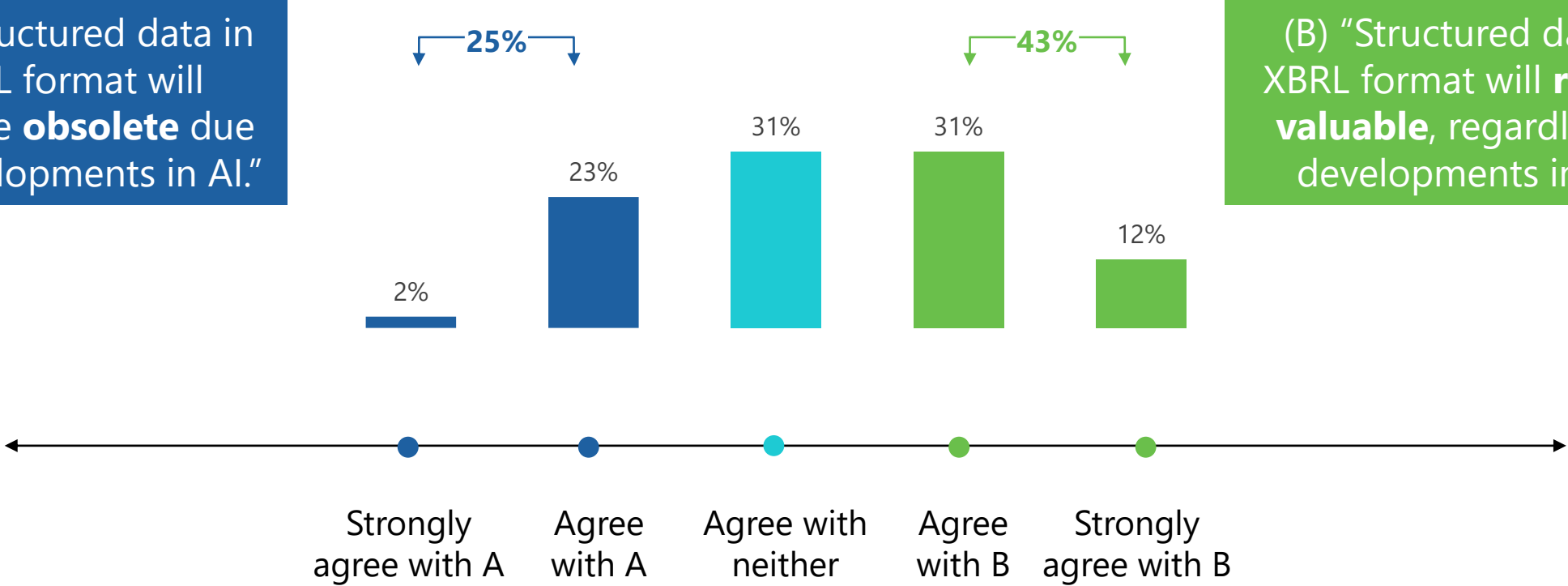
# 3. Future opportunities

## Impact of AI developments

Which statement best describes your opinion:

(A) "Structured data in XBRL format will become **obsolete** due to developments in AI."

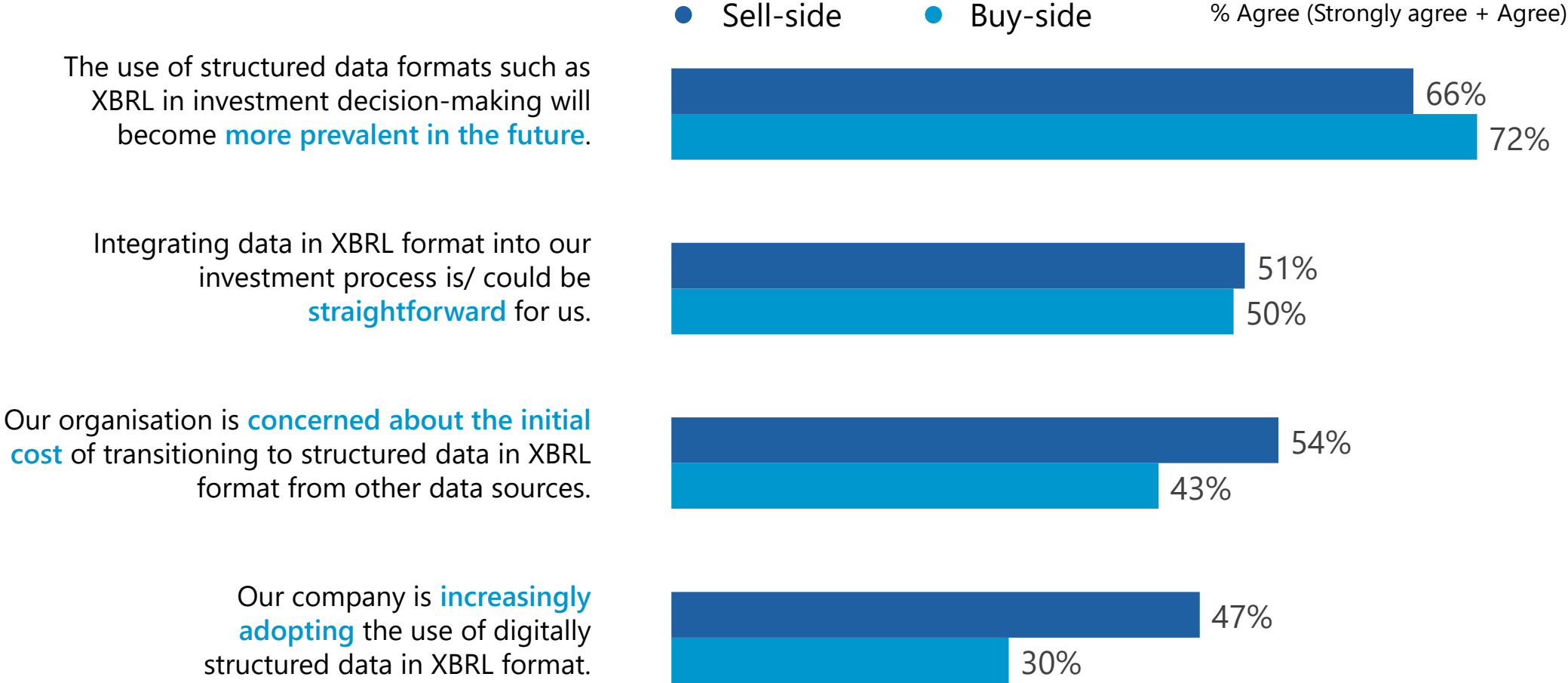
(B) "Structured data in XBRL format will **remain valuable**, regardless of developments in AI."



% of respondents who are familiar with XBRL

# 3. Future opportunities

## Investors' sentiments around future opportunities of XBRL data



# Key takeaways

As investor use of XBRL data grows, data quality becomes even more important

Improving access to and usability of the data is key

There is an investor demand for more areas of corporate reporting to be tagged, including ESG reporting





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