

Data Management and Advanced Analytics Services 2025 Market Insights™ Excerpt

Robust data governance emerges
as the cornerstone to maximize
Gen AI impact

September 2025

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- Banking, healthcare and life sciences, and financial services are at the forefront of adopting data management and advanced analytics services
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Key enterprise data management and advanced analytics trends shaping the market

Big data and analytics account for more than 13% of tech investments in FY 2025

- In FY 2025, over 13% of tech investments and nearly 14% of digital spend are directed toward data and analytics, spanning modern data platforms and AI/ML data pipelining toolkits.
- Enterprises are ramping up data investments to reduce TCO, democratize user access, augment multimodal analytics, and ensure compliance. Banking, healthcare and life sciences, and financial services lead the adoption.

Preparing data for Gen AI makes up 36% of enterprise data management initiatives

- About 36% of data management initiatives involve preparing data for generative AI, including data curation, annotation, labeling, and structuring of multimodal datasets. This ensures AI models are not only accurate and high-performing but also ethically aligned and regulatory compliant.
- To support this shift, enterprises are modernizing their data estates by breaking down silos for unified access, embedding privacy and security by design, and deploying continuous data quality monitoring.

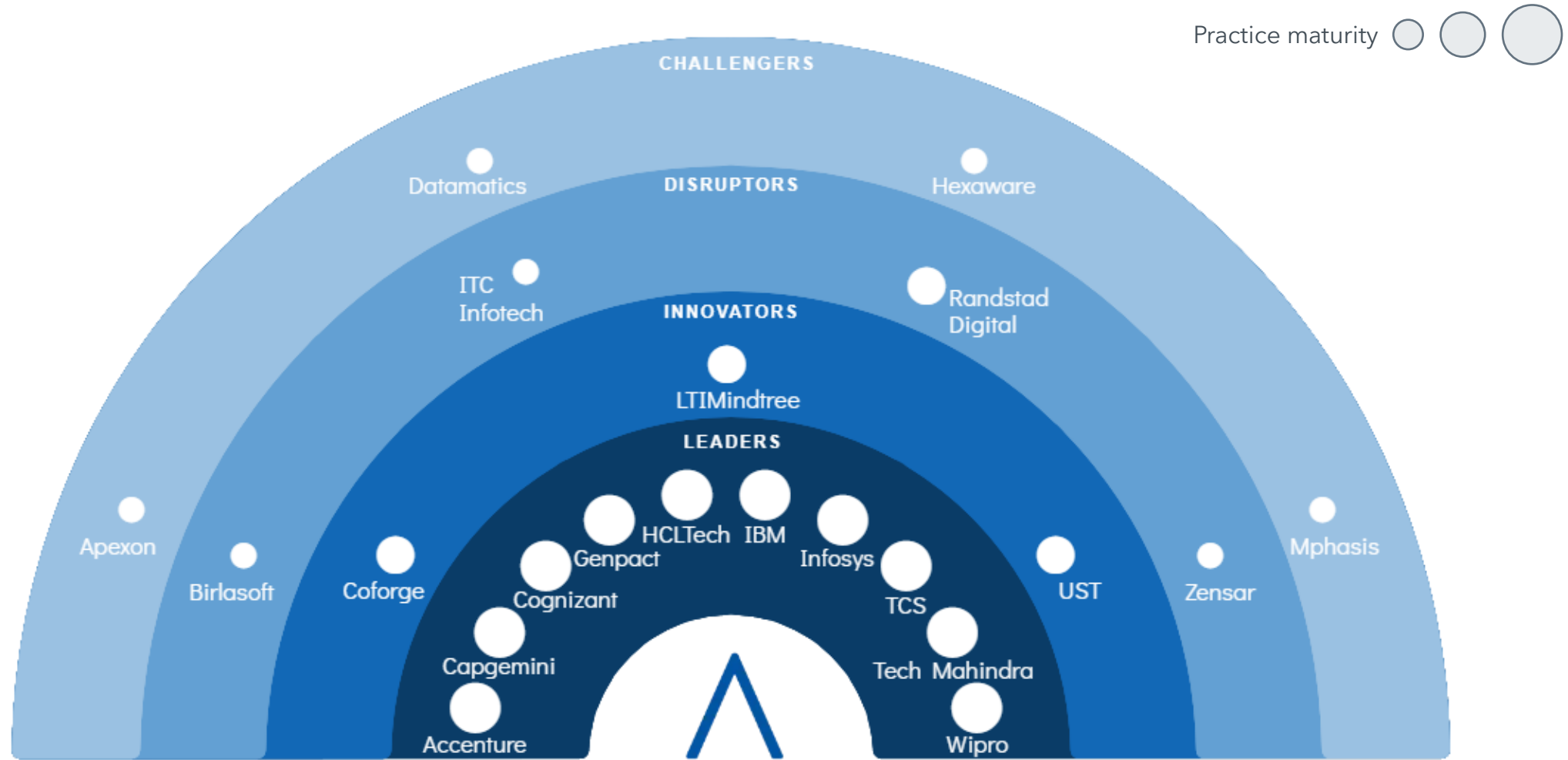
Output-based pricing for data management and analytics projects has surged by over 180%

- Output-based pricing engagements in data management and analytics have surged by over 180%, as enterprises increasingly seek commercial models that share delivery risks and tightly link provider accountability to business outcomes.
- The strongest demand is concentrated in data platform modernization, business intelligence modernization, and data lake implementation projects where enterprises expect measurable value, faster ROI, and reduced upfront cost uncertainty.

Hybrid data and analytics CoEs rise as firms seek to balance centralized governance with domain-driven innovation

- About 42% of data and analytics CoEs operate in a hybrid model, combining centralized governance with decentralized execution.
- This shift underscores enterprises' drive to balance strong data governance with domain-led innovation, as business users take greater ownership of data preparation for AI and analytics. Most initiatives continue to originate as department-funded POCs focused on specific use cases.

In this report's companion study, Data Management and Advanced Analytics Services 2025 RadarView, the following service providers were recognized



Note: Please refer to Avasant's [Data Management and Advanced Analytics Services 2025 RadarView](#) for detailed insights on the service providers and supply-side trends.

Enterprises are ramping up data investments to reduce TCO, democratize access, enable multimodal analytics, and ensure compliance

>13%

Of technology investments in FY 2025 has been in big data and analytics

~14%

Of enterprise digital spend is on data and analytics tools (such as data platforms and AI/ML data pipelining toolkits)

~21%

Of the total AI-driven digital services contracts in FY 2025 are data management projects

Key factors accelerating growth in data and analytics projects



Reduce data TCO

- Enterprises are shifting from legacy data estates to cloud-native and serverless architectures to reduce platform licensing, data storage, and computation costs.
- These efforts are supported by FinOps practices, ETL modernization tools, and cost-governance dashboards that optimize spend across data estates.



Enable data democratization

- Enterprises are enabling nontechnical users to perform analytics by providing access to data through low-code tools, natural language querying, and intuitive BI platforms.
- This push for data democratization is driving investments in semantic data layers, automated metadata management, and role-based access controls to ensure secure and scalable self-service analytics.



Augment multimodal data analytics

- Enterprises are combining structured data with content such as documents, images, and sensor feeds to support use cases such as predictive maintenance and risk scoring.
- This is supported by the use of unified data pipelines, vector databases, and feature engineering frameworks that align and prepare multimodal inputs for analysis.

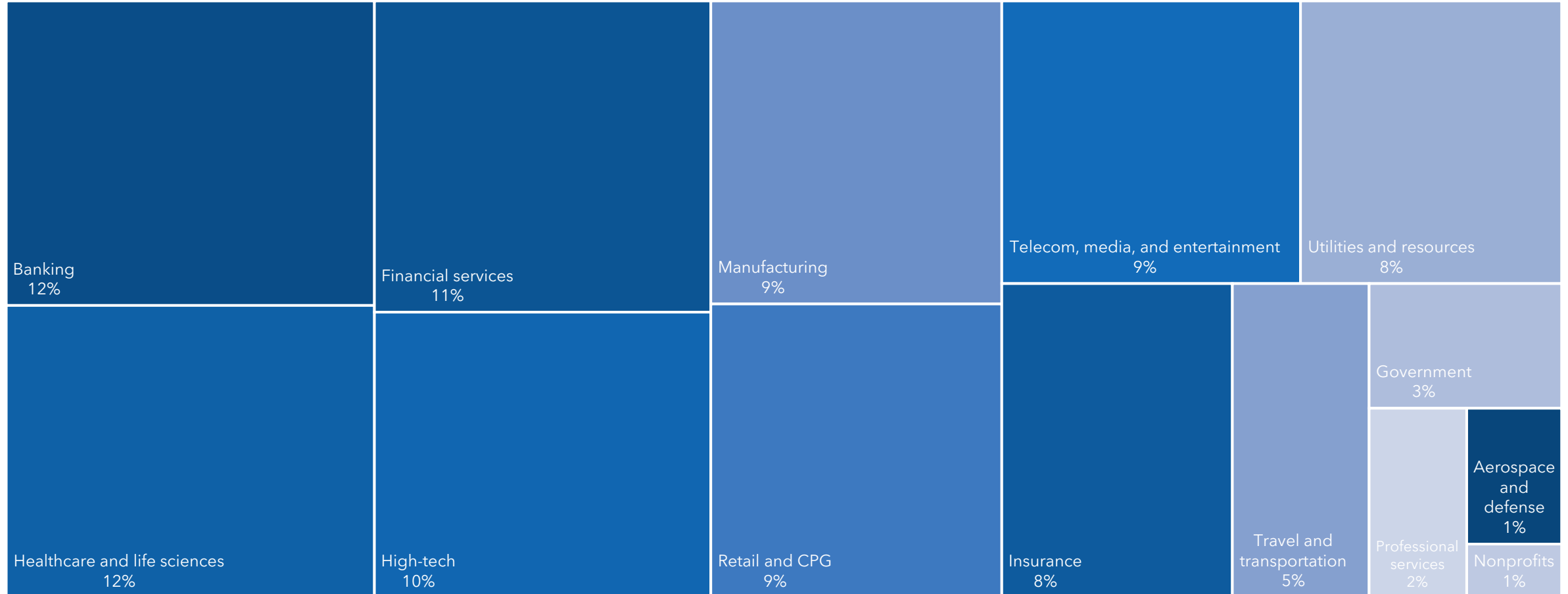


Strengthen regulatory compliance

- Organizations are embedding policy checks, data lineage, and quality validation directly into data pipelines to meet evolving data compliance and audit mandates.
- Privacy-by-design is being enforced through techniques such as data masking, tokenization, and consent automation to reduce risk and support secure AI adoption at scale.

Banking, healthcare and life sciences, and financial services are at the forefront of adopting data management and advanced analytics services

Banking, healthcare and life sciences, and financial services firms are investing in data management and analytics services to ensure regulatory compliance, data privacy, and data auditability. These industries leverage advanced analytics to deliver personalized customer experiences, detect fraud, and optimize risk management.



Note: The percentages shown represent the distribution of 2,018 data management and advanced analytics clients across industries.
Sources: Avasant Research; Avasant Data Management and Advanced Analytics Services RadarView Survey, June–August 2025

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