



THE ESSENTIAL GUIDE TO DATA SHARING

Unlocking value and innovation through data collaboration

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INTRODUCTION

Your organization's data — its most valuable asset — is often trapped in silos across countless applications and systems. This data may remain unused and unshared, hampering insights and data-driven decision-making. Ultimately, the inability to share information hinders even basic AI initiatives that require unified data access. AI models thrive on diverse data sets, demanding seamless data exchange within and beyond organizational boundaries. Without accessible and integrated data, organizations are unable to train models to extract actionable insights. In fact, 81% of IT leaders in a [recent survey](#) cited data silos as a major obstacle to digital transformation and AI adoption.

Fortunately, modern data sharing technologies now enable secure, governed access to live, query-ready data, reducing the traditional costs and delays. This allows organizations to establish dynamic data-sharing relationships, significantly reducing time to insight.

This guide explores the landscape of data sharing, highlighting its potential to unify internal data silos, integrate external data sources, monetize data assets and empower AI initiatives. To achieve these objectives, a modern platform is essential — one that prioritizes governance, scalability and performance across diverse data ecosystems.

THE PITFALLS OF TRADITIONAL DATA SHARING METHODS

Traditional data sharing methods served their purpose for many years, but they're riddled with problems that hinder modern data-driven organizations. These methods often rely on cumbersome processes involving data duplication, manual transfers and disparate systems. One common approach is the use of file transfers, such as FTP or email attachments, which create multiple copies of data that quickly become outdated and inconsistent. This proliferation of data silos makes it difficult to maintain a single source of truth, leading to conflicting information and hindering reliable analysis.

To make things worse, traditional methods often involve complex ETL (extract, transform, load) processes, which are time-consuming, resource-intensive and error-prone. These processes typically require IT involvement that delays access to critical data and limits agility. Security is another major concern, as unsecured data copies and unencrypted sharing increase the likelihood of breaches, compliance violations and the risk of sensitive data falling into the hands of unauthorized external parties. Furthermore, traditional methods struggle to scale with the increasing volume and velocity of data, making it challenging to keep pace with evolving business needs. The lack of real-time access and collaboration further hinders timely decision-making and limits data-driven innovation.

Ultimately, the pitfalls of traditional data sharing methods underscore the need for modern, cloud-native solutions that offer secure, efficient and scalable data exchange.

94% of data and AI leaders said that interest in AI is leading to a greater focus on data.

Source: "2025 AI & Data Leadership Executive Benchmark Survey," Data & AI Leadership Exchange.



THE IMPORTANCE OF DATA SHARING

Exchanging data unlocks a wealth of opportunities for modern enterprises. Here's what your organization can gain from adopting a planned approach to sharing data.

Strategic decision-making: Combining internal and external data enhances analytical accuracy and empowers leaders and managers to make data-driven decisions, from research to sales and marketing to supply chain management.

Internal and external collaboration: Secure data exchange fosters seamless collaboration, improves decision-making through unified views, and facilitates cross-functional analysis within organizations. It also enables collaborative ventures with partners and customers.

AI and machine learning: Data sharing provides diverse datasets for AI training, enables collaborative development and improves AI application performance.

Operational efficiency and optimization: Data distribution can optimize various operational processes, such as supply chain efficiency, resource allocation, inventory management and logistics.

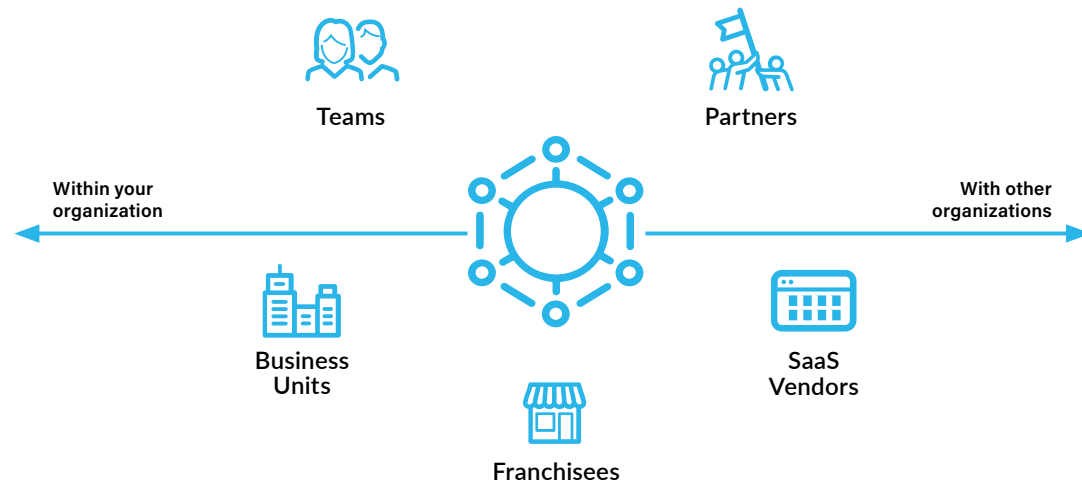
Risk management and fraud detection: Sharing data can help identify patterns and anomalies that indicate potential security risks or fraudulent activities.

Data activation: Sharing data makes your dormant data discoverable and transforms it into an active, revenue-generating resource for all sorts of data-driven efforts, such as targeted marketing campaigns, personalized customer experiences, predictive analytics for risk management and supply chain optimization.

Regulatory compliance and reporting: Data dissemination simplifies compliance, helps ensure transparency and facilitates reporting to regulatory bodies.

Monetization and marketplaces: Information sharing generates revenue through sales, facilitates marketplace transactions, develops data-driven applications and enables new data-driven business models.

WHO BENEFITS FROM DATA SHARING?



DATA SHARING IN ACTION: INDUSTRY APPLICATIONS

The power of enterprise data is multiplied when it is combined with data from other sources, both internal and external. Across industries, organizations are leveraging third-party data and privacy-protected data collaboration to unlock new levels of efficiency and innovation.

RETAIL

A national retail chain uses secure data exchange to unify data from internal departments such as sales, marketing, inventory management and logistics, and external partners including suppliers, market research firms and delivery services. As a result, they enable real-time access to critical sales and inventory information for informed decision-making. They also foster collaboration that optimizes supply chains, personalizes customer engagement and improves operational efficiency.

HEALTHCARE

A healthcare network establishes a secure data sharing hub, allowing hospitals to exchange patient records for seamless care transitions. Research institutions gain access to de-identified clinical trial data to accelerate drug development. Payers share claims data with providers to improve care coordination and research efforts and to reduce administrative overhead.

MANUFACTURING

A manufacturing consortium builds a platform for secure data sharing among suppliers, manufacturers and distributors. Real-time production data is shared with suppliers to optimize inventory and reduce lead times. Manufacturers share quality control data with distributors to ensure product integrity. Equipment sensor data is shared with maintenance providers for proactive upkeep. This shared data ecosystem streamlines the supply chain and enhances operational efficiency.

TECHNOLOGY

A software company creates a data sharing marketplace, allowing partners to exchange customer usage data and API access. Developers can leverage shared data to build complementary applications and services. Marketing teams share campaign performance data with advertising partners for targeted promotions. Customer support teams share troubleshooting data with product development to improve user experience. The initiative fosters innovation and expands the company's product ecosystem.

PUBLIC SECTOR

A government agency establishes a secure data sharing portal, enabling inter-agency collaboration. Transportation departments share traffic data with public safety agencies for emergency response. Social service agencies share demographic data with urban planning departments for resource allocation. Research institutions gain access to anonymized public data for policy analysis. This shared data infrastructure promotes informed decision-making and efficient service delivery.

MEDIA AND TELECOM

A media and telecom company implements data clean rooms to share sensitive data with its advertising and content partners. In these private environments, multiple parties can share and analyze data sets without revealing underlying raw data such as subscriber demographics and network location and usage. This enables targeted ad campaigns, personalized recommendations and optimized network performance while adhering to strict privacy requirements.

10 BEST PRACTICES FOR DATA SHARING

Here are 10 key best practices that form the foundation of a robust data sharing strategy, enabling enterprises to unlock the full potential of their data while facilitating privacy, compliance and efficiency.

- 1. Embrace secure, zero-copy sharing:** Prioritize solutions that enable data access without physical duplication. This helps reduce security risks, ensure data consistency and reduce storage overhead. Live, governed access should be the cornerstone of your sharing strategy.
- 2. Implement granular access controls:** Establish robust access controls that allow precise permissions to be granted and revoked. This helps ensure only authorized users can access sensitive data, meeting compliance and security requirements.
- 3. Foster real-time data availability:** Strive for architectures that provide real-time or near real-time access to shared data. This eliminates the latency associated with traditional data transfer methods and facilitates timely decision-making.
- 4. Prioritize data governance and lineage:** Implement strong data governance policies and maintain clear data lineage. This helps ensure data quality and accountability, fostering trust and confidence in shared data.
- 5. Enable cross-organizational collaboration:** Adopt platforms that facilitate seamless data sharing across departments and external partners. This breaks down data silos and fosters collaborative innovation.
- 6. Leverage cloud-native architectures:** Embrace cloud-native platforms that offer scalability, flexibility and cost-effectiveness. This helps organizations adapt to evolving data sharing needs and manage resources efficiently.
- 7. Utilize data marketplaces:** Explore opportunities to create internal or external data marketplaces that facilitate data discovery, sharing and monetization. This can facilitate data-driven innovation and unlock new revenue streams.
- 8. Focus on standardization and interoperability:** Promote the use of standardized data formats and protocols to enable interoperability and ease of data exchange across diverse systems and platforms.
- 9. Automate data sharing processes:** Automate data sharing workflows to reduce manual intervention, minimize errors and improve efficiency. This allows for faster data delivery and quicker time-to-insight.
- 10. Emphasize security and compliance:** Build security and compliance into every aspect of your data sharing strategy. This includes encryption, access control, auditing and adherence to relevant regulations.

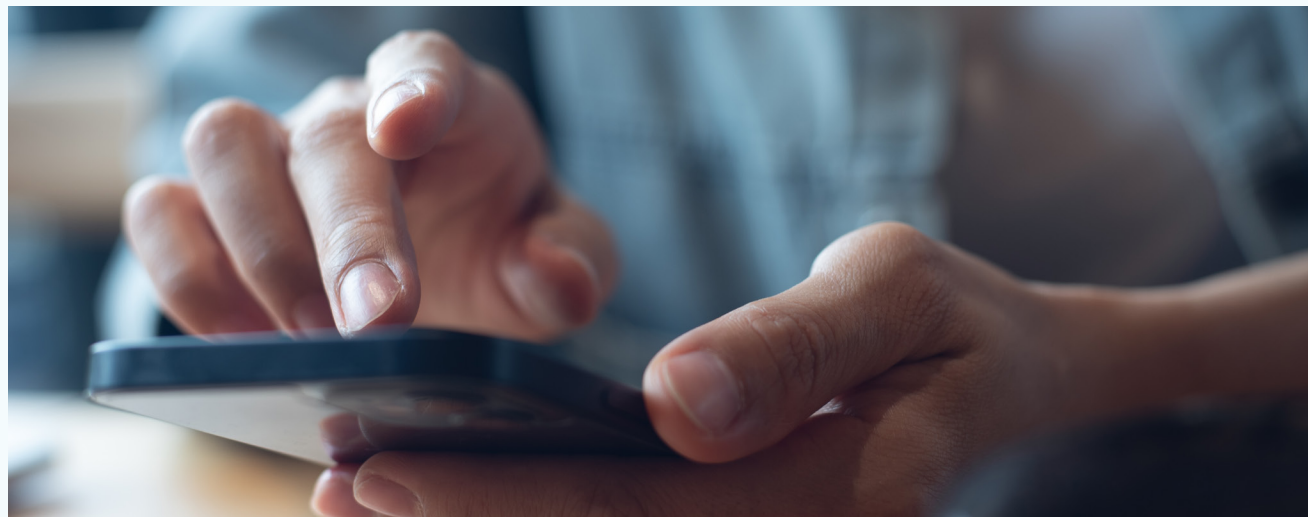
THE IMPORTANCE OF SECURITY AND PRIVACY IN DATA SHARING

The willingness of organizations and individuals to share data, particularly for AI-driven advancements, hinges on robust security and privacy measures. While the potential benefits of data sharing are undeniable, concerns about unauthorized access and misuse, as well as the potential for discrimination, remain top of mind. Building and maintaining public trust requires organizations to prioritize data protection at every stage.

This means implementing strong encryption, access controls and anonymization techniques to minimize the risk of data breaches and ensure individual privacy is respected. Transparency about data usage, clear consent mechanisms and rigorous compliance with data protection regulations are also essential.

The delicate balance between fostering innovation and upholding ethical data practices is a critical challenge. In a [recent survey](#) by the U.K.'s Health Foundation, 75% of the public support sharing some of their personal health data for the development of AI systems in the NHS. This shows a growing recognition of the potential benefits of exchanging data. However, this support is contingent on the assurance that data will be handled responsibly. Organizations must establish data governance frameworks to define clear guidelines for data access, usage and sharing. Independent oversight and regular audits are also needed to ensure compliance and maintain public confidence.

Ultimately, fostering a culture of data stewardship is vital for the growth of data sharing initiatives. This involves educating employees and partners about the benefits and risks of data sharing and promoting responsible data practices. Cultivating a shared understanding of the importance of data security and privacy creates a culture in which data sharing can thrive.



SNOWFLAKE: A PLATFORM FOR MODERN DATA SHARING

Snowflake's unique architecture and robust data sharing capabilities facilitate seamless collaboration without trading security for performance. Here's why organizations are increasingly choosing Snowflake to power data sharing.

Enhanced security with Snowflake Secure Data Sharing and consumer-managed sharing

Security is at the foundation of effective data sharing. [Snowflake Secure Data Sharing](#) offers granular access controls, allowing administrators to define precise permissions at the row and column levels. Coupled with advanced encryption, this helps sensitive data remain protected from unauthorized access. Secure Data Sharing extends beyond internal teams to external partners, reducing the risks associated with data duplication and helping ensure a single source of truth.

Another defining feature is Snowflake's consumer-managed sharing. This empowers data consumers to access shared data directly from the provider's Snowflake account, without the need for costly and time-consuming data copying or storage. It can not only drastically reduce storage costs and operational overhead for data recipients but also enable them to always have the most up-to-date information.

No-ETL data sharing with zero-copy cloning and database replication

Traditional data sharing often involves complex and time-consuming ETL processes, introducing latency and the potential for errors. Snowflake eliminates the delays and data unreliability of ETL processes with its zero-copy cloning and database replication features. Zero-copy cloning allows for

the fast creation of a read-write clone of a database, schema or table without physically moving any data. Database replication enables continuous, real-time synchronization of data across Snowflake accounts and regions. This real-time access to data fuels faster decision-making, streamlines collaboration and enhances overall agility.

SNOWFLAKE STREAMLINES DATA SHARING

Traditional Methods

FTP | APIs | ETL | Federated Protocols



- ✗ **Costly to maintain** data pipeline infrastructure to share beyond a single cloud region, delaying access and exposing governance risk
- ✗ **No support for sharing sensitive data** without risk of compromising privacy regulations

Snowflake

Zero-ETL Cross-Cloud Data Sharing



- ✓ Share a **single managed copy** of data across cloud region; no ETL or copies
- ✓ Unlock analytical value from sensitive data with **robust governance** and **control over derived insights**

Robust data governance and discoverability with Snowflake Horizon Catalog

Snowflake Horizon Catalog offers built-in governance and discovery for the AI Data Cloud, simplifying secure data sharing. Strong governance is essential for trust and compliance. Horizon Catalog provides unified cataloging, masking, auditing and policy management to support data integrity. But finding the relevant data is equally vital to effective governance — which is where Horizon Catalog's Universal Search comes into play. It locates dashboards, data, models and documentation across your organization and beyond so your teams can find the right information at the right time, and trust that it is up to date.

Snowflake Marketplace helps you find and connect to external data sources and a variety of applications and utilities, putting new data and capabilities at your fingertips; Snowflake Internal Marketplace does the same across your internal resources, helping boost collaboration. Object Insights and AI-powered descriptions reveal data popularity, quality and dependencies. This direct approach facilitates secure and efficient data discovery, empowering AI initiatives with trustworthy data.

Enhanced collaboration and discovery across business units with Snowflake Internal Marketplace

Snowflake Internal Marketplace is a built-in, self-service hub within Horizon Catalog that allows organizations to discover high-quality data, apps and AI models and share them across teams without having to move data. It aims to break down data

silos and enable faster data activation by providing an intuitive, searchable directory. This marketplace is integrated with Polaris Catalog, extending data discovery and enabling governed access to Snowflake data throughout the organization, ultimately driving companywide collaboration and innovation.

Monetization and other financial incentives with Snowflake Marketplace

For data consumers, **Snowflake Marketplace** has long provided access to a diverse range of data sources, enabling organizations to enhance their own data sets and gain insights. Now, Snowflake Marketplace empowers companies to transform their data assets into revenue streams. By securely sharing and licensing data with partners and customers, businesses can generate new revenue opportunities and foster innovation. Snowflake's built-in data governance and security features help companies ensure that data is shared in a controlled and compliant manner.

Snowflake Marketplace also offers other financial incentives. For example, Marketplace Monetization allows providers to sell not just their data, but also their apps and services, to Snowflake customers and invoice them directly through Snowflake. And with the Snowflake Marketplace Capacity Drawdown (MCD) program, a portion of your committed capacity is reserved for Snowflake Marketplace purchases, making it easier to access data products and services from providers. (Note: MCD is only available in select regions. See [documentation](#) for full program details.)



Privacy preservation with Snowflake Data Clean Rooms and advanced privacy policies

Snowflake Data Clean Rooms enable secure, privacy-preserving environments for collaborating on sensitive data with external partners. Organizations can configure data clean rooms to perform joint analyses, create targeted marketing campaigns, and develop new products and services without revealing underlying details. Snowflake also features advanced privacy policies including dynamic masking, tokenization and differential privacy. These capabilities enable secure data sharing while adhering to global regulations and building trust with partners and customers.

Collaboration across regions, clouds or data formats with a multi-cloud architecture

Modern organizations require the flexibility to share data — both internally among teams and externally — across various cloud platforms and regions, and regardless of data formats. Snowflake facilitates seamless collaboration, breaking down data silos and enabling organizations to share data with partners

and customers regardless of their cloud provider or geographical location. This is achieved through Snowflake's unique architecture, which abstracts the underlying cloud infrastructure, enabling secure and governed data sharing without requiring data to be replicated or moved between clouds. Users can grant access to live, shared data regardless of where it resides, fostering real-time collaboration with partners, customers and internal teams across diverse cloud environments.

Sharing of diverse data types and seamless integration with Snowflake Native Apps

Snowflake's versatility extends to sharing structured, semi-structured and unstructured data, accommodating a wide range of data sources.

Snowflake Native Apps, accessed directly within the Snowflake platform, leverage data sharing capabilities to provide seamless data access and collaboration, opening new avenues for data-driven innovation and application development. This enables organizations to create and deploy data-driven and AI applications that seamlessly integrate with their existing data ecosystem.

COST-EFFICIENT, REAL-TIME DATA SHARING: THE SNOWFLAKE DIFFERENCE

For organizations prioritizing secure and cost-effective data sharing, Snowflake offers an exceptional approach. Snowflake's architecture enables zero-copy sharing, providing live, real-time data access without physical duplication to reduce security risks and storage overhead while helping ensure data consistency. This contrasts with replication-based systems, which can introduce delays and increase storage costs. Snowflake's granular control over data access and user-friendly interface simplifies data sharing initiatives and reduces operational costs.

Moreover, Snowflake's distinct separation of storage and compute facilitates itemized cost control and predictable expenses, particularly for SQL-based workloads and business intelligence, unlike the potentially variable costs associated with federated queries. Its mature Snowflake Marketplace and robust BI capabilities enhance data discovery and collaboration. Critically, Snowflake's data sharing approach does not force the consumer to pay for compute costs, unlike the alternative approach.

The ability to share data effectively is a necessity for modern organizations seeking to drive innovation, optimize operations and maintain a competitive edge. As the reliance on data-driven decision-making and AI continues to grow, embracing a strategic approach to data sharing will be crucial for success. For more information on how your organization can optimize data sharing, visit:

- [Webinar: 5 Best Practices for Data Sharing](#)
- [Snowflake Data Collaboration: an overview](#)
- [Data sharing and collaboration in Snowflake](#)
- [Get started with zero-ETL data sharing](#)



ABOUT SNOWFLAKE

Snowflake makes enterprise AI easy, efficient and trusted. More than 11,000 companies around the globe, including hundreds of the world's largest, use Snowflake's AI Data Cloud to share data, build applications, and power their business with AI. The era of enterprise AI is here.

Learn more at snowflake.com (NYSE: SNOW).



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