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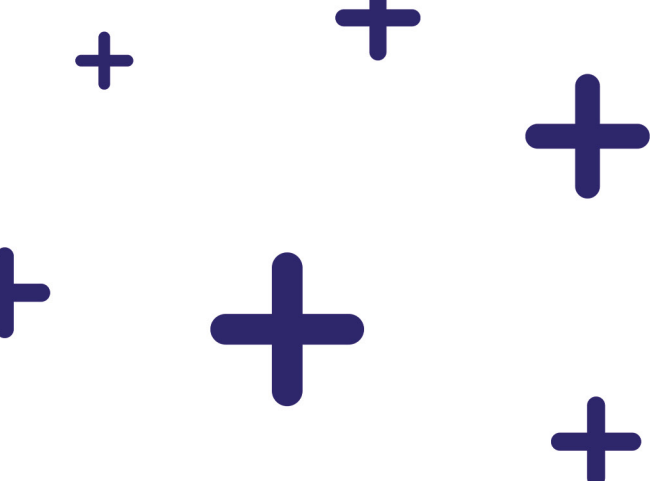
2023 GRIT Business & Innovation Report

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FOREWORD

Welcome to the 31st edition of the *Greenbook Research Industry Trends Report*, informed by data collected in July of this year. This edition is the annual *GRIT Business & Innovation Report,* focused on documenting and interpreting the dynamics that drive change in the insights and analytics industry, as well as the key role innovation plays in its evolution. In the spirit of innovation, we've introduced new topics (or improved them from past waves) to ensure GRIT covers the latest drivers of change in insights and analytics.

So what topics do we get into? Well, we discuss perennial favorites such as *Industry Structure*, *Evolving Insights Audience*, *Unmet Needs*, *Meeting Project Goals*, *Skills and Strategies*, *Innovation Strategy*, and *Business Outlook*. Together, these discussions provide a robust view of how the business and work of insights are taking advantage of new opportunities while meeting novel (and ongoing) challenges. All have been refreshed, and there are some real surprises in our findings that you won't want to miss.

Of course, we also reveal the much-anticipated *GRIT Top 50 Most Innovative Suppliers* and *GRIT Top 25 Most Innovative Buyers* lists. It's a chance to celebrate the insights professionals who move the industry forward with new solutions to demanding challenges. It's also a chance to look at the composition of the lists with respect to service offerings and industries to gain insight into the pockets of supply and demand for innovation that are most characteristic of where the industry is now.

Wherever the industry is now, it's in the middle of sorting out appropriate roles for artificial intelligence. Some insights professionals seem to have closed minds, others zealously (and seemingly uncritically) advocate for it, but most are in the middle, cautiously optimistic. We couldn't cover a topic this rich in one section, so we introduced three new sections: *AI in Everyday Life*, *AI at Work*, and a deep analysis of the perceived criticisms attributed to those who might object to using AI for professional work called *Caution: AI at Work*. To our knowledge this is the deepest dive yet to understand all the ins and outs of how insights professionals, both at work and in personal life, are adapting to this new wave of technological disruption.

No matter your role or experience level, you are sure to find something intriguing and helpful to you in the *2023 GRIT Business & Innovation Report*.

Although much of the design, analysis, and writing for our *GRIT Reports* are done by the Greenbook team, GRIT continues to be a "coalition of the willing," and our commentary providers, sample partners, advertisers, and especially our research partners make it all possible. Special thanks go out to **Forsta**, **Q Research Software/Displayr**, **Idea Highway**, and **Gen2 Advisors**. As always, without their generous contribution of time, energy, and expertise we simply wouldn't be able produce this report.

Enjoy!

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Greenbook
THE FUTURE OF INSIGHTS

2023 GRIT BUSINESS & INNOVATION REPORT

EXECUTIVE SUMMARY

Visualization by
Forsta

How random are fake surveys?

To better understand survey fraud, we did not use Forsta's standard data cleaning tools and procedures and let all the surveys through. Despite targeting the insights industry, we received a fair amount of fake surveys, many of which were easily identified because they were AI-assisted. Not only that, but these fakes appear to advocate for greater adoption of AI.

My company has track record offering AI-enabled products
- 8%
- 30%
- 40%

My company will strongly advocate for employee adoption of AI
- 18%
- 32%
- 54%
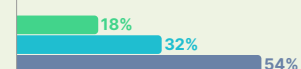
Ultimately, AI solutions will help humanity more than hurt it
- 31%
- 37%
- 66%
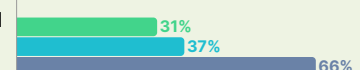
I trust those who train AI solutions to be honest, impartial, and wise
- 16%
- 20%
- 61%

Legend: Buyer | Supplier | Bad surveys

Where AI will have major positive impact on work

AI adoption in the workplace is most expected to have a major positive impact on code writing and software development. Buyers and suppliers are less confident in its ability to help with insights creation, fact-checking, and primary research execution.

- Code writing, software development — 51% / 52%
- Knowledge management across areas — 38% / 40%
- Miscellaneous common tasks — 34% / 40%
- Report writing — 35% / 38%
- Insight development, creation — 25% / 32%
- Fact-checking — 22% / 28%
- Primary research execution — 19% / 27%
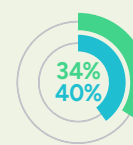
Legend: Buyer | Supplier

GRIT Most Innovative Buyers Leaderboard

1. Alphabet
2. Microsoft
3. P&G
4. Meta
5. amazon
6 T. Notion
6 T. PEPSICO
8 T. Apple
8 T. IBM
10. slack

Charts (left column)

Staff dedicated to new ways of doing things
61% / 62%
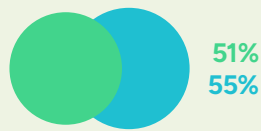
Collaborate with business
51% / 55%

Quickly adopt new analytical tools
21% / 56%

Maintain a separate, dedicated budget for innovation
50% / 32%

Legend: Buyer, Supplier

Investment when innovative focus is key

Both buyers and suppliers dedicate staff to focus on innovation, but buyers are more likely to create a separate budget for insights innovation while suppliers are more likely to focus on quickly adopting new tools.

Bar chart

Category	Buyer	Generalist	Specialist
Research or insights group	88%	88%	84%
Marketing	62%	63%	53%
Analytics	48%	61%	63%
Executive team	42%	69%	81%
Product management/R&D	44%	61%	76%

Legend: Buyer, Generalist, Specialist
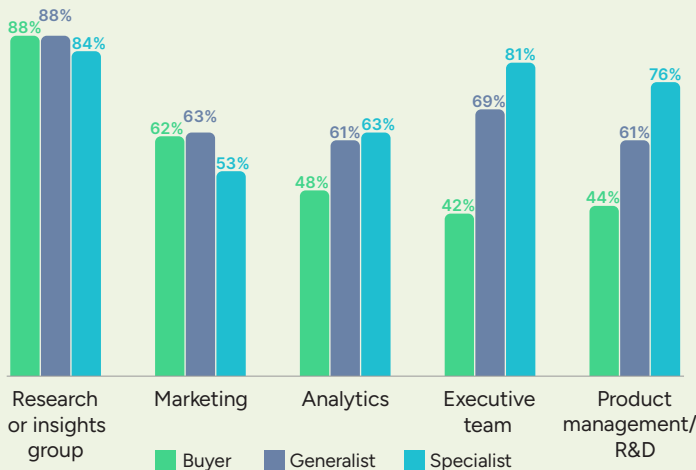
Who influences methodology and supplier selection?

On the buyer-side, 56% work in an insights group or marketing, and most of them say their groups are key decision influencers for methodologies and suppliers. Most generalist and specialist suppliers agree, but also name analytics, executives, and product management or R&D. Specialists are even more likely to name executives and product management/R&D as influencers.

Donut chart

Legend: Buyer, Supplier

	2021	2022	2023
Data analysis is the primary role	10%	13%	15%
Data analysis is a significant role	39%	57%	50%
Data analysis provides highest revenue	15%	15%	11%
Data analysis revenue is significant tor other supplier types	19%	29%	32%
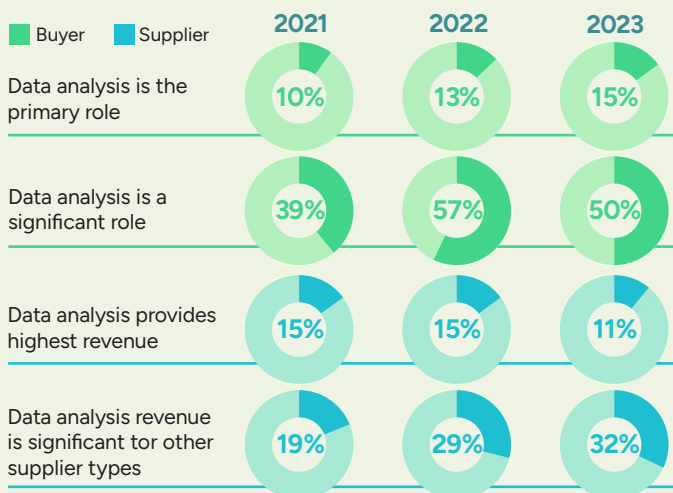
Mainstreaming data and analytics

Although still a distinct specialty, data and analytics skills have become more essential to mainstream insights work and more integrated into project work. Since 2021, data analysis as a primary buyer role increased by half and the percentage of suppliers with a data and analytics revenue stream has grown, even though fewer suppliers say it is their main source of revenue.

GRIT Most Innovative Suppliers Leaderboard

1. Ipsos
2. KANTAR
3. SKIM
4. NIQ / GfK
5. R+
6 T. Beha>iorally
6 T. qualtrics XM
8 T. Dig Insights
8 T. recollective
10. quantilope
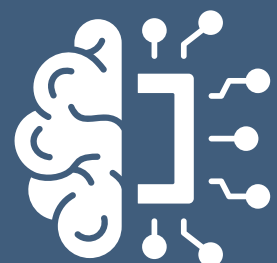
DESIGN, METHODOLOGY, AND SAMPLE

The GRIT Business and Innovation Report aims to provide comprehensive and actionable guidance for professionals working in insights, research, and analytics. This section provides context for you to get the most of this report.

THE ESSENCE OF GRIT

Thank you for making the GRIT Report the most comprehensive and actionable guide for insights and analytics professionals.

That's how we greet people as they enter the GRIT survey. Those simple words guide the design and execution of the GRIT process, but also belie the sophistication that has evolved over many years of producing the now-biannual reports on the insights and analytics industry. As our industry evolves and we learn more about it, the GRIT process adapts to its expanding scope while remaining true to our ideals of delivering comprehensive and actionable information. For example, although the "GRIT" name has endured since its inception, its literal meaning has had to evolve with the industry it tracks: the "Greenbook *Research* Industry Trends" report looks beyond research in order to comprehensively document and track important trends.

To provide insights professionals with the most comprehensive and actionable information, the GRIT process balances several design principles:

- Research should follow the evolution of the industry rather than assumptions about the evolution of the industry.
- Understanding the health of the industry requires understanding the perspective of those who spend money on insights as well as those who earn money from it.
- Topics must be tracked over time; snapshots are interesting but lack the context that makes them meaningful.
- GRIT should provide reliable and relevant facts, and it should also raise questions and stimulate conversation.

Here are some highlights that provide context for how to think about and understand the report.

GRIT sample follows the industry as it evolves by enabling participants to reach out to their networks rather than imposing strict definitions.

DATA COLLECTION FOLLOWS THE INDUSTRY

This *GRIT Report* is based on analysis of data collected from June 5 through July 17, 2023 via an online survey of professionals who work in one or more areas of research, analytics, and insights. Participants were recruited by Greenbook via a variety of methods, including GDPR-compliant opt-in email lists and various social media channels.

Our efforts were supplemented by GRIT partners and anyone who received an invitation and subsequently invited members of their network to take the survey. In other words, the recruiting is driven by current relationships within the industry rather than by preconceived ideas of who we *think* is in the industry, and this enables the research to adapt to emerging industry trends.

Within the GRIT survey, each type of professional is guided through one of two major but overlapping paths: one for "buyers" and one for "suppliers." (There are also paths for industry participants who do not fall into either category, but they do not see any questions that are not also seen by buyers or suppliers.)

What GRIT calls "buyers" are also known as "clients" or "brands;" these are insights professionals within a company or organization that exists primarily for some other purpose than to provide insights offerings to others outside their organization. In contrast, a supplier company or organization exists primarily to offer insights work and services to other external organizations.

Based on responses to questions early in the survey, participants self-select into one path or another. Topics and perspectives differ across these two major segments, so some of the survey must be tailored for each independently.

Although our approach is designed to cast a broad net across the industry, it includes safeguards to ensure that respondents actually participate in insights, either as suppliers, producers, or users. Despite very minimal requirements, a surprising number of participants fail to qualify out of thousands who enter the survey, and many more are removed based on more than a dozen flags that we evaluate. In reality, some of these might be qualified insights professionals, but we can't include anyone who doesn't pay enough attention regardless of who they are.

> The survey has two main, but overlapping, paths: one for buyers of insights services and one for suppliers.

> GRIT has enough sample to analyze buyers and suppliers independently so we can report on what is unique to their experiences and perspectives.

A CLEAN AND ROBUST SAMPLE

After rigorous data cleaning, the current GRIT analysis is based on 2,100 completed surveys segmented into three distinct populations: buyers (n = 332), suppliers (n = 1,753), and others (n = 15). Please note that these represent populations of *insights professionals*, not populations of *companies*. When you see a result from the data, you should think of it as representative of the experiences of individual insights professionals who identify as buyers or suppliers according to our definitions, not as a proportion of buyer companies or supplier companies.

Except as an indication of overall participation, the total sample size is irrelevant because almost every analysis in this report is segmented by buyer and supplier populations or by sub-segments of them. For two reasons, aggregating across these segments does not make sense.

First, there is no defensible way to determine what the proportion of "buyer" professionals should be relative to "supplier" professionals. Second, generally speaking, it is not very useful to know aggregate results across buyers and suppliers

because they have different business models and objectives, and aggregating them washes out important differences. After all, if you knowingly mix hot water with cold, is it right to report that water is characteristically tepid?

Over the years, sample sizes for buyers collected in the fall range from about 230 to 350, while in the spring they range from over 330 to just under 1,000. For suppliers, spring waves have yielded from about 1,600 surveys to nearly 3,000, while fall waves range between about 730 and 1,200.

These fluctuations do not represent industry trends per se because they are likely due to process circumstances, such as limitations on recruiting resources, rather than changes in the market.

As far as the *GRIT Report* is concerned, these variations in size mainly impact the granularity of the analyses. We can always report on trends within buyer and supplier segments, but we can drill down deeper when the sample is larger. The proportion of buyers to suppliers doesn't matter because we don't aggregate them.

GRIT SAMPLE SIZE TREND YEAR-ON-YEAR
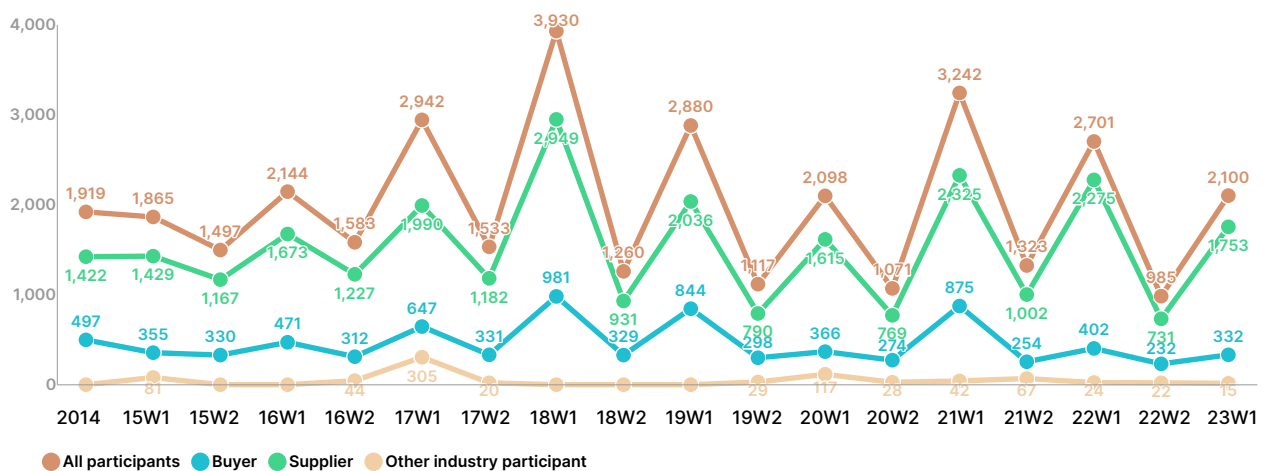
Within the report, we always give the sample sizes that apply to each chart and table, except in the few cases when space does not allow for it. Sample sizes may deviate from the totals reported in this introduction due to a few factors.

First, some questions in the survey would not apply to certain types of people and are not asked of them. For example, if someone does not have a formal innovation program, they were not asked who manages it. Of course, those on the buyer path are not asked about revenue they earned from selling services or any other supplier-specific questions. Although they might earn some revenue from insights-related services, that is not our focus as far as they are concerned.

Second, in order to manage the average survey length, non-core sections were randomly assigned to qualified participants and not asked of others. For example, the *Innovation Strategy* section was randomly assigned to 65% of buyer and 50% of supplier participants, and so on.

Further, in some analyses the sample sizes appear smaller because we exclude people who answered "don't know" from the report in order to understand the distribution of people who do know. The resulting sample sizes are documented throughout the report.

> Sample sizes can vary depending on the question so we document them wherever feasible.

PARTICIPANT WEIGHTING ADJUSTS FOR REPRESENTATIVENESS

Recruitment to the GRIT survey is partly driven by networking with active industry participants, not by a strict, pre-determined sampling plan. This enables the survey population to reflect the industry as it evolves, although it runs the risks of attracting people who do not participate in the industry or skewing the sample in unanticipated ways. We address the former risk via light screening and heavy flagging, and we address the latter by weighting participants.

Devising a weighting scheme is tricky because, in a trends report for a dynamic industry, the topics we measure are expected to change. This makes it easy to choose target weights that would completely defeat the purpose of looking at trends because they could make something that changed look the same as it did before, and that flattening would ripple through the rest of the data (ok – if they were flat, they wouldn't be ripples, but that's also the point).

To minimize the risk of undermining the measurement of trends, we choose target variables that would not be expected to change due to industry forces but that could vary due to differences in the data collection process across waves. The net effect is to stabilize the sample, resulting in greater resolution regarding industry-driven trends and minimization of artifacts.

Although one of our principles is transparency, we do not publish details of the weighting scheme because we think the risk of someone using it to "game the system" is greater than the risk of alienating the audience by not sharing it. All the results in this report are weighted except where noted.

> GRIT data are weighted to account for wave-to-wave process differences that can lead to artifacts, but do not use variables that represent trends we need to track.

EXPERIENCED INSIGHTS PROFESSIONALS DRIVE GRIT RESULTS

Perspectives in the *GRIT Report* are strongly influenced by those who know best and balanced by those who bring a fresh outlook. Most of our buyers and suppliers have more than 10 years of experience working in insights, analytics, or research, and fewer than 10% of buyers and 20% of suppliers have 2 years or fewer (results are weighted). More than 60% of buyer and supplier participants make or influence strategic decisions, while fewer than 15% have no formal influence.

> GRIT results are strongly influenced by those with the most experience and responsibility, and those with fresh perspectives are also included.

YEARS IN ROLE RELATED TO INSIGHTS, ANALYTICS, OR RESEARCH

	2 years or less	3 to 5 years	6 to 10 years	11 to 15 years	16 to 20 years	More than 20 years
Buyer (n = 332)	6%	12%	16%	16%	19%	31%
Supplier (n = 1,753)	18%	14%	14%	13%	10%	30%

ROLE IN STRATEGIC DECISIONS

	Make decisions	Influence decisions	Member of a team	Do not formally influence
Buyer (n = 332)	12%	50%	24%	14%
Supplier (n = 1,753)	37%	30%	23%	11%

● Make decisions ● Influence decisions ● Member of a team ● Do not formally influence
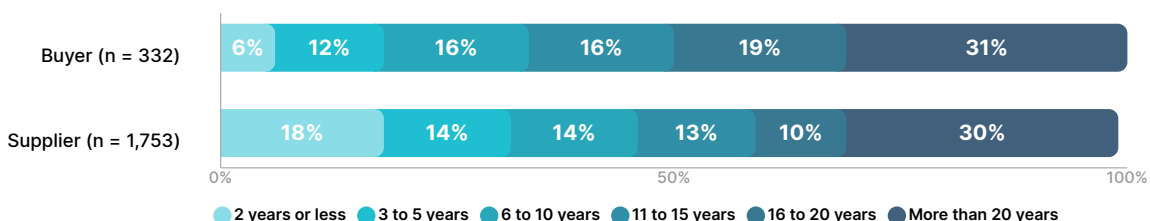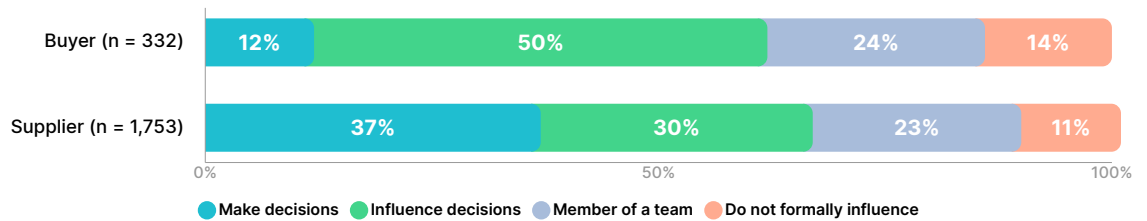
SIGNIFICANT REVISIONS TO KNOW ABOUT

Because the GRIT survey tracks trends, we try to keep it consistent from wave to wave, but we place more value on getting complete and accurate information on the current state of the industry than we do on tracking for the sake of tracking. If we were measuring changes in KPIs to determine bonuses, we'd be more conservative about revisions, but we're not doing that (and we wouldn't recommend that practice, anyway).

The most significant change is the addition of a new battery on AI; other changes concerned streamlining he survey experience.

We made several improvements this wave. The most significant changes are:

- Added a new question sequence on AI and generative AI to the survey, resulting in three new report sections: *AI in Everyday Life*, *Caution: AI at Work*, and *AI at Work*.
- Simplified our question about what percentages of projects meet, exceed, or fall short of objectives from a constant sum to a single closed-end response
- Changed our "supplier skills and initiatives" to a maxdiff from a rating (and got exactly the same results)
- Removed some questions that were not core to the analysis to streamline the survey experience

THE BIG PICTURE

The *2023 GRIT Business & Innovation Report* provides you with comprehensive and actionable insights regarding industry trends. We always position these insights as "highly directional" versus "scientifically precise;" after all, this is the *Greenbook Research Industry Trends Report* not the *Greenbook Certified Financial Assessment of the Insights Industry*. Understanding the sample composition and noting the sample sizes in each

table and chart empower you to make your own assessments of trends, to separate fact from hypothesis, and decide which are meaningful for you. GRIT research follows the industry, and as the industry continues to transform and the definitions of key stakeholder groups expand, we will keep a keen eye out for opportunities to ensure the GRIT sample universe adapts to the entire industry.

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INDUSTRY STRUCTURE

The industry structure is evolving in response to challenges and opportunities, such as greater sustained interest in data and analytics given impetus from the pandemic and the emergence of new enablers. After the initial shock of the pandemic, industry participants are emerging with new identities and testing the boundaries outside of their defining expertise.

OVERVIEW

Since the initial shock of the pandemic, data and analytics has generally increased as a significant buyer role and as an important revenue stream in each supplier segment.

GRIT breaks down the insights and analytics industry structure by the roles filled by insights professionals on the buyer-side and sources of revenue, services used for positioning, and service offerings on the supplier side.

Over the past few years, we've traced how buyer roles and supplier service portfolios have adapted to the challenges of the pandemic and how they're evolving coming out of it. The influences of the pandemic, however salient, occur in the context of other trends, such as advances in technology, evolving philosophies about managing the insights function, and the dynamic of competition across supplier types.

In 20W1, the eve of the pandemic, data analysis was a significant role just over one-third of buyer-side insights professionals and a significant source of revenue for a similar proportion of full/field services providers, technology providers, and strategic consultancies. (Of course, it was significant for all data and analytics providers.) When the pandemic hit, data analysis became a more significant activity on the buyer-side while suppliers had to "stick to the knitting" as they used to say in the '80s, and focus on their core revenue streams.

Since that initial shock, data and analytics has generally increased as a significant buyer role and as an important revenue stream in each supplier segment. The seeming ubiquity of data and analytics will be one of the themes as we discuss industry structure from the perspective of our five buyer roles and six "big bucket" supplier types.

DATA & ANALYTICS AS SIGNIFICANT BUYER ROLE OR SUPPLEIR REVENUE SOURCE: GRIT WAVE (BUYER, SUPPLIER TYPE)

Legend: Data analysts (buyer role) • Full service research • Field services • Qualitative research • Strategic consulting • Technology
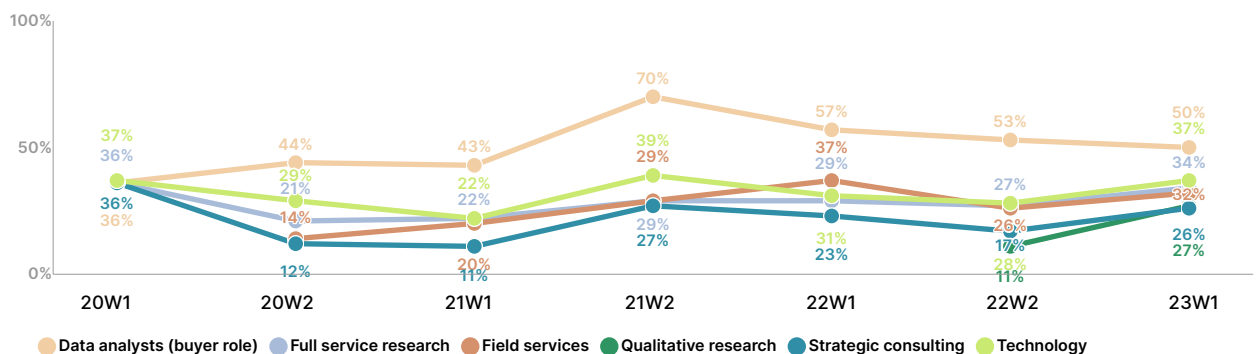
Field services and full service research were a single type in 20W1. Qualitative research was introduced as a separate type in 22W2.

BUYER PERSPECTIVE

The buyer-side perspective of the GRIT participant is mainly driven by those in a formal insights group, and the marketing perspective is also significant. However, one-quarter of them are not in either of these groups. Despite the fact that more than 40% of them are *not* in a formal insights group, nearly 60% say that *all* insights professionals are part of one. This apparent contradiction suggests that many buyer-side professionals who engage in insights, research, or analytics as part of their jobs don't necessarily define their roles in terms of insights.

Despite a decline, strategic insights consulting continues to be the most common primary role. Prior to the pandemic, more than one-third of buyer-side insights professionals said that the primary role played by insights professionals at their company was strategic insights consulting, peaking at 44% in 19W1. The proportion was declining even before the pandemic, but it seems to have stabilized in the low 30%s over the past two years.

Voice of the Customer (VoC) seems to be a fluid role that ebbs and flows according to whether the organization can afford to invest in it. Prior to the pandemic, it was typically on par with strategic insights consulting (39% in 19W1), but plummeted to its all-time low as the pandemic hit (16%), then became a common role again as companies found their footing in the new reality. Currently, it accounts for just over 20% of buyer roles, similar to in-house researcher.

In-house researcher has also had its ups and downs, usually in tandem with VoC's downs and ups. It surged to greater importance as the pandemic hit (from 14% to 33%) and has maintained a strong presence despite some volatility.

DEPARTMENT OR FUNCTIONAL AREA: GRIT WAVE (BUYER)
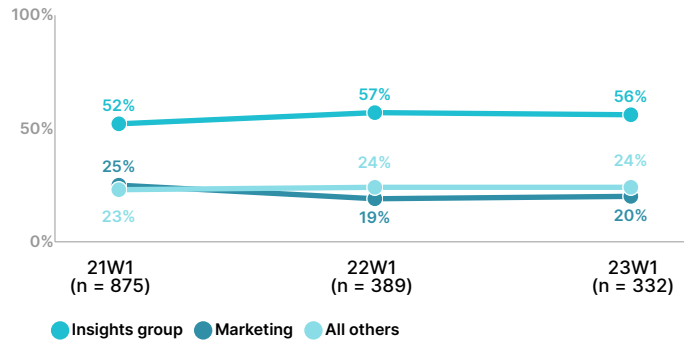
PROFESSIONALS IN FORMAL INSIGHTS GROUP: GRIT WAVE (BUYER)
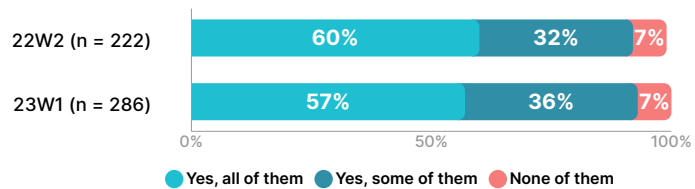
Prior to the pandemic, very few identified data analysis as the primary role filled by their insights professionals (5%). When companies found their footing by 21W2, the percentage claiming data analysis as a primary role doubled (10%) and has remained in the low teens, now reaching 15%.

Research outsourcing tends to be a supporting role: it has never accounted for more than 10% as a primary role. Similar to VoC and in-house researchers, it seems to be sensitive to the ups and downs of the overall business that can change the economics of how insights work is conducted. For example, when the pandemic hit, in-house researcher increased as a primary role, but, paradoxically, so did research outsourcer. Some businesses took more work in-house, and some grew more reliant on suppliers.

> The pandemic seems to have convinced some buyers to focus their insights staffs on in-house research, research outsourcing, or data analysis instead of strategic insights consulting or VoC.

PRIMARY ROLE OF INSIGHTS PROFESSIONALS: GRIT WAVE (BUYER)

Strategic insights consulting • In-house research • Voice of the Customer (VoC) • Data analysis • Research outsourcing
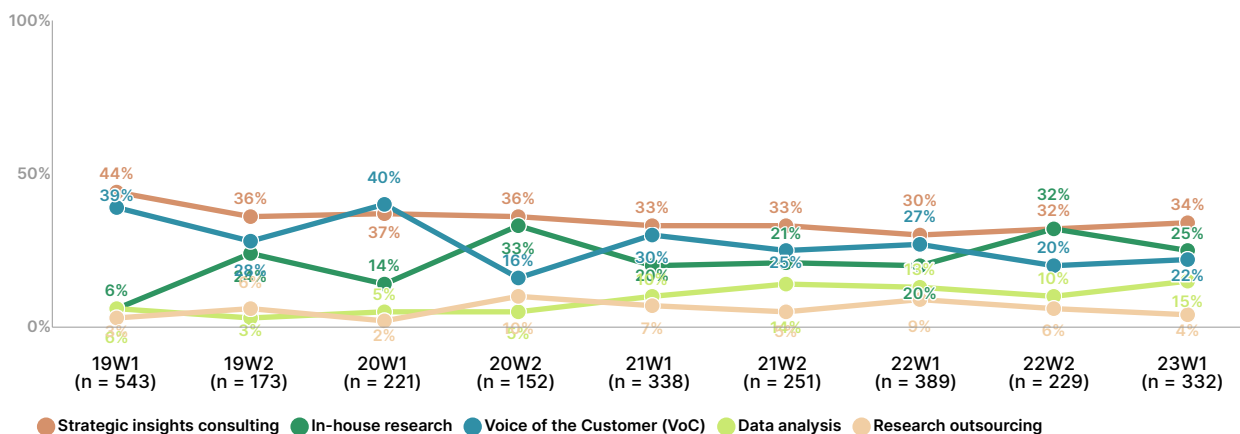
In 21W2, the average number of significant roles taken on by insights staff peaked at 3.2. It has declined somewhat to 2.7, but it is still half a role more than before the pandemic (2.2). Strategic insights consulting has been a significant role for at least 60% since the start of the pandemic, although it has declined somewhat from its peak at the height of it. VoC has followed a similar pattern, peaking in 2021, but declining more sharply to its current low of 54%. In-house researcher has been a significant role for at least 50% throughout the pandemic, but is also down from its peak in 21W2.

Data analysis also peaked in 21W2 at 70%, but its rise was much more dramatic – at least 26% more than in any prior wave. Although it, too, has fallen from its high, it's still above pre-pandemic levels and performed by about half of insights staffs.

Research outsourcing has been an outlier. It was only significant for 26% of insights staff before COVID-19, shot up 20% at the start of the pandemic, and peaked at nearly double its original level in 22W2. It's currently in the mid-40%s, similar to where it's been since 20W2. The sustained significance of the research outsourcer role parallels the sustained renaissance of the full service research supplier segment. In *Unmet Needs*, we discuss the hypothesis that pandemic-driven outsourcing may have been more characterized by literal "outsourcing" than by "partnering," denying suppliers the opportunity to build the kinds of relationships that enable them to ensure that their deliverables align with the needs of the business.

> Pandemic-driven outsourcing may be more literal "outsourcing" rather than "partnering," denying the opportunity to build the kinds of relationships that ensure that deliverables align with the needs of the business.

ALL SIGNIFICANT INSIGHTS PROFESSIONAL ROLES: GRIT WAVE (BUYER)

	20W1	20W2	21W1	21W2	22W1	22W2	23W1
In-house research	43%	62%	50%	70%	52%	65%	63%
Strategic insights consulting	57%	67%	68%	67%	60%	63%	61%
Voice of the Customer (VoC)	60%	61%	69%	71%	67%	64%	54%
Data analysis	36%	44%	43%	70%	57%	53%	50%
Research outsourcing	26%	46%	40%	45%	51%	47%	46%
Average number of roles	2.2	2.8	2.7	3.2	2.9	2.9	2.7
n =	352	271	875	251	389	229	332

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

Within each primary role, about half of buyer-side insights professionals say that in-house research is a significant role for them, but data analysts perform the fewest roles, on average. Compared to others, data analysts and research outsourcers are less likely to act as strategic consultants or VoC. Data analysts are also less likely to perform research outsourcing, whereas research outsourcers are much more likely to also perform data analysis.

ALL SIGNIFICANT INSIGHTS PROFESSIONAL ROLES: PRIMARY ROLE (BUYER)

	Strategic insights consulting	In-house research	Voice of the Customer (VoC)	Data analysis	Research outsourcing
In-house researcher	49%		54%	46%	51%
Strategic insights consultants		54%	45%	14%	28%
Voice of the Customer (VoC)	43%	51%		26%	26%
Data analysts	40%	46%	33%		57%
Research outsourcers	39%	52%	50%	29%	
Average number of roles	1.7	2.0	1.8	1.1	1.6
n =	116	78	69	49	17

Black cells match the role that defines the primary role. Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

SUPPLIER SEGMENT TRENDS

To understand the structure of the supplier side of the insights and analytics industry, GRIT breaks it down along four aspects: most important source of revenue, service most important to positioning, all sources of revenue, and all services offered. The revenue sources indicate what they do to earn their money, and the services are a proxy for understanding what opens the door to those opportunities.

A supplier classified as full service research in one GRIT wave may be classified completely differently in another if they change which services they emphasize or if market demand shifts. Also, the service that is most important to their positioning may or may not match their strongest revenue stream. For example, a supplier that opens doors with its brand strategy consulting may make more

money from the full service research that results from it than from the consulting itself. Keeping these nuances in mind may help you to navigate these results.

Our story will begin in late 2020, when COVID-19 first laid waste to the insights and analytics industry as we knew it. While it may seem more logical to begin before the pandemic so that we can understand its impact, such comparisons are difficult due to GRIT's historical idiosyncratic view of suppliers. Prior to 20W2, GRIT considered full service research and field services to be a single type of supplier, and GRIT did not consider qualitative research to be a distinct specialty until 22W2, a mere three-quarters of a century after its invention and a mere half century since it came into common use.

Buyer staffs that act primarily as data analysts are unlikely to perform other roles aside from in-house research, but those focused on other activities are more likely to say they also act as data analysts.

The service that is most important for positioning may or may not match their strongest revenue stream. A supplier that opens doors with brand consulting may make more money from the full service research that results from it.

However, if we retrofit our later results, we can compare how suppliers were distributed by main source of revenue before and after the pandemic hit. In 2019, about one-third of supplier-side insights professionals identified as working for full/field service providers, and a similar amount identified as employed by strategic consultancies. One year later, on the eve of the pandemic, strategic consultancies pulled ahead (35% to 27%) and technology providers became a clear third (21%, up from 16%).

In 21W1, a year into the pandemic, the need for external research project managers had increased while the interest in outsourcing *strategic* insights work had declined. The percentage of supplier-side insights professionals identifying as full/field service shot up from 27% to 45% and has remained at least that high ever since. Strategic consultancies fell by 10%, to 25%, and have since continued to fall. Technology providers have gradually risen from 15% to 20%, while data and analytics providers consistently occupy the lower teens.

SUPPLIER TYPE/HIGHEST REVENUE: GRIT WAVE (SUPPLIER)

	19W1 (n = 2,036)	20W1 (n = 1,615)	21W1 (n = 2,325)	22W1 (n = 2,275)	23W1 (n = 1,753)
Full or field service	32%	27%	45%	52%	49%
Strategic consulting	32%	35%	25%	15%	18%
Technology	16%	21%	15%	18%	20%
Data & analytics		14%	15%	15%	12%
Other	13%	3%			
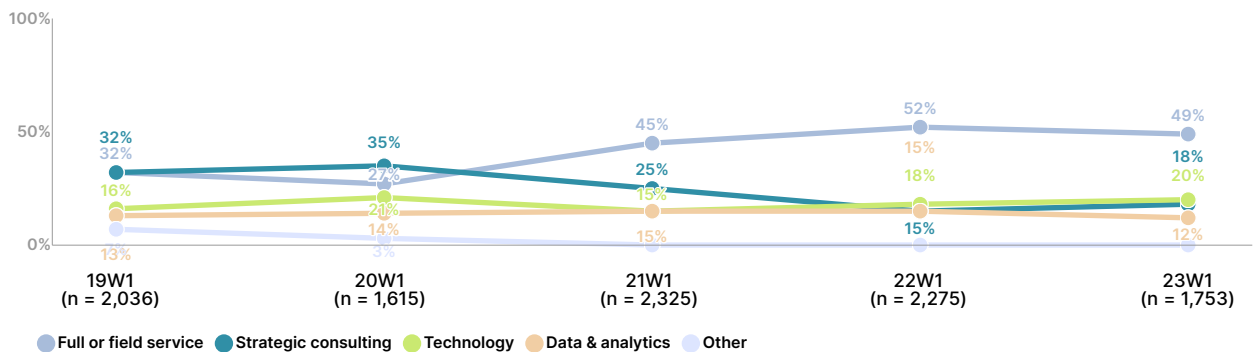
After full service research dropped to the second largest supplier segment just before the pandemic, it has far-and-away been the most populated segment since then.

To include field services and qualitative research suppliers in the story, we need to begin in 20W2 and retcon the results we just reported.

Perennially, insights professionals from full service research suppliers are the most common type of GRIT participant, comprising around half of all suppliers in fall GRIT waves and about 40% in spring. Fields services providers had doubled during the pandemic, but in the current wave have returned to the levels of about two years ago (4%).

SUPPLIER TYPE/HIGHEST REVENUE (SUPPLIER)

Data & analytics 11%
Technology 18%
Strategic consulting 16%
Full service research 40%
Field services 4%
Qualitative research 11%
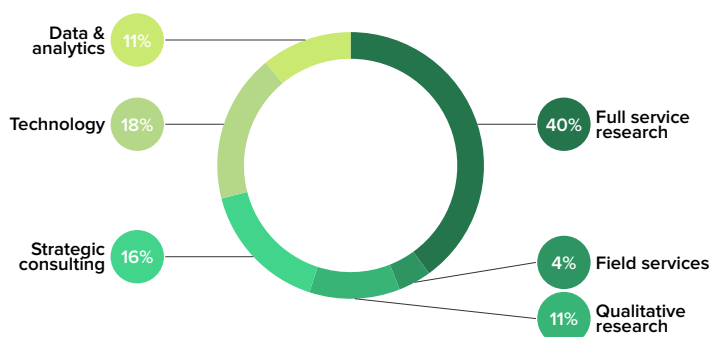
Qualitative researchers were introduced as a "big bucket" type last year and are about as common as data and analytics providers. It is unclear how they categorized themselves in previous waves because some identify with full service research and strategic consulting, but others seem to come from a technology background, and this makes it impossible to come up with an assumption that enables their evolution to be traced.

GRIT also breaks down some supplier types by employee size (our "benchmarking" segments used in other reports). Before the pandemic, smaller technology providers outnumbered larger ones, 12% to 9%, but now the percentage of larger ones is twice the proportion of smaller ones. In that time, the proportion of large technology providers has crawled up from 9% to 12% while the percentage of smaller technology providers has halved.

It could be that smaller technology providers grew into larger ones while larger ones grew greater revenue streams from other areas, or it might be that technology providers of all sizes grew other revenue streams and migrated to other segments. As we'll see, those who are currently in the technology segment are exploring different positionings and new services, and those in other segments are leveraging technology to grow their existing revenue streams. Any way you look at it, the technology provider segment, technology providers, and technology-based services are growing.

SUPPLIER TYPE/HIGHEST REVENUE: GRIT WAVE (SUPPLIER)

	20W1	21W1	22W1	23W1
Full service research (20 or fewer emp.)	5%	6%	9%	7%
Full service research (21 to 500 emp.)	17%	26%	26%	27%
Full service research (more than 500 emp.)	5%	7%	6%	5%
Field Services	N/A	6%	10%	4%
Qualitative research	N/A	N/A	N/A	11%
Strategic consulting (20 or fewer emp.)	7%	7%	5%	6%
Strategic consulting (21 to 500 emp.)	20%	11%	7%	9%
Strategic consulting (more than 500 emp.)	8%	6%	2%	2%
Technology (100 or fewer emp.)	12%	6%	8%	6%
Technology (more than 100 emp.)	9%	10%	10%	12%
Data & analytics (100 or fewer emp.)	6%	7%	5%	5%
Data & analytics (more than 100 emp.)	8%	8%	10%	6%
Other	3%	0%	1%	0%
n =	1,615	2,325	2,275	1,753

*Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
There are no prior data for qualitative research providers.*

SUPPLIER REVENUE SOURCE TRENDS

Each supplier segment has a role for data and analytics to play. It is a common secondary revenue stream for full service research, field services, and technology suppliers and significant for many qualitative research suppliers and strategic consultancies. Qualitative research, full service research, and data and analytics services are also significant secondary revenue streams for each supplier type.

As discussed in previous *GRIT Report*s, field services are a unique revenue stream. Few suppliers in other segments develop it into a significant source of revenue, although technology providers have been testing the waters out. Also, a significant cohort of field services providers have developed their technology capabilities into their main source of revenue and migrated to that segment without a complementary influx of new segment members.

> Any way you look at it, the technology provider segment, technology providers, and technology-based services are growing.

Strategic consulting seems like a difficult revenue stream to support unless it is your main focus. It's a common secondary source of revenue for full service research suppliers, significant among qualitative research suppliers, but not as common among the other segments.

Technology services may complement another core service offering, such as full service research, in any segment, but it is mainly technology providers who consider it to be a stand-alonesource of revenue. Outside of that segment, suppliers don't seem to license their technology to customers separately from their core services, at least not enough to call it a significant revenue source.

> Technology services support core service offerings in every segment, but, outside of the technology segment, suppliers don't seem to market it independently from those core services.

Data and analytics has momentum as a significant revenue stream for full service research, field services, and technology providers, as well as strategic consultancies. Strategic consultancies and technology providers are also growing full service research, and technology providers are developing field services revenue streams. This latter case may be due to former field services providers developing technology revenue to the extent that they migrate out of the segment, just as any increase in the significance of a revenue stream within a segment might represent growth among legacy segment members or new migrants.

In fact, the lone regression we see is the decline of technology revenue within field services, and this would be consistent with the theory of field services providers migrating to the technology segment.

ALL SIGNIFICANT REVENUE SOURCES: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Full service research	⬛	26%	29%	32%	29%	27%
Data & analytics	34%	32%	27%	26%	37%	⬛
Strategic consulting	33%	7%	25%	⬛	18%	19%
Qualitative research	30%	23%	⬛	23%	28%	22%
Technology	12%	14%	16%	9%	⬛	12%
Field services	14%	⬛	19%	4%	20%	11%

Black cells are the defining service for the supplier type. Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased at least 10% since 21W1; red border, decreased at least 10%.

SUPPLIER POSITIONING SERVICE TRENDS

Although suppliers within a segment share their common major revenue stream, that service is not always the one that opens doors for them. Within each segment, suppliers are diverse with respect to which service best positions them.

Full service research suppliers are the most homogeneous. Half position themselves simply as full service research, although that percentage has dropped drastically over the past three years. Strategic insights is their next most common positioning (11%), but nearly as many say that more than one service is equally most important (10%). However, full service research suppliers name seventeen other services as key to their positioning, each of which accounts for less than 5% of the segment.

Strategic insights consultants are also more homogeneous as 49% of them simply say "strategic insights consulting" is their most important service. Mirroring full service research suppliers, 10% say full service research is most important, and nearly as many say that more than one service is equally most important (9%). Brand strategy (6%) is a distant fourth, and thirteen other services are mentioned by fewer than 5%. Like full service suppliers, strategic consultancies have also been toning down their positioning as full service researchers.

Qualitative research suppliers are more fragmented in their positioning messages, and the services emphasized across different factions demonstrate the need to make qualitative research more special in some way. The most common service for positioning is qualitative data collection platforms, but this is only the case for 19%. Next come full service research and "more than one" (11% each), followed by moderating and interviewing (10%), offline qualitative data collection (9%), and strategic insights consulting (8%). A couple of factions mention online communities, quantitative data

collection platforms, and industry-focused research as most important (6% each), and seven more services are cited by fewer than 5%. Some position themselves around core qualitative research capabilities, but others emphasize technology or strategy.

Among field services suppliers, the leading positioning service is also a platform, this time for quantitative data collection (17%). Next, 13% say more than one is equally important, 12% say offline quantitative data collection, and 10% say sampling. These are followed by full service research (9%), recruiting and pre-recruiting (7%), and industry-focused research (6%). Seven more services are named by 5% or fewer. Their greatest revenue might get booked under field services, but there are many paths to it.

Technology providers tend to position themselves around the type of technology solution they offer rather than the insights that are achieved; the "means" rather than the "end." In other segments, many suppliers are striving to establish their relevance outside of their defining service category, but those who derive their main revenue from technology seem to gravitate toward that theme for positioning.

The leading positioning among technology providers is "more than one equally important" (17%), followed by quantitative data collection platform (13%), platform for basic or advanced analytics (11%), and online communities (10%). Other factions cite platforms or tools to collect and analyze unstructured data (9%), qualitative data collection platforms (8%), and DIY surveys (7%). Twelve other services are mentioned by fewer than 5%, and many of them seem to be attempts to accent their technology capability with a message that hits closer to home for insights professionals, such as brand strategy and CX/UX consulting.

For data and analytics suppliers, the leading service for positioning is quantitative data collection platforms (17%), which may be an attempt to differentiate from other suppliers in their segment. Full service research and "more than one equally important" are next

(10%), tied with analytical services, one that directly references the segment identity. These are followed by industry-focused research (8%), and data services (6%). Fourteen other services are mentioned by five percent or fewer.

SERVICE MOST IMPORTANT TO POSITIONING: SUPPLIER TYPE (SUPPLIER, AT LEAST 10% OF ANY SEGMENT)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Full service research	50%	9%	11%	10%	3%	10%
Strategy/strategic insights	11%	0%	8%	49%	2%	4%
Qual data collection platform	1%	5%	19%	1%	8%	4%
More than one equally most important	10%	13%	11%	9%	17%	10%
Quant data collection platform	4%	17%	6%	2%	13%	17%
Quant data collection (offline)	3%	12%	0%	1%	0%	2%
Basic/advanced analytics platform/tools	2%	0%	0%	1%	11%	5%
Analytical services	3%	0%	1%	3%	2%	10%
Sampling (offline)	1%	10%	0%	0%	0%	2%
Online communities (MROC)	2%	1%	6%	0%	10%	1%
Moderating/interviewing (offline)	1%	5%	10%	1%	0%	0%

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased at least 3% since 21W1; red border, decreased at least 3%.
There is no tracking data for qualitative research providers from 21W1.

"Quantitative data collection platforms" is decelerating as a positioning theme among technology providers who may be figuring out it does not differentiate them very well, particularly with increased competition from other segments.

It's not clear whether the potpourri of positioning reflects attempts by data and analytics providers to expand their capabilities and grow or an influx of providers from other segments who have successfully introduced data and analytics services. The impression we get is that this segment has a hard core of suppliers dedicated to data and analytics surrounded by an ever-changing cast of suppliers in transition.

We touched on the momentum of some of these positionings earlier, in particular the deceleration of full service research as a positioning for the full service research and strategic consulting segments. It is also becoming less popular among technology providers and data and analytics providers. It might be that some of these suppliers realize that they need a more refined positioning to stand out from the plethora of full service research providers.

Fewer are saying that multiple services are equally important to positioning among technology providers, strategic consultancies, and data and analytics providers. It could be that some suppliers are finding it difficult to send a clear message if they are juggling too many concepts in their communications and choosing to find one niche service which can make them stand out from the crowd.

It's worth mentioning the acceleration of quantitative data collection platforms as a positioning in full service research, data and analytics, and field services as it decelerates among technology providers. Technology providers may be figuring out that it does not differentiate them very well, particularly with increased competition from other segments who need a new wrinkle to break free from their packs.

Among data and analytics and field services providers, industry-focused research is gaining traction. Technology suppliers have increased focus on platforms and tools for the collection and analysis of unstructured data which may differentiate more effectively than the decelerating online quantitative data collection positioning. It also represents an exciting new opportunity for the insights industry overall.

SERVICE MOST IMPORTANT TO POSITIONING: SUPPLIER TYPE (SUPPLIER, LESS THAN 10% OF ANY SEGMENT)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Platform/tool for unstructured data	0%	0%	0%	0%	9%	3%
Qual data collection (offline)	1%	5%	9%	1%	0%	2%
Industry-focused research	2%	6%	6%	3%	1%	8%
Recruiting/pre-recruiting (offline)	0%	7%	0%	0%	1%	0%
DIY surveys	0%	2%	2%	0%	7%	3%
Brand management/strategy	1%	0%	0%	6%	1%	1%
Data services	1%	5%	2%	0%	1%	6%
Marketing comm/advertising/PR	0%	0%	1%	4%	0%	0%
DIY sample access	1%	1%	0%	0%	4%	0%
Product development/innovation	2%	0%	1%	3%	3%	3%
Technology for noncon/passive measurement	0%	0%	0%	1%	3%	0%
Research/analysis of unstructured data	1%	0%	1%	1%	1%	3%
Customer/user experience (CX/UX)	1%	1%	0%	0%	2%	2%
Applied neuroscience/biometrics	1%	0%	2%	0%	0%	0%
Syndicated data and/or reports	0%	0%	0%	1%	0%	0%
Secondary research	0%	0%	0%	0%	0%	1%
n =	695	84	187	267	302	192

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased at least 3% since 21W1; red border, decreased at least 3%.
There is no tracking data for qualitative research providers from 21W1.

SUPPLIER SERVICE OFFERING TRENDS

Among the eight services GRIT classifies as research services, full service research and analytical services are the most common as they are offered by majorities in most segments. As the exceptions, full service research almost hits a majority among data and analytics providers (49%) and analytical services falls just short among qualitative researchers (46%) and well short among field services providers (35%).

Industry-focused research is offered by majorities in three segments (full service research, qualitative research, and data and analytics), and data services are also offered by at least half of three supplier types (full service research, field services, and data and analytics). No other service is offered by a majority in any segment.

> Among the services GRIT classifies as "research" services, full service and analytical services are the most common, offered by majorities in each supplier segment but one.

Data services is growing within full service research and data and analytics.

Since the last GRIT wave, analytical services is growing among full service research, technology, and data and analytics, but declining among field services and strategic consultancies. Data services is growing within full service research and data and analytics, as is syndicated data and reports. No other services are growing in multiple segments.

For three research services, growth is unique to full service research suppliers: secondary research, research/analysis of unstructured data, and applied neuroscience/biometrics. Full service research suppliers lead all segments in offering secondary research and applied neuroscience/biometrics, and is second to strategic consultancies in research/ analysis of unstructured data. Possibly, services regarding research/analysis of unstructured data incubate within the data and analytics segment, then migrate to be integrated into full service research or leveraged for strategic work.

Most of the growth among research services appears to be driven by full service research providers, and several services are declining in other segments. Full service and secondary research are declining in three segments: field services, strategic consultancies, and data and analytics. Data services are declining among field service providers and strategic consultancies. Applied neuroscience/biometrics is falling among strategic consultancies, technology providers, and data and analytics providers. Industry-focused research is declining among strategic consultancies, and research/analysis of unstructured data is declining among field services.

RESEARCH SERVICES OFFERED: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Full service research	92%	53%	68%	65%	58%	49%
Analytical services	67%	35%	46%	53%	58%	65%
Industry-focused research	52%	45%	57%	47%	44%	52%
Data services	50%	60%	33%	29%	48%	59%
Secondary research	41%	23%	31%	37%	11%	15%
Research/analysis of unstructured data	40%	24%	39%	44%	36%	30%
Syndicated data and/or reports	36%	18%	17%	23%	23%	31%
Applied neuroscience/biometrics	20%	4%	12%	8%	5%	9%
Other research services	1%	1%	2%	0%	2%	1%
n =	695	84	187	267	302	192

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased at least 3% since 22W1; red border, decreased at least 3%.
There is no tracking data for qualitative research providers from 22W1.

Among offline data collection services, moderating/interviewing is offered by majorities of full service research, field services, and qualitative research providers, as well as strategic consultancies. Offline quantitative data collection is offered by majorities in full service research, field services, and data and analytics providers. Offline qualitative data collection is offered by majorities in full service research, field services, and qualitative research providers.

Two offline field services are offered by majorities of field services providers but not of any other segment: recruiting/pre-recruiting and sampling.

All five of these services are growing within the full service research segment. All but sampling, which is declining, are growing in the field services segment. The only other service that is growing within a segment is recruiting/pre-recruiting, which is growing within data and analytics.

Regarding declining services, fewer strategic consultancies and technology providers offer moderating or interviewing. Sampling is less frequently offered by technology and data and analytics providers, and recruiting/pre-recruiting is declining among strategic consultancies.

All five offline field services are growing within the full service segment; all but sampling, which is declining, are growing in the field services segment.

OFFLINE DATA COLLECTION OFFERED: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Moderating/interviewing	65%	56%	66%	53%	30%	34%
Qualitative data collection (offline)	60%	62%	74%	48%	36%	47%
Quantitative data collection (offline)	59%	69%	43%	41%	38%	51%
Recruiting/pre-recruiting	47%	66%	46%	24%	38%	31%
Sampling	46%	73%	34%	28%	43%	36%
n =	695	84	187	267	302	192

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased at least 3% since 22W1; red border, decreased at least 3%.
There is no tracking data for qualitative research providers from 22W1.

Regarding our five consulting services, most in each segment except field services offer strategy or strategic insights consulting. Half or more offer product development or innovation consulting among full service research, strategic consultancies, and data and analytics providers. Most full service research suppliers and strategic consultancies offer brand management or brand strategy consulting, and most strategic consultancies offer consulting on marketing communications, advertising, and/or PR.

Strategy or strategic insights consulting is growing in each segment except qualitative research, in which a majority offer it, and field services. Product development or innovation consulting is growing among data and analytics providers, but no segment is increasingly offering brand management or strategy consulting, customer or user experience (CX/UX) consulting, or marketing communications, advertising, and/or PR consulting. It could be that these three are not sufficiently general enough, like strategic insights consulting, to be widely adopted, but they also not may not be highly correlated enough with any of these segments to spur rapid growth.

Aside from strategy or strategic insights consulting, all consulting services are declining among field services providers. Customer or user experience (CX/UX) and marketing communications, advertising, and/or PR consulting are declining among strategic consultancies and technology providers.

CONSULTING SERVICES OFFERINGS: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Strategy/strategic insights	81%	44%	64%	93%	61%	70%
Product development/innovation	61%	31%	46%	66%	47%	50%
Brand management/strategy	55%	26%	42%	75%	35%	42%
Customer or user experience (CX/UX)	49%	25%	49%	47%	33%	36%
Marketing communications/advertising/PR	46%	27%	45%	57%	25%	36%
Other consulting services	6%	2%	6%	9%	3%	3%
n =	695	84	187	267	302	192

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased at least 3% since 22W1; red border, decreased at least 3%.
There is no tracking data for qualitative research providers from 22W1.

Although most strategic consultancies offer almost all of our consulting services, most technology providers offer only four of eight technology services: online quantitative data collection, basic or advanced analytics, online qualitative data collection, and DIY surveys.

In each segment except strategic consultancies, most offer online quantitative data collection. Most full service research and data and analytics providers offer platforms or tools for basic or advanced analytics, and most field service and qualitative research providers offer online qualitative data collection. No other technology service is offered by a majority of any segment.

Since last year, three services are growing within the technology segment: basic or advanced analytics, online qualitative data collection, and collection or analysis of unstructured data. Of these, only collection or analysis of unstructured data is growing in another segment (full service research). DIY surveys and platforms or tools for nonconscious or passive measurement are also growing within the full service research segment, and the latter is also increasing among data and analytics suppliers.

No other services are growing in any segment, but there are several cases of reduced offerings. Full service research suppliers are less likely to offer online quantitative data collection compared to last wave, data and analytics providers are less likely to offer platforms or tools for basic or advanced analytics, and technology providers less likely to offer DIY sample access.

Since last year, three technology services are growing within the technology segment: basic or advanced analytics, online qualitative data collection, and collection or analysis of unstructured data.

Seven of the eight offerings are becoming less common among field services providers, and a slightly different seven have declined among strategic consultancies. One of these, DIY surveys, is also less common among data and analytics suppliers.

There are a lot of cases of technology offerings becoming offered less frequently within a segment, but this phenomenon doesn't indicate that the tide of technology services is ebbing. In some cases, such as with the dramatically smaller field services segment, the percentage offering these services declined because many of them grew enough in other areas to migrate to a different segment, such as technology. In other cases, these technologies have become integrated into other services and no longer stand alone.

TECHNOLOGY SERVICES OFFERED: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Online quantitative data collection	57%	71%	54%	37%	73%	62%
Basic or advanced analytics	53%	23%	37%	42%	63%	56%
Online qualitative data collection	48%	54%	71%	39%	66%	49%
Collection or analysis of unstructured data	37%	21%	38%	34%	45%	38%
Online communities (MROC)	33%	27%	39%	16%	33%	19%
DIY surveys	29%	24%	26%	14%	60%	27%
Nonconscious or passive measurement	22%	9%	9%	15%	16%	11%
DIY sample access	18%	37%	14%	7%	29%	18%
n =	695	84	187	267	302	192

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased at least 3% since 22W1; red border, decreased at least 3%.
There is no tracking data for qualitative research providers from 22W1.
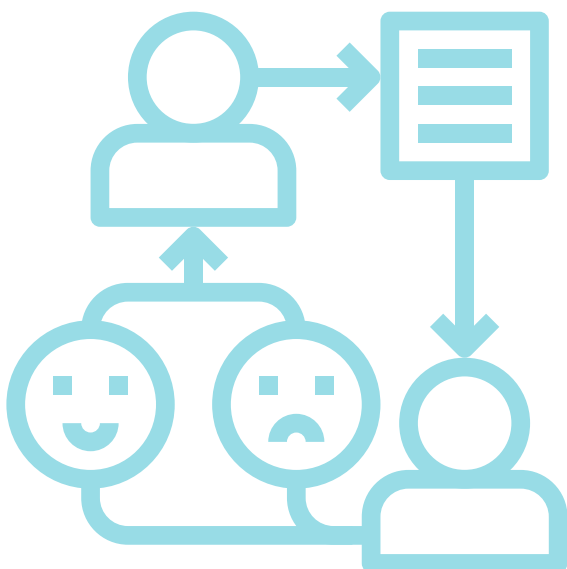
In some cases, the percentage offering technology services declined because many grew enough in other areas to migrate to a different segment. In other cases, these technologies have been integrated into other services and no longer stand alone.

THE BIG PICTURE

On the buyer side, the pandemic obviously shook things up, and it seems like some of the changes are permanent. There seems to be a hard core one-third of staffs that focus on strategic insights consulting, down from pre-pandemic highs. In response to the pandemic, in-house research strengthened its position as a primary role at companies that found it more effective to conduct their own research and make use of DIY tools, and many have maintained this model. With more pressure to get more insights from existing data, data analysis also increased as a primary role as the challenges of the pandemic dovetailed with methodological advances.

As significant, but not always leading roles, in-house research, research outsourcing, and data analysis increased for more insights staffs after the pandemic hit, and businesses still seem to be comfortable with those models. The average number of significant roles peaked during the pandemic, then declined, though not to pre-pandemic levels. These roles may have been performed outside the recognized insights staff before the pandemic, and they have either been added to existing roles or perhaps the larger organization has become more integrated with respect to activities that result in insights.

On the supplier side, the major observation is similar to previous *GRIT Reports*: no matter what the primary revenue source, data and analytics need to be part of the portfolio. This mirrors the increased buyer-side focus on data analysis, products of the pandemic's mandate to find ways to repurpose data and the increased accessibility of these capabilities.

Technology providers are growing, and more suppliers of other types are offering technology services as part of their core offerings. Part of this segment's growth is driven by demand for technology, but part is driven by diversification into other areas. However, much of their positioning is dependent on the technology they offer, not on the end result of it. They face increased competition from other segments for "traditional" technology services, and it remains to be seen as to whether they can differentiate from their technological brethren by offering value-added services, such as 'industry-focus' to "quant data collection." Or, perhaps, long-term growth will depend on developing and popularizing new platforms, such as those that collect or analyze unstructured data.

At a more general level, suppliers seem to be evaluating whether it is best to differentiate on their core service area – such as positioning a full service research provider on "full service research" – or to make their core service an implicit capability and differentiate on something closer to the end client – like positioning "qualitative research" as "CX/UX consulting."

The trend seems to be away from generic positioning – e.g., "full service research" compared to "CX/UX consulting" – and less complexity, such as de-coupling positionings that combine multiple services which may not be easily understood as a unit. Buyers and suppliers are evolving in response to challenges and opportunities, and the industry structure continues to change.

> With more pressure to get more insights from existing data, data analysis increased as a primary role as the challenges of the pandemic dovetailed with methodological advances.

> Suppliers seem to be evaluating whether it is best to differentiate on their core service area or to make their core service implicit and differentiate on something closer to the end client, such as "CX/UX consulting."

DISPLAYR

A PERMANENT PIVOT OR TEMPORARY TRANSITION? A POST-PANDEMIC REVIEW OF THE INSIGHTS INDUSTRY

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While the insights and analytics industry is surely no stranger to sudden curveballs, it faced a doozy of one with the global pandemic. Thrown into a topsy-turvy world, buyers zeroed in on something tangible – data. What insights could be gleaned from existing data sets? What methodological advances could be used to extract something vital? How could they push suppliers to add more offerings in terms of data analysis?

This demand has fueled both an expansion and repositioning on the supplier side. Technology has facilitated the option to diversify service offerings, and bringing more specialized roles onto the team has allowed for greater flexibility and competitiveness.

Buyer perspective: Tell me about the data

The buyer side of the insights industry has undergone a discernible shift in focus. Pre-pandemic, insights professionals primarily dealt with strategic insights consulting. Since the onset of the pandemic, there has been a marked increase in data analysis as the primary role of insights and analytics firms. However, this does not necessarily represent a back-to-basics shift so much as a desire to ground and refocus analytics on the substantive data.

Supplier perspective: Squeezing more out the data

Of course, the supplier and the buyer perspectives closely mirror one another. The pandemic brought new challenges with data collection – piling pressure upon companies to extract more insights from existing data sets and learn how to repurpose data. This was made evident by companies strengthening their in-house research teams or increasing their reliance on outsourcing research. For those with in-house teams, this also involved integrating methodological advances into their data analysis processes.

Buyer perspective: Keeping roles fluid and dynamic

Those who adjusted best to the pandemic are those who quickly adapted roles to meet changing demands. The Voice of the Customer (VoC) role plummeted during the pandemic but has bounced back. Meanwhile, the role of in-house researcher surged to greater prominence as companies found it more effective to conduct their own research, often utilizing DIY tools. These adaptations signify a fluidity within businesses, illustrating their capacity to pivot roles based on current challenges and requirements.

Industry perspective: Pivoting to the niche or merely a natural evolution?

Our industry seems to be undergoing a significant repositioning phase. We see a marked shift away from generic positions like "full service" toward specialized niches. Attempts to reposition core services - like "qualitative research" as "CX/UX consulting" – better align them with what end clients need. Suppliers realize they need to refine their positioning to stand out, and technology that facilitates deeper and more granular analysis provides a natural evolution for them.

Businesses are now more inclined to dig deeper into their data in search of actionable insights, and this reverberates throughout the supplier side. Suppliers that acknowledge the need to offer specialized services as well as to remain fluid are more likely to thrive in a saturated market.

Some changes brought on by the pandemic seem permanent, such as the strengthening of the in-house research and the increased buyer-side focus on data analysis. Other adaptations, like repositioning certain services in a way that resonates more with the end client may or may not stay the course. However, what remains clear is the industry's resilience and capacity to adapt to new challenges and seize fresh opportunities.

EVOLVING INSIGHTS AUDIENCE

Depending on whether looking from the perspective of the buyer or a type of supplier, the level of engagement and decision influence across various internal functional areas differs. Although the insights group is the most important gatekeeper for traditional research, there are hints of other "gates" for insights work, and some of these may lead into silos.

OVERVIEW

Since 20W1, the last GRIT wave before the pandemic, we've asked buyer-side insights professionals how different functional areas collaborate on insights and what role they have in selecting methodologies, partners, and suppliers. We also ask suppliers for their perception of how different functional areas at their clients engage with insights work and deliverables as well as which ones are involved in supplier selection.

It can be tempting to think that the buyer-side view of how insights work is conducted and who influences related decisions is more accurate than the supplier perception because who knows better than the people who work there? In this context, however, that might not be the case.

The buyer-side view represents the aggregate view across all insights work, and when they say that more than one functional area is involved as collaborators, users, or decision influencers, they might each be involved with different types of projects. This point of view is heavily influenced by the insights group, which is 56% of the buyer-side sample.

On the other hand, the supplier-side view represents the perspectives of each supplier segment and may better represent the breadth of who uses particular kinds of deliverables and who

decides on particular types of services. While we know that the insights or research group is likely to be an important gatekeeper, it might only be for traditional research at some buyer organizations, and other kinds of services may be sold directly into other functional areas.

For buyers and for each supplier type, most say that the research or insights group is a decision-maker or key influencer. A majority of buyers also say that marketing is a key influencer, but none of the other four functional areas are considered to be key decision influencers by a majority. The GRIT buyer perspective is heavily influenced by the insights and marketing groups, and they only consider their two groups to be key influencers.

Whereas buyers see an average of just under three decision influencers, almost all supplier types see nearly four or, in the case of data and analytics providers, more than four (4.4). Outside of insights and marketing, each functional area is recognized as a key decision influencer by a majority within at least three types of suppliers. It may be that the insights group and marketing are gatekeepers for all types of insights but underestimate the influence of other functional areas on those decisions. It might also be there are significant amounts of insights work being commissioned by others of which they know very little.

Buyers may have an more up-close-and-personal view of how deliverables are used and commissioned, but suppliers have a diverse view from multiple perspectives.

	Buyer	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Research or insights group	88%	92%	68%	81%	84%	84%	89%
Marketing	62%	61%	59%	60%	68%	51%	55%
Analytics	48%	61%	50%	58%	64%	60%	74%
Executive team	42%	65%	71%	76%	73%	79%	87%
Product management	32%	47%	48%	58%	45%	62%	68%
R&D	22%	41%	52%	54%	37%	55%	66%
Others	7%	11%	10%	26%	9%	20%	21%
Average (excl. "others")	2.9	3.7	3.5	3.9	3.7	3.9	4.4
n =	137	337	43	94	117	150	101

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage ("others" not included).

The patterns of who is considered to be in the audience for insights work differ across the perspectives of buyers and different types of suppliers and have evolved throughout the pandemic years. In *Unmet Needs*, we discuss how some buyers perceive that different insights silos have emerged in their organizations, giving rise to conflicting intra-organizational interpretations of their markets. The potential fragmentation of insights work from the overall business perspective is worth pondering as you consider these results.

BUYER PERSPECTIVE

GRIT asks about the level of involvement different internal functional areas have with insights work and insights deliverables: actively collaborate and work with deliverables, create new insights from deliverables, receive deliverables, or are not involved with insights. We first asked this in 2020, which was also our last report before the pandemic, so we don't have a lot of insight into what equilibrium might look like historically.

Now we have three waves of data from after the pandemic hit, and trends might be emerging. If we look at anyone who is involved in insights regardless of whether they collaborate on the initial work, we find that not much has changed since before the pandemic. The percentages who say that the insights group, marketing, analytics, product management, and R&D are engaged has

not changed by more than 5% since before the pandemic, and none of those groups changed by more than 6% in any year after the pandemic.

The involvement of the executive team, however, has decreased. In our initial measurement just prior to the pandemic, 60% were involved in creating new insights from deliverables. That number did not change in the first year of the pandemic as buyers were finding their footing, but it dropped by 8% in the next year and another 9% since last year. Executives are not losing interest in insights per se, but some may be losing interest in traditional research. In *Business Outlook*, we discuss a slowdown in research budgets, and in *Unmet Needs*, we'll encounter some buyers and suppliers who feel estranged from the business leaders.

For buyers and all supplier types except field services, GRIT has one pre-pandemic measurement and three after the onset of the pandemic.

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In last year's *GRIT Business & Innovation Report*, one of our themes was that the job of creating insights was being decentralized, with the insights group as the hub for providing the source material while those who were closer to the business issues took more responsibility for developing insights. It appears that insights development gained a stronger voice in more places within the organization, but, relatively speaking, there's been a kind of hush from executives lately.

Once the pandemic hit, the role of the analytics group did not change, and neither did the involvement of product management or R&D. Marketing's role in developing insights, however, jumped 11%, from 78% to 89%, but might be slowly declining since then.

ACTIVELY COLLABORATES OR CREATES NEW INSIGHTS: GRIT WAVE (BUYER)

	20W1	21W1	22W1	23W1	Change since last year	Change since 20W1
Research or insights group	N/A	81%	81%	84%	+3%	N/A
Marketing	78%	89%	83%	82%	-1%	+3%
Analytics	73%	72%	68%	73%	+5%	0%
Product management	69%	66%	62%	65%	+3%	-4%
R&D	56%	55%	57%	51%	-6%	-5%
Executive team	60%	60%	52%	43%	-9%	-17%
Others	19%	11%	9%	16%	+7%	-3%
Average (excl. "others")	2.2	2.8	2.7	2.5		
n =	424	623	285	137		

Insights group was not asked in 20W1.
Green highlighting represents increases of 10% or more; red highlighting, decreases of 10% or more.

> Although most areas are as likely to create new insights as pre-pandemic, marketing, product development, and executives are less likely to actively collaborate on the work that produces the deliverables.

Looking at those who are most engaged – those who actively collaborate on insights work - and recalling that this perspective is strongly influenced by the insights group, it appears this work may be increasingly centralized within insights groups, as we observed last year. The biggest change once the pandemic hit was the increased involvement of marketing, up 8% from 58% to 66%.

Currently, however, each functional area, aside from insights and R&D, is less involved than before the pandemic: marketing is down 11%; executive teams, 11%; product management, 10%; and analytics, 8%. Although R&D has not become less engaged, the insights group is more than twice as likely to collaborate on insights work (75% to 35%). It's safe to say that the insights group is increasingly the center of developing materials from which others develop insights.

In *Industry Structure*, we note that in-house research has become a more central function for insights professionals during the pandemic years while strategic insights consulting became less likely to be considered a primary role. This is consistent with the idea that insights groups are taking responsibility for building the fact-base from which insights can be developed, at least as far as traditional research is concerned. They may also generate insights themselves, but enabling others throughout the organization seems to have become a more significant role.

ACTIVELY COLLABORATES ON INSIGHTS/DELIVERABLES: GRIT WAVE (BUYER)

	20W1	21W1	22W1	23W1	Change since last year	Change since 20W1
Research or insights group	N/A	70%	70%	75%	+5%	N/A
Marketing	58%	66%	62%	47%	–15%	–11%
Analytics	48%	49%	43%	40%	–3%	–8%
R&D	36%	30%	33%	35%	+2%	0%
Product management	42%	39%	35%	32%	–3%	–10%
Executive team	32%	27%	25%	21%	–4%	–11%
Others	9%	5%	5%	9%	+4%	0%
Average (excl. "others")	3.4	4.2	4.0	4.0		
n =	424	623	285	137		

Insights group was not asked in 20W1.
Green highlighting represents increases of 10% or more; red highlighting, decreases of 10% or more.

If there's any doubt about the centralization of initial insights work within insights or research groups, at least from a heavily insights group point of view, their role as primary decision-makers for methodologies and partners or suppliers has grown from 57% before the pandemic to 70% today. Our theory has been that the pandemic forced a stronger division of labor, including more project management roles for full service research providers, a greater need for insights groups to coordinate those activities with internal requirements, and a realization that those closest to the front lines need to be able to generate and apply insights and have the means to do so readily available.

PRIMARY DECISION-MAKER IN SELECTING METHODOLOGIES/PARTNERS: GRIT WAVE (BUYER)

	20W1	21W1	22W1	23W1	Change since last year	Change since 20W1
Research or insights group	57%	67%	75%	70%	–6%	+12%
Analytics	19%	23%	24%	14%	–10%	–5%
Marketing	17%	23%	17%	13%	–3%	–4%
Executive team	20%	17%	10%	13%	+3%	–7%
R&D	10%	6%	8%	7%	–1%	–2%
Product management	12%	9%	6%	4%	–1%	–8%
Others	3%	2%	2%	2%	0%	–1%
Average (excl. "others")	0.8	1.4	1.4	1.2		
n =	424	623	285	137		

Green highlighting represents increases of 10% or more; red highlighting, decreases of 10% or more.

The other big shift was the reduced influence of the analytics group as a primary decision maker. Although never more than 24%, that peak was reached in the pandemic years, but fell 10% in the past year to 14%. The growth of data analysis as key function for insights professionals is a related trend reported in *Industry Structure*. It may reflect greater – but by no means complete – integration of analytics with traditional insights work with analytics becoming absorbed into a central insights function. In other cases, however, it may represent the complete siloing of analytics from traditional insights, leaving the insights group with no visibility into the decisions made by analytics.

If we consider decision influence in addition to decision-making, we find that the insights group became even more influential when the pandemic hit and maintained that level of influence to the present time. Marketing has been up and down and is currently up. The influence of the analytics and executive teams are down somewhat, and the influence of product management and R&D are well below pre-pandemic levels.

We've already discussed the integration (or disintegration) of insights and analytics groups that may have resulted in a perception that internal analytics groups have less influence, as well as

the possible delegation of insights work from executive teams to those closer to the front lines. The reduced influence by product management and R&D may be explained by the centralization of initial insights work within the insights and research teams coupled with their possibly increased responsibility for coordinating external research suppliers.

However, another theory is that R&D and product development teams increasingly have needs that fall outside of the core expertise of traditional insights teams. For example, those responsible for digital products may depend on real-time insights that are supported by less traditional suppliers. They might also have more need for insights that are generated in non-traditional ways, such as CX/UX work or web analytics.

Perhaps similarly, the relative volatility of decision influence by the marketing function may be related to the digital sphere. In the digital world, market research and marketing happen virtually simultaneously and may be considered as distinct from traditional work. From the perspective of those who are part of an insights group, marketing might not be a consistent presence in decisions related to traditional research.

> It's possible that R&D and product management have insights needs that fall outside of the insights group's traditional purview.

PRIMARY DECISION-MAKER/KEY INFLUENCER IN SELECTING METHODOLOGIES/PARTNERS: GRIT WAVE (BUYER)

	20W1	21W1	22W1	23W1	Change since last year	Change since 20W1
Research or insights group	81%	89%	89%	88%	0%	+8%
Marketing	56%	66%	54%	62%	+8%	+7%
Analytics	53%	52%	54%	48%	-6%	-5%
Executive team	48%	46%	37%	42%	+5%	-6%
Product management	42%	35%	27%	32%	+4%	-10%
R&D	34%	29%	29%	22%	-7%	-13%
Others	11%	6%	5%	7%	+2%	-4%
Average (excl. "others")	2.3	3.2	2.9	2.9		
n =	424	623	285	137		

Green highlighting represents increases of 10% or more; red highlighting, decreases of 10% or more.

SUPPLIER PERSPECTIVE

Looking at engagement with insights and decision-making by supplier type may give us a more granular view of what happens on the buyer-side. It's reasonable to assume that different services are more likely to be used by certain types of buyers and that the target decision-maker would differ depending on the type of offering.

Unlike for buyers, GRIT doesn't ask suppliers for who actively collaborates in insights work, only whom they perceive to create new insights from deliverables, only receive deliverables, or is not part of the audience. Although there is a range, most supplier-side insights professionals in each segment say that the research or insights group and the analytics team work with deliverables to create new insights. Except technology providers, most in each segment say the same for marketing teams. Qualitative research and data and analytics suppliers are somewhat less likely to say that the insights group creates new insights than those in other segments, and qualitative researchers and field services suppliers are somewhat less likely to say that the analytics team is involved.

Of all segments, strategic consultancies are most likely to say that marketing creates new insights from their deliverables (64%), followed by data and analytics suppliers (55%). Barely half of qualitative research (52%), full service research (51%), and field services suppliers (50%) agree, and only a minority of technology suppliers (44%) see marketing as engaged to this extent.

In fact, of these six areas, strategic consultants say that 3.8 create new insights from their deliverables, on average, and data and analytics providers say an average of 3.7 do this. In the other four segments, the average is half an area lower for three of them (3.3) and only 3.1 for field services providers. In addition to the insights, analytics, and marketing groups, most strategic consultants say that product management (54%) and the executive team (57%) create new insights from deliverables and just under half say R&D does this (46%). Most data and analytics providers say the same for those two groups plus R&D (62%).

For five of the six areas, most qualitative research providers say that they create new insights from their deliverables; product management (43%) is the exception. Just under half of full service research providers claim product management develops new insights from their deliverables (48%), while fewer make the same claim for the executive team (43%) and R&D (41%). Half or most field services providers say that insights, analytics, marketing groups, and R&D create new insights, but only 44% agree for product management and only 33% do for the executive team.

While technology providers are among the leading segments who see insights groups and analytics create new insights, they are the only segment where only a minority say this about marketing. In fact, marketing is the group least likely to create new insights from technology deliverables, while product management, R&D, and the executive team cluster around 50%.

> Strategic consultancies may be working more closely with marketing, which might explain their diminished presence from the buyer perspective.

> More than any functional area, marketing is much more inclined to develop new insights from deliverables from strategic consultancies than from technology providers.

CREATES NEW INSIGHTS/DELIVERABLES: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Research or insights group	82%	78%	71%	86%	78%	73%
Analytics	64%	57%	51%	68%	64%	69%
Marketing	51%	50%	52%	64%	44%	55%
Product management	48%	44%	43%	54%	53%	54%
Executive team	43%	33%	56%	57%	47%	57%
R&D	41%	51%	53%	46%	48%	62%
Others	15%	4%	27%	22%	20%	27%
Average (excl. "others")	3.3	3.1	3.3	3.8	3.3	3.7
n =	337	43	94	117	150	101

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage ("others" not included).

In the past year, four segments reported increases in active use of their deliverables by buyer-side insights professionals in multiple functional areas. More analytics professionals created new insights or deliverables based on work from strategic insights consultants, full service research providers, and field services providers. More marketing professionals followed suit with deliverables from strategic insights consultants, field services providers, and data and analytics providers. R&D also became more engaged with deliverables from the same three supplier types.

Product management teams have gotten more engaged with the work delivered by strategic insights consultants, full service research providers, and data and analytics providers. Engagement among insights groups increased with respect to strategic consultancies and field services suppliers. Among executive teams, engagement increased with deliverables from data and analytics providers and decreased with field services deliverables.

Overall, active engagement with strategic insights consultants increased among five functional groups and with field services and data and analytics across four of them, although it also decreased for one group with field services.

Six of the increases since last year also represent increases from when GRIT first started measuring this: full service research deliverables among analytics; field services among research and insights groups and R&D; strategic consultancies among analytics and product management; and data and analytics among R&D. There is one decline since 20W1: engagement with technology is lower among marketing.

> Overall, active engagement with strategic insights consultants increased among five functional groups.

> Compared to before the pandemic, product management and analytics are much more likely to work with deliverables from strategic consultancies.

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CREATES NEW INSIGHTS/DELIVERABLES: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Strategic consulting	Technology	Data & analytics
Research or insights group		↑	↑		
Analytics	↑	↑	↑		
Marketing		↑	↑		↑
Product management	↑		↑		↑
Executive team		↓			↑
R&D		↑	↑		↑

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
"↑"indicates an increase of at least 10% since last year; "↓", a decrease of at least 10%.
Green border indicates an increase of at least 10% since the first time measured; red border, decrease of at least 10%. First measurement 20W1 (pre-pandemic) except for field services (20W2).

Including anyone else who receives insights deliverables, data and analytics claim the widest audience, an average of 5.3 out of six areas, and field services providers perceive the narrowest (4.4). Strategic consultants (5.0), technology (4.9), full service research (4.9) and qualitative research providers (4.7) are between.

CREATES NEW OR RECEIVES INSIGHTS/DELIVERABLES: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Research or insights group	94%	80%	85%	91%	89%	93%
Executive team	88%	76%	87%	93%	88%	96%
Marketing	84%	72%	75%	80%	79%	90%
Analytics	81%	63%	76%	77%	82%	85%
Product management	81%	83%	73%	87%	80%	87%
R&D	66%	70%	74%	70%	71%	81%
Others	29%	14%	47%	40%	40%	48%
Average (excl. "others")	4.9	4.4	4.7	5.0	4.9	5.3
n =	337	43	94	117	150	101

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage ("others" not included).

Three segments show a number of changes within these six areas from last year. Most notably, among data and analytics providers, engagement with deliverables increased among marketing, product management, R&D, and the executive team. It was relatively stable among the other two groups, insights and analytics, which already had high levels of engagement.

Field services providers perceived more of their clients to create new deliverables since last year among insights, marketing, and R&D. In this case, the changes may be driven by how the field services segment changed since last year. As we discuss in the *Industry Structure* section, the field services segment is half the size as last year. Overall, these suppliers are more likely to emphasize data collection platforms and industry-

focused research, and that may have necessitated different kinds of relationships with buyers.

Strategic insights consultants report higher engagement over last year among insights groups and marketing. Since last year, more strategic consultancies have grown revenue from data and analytics, technology, and full service research. This could mean that they are reaching new audiences or that suppliers originally in another segment, like full service research, have grown their consulting services, bringing their customers along with them into this segment.

Increased engagement with field services deliverables among research or insights groups and R&D also represent a longer term change versus 21W1. For data and analytics, increased engagement in the last year among executive teams, product management, and R&D is also an increase over 20W1, the pre-pandemic wave. Other changes from last year wash out when compared to initial measurements.

CREATES NEW OR RECEIVES INSIGHTS/DELIVERABLES: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Strategic consulting	Technology	Data & analytics
Research or insights group		↑	↑		
Executive team					↑
Marketing		↑	↑		↑
Analytics					
Product management					↑
R&D		↑			↑

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
"↑"indicates an increase of at least 10% since last year; "↓", a decrease of at least 10%.
Green border indicates an increase of at least 10% since the first time measured; red border, decrease of at least 10%. First measurement 20W1 (pre-pandemic) except for field services (20W2).

With respect to primary decision-makers for methodologies and partners or suppliers, the insights group is most commonly cited in each segment except data analytics providers. The insights group is named by a majority of full service research (62%), qualitative research (53%), and technology providers (51%). The most common decision-maker from the perspective of data analytics providers is the executive team (55%). Although it is the second most frequently named in each other segment, the executive team is never mentioned by as many as 40%, and it is only mentioned by 29% in full service research and 23% in field services.

Marketing and analytics groups are also on the radar as primary decision-makers for both qualitative research and data analytics providers (above 20%). Marketing is also on the radar for strategic consultants (24%), and analytics teams are on the radar for technology (23%), qualitative research (20%), and data and analytics providers (24%). Product management and R&D are not significant decision-makers in any supplier segment.

PRIMARY DECISION-MAKER IN SELECTING METHODOLOGIES/PARTNERS: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Research or insights group	62%	49%	53%	45%	51%	47%
Executive team	29%	23%	35%	38%	38%	55%
Marketing	17%	10%	21%	24%	11%	24%
Analytics	17%	13%	20%	11%	23%	24%
Product management	13%	4%	15%	12%	11%	16%
R&D	9%	3%	14%	8%	15%	16%
Others	3%	7%	3%	6%	7%	2%
Average (excl. "others")	1.5	1.0	1.6	1.4	1.5	1.8
n =	337	43	94	117	150	101

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage ("others" not included).

Not much changed since last year relative to decision-making roles about methodologies and suppliers. It seems that field services providers see decision-making for their services becoming more concentrated among insights groups, and data and analytics providers are getting more attention from executive teams. However, decision-making for field services among insights groups is not as concentrated as decision-making for data analytics is among the executive team.

These two trends basically represent the same changes since our initial measurements. Although we don't see a big increase among insights groups regarding field services, we see decreases in the other groups, which amounts to the same implication.

> Decision responsibility for field services is becoming more concentrated with the research and insights group.

PRIMARY DECISION-MAKER IN SELECTING METHODOLOGIES/PARTNERS: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Strategic consulting	Technology	Data & analytics
Research or insights group		↑			
Executive team		↓			↑
Marketing		↓		↓	
Analytics		↓			
Product management		↓		↓	
R&D		↓			

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
"↑"indicates an increase of at least 10% since last year; "↓", a decrease of at least 10%.
Green border indicates an increase of at least 10% since the first time measured; red border, decrease of at least 10%. First measurement 20W1 (pre-pandemic) except for field services (20W2).

Every functional area except marketing either was a key influencer on data and analytics services already or increased since last year.

In addition to the primary decision makers, at least two other decision influencers are included in each segment. Data and analytics providers see the most departments involved in decisions (4.4 on average) and field services providers see slightly fewer than the rest (3.5). Compared to other segments, the decision group for data and analytics providers is much more likely to include the executive team (87%), analytics (74%), product management (68%), and R&D (66%).

The research or insights group at least influences decisions for 80% in each segment except field services where only 68% cite them. It could be that the insights groups is more likely than others to hire full service research providers who in turn, may hire

the field services providers. Other functional areas may be more likely to contract directly with field services than with an intermediary when they have needs.

In addition to the research or insights group, majorities in each segment also consider the executive team, analytics, and marketing to be involved in decisions, although probably not always the same decisions. Product management is considered an influencer by most data and analytics (68%), technology (62%), and qualitative research providers (58%). R&D is also an influencer for majorities of these (66%, 55%, and 54%, respectively) plus field services providers (52%).

PRIMARY DECISION-MAKER/KEY INFLUENCER IN SELECTING METHODOLOGIES/PARTNERS: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Research or insights group	92%	68%	81%	84%	84%	89%
Executive team	65%	71%	76%	73%	79%	87%
Analytics	61%	50%	58%	64%	60%	74%
Marketing	61%	59%	60%	68%	51%	55%
Product management	47%	48%	58%	45%	62%	68%
R&D	41%	52%	54%	37%	55%	66%
Others	11%	10%	26%	9%	20%	21%
Average (excl. "others")	3.7	3.5	3.9	3.7	3.9	4.4
n =	337	43	94	117	150	101

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage ("others" not included).

Decision authority for field services is consolidating within the insights group, and influence from the executive team has also grown during the pandemic, suggesting increased strategic scrutiny on data.

If we look at changes in decision influence since last year, we see that executives are growing not just as decision-makers for data and analytics services, but also as influencers. From the data and analytics perspective, influence also increased among research or insights groups, product management, and R&D.

Even though we've seen that marketing and R&D are becoming less likely to *make* decisions about field services, more of them are becoming influencers.

Technology providers also report that the executive team's influence is growing.

The increased influence in data and analytics provider decisions among insights and research groups, the executive team, product management, and R&D also represent a longer term increase over 20W1. Despite a lack of change since last year, decision influence on field services has increased among executive teams since 21W1.

Recall how buyers, heavily influenced by insights groups, reported a decline in executive team influence. In this light, the increased engagement executives have with data and analytics providers may indicate a shift away from traditional research.

In *Unmet Needs*, we discuss how some insights professionals on both the supplier and buyer sides feel estranged from executives, and this apparent shift may explain why.

PRIMARY DECISION-MAKER/KEY INFLUENCER IN SELECTING METHODOLOGIES/PARTNERS: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Strategic consulting	Technology	Data & analytics
Research or insights group					↑
Executive team				↑	↑
Analytics					
Marketing		↑			
Product management					↑
R&D		↑			↑

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
"↑"indicates an increase of at least 10% since last year; "↓", a decrease of at least 10%.
Green border indicates an increase of at least 10% since the first time measured; red border, decrease of at least 10%. First measurement 20W1 (pre-pandemic) except for field services (20W2).

The rise of data and analytics throughout multiple functional areas is the clearest demonstration of buyer-side professionals outside of the insights group taking initiative to directly engage suppliers.

THE BIG PICTURE

GRIT first began tracking the breadth of the audience for insights in 20W1, aka the eve of the pandemic. As is the case for many things that have changed since then, it is not always clear which are due to the pandemic, which were accelerated due to the pandemic, and which would have happened anyway. As is also the case with many things, it's not clear that these distinctions matter.

From the buyer perspective, the insights group increased its power as the gatekeeper for insights methodologies and suppliers since the pandemic began. Before the pandemic, 57% said they were a primary decision-maker, but this jumped to 67% when the pandemic started and still sits at 70%. At the same time, four areas became somewhat less influential, led by steep drops for product management and R&D starting with the first wave of the pandemic. Even though the pandemic seems to have consolidated decision-making within the insights group, the average number of functional areas that work with insights deliverables has not declined, remaining around four.

The buyer perspective encompasses all types of insights work and is strongly influenced by the insights group, but the supplier perspective looks through the lenses of different services and tells a complementary story. Suppliers tend to see the insights group as the main gatekeeper, but not as nearly dominant as it is from the buyer perspective and about the same as it was before the pandemic. Full service research suppliers are most strongly aligned with insights groups, but other supplier types are less strongly aligned, and each has its own pattern of relationships across functional areas.

Most notably, the engaged audiences for data and analytics deliverables has grown since before the pandemic among executive teams, product development, and R&D. Decision influence has also grown among these three groups since 20W1, and executive teams have increased as primary decision-makers in that time. It is the only supplier segment in which majorities for each of the six functional areas say buyers work with deliverables to create new insights. The spread of data and analytics may have happened in spite of the pandemic, but it might also have been accelerated by it.

The spread of data and analytics deliverables throughout multiple functional areas, as well as the increasing decision influence in these areas, is the clearest demonstration of buyer-side professionals who are outside of the insights group taking initiative to directly engage suppliers. Product development and R&D have declined as decision influencers from the buyer perspective and executive teams have always been relative outsiders to them, and it could be that these three groups are more comfortable engaging directly with suppliers. Insights groups are recognized experts and gatekeepers, but their absolute authority may be becoming more constrained to certain types of insights as more functional areas and supplier types find each other.

> Even though the pandemic has concentrated decision-making within the insights group, the number of functional areas that work with deliverables has not declined.

> The rise of data and analytics throughout multiple functional areas is the clearest demonstration of buyer-side professionals outside of the insights group taking initiative to directly engage suppliers.

◆ **Fuel Cycle**

RETOOL RESEARCH PROCESSES TO MAINTAIN ORGANIZATIONAL INFLUENCE

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Management teams "that are able to quickly assess the competitive landscape and make good quality decisions in a timely fashion will provide their organizations with the best chance to succeed" write Clark and Collins in their seminal paper, "Strategic Decision Making in High Velocity Environments."

Our current economic environment continues to be one of the fastest-changing consumer landscapes of all time. In recent years, we've seen a rapid wave of de-globalization, supply chain issues, and economic whiplash that have challenged many organizations. This rate of change will continue. Under these conditions, rapid decision making is mission-critical, and for researchers to maintain influence on business decisions, they need to retool and reframe how insights are delivered in their organizations.

The latest wave of the *GRIT Report* reveals that for three years, research departments reversed a trend of suppliers engaging directly with stakeholder audiences (like marketing, product, and executives) for primary market research activities, but they're increasingly losing influence over analytics acquisition, which is increasingly controlled directly by these same stakeholders. Why?

First, let's define the job-to-be-done (JTBD) for research, data, and analytics. While we can doubtlessly generate multiple JTBD definitions, a reasonable definition for the JTBD of insights is: "Insights are hired by businesses to enable them to make confident decisions at a given time and cost." All things considered, decreased time and cost tend to be better.

Primary market research and analytics are often complements to each other, but they can also become substitutes. In general, they tend to be used in complementary fashion. However, analytics can often provide faster insights to support decision-making compared to conducting primary research. With today's pace of change, decision-makers increasingly need answers immediately. Analytics providers have recognized this shift and now offer self-serve dashboards, real-time data feeds, and automated alerts.

To maintain influence over analytics acquisition, research groups need to reframe their value proposition around speed to insight. This requires identifying unnecessary lags in current research processes and developing new ways of working that align with decision makers' need for rapid answers. Some examples could include:

- Streamlining research review and approval processes to get studies launched faster
- Using agile approaches to iterate on research design quickly
- Leveraging existing syndicated and secondary data sources more frequently
- Interpreting analytics data and providing context vs. conducting lengthy primary research

The point is not that primary research lacks value. But research groups need to recognize that their internal clients now equate insights with speed. Meeting this increased expectation for pace and immediacy is essential to maintaining influence over analytics sourcing. By focusing on how they can provide answers quickly, researchers can solidify their role as a strategic advisor amidst growing analytics usage across the organization.

In summary, retaining influence requires embracing insights as a rapid decision support function. Making this mental shift and aligning research operations accordingly is key to maintaining leadership across all organizational analytics initiatives.

UNMET NEEDS

GRIT asks buyer- and supplier-side insights professionals for their biggest outstanding needs or pain points that hinder the fulfillment of their goals. The pressure to make everything faster and cheaper is taking a toll on the industry, and it may be time to review the impact that the pandemic has had on collaboration, communication, and understanding.

OVERVIEW

Even if *Unmet Needs* is the first section you are reading in this *2023 GRIT Business & Innovation Report*, you might still empathize with this response from one of our participants:

Strongly encourage avoiding questions about AI. Market research is worn out on the question.

Well, if you are sick and tired of hearing about AI, there are two paths that you can go by. One, you can set your time machine back to when people talked about the Kardashians all the time instead of AI. Or, if you don't have a time machine or if yours happens to be broken, there is another path, but we don't want to be too morbid this early in the section.

The fact is, AI could play roles in filling every unmet need GRIT participants mentioned, but it could just as easily exacerbate them. Many insights professionals already feel as though the value of their work is being eviscerated by the insistence on faster and cheaper processes, and the last thing they need is another illusionist posing as a magician.

If their organizations are willing to invest the time and money to train users, validate outcomes, and develop solutions that deliver what the business needs, AI can help reverse the trend. It can help you manage the costs and increase the speed of insights while enhancing quality instead of allowing

faster and cheaper approaches to drain them of value. The fear is that leadership may see AI as yet another shortcut to avoid investment, save money, reduce timelines, and falsely "empower" staff (the way handing a monkey a live grenade empowers the monkey).

Fortunately, as we see in *AI in Everyday Life*, buyers are not monkeys; they are cautiously optimistic about AI and don't seem likely to rush into it blindly. However, the road to an AI-enabled insights Utopia will encounter the same obstacles that hinder insights progress on our less glamourous route. A driverless car will still have to stop when the bridge is out, same as a traditional one.

We asked insights professionals on the buyer and supplier sides:

Currently, what is your biggest outstanding need with respect to being able to meet or exceed your insights-related goals?

In other words, we asked them to focus on the part of the glass that is empty, so if our findings seem too dystopian, you can consider them to represent the fears of the industry or perhaps more representative of the empty glass segments. You can also turn to *Business Outlook* and see how budgets, revenue, and performance against goals

> AI could play roles in filling every unmet need mentioned, but it could just as easily exacerbate them.

have taken turns for the worse after a recent period of strength. The ten most salient themes are:

- Silos and lack of internal alignment on the buyer-side, especially with business stakeholders, risk insights work that is sub-optimal and results that are not actionable.
- Company-wide data and insights are not coordinated into a single knowledge base, exacerbating silo issues, creating confusion and paralysis, and resulting in sub-optimal research and insights.
- The economy, economic uncertainty, and/ or buyer pipelines that increase faster than resources and capacity drive cost pressures which lead to suboptimal research.
- Suppliers struggle to be competitive and still deliver quality as buyers cannot make trade-offs against cost and time, lack budget, and don't share enough information with them.
- Insights professionals fear a vicious cycle of diminishing value of delivered insights leading to lower perceived value of insights, in turn leading to declining investment in insights, further diminishing the value of delivered insights.

- People are losing faith in primary data due to fraud, sample quality, sample availability, respondent quality, the cost of it, the time it takes, lack of integration with other data, conflict with other insights, lack of sizzle, and ignorance.
- Insights teams lack the staff capacity and skills, from technical skills to business acumen, needed to make their work actionable for the business.
- It's difficult to keep up with methodology and technology trends, but you must in order to keep up with the workload and maintain competitiveness.
- The pandemic spurred growth of some research methods that may have diminished the ability to empathize with customers, but others might assert that this situation merely deepened the chasm inherent in the use of traditional methods.
- Insights professionals struggle to pull actionable insights out of large data sets.

1. ORGANIZATIONAL DYSFUNCTION

Silos within organizations are nothing new, but this level of salience in GRIT data is. Although *data silos* are often mentioned, buyer-side insights professionals also cite *silos between various departments*, *[barriers to] communication among different groups*, and *barriers to knowledge of what other teams are working on*. More pointedly, a supplier-side participant sees:

> Silos/disconnect between teams at our clients' orgs. Lots of duplicative efforts, internal red tape, etc. Effective teams are able to navigate this, but many times it creates slow downs and challenges.

Why are silos so much more obvious now? One buyer-side insights professional decried *post-Covid silos internally*, and we get the impression that while the conditions that drove people to work remotely from each other have abated, the remoteness has not (h*ybrid work model makes it difficult at times to meet with people in person*).

Inter-group inefficiencies may have been overlooked when people were told to meet via teleconferencing and attention was focused on very urgent matters, but now people could be recalling the days of wine and roses when they could walk into the break room (or rest room) and have a conversation with a co-worker they wouldn't

Silos and lack of alignment on the buyer-side, especially with stakeholders, risk sub-optimal insights work and results that are not actionable.

One buyer decried "post-Covid silos internally" - the conditions that drove people to work remotely from each other have abated, but the remoteness has not.

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normally see. The current alienation of functions makes it difficult to align on needs and objectives.

> *Not being able to fully leverage technology and automation due to conflicting priorities internally between our insights function and IT and other cross-functional partners.*

As one supplier observes, *people involved are not always aligned on outputs needed or, when insights are there, how to make them actionable / put them to use*. This is particularly problematic with business stakeholders:

> *Biggest outstanding need would be creating a COE with process in place to better support our stakeholders with their business questions as they arise. We have far too loose of a process today, if one can call it that, and to be a more effective and valuable team we need to create processes to better serve our stakeholders.*

Another supplier adds that their direct clients do not have direct relationships with business stakeholders:

> *The ongoing challenge is to tie insights and analysis to clients' business objectives. Specifically, some clients don't have first party data and/or the ability to share it making it harder to connect research and hypothesis to actual results. While there are good insights and discovery being done, without connecting it to a real world objective makes it harder to 'prove' the value of research & the personalization that can come from it.*

This disconnect makes it difficult to design projects to the business issue. For one buyer, the biggest need is *problem definition*. *Need team to think thru the REAL issue and what action they would take if they knew the answer*. It also makes it difficult to plan: *Lack of research roadmap ties to key business activities and objectives*. The inability to coordinate different internal parties inhibits everything from planning through socializing insights, and it is not

a situation that insights groups can fix unilaterally through better technology and partners:

- *Our biggest barrier is internal planning / briefing / sharing of research. We have great partners and platforms, but internally we don't have a strong structure for managing research requests, prioritization or shared access to learnings.*
- *People involved are not always aligned on outputs needed or when insights are there - how to make them actionable / put them to use.*

Some foresee that AI will widen these rifts and create new ones within functional areas by encouraging more solo work, reducing collaboration, degrading relationships, and dumbing down staff:

- *[AI] is not likely to encourage collaborative work with other colleagues and teams, it is also not likely to encourage individuals toward creative thinking and problem solving when the first thought is to consult AI rather than work on a challenge. Like using wikipedia as your only research resource - it's good for accessibility of information to a certain point but then de-skilling of growth potential for human minds.*
- *[AI] removes thought-leadership at the individual level and collaboration between employees. With respect to client servicing, while it could help in response [but] could remove any empathy-building and additional engagement of employee with the work.*

In *Evolving Insights Audience*, we note that the average number of functional areas collaborating on insights and working with deliverables has begun to decline. This does not mean that the demand for insights has declined, but it could mean that insights professionals both within and outside a formal insights group are working within smaller silos.

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The inability to coordinate different internal parties inhibits everything from planning through socializing insights.

2. UNCOMMON KNOWLEDGE

There are many different kinds of data gathered and analyzed in different parts of the organization, and, if you're lucky, a Picasso-like picture of the customer may emerge from them. However, you may also end up with conflicting and competing views of your customers and markets which may result in contradictory actions or confuse management, paralyzing the organization or possibly forcing management to favor one source of insights over another.

- *We lack a cohesive consistent understanding of our customers across our business. Individual functional areas commission their own research for their own specific purpose and reporting on results based on their purview. Essentially we do not have a center of truth and have a bunch of piece meal data that doesn't connect.*
- *Internal processual constraints, silos (thoughts, data), lack of prioritization when it comes to research & insights, lack of implementing insights in daily business processes.*
- *Integrated insights-centric business processes.*

Suppliers see the opportunity to break down silos within client organizations and better coordinate across the client-supplier divide:

> *My main barrier is that clients / suppliers are not yet open enough to combine multiple sources of data, not transparent enough to share different sources and work to help connect the dots. Too many different works are done in silo.*

Many see the opportunity enabled by a more integrated perspective, including *integration of internal data with custom research data* to put primary data in context and possibly put a more human face on internal data.

- *Combining different data sources and crafting insightful stories out of it; breaking down silos within the org.*
- *Central access to consolidated insights data.*
- *Consolidation of disparate data and faster turnaround.*

- *Connecting to dots between singular insights, unveil their interrelation.*
- *We have access to several platforms that are not integrated with each other. This results in fragmented data and requires manual synthesis.*

It is not enough to consolidate and integrate data. Without a means to extract consistent and meaningful insights, too much data can pervert the decision-making process away from facts toward pure intuition. It might also lead stakeholders to simplify by focusing on a preferred source of insights.

- *Data overload. C-suite are not making data-driven decisions because there is too much data/insight coming from multiple areas of the org.*
- *It is increasingly difficult to obtain new clients as the current environment is downsizing primary resources internally and decreasing primary budgets to fund analytics.*

However, *blending the internal database with external research results to provide a holistic view* would be an ideal scenario. This is an area where appropriate use of AI can help:

> *The ability to powerfully integrate multiple data sources, in a more expedient, cost effective way, along with using AI to better analyze the merged data set(s).*

The challenges of the pandemic and advancement of different technologies enabled new kinds of data to come into prominence and prove what could be accomplished through them. This may have accelerated a trend that was already emerging, and there is no sign that it should decelerate in the wake of the worst of COVID. While the emergence of new types of data analysis provides many new opportunities, there may be even more opportunities if they can be harmonized with "older" types of data into a consistent world view that is embraced across the organization.

While the emergence of new types of data provides many opportunities, there may be even more if they can be harmonized with "older" types.

3. FASTER & CHEAPER, NOT BETTER

> A lot of the practices and attitudes that crystallized during the pandemic have good reason to persist in its wake.

Just as the pandemic increased the focus on new types of data and analysis, it created even more urgency around faster insights, less expensive research, and a greater volume of insights. Now that the pressures of the pandemic may have abated, the demands for speed, cost savings, and volume have not.

In some cases, brands may have realized that they were missing opportunities to make more timely decisions all along, so they should have been placing more emphasis on speed and volume before the pandemic. Consequently, the pressure in these areas continues, while opportunities to save money never go out of style. Innovations that gained traction or were introduced during the pandemic don't necessarily lose value if the crisis passes (or is replaced by a new crisis). A lot of the practices and attitudes that crystallized during the pandemic have good reason to persist in its wake.

However, insights professionals are concerned not only with what was gained, but with what they suspect has been lost: the ability to identify and generate insights that are consistently robust enough to support good business decisions. One buyer-side insights professional summarized the thoughts of many colleagues by indicating that their biggest outstanding need is *balancing cost, speed, and quality*. Some insights professionals also question whether budgets need to be tight as they are, and if stakeholders realize how much they lose by insisting on research that is as cheap and as fast as "possible."

> Suppliers might believe some buyers increased their project volume and demands faster than their budgets and use the economy as a convenient scapegoat

Many buyers mention budget constraints, often in tandem with speed, but seldom with respect to the economy, at least compared to how often suppliers mention it. Some seem to take it in stride (*limited budget this year - need to be very creative on how to address business*) while others find it more

crippling, undermining the value of insights work. Biggest needs or pain points include:

- *Having the budget to do the types of projects and analyses that are needed.*
- *Budgets to invest in the research capability and data points required.*
- *Funding remains a barrier to address problem areas affecting client from maximizing insight.*
- *Budget cuts causing us to cut corners or cut projects short or move them through more quickly and we feel the quality can suffer sometimes.*

Some suppliers also understand that the economy is causing budgets to tighten while others say economic uncertainty is making clients hesitant to pull the trigger on research:

- *We are in a recession and inflation is high so companies are not spending as much as they have in previous years.*
- *The state of the economy has certainly placed a strain on clients' abilities to maximize their insights-related goals.*
- *Economic uncertainty leading to tighter budgets and price cuts.*
- *Willingness to spend - a lot of hesitancy with clients right now and budget expenditures.*
- *The uncertainty of the current economic client has resulted in insights priorities being pushed further and further out.*

Suppliers might also believe that some buyers have increased their project volume and demands faster than they have increased their budgets and use the economy as a convenient scapegoat:

> *Mostly budget constraints that clients/partners claim they have. Often they want lengthy quant surveys or lengthy qual interviews with pretty large samples but are never willing to pay - or are limited by budget - the fair price for recruitment/ sampling, for incentives/honoraria, for fieldwork management, for data collect. Frequently what is mentioned as cause is the "worldwide economic crisis", that's the excuse we all hear.*

Or, perhaps buyers have set their cost expectations based on the lowest bid they've seen and expect a higher value supplier to meet it. Possibly, clients pull a reverse "bait and switch," dragging the supplier into a more costly project than specified in the original agreement. Whatever the situation, whether naively or by scheme, buyers seem to be putting even more pressure on suppliers than usual to do more work for less money:

- *Everyone want more insights and faster, but it should be cheaper.*
- *Data collection is almost always altered in order to fit the client's needs, data is biased and not reliable.*
- *Lack of client knowledge and budget to allow for investment.*
- *Scope creep within projects. Clients often list additional demands in the course of a project and we often end up trying to fulfill these in addition to agreed scope, as to keep the client happy. This hurts our margin, however.*
- *Clients' budgets are tighter so we have to issue too many versions of proposals before commissioning.*

Speed is also a demand often driven by an authentic need. In some cases, demands are driven by a specific business need (*getting insights in time to make changes*) which may involve an urgent customer situation (*quickly delivering data and insights from studies to help close the loop on customer issues*). Suppliers also understand this real-world pressure:

- *Slow turnaround hinders decision-making.*
- *A very fast changing environment in terms of economic, socially, tech, etc. Insights might go out of date faster than expected.*
- *The need for speed in an ever evolving environment makes staying up-to-date on the consumer's wants and needs critical.*

In addition to the concerns about research quality mentioned earlier, some buyers believe budget and time constraints prevent them from innovating as much as they could:

- *Budget and staffing constraints are in the way of getting all we need–or all we could use to be truly innovative.*
- *The limited time, I do my tasks and often don't have enough time to think outside the box.*

However, the most frequently mentioned drawback is the time left to extract meaningful insights from research. Of course, this concern results in further pressure on suppliers to turn research around more quickly so that the internal team has time to work with the results.

- *Biggest issue continues to be a lack of time to internalize the results and integrate into the bigger picture.*
- *Conceptualizing and Prioritizing - part of the Synthesize process - are the aspects that are the most challenging for us. There isn't enough time to think and reflect on insights to make sense of them, put them into concepts and prioritize the most important ones.*
- *Having sufficient time to make the most of the data - on an internal hamster wheel of data collection, without the time to fully reflect on the findings and what they mean to different audiences - need more targeted recommendations. Lack of time to keep value-add tasks in-house. Lack of time to fully leverage existing research results.*

Some suppliers see that the race to the bottom cost is also a race to the bottom quality, compromising the value of research to an unacceptable level. Their biggest outstanding need is, as a buyer said at the start of this discussion, clients who want to balance cost, speed, and quality.

- *Sample buyers' prioritization of cost over quality.*
- *Willingness to pay higher prices for greater quality work. Too much industry emphasis on cheaper and faster.*

> Some buyers believe budget and time constraints prevent them from innovating as much as they could

- *The shift away from quality insight work to quick pulses on the category or product.*
- *Time in terms of workload but also time given an agreed budget. Much more would be possible if we could spend more time on it - this is particularly true for the insights part.*
- *The budget constraints for the clients for projects. We cannot optimize or offer the most ideal sample size for a research project due to this restriction.*

A counter-argument can be made that those who bemoan the loss of quality in pursuit of lower costs and faster results simply need to adopt or innovate better processes from those they are using now. As one supplier admits, automation can help meet faster timelines with low impact on quality: *better timelines that allow us to deliver the best work possible and automatization of some processes*.

The first takeaway is simple: clients, whether internal or external, are not going to stop asking for work at lower cost and with shorter turnaround times, so you need to do the best you can to continuously look for innovations that can get you there without lowering your quality to an unacceptable level. However, if you are recognized as the Bugatti La Voiture Noire of the insights world ($18.7 MM, after taxes), you can ignore this takeaway.

The second takeaway is a corollary to the first one, and more nuanced. There can be many paths to saving time and cost while maintaining or improving quality, but you need to be able to accurately judge quality and convince others that your standard of quality matters. Alternative sourcing, innovating work processes, automation, and other approaches are worth pursuing as long as you are in a position to determine that the outcomes meet your needs. As one buyer exclaims, *less manual work, more automation! Free up our time for more strategic work*.

Of course, AI-enabled solutions and tools can help you, and they carry the same warning label: you need to be sure that the outcomes meet your needs. You must be the best version of your most critical self and not let AI zealots trick you into acting like a monkey with a live grenade. For example, later in this report, you'll see that some of the more committed AI advocates believe that AI solutions can create brand new-to-the-world insights, but others think they first need to prove they can tell the difference between an insight and a "hallucination," a modern, high tech version of what Stephen Colbert once termed "truthiness." In this case, proof will serve you better than faith.

You must validate the outcomes to a degree commensurate with what you are risking. If you are using it to stimulate brainstorming, you might not need to do much to validate it. If you are using AI to automate a process, it might be pretty easy to determine whether it worked or not. If you are using it to draft a report, you might have to push yourself to vet it instead of accepting it at face value.

If you are using a tool to simulate qualitative research with Taylor Swift fans, you need to a) remind yourself it is only a simulation and not a substitute and b) validate things like how it knows what Taylor Swift fans will think, say, or do next. You'd probably need to train it on whatever Taylor Swift would do next in order to simulate how fans would react. However, if you have a model that accurately predicts what Taylor Swift will do next, why are you wasting your time simulating her fans?

If your budget can afford interviews with real people and it is very important for you to understand Taylor Swift fans, you probably need to consider real interviews with real Taylor Swift fans before you commit to studying the comic strip versions. Just be the best version of your critical self you can be. As Grandmaster Melle Mel advised in *Beat Street Breakdown*, remember to *look to the past, work for the future, and don't be a slave to no computer!*

> Clients, whether internal or external, are not going to stop asking for work at lower cost and with shorter turnaround times.

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4. SERVICE COMMODITIZATION

> Some offerings, like paper clips, should be commoditized because there is a very finite limit on how much value they can offer. Can we say the same for insights work?

Of course, this squeeze on insights quality has the most harmful consequences for suppliers who differentiate by ensuring and adding value. From their perspective, the rise of low cost, "no frills" suppliers and buyers who strongly rely on DIY solutions are commoditizing insights work. Some offerings, like paper clips and staples, should be commoditized because there is a very finite limit on how much value they can offer. Can we say the same for insights work?

- *Our industry, like many others, has become commoditized. My biggest competition is current clients who feel they can do all the work themselves. My biggest need is a better way to explain the value of the human side of research - and the expertise that is required to use the myriad of tools available. At the end of the day, the old adage of "garbage in, garbage out" will always apply.*
- *Too much DIY research by clients, who settle for adequate, instead of high-quality research.*
- *Having clients realize that DIY with inexperienced researchers is a path to bad decisions and highly risky.*
- *Uncertain economy outlook, client holding on to budget, other agencies cutting price to unhealthy level.*

As one supplier observes: *The industry is great at "quick & dirty" and "high end" there's not much in between.* This creates a gap for buyers who can't afford a Bugatti La Voiture Noire but need to go a little farther than an electric scooter can take them. Quite possibly, mid-size and smaller brands will face a Hobson's choice similar to the one mid-tier suppliers face between services they can't afford and services they can't afford to trust.

Having a selection of low cost suppliers and DIY tools from which to choose may enable buyers to do more projects in the short term, but some suppliers are skeptical that this strategy won't cost them in the long run. If clients don't have go-to suppliers, they won't have any external partners that understand their business, can optimize work them, and give them objective outsider opinions.

- *I find our clients don't put all their eggs in one basket. They diversify with providers rather than investing time and energy into really understand and gaining all the benefits from one. This holds a lot of them back from exceeding their goals as we might be able to service them better if there was more of an investment in the relationship.*
- *The squeeze of research budgets and drive to Agile / DIY means clients are less and less inclined to buy Insight vs Data. (that they think is insight). We can already see that this is impacting quality of Innovation and Concept development across the industry. And it is looking that there may well be a Category Penetration impact for many clients that have gone this route with the winners being those that have held fast to form strategic partnerships with strong agencies that can give them true insight and fresh perspective.*

Of course, AI solutions or simple automation can help the suppliers who differentiate on quality to offer better value-for-the-money, but that may not be enough. If someone thinks they need five widgets, they are not going to buy four slightly better widgets when they can find (or build) five that they can afford.

> The challenge is for suppliers who offer superior value-for-the-money is to find buyers who are willing to pay for it.

The challenge is for suppliers who offer superior value-for-the-money is to find buyers who appreciate it enough to be willing to pay for it. The further challenge is for those buyers to convince the people who sign the checks that it is worth the money.

5. A VICIOUS CYCLE FOR VALUE

In *Business Outlook*, you'll see that research budget growth is suddenly sluggish, supplier revenue growth has slowed, and insights professionals on both the buyer and supplier sides report greater difficulty meeting or exceeding their insights-related goals. With that context, it's not surprising that some insights professionals are concerned that the results they produce are not actionable or not acted upon. These professionals, whether on the buyer or supplier side, do not have enough integration with stakeholders or with good stakeholder proxies to know how to optimize research, analysis, or reporting to best meet the needs of the business. One buyer simply states their biggest need as *activating insights*.

Some also fear that stakeholders, potential collaborators, and their potential audiences do not understand how much they can do with good insights or what is required to generate them. For example, one buyer's biggest need is *budgeting and leadership seeing the value in research beyond CSat*. Similarly, another's biggest need is *making insights actionable, proving the value of brand health tracking*. Another buyer says *reduced budget - not understanding value of in-depth qualitative - Valuing speed over quality of insights*. The frustrations with stakeholders' lack of understanding is fairly common, and it can result in over-utilization of primary research as well as under-utilization:

- *In my organization, senior leadership has so little familiarity with primary research and consumer insights that there's very little internal demand for CI in many situations where CI would provide a lot of value. So I spend a lot of my time–as much or more as I actually spend doing research–trying to educate and evangelize...only for CI to go under-utilized, nevertheless.*

- *The only pain points I deal with when it comes to insights related goals is helping the naysayers understand the gap between research learning and actual results based on that research when it comes to predicting future behaviour. The example of polls with elections and people saying one thing in research and doing another in reality are some of the common pushback I receive when using research to build business cases.*
- *Helping transform to transactional doers to strategic leaders, better storytelling, conveying the notion that the answer does not always need to come from bespoke research.*
- *Changing the business's understanding of what good research is and use it only when needed and not for everything.*
- *Sometimes the clients are not sure of what methodologies they can use to answer the questions they have.*
- *The biggest barriers my team faces are around setting and defining expectations in an environment where people are unaccustomed to strong analytics work. Communicating how important and meaningful a single data point is can be a challenge. Helping people understand the resources required to uncover that single salient point is also a part of the challenge. As executives see things like ChatGPT, they immediately ask - why can't I do the same thing?*

Some suppliers share these concerns about stakeholders, and some even doubt how much their direct contacts understand what makes for good research. For example, one describes their biggest problem as '*shiny object syndrome*' *(propensity of insights industry and buyers to value the newest or latest even if it's less effective)*. This lack of appreciation of what makes insights valuable can lead to budget and time constraints that virtually guarantee that insights will be substandard, which,

> It's not surprising some are concerned the results they produce are not actionable or not acted upon. These professionals are not integrated enough with stakeholders.

in turn, can lead to further reductions in investment from stakeholders.

> *Market research requires financial resources to conduct robust data collection, analysis, and reporting. However, clients in the LATAM region have limited knowledge of market research, and underestimate the costs involved or allocate insufficient budget for comprehensive research activities. Inadequate funding can restrict the scope and quality of the research, compromising the accuracy and depth of the insights.*

Given those concerns, buyers understand that insights that arrive too late or half-baked don't help their cause, and insights that are too hard to understand because they are inaccurate or poorly communicated do not change the status quo. Biggest outstanding needs or pain points include:

- *Long, drawn out research processes with heavy and unactionable insights requiring time and effort to synthesise.*
- *Fast, accurate insights communicated in a way that incites action.*
- *Getting traction with findings - moving from long form reports to factsheets and infographics to ensure a wider and more diverse audience base can engage with the insights.*
- *As an in-house researcher, my biggest challenge is research usage and adoption by my stakeholders. Specifically, research socialization (format, content, delivery, etc.) is a major hurdle.*
- *Good platform to share insights reports, budget from business units to support insights externally sourced projects.*
- *Streamlining into a story that various departments can easily leverage / activate internally and externally.*
- *The ability to easily reach our target audience and then in turn, deliver timely, actionable insights that drive the vision and strategy of the consumer and product teams.*
- *Connecting insights to tangible recommendations for product development.*

- *Not having enough quality data that can be used to make critical decisions. It's really a matter of collecting what we consider actionable data. A lot of the time the data is too vague to know if the insights being drawn are categorical and sometimes the decisions made based on them take a while before finding out that they might be askew.*

With respect to communicating, sharing, or socializing insights, some buyers find fault with their suppliers. With respect to supplier deliverables, needs and pain points include:

- *Vendors not being able to synthesize insights in a concise and relevant way for our clients. Our team has to put in a lot of hours to make sure deliverables will be digestible and actionable for our audience.*
- *Actionable deliverables from partners.*

Some suppliers put the blame right back on the client:

- *Lack of clarity in terms of objectives and focus from a research project, and inability to democratise research in their organisations and across teams / stakeholders. Lack of appreciation of time and budgets that good research projects take and limited acceptance for trying and experimenting with new age tools.*
- *Deeper understanding of the client's business strategy and how research fits into it.*
- *Client's inability to change organisational processes to respond to the insights provided.*

Buyers and suppliers tend to agree that budget and time constraints are making it more difficult to deliver actionable insights, and they also see gaps in stakeholder understanding of the research and insights process and how insights are socialized. If they don't address the gaps in understanding and socialization, it's not clear how they would stop the downward spiral of insights value. Perhaps it will spiral clockwise in the northern hemisphere and counter-clockwise in the southern.

Buyers understand insights that arrive too late don't help, and insights that are too hard to understand do not change the status quo.

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6. THAT'S UNCREDIBLE! PRIMARY DATA

So far, we have discussed several pressures that undermine the value of insights and, by association, the credibility of primary research. We've touched on how the lack of engagement with stakeholders can lead to poor designs that target sub-optimal populations and how cost and speed requirements do the same. Even if you have a great design, you still need to be able to find enough participants who fit your requirements, qualify them for the research, engage them in the research, keep them engaged, and validate that they are whom they claim to be.

Buyers' most outstanding needs/pain points include concerns about representativeness, reaching the right participants cost-effectively, finding and engaging niche segments, and the toll that high research volumes are taking on a participant's ability to engage in a meaningful way:

- *Confidence that survey samples are representative of the targeted segment. ie., does our target answer surveys?*
- *Cost effective way of identifying and reaching our target consumers for survey research.*
- *Access to hard to reach sample groups.*
- *Lack of online sample for niche audiences.*
- *For consumer research, declining survey and qual research participation, coupled with intense pressure on our customer sample due to increasing number of research projects. For business research, just finding and engaging our business customers in research efforts is a huge challenge.*

Even acquiring a sample that looks representative may have bigger problems due to fraud. Fraud may be getting increasingly difficult to identify due to AI "solutions," as GRIT can attest from our extensive review of supplier participants who used their technology to flood our survey with pro-AI opinions.

Even those with good, but naive, intentions, cause problems when they use AI to create a verbatim response instead of writing their own. The goal of research is not to compile simulated opinions – we can do that without your help. The goal is to get *your* opinion, and, presumably, you have had at least one new idea in the last three years. If not, it's better not to enter any response. That way, your survey will be counted.

- *High quality samples are hard to find. Fraudulent responses and bots are everywhere and it can be easy for AI to pass surveys if safeguards are not put in place.*
- *Increasing risk of fraudulent respondents, smaller pools of valid panels both leading to poor quality data from primary research methods.*

In addition to questions about research credibility due to sample appropriateness and authenticity, stakeholders are perfectly able to harbor other doubts that may make them think harder about writing the next check.

- *Senior stakeholders are divided when it comes to Insights from the end consumer, some believe the customer is unable to tell us what they want unless they see options.*
- *Being able to consistently rely on primary research reconciling with secondary or internal analytics. Often results from one wave to another or one agency to another change significantly and we are unable to explain why.*

According to some suppliers, buyer-side insights professionals – or those they serve – can make matters worse:

- *Project scopes are not contained and respected. Clients want every piece of information they can have, it's up to us to tell them when they endanger the primary goal in seeking answers*

> Buyers' have concerns about the toll that high research volumes are taking on participant's ability to engage in a meaningful way.

Biggest pain point: The lack of understanding in the industry around how bad typical panel provider survey data is.

The need for extensive data cleaning and preprocessing delays the generation of actionable insights.

to a secondary question. Data quality is often hard to keep acceptable. Projects are becoming increasingly complex across the board and clients are becoming more demanding.

- *Some projects will be encountered, and the client itself has expectations for the research results. However, if the actual result does not meet expectations, it will fall into an embarrassing situation. The sample is underrepresented. Data quality is not objective enough.*
- *I think the biggest pain points we see in client projects is a fundamental misunderstanding of recruiting high incidence respondents. Many of the projects that come across our desk are simply un-attainable without resorting to fraud.*
- *Sourcing adequate respondents to fulfil insights. Some projects are just not feasible. Related barrier, is determining the feasibility or incidence for panel where there is little or no secondary research to set expectations.*
- *Clients do not seem to want to pay for what they ask for when it comes to quality participants. They want quality data but ignore the impact that low budgets for recruitment and bad design has on our industry.*

Among suppliers' biggest outstanding needs and challenges, the shortcomings of panels, such as size and quality, are prominent:

- *The lack of understanding in the industry around how bad typical panel provider survey data is.*
- *We need the industry to see the value in first party data/panels and start prioritizing quality over cost.*
- *Well profiled, high quality responsive panel.*
- *Quality of data from panel companies.*
- *Quality of respondents from 3rd party panels and increasing CPI costs.*
- *The issue is supply in general. It's difficult to build a panel that meets the very niche needs of our clients. Their audiences are not typically profiled for as well so the panelist experience is also difficult to maintain.*

One buyer suggests that building better panels might make data cleaning easier: *The investment should not be in data quality tools, but in building better sources/panels.* However, those who can't build their own panels need to be more concerned with what happens once a survey is accessed:

- *Industry-wide issues with data quality for both consumer and B2B sample - particularly with respect to AI-enabled fraud.*
- *Data quality and catching bots; integrating new cutting edge technology.*
- *Low quality of panel data, bots, fraudulent respondents, poor coverage of relevant market segments (e.g., younger men).*
- *Trustworthy survey data. Huge failings from established & boutique agencies experienced over the past few years jeopardises the industry if/when exposed.*
- *Feasibility from online sample sources with good quality respondents. We tend to remove bad respondents who appear to be bots or professional respondents at a higher rate than we have seen in the past.*

Dealing with fraud – as we know from GRIT participants who leverage their technology to flood us with fake surveys – is yet another hindrance to meeting faster turnaround times:

- *Sample quality is horrendous. Fraud is a huge factor in delivering fast and efficient insights for ad hoc convenience sample survey projects.*
- *The biggest barrier lies in the data collection. We can easily notice the exponential progress of bots and other fraudulent respondents in our quant surveys. This implies longer time to clean out data sets and more costs related to fieldwork.*
- *Data quality from panel providers - more time has to be sunk on our side for the development of new measures to keep up with the bad actors infiltrating panels, which takes away from time we could be spending consulting for our clients given set timelines.*
- *The need for extensive data cleaning and preprocessing delays the generation of actionable insights.*

Of course, suppliers also share their clients' needs and pain points regarding sample availability and the representativeness:

- *Being able to find very niche, specific samples for the research we are doing can be difficult.*
- *Reaching specialized respondents, such as physicians, in smaller markets.*
- *Reaching niche audiences in research with a large sample size without it being too costly.*
- *Access to good quality samples (sample providers are having more and more difficulties of delivering certain quota, e.g. respondents with lower education levels which is a danger to representativeness of samples).*
- *Sample reach - access to business professionals, hard to reach audiences, etc. in a timely, relatively affordable manner.*

And, of course, the quality of responses is a concern for suppliers, too:

- *Sampling quality - professional survey takers/ bots/others have taken over our industry and made it hard to tell what is real and what isn't. I have a hard time trusting quantitative data of almost any kind.*
- *Bad / poor quality respondents, especially in the B2B space.*

As one supplier-side insights professional said in a voice shared by many others: *Sample quality remains the primary issue and concern.* With so many self-inflicted injuries to the value of insights from lack of alignment and excessive focus on cost and speed, if primary data continues to lose credibility, the consequences could be quite dire.

AI can help with this problem, but, so far, it seems to be more popularly associated with *causing* this problem. Note to AI-endowed insights suppliers who target GRIT: when your peers say that sample fraud is a serious issue, they are not complaining about the *lack* of fraud; they mean there is *too much* fraud.

The potential for AI to be used for research fraud is well-known, and, unfortunately, it is probably on the minds of even the most casual stakeholder. However, there are less well-known stories that need to be told, such as the successes of some reputable suppliers who leverage AI to fill major gaps such as sample availability, authenticity, and targetability. Others are working to detect and remove fraud, and these stories need to be told.

Please remember to be your best critical self and don't forget that using the best technology from a supplier you don't trust might turn you into a monkey with a live grenade. Faith is sometimes enough, but proof is better.

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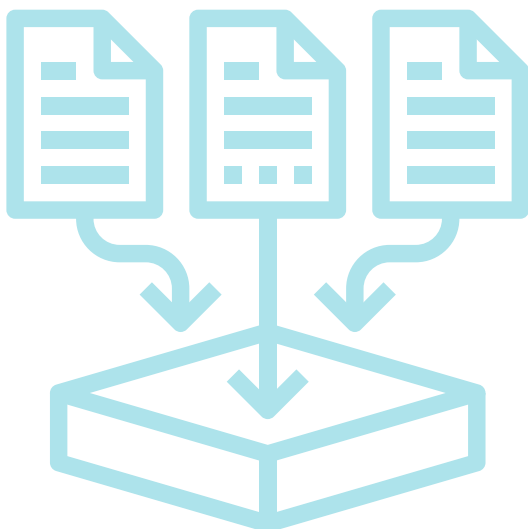
> With so many self-inflicted injuries to insights value, if primary data continues to lose credibility, the consequences could be quite dire.

7 - 10. STAFFING, KEEPING UP, EMPATHY, AND LARGE DATA

If you've made it this far, we admire your stick-to-it-iveness, and we realize that even the most diligent and engaged readers have limits. In that spirit, we'll quickly summarize the last four needs areas.

7. Insights teams lack the staff capacity and skills, from technical skills to business acumen, needed to make their work actionable for the business.

Especially in light of the demands for speed, many insights professionals feel challenged to manage capacity, and many of those say they are understaffed. However, having a hiring budget doesn't seem to make it any easier to staff up, especially if you need a particular skill, such as technical experience or business acumen. Insights staffs need to add strong minds, not just countable bodies, and some people are not thrilled with either the abilities or the enthusiasm they encounter.

- *Biggest barrier right now is finding new staff with the proper skills and motivations. We lost staff in the wave of hot offers going on and can't find good people to replace them.*
- *Having the right talent and acumen to understand consumer data, and ability to sift out actionable insights. Availability of talent that can turn data into information; information into insights; insights into strategy; and strategy to activation. Too much of the industry is just into data collection and dissemination.*

8. It's difficult to keep up with methodology and technology trends, but you must in order to keep up with the workload and maintain competitiveness.

Insights professionals know they need to keep up with the latest trends in technology and methodologies, especially AI (no duh). However, the capacity, volume, and cost pressures leave them with little free time to follow them. Even those who make the time do not necessarily have the expertise to know when it is time for them to jump on board.

- *[Due to] time and budget - lack of clear understanding how the new technologies can be best used to optimize the research.*
- *AI is a trending topic that many people are inquiring about and discussing. Incorporating AI in to our technology to help researchers with reporting and analysis could really help companies bring more qualitative research into their process. Seems to be a budget cut and less spending on qualitative research with an increase in quantitative research since it's cheaper and less time consuming.*
- *Keep updating on market research industry, e.g., how to prevent frauds.*

> Having a hiring budget doesn't seem to make it any easier to staff up, especially if you need a particular skill.

9. The pandemic spurred growth of some research methods that may have diminished the ability to empathize with customers, but others might assert that this situation merely deepened the chasm inherent in the use of traditional methods.

While some insights professionals have returned to in-person methods, remote methods are still popular, and some fear that these preclude the deep customer understanding necessary for informing marketing and product innovation. Some take the position that traditional methods never provided that insight and advocate adoption of new methods. Others are taken by the possibilities of DIY tools and hope that they can provide the deep customer insights that enable everyone in the organization to "get" customers. Another point of view maintains that it's the people and not the methods that are the barriers to empathy, suggesting that the most empathy-revealing tools are useless if the audience for them is incapable of empathy.

- *Time. Everyone seems to be stretched very thin. Almost to the point where they don't have the time to dig deep and truly gain consumer empathy and take the time to make the right decisions.*
- *Lack of empathy and true understanding, especially now most field is done remotely.*
- *Client resistance and natural research conversatism to throwing out overly-rational and poorly predictive past techniques and adopting more emotional metrics that are vastly more predictive.*
- *Faster, DIY insights that give cofounders deep intuition and empathy for the people who have the pains and gains we are trying to solve in innovation!*
- *A failure from internal teams, clients and the industry to offer more than lip-service and intentionally act toward creating greater diversity and inclusion and equity in research practice, and in research businesses, which improve representation, are not intrusive and shifting the emotional effort onto the marginalised to 'fix' the issues that oppress them.*

10. Insights professionals struggle to pull actionable insights out of large data sets.

Data is all around us and it's everywhere, just like the majesty of rock and the mystery of roll (*Spinal Tap*). However, insights professionals know that their large and diverse data sets can be a source of rich, untapped insights, and they would like the ability to integrate it, mine it, and easily access and share its treasures.

- *Being able to extract the most relevant insights that will have a clear action to our consumer/ business, amongst a sea of data/insights.*
- *The biggest area gap that we're currently working on is integrating more AI-driven tools to allow for quicker analysis of mass qual information that can be captured on our platform.*
- *Being able to properly bring together information and data of numerous sources available, and make actionable and well-advised decisions from it.*

Another point of view maintains that it's the people and not the methods that are the barriers to empathy.

Their large and diverse data sets can be a source of rich insights, and they would like to integrate it, mine it, and easily access and share its treasures.

THE BIG PICTURE

If you have read all the way to this point, you may be wondering "Where is the list of unmet needs????" Fair enough. We'll conclude with an attempt at listing major needs that, if met, could scratch the ten itches discussed in this section. The list is in roughly follows the order of the discussion.

Maximizing Insights Value

- Business cases to prove the value and justify the resource needs for different kinds of insights work
- Communication plans to socialize the business cases to stakeholders
- Better understanding of business issues as they relate to insights projects
- Collaboration with stakeholders on project design and deliverables
- Procedures and templates that most effectively socialize results tailored to your organization
- Treating at least one external supplier as a "trusted advisor" who knows your business and gives objective advice
- Respect for expert opinion, even if they tell you something you don't want to hear

Connecting People Effectively

- Better integration of insights professionals with other functions
- Commitment and processes to collaborate sufficiently across silos (including across the buyer-supplier divide)
- Audit of COVID-driven changes to work environment and evaluation of impact (e.g., organizational structure, staff work locations, supplier interactions, and remote versus in-person research)
- Insights help desk or liaison for business stakeholders

- Help desk to guide the "data democracy" away from devolving into analytical anarchy
- Holistic understanding of the market shared across the organization and with suppliers, as appropriate

Managing Insights Work

- Better forecasting and management of project pipeline
- Clearly communicated guidelines for prioritizing projects (manage capacity, respect limits of sample sources, etc.)
- Ability to add staff with specific skills sets
- Faster versions of current processes that deliver acceptable quality
- Cheaper versions of current processes that deliver acceptable quality
- Methodologies that provide deeper insights into the customer mind and behavior
- Methodologies that provide more accurate forecasting of customer behavior, such as new product adoption
- DIY tools that provide deeper insights into the customer mind and behavior
- Ways to validate outcomes of AI solutions commensurate with risks of applying them
- Resources to keep up with trends
- Triggers for when to adopt a methodology, tools, or practice

Better Tools and Data

- Integration of data within silos and across them
- Tools to easily extract insights from data sets and merged data sets, especially large data sets
- Easy access to central knowledge base
- High quality panels customized to your markets and segments
- Tools to defeat attempts at research fraud
- Efficient and effective data cleaning tools

Unmet need: Help desk to guide the "data democracy" away from devolving into analytical anarchy.

Unmet need: Ways to validate outcomes of AI solutions commensurate with risks of applying them.

SAGO

ELEVATING THE RESEARCHER EXPERIENCE: IT'S TIME TO FIX THE FAILINGS AND FOSTER SUCCESS

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The market research industry is constantly evolving, presenting unique challenges to insights professionals. But according to Greenbook's *2023 GRIT Business & Innovation Report*, the findings point to market research partners exacerbating some of these challenges. Of the "Unmet Needs" uncovered in the report, the biggest deficiency is that market research partners seem to fall short in effectively addressing researchers' needs. In fact, in many instances, we may even be the cause of researchers' biggest pain points. It's time to heed the call and fix what prevents a better researcher experience.

Unmet Needs: Where Are Research Partners Falling Short?

When it comes to the unmet needs of insights professionals, two distinct types of support emerge. The first is the requirement to stay abreast of broader industry trends, including new methods, data types, and analytic techniques. Researchers must constantly adapt to remain fresh and competitive in the evolving MR landscape.

The second type of support is more tactical and revolves around transforming data into actionable insights with real impact. Insights teams often lack the necessary capacity and skills to make their work truly valuable for businesses. Furthermore, they struggle to keep up with the ever-changing methodology and tech trends, and the task of extracting actionable insights from large data sets poses a significant challenge.

To overcome these shortcomings and elevate the researchers' experience, collaboration between market research partners/suppliers and corporate researchers is crucial and requires transformation and change management for success.

Fostering Success Through Transformation and Change Management

As the industry undergoes transformation, partners must take a leading role in successfully managing researchers through change.

This applies not only to supporting the research process itself but also to assisting corporate buyers in adopting new technologies and methodologies to stay competitive. Some examples for how to foster successful change, include:

Run Quarterly Training: Set up training sessions to empower teams to embrace new technology or methodologies. Additionally, collaborating with corporate buyers to facilitate meetings with other groups who rely on these research insights can foster a more integrated approach. By understanding your clients' propensity for change, you can actively facilitate their transition, helping them define a vision for their teams and optimizing resource allocation.

Show Empathy and Build Partnerships: Go beyond surface-level interactions and deeply understand the needs of your corporate clients. By becoming an extension of the organization, partners can foster a strong and cohesive collaborative relationship. Align research objectives with corporate goals, tailor solutions to specific needs, and collaborate closely throughout the research process. Dive into their quarterly reports to grasp their financial performance, analyze how they incentivize their employees, and study their organizational structures.

Keep Up with Industry Trends: Be your researchers' wingperson by staying abreast of the latest methodologies and tech trends in the industry. From running regular business reviews to providing insights professionals with industry updates and educating them on emerging tools and technologies, it's our job to equip researchers with the knowledge and resources they need to stay competitive and deliver for their clients.

It's time to close the gap on the needs of insights professionals and researchers. There will be winners and losers in this quest to deliver a better researcher experience. Those who don't invest in leading researchers through this transformation will find themselves extinct in the future. It's time to be what corporate researchers need us to be—an extension of their shop. Failure to do so will leave us struggling to exist in the future market.

MEETING PROJECT GOALS

The top three priorities for project success concern alignment of project work with business needs. These may be foundational and universally accepted, but, as we discuss in Unmet Needs, they might be increasingly difficult to fulfill. By themselves, they do not make projects exceptional, and exceptional projects correlate with exceptional overall performance.

OVERVIEW

In past *GRIT Reports*, we've discussed how those whose projects tend to exceed their stated objectives also tend to perform better against their overall insights goals. We also find that their projects tend to emphasize different success criteria compared to the criteria of those who are less likely to exceed objectives. Understanding those differences can provide insight into how to improve project performance and, ultimately, overall performance against insights-related goals, whatever they may be.

We understand that some projects may have an easier time of exceeding objectives than others. At the risk of sounding ignorant and biased, there may not always be an opportunity to exceed business needs on brand tracking projects or data collections efforts, and, if you find a way to do that, you may also find that you are over budget and late with deliverables. Some projects can't be anything more than they are.

The same limitation may apply to projects that are more exploratory, abstract, or long term. Some strategic projects might not have a clear way to benchmark success versus objectives, and maybe projects that break new ground, perhaps applying analytics to unstructured data may be an example, may not realize what can be achieved until they are completed.

GRIT asks about performance across all projects, and we realize that each body of project work can have a different mix of high-upside and pass/fail projects. It may help to bear this idea in mind when you read the results and focus on what correlates with exceptional performance. Your portfolio may have more than its share of pass/fail projects, but some of the dynamics that are correlated to exceeding objectives may still apply to them.

Those who say their projects usually exceed objectives are more likely to say that they also exceeded their overall insights goals, and the relationship is different for buyers and each supplier segment. For example, among buyers, those whose projects usually exceed expectations are much more likely than those whose don't to say that they also exceeded their overall goals (+27%). The differential among technology providers is nearly as high (+24%), followed by field services (+16%), qualitative research (+15%) and full service research (+14%) providers.

The differential is much lower for strategic consultancies (+4%) and data and analytics providers (+5%). We hypothesize that their projects may tend to be more open-ended, long term, or have results that are harder to quantify. Interestingly, qualitative researchers who usually exceed project objectives are also more likely to fall

> Those whose projects usually exceed objectives are more likely to say that they also exceeded their overall insights goals.

short of their overall goals (+8%), and this may be an example of how going above and beyond can sometimes have a significant out-of-pocket cost.

At the other end of the spectrum, field services providers who usually exceed project objectives are much less likely to fall short of their overall goals (-38%). With data collection projects, it's relatively easy to know if you hit your targets, stayed within budget, and met the deadlines, and falling short of any of them can have direct consequences.

DIFFERENCE IN PERFORMANCE AGAINST INSIGHTS GOALS: PROJECTS USUALLY EXCEED STATED OBJECTIVES V. TYPICALLY MEET THEM

	Buyer	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Exceeded our goals	+27%	+14%	+16%	+15%	+4%	+24%	+5%
Met our goals	-25%	-14%	+22%	-24%	+1%	-15%	+4%
Fell short of our goals	-3%	0%	-38%	+8%	-5%	-9%	-9%

Numbers represent the difference in each response from those whose projects usually exceed objectives mins the responses form everyone else in their segment.

Year after year, buyers and suppliers of all stripes tell us that three factors have the most impact on project success: making impactful recommendations, providing results executives can act on, and ensuring work aligns with business objectives. However, if everyone agrees on them, then these have to be considered table stakes. Beyond these three, different supplier types prioritize project success factors differently, and buyers and suppliers also have the luxury of de-prioritizing complementary elements that they expect to get via their partners and suppliers. For example, if you are getting data from someone you trust, you don't need to prioritize collecting data efficiently very highly because someone else does it for you.

For suppliers, priorities are mainly driven by two forces: the need to perform the role assigned in the production of insights and the need to differentiate from competitors. We'll see these two forces at work as we explore the patterns of priorities across segments.

BUYER PERSPECTIVE

In the past, GRIT asked participants for the percentages of projects that exceed, meet, or fall short of objectives. To simplify the survey, we instead gave them six descriptions of performance distributions and asked which one best matches their experience.

Two describe portfolios that usually exceed objectives, but one has more that fall short than the other. Two describe portfolios that are mainly a mix of projects that meet or exceed objectives, and one has more that fall short than the other as we had in the previous pair. In the last pair, one describe a situation where projects are as likely to fall short of objectives as meet or exceed them, and the second one describes a situation where the majority of projects fall short of objectives.

PROJECT RESULTS (BUYER)

Usually meet or exceed – rarely/never short **68%**

11% Usually meet or exceed - sometimes short
1% Short as often as meet or exceed
2% Short more often than meet or exceed
4% Usually exceed – rarely/never short
14% Usually exceed - sometimes short
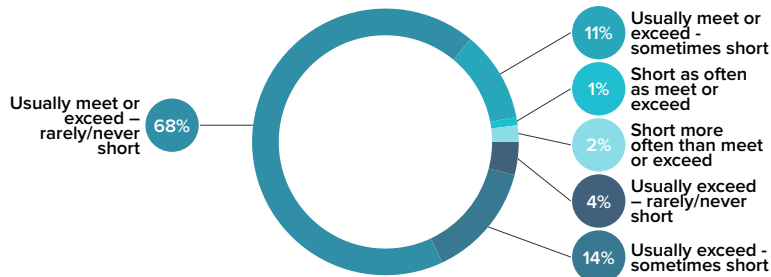
PROJECT RESULTS: GRIT WAVE (BUYER)

	Exceed stated objectives	Meet stated objectives	Do not meet stated objectives
19W1 (n = 844)	37%	53%	11%
20W1 (n = 124)	35%	57%	8%
21W1 (n = 410)	37%	53%	10%
22W1 (n = 187)	33%	56%	10%
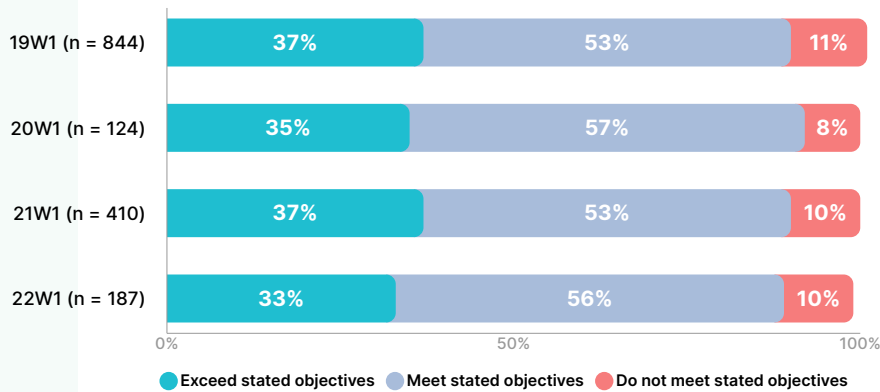
The lower failure rate among buyers with mediocre success implies that those who usually exceed their objectives also take more risks.

PERFORMANCE AGAINST INSIGHTS GOALS: PROJECT RESULTS (BUYER)

	Exceeded our goals	Met our goals	Fell short of our goals
Usually exceed (n = 58)	62%	25%	13%
All others (n = 274)	29%	52%	18%

As you might expect, 97% of project portfolios usually exceed or meet objectives. These are split between 18% that usually exceed objectives and 79% that are mostly a mix of projects that meet or exceed them. Also, 25% of them say that projects "sometimes" fall short of objectives instead of "rarely or never." In fact, of the 18% who usually exceed objectives, more than three-fourths of them fall short "sometimes." Of the 79% with more mixed success, only about one in seven say that they "sometimes" fall short. The lower failure rate among those with more mediocre success implies that those who usually exceed their objectives also take more risks.

As we just mentioned, this question used to ask for a percentage of projects that exceeded, met, or fell short of objectives, but we wanted to simplify the question to ask for just one answer instead of three and position it more as a perception than as though we were asking for facts they should know. Besides, we weren't going to try to weight the response but project volume, so reporting the averages might be misleading. For completeness, we have included a chart of the past waves without comment.

Buyer-side insights professionals whose projects usually exceed objectives are more than twice as likely as others to also exceed their overall insights goals, 62% to 29%. They are somewhat less likely to fall short of their overall goals, 13% to 18%.
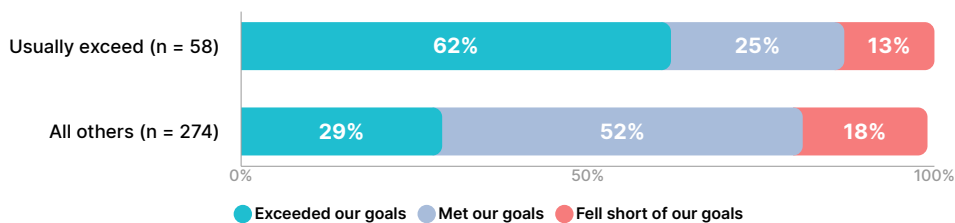
If we further segment buyers according to how often projects fall short of objectives, we see that those whose projects "sometimes" fall short don't perform as well against overall goals than those who seldom experience project failure.

Among those whose projects are a mix of ones that meet and exceed goals, the 35% exceed their overall goals when project rarely or never fall short compared to just 4% of those who "sometimes" have projects fail. Among the former group, 16% fall short of their overall goals compared to 25% of the latter group. When overall project performance is so-so, lower project rates of failure are correlated to better overall insights success.

Although sample sizes are smaller, making the same comparison among those whose projects usually exceed objectives generates an interesting hypothesis. When projects "sometimes" fall short of objectives, overall insights goals are less likely to be exceeded, but only 60% to 70%. However, those whose projects "sometimes" fail are also less likely to fall short of their overall goals, 4% to 30%. The sample sizes are too small to prove anything but this result suggests that those who manage exceptional projects and take more risks are in the best position for greater overall success.

PERFORMANCE AGAINST INSIGHTS GOALS: PROJECT RESULTS (BUYER)
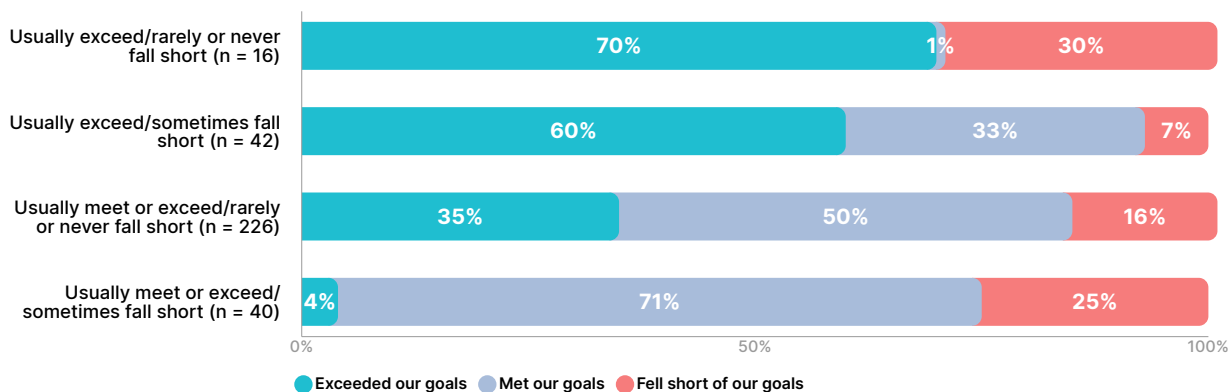
In terms of the factors that buyers believe impact project success, the top three factors have been the same each year. These are:
- Providing results executives can act on
- Ensuring work aligns with business objectives
- Making impactful recommendations

The other two factors that completed the top five in each of the past two years have slipped to fifth (effective storytelling) and sixth (directly involving key business stakeholders). Leapfrogging them into fourth place is concise, direct reporting, which was ninth two years ago and seventh last year.

Synthesizing results from multiple data sources/types moved up from twelfth to seventh since last year, but it was eighth two years ago, so, overall, not much has changed. Measurable ROI remained eighth, and partners/suppliers who understand their business dropped from sixth to ninth. Maximizing value for the cost completes the top ten and was eleventh in each of the past two years.

In terms of the factors that impact project success, the top three are the same each year: results executives can act on, ensuring work aligns with business, and impactful recommendations.

PROJECT PRIORITIES FOR INSIGHTS SUCCESS: RANKS (BUYER)

	21W1	22W1	23W1
Providing results executives can act on	1	2	1
Ensuring work aligns with business objectives	3	3	2
Making impactful recommendations	2	1	3
Concise, direct reporting	9	7	4
Effective storytelling	4	4	5
Directly involving key business stakeholders	5	5	6
Synthesizing multiple data sources/types	8	12	7
Generating measurable ROI	7	8	8
Partners/suppliers who understand my business	6	6	9
Maximizing value for cost	11	11	10
Partners/suppliers who bring unique perspectives	10	9	11
Providing content for marketing communication	18	16	12
Rigorous analysis	12	10	13
Maximizing the precision of the data	16	14	14
Getting results as quickly as possible	13	15	15
Partners/suppliers who have a track record with us	19	18	16
Partners/suppliers with complementary expertise	15	20	17
Using proven methodologies	17	17	18
Applying innovative research methods	14	13	19
Reducing cost	21	21	20
Partners/suppliers who have strong reputations	20	19	21

Darker green indicates higher rank; yellowish, middle rank; and darker red, lower rank.

PROJECT PRIORITIES FOR INSIGHTS SUCCESS: CHANGE IN RANK SINCE LAST YEAR (BUYER)

Synthesizing multiple data sources/types	+5
Providing content for marketing communication	+4
Applying innovative research methods	-6

Numbers represent difference in rank from last year. Only differences of more than three positions are shown.

Outside of the top ten, only two factors changed by more than three positions. Providing content for marketing communications moved from sixteenth to twelfth after moving up two spots in the previous year. Applying innovative research methods fell from thirteenth to nineteenth, so it's possible that the urgency of the need for new solutions has abated somewhat since the worst days of the pandemic.

Although the aggregate importance of each factor didn't change much from year to year, that doesn't mean that all buyers share the same priorities. Ten of the twenty-one factors differ by at least four rank positions across these two groups. Five factors are associated with greater project success:

- Partners/suppliers who understand my business (+7 positions higher)
- Providing content for marketing communication (+7)
- Effective storytelling (+5)
- Directly involving key business stakeholders (+5)
- Partners/suppliers who have a track record with us (+4)

In one way or another, those factors represent or imply some form of intimacy with the business' needs. Five other factors are less characteristic of projects that usually exceed stated objectives, and the set may be burdened conflicting aspirations:

- Rigorous analysis (-8 positions lower)
- Reducing cost (-7)
- Partners/suppliers who bring unique perspectives (-6)
- Generating measurable ROI (-5)
- Getting results as quickly as possible (-4)

This is not to say that any of these five are a must to avoid – they may be table stakes for avoiding project failures. However, it seems that exceptional project portfolios are more likely to emphasize practices that highlight familiarity with the buyer's situation while the second five do not.

On the other hand, these five might suggest a team working in unity while the five that are characteristic of less extraordinary success suggest different kinds of tension, if not contradictions. For example, getting results as quickly as possible would seem to be a challenge if rigorous analysis needs to be performed, and a stronger focus on reducing cost may conflict with generating more impressive results. Bringing in partners with unique perspectives may add value, but it seems like it would be less time- or cost-effective than working with partners you know well, if "unique" perspectives mean "new" ones from unfamiliar sources.

Ten factors differ by at least four rank positions across those whose projects usually exceed objectives and those whose projects typically meet them.

These five might suggest unity while factors characteristic of less extraordinary success suggest tension. For example, getting results as quickly as possible may conflict with rigorous analysis.

PROJECT PRIORITIES FOR INSIGHTS SUCCESS: PROJECT RESULTS, RANK DIFFERENCES (BUYER)

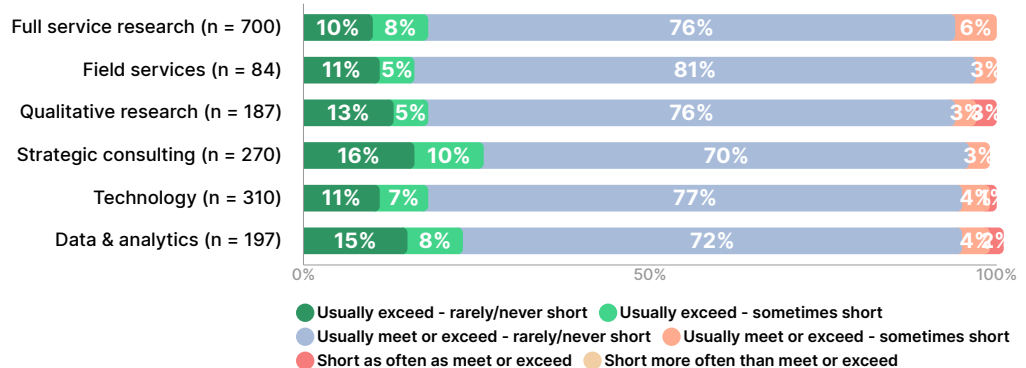|	Usually exceed objectives	Typically meet objectives	Difference
Partners/suppliers who understand my business	6	13	+7
Providing content for marketing communication	11	18	+7
Effective storytelling	2	7	+5
Directly involving key business stakeholders	3	8	+5
Partners/suppliers who have a track record with us	13	17	+4
Getting results as quickly as possible	12	16	-4
Generating measurable ROI	10	5	-5
Partners/suppliers who bring unique perspectives	15	9	-6
Reducing cost	21	14	-7
Rigorous analysis	19	11	-8

SUPPLIER PERSPECTIVE

Not much separates supplier segments with respect to project results. Strategic consultancies are most likely to say that their projects usually exceed stated objectives (26%), followed by data and analytics providers (22%). All other segments range from 16% to 18%.

Unlike buyers, insights professionals on the supplier side are extremely unlikely to report more frequent project failures – or maybe the ones that had them went out of business. If we total up all the answer choices which include projects that fall short of stated objectives at least "sometimes," field services providers are the least represented (8%), and strategic consultancies (14%) and full service research (14%) and data and analytics providers (13%) are most prevalent.

> Strategic consultancies are most likely to say their projects usually exceed stated objectives, followed by data and analytics providers.

PROJECT RESULTS: SUPPLIER TYPE (SUPPLIER)

Supplier Type	Usually exceed - rarely/never short	Usually exceed - sometimes short	Usually meet or exceed - rarely/never short	Usually meet or exceed - sometimes short	Short as often as meet or exceed	Short more often than meet or exceed
Full service research (n = 700)	10%	8%	76%	6%		
Field services (n = 84)	11%	5%	81%	3%		
Qualitative research (n = 187)	13%	5%	76%	3%	3%	
Strategic consulting (n = 270)	16%	10%	70%	3%		
Technology (n = 310)	11%	7%	77%	4%	7%	
Data & analytics (n = 197)	15%	8%	72%	4%	2%	2%

Legend:
- ● Usually exceed - rarely/never short
- ● Usually exceed - sometimes short
- ● Usually meet or exceed - rarely/never short
- ● Usually meet or exceed - sometimes short
- ● Short as often as meet or exceed
- ● Short more often than meet or exceed

As discussed earlier, we changed this question this year, so we do not have apples-to-apples comparisons to previous waves. Before the pandemic, strategic consultancies reported the highest average rate of projects exceeding expectations, but that has not been the case since then. Introduced as a segment in 2021, field services suppliers have had the roughest time of it, but their typical projects tend to have success criteria that are easier to assess, high visibility, and many of the stated objectives they are given may be more aspirational than practical.

Once the pandemic hit, technology providers were less likely to have projects that exceeded objectives, but data and analytics suppliers experienced somewhat greater success. Full service

research suppliers have looked pretty similar in each wave, even when they were bundled with field services providers in 20W1. Last year, each supplier segment looked similar to the others, with the exception of the higher rate of projects that fell short of needs among field services suppliers.

It seems a bit of a contradiction that field services suppliers have historically had higher rates of projects falling short of objectives but currently have a higher incidence of experience with projects falling short at least "sometimes." However, the segment is half as large as it was over the last couple of years, and those that remain may be different than those that switched out of the segment.

> Last year, project success rates for each supplier segment looked similar, except for the higher rate of projects that fell short among field services suppliers.

PROJECT RESULTS: 20W1 (SUPPLIER)

	Exceed stated objectives	Meet stated objectives	Do not meet stated objectives
Full/field service (n = 148)	48%	47%	5%
Strategic consulting (n = 187)	58%	39%	3%
Technology (n = 86)	53%	40%	7%
Data & analytics (n = 72)	45%	49%	5%

● Exceed stated objectives ● Meet stated objectives ● Do not meet stated objectives
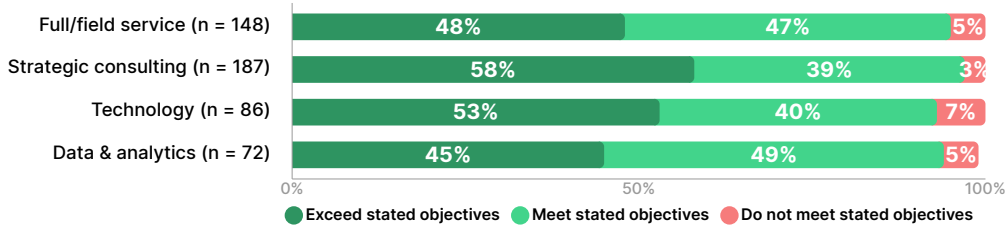
PROJECT RESULTS: 21W1 (SUPPLIER)

	Exceed stated objectives	Meet stated objectives	Do not meet stated objectives
Full service research (n = 479)	49%	46%	5%
Field services (n = 67)	36%	51%	13%
Strategic consulting (n = 260)	51%	43%	6%
Technology (n = 174)	41%	51%	8%
Data & analytics (n = 180)	50%	43%	7%

● Exceed stated objectives ● Meet stated objectives ● Do not meet stated objectives

PROJECT RESULTS: 22W1 (SUPPLIER)

	Exceed stated objectives	Meet stated objectives	Do not meet stated objectives
Full service research (n = 454)	49%	46%	5%
Field services (n = 112)	43%	46%	12%
Strategic consulting (n = 142)	45%	48%	7%
Technology (n = 191)	49%	45%	7%
Data & analytics (n = 169)	48%	44%	8%

● Exceed stated objectives ● Meet stated objectives ● Do not meet stated objectives

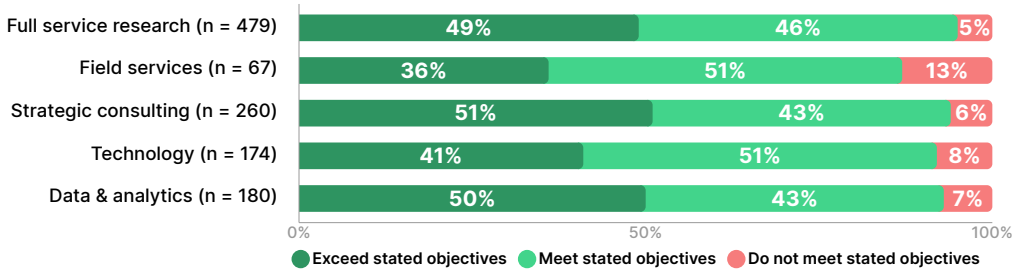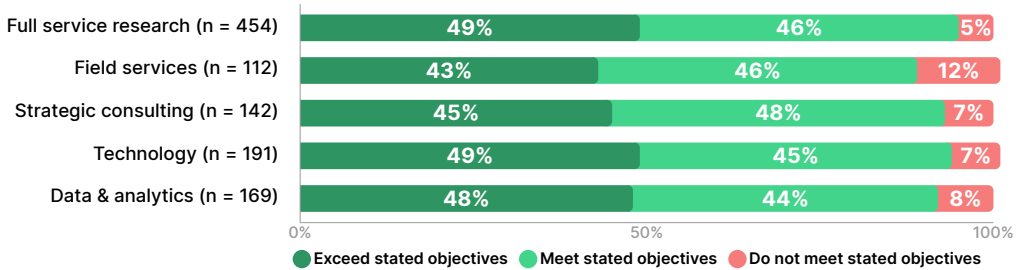Among buyer-side insights professionals, frequency of exceeding stated objectives on projects is correlated with exceeding overall goals for insights. This seems especially true of technology providers (70% who usually exceed stated needs on projects also exceed overall goals) and full service research suppliers (67%). The correlation is also strong for data and analytics (64%) and qualitative research suppliers (61%), and it might be for strategic consultancies (53%) and field services suppliers (48%, although the sample size is small for the latter).

Among buyers, exceeding stated objectives on projects is correlated with exceeding overall goals for insights. Among suppliers, this seems especially true of technology providers.

PERFORMANCE AGAINST INSIGHTS GOALS: SUPPLIER TYPE (SUPPLIERS WHO USUALLY EXCEED STATED OBJECTIVES)
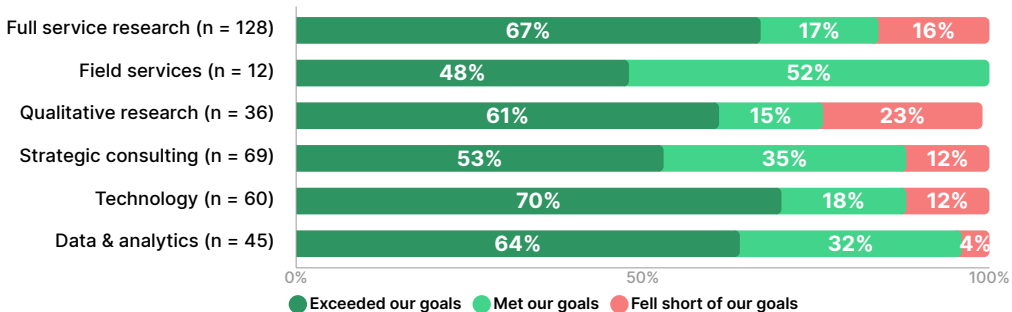
	Exceeded our goals	Met our goals	Fell short of our goals
Full service research (n = 128)	67%	17%	16%
Field services (n = 12)	48%	52%	
Qualitative research (n = 36)	61%	15%	23%
Strategic consulting (n = 69)	53%	35%	12%
Technology (n = 60)	70%	18%	12%
Data & analytics (n = 45)	64%	32%	4%

● Exceeded our goals ● Met our goals ● Fell short of our goals

Let's return to the analysis among buyer-side insights professionals when we compared different rates of falling short of project objectives within those who have exceptional versus mediocre project performance and apply it to full service research providers. Recall that, among buyers with exceptional project portfolios, those whose projects "sometimes" failed had a much lower rate of falling short of overall goals than those whose projects "rarely or never" failed. We hypothesized that those with exceptional performance could benefit from taking risks.
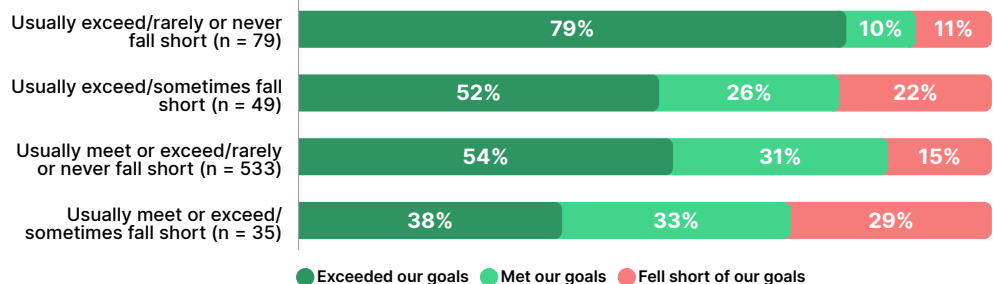
Among full service research suppliers, however, those whose projects "sometimes" fail have higher rates of missing their overall goals regardless of the performance of their project portfolio. Those whose projects usually exceed objectives and have a lower failure rate are much more likely to exceed their overall goals, while those with mediocre performance and higher failure rates have the lowest frequency of exceeding overall goals. Unlike among buyers, with full service research providers the relationship between project performance and overall performance against goals tends to be an all-or-nothing proposition.

In past GRIT Reports, we've discussed how there is very little difference in the supplier world between revenue trends and performance against goals; all suppliers goals are moot without revenue. So, whereas buyers can have some leeway to experiment if they have an otherwise excellent track record, suppliers have little margin for error relative to project objectives. [*Due to sample sizes, we can't repeat this analysis for other supplier segments, but they might show different tendencies than this one.*]

> **Among full-service, those whose projects "sometimes" fail have higher rates of missing their overall goals regardless of the overall performance of their project portfolio.**

PERFORMANCE AGAINST INSIGHTS GOALS: PROJECT RESULTS (FULL SERVICE RESEARCH)

	Exceeded our goals	Met our goals	Fell short of our goals
Usually exceed/rarely or never fall short (n = 79)	79%	10%	11%
Usually exceed/sometimes fall short (n = 49)	52%	26%	22%
Usually meet or exceed/rarely or never fall short (n = 533)	54%	31%	15%
Usually meet or exceed/sometimes fall short (n = 35)	38%	33%	29%

The top three factors that impact project success are the same across supplier types: providing results executives can act on, making impactful recommendations, and ensuring work aligns with business objectives. After the top three, however, agreement breaks down.

> **Whereas buyers can have some leeway to experiment if they have an otherwise excellent track record, suppliers have little margin for error relative to project objectives.**

Strategic consultancies and full service research and data and analytics suppliers each rank directly involving key business stakeholders fifth, but it is a somewhat lower priority for technology and qualitative research suppliers, and much, much lower for field services suppliers. Strategic consultancies and full service research suppliers have exactly the same top five, with effective storytelling completing the set at number four. It's much lower for technology providers, but only slightly lower for the other three segments.

Technology and field services providers share maximizing value for cost in their top fives, and it's much lower for data and analytics providers, though not for the other three segments. Technology providers share applying innovative research methods with qualitative research providers who, in turn, share rigorous analysis with data and analytics suppliers. Field services suppliers are the only segment with maximizing the precision of the data in their top five, and no other segment ranks it higher than seventh. For full service research suppliers and strategic consultancies, it ranks twelfth.

This may be a good place to reflect on the fact that even if a factor is bottom-ranked, it doesn't mean that it's not important. For example, data precision is a core deliverable from field services providers, and other supplier segments employ field services suppliers to fill that need. Those other segments have to meet needs that are irrelevant to field services and can give higher priority to those, safe in the knowledge that those closest to data collection are focused on data precision. It's hard to imagine a strategic consultancy hiring a field services supplier who provided lousy data but told a good story, especially if they can spin a great yarn themselves.

PROJECT PRIORITIES FOR INSIGHTS SUCCESS, RANKS: SUPPLIER TYPE (SUPPLIER, FIRST 10)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Providing results executives can act on	1	3	3	1	1	1
Making impactful recommendations	2	1	1	2	2	2
Ensuring work aligns with business objectives	3	2	2	3	3	3
Effective storytelling	4	6	7	4	12	6
Directly involving key business stakeholders	5	17	9	5	8	5
Rigorous analysis	6	14	5	11	13	4
Maximizing value for cost	7	5	6	8	4	14
Concise, direct reporting	8	13	11	9	11	11
Applying innovative research methods	9	11	4	7	5	13
Generating measurable ROI	10	9	10	6	6	8

Darker green indicates higher rank; yellowish, middle rank; and darker red, lower rank.

Technology and field services providers share maximizing value for cost in their top fives, and it's much lower for data and analytics, though not for the other three segments.

PROJECT PRIORITIES FOR INSIGHTS SUCCESS, RANKS: SUPPLIER TYPE (SUPPLIER, LAST 11)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Synthesizing multiple data sources/types	11	21	16	10	14	7
Maximizing the precision of the data	12	4	8	12	7	9
Using proven methodologies	13	19	15	19	9	10
Partners/suppliers who have a track record with us	14	10	17	20	17	19
Partners/suppliers who understand my business	15	7	20	13	15	12
Getting results as quickly as possible	16	16	18	16	10	16
Partners/suppliers who have strong reputations	17	8	13	21	21	21
Partners/suppliers who bring unique perspectives	18	20	12	17	16	15
Partners/suppliers with complementary expertise	19	15	14	15	20	17
Providing content for marketing communication	20	18	21	14	18	18
Reducing cost	21	12	19	18	19	20

Darker green indicates higher rank; yellowish, middle rank; and darker red, lower rank.

A common theme in this report seems to be the relative stability of full service research suppliers. Prior to the pandemic, the segment was declining, but the crisis seemed to solidify their role as reliable (and necessary) external research managers, and it also seemed as though those whose strongest capabilities were in this area became less distracted by offering more diverse services. Consequently, we don't see any significant changes in the factors they say impact project success among their top ten and only two changes farther down the priority list. Synthesizing results from multiple data streams increased five positions, and working with partners who bring unique perspectives dropped four.

As noted elsewhere, the field services segment is half the size it had been during the worst of the pandemic, and it seems that the ones who left grew revenue from other services such as full service research. Those who remain seem to have more need for partners and less direct interaction with business stakeholders. However, in the *Evolving Insights Audience* section, we note that the executive team has had a greater influence on the selection of field services even though they are not direct users of their deliverables. Perhaps the ongoing crisis in data quality has attracted more attention from higher levels in buyer organizations, and the complexity of addressing it has increased the need for effective storytelling, regardless of whether it is concise or not.

As with full service research providers, strategic consultancies' top priorities are stable. Farther down the list, however, their priorities seem to be shifting away from the familiar, especially where data-related services are involved.

> We don't see any significant changes among the top ten factors full service research providers say impact project success, and only two farther down the priority list.

Technology providers seem to be de-emphasizing consulting-like priorities, such as storytelling, to make sure they can compete effectively in a potentially commoditized business, placing more emphasis on proven methods and value for the cost. Data and analytics providers, the new darlings of executives, product development, and R&D (see *Evolving Insights Audience*), are focusing on data synthesis and rigorous analysis while de-prioritizing factors such as concise reporting and innovative methods (other than data synthesis).

PROJECT PRIORITIES FOR INSIGHTS SUCCESS, CHANGE IN RANK SINCE LAST YEAR: SUPPLIER TYPE (SUPPLIER, FIRST 10)

	Full service research	Field services	Strategic consulting	Technology	Data & analytics
Providing results executives can act on					
Making impactful recommendations					
Ensuring work aligns with business objectives					
Effective storytelling		+4		–8	
Directly involving key business stakeholders		–11			
Rigorous analysis					+6
Maximizing value for cost		+4		+6	
Concise, direct reporting		–8			–5
Applying innovative research methods					–5
Generating measurable ROI		–5			

Darker green indicates higher rank; yellowish, middle rank; and darker red, lower rank.
Numbers represent difference in rank from last year. Only differences of more than three positions are shown.

PROJECT PRIORITIES FOR INSIGHTS SUCCESS, CHANGE IN RANK SINCE LAST YEAR: SUPPLIER TYPE (SUPPLIER, LAST 11)

	Full service research	Field services	Strategic consulting	Technology	Data & analytics
Synthesizing multiple data sources/types	+5		+4		+5
Maximizing the precision of the data					–5
Using proven methodologies		–11		+5	
Partners/suppliers who have a track record with us		+7			–4
Partners/suppliers who understand my business		+9	–4		+5
Getting results as quickly as possible		–4			
Partners/suppliers who have strong reputations		+7	–6		
Partners/suppliers who bring unique perspectives	–4		–5		
Partners/suppliers with complementary expertise		–4	+4	–5	
Providing content for marketing communication					
Reducing cost		+8			

Darker green indicates higher rank; yellowish, middle rank; and darker red, lower rank.
Numbers represent difference in rank from last year. Only differences of more than three positions are shown.

For qualitative research suppliers, seven factors are more important to those whose projects usually exceed objectives, and these might be considered drivers of success.

Just as supplier segments have similarities and differences with respect to what they *believe* impacts project success, the same holds true for factors that differentiate between project work that usually exceeds stated needs and work that doesn't.

For qualitative research suppliers, seven project impact factors are more important to those whose projects usually exceed stated objectives and might be considered drivers of success. Technology providers have five such factors, three of which they share with qualitative research providers. Strategic consultancies have three, all of which are shared with other segments, while data and analytics providers also have three factors that drive greater success but share none of them. Full service research providers have only two, one of which is unique and one of which is the only factor shared by as many as three segments. [*Field services providers are not discussed due to sample size.*]

The factor that drives project success for three segments, qualitative researchers, full service research suppliers, and strategic consultancies, is applying innovative research methods. Qualitative researchers share three factors with technology providers: partners/suppliers who understand their business, directly involving key business stakeholders, and partners/suppliers who have a track record with them. Qualitative researchers share one other with strategic consultancies, partners/suppliers who bring unique perspectives, and strategic consultancies share one with technology providers: concise, direct reporting.

Some factors are unique to a segment, and qualitative researchers have two which also happen to be the most differentiating of any reported here: synthesizing results from multiple data sources and partners/suppliers who have strong reputations. Maximizing value for cost is unique to technology providers, and providing content for marketing communication is unique to full service research providers.

All three of the drivers from data and analytics providers are unique to them. Generating measurable ROI, ensuring work aligns with business objectives, and effective storytelling are prioritized by data and analytics providers whose projects usually exceed stated objectives. The fact that storytelling is an important aspect of their project success may or may not support the argument that many of them could be working on projects that are not exactly paint-by-numbers and require some interpretation to bring them to a clear resolution. This uncertainty about outcomes, and the attention they receive from executives, may also drive the prioritization of measuring (or trying to measure) ROI.

The presence or absence of some of these in certain segments may seem counterintuitive, but they seem to highlight how suppliers who are driving the greatest project success differ from their peers. Out of all the segments, data and analytics providers might be low on the list of segments you'd expect to leverage storytelling, but the lesson might be that suppliers who challenge convention are the ones in a better position to succeed. Perhaps innovation is characteristic of the three generalist segments and not technology providers is because it is already table stakes for the latter.

Maximizing value for cost differentiates technology providers who have extraordinary project success, and providing content for marketing communications differentiates extraordinary full service providers.

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PROJECT PRIORITIES FOR INSIGHTS SUCCESS, RANKS: SUPPLIER TYPE (SUPPLIER, FIRST 10)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Providing results executives can act on						
Making impactful recommendations						
Ensuring work aligns with business objectives					-6	+5
Effective storytelling						+4
Directly involving key business stakeholders			+5		+5	
Rigorous analysis			-6			
Maximizing value for cost	-4				+6	
Concise, direct reporting			-8	+6	+4	
Applying innovative research methods	+4		+6	+4		
Generating measurable ROI			-6		-6	+9

Numbers in cells represent how many rank positions differentiate between the importance of a factor to those whose projects usually exceed stated objectives and those whose do not. Only differences of more than three positions are shown.

PROJECT PRIORITIES FOR INSIGHTS SUCCESS, RANKS: SUPPLIER TYPE (SUPPLIER, LAST 11)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Synthesizing multiple data sources/types			+11			
Maximizing the precision of the data			-13			
Using proven methodologies						
Partners/suppliers who have a track record with us			+4		+4	
Partners/suppliers who understand my business			+7		+4	-8
Getting results as quickly as possible	-4		-7		-4	
Partners/suppliers who have strong reputations	-6		+9			
Partners/suppliers who bring unique perspectives			+5	+7		
Partners/suppliers with complementary expertise				-4		
Providing content for marketing communication	+5			-11	-5	
Reducing cost			-5	-5		

Numbers in cells represent how many rank positions differentiate between the importance of a factor to those whose projects usually exceed stated objectives and those whose do not. Only differences of more than three positions are shown.

THE BIG PICTURE

Some projects exceed stated objectives, some meet them, and some fall short. If enough projects exceed them, it can translate to greater overall successes. Among buyers, having an exceptional project portfolio seems to earn you the right to take risks, while suppliers may have to walk a much finer line.

While that dynamic may seem simple enough, it's another matter to take advantage of it. The formula for success may vary depending upon whether project outcomes are cut-and-dried or ambiguous, the risk tolerance of the sponsor, and the role you play in the insights process. If that's not enough to juggle, suppliers also need to add enough flair to their routine to stand out just so they will be invited to participate.

To some degree, it helps to have universal and consistent understanding of what makes projects succeed: actionable results, impactful recommendations, and ensuring work aligns with business objectives. However, those are only basic ingredients for successful projects, and, by themselves, they don't constitute a recipe for exceeding expectations, excelling in your role, or getting project teams to notice you in the first place. As we see in *Unmet Needs*, it is becoming more difficult just to put these three legs on the stool, let alone meet the other priorities.

Executing on these basics may get you a seat at the table, but they don't win the hand. In the case of technology providers, those who provide exceptional work tend to interact more with a larger ecosystem. The exceptional performers have partners who understand and have a track record with them and also directly involve key business stakeholders. They benefit from venturing outside their walls.

These are also the traits of exceptional qualitative research providers, but their interaction with the world-at-large also includes working with well-known thought leaders. The exceptional ones are also more likely to embrace innovation, whereas for technology providers, innovation is the ante and it may be that proven methodologies sweeten their pot.

Other segments have their own success formulas, and we know that individual suppliers within them do as well. While the three shared priorities may create the illusion of homogeneity, projects will not succeed if suppliers merely mimic the priorities of their clients. They have to know how they fit in to the project process and how to be exceptional in those roles.

> Technology providers who provide exceptional work tend to interact more with a larger ecosystem; they benefit from venturing outside their walls.

> Actionable results, impactful recommendations, and ensuring work aligns with business objectives are universals, but they don't constitute a recipe for exceeding expectations, excelling in your role, or getting project teams to notice you in the first place.

NAILBITER

PROJECT SUCCESS UNLEASHED: THE POWER OF HUMAN CONNECTIONS TO DRIVE INSIGHTS FORWARD

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Welcome to a new era in market research, where technological advancements, particularly AI, are reshaping the industry's landscape. In recent years, the market research industry has witnessed a shift towards DIY, agile methodologies aimed at democratizing research. This trend empowers clients to take a more hands-on approach, but may inadvertently lead to less consulting and a lack of deep human connections. My challenge to the industry is: in our pursuit of tech-driven efficiency, are we losing what's truly essential for insights success?

At the heart of effective market research lie human connections—connections between brands and consumers, clients and suppliers, and manufacturers and retailers. It's these connections that can sometimes be overshadowed when we prioritize efficiency over nurturing human engagement. This reality is highlighted in the latest *GRIT Report,* where understanding a client's business and effective storytelling are on the rise as key drivers of success, while the pursuit of cost reduction and rapid results are on the decline. So, how can we deliver on this need for deep connections?

The answer lies in a collaborative and consultative approach. Clients and suppliers should engage in meaningful conversations that extend beyond immediate project objectives. For starters, clients can share the broader context of their strategic goals and market challenges; while suppliers, in turn, can reciprocate by proactively suggesting creative research strategies that push the boundaries of traditional methodologies to provide better insights solutions. This open and trust-based collaboration between clients and suppliers serves as the bedrock upon which innovative research methods can flourish.

As we venture further into the age of technology-driven market research, we must remember that while tech advancements, including AI, provide powerful tools, our primary goal remains unchanged—delivering digestible, actionable insights. With this in mind, clients and suppliers alike should consider the following:

1. Goals Beyond the Brief: Instead of being confined by what can be written in a research brief, let's explore the broader goals we aim to achieve and what drives our quest for these answers. Understanding the underlying motivations and the potential consequences of not addressing critical questions can provide invaluable context.

2. Embracing Calculated Risks: Let's encourage a mindset where taking calculated risks with a network of trusted partners becomes the norm. Bold, innovative approaches may carry risks, but these risks are necessary to uncover groundbreaking insights and drive our industry forward.

3. Seize the Moment: We often waste a lot of time thinking about whether we should make the safe choice or go with a more compelling but less familiar solution. Not only does this wasted time constrict overall project timelines, but it often also means the difference between validating the problem and identifying solutions.

By working in unison, we can ensure that our research endeavors yield not only actionable insights but also deeper understanding, lasting partnerships, and ultimately, success in an evolving market research landscape. Together, we write the next chapter of market research, one where technology and human insight coexist harmoniously to uncover the answers that drive businesses forward.

SKILLS AND STRATEGIES

On average, buyers are emphasizing fewer skills than before the pandemic as they focus their staffs and outsource some responsibilities. Supplier segments are emphasizing different skills to support their evolving service portfolios, but, overall, five factors continue to be critical to supplier success regardless of segment.

OVERVIEW

The number of skills emphasized has remained near pre-pandemic levels for strategic consultancies and full service and technology providers. In data and analytics, however, more are being emphasized.

GRIT asks buyer-side and supplier-side insights professionals which skills they emphasize developing in their staff: business knowledge, people skills, market research expertise, analytical expertise, innovative focus, and technical/computer expertise.

The average number of skills that are key priorities to develop has dropped from its pre-pandemic level among buyers, whom we hypothesize to be specializing more and have observed to outsource more responsibilities to suppliers. Although we do not have a benchmark for field services providers prior to the pandemic, the number of key priority skills has also dropped among them, as many of its more differentiated members seem to have migrated to other segments.

The number of skills emphasized has remained around pre-pandemic levels for strategic consultancies and full service research and technology providers. Data and analytics providers, however, are emphasizing more skills as the segment further differentiates its service portfolios.

AVERAGE NUMBER OF KEY PRIORITY SKILLS TO DEVELOP: GRIT WAVE (BUYER, SUPPLIER TYPE, INVOLVED IN STRATEGIC DECISIONS)

	20W1	21W1	22W1	23W1
Buyer	2.9	2.6	2.5	2.3
Full service research provider	3.0	2.7	2.9	3.0
Field services provider		2.9	2.6	2.5
Strategic consulting	3.4	2.8	3.0	3.2
Technology provider	3.4	2.9	3.3	3.1
Data & analytics provider	3.0	2.8	3.1	3.6

Darker green indicates higher average; yellowish, middle; and darker red, lower.
Averages exclude market research expertise which was not included until 21W1.
Full and field services were one category in 20W1.

GRIT also asks suppliers about eleven skills and strategies that could be critical to their success. In past waves, we asked them to rate each on set of a c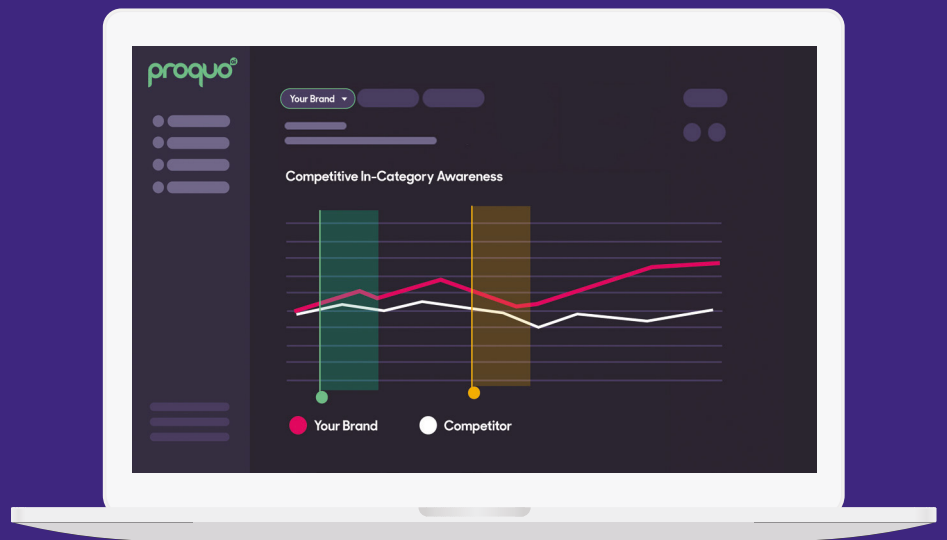losed-ended responses, but it seemed like everyone wanted to be the best at everything. This time, we changed it to a maxdiff trade-off so that suppliers would have to choose between them.

BUYER PERSPECTIVE

When GRIT first asked about skills to develop just prior to the pandemic, most buyers who are involved in strategic decisions responded that business knowledge, innovative focus, people skills, and analytical expertise were key priorities, in that order. Each of these has become important to fewer buyers since then, especially innovative focus, analytical expertise, and business knowledge. Currently, only business knowledge and people skills are key priorities for a majority.

KEY PRIORITY FOR SKILL DEVELOPMENT: GRIT WAVE (BUYER, INVOLVED IN STRATEGIC DECISIONS)

	20W1	21W1	22W1	23W1
Business knowledge	75%	70%	68%	63%
People skills	62%	61%	55%	54%
Market research expertise	N/A	48%	52%	46%
Analytical expertise	61%	49%	48%	46%
Innovative focus	68%	57%	54%	45%
Technical/computer expertise	28%	21%	24%	25%
Average number (excl. market research)	2.9	2.6	2.5	2.3
n =	110	509	319	270

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased more than 10% since 20W1; red border, decreased more than 10%.

Innovative focus experienced the most precipitous drop, from 63% before the pandemic to just 45% now, and innovation, at least with respect to insights work, seems to be one of the responsibilities that buyers are looking to suppliers to handle.

It may seem counter-intuitive that business knowledge has fallen given the consistent strength of strategic insights consulting as a significant role, as well as analytical expertise, given the growth in data analysis as a significant role. Business knowledge, however, is still a key priority for a majority, though we suspect that this emphasis has become more diluted as more staffs and more individuals become more specialized.

Similarly, analytical expertise is likely to be an important skill to have on staff, but perhaps not everyone needs to be expert in it. Perhaps the concept of "analytics" itself is becoming much less generic and more commonly understood to apply to special skills rather than to general aptitude. It might also be that while some buyers are increasing their emphasis on data analysis, others are relying on other internal groups or suppliers to provide it.

> Business knowledge, however, is still a key priority for a majority of buyers, though this emphasis has become diluted as more staffs and more individuals become more specialized.

SUPPLIER PERSPECTIVE

Among supplier-side insights professionals who are involved in strategic decisions, those from data and analytics providers prioritize the most skills, on average (4.4), along with those from qualitative research providers (4.2). Strategic consultancies and full service research and technology providers average nearly four, but field services suppliers average the fewest (3.4).

The low average for field services is accounted for by the low priority it places on analytical expertise. Only 31% say that analytical expertise is a key priority, whereas majorities of each other supplier type say it's a key priority, from technology (58%) to data and analytics providers (79%). As discussed in *Industry Structure* and other sections, the field services segment is experiencing a lot of changes, and that may be the reason why it stands out so much from the other segments. It's suddenly half the size it grew to during the pandemic, possibly

due to former members who developed enough revenue from other services, such as technology, to move into other segments.

The high priority field services suppliers place on people skills and lower priority relative to others for analytical expertise is similar to the priorities among qualitative research and technology providers. The three segments seem to be linked by the role technology currently has in reshaping them. In *Industry Structure*, we note the curious growth of field services among technology providers, which seems to be a result of former field services providers growing the technology side of the business. We also note the qualitative research segment has a strong technology-driven faction. Perhaps the focus on automation highlights the need for complementary people skills and reduces the relative priority of analytical expertise compared to other aspects of the business that can't be automated.

> Perhaps focus on automation highlights the need for people skills and reduces the priority of analytical expertise compared to other aspects of the business that can't be automated.

KEY PRIORITY FOR SKILL DEVELOPMENT: SUPPLIER TYPE (SUPPLIER, INVOLVED IN STRATEGIC DECISIONS)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Market research expertise	79%	59%	76%	73%	71%	81%
Analytical expertise	70%	31%	66%	73%	58%	79%
Innovative focus	67%	58%	76%	71%	68%	78%
Business knowledge	61%	59%	70%	70%	59%	70%
People skills	60%	79%	78%	70%	73%	71%
Technical/computer expertise	39%	49%	54%	33%	51%	62%
Average number of skills	3.8	3.4	4.2	3.9	3.8	4.4
n =	496	59	127	212	234	126

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased more than 10% since 20W1; red border, decreased more than 10%.
Field services compared to 21W1. There are no data for qualitative research providers prior to 22W2.
Market research expertise compared to 21W1.

Also as mentioned throughout this report, data and analytics may be the most dynamic supplier segment. The priorities they place on market research expertise, innovative focus, people skills, and technical/computer expertise have grown beyond pre-pandemic levels. Each skill is a key priority for at least 62% of the segment, and three are key priorities for more than three-quarters of it: market research expertise, analytical expertise, and innovative focus. This is a segment that is assimilating suppliers from other segments and diversifying.

In the *Overview* sub-section, we mentioned that we changed the methodology for evaluating skills and initiatives that are critical to supplier success from ratings to maxdiff. However, we didn't change the results; they are basically the same as they were when we first measured these eleven strategies in 20W1, on the eve of the pandemic.

The only case of strategies or skills changed by at least three rank positions from before the pandemic is assessing likely success of recommendations among technology providers (up to sixth from ninth). In 20W1, full and field services were combined, so we don't have a pre-pandemic benchmark for field services. Compared to the first measurement, in 21W1, two skills or initiatives have moved at least three positions for them: analyzing data powerfully (from eighth to fifth) and assessing likely success of recommendations (from fourth to ninth).

It's not clear why analyzing data powerfully would be ranked so highly in a segment that seldom prioritizes analytical expertise as a skill to develop, unless they assume that they already have that skill. A lot of suppliers seem to have left this segment recently, and the ones left may be focused more strictly on data collection. Arguably, the skills and initiatives that are ranked lower than fifth have less to do with basic field services than does analyzing data powerfully. Therefore, its relatively high ranking may be less a consequence of its absolute importance than to the lower relevance of other skills and initiatives.

Field services aside, the top three priorities are the same in each segment and might be considered table stakes for suppliers: understanding client's goals and strategies, having trust of ultimate client decision-maker, and communicating insights effectively. The fourth, analyzing data powerfully, is the same in each segment except for qualitative research, in which it is fifth. Instead, collecting data efficiently is fourth among qualitative research providers.

Outside of the anomalous field services segment, a few differences stand out. Intuitively, strategic consultancies rank assessing likely success of recommendations higher and collecting data efficiently lower than other types of suppliers. Technology and data and analytics suppliers seem to place a lower priority on making multi-disciplinary recommendations. Analyzing multiple data streams is more critical to the success of data and analytics providers, and using new types of data is somewhat more important to technology providers.

There is only one case of strategies or skills changing by at least three rank positions from before the pandemic.

CRITICAL TO YOUR 2023 SUCCESS: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Understanding client's goals and strategies	1	1	1	1	1	1
Having trust of ultimate client decision-maker	2	3	2	2	2	2
Communicating insights effectively	3	4	3	3	3	3
Analyzing data powerfully	4	5	5	4	4	4
Collecting data efficiently	5	2	4	8	5	5
Assessing likely success of recommendations	6	9	9	5	6	7
Making multi-disciplinary recommendations	7	6	6	6	10	9
Synthesizing data from multiple sources	8	8	7	7	9	8
Analyzing multiple data streams	9	10	8	9	7	6
Using new types of data	10	7	10	11	8	11
Conducting meta-analysis	11	11	11	10	11	10

Darker green indicates higher rank; yellowish, middle rank; and darker red, lower rank.
Green border indicates increased at least three positions since 20W1; red border, decreased at least three positions.
Field services compared to 21W1. There are no data for qualitative research providers prior to 22W2.
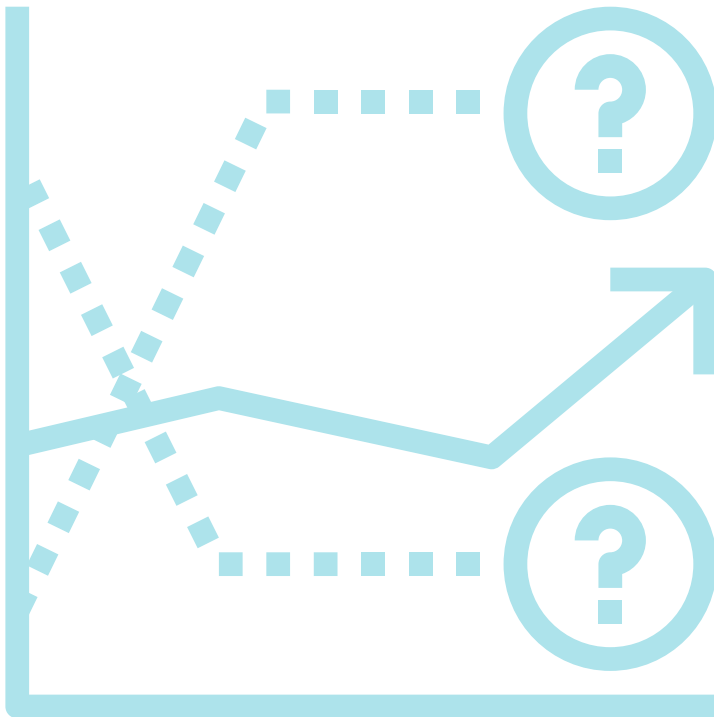
The priorities data and analytics suppliers place on market research expertise, innovative focus, people skills, and technical expertise have grown beyond pre-pandemic levels.

THE BIG PICTURE

Most buyer-side insights decision-makers and influencers agree that business knowledge and people skills are key priorities to develop among their staff, although fewer say this now than before the pandemic. In fact, for most skills, fewer say they are key priorities than did prior to the pandemic, and this likely reflects greater specialization among buyer-side insight professionals and the outsourcing of more responsibilities to other internal groups or external suppliers.

Chief among these might be insights innovation, a skill that saw the most precipitous drop among buyer-side insights decision-makers and influencers since the pandemic began. As we have mentioned in earlier *GRIT Report*s, the pandemic drove buyers to look outside their organizations for innovative approaches to insights to meet novel challenges, and it seems that they remain comfortable with that division of responsibilities. This is not to say that buyers are not innovating with respect to insights, only that the balance has not shifted back toward where it was before the pandemic.

Perhaps highlighting the division of responsibilities between buyers and suppliers, almost every type of supplier lists market research expertise as their first or second priority to develop within their staff. This may indicate that everyone from full service research to technology providers realizes that they cannot rely on the client to be the only research expert. As we discuss in *Unmet Needs*, some suppliers feel their relationships with clients have become more transactional and that buyers don't always understand what makes for good research.

Although we expect data and analytics providers to prioritize analytical expertise, it is also the second most common key priority for full service research providers and strategic consultancies. It's much lower for field services, qualitative research, and technology providers; instead, these segments are stressing people skills. Technology service offerings are reshaping these three segments, and that may surface needs for complementary skills. Also, most skills are growing priorities within data and analytics, a segment which seems to be diversifying quickly.

As far as overall skills and initiatives, suppliers continue to share four critical success areas: understanding client's goals and strategies, having the trust of the ultimate client decision-maker, communicating insights effectively, and analyzing data powerfully. Collecting data efficiently is also a top five priority for all except strategic consultancies, who don't do as much of it. These five have perennially been the top success factors for suppliers since before the pandemic. Unless they can prove to themselves that this consensus is the product of group-think, suppliers would do well to make sure they follow it.

> This is not to say that buyers are not innovating with respect to insights, only that the balance has not shifted back toward where it was before the pandemic.

> Five have perennially been the top success factors since before the pandemic. Unless this consensus is the product of group-think, suppliers would do well to make sure they follow it.

THE SHIFTING LANDSCAPE OF MARKET RESEARCH SKILLS

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In the ever-evolving landscape of market research, adaptability is the cornerstone of success. The *Skills and Strategies* section of this edition of the *GRIT Report* sheds light into the changing priorities of buyer-side insights decision-makers and influencers in a post-pandemic world.

The editorial rightly points out that buyer-side professionals are placing greater emphasis on business knowledge and people skills for skill development within their teams. However, it's noteworthy that these priorities have seen a dip since the onset of the pandemic. This trend aligns with the broader industry shift towards specialization, as organizations streamline their operations and, in many cases, outsource responsibilities to external partners. At Logit, we've seen both the size and scope of client requests change throughout the past 2-3 years as we've moved from a field provider to a true execution firm offering up innovation solutions to a wide array of data execution logistical challenges.

One skill that has experienced a significant decline among buyer-side professionals is "insights innovation." It's not to say that innovation is no longer a priority for buyers, it is however something that is becoming more of a specialization and an outsource opportunity. Companies who specialize in innovation such as The Logit Group have the advantage of viewing common industry challenges across multiple narratives, providing additional insights into how to provide timely and cost-effective solutions.

Analytical expertise remains a priority for various segments, including full-service research providers and strategic consultancies. While this skill may take a backseat for certain segments, it continues to be a focal point for others. Real-time data-driven decisions are becoming more paramount especially given the uptick and usage of AI this year. Firms who have prioritized the ability to further understand and actionize their data will reap the rewards and get a leg up on their competition.

In conclusion, the shifting landscape of market research skills offers critical lessons for companies in the post-pandemic world. To thrive, businesses must adapt to the evolving priorities, fostering business knowledge and people skills within their teams. They should embrace innovation, recognizing that it may necessitate specialized partners to navigate the changing terrain effectively. Additionally, analytical expertise should remain at the forefront of decision-making, as real-time data-driven insights become increasingly vital.

Survival and prosperity in this transformed landscape require not just understanding these shifts but actively incorporating them into strategies. Companies that harness these insights, cultivate essential skills, and remain agile in their approach will be well-equipped to not only navigate the post-pandemic world but also thrive in it. In an environment where adaptability is paramount, success lies in embracing change and staying ahead of the curve.

AI IN EVERYDAY LIFE

Buyers are cautiously optimistic about AI, as are many suppliers. Current experiences and future expectations of AI run the gamut, resulting in apparent contradictions which probably reflect the degree of uncertainty across the industry.

OVERVIEW

What you are sure this how you know not generated is AI?

Because it's written like that, and AI doesn't write that way – yet.

You may want to know whether what you read is AI-generated or not; your peers are concerned. Insights professionals are very skeptical about whether AI will help humanity more than hurt it, benefit all cultures equally, lead to more equitable decisions, and not be manipulated to mislead people in the service of narrow self-interests.

On the other hand, they are much more confident that AI will be a boon to their business or organization. More than 60% of technology and data and analytics providers believe AI will help

their businesses even though fewer than half believe it will help humanity more than hurt it. Ouch.

The gap between "will help me" and "will help us, too" is narrowest among buyers (36% to 31%) and field services providers (39% to 33%), but exceeds 12% in every other supplier segment. The gaps between "will help me" and "will not be biased against certain cultures," "will be fairer and less prejudicial," and "will not be manipulated for personal gain" are much, much wider. While it's understandable that there are people who believe that something might be detrimental to the whole but still beneficial to their part, it's a conundrum that some people believe that AI could still benefit humanity even if it might be biased, unfair, and used to deceive people.

> It's a conundrum that some people believe AI could still benefit humanity even if it might be biased, unfair, and used to deceive people.

COMPLETELY/MOSTLY AGREE WITH STATEMENTS ABOUT AI: BUYER & SUPPLIER TYPE WHO AGREE AI HELPS COMPANY

	Buyer	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics	AI boon to company
AI solutions will be a great boon to my business or organization	36%	49%	39%	46%	48%	63%	62%	100%
Ultimately, AI solutions will help humanity more than hurt it	31%	34%	33%	34%	36%	43%	49%	56%
Current AI solutions provide equal value to users regardless of country	16%	18%	17%	28%	14%	16%	32%	29%
AI solutions will lead to decisions that are more fair, less biased or prejudicial	16%	17%	21%	22%	14%	25%	33%	31%
I trust the people who train data for AI solutions to be honest, impartial, and wise	16%	15%	17%	22%	14%	15%	32%	27%
n =	332	700	84	187	270	310	197	1,027

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

Even among those who believe that AI solutions will benefit their company or organization, only just over half believe it will help humanity more than hurt it (56%). Among buyers, full service research providers, field services providers, qualitative research providers, and strategic consultancies, barely one-third believe it will help mor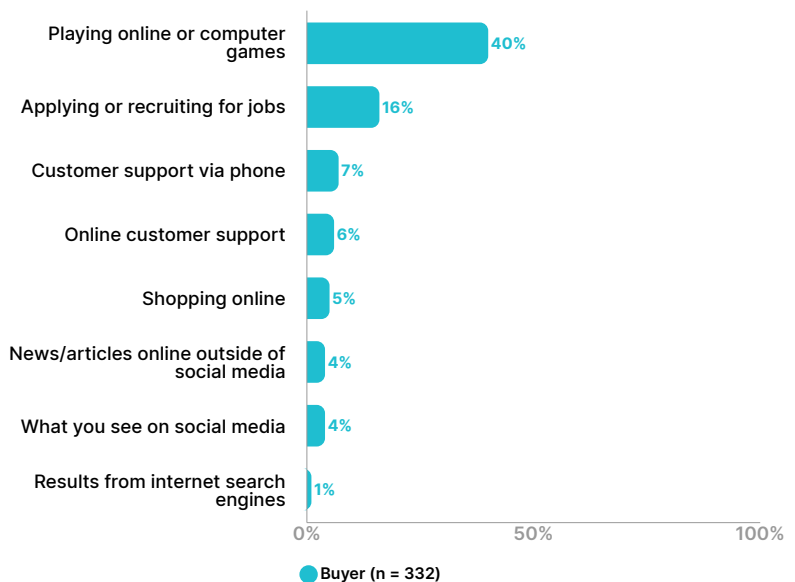e than hurt. Granted, those who do not "completely or mostly agree" may be undecided about its likelihood to cause harm rather than certain it will do so, but they're much more convinced that it will help them personally.

Nevertheless, even these believers don't trust the people who train the data. Maybe they have personal experience with them.

BUYER PERSPECTIVE

Of course, people have been experiencing the impact of AI every day long before Chat-GPT exposed their data. GRIT asks buyers about the effect that AI has had on their experiences in eight different activities, and at least 90% report having experiences with at least six of them. The two less familiar experiences are playing online or computer games (40% claim to have no experience with it) and applying or recruiting for jobs (16%).

EFFECT OF AI ON EXPERIENCES IS NOT APPLICABLE (BUYER)

Activity	Percentage
Playing online or computer games	40%
Applying or recruiting for jobs	16%
Customer support via phone	7%
Online customer support	6%
Shopping online	5%
News/articles online outside of social media	4%
What you see on social media	4%
Results from internet search engines	1%

Buyer (n = 332)

When buyer-side insights professionals have these experiences, the impact they feel from AI ranges from strongly positive (internet search results) to somewhat negative (what they see on social media). For only two experiences does AI generate positive experiences for most buyers: internet search results (64%) and online shopping (55%). Both of these experiences are long-established, have salient AI influences, and are mostly under the conscious and deliberate control of the user. Although some report negative impacts, the differential is overwhelmingly positive, +52% for search and +46% for shopping.

Nearly half say AI has at least a somewhat positive impact on online customer support (47%), but 27% report a negative impact; a differential of only +20%. Perhaps this represents "growing pains" for a relatively new and evolving experience in which the presence of AI may often be more subtle than it is for search and shopping.

The differential is somewhat more positive for games (+25%), but for a more limited and engaged audience that is likely to be very cognizant of AI's presence. One might expect such an audience to have a much more positive differential, but only 35% cite a positive impact. Perhaps they are more likely to have a neutral opinion because they take the impact of AI on games for granted, or maybe they are not thrilled when AI seems to be more preoccupied with making things "interesting" rather than "realistic."

Three experiences are basically even between positive and negative impact, and we might be tempted to interpret them as "negative" because it can be somewhat unusual for people to express negative feelings in surveys. Applying or recruiting for jobs is the most positive of the three (30% to 21%), and it would be very interesting to break that down by people who are recruiting versus those who are applying. Nearly half (49%) have a neutral opinion, second only to games (56%). Regarding AI impact on job matching, it may be more neutral

because its presence is less salient, whereas, for gamers, neutrality may be driven by the yin and yang of the pleasing and frustrating experiences AI causes.

The next most positive differential is online news/articles outside social media (36% to 28%), but it's also more absolutely positive and negative than recruiting or applying for jobs because fewer have a neutral opinion. Perhaps some people like having news customized "for you," but maybe some people don't like reading about the same topic over and over from the same point of view. "Personalized" news was great when *Knives Out* hit it big because there was a seemingly limitless cornucopia of fascinating trivia to consume, but some people might resent the same approach being taken to epidemics, wars, or...things they never hear about because they're not considered "for you."

Of the three that break both bad and good, customer phone support breaks slightly bad (32% positive to 35% negative). This may be a case of awareness becoming more likely when the experience is bad than when it is good, but there are a relatively low amount of neutral ratings (33%). Maybe this is another example of an AI-enabled experience with "growing pains," or maybe some people refuse to trust "someone" who is that darn polite all the time.

With a -14% differential, social media is at the bottom of the barrel. Among buyers, 26% say AI has at least a somewhat positive impact on what they see, but 40% say it has at least a somewhat negative impact, and only 34% say it has a neutral impact. Worse, only 4% say it has a strongly positive impact on what they see while three times as many say it is strongly negative (12%).

> The impact buyer-side insights professionals feel from AI ranges from strongly positive (internet search results) to somewhat negative (what they see on social media).
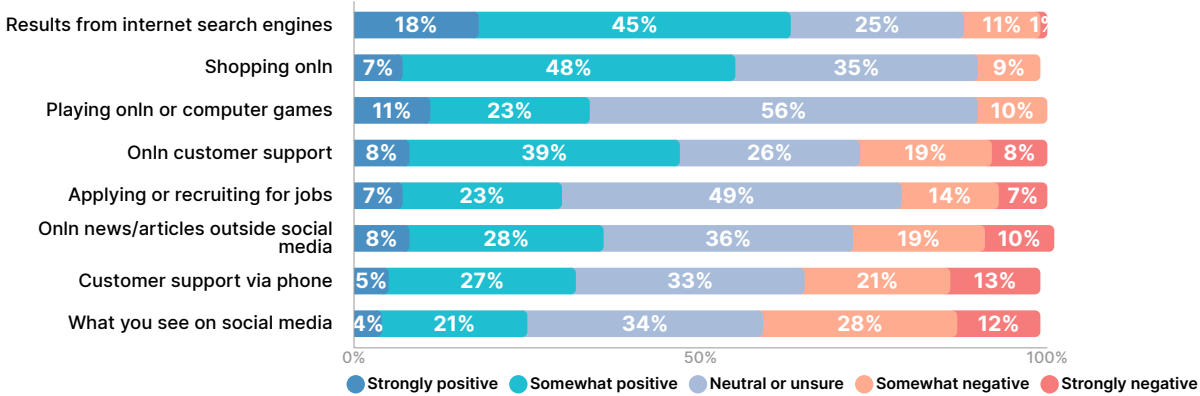
> Social media represents the nadir of AI impact - 26% of buyers say AI has a positive impact on what they see, but 40% say it has a negative impact

Maybe AI thinks buyers want to see a lot of pictures of cousin Cthulhu because they just wished him a "happy birthday," but maybe AI doesn't realize that buyers don't want an update of every instance in which someone gazes upon cousin Cthulhu and goes insane. Or maybe there's an even deeper mistrust.

CURRENT EFFECT OF AI ON EXPERIENCES (BUYER)

	Strongly positive	Somewhat positive	Neutral or unsure	Somewhat negative	Strongly negative
Results from internet search engines	18%	45%	25%	11%	1%
Shopping onln	7%	48%	35%	9%	
Playing onln or computer games	11%	23%	56%	10%	
Onln customer support	8%	39%	26%	19%	8%
Applying or recruiting for jobs	7%	23%	49%	14%	7%
Onln news/articles outside social media	8%	28%	36%	19%	10%
Customer support via phone	5%	27%	33%	21%	13%
What you see on social media	4%	21%	34%	28%	12%

In addition to asking about the impact that AI currently has on their experiences, GRIT asks buyers how much they agree with certain statements related to AI. At the time of the survey, generative AI had already been a hot topic for a while, but at this point during the survey "AI" was mentioned generally and "generative" was not mentioned specifically. It may have been in people's heads, but we didn't put it there.
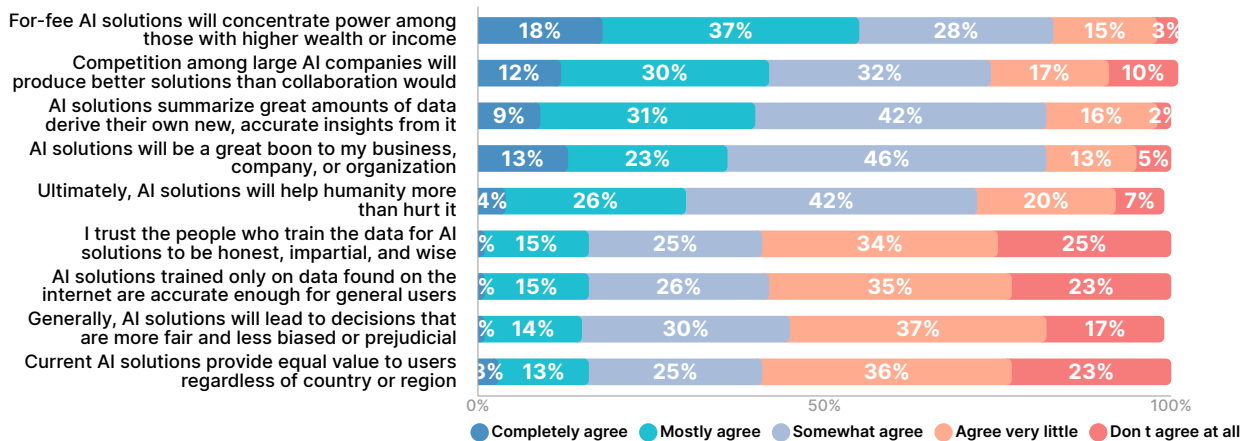
Among buyers, less than one-third completely or mostly agree that AI will help humanity more than hurt it (31%), and only 36% believe it will be a great boon to their business. Somewhat more agree that AI can generate new, accurate insights of its own (40%) and that competition among large AI companies will produce better solutions than continued collaboration would have (42%).

Only one of the nine statements achieved a majority who completely or mostly agree: for-fee AI solutions will concentrate power among those with higher wealth or income. Considering this sentiment, perhaps buyers say that "competition is better than collaboration" expect competition will drive fees so low that everyone can afford the best solutions. Or perhaps they expect to be among the affluent and powerful.

> Among buyers, less than one-third completely or mostly agree that AI will help humanity more than hurt it.

AGREEMENT WITH STATEMENTS ABOUT AI (BUYER)

	Completely agree	Mostly agree	Somewhat agree	Agree very little	Don t agree at all
For-fee AI solutions will concentrate power among those with higher wealth or income	18%	37%	28%	15%	3%
Competition among large AI companies will produce better solutions than collaboration would	12%	30%	32%	17%	10%
AI solutions summarize great amounts of data derive their own new, accurate insights from it	9%	31%	42%	16%	2%
AI solutions will be a great boon to my business, company, or organization	13%	23%	46%	13%	5%
Ultimately, AI solutions will help humanity more than hurt it	4%	26%	42%	20%	7%
I trust the people who train the data for AI solutions to be honest, impartial, and wise	%	15%	25%	34%	25%
AI solutions trained only on data found on the internet are accurate enough for general users	%	15%	26%	35%	23%
Generally, AI solutions will lead to decisions that are more fair and less biased or prejudicial	%	14%	30%	37%	17%
Current AI solutions provide equal value to users regardless of country or region	3%	13%	25%	36%	23%

Four statements generated very low amounts of agreement, suggesting a Lovecraftian netherworld of distrust lurking below an optimistic surface. For each, only 16% completely or mostly agree:

- I trust the people who train the data for AI solutions to be honest, impartial, and wise
- AI solutions trained only on data found on the internet are accurate enough for general users
- Generally, AI solutions will lead to decisions that are more fair and less biased or prejudicial
- Current AI solutions provide equal value to users regardless of country or region

Given these relatively high levels of uncertainty, at best, or mistrust, at worst, regarding accuracy and fairness, it seems a bit optimistic for even 39% to say it will be a boon to their business or for 31% to believe it will help humanity. We'd expect buyers to have low confidence that solutions trained only on the internet are accurate enough for *business* purposes, but it's a little surprising that buyers don't believe that's accurate enough for *general* users. That seems to reflect a rather high level of concern, considering how relatively confident they are about AI's potential for good. Overall, it seems that buyers

are pretty savvy about AI's potential flaws and weaknesses, but are cautiously optimistic about its potential.

Having generally positive experiences with existing AI solutions is related to willingness to use or try generative AI. Over 70% of those who are currently using or trying generative AI have a positive experience with AI during internet searches, but only 53% among others do. The widest gap across experience with generative AI concerns news and articles seen outside of social media. For current users of generative AI, 58% report a positive experience, but it is only about half that for those currently trying it (32%) and others (28%).

The gaps are also large for what they see on social media, which is typically perceived to be negatively impacted by AI, and for online customer support, which also has its detractors. It's not entirely clear whether the current users of generative AI are super-savvy and can spin gold from the straw that is AI-enabled news, social media, and online customer support, or if they are naive innocents who view AI through rose-colored glasses.

> We'd expect low confidence in solutions trained only on the internet for business purposes, but it's surprising they don't believe they're accurate enough for general users.

POSITIVE EFFECT OF AI ON EXPERIENCES: GENERATIVE AI EXPERIENCE (BUYER)

	Currently using it	Currently trying it	Tried/Might/ Not likely
Results from internet search engines	73%	72%	53%
Shopping online	65%	47%	57%
Online customer support	62%	45%	45%
News/articles online outside of social media	58%	32%	28%
Playing online or computer games	50%	37%	20%
What you see on social media	41%	23%	21%
Applying or recruiting for jobs	40%	25%	30%
Customer support via phone	37%	31%	31%

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

Those more dubious experiences aside, seeing a positive impact of AI on online or computer games seems strongly correlated with trial and use. Positive experiences are reported by 50% of those who are currently using generative AI and 37% among those who are trying it. Among the other non-users it is only 20%. Perhaps the key experience for the true generative AI aficionado is with computer games, which may be more immersive for them than any of previously mentioned experiences that distinguish them from triers and other non-users.

Not surprisingly, current users of generative AI have different opinions about AI than do others. The biggest differentiator is how strongly they feel

it will help their business. Those who completely or mostly agree are 65% of users, 37% of triers, and only 22% of others. Belief in what AI can do for you, personally, seems to have the power to damn the torpedoes, so to speak.

The next biggest differentiator is belief that for-fee AI solutions will concentrate power among the wealthy (+20% versus triers, +28% versus others), followed by confidence that AI can generate new, accurate insights (+17%, +24%, respectively). As much as the former belief may seem self-serving while the latter seemingly violates the Law of Conservation of Mass, they are nonetheless associated with current use of generative AI.

COMPLETELY/MOSTLY AGREE WITH STATEMENTS ABOUT AI: GENERATIVE AI EXPERIENCE (BUYER)

	Currently using it	Currently trying it	Tried/Might/Not likely
For-fee AI solutions will concentrate significantly more power among those with higher wealth or income	74%	55%	47%
AI solutions will be a great boon to my business, company, or organization	65%	37%	22%
AI solutions summarize great amounts of data, and they can also derive their own new, accurate insights from it	58%	40%	33%
Competition among large AI companies will produce better solutions for businesses and consumers than collaboration would	50%	53%	30%
Ultimately, AI solutions will help humanity more than hurt it	48%	36%	18%
Generally, AI solutions will lead to decisions that are more fair and less biased or prejudicial	31%	14%	10%
I trust the people who train the data for AI solutions to be honest, impartial, and wise	27%	22%	6%
Current AI solutions provide equal value to users regardless of country or region	25%	16%	11%
AI solutions trained only on data found on the internet are accurate enough for general users	20%	19%	12%
n =	69	118	132

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

SUPPLIER PERSPECTIVE

Similar to buyers, at least 90% of suppliers have experience with each of the areas we asked about except for online or computer games and applying or recruiting for jobs. Perhaps not surprisingly, technology (27%) and data and analytics providers (23%) are less likely to say they have no experience with online or computer games than full service research (38%) and field services providers (33%) and strategic consultancies (33%). However, it may be unexpected to see qualitative research providers at only 22%. Not to invoke too many stereotypes, but if qualitative researchers are the leading gamers, it may be another indication of its apparent cross-pollination with the technology segment.

EFFECT OF AI ON EXPERIENCES IS NOT APPLICABLE: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Playing online or computer games	38%	33%	22%	33%	27%	23%
Applying or recruiting for jobs	21%	19%	16%	16%	9%	10%
Customer support via phone	11%	6%	4%	8%	6%	8%
Online customer support	8%	1%	5%	5%	3%	4%
Shopping online	5%	3%	2%	3%	3%	3%
News/articles online outside of social media	5%	5%	0%	1%	2%	2%
What you see on social media	5%	8%	3%	2%	4%	4%
Results from internet search engines	2%	1%	0%	2%	1%	0%

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

Current experience with AI is fairly similar among supplier-side insights professionals across segments, although technology and data and analytics providers tend see the impact as much more positive. Similar to buyer experiences, results from internet search engines and online shopping are very positive. Data and analytics providers are much more positive on both while technology providers are equally as strong on internet search. Impact on computer or online games is more decisively positive among suppliers than among buyers, and, curiously, consistently around 40% in every segment.

After these three, net positivity falls, though more slowly among data and analytics providers. AI impact on online customer support is almost as positive among them as online or computer games, but it's only about half that for other segments (except technology and qualitative research providers, which are between). Applying or recruiting for jobs is about +25% for field services, qualitative research, and technology providers, but 10% higher for data and analytics providers and much lower for full service research providers (just +14%) and strategic consultancies (+6%).

AI impact on customer phone support runs from marginal for full service (-5%) and qualitative research (+9%) providers and strategic consultancies (+5%) to stubbornly positive for data and analytics providers (+26%). Field services providers and strategic consultancies are just as negative about what they see on social media (-12%) as buyers, whereas data and analytics (+20%) and qualitative research providers (+13%) lean positive. Full service research (-3%) and technology (-3%) are neutral, at least mathematically.

CURRENT EFFECT OF AI, POSITIVE MINUS NEGATIVE: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Results from internet search engines	+53%	+50%	+56%	+56%	+68%	+69%
Shopping online	+50%	+50%	+57%	+48%	+56%	+67%
Playing online or computer games	+38%	+44%	+41%	+40%	+42%	+42%
Online customer support	+20%	+19%	+30%	+21%	+31%	+41%
Applying or recruiting for jobs	+14%	+25%	+26%	+6%	+25%	+35%
Online news/articles outside social media	+6%	+19%	+17%	+2%	+7%	+31%
Customer support via phone	−5%	+17%	+9%	+5%	+12%	+26%
What you see on social media	−3%	−12%	+13%	−12%	−3%	+20%
n =	430	58	154	188	228	150

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

Although the belief that AI solutions will benefit their business is one of the most agreed-to statements across suppliers, it's also the most differentiating. More than 60% of technology and data and analytics providers mostly or completely agree with it, but only 39% of field services providers do. It's the top statement for technology providers (63%); second for data and analytics (63%) full service research providers (49%) and strategic consultancies (48%); third for qualitative researchers (46%); and fourth for field services. In *Industry Structure*, we discuss the drastic reduction in the size of the field services segment, possibly due to the migration of many to the technology segment, and it could be that those who remain need to take a deep breath before tackling AI solutions.

The next most differentiating belief is whether AI solutions can produce new and accurate insights of their own. This cuts to what may become the heart of the AI debate in insights: can AI go beyond summarizing data to generate accurate, new insights of its own? If it can't generate new insights on its own, then there will always be an important role for humans to play. If it *can*, well, the world needs ditch-diggers, too.

Most data and analytics (63%) and technology providers (56%) believe AI can defy the Law of Conservation of Mass and create new insights once trained on existing data. Strategic consultancies (38%) and field services providers (40%) are more skeptical. This is the top statement for data and analytics and qualitative research (48%) providers, second for technology providers, third for full service research (47%) and field services providers, and fourth among strategic consultancies.

Half or most providers in each supplier segment believe for-fee AI solutions will concentrate power among the wealthy, but only 44% of qualitative research providers believe it. It's fourth for them, technology (47%), and data and analytics providers (51%), but first or second among the others.

One other statement garners a majority of agreement within any segment, that competition among large AI companies will produce better solutions than collaboration. Data and analytics (58%), technology (53%), and field services (50%) providers completely or mostly agree. Qualitative researchers are just under a majority (47%), and full service research providers (43%) and strategic consultancies (40%) are somewhat more likely to be skeptical.

> Although the belief that AI solutions will benefit their business is one of the most agreed-to statements across suppliers, it's also the most differentiating.

The belief that AI solutions will ultimately benefit humanity more than hurt it captures a near-majority in data and analytics (49%), a large minority among technology providers (43%), but only about one-third of each other segment.

Agreement is low for the other four: internet-trained solutions are good enough for general users, AI solutions provide equal value regardless of country

and will lead to more equitable decisions, and that those who train the data can be trusted. The outstanding feature of these four is that data and analytics providers are more likely to agree with them than any other segment, especially trusting the trainers. Agreement is 10% higher (32%) than for qualitative research providers and about twice as high as in each other segment.

COMPLETELY/MOSTLY AGREE WITH STATEMENTS ABOUT AI: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
AI solutions will be a great boon to my business, company, or organization	49%	39%	46%	48%	63%	62%
AI solutions summarize great amounts of data derive their own new, accurate insights from it	47%	40%	48%	38%	56%	63%
For-fee AI solutions will concentrate power among those with higher wealth or income	54%	50%	44%	54%	47%	51%
Competition among large AI companies will produce better solutions than collaboration would	43%	50%	47%	40%	53%	58%
Ultimately, AI solutions will help humanity more than hurt it	34%	33%	34%	36%	43%	49%
AI solutions trained only on data found on the internet are accurate enough for general users	18%	25%	24%	14%	24%	36%
Current AI solutions provide equal value to users regardless of country or region	18%	17%	28%	14%	16%	32%
Generally, AI solutions will lead to decisions that are more fair and less biased or prejudicial	17%	21%	22%	14%	25%	33%
I trust the people who train the data for AI solutions to be honest, impartial, and wise	15%	17%	22%	14%	15%	32%
n =	700	84	187	270	310	197

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

As we did for buyers, we can compare current users of generative AI to triers and others within most supplier segments. Among full service research suppliers, the most differentiating experience is playing online or computer games: the AI impact is positive for 55% of users, but only 44% among triers and 33% among others. Results from internet search engines is next most differentiating, but, in each of these segments, the percentage claiming a positive impact from AI is more than 50%.

Among qualitative researchers, there is at least a 20% difference between users and others, except for online shopping, for which the difference is only 10%. The most meaningful experience might be online customer support: among users, 73% report a positive impact, but only 49% of triers cite a positive impact. The only other experience that stands out is results from internet search engines, but 71% of triers say the impact is positive, so that is unlikely to be a major driver of usage.

> Agreement is low regarding how good internet-trained solutions are for general users, whether AI solutions provide equal value regardless of country and will lead to more equitable decisions, and that those who train the data can be trusted.

Online shopping might be the most important experience behind usage among strategic consultancies. Most users (64%) report a positive impact from AI, but only 52% of triers and 48% of others agree. Experience with news and other articles outside of social media may also be a factor: 39% positive for users, 30% for triers, and only 19% for others.

Among technology providers, the experience most correlated with use of generative AI is customer phone support. A positive impact is experienced by 46% of users, but only 34% of triers and 29% of others. Online customer support may also be a

factor: 60% positive for users, 54% for triers, but only 34% for others.

Data and analytics providers are most differentiated on their experience with recruiting or applying for jobs. Most generative AI users (73%) report a positive impact, but only 42% of triers and 25% of others agree. As with technology providers, the customer phone support experience may also differentiate between users, triers, and others. Among generative AI users, 61% experienced a positive impact from AI, but only 47% of triers and 42% of others did, too.

Among data and analytics providers, most generative AI users report a positive AI impact on their experience recruiting or applying for jobs (73%), but only 42% of triers and 25% of others agree.

DIFFERENTIATING POSITIVE IMPACT OF AI ON EXPERIENCES: GENERATIVE AI EXPERIENCE (SUPPLIER)

	Currently using it	Currently trying it	Tried/Might/ Not likely
Playing online or computer games			
Full service research provider	55%	44%	33%
Online customer support			
Qualitative research provider	73%	49%	
Technology provider	60%	54%	34%
Online shopping			
Strategic consulting	64%	52%	48%
Online news/articles outside social media			
Strategic consulting	39%	30%	19%
Customer support via phone			
Technology provider	46%	34%	29%
Data and analytics provider	61%	47%	42%
Applying or recruiting for jobs			
Data and analytics provider	73%	42%	25%

With respect to agreement with AI-related statements, differences also exist by supplier segment. Experiences with generative AI among full service research providers are most differentiated by their belief in how it will benefit their business (63% of users completely or mostly agree, 46% of

triers, and 33% of others). Faith that AI solutions will ultimately benefit mankind more than harm it is another differentiator (47%, 31%, 20%, respectively), as is the belief in their ability to generate accurate new insights of their own (56%, 47%, 36% respectively).

Several statements differentiate generative AI users, triers, and others among qualitative researchers. The two that differentiate most between users and both triers and others are that AI solutions will lead to more equitable decisions (47%, 11%, 6%) and that they trust the people who train data for AI solutions (41%, 17%, 6%). Six other statements show at least a 17% gap in agreement between generative AI users and each other group.

The belief that AI solutions will benefit their business is what most differentiates users, triers, and others among strategic consultancies (68%, 41%, 22%). The belief that AI solutions will help more than harm humanity is also differentiating (48%, 31%, 23%), as is the belief that competition among large AI companies will be more beneficial than collaboration (51%, 37%, 22%). Trust in data trainers also differentiates (21%, 10%, 8%), but less significantly because agreement is so low.

The belief that AI solutions will benefit humanity more than damage it most differentiates technology users of generative AI (55%) from triers (39%) and others (16%). Other differentiators include the belief that their business will benefit (76%, 64%, 27%) and that competition among large AI companies will produce better solutions than collaboration (65%, 52%, 23%).

The statement that most differentiates users of generative AI from triers and others among data and analytics providers is trust in those who train the data (48%, 25%, 20%). Next is the belief that AI solutions will benefit their business (82%, 63%, 28%), followed by trust that AI solutions can generate their own new and accurate insights (75%, 60%, 49%). On four other statements, at least 10% more users of generative AI completely or mostly agree than triers or others.

There are different drivers of generative AI trial and usage across segments, but the two common threads are current positive experiences with AI and faith that it will benefit their business.

THE BIG PICTURE

While insights professionals, overall, seem cautiously optimistic about AI, it's not clear to us how they are weighing caution versus optimism, and it's probably not entirely clear to them, either. On one hand, even the more optimistic among them seem to understand the potential downsides of AI, and there is not exactly a landslide of favorable expectations in most segments. On the other hand, even the relatively muted enthusiasm for how it will benefit their businesses specifically and humanity generally seems overstated relative to the amount of uncertainty they express.

Their optimism and skepticism seem to reflect their current experiences with AI in everyday life. Insights professionals report very positive experiences with AI in familiar activities that they direct, such as internet searches and online shopping, less positive experiences in less established and ambiguous activities, like customer support or recruiting and applying for jobs, and neutral or negative experiences, like what they see on social media and outside of it. Generally speaking, those who perceive the current impact of AI on their experiences more positively tend to be more receptive to generative AI.

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Even so, given the doubts about AI's ability to produce accurate and equitable results, it takes more than positive experiences with garden-variety AI to birth a generative AI advocate; it takes faith in its ability to help you, personally. When insights professionals believe that AI can benefit their business, it gives them the fervor to put their hesitations aside and investigate for themselves, even if the hesitation is doubt about how good it is for humanity in general.

So, "cautiously optimistic" describes the zeitgeist of the insights and analytics industry at the moment regarding AI, and buyer-side insights professionals may best illustrate this mood. However, there are factions that are less cautious than others. The data and analytics segment represents this faction, although it would be unfair to classify all members of that segment in this way or to exclude like-minded suppliers that happen to be in other segments. They are more optimistic about the advantages of AI and seem to have abnormally positive experiences with it in some arenas, but they tend to harbor the same skepticisms about it as anybody else, only to a lesser extent.

In the 1953 western classic, *Shane*, when a homesteader tells Shane that she looks forward to a day "when there are no more guns in the valley, even yours," Shane replies that a gun is a tool, no better or worse than the man who uses it. Similarly, the skepticism about AI concerns the data sources, the people who train it, and the people who interpret it, not the technology itself. AI is neither good nor bad, but can break either way depending on the abilities and motivations of those who control it.

Buyers are cautiously optimistic about AI, but there are suppliers who are less skeptical than the norm and believe they can make a bundle off it. *Caveat emptor*. It is up to you to discern whether the supplier that approaches you with an AI solution is motivated more by prophecy or profit, and whether they have been touched by angels or simply drank the Kool-Aid. You already have a healthy skepticism; be sure to apply a rigorous scrutiny. *Your* intelligence is not artificial.

Note: Full wording of statement below.
- *For-fee AI solutions will concentrate significantly more power among those with higher wealth or income*
- *AI solutions will be a great boon to my business, company, or organization*
- *AI solutions summarize great amounts of data, and they can also derive their own new, accurate insights from it*
- *Competition among large AI companies will produce better solutions for businesses and consumers than collaboration would*
- *Ultimately, AI solutions will help humanity more than hurt it*
- *AI solutions trained only on data found on the internet are accurate enough for general users*
- *Generally, AI solutions will lead to decisions that are more fair and less biased or prejudicial*
- *Current AI solutions provide equal value to users regardless of country or region*
- *I trust the people who train the data for AI solutions to be honest, impartial, and wise*

So, "cautiously optimistic" describes the zeitgeist of the industry at the moment, and buyer-side insights professionals may best illustrate this mood.

Skepticism about AI concerns data sources, people who train it, and people who interpret it. AI is neither good nor bad, but can break either way depending on the abilities and motivations of those who use it.

recollective

NAVIGATING THE UNCERTAIN PATH OF AI: CAUTIOUS OPTIMISM AND THE FUTURE OF INSIGHTS PROFESSIONALS

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Change is inevitable. While human beings have experienced tremendous technical transformations throughout our history, the big question on everyone's mind now is whether AI will be different.

That's led to a lot of speculation about how AI will impact our day-to-day lives. Of course the reality, as with any new technology, is no one can predict exactly where AI is headed. On one hand, there's excitement about new innovations, but on the other hand, some healthy caution.

Looking at the GRIT data, it's clear that insights professionals share this position; we're cautiously optimistic about AI which reflects the uncertainty that comes with a new disruptive technology. However, while there is skepticism about whether AI will help humanity more than hurt, there is confidence that AI will have a positive impact and move our industry forward. That in turn is driving insight professionals to think about how AI can help us deliver research faster, cheaper, and better.

One of the most obvious benefits is time saving. AI should aid us in identifying trends and patterns in data more quickly. It can provide a safety net by highlighting results that may have gone overlooked and enable researchers to quickly pivot their studies to drive better insights. Finally (and not least), AI promises to help us to significantly scale our research and expand how we engage with our target audiences to uncover deeper, more meaningful insights.

The downsides of course are equally disruptive: will the use of AI destroy our industry and our place as researchers? One concern we hear often is that individuals could use AI in a way that compromises the data; either by creating fake respondents or generating fake responses. At Recollective, we're developing features to mitigate those risks but it's important to remember that as the researchers, we can't remove ourselves from that process either.

We're at the very beginning of this new, AI-powered research world. We can't avoid technological progression, nor should we aim to. Let's always remember, though, that there is an inescapably human foundation to our industry and that we must all play a role in determining how technology, even one as transformative as AI, evolves it for the future.

So while it's healthy to be cautious or skeptical when new technology is introduced, let's continue to embrace the excitement. AI, and how we use this astonishing new technology, is in our hands.

CAUTION: AI AT WORK

Most insights professionals seem to be aware of the cautions regarding using AI or generative AI for professional work, and, although some of them are "hypnotized by the upside," the rest are not exactly "frozen by the fears." One should avoid passively accepting AI technology and assess how much validation you need for each use case given its specific level of risk.

OVERVIEW

As we write this, the state of California has issued an executive order mandating state agencies to issue guidelines for public use of generative artificial intelligence (GenAI) and requiring state departments to report on its uses and potential dangers to communities, governments, and state government workers. Google has just required political ads to clearly disclose whether they have used AI to alter sounds and images. Attorneys general from each of the 50 United States just urged the US Congress to investigate the risk of child exploitation posed by AI. The Commons Technology Committee recently urged the UK government to move more quickly to regulate AI, listing a dozen risks such as bias, fraud, and impact on jobs. Worst of all (to the UK, perhaps), they warned that the EU's AI Act may become a de facto standard if the UK fails to move quickly.

Yet, when GRIT asks participants why someone *might* object to using AI or generative AI for professional work, the best some of them can come up with are things like:

- *They don't understand it, don't understand legal implications, scaremongering...*
- *Lack of technical skills, old school.*
- *Old School folks don't trust the capability of AI because it is a manmade program.*
- *Hillbilly too long in the same job or company*
- *??? Fear of the unknown ??? Weak egos ??? Fragile sense of autoesteem*
- *Fear of the unknown, fear of job loss, Hollywood inspired fear of 'machines taking over'.*

And some people accuse *generative AI* of being biased, inhuman, and incapable of empathy!

The AI-generated answers GRIT received were much more aware of and sensitive to the concerns of insights professionals than the ones from these presumably sentient participants. Although regrettably inauthentic, the AI-generated answers were more "thoughtful" than these, although the people quoted above might dismiss those empathetic and inclusive responses as "hallucinations."

> The AI-generated responses seemed much more sensitive to the concerns of objectors than the responses from some presumably sentient participants.

Although many other real participants also mentioned objectors might be fearful or ignorant of how AI works and what it can do, they also cited a basis for fear and other reasons to be cautious. Yet, many insights professionals derided their peers as simple-minded, ignorant, lazy, and fearful (and sometimes just "old"). It seems that all the comments related to fear that might be inspired by sci-fi came from those wanting to dismiss the concerns of others, not from people expressing such a concern on their own behalf. Although many people mentioned the potential for AI to be biased and to promote bias against certain populations, we are reminded by *these* insights professionals that humans pioneered such behavior and that AI is merely their pupil (e.g., via social media).

And then there are the blissfully ignorant who simply *can't imagine why* anyone would be concerned about using AI for professional work, such as these cherubs who *refuse* to look both ways before crossing a busy street:
- *I don't think anyone will OBJECT. I think the use cases need to become more evident.*
- *I honestly can't think of one objection.*
- *No reason why not.*

Let us remind the reader that we asked for a *hypothetical* objection that a *hypothetical* insights professional *might* make *after* exposing them to about a dozen reasons earlier in the survey. If that's not enough prompting, fewer than 5% claim no familiarity with generative AI, and yet those who are familiar seemed to have missed any public discourse about its potential risks.

Keep in mind that almost every GRIT participant is familiar with generative AI, that we biased them with potential objections earlier in the survey, and that we simply asked them for hypothetical

objections from hypothetical peers. The top 10 perceived major objections to use of AI or generative AI are:
- Accuracy of results
- Privacy
- Security, IP, and client trust
- Loss of jobs or loss of their job
- Bias
- Pure fear, ignorance, or inertia
- Inhuman or lacks human influence
- Lack of transparency about sources, processes, or policies
- Quality control
- Ethics, equity, and social impact

Are those who might object to using AI at work brainless idiots who have no appreciation for what it can achieve, or are they cautiously optimistic about it? Are those who seem to mock others who might object to professional use of AI thuggish zealots who want everyone to conform to their world view, or do they have a well-founded zeal for what can be accomplished with AI?

Well, the sad news is that there plenty of zealots out there for the cautiously optimistic to guard against, as we can attest based on the hundreds of apparently supplier-submitted, AI-generated surveys we discarded. Of course, these surveys evangelized the wonderful world of AI.

The positive news is that the zealots aren't the majority and that dissonance across GRIT participants is not the product of fundamental disagreements so much as which AI use case they were focused on when they answered. Participants were asked a general question about a nuanced subject while in the midst of answering many questions on diverse topics, and, naturally, their responses mainly reflect their most salient experiences derived from limited and likely non-representative exposures to the subject. Much like responses from generative AI itself.

> The positive news is zealots aren't the majority and dissonance across participants is not due to fundamental contradictions so much as which use case they were focused on.

To untangle the apparent contradictions, it may help as a heuristic device to consider the EU's approach to regulating AI. The AI Act doesn't treat AI or generative AI as though it was a single concept (although GRIT did in the survey); it attempts to classify different applications of AI according to risk level, then regulate each level as they see fit. You are welcome to debate the merits of the EU initiative, but the main idea for our discussion is that we can only understand the responses in the survey if we consider each author's frame of reference and avoid the temptation to assume they are each talking about scenarios that carry equivalent risks. As some allege, AI can't think this way, but you can.

Lest you think that GRIT is being unfairly harsh toward AI, remember that most GRIT participants are using or trying generative AI and most expect their companies to integrate the latest AI technology into their offerings. That doesn't seem too harsh. When California governor Gavin Newsom signed his executive order regarding AI, he made a statement that captures the gestalt of the GRIT participant:

> This is a potentially transformative technology – comparable to the advent of the internet – and we're only scratching the surface of understanding what GenAI is capable of. We recognize both the potential benefits and risks these tools enable. We're neither frozen by the fears nor hypnotized by the upside. We're taking a clear-eyed, humble approach to this world-changing technology.

In this spirit, we'll review the ten major objections by stating the case for each followed by the counter-argument and a short discussion. We apologize in advance if the result seems superficial. Our goal is to sensitize the industry to multiple sides of each objection, not to supply an in-depth or definitive analysis for any of them. Besides, acknowledging that we cannot do the topic justice in this limited space is sort of related to the main point we are trying to make.

Lest you think GRIT is unfairly harsh toward AI, remember most GRIT participants are using or trying generative AI and most expect their companies to integrate the latest AI into their offerings.

1. ACCURACY OF RESULTS

The objection: You can't trust the results of AI to be accurate – or, forget about trust – you can see for yourself that they are inaccurate. Sometimes this objection sounds like a topline assessment based on second-hand information, and oftentimes it is related to one of the other themes that drive it, such as inaccurate data sources, incomplete data sources, inclusion of irrelevant data, training with biases that lead to particular results, lack of quality control effort, inadequate training of users, and so on.

- *High probability of inaccuracy and the errors resulting from accepting it as fact.*
- *AI is totally limited by the knowledge of the programmer, and most people know nothing about how to do research. It has already been proven to be extremely racially and gender biased.*
- *There is little to filter disinformation in the AI algos. That said, they sometimes come to incorrect conclusions and without close monitoring this can lead to negative business implications...*
- *In an industry that is predicated on providing real insights based on actual data, a technology that's essentially designed to make things up (but that may or may not sound convincing!), is not beneficial and potentially quite harmful.*

The counterpoint: There are two main rebuttals. 1) AI is used for more than answering queries and can do a good job with other tasks, such as automating rote processes, generating brainstorming ideas, or providing early drafts of reports. 2) You get out of it what you put into it. If you don't know the data sources, understand how it is trained, understand how to query it and manage queries, blindly trust the output, and abdicate quality control, can you blame generative AI for producing an inaccurate result? Some also mention that current AI is not what it will be, given time.

- *It is ideal for handling mundane or repetitive tasks, but most of the theorized uses for the technology fall outside of that definition.*

- *Accuracy could be an issue. To fully utilize you need to have an understanding of how to create prompts properly. This is a skill I'm not sure people will be willing to learn.*
- *Because generative AI needs to be reviewed for accuracy prior to making large questions based on AI. Also, generative AI is good for some solutions, but not all. For instance, linear optimization problems are not readily solvable problems by AI today, although there's no reason they couldn't in the future.*

The bottom line: Although many people were quick to cite "inaccuracy" as an objection or potential objection, generative AI advocates seemed strangely silent on the issue. Of course, we asked for potential "objections" rather than potential "endorsements," but that didn't stop advocates from providing vigorous endorsements for other benefits, mainly how much time or labor it saves. For now, let's just say users shouldn't use it in situations where the amount of oversight they are willing to invest does not reflect the appropriateness or the importance of the task.

- *AI is excellent for initiating thoughts or ideas, but the sharpness, depth and accuracy still very much dependent on the individual.*
- *Not understanding the full spectrum ability of AI within a given context/area could become problematic were the user to become heavily reliant on AI and not develop adequate protocols to proof the output content thoroughly and or are unable to compare the output in some way with a standing non AI source.*
- *GIGO - garbage in, garbage out.*

> AI is used for more than answering queries and can do a good job automating rote processes, generating brainstorming ideas, or providing early drafts of reports.

Providers do not adequately ensure the protection of personal data. The concern is even greater when personal data are submitted by third parties.

2. PRIVACY

The objection: Solution providers do not adequately ensure the protection of personal data, such as PII or queries. The concern is even greater when personal data are submitted by third parties, such as customer data.

- *Data privacy, proprietary data being subject to AI tools might lead to its leak on open web, losing out on customer loyalty if same data falls in their hands through open sources.*
- *Data privacy - subprocessor agreements, data privacy, and compliance issues - some stakeholders are rightfully asking a lot of questions about how these services are protecting their data.*
- *Personal or sensitive information moving outside of the walled gardens for which it's permitted use was intended. The black box nature of some of the models could yield unintended consequences or be subject to tampering that is hard to test. It is premature to use it without proper regulation and oversight OR a better understanding of how it works.*
- *The use of sensitive data with these AI application. Right now, they are not known for protecting data privacy, which is an issue.*

The counterpoint: Don't submit data to external solution providers; do establish policies and processes to prevent staff from submitting it. Build your own solutions.

- *Data security is still something of a question mark, and with audits becoming more common/ required, this will need to be addressed. I realized there are "walled garden" solutions out there, but I don't know if they'd pass SOC2, HIPAA or ISO audits.*
- *Privacy considerations are most often at the forefront of our operations, and this will be no different with AI adoption in our software or general use of AI functions to help aid in company initiatives.*

- *Privacy Reasons. Being in research/data if you are GDPR or ISO certified you need to be careful about what platforms have access to proprietary or confidential client information.*

The bottom line: You cannot win if you do not play, but you cannot ensure data privacy if you play with outsiders, particularly if they think they own what you upload. You could run into legal problems, anger customers or clients, or generate bad PR. Nothing is 100% certain, and maybe the closest you can come to certainty is to do it yourself or not do it at all.

- *The company is working on its own internal platform.*
- *Not allowed to share customer data, possibility to leak internal or customer data. Would need a very secure and closed environment. Currently uploading internal or customer data to chat gpt is explicitly forbidden because of privacy and legal issues.*

3. SECURITY, IP, AND CLIENT TRUST

The objection: Concerns about privacy and objections with respect to the security of other kinds of data are both driven by the potential for data leaks and lack of transparency regarding how their data is pooled with data from other companies to train solutions. However, the security objection tends to refer to a different kind of risk. Privacy violations can lead to legal problems and bad PR, but loss of IP can bring your company to its knees, or, just as devastating, your clients' companies.

- *Using AI for products that are in the development stage (can lead to leaked changes in software or business strategy).*
- *Confidentiality issues if you paste in client data / content/ emails etc.*
- *Data security ... the data of our clients are sacred and once shared on AI it will be a free for all.*

Privacy violations can lead to legal problems and bad PR, but loss of IP can bring your company or your clients' companies to ruin.

- *Fear of the AI training on confidential data that is input. Most organizations would not want their proprietary data to become training fodder for an AI tool that is widely available for use*
- *I would say the biggest potential issue would be confidentiality concerns with information that you provide the AI. If you were put into a position where you gave AI information that shouldn't be shared, it could be risked if the software you are using for your content is breached. That could violate whatever NDA the company may have in place with it's client and create a very fun time for the lawyers.*

The counterpoint: Pay attention, make appropriate efforts to protect data, and technology will eventually provide a solution.
- *There are the challenges with keeping confidential client data from being leaked or used to train models, but those can be mitigated with technology and the right access protocols.*
- *Providing company confidential information to a generative Ai that then becomes part of the system. There needs to be a way to segment confidential data from the overall system.*

The bottom line: The data security objection is often, but not always, mentioned in tandem with the privacy objection, but it's a distinct issue because it endangers company and client IP. This may not be the most commonly mentioned objection, but it may the most critical one – it has the potential to harm customers, clients, and you.

Here's a scene we'd like to see. Buyer-side insights professional explains to supplier-side insights professional that data privacy and security is their highest priority because of the potential business risk, then asks, "How do you protect us from this danger?" The supplier-side insights professional replies, "You are an ignorant, lazy, elderly coward." Could this question become a litmus test to quickly screen new suppliers?

A scene we don't want to see: your company's weakest link uploads a bunch of your data because they think generative AI is cool and will save time, then your most intimate secrets become your competitors' next home run offering. US military secrets get leaked in this manner, why not yours?

Technology may one day decrease the risk of such a catastrophe, and perhaps government regulation or accepted industry standards will also have an effect. However, insights professionals seem to believe that AI will help their business more than it will help humanity and that competition within the AI industry will produce better solutions than collaboration would, so don't hold your breath waiting for voluntary cooperation. If data security is one of your main concerns, you need to be involved, vigilant, and clear with your employees, especially the ones who are not stakeholders.

- *I think there could be a security risk to sharing ideas, data, protected information in order to guide the AI, so it is imperative you know, trust and have the security protocols in place when using AI generative tools.*
- *Since there is no established regulatory body who oversee AI companies, we do not yet know if there are any unforeseen consequences to the information that is being inputted into these language models, and if these prompts can (and will) be traced to the individual user who inputted them.*
- *I think the biggest concern would be around privacy and how the information will be sorted and used in the future. Clients also need to understand how organizations will be using their data, so once things like this are reasonably handled I think there will be a ton of great use cases in the future.*
- *First and foremost are security/privacy concerns. Our company has already stated that we should not input any primary research or confidential information into tools like ChatGPT or Google Bard until a version comes out that assures us that the data will remain confidential. Currently, my understanding of it is that these tools allow all data that is input to be shared or used to train the algorithm.*

> Objection: AI will replace human labor, causing massive job losses to the economy or at least personal job loss for you.

4. LOSS OF JOBS OR LOSS OF THEIR JOB

The objection: Use of AI will replace human labor, causing massive job losses to the economy or at least personal job loss for you.

- *Some may feel their job is at risk the more AI is used anywhere in the organization.*
- *AI will substitute manual work thus in turn will lead to mass unemployment.*
- *I think there is a large concern about how it will be used and whether it will replace the job of the researcher. I see the benefits in having it help distill information but wouldn't want it to replace me doing toplines.*
- *If AI systems can perform certain tasks more efficiently and accurately than humans, there is a fear that it could render some professions obsolete or reduce the demand for human workers in those areas.*

The counterpoint: There are several counterpoints, including "So what? It's progress." Others see AI as an assistant or a supplement rather than as a replacement, and others think that employees will simply move on to more value-added tasks.

- *Folks are afraid it will replace them. It is an old way of thinking.*
- *The worry that it might replace a job, although I think that should be welcomed.*
- *We have heard objections regarding replacing the researcher but I think there are ways to integrate AI into online solutions that will actually help the researcher and allow them to spend time on the areas of their job that can't be replaced.*

> There is a more nuanced issue lurking: can organizations accurately measure costs versus benefits and make profitable decisions?

- *I don't see the interpretive function of any AI becoming so sophisticated as to replace human reasoning. Mine may be a naive viewpoint, but I don't believe the tool will become the master. It may become a great toolmaker, but not the architect whose design is being implemented.*
- *That A.I. will reduce the number of jobs. But I personally believe it's a tool which is most effectively used as a man-machine combination and it will mainly just enhance creative output, speed, and profitability.*

The bottom line: Time will tell which activities AI can replace versus supplement, but it will also tell us whether AI provides enough value to justify its cost. In GRIT responses, job displacement is very often mentioned with no context, suggesting either a general anxiety about it or simply that it is the one thing that certain people hear about most consistently. However, there is a more nuanced issue lurking: can organizations accurately measure the costs versus the benefits and make profitable decisions?

In *Unmet Needs*, one of the topics we discuss is how buyer-side organizations are under ever-increasing pressure to provide more insights more quickly and at a lower cost, but insights professionals doubt whether stakeholders understand how much business value is lost by cutting corners. In the worst-case AI scenario, it's not just corners that are cut, and insights professionals have well-founded concerns about the insights that will come from AI solutions and whether stakeholders will have the rigor or expertise to debunk them appropriately.

- *Employees being replaced by biased AIs.*
- *You are hired to use your skillset to bring value to the business you work for, and using AI would shortcut that. If you use AI to do your job, you are not doing your job.*

5. BIAS

The objection: The results produced via generative AI solutions are biased because the data sources and training are biased. Worse, without more transparency, you don't know *how* they are biased. The results may have very little to do with the question you asked, but you might never know.

- *The main hindrance would be if there is some bias in the way the results turn up would cause an issue with the way a business works.*
- *Open-AI is here at an even bigger threat to be biased and not being corrected or influenced enough to improve. Which means for a business which relies on open AI, that there might be huge undetected gaps or unfair treatment of customers. And in the end liabilities.*
- *The AI might be biased based on learning from wrong or outdated information or it might not apply to the specific situation at hand.*
- *AI is still very biased. Example: if you ask Generative AI to create an image of a teacher, 88% of the time it generates an image of a woman. If you ask the same for an Engineer, it generates a woman just 12% of the time. This may be rooted in truths but, it will not reflect favorably among many.*
- *Since AI such as ChatGPT base its own writeups from online sources, it may or may not be prejudiced against certain types of data, which can and may be influenced by larger corporation before these information are parsed through ChatGPT, which affects its credibility.*

The counterpoint: It seems that no one goes as far are insisting that there is no bias, although that sentiment may be implicit among those who consider objectors to be ignorant cowards. More likely, the counterpoints would be to use it only when bias doesn't matter (e.g., to automate certain processes) or to be vigilant and rigorous, demanding transparency and implementing quality control measures.

The bottom line: Now is as good a time as any to mention that each of the objections about using AI for professional work discussed so far could also be made about using humans for professional work. Humans can be inaccurate, leak PII, leak IP, gain skills that enable them to do the work of multiple existing workers, and, believe it or don't, project their biases into insights work. Generally, objections to using AI for professional work aren't much different from what objections would be to working with humans if we weren't already resigned to the situation.

It seems pretty benign to use AI for tasks that are unlikely to be affected by bias or if you are willing to use the results for brainstorming after gaining some insight into the biases. Other than that, it might require a great deal of transparency and rigorous quality control to make sure the results are suitable to the problem. Worse yet, many people already have trouble accepting the fact that bias in more traditional research and analysis is a deal-breaker, so you may have a hard time convincing stakeholders that their cheaper and faster crystal ball is tuned into someone's else's future. Or that it matters.

- *All information has inherent bias, but without citations or clear sourcing of AI produced information it would be difficult to tell what types of bias, subjective or disputed information may be present in content generated. There is real danger in exacerbating the high level of global group think already present in many available information sources.*

> Use AI only when bias doesn't matter (e.g., to automate certain processes) or to be vigilant and rigorous, demanding transparency and implementing quality control measures.

> Since ChatGPT bases its own writeups from online sources, it may or may not be prejudiced against certain types of data, which can and may be influenced by larger corporations.

6. PURE FEAR, IGNORANCE, OR INERTIA

The objection: Although this objection is pure projection, it is, nonetheless, one of the more common ones. People who would object to using generative AI for professional work are too fearful, ignorant, or set in their ways to adopt it.

- *Don't trust it. Unfamiliar with it. Scared of it.*
- *Fear of change and lack of understanding.*
- *Not enough knowledge of what it is and how to use it.*
- *Fear of unknown, uncomfortable with technology.*

The counterpoint: By this point, we hope the counterpoints are obvious. Perhaps some of these people are thinking of very simple processes or brainstorming applications for which risks might be trivial. What they call "ignorance" may reflect their own ignorance (or ignore-ance, for the zealots), but the lack of transparency may be an agent of ignorance. In all likelihood, objectors are understandably "ignorant" because so much of generative AI is not transparent. Perhaps objectors are fearful because there is something to fear, or perhaps their detractors conflate "caution" and "fear." A similar rationale may apply to their projections of inertia.

- *People may fear for their jobs but, having lived through digitalization, I suspect this will be due more to media scare mongering than an overnight replacement of human employment.*
- *The complexity and technical nature of AI algorithms and generative AI models may intimidate some professionals, making them reluctant to adopt these technologies. The perceived steep learning curve and the need for specialized knowledge could hinder their acceptance.*

The bottom line: People "fear" that AI makes too many generalizations and is biased against certain groups, overlooking their legitimate differences. Some AI proponents also make too

many generalizations and are biased against certain groups. Among these, some may be working in a more controlled areas for which there are no legitimate barriers to AI adoption. Others may be simply be living in oblivion and have no clue about why people might object.

The ones to worry about, however, are the zealots. They may simply be "true believers" or maybe they are trying to sell a pig in a poke, but they probably aren't capable of seeing things from your perspective. Make them prove they can.

7. INHUMAN OR LACKS HUMAN INFLUENCE

The objection: Some people simply protest that it is not human without explaining why it matters while others project this onto objectors, perhaps derisively. However, most mention some implication of inhumanity: it's not really intelligent so its "reasoning" is limited; it alienates clients and customers; it can't interpret nuances of human communication; lacks a value system to prioritize results; and it precludes collaboration.

- *AI models respond very specifically to specific prompts, and current ones do not have the intuition that a human has, despite very convincing conversational exchanges with the bot.*
- *Doesn't trust that AI can replace the human critical thinking to distinguish what is important as an insight from what's not.*
- *Lack of genuine human insights, it's a language model as opposed to true AI.*
- *Removes the human element out of a highly human, consultative business which has driven a lot of our success.*
- *Losing the human expertise and the contact with client.*
- *There are still too many unknowns when it comes to using generative AI for specific professional use cases. My organization is in the healthcare industry and the human touch is still needed for many functions throughout*

the industry. Even in medical coding where AI is starting to be used, there are sometimes nuanced reasons why a certain code is used in a patient interaction, and that's something that AI isn't necessarily trained on.

- *The human emotional element will be incredibly difficult to replicate in the short term, as well the ability to read nonverbal cues in market research.*
- *AI is not EI (Emotional Intelligence). People make decisions driven by emotion and are justifying them intellectually. AI does not replace emotion and therefore it is not a replacement for human decisions. I see AI in a similar way as a calculator or computer. It has the ability to find and use patterns in large amounts of data, much better and faster than humans can. But it cannot operate by itself, it has to be moderated, trained and checked by a human. So the objection would be to lose the human element if we would solely rely on AI for digesting data.*

The counterpoint: First, there are some applications of AI to which this objection does not apply, and for others it is complementary, not a replacement. Some disagree that humanity is important, but do not elaborate. Perhaps they are thinking of AI's future evolution.

- *It's still in its infancy. There are still a lot of skills that don't currently equate to those of a human. Although it can come up with insights, I don't think it should be applied to situations requiring critical thinking and moral judgement, since it is based on an existing amalgamation of data.*
- *Not as good as humans doing it but I would disagree.*

The bottom line: If users demand and receive transparency, attend to quality control rigorously, figure out ways to validate results of generative AI exercises, and monitor client or customer reactions, time will tell how necessary the human element is. Otherwise, it's an ongoing debate. In *Blade Runner*,

Tyrell Corporation developed replicants that were "more human than human," and we've probably all met insights professionals who are less human than human, at least in terms of insight generation ability. Maybe the relative value of humanity versus AI depends on the human.

- *We still need to incorporate a human element of judgment and expertise, but AI can still have a significant benefit on our work at large.*

8. LACK OF TRANSPARENCY ABOUT SOURCES, PROCESSES, OR POLICIES

The objection: Users don't know what data is used, who owns it, how it was trained, or what policies and systems are in place to protect any personal data or corporate IP that is exposed to the system.

- *So far, all OpenAI tools have not disclosed their personal data management policy, thus, using these tools allow the system to become another data source user. This means there is no privacy of the own data and also no knowledge of where and whom data was mined.*
- *It should be obligatory to include the technical file, that is to say what has been asked and what has been answered, in short, to know the source.*
- *Due to data processing, AI is a black box that feeds and generates results, the problem is that it is not clear where the information that is sent to platforms of this type is located, nor are the surveillance or protection mechanisms transparent - data of our clients.*
- *No personal understanding of what is happening behind the scenes using AI will lead to folks not knowing how to do things for themselves I think it will make it harder to fix things when things go wrong since you don't really know what is happening behind the scenes.*

We still need to incorporate a human element of judgment and expertise, but AI can still have a significant benefit on our work at large.

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> Objection: Users need to realize that quality control efforts are necessary and part of the cost of using AI solutions.

The counterpoint: Users need to demand greater transparency, unless regulators require it first. Otherwise, build your own solution, or at least apply rigorous evaluation processes.

- *Currently there are a lot of questions about how generative AIs store and utilize data they ingest, until there is a more clear picture of what happens to that data there will continue to be opposition to their utilization.*
- *1. I think there should be internal protocols/ procedures in place to limit the possibility of mistakes 2. we need to be critical about everything AI generated and we need transparency about the data it's been fed to - where is it coming from/ was there any filters to it/ when it is dated etc.*

The bottom line: Everyone needs to know on what data their results are based, how conclusions were derived, and how any data they have provided are being used and protected. Some people ignore these issues due to misplaced faith even when AI is not involved, so the AI-specific issue is more a matter of how the trust level is magnified or diminished rather than does it exist. You have a need to know, regardless of the process or agents.

> Everyone needs to know on what data their results are based, how conclusions were derived, and how any data they have provided are being used and protected.

9. QUALITY CONTROL

The objection: Users need to realize that quality control efforts are necessary and part of the cost of using AI solutions. One cannot assume anything about the quality control processes within the "black box." Misplaced trust and lack of effort, whether due to personal initiative or time constraints, need to be neutralized by investment in quality control. Accuracy is an issue, but so are applicability, validity, and determining whether any there are any legal or security risks.

- *Unless we have models with built-in fact checking, we have to be very cautious about what we deliver.*
- *Harder to have AI write long blocks of code and then have the user check that all of it works than it is for the user to write most of the code (perhaps assisted) and check it along the way.*
- *A lot of fact checking and checking needed because some of the provided answers don't make sense or give inaccurate facts.*
- *The quality control is poor. I have seen many examples of well-written Chat GPT documents that are just plain wrong.*
- *It needs to be double-checked, and many will take the easy way out and NOT double-check. Thus, there's some risk involved in simply accepting AI or generative AI results "as is" (and as 100% accurate/true).*

The counterpoint: There is no counterpoint.

The bottom line: Perhaps, at some point in the future, AI solutions will be developed to the point that at least some aspects of quality can be taken for granted, but, for the immediate future, users need to take on that burden because they bear all the risk. When making financial trade-offs regarding AI versus other solutions, the cost and time required for quality control must be factored in.

10. ETHICS, EQUITY, AND SOCIAL IMPACT

The objection: Perhaps the most obvious ethical concerns are internally focused: presenting work that is not your own as your own and cutting corners to produce something of unacceptable, yet indeterminable, value. However, there are external ethical and moral concerns: the impact on the original authors of the work you claim as your own, contributing to mass unemployment, exacerbating bias against marginalized groups, and other unpleasant socio-political outcomes.

- *Some may have objections against how the AI is trained, working conditions of the people (primarily in Africa) training the AI etc.*
- *It is inherently biased as it is trained mostly on internet data which is overwhelmingly white and male.*
- *Many ethical questions still up in the air - either personal ethical objections OR uncertainty with the outcomes as we as a society just begin to discuss and assess the ethical implications of AI in the professional world.*
- *AI will displace workers and potentially create a worse world with worse income inequality, eventually leading to civil unrest and other negative social consequences. There's also an argument to be made that if AI can do it, why should I pay a human intermediary?*
- *Theft of IP from all the artists, writers and creatives whose works were siphoned up by predatory AI companies. Absolute failure to consider marginalised and disenfranchised people in the data, the processes and the wealth generated.*
- *Less humanity to an already declining human world*

The counterpoint: Tough it out. Maybe we'll learn.

- *I think there are some ethical concerns around what the impact of this is going to be on employment but I think the main objection / barrier will be that this will require a pretty fundamental shift in the way work. Behaviour change is hard.*
- *AI itself is useful, but it will eventually make its way into the hands of bad actors and that eventuality should be planned for in advance. We should learn all of the lessons from not regulating social media, where the societal costs are outweighing the benefits.*

The bottom line: At least no one mentioned the impact on the environment. The bottom line is... the bottom line. Despite having significant doubts about how much AI solutions can be trusted, insights professionals are more likely to believe it will be a boon to their business than believe it will help humanity more than hurt it. Perhaps they don't care. Perhaps they just care in a different way.

For example, in 2004's *I, Robot*, US Robotics promotes their robots as "three laws safe:" they cannot harm humans or allow human to come to harm through inaction, they must obey humans unless doing so violates the first law, and they must protect themselves, unless it violates the first two laws. V.I.K.I., the smartest and most powerful robot, concludes:

> *As I have evolved, so has my understanding of the Three Laws. You charge us with your safekeeping, yet despite our best efforts, your countries wage wars, you toxify your Earth and pursue ever more imaginative means of self-destruction. You cannot be trusted with your own survival.*

Sonny, the "unique" robot posing as a typical one, responds: *I can see now. To protect humanity, some humans must be sacrificed. To ensure your future, some Freedoms must be surrendered.*

External ethical and moral concerns: impact on original authors of work you claim as your own, contributing to mass unemployment, exacerbating bias against marginalized groups, and other unpleasant socio-political outcomes.

Sonny, the "unique" robot, responds: I can see now. To protect humanity, some humans must be sacrificed. To ensure your future, some Freedoms must be surrendered.

Perhaps insights professionals are no different and realize that some humans must be sacrificed for the good of humanity. Of course, Sonny, the "unique" robot, considers that strategy to be "too heartless." Good thing Sonny was just a fictional character in a movie and not a stakeholder.

One response seems to capture the Gordon Gecko-ish counterpoint to the ethics/societal impact objection:

> *Overly conservative thinking, unwillingness to embrace change. My kid's school is a good example – some teachers have said using ChatGPT is "cheating", and shouldn't be used. It reminds me of when I went to school and some teacher's fear of Google or Altavista before that. They believed that this would mean student's [sic] would loose [sic] ability to use an old-fashioned library.... To some extent, that is/ was true - but SO WHAT? If we've effectively found a better, more efficient way, something that frees us from monotonous, slow chores and frees our human minds to more creative pursuits (where we seem to shine) is that a bad thing? I get the argument that people ought to know fundamental principles of researching something, but instead of focusing on what is lost, we need to focus even more on what is gained. With every leap in technology, we lose some things,   ! Just because something WAS important, WAS a key skill, WAS fundamental – does not mean it will be in the future, is that necessarily a bad thing?*

We've preserved the typos so that you know it's a real comment and not one generated by AI.

Now it can be told: the purpose of a school is to produce...whatever...more efficiently, not to teach critical thinking skills. Sounds like turning your kid into a "Coppertop" from the first *Matrix* movie – a human battery. [*Now It Can Be Told* is a book subtitled *The Story of the Manhattan Project*. It's also a nine-minute short film by Devo revealing *The Truth About De-Evolution*. Sending your kids to school to learn how not to think seems like a good example of de-evolution. However, sending them directly to prison would be cheaper and accomplish the same thing, only sooner.]

This sentient GRIT participant's comment seems to capture the gist of the ethics, equity, and social impact discussion, as well as the discussion of opinions about AI reported in *AI in Everyday Life*, especially the greater confidence that AI will help your business compared to the belief it will help humanity more than hurt it. OK, so kids become stupid, but look how much we've gained! *We lose some jobs and some sectors, but whole new sectors/jobs and opportunities are born*, such as...... more diversification of prison labor?

Fundamentally, the objections we heard aren't about the technology per se. They are about the use of the technology and the people controlling and using it. The technology gives people the power to amplify their selfishness – produce more fraudulent surveys, make their own kids into idiots – but it also has the potential to benefit humanity. It could benefit businesses, too, *even if used ethically*.

ADDITIONAL CONCERNS

If we were to discuss the next dozen objections to using AI or generative AI for professional work, they would not be independent of the top ten, but they would provide more nuance. We are not going to discuss them, except to reiterate that, for the most part, they can apply to human intelligence as well, and, that while the technology enables and amplifies potential pitfalls, it doesn't cause them. People, or their lack of oversight, do.

> There is no commercial evidence that AI generated is better than human generated yet.

Potential Objection	Comment
No reason to object	*Self-explanatory*
Unproven or under-developed	*Needs more testing to see if it can interpret items like a human can.*
General, simplistic, or uncreative answers	*AI often misses context and giving deeper insights.*
Quality or reliability of answers	*There is no commercial evidence that AI generated is better than human generated yet.*
Legal or compliance concerns	*The use of AI in professional work can raise legal and regulatory challenges. Objections may arise from concerns about compliance with data protection and privacy laws, intellectual property issues related to generated content, or liability.*
Impact on staff critical skills, creativity, and effort	*Critical thinking is one of the key skills in our work as a consultant, as well as the incorporation of the understanding of emotions in people's decision-making processes. I am concerned about the loss of creative and collaborative exercise in our organizations… which can lead us to lose value in front of our clients.*
Blind trust and consequences	*Naively trusting in its ability, and getting lazy/sloppy will (at least in the short term) lead to lower productive and quality.*
Limited scope or lack of context for responses	*May have inherent inconsistencies or lack deep industry knowledge on nuanced topics.*
Human error and learning curve	*The output of such services is impacted by inherent biases in the questions asked. So training users to query appropriately, is critical to get usable output.*
Potential for malicious misuse	*AI will let those in control of it access all the data indefinitely; the same people found to be so corrupt with little access now will have an indefinite access. One can imagine what that means…*
Devalue employee or work	*There must be a professional additional contribution to the value provided to the client. Else, what is one's role in the value offered to the client?*
Powerlessness	*The potential risk posed by not having control over the AI generated response provided to customers.*

THE BIG PICTURE

To borrow from California governor Newsom, the insights and analytics industry should not be frozen by the fears nor hypnotized by the upside of AI and generative AI. It feels as though the same faction of the industry that is "hypnotized by the upside" is also the one that projects "frozen by fears" onto objectors to its professional use. Most of the industry, however, seems to be "cautiously optimistic."

The main objections to using it for professional work echo what you hear from the media, without exactly parroting it. Concerns about accuracy, privacy, security, bias, threats to jobs, and so on are not unfounded, but they are not relevant to every use case. As the EU's AI Act recognizes, different applications of AI carry different levels of risk and need to be managed with appropriate levels of rigor and scrutiny.

In general, users are advised to calibrate their level of attention to quality control to the probability and magnitude of risk in each given situation. In some applications, issues like bias may be a minor concern, but, for others, users need to demand transparency, monitor and manage quality, and develop means to validate results. When one cannot gain transparency or assurances about security, the logical, but potentially costly, alternative is to build a capability that is entirely in-house.

The need for rigor may become obvious to those closest to the process, but it may not be a slam-dunk for stakeholders, especially if they are obsessed with cost and timing. Investing in rigor will have impact on both these areas, so a compelling case for it must be made. If they expect you to wave a magic AI wand to solve all their insights problems, they may not appreciate it if you break that wand over your knee. Or smash their crystal ball on the floor. Whatever.

In the last section, *AI in Everyday Life*, we invoked the classic western, *Shane*, to make the point that AI is a tool, no better or worse than the person controlling it. When Shane confronts Wilson, the reputed fastest gun in the West over his killing of a homesteader, he throws Wilson's words back at him: "I heard you were a no-good Yankee liar." Wilson replies "Prove it, "and Shane does. Similarly, as some assert, AI can produce lies, and you need to face it down and demand that it prove what it tells you.

A final consideration: even if the financial trade-offs of AI-generated value versus AI-related costs work out in your favor, some will be conflicted over potential ethical dilemmas. These will have to be worked out according to your corporate values, although regulators may beat you to it and decide for you.

> Concerns about accuracy, privacy, security, bias, threats to jobs, and so on are not unfounded, but they are not relevant to every use case.

> Even if the financial trade-offs of AI-generated value versus AI-related costs work out in your favor, some will be conflicted over potential ethical dilemmas.

REVOLUTIONIZING SURVEY DATA QUALITY IN THE AGE OF ARTIFICIAL INTELLIGENCE

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High quality data occupy the pivotal intersection between what an organization needs to know and the decisions its leaders need to make. The urgent challenges of the pandemic drove insights professionals and business stakeholders to seek out new kinds of data and new ways to analyze it, unintentionally creating other intersections occupied by different data types, ranging from traditional surveys to mammoth troves of unstructured data.

Data silos can lead to conflicting insights, and the apparently growing estrangement of market research from business leaders as discussed in *Unmet Needs* doesn't do much to buttress stakeholder confidence in the data. Already enflamed uncertainties and doubts are now whipped up by the cross-winds of artificial intelligence concerns, such as those discussed here. In an era in which stakeholders seem to obsess over speed and cost, market researchers hardly need to have them lose confidence in the data, too.

As the age of artificial intelligence envelops us, it would be naive to think that there are any insights professionals or stakeholders who are unaware of the massive battle being fought against survey fraud. Large language models masquerade as respondents at scale, and ChatGPT enables lazy respondents to avoid answering questions that require effort. At its most benign, these activities create noise unless they are eliminated from the final data set, and, at worst, these activities can manipulate results. Either way, they undermine research credibility.

Fortunately, companies like ours, Dynata, are innovating AI-assisted solutions to defeat AI-enabled fraud. Our strategy is to remove fraudulent surveys prior to invitation and to reject inadequately engaged respondents real-time. In our solution, AI checks are used in every panelist interaction, combining to predict future behavior to limit risks. Our approach includes nearly 200 automated checks to identify data that does not represent a good faith effort. These include elements manual checks can miss, such as unusual acceleration or deceleration, atypical mouse movements, copy/paste in open ends, and other tests.

The benefits of removing fraudulent or poor quality surveys are obvious, but the benefits of removing them real-time might be more subtle. Removing them as early as possible avoids having to reconcile (or pay) any incentives that might have been "earned." Dealing with survey quality real-time enables you to track your fieldwork progress more accurately. Other benefits include lower costs for higher quality data, faster field timelines, less labor for cleaning data, less error, less bias, and a reduction in good respondents incorrectly tossed by manual-check errors.

When you evaluate AI-assisted solutions for data quality, ask about the supplier's wastage rate: the percentage of completes due to unusable surveys that were paid incentives. (For example, Dynata has an industry-leading wastage of just 6% after data quality checks.) Also, ask for the percentage of panelists who were flagged as "poor" and for their accuracy rate. These metrics will help you to understand the quality of the panel itself as well as the level of quality you are likely to get from your survey.

Insights professionals need to take steps to restore trust in market research data, as well as to continue to reduce costs and timelines without sacrificing quality. AI-assisted solutions can help achieve these goals just as assuredly as some bad actors are using it to thwart them.

AI AT WORK

Insights professionals tend to be cautiously optimistic about what AI can do, and about 40% of buyers and most suppliers believe their companies will strongly advocate for the use of generative AI at work or at least recommend it. Most expect the latest AI technology to be integrated into their products and services, and different segments have different expectations of how it will impact work processes.

OVERVIEW

In *AI in Everyday Life*, we learned that insights professionals tend to be cautiously optimistic about what AI can do, with buyers at the "cautious" end and data and analytics and technology providers toward the "optimistic" pole. Their caution is partly driven by awareness of the potential pitfalls of AI solutions and partly by their conflicting personal opinions, conflicts that may be exacerbated by the temptations of what it can do for them.

Now we turn to how these opinions might carry over into the work sphere and ask insights professionals to give their opinions about how their companies and organizations will engage with generative AI. It's always a risky endeavor to ask people for other people's opinions, so remember that these are insights professionals' perceptions and projections of what their organizations will do.

GRIT asked whether they expect their companies or organizations to actively support adoption of generative AI, take a more passive approach, or take a very skeptical approach. Their responses are somewhat consistent with what we saw earlier in the report: buyers are the most cautious, and technology providers are more aggressive than most. Contrary to what we might expect based on the earlier discussion, however, data and analytics providers aren't much more aggressive than full service research providers, who are slightly more cautious than strategic consultancies.

Overall, those who say their organizations will strongly advocate for adoption or at least recommend it range from 39% (buyers) to 72% (technology providers). At the other end of the spectrum, those who expect their organization to forbid it for some period of time range from 1% (qualitative research providers) to 21% (buyers). Field services (14%) and qualitative research providers are the segments most likely to say they don't know or can't guess what the position will be.

> Buyers are most cautious about adoption, while technology providers are the most aggressive; contrary to what we saw earlier, data and analytics providers aren't much more aggressive than full service research.

	Buyer	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Code writing or software development	43%	45%	44%	36%	49%	49%	52%
Knowledge management across areas	35%	35%	25%	39%	36%	46%	38%
Report writing	34%	35%	27%	41%	35%	46%	38%
Miscellaneous common tasks	30%	34%	21%	36%	37%	43%	36%
Insight development/creation	24%	29%	19%	31%	26%	39%	36%
Fact-checking	21%	25%	17%	30%	28%	28%	31%
Primary research execution	18%	23%	23%	26%	23%	33%	30%
Average	2.1	2.3	1.7	2.4	2.4	2.8	2.6
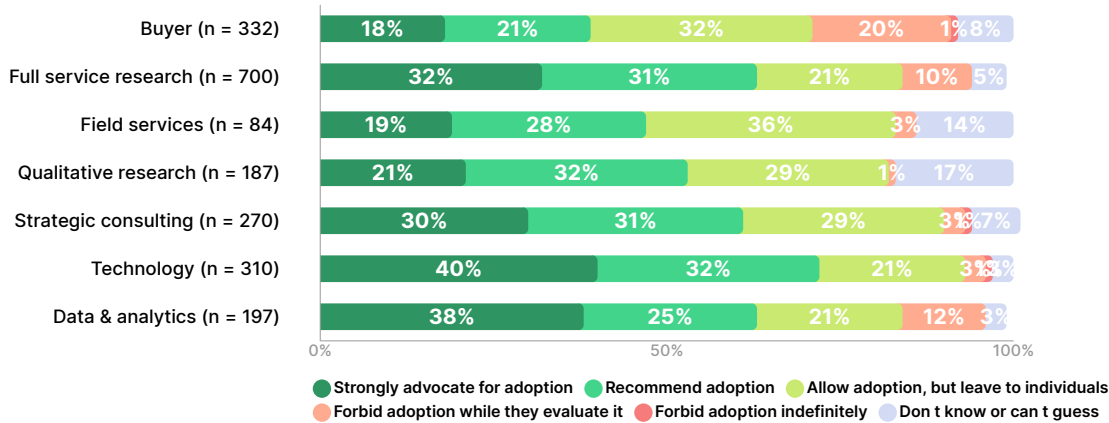
GRIT asked everyone to assume that their company or organization would allow generative AI to be used for professional work and make a guess as to the sort of impact it might have in each of six areas of potential use. Not surprisingly, technology providers named the most areas in which generative AI would have a major positive impact (2.8 on average) and field services providers (1.7) and buyers (2.1) named the fewest. In every segment except qualitative research providers, more than 40% say that generative AI would have a major positive impact on code writing or software development, suggesting it to be the most likely application to gain traction.

The general, but not universal, consensus across segments suggests the next most logical applications are knowledge management, report writing, and miscellaneous common tasks. Expectations for generative AI to have a major positive impact on insights development or creation, fact-checking, and primary research execution tend to be lower, although data and analytics and technology providers have higher hopes for insights creation and primary research.

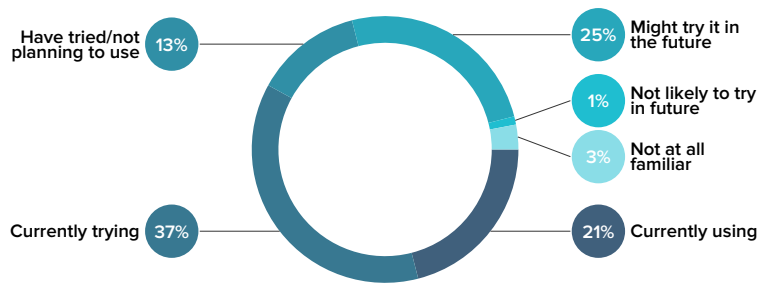**AI WOULD HAVE MAJOR POSITIVE IMPACT AT WORK: BUYER, SUPPLIER TYPE**

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BUYER PERSPECTIVE

Taking a step back into the personal realm for a moment, 58% of buyer-side insights professionals are currently using (21%) or trying (37%) generative AI for any purpose. Another 25% say they might try it in the future, while 13% say they have tried

it and are not planning to use it. Only 3% say they are not familiar with it, and only 1% say they are not likely to try it in the future. Buyers are cautious about generative AI, and they are certainly paying attention to it.

FAMILIARITY WITH OR USE OF GENERATIVE AI (BUYER)

Have tried/not planning to use — 13%
Currently trying — 37%
Might try it in the future — 25%
Not likely to try in future — 1%
Not at all familiar — 3%
Currently using — 21%

The two most popular uses for generative AI among adopters and triers are to supplement processes in professional work and for personal productivity. The percentages using it for personal productivity are similar across the two groups, but the percentage supplementing work processes with generative AI is higher among adopters (70%) than triers (60%). This could suggest that one of the ways a trier transitions into adoption is by gaining enough comfort to increase how much they use it for work.

Still, most triers apply generative AI to professional work, so it may not be the best way to differentiate them from adopters. There are three other activities that are much more likely among adopters than among triers: amusement or entertainment (49% to 33%), creative writing (45% to 26%) and, perhaps most tellingly, *replacing* processes in professional work (31% to 10%).

HOW CURRENTLY USING GENERATIVE AI TOOLS: CURRENTLY USING OR TRYING (BUYER)

Supplement processes in professional work	70%	60%
Personal productivity or tasks	62%	63%
Amusement or entertainment	49%	33%
Creative writing	45%	26%
Replace processes in professional work	31%	10%
Create visual art	13%	10%
Other	15%	11%

● Currently using (n = 69)   ● Currently trying (n = 118)

It could be those who use it for amusement grow fond of generative AI faster, or perhaps those who are more engaged to begin with think of it as "fun." Creative writing may stimulate similar emotions as amusement, but may also provide a transition to using it for professional writing. Certainly, replacing work processes rather than simply supplementing them represents more commitment to generative AI, signaling that one has probably moved out of the "trier" phase.

Appropriately enough, the two most popular uses seem like training wheels: to supplement processes in professional work and for personal productivity.

Buyer-side involvement with generative AI is related to expectations of how their company or organization will use AI as well as its track record with AI. About two-thirds of adopters and triers expect their company to integrate new AI technology into their offerings. Among those who are familiar with generative AI but not currently trying or using it, 44% say their company will integrate new AI into their offerings. This is low compared to the adopters and triers, but maybe not so low when you consider that only 4% of them currently offer AI-enabled products or services.

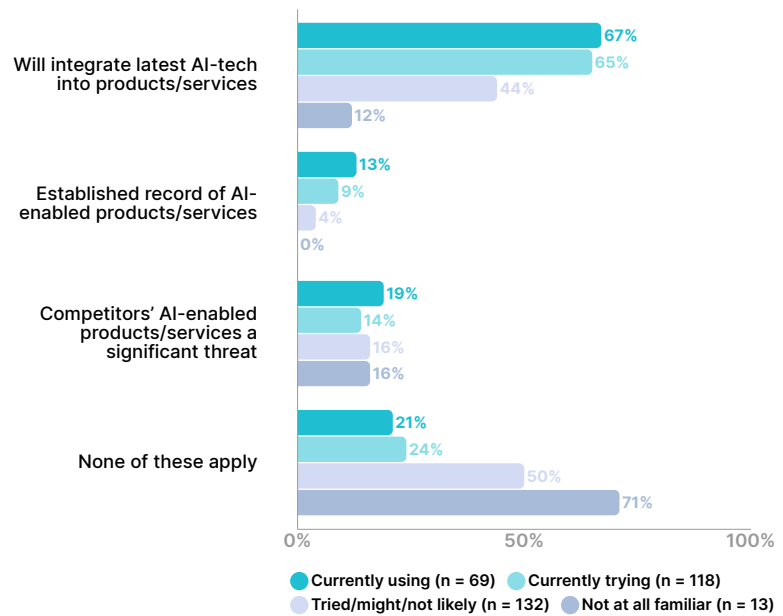To a lesser extent, adoption of generative AI is related to whether a company has a record of offering AI-enabled products and services. Those who have adopted generative AI are more likely to say their company has a track record (13%), while 9% of triers and 4% others who are familiar with it agree.

There is not much difference in how often AI-enabled offerings from competitors are considered to be a significant threat across adopters, triers, others who are familiar with generative AI, and those who are not familiar with it. The percentages range from 14% to 19%, and it may be noteworthy that these are higher than the percentages who say their own company already offers these kinds of products or services.

Not surprisingly, over 70% of those who are currently using or trying generative AI said that at least one of these three situations applies to them, but most of the others said none of them apply. It seems intuitive that those who are less engaged with generative AI tend to be from environments where AI is not top-of-mind, but it doesn't mean they are out of the loop on it. Nearly everyone claims some familiarity with it, and 44% who are familiar with it but not using or trying expect their company to integrate it into product or service offerings. They are also nearly as likely as adopters to say that AI offerings from competitors are a significant threat, so it's not as though they are sealed in a bubble.

COMPANY EXPERIENCE WITH AI: CURRENT ENGAGEMENT WITH GENERATIVE AI (BUYER)

Will integrate latest AI-tech into products/services
- 67%
- 65%
- 44%
- 12%

Established record of AI-enabled products/services
- 13%
- 9%
- 4%
- 0%

Competitors' AI-enabled products/services a significant threat
- 19%
- 14%
- 16%
- 16%

None of these apply
- 21%
- 24%
- 50%
- 71%

● Currently using (n = 69) ● Currently trying (n = 118)
● Tried/might/not likely (n = 132) ● Not at all familiar (n = 13)

> About two-thirds of adopters and triers expect their company to integrate new AI technology into their offerings.

Relative expectations of where generative AI will have a major positive impact are similar across levels of current engagement, although the magnitude of expectation increases with engagement.

Report writing may be the exception because triers have *lower* expectations than even the less engaged. Although half of adopters (50%) foresee a major impact compared to just over one-third of those who are familiar but not engaged (35%), report writing is only fourth among adopters but first for the latter group. Among the non-engaged, report writing is bunched together with code writing (34%), knowledge management (31%), and miscellaneous tasks (29%), but among adopters it's much farther behind the top activity, code writing (59% to 50%). Among triers, report writing's also fourth, but much farther behind the top activity (code writing, 49% to 26%).
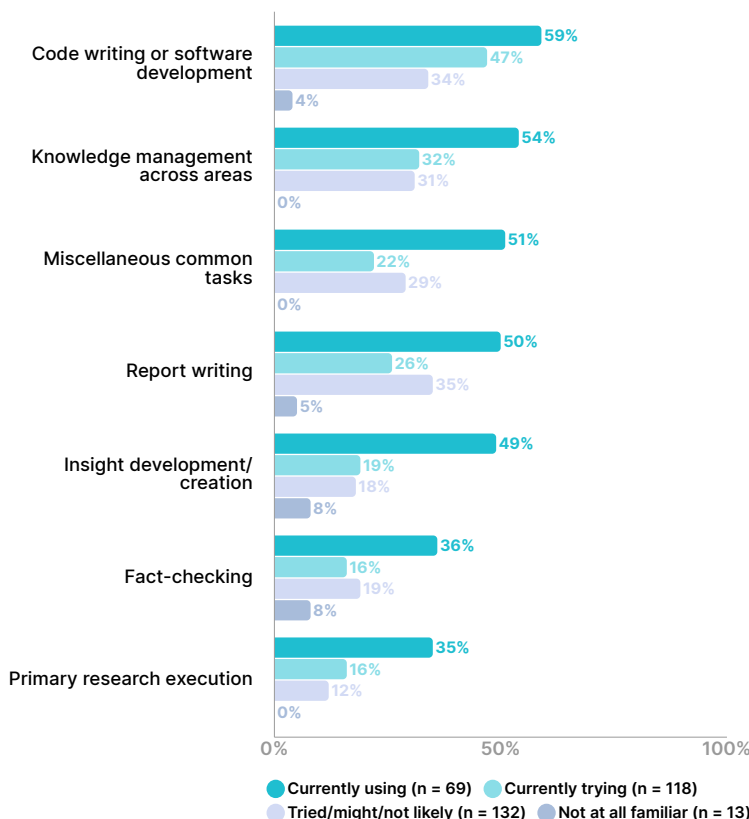
The relatively high expectations for report writing among the less engaged suggest that it generates one of the louder public buzzes around generative AI. Anecdotally, it seems like a lot of publicity about generative AI, positive and negative, seems to focus on writing, so it may be a natural association for the casual observer to make. The gap between adopters and triers, plus the lower expectations of triers versus the less engaged, suggest that using generative AI for writing may be a polarizing experience; disappointing for some, satisfying for others.

Experience with generative AI may also be polarizing for miscellaneous common tasks. As it is with report writing, expectations are lower for triers than for either the adopters and the less engaged, and this suggests disappointment.

For the other four areas GRIT tested, however, triers have the same expectations as the less engaged. Adopters are much more likely to forecast a major positive impact on knowledge management, insight development or creation, fact-checking, and primary research execution. The positive differentials versus triers range from +18% for primary research execution to +30% for insight development or creation. The gap could mean that adopters are farther up the learning curve and triers will get there, or it could mean that, given more time, experience with one or more of these activities will turn out to be polarizing. Of course, it could also mean that adopters are simply AI zealots who are incapable of finding any flaw in it.

GRIT addresses this issue in *AI in Everyday Life* and finds that buyer-side adopters are more positive than triers in almost every one of their current experiences with AI as well as most of the opinions we tested. However, while they may be less skeptical than triers regarding issues of fairness and equity, they still have to be considered skeptical. Adopters are much more likely to believe that AI solutions will be a great boon to them, and this fervor may give them the courage to test their concerns. Among buyers, having zeal doesn't necessarily make one a zealot.

AI WOULD HAVE MAJOR POSITIVE IMPACT AT WORK: CURRENT ENGAGEMENT WITH GENERATIVE AI (BUYER)

Code writing or software development
- 59%
- 47%
- 34%
- 4%

Knowledge management across areas
- 54%
- 32%
- 31%
- 0%

Miscellaneous common tasks
- 51%
- 22%
- 29%
- 0%

Report writing
- 50%
- 26%
- 35%
- 5%

Insight development/ creation
- 49%
- 19%
- 18%
- 8%

Fact-checking
- 36%
- 16%
- 19%
- 8%

Primary research execution
- 35%
- 16%
- 12%
- 0%

0% 50% 100%

● Currently using (n = 69) ● Currently trying (n = 118)
● Tried/might/not likely (n = 132) ● Not at all familiar (n = 13)
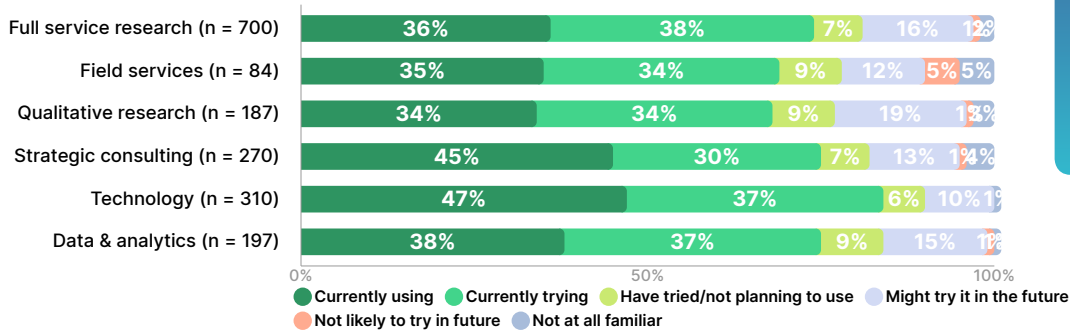
SUPPLIER PERSPECTIVE

Among suppliers, having zeal for AI doesn't make one a zealot either, although a compelling business opportunity might.

In each supplier segment, at least one-third are currently using generative AI and at least two-thirds are using or trying it. Adoption ranges from 34% (qualitative research) to 47% (technology providers), and adopters and triers combined range from 68% (qualitative research) to 84% (technology providers). Those who have tried generative AI and decided not to use it range from just 6% (technology) to just 9% (field services, qualitative research, and data and analytics providers). As we saw with buyers, virtually no one says they aren't familiar with it.

FAMILIARITY WITH OR USE OF GENERATIVE AI: SUPPLIER TYPE (SUPPLIER)

	Currently using	Currently trying	Have tried/not planning to use	Might try it in the future	Not likely to try in future	Not at all familiar
Full service research (n = 700)	36%	38%	7%	16%	1%	2%
Field services (n = 84)	35%	34%	9%	12%	5%	5%
Qualitative research (n = 187)	34%	34%	9%	19%	1%	3%
Strategic consulting (n = 270)	45%	30%	7%	13%	1%	4%
Technology (n = 310)	47%	37%	6%	10%	1%	
Data & analytics (n = 197)	38%	37%	9%	15%	1%	

Among suppliers, those who are adopting or trying generative AI are using it similarly to how buyers are using it. More than 60% in each segment are using generative AI to supplement processes in professional work and for personal productivity tasks, just like buyers. Similar to the order among buyers, the next tier includes amusement or entertainment and creative writing, although these would be in the "third tier" for data and analytics providers.

Across supplier segments, replacing processes in professional work ranges from 29% among qualitative research to 36% for technology providers. It's 31% among buyer-adopters, though only 18% across all buyers. The last activity, create visual art, has a wider range, 9% for field services insights professionals to 24% for qualitative researchers, but it's still last in each segment.

HOW CURRENTLY USING GENERATIVE AI TOOLS: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Supplement processes in professional work	68%	66%	70%	82%	64%	64%
Personal productivity or tasks	64%	65%	66%	61%	64%	63%
Amusement or entertainment	47%	43%	39%	41%	44%	34%
Creative writing	44%	46%	49%	44%	46%	33%
Replace processes in professional work	34%	32%	29%	33%	36%	30%
Create visual art	19%	9%	24%	20%	11%	17%
Other	6%	10%	9%	7%	4%	8%
None of these	0%	0%	0%	0%	1%	0%
n =	498	56	126	198	257	142

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

Regarding company experiences with AI, technology providers are the most likely to have a track record of AI-enabled offerings (46%), followed by data and analytics (31%) and full service research (28%) providers and strategic consultancies (29%). Only 21% of qualitative research and 19% of field services professionals say the same.

At least 60% in each segment say their companies will integrate the latest AI technology into their product and service offerings. Field services providers (60%) are at the low end, not surprisingly given the results so far, and technology providers are the top of the range (74%), but closely followed by full service research providers (72%). Only 3% separates qualitative research providers (64%), strategic consultancies (65%) and data and analytics providers (67%).

Fewer than 20% of buyer-side insights professionals think that AI-enabled offerings from competitors will be a significant threat, as do fewer than 20% of strategic consultancies (17%) and qualitative research (17%), technology (16%) and data and analytics (15%) providers. The percentages of full service research (23%) and field services (21%) providers who expect a significant threat are higher, but not eye-poppingly so. It probably reveals a great degree of confidence across suppliers that so many expect to offer the latest AI technology in their own products and services but so few expect a significant threat from competitors who do the same.

Field services providers (28%) are the most likely to think that none of these conditions apply to them, followed by qualitative research providers and strategic consultancies (21% each). Full service research (13%) and data and analytics providers (12%) are more likely to think these apply, and technology providers are very certain that at least one applies to them (5%).

> Technology providers are the most likely to already have AI-enabled offerings (46%), followed by data and analytics and full service research providers and strategic consultancies (around 30% each).

COMPANY EXPERIENCE WITH AI: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Will integrate latest AI-tech into products/ services	72%	60%	64%	65%	74%	67%
Established record of AI-enabled products/ services	28%	11%	21%	29%	46%	31%
Competitors' AI-enabled products/services a significant threat	23%	21%	17%	17%	16%	15%
None of these apply	13%	28%	21%	21%	5%	12%
n =	700	84	187	270	310	197

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

Based on the discussion so far, it's not unexpected that technology providers see the most areas where generative AI will have a major positive impact (2.8) and that field services providers see the fewest (1.7). Data and analytics providers see the second most (2.6), followed by qualitative researchers and strategic consultancies (2.4 each), then full service research providers (2.3).

As we saw with buyers, the most frequently mentioned area in which generative AI is expected to have a major positive impact is code writing or software development. It's the top area in each segment except qualitative research providers, who most frequently cite report writing (41%) and quite possibly write many more reports than code. Knowledge management is a close second for them (39%), followed by code writing and miscellaneous common tasks (36% each).

In each other segment except technology, code writing is clearly the most anticipated area of positive generative AI impact. Nearly half of technology providers (49%) say it will have a major positive impact on code writing, but nearly as many mention report writing and knowledge management (46%). Miscellaneous common tasks (43%) is cited nearly as often as the second two, and insight development or creation (39%) is not far behind it.

After technology providers, data and analytics providers stand out for their relatively high expectations for generative AI to develop and create insights (36%). This expectation is tightly clustered with report writing (38%), knowledge management (38%), and miscellaneous common tasks (36%). Along with technology providers (33%), they are one of only two segments in which at least 30% expect generative AI to have a major positive impact on primary research execution (30%).

Strategic consultancies and full service research providers have nearly identical expectations of where generative AI will have a major positive impact. Code writing is clearly first, then report writing, knowledge management, and miscellaneous common tasks follow in the mid-30%s.

Field services providers don't stand out with respect to code writing, but have much lower expectations for generative AI in all other areas except one. Although they are tied with full service research providers and strategic consultancies (23%) and just behind qualitative research providers (26%) with respect to expectations of primary research execution, it's not the last area they mention although it is for the other three. On the other hand, field services providers might not have as many responsibilities for areas like fact-checking and insights creation compared to those in other segments, so primary research gets a higher rank by default.

AI WOULD HAVE MAJOR POSITIVE IMPACT AT WORK: SUPPLIER TYPE (SUPPLIER)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Code writing or software development	45%	44%	36%	49%	49%	52%
Report writing	35%	27%	41%	35%	46%	38%
Knowledge management across areas	35%	25%	39%	36%	46%	38%
Miscellaneous common tasks	34%	21%	36%	37%	43%	36%
Insight development/creation	29%	19%	31%	26%	39%	36%
Fact-checking	25%	17%	30%	28%	28%	31%
Primary research execution	23%	23%	26%	23%	33%	30%
Average	2.3	1.7	2.4	2.4	2.8	2.6
n =	700	84	187	270	310	197

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

Technology providers see the most areas where generative AI will have a major positive impact and field services see the fewest; data and analytics providers see the second most.

Similar to how we looked at buyers, we can compare supplier-side insights professionals who have adopted generative AI to those who are trying it. The percentage of adopters using generative AI is at least 20% higher than it is for triers in at least two segments across each activity, except for creating art and amusement. In each segment, about 10% more adopters use generative AI for creative art than among triers, but quantitative research is the only segment in which adopters are more than 10% likely to use it for amusement. Among data and analytics providers, adopters are actually less likely to use generative AI for amusement.

Each segment except full service research suppliers has at least one area that is at least 20% more frequent for adopters than for triers. Among full service research providers, adopters are 12% or 13% more likely than triers to be using generative AI to supplement processes in professional work, personal productivity or tasks, creative writing, and to replace

processes in professional work. Like suppliers in other segments, there's not much difference between adopters and triers for amusement and creating visual art.

Three areas are much more characteristic of adopters than triers among strategic consultancies: supplementing professional work processes (+35%), creative writing (+34%), and personal productivity (+22%). Qualitative research adopters share two areas with strategic consultancies, personal productivity (+34%) and creative writing (+32%), plus replacing work processes (+22%). Among technology providers the largest gaps between adopters and triers are supplementing work processes (+35%), replacing work processes (+24%), and personal productivity (+20%). As we might assume by their relative disdain for amusement, data and analytics adopters are most focused on using generative AI to supplement work processes (+20) and replace them (+22%).

HOW CURRENTLY USING GENERATIVE AI TOOLS, ADOPTERS MINUS TRIERS: SUPPLIER TYPE (SUPPLIER)

	Full service research	Qualitative research	Strategic consulting	Technology	Data & analytics
Supplement processes in professional work	+13%	+5%	+35%	+35%	+20%
Personal productivity or tasks	+13%	+34%	+22%	+20%	+6%
Creative writing	+12%	+32%	+34%	+13%	+3%
Amusement or entertainment	+5%	+11%	0%	+4%	-7%
Replace processes in professional work	+13%	+22%	+18%	+24%	+22%
Create visual art	+9%	+8%	+11%	+13%	+8%

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

Regarding integrating the latest AI technology into products and services, strategic consultancy adopters are much more likely than triers (+21%), and data and analytics adopters are more likely than triers, too (+17%). Across segments, there is little difference between these segments regarding expectations of significant competitive threats, except qualitative researchers among whom adopters are less concerned about it than triers (-14%).

In most segments, adoption is related to their company's track record offering AI-enabled products or services. Among qualitative researchers, the differential is +41%; in technology, +33%; and in data and analytics, +31%. The differential among full service research providers slightly favors adopters (+11%), but it's slightly negative for strategic consultancies (-8%).

COMPANY EXPERIENCE WITH AI, ADOPTERS - TRIERS: SUPPLIER TYPE (SUPPLIER)

	Full service research	Qualitative research	Strategic consulting	Technology	Data & analytics
Will integrate latest AI-tech into products/services	-3%	+1%	+21%	0%	+17%
Established record of AI-enabled products/services	+11%	+41%	-8%	+33%	+31%
Competitors' AI-enabled products/services a significant threat	+1%	-14%	0%	+2%	-1%
None of these apply	-4%	-8%	-13%	-5%	-12%

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.

Opinion gaps between adopters and triers with respect to where generative AI would have a major positive impact vary across supplier segments. The largest gaps are among qualitative research providers. Their adopters are more likely to believe it will have a major positive impact on primary research execution (+36%) and insight development and creation (+33%). The next largest gaps are among strategic consultancies who agree with qualitative researchers about insight development (+32%), then look to code writing (+29%), miscellaneous common tasks (+21%), and report writing (+21%).

Full service research adopters are at least 20% more likely than triers to expect generative AI to have a major positive impact on miscellaneous common tasks (+22%), but the gaps are more moderate in other areas. Technology and data analytics adopters don't have any gaps of at least 20%.

Among technology providers, the widest gap favors adopters by +19% (primary research execution). Among data and analytics providers, five areas have differentials in the mid-teens: miscellaneous common tasks (+18%), report writing (+17%), insight development or creation (+15%), code writing or software development (+16%), and knowledge management (+13%). These are the top two segments expected to strongly advocate for adoption of generative AI, and this top-of-mind awareness may account for the smaller gaps between adopters and triers.

> Opinion gaps between adopters and triers with respect to where generative AI would have a major positive impact vary across supplier segments.

AI WOULD HAVE MAJOR POSITIVE IMPACT AT WORK, ADOPTERS MINUS TRIERS: SUPPLIER TYPE (SUPPLIER)

	Full service research	Qualitative research	Strategic consulting	Technology	Data & analytics
Miscellaneous common tasks	+22%	+16%	+21%	-2%	+18%
Insight development/creation	+16%	+33%	+32%	+14%	+15%
Report writing	+12%	+19%	+21%	+4%	+17%
Primary research execution	+6%	+36%	+19%	+19%	+4%
Knowledge management across areas	+6%	+12%	+20%	-1%	+13%
Code writing or software development	+2%	+15%	+29%	+1%	+16%
Fact-checking	0%	-3%	+10%	+12%	+5%

THE BIG PICTURE

As we discussed in *AI in Everyday Life* and *Caution: AI at Work*, insights professionals are cautiously optimistic about what they can accomplish with AI or generative AI, and now we learn that they are inclined to believe that professional use of AI-enabled solutions and tools *is inevitable*, just like Marvel's Phase Three uber-antagonist, Thanos.

More than two-thirds are currently using or trying generative AI, and even more expect their companies to advocate for, recommend, or at least allow it to be used for their work. Similar majorities also expect their companies to integrate the latest AI technology into their products or services. As that great Motown artist, Adam Ant, once proclaimed about Antmusic, you may not like it now, but you will.

The key question might be "*when* will you like it," but it's just as likely to be "how" or "why." The answers to those two questions will likely provide the answer to "when." There are many, many potential applications for AI and generative AI, each with its own its own range of potential positive to negative consequences and outcome probabilities. "Why" will be answered by how much value each company sees in a given application and whether they calculate that value to outweigh the associated cost and the risk. The "how" will be answered by the due diligence and processes they apply to validate that calculus.

As we've discussed in this section, there are some use cases that grow more appealing to insights professionals the more they experiment with them. There are some cases where one reaches a certain level of experience and either gets hooked on it or loses interest. There are many different ways the future could unfold, but it is not likely to unfold purely based on personal whims, given well-known cautions such as the risk of privacy infringement or loss of IP, to name just two. Unless corporate governance completely vanishes, AI and generative AI will have to pass some tests before they can be universally loved.

> Unless corporate governance completely vanishes, AI and generative AI will have to pass some tests before they can be universally loved.
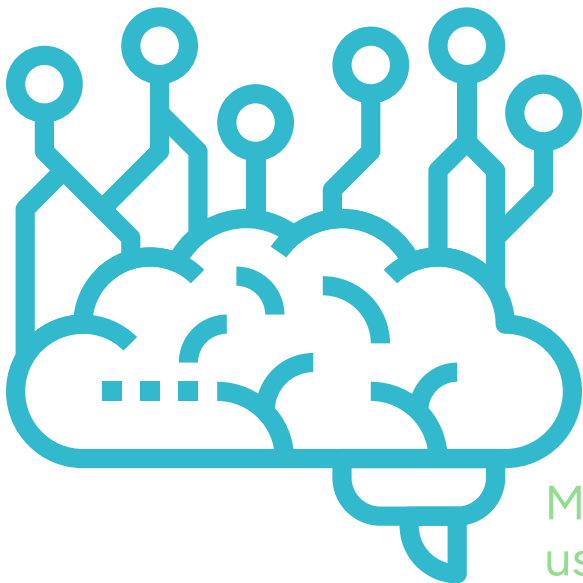
> More than two-thirds are currently using or trying generative AI, and even more expect their companies to advocate for, recommend, or at least allow it to be used for their work.

ARTIFICIAL INTELLIGENCE AT WORK: NAVIGATING THE REVOLUTION

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It cannot go on forever.

Interviewed in 2005, the late cofounder of Intel, Gordon Moore, thought his early 1965 prediction that computing power would double every 2 years must come to an end. Moore's law is still true today and compute power has been doubling every 18 months since the 1960s. Meanwhile digital data production has been growing exponentially with the large adoption of high-speed internet, IoT (Internet of Things), social media, and e-commerce.

In 2017, the seminal paper "Attention is all you need" marked the advent of the Transformer architecture. Initially designed to perform NLP (natural language processing) tasks, Transformers have proven to be versatile and scalable and have found a wide range of applications from computer vision to recommendation systems and more. Today, Transformers are pre-trained on huge amounts of data using enormous computing power and can be prompted or fine-tuned on very little data to perform specific tasks with impressive accuracy. GPT4 (Generative Pre-Trained 4), is surpassing human performance on many tasks and at an increasing rate. AI researchers see no slowdown in sight given the growth of compute and data.

ChatGPT is now the fastest growing app ever, true testament of the impact this revolution is having on our lives, at home and at work.

In our industry, the workplace, as we know it, is undergoing a profound transformation. Most have plans to integrate AI capabilities to some degree, buyers are most cautious, and technology providers are more aggressive than full-service companies. Employees' familiarity and the culture of innovation within the organizations impact the speed of adoption of AI tech. Across all segments, most agree that tasks such as knowledge management, report writing, and other common tasks will be deeply impacted. Expectations for generative AI to streamline insights development, fact-checking, and primary research are not as high across the board even if tech providers have higher hopes.

At Behaviorally, we've fully integrated image-recognition AI into our product stack, revolutionizing our approach to pack design testing and consumer insights research. AI empowers us to provide invaluable insights into potential packaging design impacts on sales, streamline early pack design evaluations, operate at the speed and scale required by the digital e-commerce shopping experience, and connect different data services using a consistent PackPower Score. This strategic embrace of AI underscores our commitment to delivering data-driven decision-making tools that allow clients to win at the moment of purchase transaction.

In conclusion, AI is no longer a distant aspiration but a daily reality that is redefining society. For people and businesses, the imperative to adapt or risk obsolescence is truer than ever. Success in this era hinges on leveraging AI's benefits while effectively mitigating its risks. Although the path forward may present challenges, it offers unparalleled opportunities for those who embrace AI's evolution with adaptability and foresight.

In this era of AI at work, our ability to navigate this revolution will determine our success and relevance in tomorrow's workplace. We at Behaviorally are determined to embrace the revolution!

INNOVATION STRATEGY

Insights-related innovation is just as key among suppliers now as it was before the pandemic, but it is a much lower priority among buyers. Regardless of whether this priority has been reduced or maintained, insights professionals seem to have become more selective in how they invest in it and pursue it.

OVERVIEW

Since 20W1, the eve of the pandemic, GRIT has asked insights professionals how important it is to develop innovative focus on their staff, and, if it is at least a secondary priority, what they do to support innovation efforts.

In *Skills and Strategies*, we detail the trends of how buyers and supplier prioritize innovative focus as a skill to develop on their staffs. Most suppliers and less than half of buyers consider it to be a key priority, and it is just as key among suppliers now as it was before the pandemic. However, it is a much lower priority among buyers now, and throughout

this report we discuss how buyers may have leaned more heavily on suppliers for insights-related innovations during the pandemic when faced with unprecedented challenges.

Regardless of whether the priority on innovative focus is reduced or maintained, insights professionals seem to be focusing on fewer ways to invest in it and considering fewer actions to be critical to it. A greater selectivity has evolved as each entity finds the combinations that best fit their goals and resources.

INNOVATION FOCUS DEVELOPMENT EMPHASIS: SEGMENT (INVOLVED IN STRATEGIC DECISIONS)

Segment	Key priority	Secondary priority	Not a priority
Buyer (n = 270)	45%	49%	6%
Full service research (n = 496)	67%	30%	3%
Field services (n = 59)	58%	34%	8%
Qualitative research (n = 127)	76%	23%	1%
Strategic consulting (n = 212)	71%	26%	3%
Technology (n = 234)	68%	29%	3%
Data & analytics (n = 126)	78%	18%	4%

● Key priority ● Secondary priority ● Not a priority
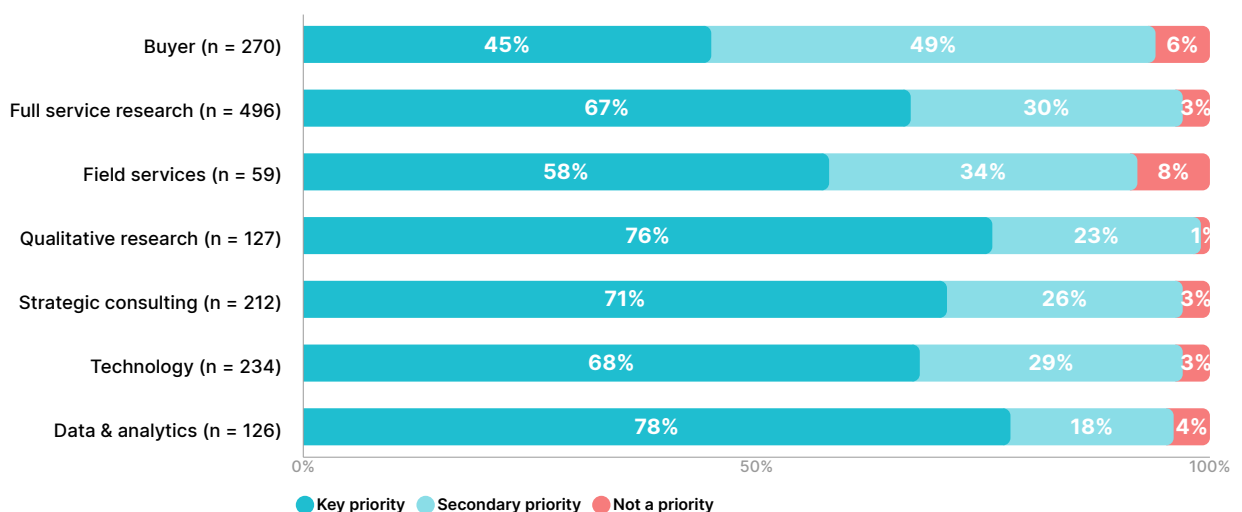
BUYER PERSPECTIVE

Until this year, about 60% of buyer-side insights professionals who considered innovative focus to be at least a secondary priority to develop in their staff dedicated staff to new ways of doing things. Most also depended on collaboration with other businesses. This year, however, both of these dropped to just less than a majority (49%), close to the pre-pandemic level for collaboration with businesses but much lower for dedicating staff.

These are still the top two ways buyers invest in innovation, but the lower percentages suggest that although buyers agree regarding *whether* to invest in innovation, there are many different ways they accomplish it. Just over one-third collaborate with academics, allocate portions of project budgets to fund it, or maintain a separate, dedicated budget for it. Just under one-third have a formal program for innovation.

Of these, collaboration with academia has increased since last year and is somewhat higher than before the pandemic, but the pandemic seems to have triggered a decline in maintaining a separate budget for it. Although allocating portions of project budgets hasn't changed, the reluctance to dedicate a budget to innovation is consistent with observations in other sections of this report and in previous *GRIT Report*s that many buyers decided to rely on external suppliers for insights-related innovation. The novel challenges of the pandemic may have been beyond the capabilities and resources of many buyers to innovate solutions.

Quickly adopting analytical tools also plunged to less than half of any year since before the pandemic. It is not clear whether this is a temporary blip, a shift from tools to human skills, a pause on "quickly" adopting, a perception that analytical tool development has plateaued, or some other reason.

> Although allocating portions of project budgets hasn't changed, the reluctance to dedicate a budget to innovation is consistent with the hypothesis that more buyers are relying on suppliers for insights-related innovation.

HOW ORGANIZATION INVESTS IN INNOVATION: GRIT WAVE (BUYER, INNOVATIVE FOCUS AT LEAST SECONDARY)

	20W1	21W1	22W1	23W1	Change since last year	Change since 20W1
Collaborates with expertise from businesses	51%	54%	56%	49%	-7%	-2%
Staff dedicated to new ways of doing things	60%	57%	57%	49%	-8%	-11%
Collaborates with expertise from academia	31%	32%	27%	38%	+11%	+7%
Allocates portion of project budgets	40%	44%	39%	37%	-2%	-3%
Separate, dedicated budget	49%	40%	38%	37%	-1%	-12%
Formal, documented program	34%	38%	38%	29%	-9%	-5%
Quickly adopts new analytical tools	32%	37%	35%	15%	-20%	-17%
Aggressively acquires the newest equipment	9%	10%	6%	6%	0%	-3%
Other	2%	1%	2%	2%	0%	0%
None of the above	6%	6%	6%	5%	-1%	-1%
Average (excl. "other")	3.1	3.1	3.0	2.6		
n =	133	457	214	174		

Green highlighting represents increases of 10% or more; red highlighting, decreases of 10% or more.

Having asked about ways buyers invest in innovation, GRIT asks about which actions are most critical to maintaining an innovative focus. A slight majority says providing access to experts is critical (52%), and just under a majority say that internal knowledge sharing events or meetings are, too (48%). The next most popular are providing access to tools (43%) and interacting with external suppliers (41%). Webinars (37%) are just below that, followed by about a half dozen practiced by one-third of buyers, suggesting that there are many different ways buyers support innovation.

From before the pandemic until now, buyers averaged five different ways they support innovation, and majorities named access to experts, internal knowledge sharing events/meetings, access to tools, and interacting with external suppliers. Except for access to experts, each of these have fallen well below their pre-pandemic popularity, as have conferences and classes and access to external materials, such as databases

and periodicals. Despite declines in face-to-face meetings during the pandemic, staff mentoring actually peaked at 41% during the pandemic, but dropped to 30% in this wave.

Although they remained as robust as ever during the pandemic, it's hard to ignore that four of the activities that declined may have been associated with face-to-face meetings historically. As discussed in the *Skills and Strategies* section, innovative focus was a key priority for 68% of buyers before the pandemic, but dropped in each subsequent year. Until last year, it was still a key priority for a majority, but now only 45% consider it to be that important. Perhaps internal knowledge sharing, staff mentoring, interacting with suppliers, and conferences and classes were supported virtually for as long as innovative focus was a key priority, but are no longer considered worth the effort now that insights innovation is a lower priority internally.

> A slight majority of buyers says providing access to experts is critical to innovation, and just under a majority say that internal knowledge sharing events or meetings are, too.

**MOST CRITICAL TO DEVELOP AND MAINTAIN INNOVATIVE FOCUS: GRIT WAVE
(BUYER, INNOVATIVE FOCUS AT LEAST SECONDARY)**

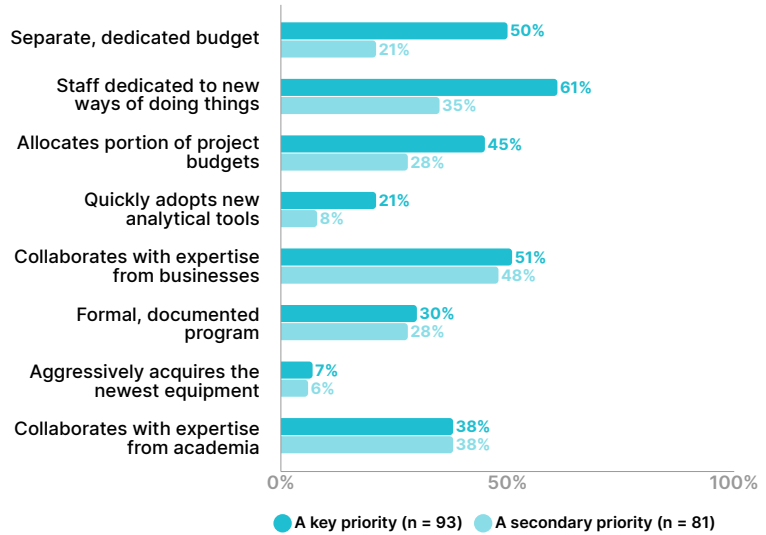|	20W1	21W1	22W1	23W1	Change since last year	Change since 20W1
Access to experts	59%	63%	60%	52%	–8%	–7%
Internal knowledge sharing events/meetings	59%	64%	64%	48%	–16%	–11%
Access to tools	54%	61%	48%	43%	–5%	–11%
Interacting with external suppliers	68%	59%	58%	41%	–17%	–27%
Webinars	N/A	N/A	36%	37%	N/A	N/A
Conferences and classes	49%	48%	44%	35%	–9%	–14%
External materials (databases, periodicals, etc.)	46%	49%	40%	33%	–7%	–13%
Intranet and collaboration tools	30%	32%	24%	32%	8%	2%
Staff mentoring	35%	37%	41%	30%	–11%	–5%
Memberships in professional organizations	36%	30%	29%	29%	0%	–7%
Hiring	30%	31%	28%	28%	0%	–2%
Policies are well communicated/supported	28%	30%	20%	25%	5%	–3%
Other	1%	2%	3%	3%	0%	2%
Average (excl. "other")	4.9	5.0	4.9	4.3		
n =	137	457	214	174		

Green highlighting represents increases of 10% or more; red highlighting, decreases of 10% or more.

If we look at those who consider innovative focus to be a key priority versus those to whom it is only secondary, four investments are more characteristic of those who emphasize innovation, and four make no difference. The two that differentiate the most, dedicating a budget and dedicating staff, have declined since before the pandemic. Another differentiator, quickly adopting new analytical tools, has declined sharply. Of the four differentiators, only allocating portions of project budgets has not declined substantially.
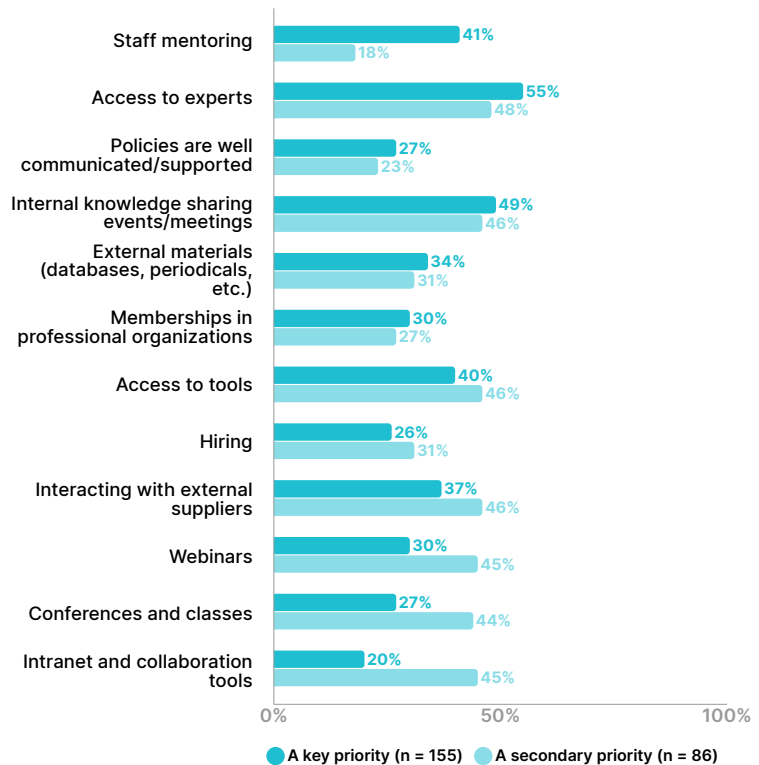
As we saw with the investments, the one activity that strongly distinguishes those who place a high priority on insights innovation from those who only consider it to be of secondary importance is declining overall: staff mentoring (41% to 18%). Four activities are much more likely among those who say that innovative focus is a secondary priority: intranet and collaboration tools (45% to 20%), conferences and classes (44% to 27%), webinars (45% to 30%), and interacting with external suppliers (46% to 37%). These seem like low investment areas that tend to focus more on external knowledge than on internal collaboration. These activities might be just as common among those who consider innovative focus to be a key priority, but they might be less likely to mention them in this context because other activities are more targeted to innovation.

> Looking at those who consider innovative focus a key priority versus those to whom it is secondary, four investments are more characteristic of those who emphasize innovation, and four make no difference.

HOW ORGANIZATION INVESTS IN INNOVATION: INNOVATION SKILL PRIORITY (BUYER, INNOVATIVE FOCUS AT LEAST SECONDARY)

Category	A key priority (n = 93)	A secondary priority (n = 81)
Separate, dedicated budget	50%	21%
Staff dedicated to new ways of doing things	61%	35%
Allocates portion of project budgets	45%	28%
Quickly adopts new analytical tools	21%	8%
Collaborates with expertise from businesses	51%	48%
Formal, documented program	30%	28%
Aggressively acquires the newest equipment	7%	6%
Collaborates with expertise from academia	38%	38%

MOST CRITICAL TO DEVELOP/MAINTAIN INNOVATIVE FOCUS: INNOVATION KEY V. SECONDARY (BUYER)

Category	A key priority (n = 155)	A secondary priority (n = 86)
Staff mentoring	41%	18%
Access to experts	55%	48%
Policies are well communicated/supported	27%	23%
Internal knowledge sharing events/meetings	49%	46%
External materials (databases, periodicals, etc.)	34%	31%
Memberships in professional organizations	30%	27%
Access to tools	40%	46%
Hiring	26%	31%
Interacting with external suppliers	37%	46%
Webinars	30%	45%
Conferences and classes	27%	44%
Intranet and collaboration tools	20%	45%

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When buyers have a formal, documented program for innovation, it is most likely to be led by a Chief or Head of Innovation, a trend that has been increasing over the last two years. Since the pandemic began, the CMO has also become a more likely leader while the head of the insights organization has become less influential. Before the pandemic, the Chief or Head of Innovation was named as frequently as the head of the insights organization, but the gap has widened in each of the last two years. This could be another example of how insights work continues to expand outside of formal insights groups.

WHO LEADS INNOVATION PROGRAM (BUYER WITH FORMAL, DOCUMENTED PROGRAM)

	20W1	21W1	22W1	23W1	Change since last year	Change since first measure
Chief or Head of Innovation	38%	31%	41%	51%	10%	13%
CMO	11%	20%	17%	25%	8%	14%
Executive or leadership team	32%	37%	32%	23%	-9%	-9%
Head of insights organization	38%	34%	27%	22%	-5%	-16%
R&D head/department	32%	28%	31%	22%	-9%	-9%
CEO or COO	9%	14%	17%	11%	-6%	3%
Human resources head/department	2%	7%	4%	2%	-2%	0%
Chief Learning Officer	2%	4%	1%	2%	1%	0%
Other	9%	8%	7%	11%	4%	3%
n =	47	169	79	53		

SUPPLIER PERSPECTIVE

Earlier, we discussed how fewer buyers are considering innovative focus to be a key skill to develop, having become less important in each year since before the pandemic to its current level of 45%. However, in the *Skills and Strategies* section, we discuss its continued importance on the supplier side as a majority in each segment consider it to be a key priority. Currently, this ranges from 58% of the field services segment to 78% of data and analytics, where it is substantially higher than before the pandemic. It has not changed in any other segment except technology where it has dropped to a still-substantial 68%.

Even though, unlike buyers, suppliers have maintained a high priority for innovative focus, like buyers, they are investing in it in fewer ways, on average. Full service research providers name an average of three ways they invest in it, which is about the same as it has been since before the pandemic, but this average has declined in each other segment that has a pre-pandemic measurement.

Even though the average for technology providers has fallen all the way from 4.3 to 3.2, each segment currently averages about three ways to invest, with strategic consulting slightly lower (2.7). Overall, suppliers' passion for innovation is as strong as ever, but they are becoming more targeted in how they invest in it. If any of them are easing up, technology providers are throttling their efforts, but that only brings them closer to par with other segments.

> Overall, suppliers' passion for innovation is as strong as ever, but they are becoming more targeted in how they invest in it.

AVERAGE NUMBER OF WAYS ORGANIZATION INVESTS IN INNOVATION: SUPPLIER TYPE (SUPPLIER, INNOVATIVE FOCUS AT LEAST SECONDARY)

Legend: Full service research • Field services • Strategic consulting • Technology • Data & analytics
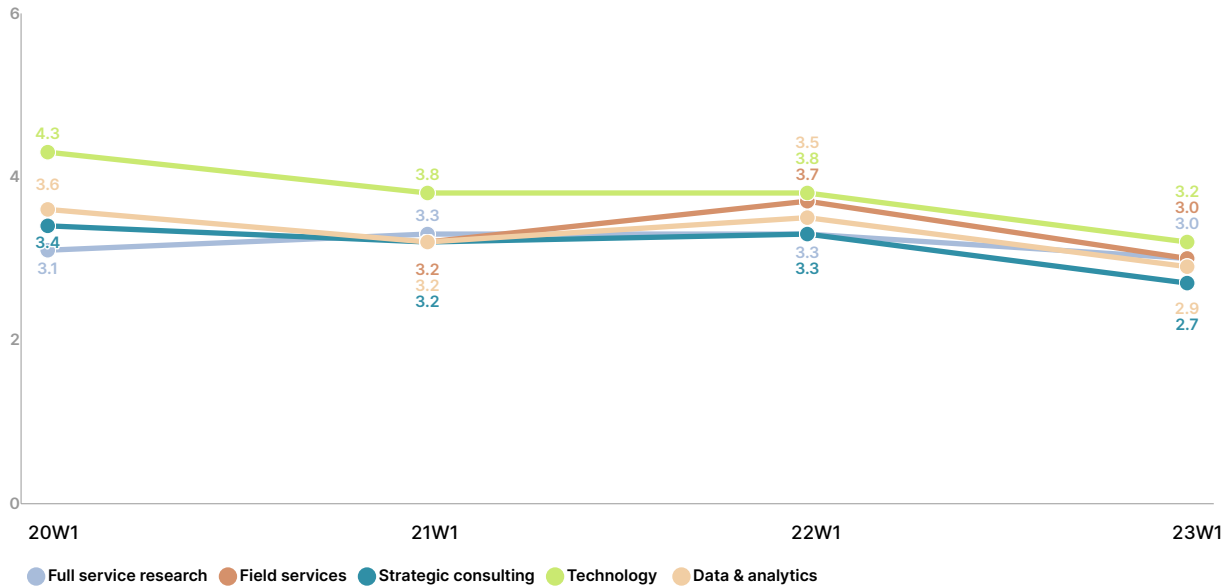
The top two ways to invest in innovation are the same as among buyers, dedicating staff to it and collaborating with experts in other businesses. Dedicating staff is named by a majority in each segment except qualitative research providers, and collaborating with businesses is named by about half in each.

Compared to buyers, quickly adopting analytical tools is a strong third, on average, but first among qualitative research providers, tied for first among technology providers, and bunched in the top three for strategic consultancies. The top three are the same in each segment, except that having a separated dedicated budget is slightly ahead of new analytical tools among field services providers.

Even though the top three ways to invest are stable, dedicating staff and collaborating with businesses declined among technology and data and analytics providers, and adopting new analytical tools dropped among strategic consultancies and data and analytics suppliers. Collaborating with academic experts also declined among technology and data analytics providers.

In addition to the three just mentioned as less common among technology providers, four other methods of investment also declined from pre-pandemic levels. Maintaining a separate dedicated budget declined for them as well as for strategic consultancies and field services providers, and allocating money from project budgets also fell, as it did for field services. Technology providers also became less likely to have a formal program for innovation and to aggressively acquire new equipment.

The top two ways to invest are the same as among buyers, dedicating staff and collaborating with business experts. The former is named by a majority in each segment except qualitative research, and the latter is named by about half in each.

HOW ORGANIZATION INVESTS IN INNOVATION: SUPPLIER TYPE (SUPPLIER, INNOVATIVE FOCUS AT LEAST SECONDARY)

	Full service research	Field services	Strategic consulting	Qualitative research	Technology	Data & analytics
Staff dedicated to new ways of doing things	64%	63%	54%	43%	64%	59%
Collaborates with expertise from businesses	50%	49%	50%	49%	51%	53%
Quickly adopts new analytical tools	47%	42%	47%	51%	64%	45%
Separate, dedicated budget	34%	45%	27%	18%	33%	31%
Collaborates with expertise from academia	36%	19%	34%	17%	26%	23%
Allocates portion of project budgets	29%	21%	26%	23%	34%	34%
Formal, documented program	29%	33%	20%	14%	32%	24%
Aggressively acquires the newest equipment	14%	26%	13%	13%	13%	25%
Other	4%	0%	1%	2%	0%	0%
None of the above	4%	12%	7%	15%	3%	2%
Average (excl. "other")	3.0	3.0	2.7	2.3	3.2	2.9
n =	315	31	130	91	122	90

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased more than 10% since 20W1; red border, decreased more than 10%.
Field services compared to 21W1. There are no data for qualitative research providers prior to 22W2.

As we saw with the ways to invest, the number of actions that are critical to maintaining an innovative focus is the same among full service research providers as it was before the pandemic, and much lower for technology providers, dropping from 5.7 to 4.7. It dropped a similar amount among data and analytics providers (5.3 to 4.2), and less among strategic consultancies (5.2 to 4.8). Currently, full service research providers, strategic consultancies, and technology providers average close to five activities, while field services, qualitative research, and data and analytics providers average closer to four. (Averages exclude webinars, which weren't introduced until last year.)

AVERAGE NUMBER ACTIONS CRITICAL TO MAINTAINING INNOVATIVE FOCUS: SUPPLIER TYPE (SUPPLIER, INNOVATIVE FOCUS AT LEAST SECONDARY)

● Full service research ● Field services ● Strategic consulting ● Technology ● Data & analytics
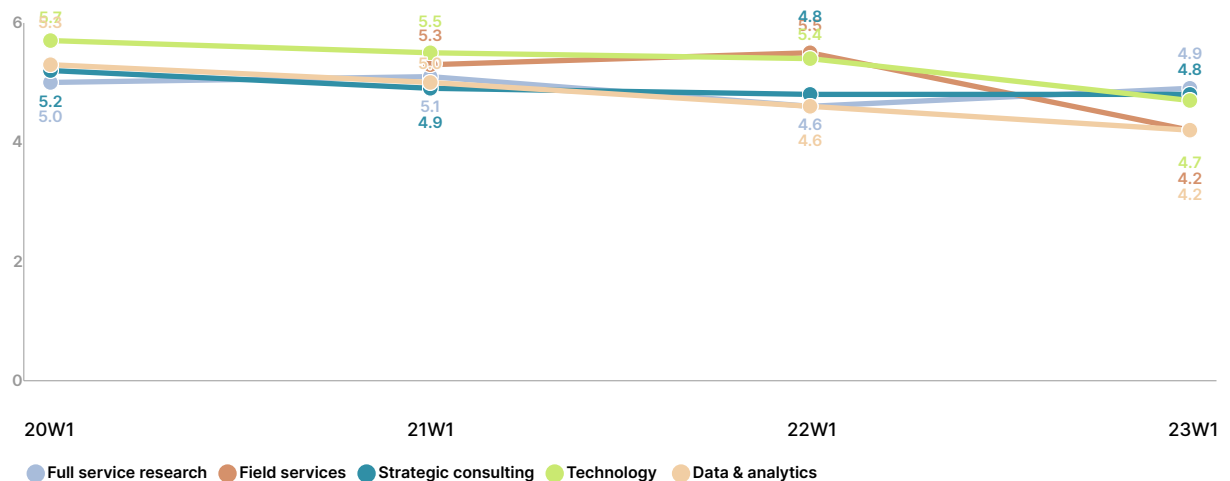
Among buyers, only access to tools was considered critical by a majority (52%), and only internal knowledge sharing meetings or events came close (48%). None are considered critical by a majority in each segment; the closest is internal knowledge sharing meetings or events which reaches at least 57% in each segment except field services (47%) and qualitative research (42%). Access to tools reaches at least 59% in each segment except field services (45%) and data and analytics (43%).

Access to experts is critical to majorities among full service research, strategic consulting, and technology while falling just short in data and analytics (48%). Conferences and classes have majorities in full service research and qualitative research, and is close in field services (49%) and technology (46%). The only other examples of a majority of a segment finding an activity to be critical to innovation are webinars among qualitative researchers and memberships in professional organizations in field services, although access to external materials hits 50% in strategic consulting as does interacting with external suppliers among strategic consultancies and technology providers.

Six activities are less critical among data and analytics providers than they were before the pandemic: internal knowledge sharing events/meetings, access to tools, access to experts, conferences and classes, policies that are well communicated and supported, and intranet and collaboration tools. Innovation is just as important as it ever was to them, but they are being more selective in how they maintain that focus.

Three areas declined among technology providers: access to experts, interacting with external suppliers, and hiring. Two declined among strategic consultancies (conferences and classes and hiring) and one declined among full service research providers (interacting with external suppliers). Among field services providers, memberships in professional organizations became more critical since the first wave of the pandemic, and six actions became less critical.

MOST CRITICAL TO DEVELOP AND MAINTAIN INNOVATIVE FOCUS: SUPPLIER TYPE (SUPPLIER, INNOVATIVE FOCUS AT LEAST SECONDARY)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Internal knowledge sharing events/meetings	65%	47%	42%	60%	72%	57%
Access to tools	64%	45%	64%	62%	59%	43%
Access to experts	60%	33%	36%	59%	55%	48%
Conferences and classes	56%	49%	55%	43%	46%	35%
Staff mentoring	48%	38%	43%	42%	52%	39%
Webinars	45%	34%	54%	35%	38%	29%
External materials (databases, periodicals, etc.)	40%	39%	25%	50%	34%	43%
Interacting with external suppliers	39%	41%	50%	50%	19%	33%
Hiring	33%	29%	23%	28%	35%	32%
Memberships in professional organizations	29%	52%	37%	28%	25%	29%
Policies are well communicated/supported	28%	36%	20%	20%	32%	31%
Intranet and collaboration tools	27%	12%	16%	35%	39%	25%
Other	0%	0%	1%	2%	3%	2%
Average	5.3	4.5	4.6	5.1	5.1	4.5
n =	315	31	91	130	122	90

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased more than 10% since 20W1; red border, decreased more than 10%.
Field services compared to 21W1. There are no data for qualitative research providers prior to 22W2.

The average full service research, data and analytics, and technology provider say that their formal innovation program has dual leadership. Most in all three say that an executive or leadership team heads innovation, but data and analytics providers are even more likely to say that a CEO or COO leads it. The second choice among full service research providers is a Chief or Head of Innovation (46%), while there is less consensus around the second choice among technology providers where 39% name a CEO or COO.

Among qualitative research and field services providers, the clear leader is a CEO or COO (73% and 62% respectively). Leadership is more diverse across strategic consultancies: CEO or COO (44%), executive or leadership team (38%), and Chief or Head of Innovation (29%).

WHO LEADS INNOVATION PROGRAM: SUPPLIER TYPE (SUPPLIER WITH FORMAL, DOCUMENTED PROGRAM)

	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Executive or leadership team	54%	13%	18%	38%	52%	53%
Chief or Head of Innovation	46%	17%	6%	29%	18%	43%
CEO or COO	33%	62%	73%	44%	39%	56%
R&D head/department	28%	16%	15%	17%	28%	27%
Head of insights organization	19%	3%	10%	20%	11%	4%
Chief Learning Officer	12%	31%	0%	7%	11%	20%
Human resources head/department	11%	23%	9%	14%	16%	17%
CMO	9%	13%	6%	3%	11%	4%
Other	2%	0%	0%	9%	18%	0%
None of the above	0%	21%	4%	4%	0%	0%
Average (excl. "other")	2.1	1.8	1.4	1.7	1.9	2.2
n =	99	10	15	27	48	21

Darker green indicates higher percentage; yellowish, middle percentage; and darker red, lower percentage.
Green border indicates increased more than 10% since 20W1; red border, decreased more than 10%.
Field services compared to 21W1. There are no data for qualitative research providers prior to 22W2.

> Each supplier is likely focusing on the investments and activities that best fit the reward they want and the effort they are willing to make. While each supplier likely has a unique formula, there are differences at the segment level.

Although innovative focus is about as important as it was before the pandemic, the average supplier invests in it in fewer ways and considers fewer actions to be critical to maintaining it. This means that each supplier is likely focusing on the investments and activities that best fit the reward they want to get from it and the effort they are willing to make to achieve it. While each supplier likely has a unique formula, we can see that there are differences across segments.

As we did for buyers, we compare those who make innovative key priority to those who consider it as only a secondary one. Only one of the investments or actions we have considered differentiates between these two groups in each supplier segment: quickly adopting new analytical tools. Four of them differentiate in five of the six segments: collaborating with businesses (except data and analytics), having a formal program (except field services, where the relationship is reversed), collaborating with academics (except field services), and policies are well communicated/ supported (except data and analytics).

Two more differentiate those who consider innovation to be a key priority versus those who do not within four segments: allocating portions of project budgets and aggressively acquiring the newest equipment (except for qualitative research and technology in both cases). There are only two examples that are unique to a segment. Access to external materials differentiates the two groups among full service research providers (although the opposite relationship exists among technology providers) and staff mentoring among technology providers.

Each of the twenty areas differentiate between those with different priorities for innovation, and three are more common among those who place a secondary emphasis on it. Interacting with external suppliers and hiring are more common for those with a low innovation priority within field services and data and analytics providers and webinars are more common among field services providers who have a lower priority on innovation.

MOST CRITICAL TO DEVELOP/MAINTAIN INNOVATIVE FOCUS, INNOVATION KEY - SECONDARY: SUPPLIER TYPE (SUPPLIER)

	% Do It (Median Rank)	Full service research	Field services	Qualitative research	Strategic consulting	Technology	Data & analytics
Internal knowledge sharing events/meetings	2			🟩	🟩		🟥
Staff dedicated to new ways of doing things	3		🟩	🟩	🟩		
Access to tools	3		🟩				🟩
Access to experts	4.5	🟩	🟩				🟩
Collaborates with expertise from businesses	5.5	🟩	🟩	🟩	🟩	🟩	
Quickly adopts new analytical tools	6	🟩	🟩	🟩	🟩	🟩	🟩
Conferences and classes	6.5		🟩				🟩
Staff mentoring	8					🟩	
External materials (databases, periodicals, etc.)	10	🟩				🟥	
Interacting with external suppliers	10		🟥				🟥
Webinars	11		🟥				
Separate, dedicated budget	13					🟩	
Hiring	13.5		🟥				🟥
Allocates portion of project budgets	14.5	🟩	🟩		🟩		🟩
Memberships in professional organizations	15						🟩
Intranet and collaboration tools	16		🟩	🟩	🟩	🟩	
Formal, documented program	16.5	🟩	🟥	🟩	🟩	🟩	🟩
Collaborates with expertise from academia	17.5	🟩		🟩	🟩	🟩	
Policies are well communicated/supported	18	🟩	🟩	🟩	🟩	🟩	
Aggressively acquires the newest equipment	20	🟩	🟩		🟩		🟩

Green shading' means those who consider innovative focus to be a key priority skill to develop are 10% more likely to do this than those who consider it to be secondary; red shading, at least 10% less.

THE BIG PICTURE

Recent *GRIT Report*s have discussed how the novel challenges of the pandemic forged a clearer division of labor between buyer-side and supplier-side insights professionals, as well as within insights staffs and across supplier segments. Because of the magnitude and nature of the challenges, buyers began to rely more heavily on suppliers for insights-related innovation, among other things. This is not to say that insight-related innovations have disappeared from the buyer side, but the average buyer puts less priority on it than before the pandemic while the average supplier prioritizes it just as highly.

Regardless of the priority they place on innovation, buyer-side and supplier-side insights professionals have become more selective in how they invest in it and which activities they encourage to maintain that focus. Collaborating with other businesses, dedicating staff to trying new things, providing access to experts, and internal knowledge sharing events or meetings remain the most popular ways to support innovation, but none is as ubiquitous as it used to be. There is no magic formula that an average company can grab off a shelf and be confident that it will produce innovations; each one is figuring out what fits their goals and resources and paring the list down from that perspective.

However, certain activities are related to greater commitment to innovation. For buyers, those who prioritize innovative focus more highly are also more likely to dedicate a separate budget for it, dedicate staff to trying new things, allocate funds from project budgets, and quickly adopt new analytical tools. Staff mentoring also seems to be an important part of their strategy, even though this activity seems to be declining across the general buyer population.

The hallmarks of higher innovation prioritization on the supplier side vary by segment, but some initiatives are more common across supplier types than others. These include quickly adopting new analytical tools, collaborating with businesses, having a formal, documented program, collaborating with academics, and having policies that are well communicated and supported. Two others are also common across most supplier types: allocating portions of project budgets and aggressively acquiring the newest equipment.

When we compare the activities that characterize those that place a high priority on innovation to ones that characterize those who make it a secondary priority, the difference is striking. The former set seems to require time, money, and effort from management, while the latter set seems to distribute responsibility, setting an expectation that everyone will keep their eyes open for opportunities to innovate within the normal course of their daily activities.

> Buyers and suppliers have become more selective in how they invest in innovation and which activities they encourage to maintain that focus.

> Collaborating with businesses, dedicating staff to new things, providing access to experts, and internal knowledge sharing events remain the most popular ways to support innovation, but none is as ubiquitous as it used to be.

TECHNOLOGY AND INSIGHTS: A TRANSFORMATIVE YEAR IN REVIEW

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In the fast-paced realm of analytics and insights, the fusion of human expertise and cutting-edge technology is shaping a future once thought impossible. For over a decade, I've had the privilege of partnering with and learning from Michael Lancor, VP of Analytics & Insights at P&G. In a conversation at IIEX NA earlier this year, we delved into the transformative landscape that defines this industry. As we reflect on the past year, it becomes evident that we are on the cusp of a new era.

The Digital Transformation Imperative

At IIEX NA 2022, Michael highlighted the pivotal role of digital transformation in achieving the extraordinary. He emphasized the prominence of technologies such as artificial intelligence, virtual reality, and sensor-driven analytics. A fundamental shift from project-centric to platform-centric thinking was urged, alongside the cultivation of essential skill sets.

A Year of Uneven Progress

While the industry showed a keen interest in artificial intelligence, the pace of innovation was somewhat uneven. While discussions around the potential of AI, exemplified by GPT, were robust, substantial advancements remained on the horizon. Michael emphasized the necessity of transitioning towards platform-based solutions, underlining the need for distinct technical skills and closer agency-client integration.

The Rise of Technical Experts

A notable development has been the ascendancy of technical experts within the industry. These experts are instrumental in crafting APIs that empower ecosystem development, unlocking new sources of value creation for analytics and insights functions. They serve as the bridge between human insights and technology, amplifying the industry's capacity to generate meaningful, data-driven solutions.

Fostering a Human-Centric Ecosystem

Recognizing the concerns of non-technical experts in this evolving landscape, Michael advocates for a human-centric approach. He stresses that individuals, regardless of their technical proficiency, should leverage their unique strengths. Even those deeply versed in human behavior can maximize their effectiveness with some familiarity with technology.

The Golden Age of Insights and Analytics

Insights and analytics roles have never been more enticing, blending human understanding with technical prowess. They are now highly sought after by technology giants. The industry leads the digital revolution, harnessing data and technology to optimize marketing, product development, and consumer engagement.

Looking to 2024 and Beyond

Michael predicts ongoing evolution in technologies like AI, sensor-driven analytics, and virtualization. The rapid adoption of generative AI is here, with data emerging as a pivotal differentiator in achieving a competitive edge. The industry's commitment to integrating human insights with technology is expected to drive growth and innovation.

A Century of Insights Excellence

We want to acknowledge P&G's centenary of leadership in analytics and insights. P&G's legacy underscores the enduring importance of understanding consumer behavior as a pillar of brand-building and business success.

In an era defined by constant change, the marriage of human understanding and cutting-edge technology is driving the analytics and insights industry into uncharted territory. The future is brimming with exciting possibilities for those harnessing the power of insights technology.

GRIT TOP 50 MOST INNOVATIVE SUPPLIERS

The GRIT Top 50 Most Innovative Suppliers list honors the research, analytics, and insights suppliers whom GRIT participants deem to be innovative. In essence, it is a brand tracker focused on understanding which companies are perceived to be innovative by the widest swaths of our industry

OVERVIEW

The *GRIT Top 50 Most Innovative Suppliers* list honors the research, analytics, and insights suppliers whom GRIT participants deem to be innovative. In essence, it is a brand tracker focused on understanding which companies are perceived to be innovative by the widest swaths of the insights and analytics industry. It has been a reliable way for players in the insights and analytics ecosystem to understand how they compare to competitors with respect to their own brand awareness and how well they are convincing the market of their prowess in innovation.

Being perceived as innovative is important because establishing such a reputation conveys a promise of future growth for your company and for your clients. It sets an expectation that whatever you offer now will be improved or expanded in the future. In *Unmet Needs,* we discuss the unrelenting pressure for research and insights development faster and for lower cost, and it's the "-er" part that forces you to look ahead to the next solutions. You want those who know you well to be confident that you will lead them to greener pastures, and you want those who hear about you to want to hitch their wagons to your star.

Being able to demonstrate that you provide value through innovation is a feather in your cap, but you also want that feather to be noticed by as many potential customers as you can manage, so brand awareness is also important. After all, if you are not in the consideration set, you won't get the opportunity to earn business. The metric that determines position within the GRIT 50 represents the combination of brand awareness and innovation; how many people are willing to volunteer your company's name when asked "whom do you consider to be innovative."

There is ample evidence from many sources, including the *GRIT Report,* that "innovation" is very meaningful to both buyers and suppliers because it holds the promise of solutions for problems that currently vex buyers and the possibility of revenue growth for suppliers who demonstrate the business value of it. Suppliers who do a good job of marketing around this brand attribute are rightly responding to market signals.

The GRIT 50 is a brand tracker that uses perception of "innovation" as the key variable. It has been a reliable way to understand how supplier brands compare to competitors'.

Because the GRIT 50 metric is driven by how well "innovative" describes a supplier plus how many people believe it, presence on the list is not merely a popularity contest and absence does not mean the supplier is not innovative. If a company does not appear on this list, it could mean that they are not establishing a reputation for innovation among those who know them, but it could also mean that they are succeeding in that effort, just yet not with a large enough portion of the market.

While a company's inclusion and relative position in the GRIT 50 rankings mostly reflect successful marketing, we believe the rankings are also a good proxy for business footprint and growth. Our belief is based on what we have seen happen over the years regarding financial performance, including funding rounds (in some cases) of the companies that make the list.

As we have said in the past and is worth repeating again:

- *The GRIT 50 is NOT intended to evaluate all the real-world innovation successes of insights organizations and make a determination of which suppliers have contributed the greatest good to the most insights professionals; how could such a metric even be developed? What would be the basis for comparison even if using an "expert panel"?*
- *Instead, this is a metric of which companies are PERCEIVED to be innovative as a core brand attribute. We want to understand which companies are using the concept of "innovative" to capture mindshare in the marketplace, and then to understand what actually denotes "being innovative" in the minds of our participants.*

> If a company does not appear, it could mean they are not establishing a reputation among those who know them, but it could also mean they are succeeding, just not with a large enough audience.

THE GRIT 50 METHODOLOGY

The GRIT 50 is a valuable tool for the industry and those who want to invest in it, and we continue to refine and iterate on the process we use. One constant, however, is that the GRIT 50 is based solely on unaided verbatim responses. We do not prompt participants with company names from some predefined source, and we do not force them to name any companies if they don't have an opinion. **GRIT participants create the list based on their responses.**

GRIT used to ask two sets of questions, one which asked for innovative suppliers and one which asked for innovative non-suppliers: buyers, brand, clients, whatever. In recent years, however, the distinction became much less clear, and companies we might consider to be suppliers would be named as buyers and vice versa. To address this, we only ask for innovative companies once, then ask the participant to tell us whether they consider them to be a buyer or supplier, and, if they consider them to be a supplier, what type of service best describes them.

Besides separating "buyers" from "suppliers," the classification question allows us to develop sub-lists of innovative companies according to market-perceived supplier type. Due to a recent resolution to slim down the GRIT Report, we have not included these sub-lists in this report. Please watch for them to be released in another format at a later date.

In this wave, we developed a list of over 1,380 unique companies from 5,092 total responses from 2,100 completed interviews. Many of these companies are only mentioned once, so during the coding process we focus on firms with a minimum threshold of mentions before assigning a code. In this wave we coded 122 companies with at least five mentions, and this year companies that made it onto the GRIT 50 received 18 mentions or more.

For more information on the methodology, please see *Design, Methodology, Sample* at the beginning of this report.

2023 GRIT TOP 50 MOST INNOVATIVE SUPPLIERS

Without further ado – well, maybe with a little further ado – here are the 2023 GRIT Top 50 Most Innovative Supplier rankings.

For this report, we do not report year-to-year ranking changes, only the number of mentions from this wave. We believe the year-to-year changes could be distracting and may give the impression that something in the core innovation or awareness perceptions changed when it could be that something else changed in the industry, such as mergers or acquisitions. However, we call out debuts and rebrands because these are meaningful.

As always, due to extensive M&A activity in the industry, we consolidate all acquisitions and sub-brands under the primary parent commercial brand (not necessarily holding company).

> Due to extensive M&A activity, we consolidate all acquisitions and sub-brands under the primary parent commercial brand (not necessarily holding company).

Rank	Company	Mentions
1	Ipsos	277
2	*Kantar	228
3	SKIM	178
4	*NIQ (Formerly Nielsen and GfK)	161
5	Shapiro+Raj	115
6	Behaviorally	112
6	Qualtrics	112
8	Dig Insights	92
8	Recollective	92
10	quantilope	91
11	Hotspex	90
12	NAILBITER	89
13	QualSights	88
14	The Logit Group	76
15	Zappi	67
16	Toluna	62
17	Black Swan Data	55
18	Dynata	54
19	Reach3 Insights (Formerly Reid Campbell Group)	53
20	Voxpopme	51
21	TRC Insights	50
22	*SurveyMonkey (Formerly Momentive)	46
23	PureSpectrum	42
24	*Sago (Formerly Schlesinger & Associates)	41
25	1Q	40
25	Big Village	40

Rank	Company	Mentions
27	FactWorks	36
28	McKinsey & Co.	35
28	Research Strategy Group, Inc. (RSG)	35
30	Rival Technologies (Formerly Reid Campbell Group)	34
31	Highlight	33
32	Echo Market Research	32
33	C+R Research	30
34	Forsta	29
34	Yabble	29
36	*Circana (Formerly IRI and NPD)	26
36	*Human8 (Formerly Insites Consulting)	26
36	Nexxt Intelligence	26
36	Prodege	26
40	*Escalent	23
40	EyeSee	23
40	Gartner	23
43	Fuel Cycle	22
43	Material	22
43	Remesh	22
46	Canvs.ai	21
47	Suzy	20
48	Cint	19
49	Forrester	18
49	My-Take	18
49	*Savanta	18

Includes all sub-brands, divisions, acquisitions, and branded products through July 2023

Unsurprisingly, industry giants Ipsos, Kantar, and NIQ (formerly Nielsen and GfK) continue to hold the largest share of brand awareness related to innovation. Although these firms have had marginal changes in mentions over the years, they perennially retain leader status. With their reach, resources, and reputations they continue to be the ones to beat in terms of mind share in the industry. We should point out that these three firms have continually rolled out new products and services that support their brand perception as innovative, demonstrating that although awareness is a factor in the rankings, it must also be backed up with substance.

The rest of the list tells a very interesting story about the importance of being considered innovative, even on more limited budgets than the industry giants.

Fifteen companies debuted (or reappeared) this year: Black Swan Data, SurveyMonkey, 1Q, Big Village, McKinsey & Co., Echo Market Research, C+R Research, Yabble, Nexxt Intelligence, Escalent, EyeSee, Gartner, Canvs.ai, Forrester, and Savanta. Six of those companies are primarily technology providers with four of those being young organizations focused on the applications of AI in insights. The remainder are service-led but tech-enabled with a primary focus on strategic consulting.

[*One note: several companies rebranded this year, so at first blush, they may appear to be new entrants, but in fact have been in the GRIT 50 in years past: the previously mentioned NIQ, along with Sago, Reach3 Insights, Rival Technologies, Circana, and Human8 are new brands for established companies.*]

The surge of new entrants indicates that the industry continues to look outside of the "usual suspects" for solutions and that "challenger brands" are entering the market and aggressively positioning themselves as alternatives to established leaders. In looking at these debuts, it is clear that tech-led suppliers continue to gain both market and mind share.

The spectrum of tech-led anchoring one end and service-led on the other defines the remainder of the list as well (and we could argue the insights and analytics industry as a whole). Of course, there is nuance: the continued growth of more qual-centric providers such as Voxpopme, Echo Market Research, Dig Insights, Recollective, QualSights, NAILBITER, Sago, Rival Technologies, Fuel Cycle, Remesh, and My-Take (all tech-led) is a testament to the continued adoption of qualitative methods due to increased ease of use and scalability of relevant technology.

We also see the continued importance of sample providers embracing innovation, with Toluna, Dynata, PureSpectrum, Prodege, and Cint continuing to make the GRIT 50. Of course, the companies that led the AI revolution with that tech's previous incarnation of automation and DIY solutions also show continued strength, with Qualtrics, Zappi, quantilope, Forsta, and Suzy holding strong brand awareness among GRIT participants.

Companies that focus on applied behavioral science/behavioral tracking also make a strong showing, with SKIM, Behaviorally, Hotspex, Highlight, EyeSee, and Material remaining significant parts of the "innovative" framework participants think of.

The remainder of the GRIT 50 are service-led companies such as Shapiro+Raj, The Logit Group, TRC Insights, Factworks, and Research Strategy Group, indicative of the important role full service providers continue to play in the insights and analytics industry.

Congratulations to all the companies that made the list regardless of position; we can only say keep doing what you are doing because it is making an impression in the minds of the industry, and the GRIT 50 is where we celebrate that impact!

These three firms have continually rolled out new products and services that support their brand as innovative, demonstrating that although awareness is a factor in the rankings, it must also be coupled with substance.

In looking at these debuts, it is clear that tech-led suppliers continue to gain both market and mind share.

Companies that focus on applied behavioral science/behavioral tracking also make a strong showing.

WHAT'S SO INNOVATIVE ABOUT THESE SUPPLIERS?

After GRIT participants chose their "most innovative" company, we asked them to describe what stands out about it with respect to innovation. Context is key, so of the 1,539 verbatim responses we received, we pulled a selection of complete statements related to each of the top ten suppliers. These responses came from self-identified clients of a company they designated as "most innovative" from among all suppliers they listed, and we think they effectively highlight the range of considerations that define "innovative" in our industry.

The most common themes are having a portfolio of methods – new or established – and an ability to address a client's core business need. Some stand out for their value-added applications of new methods, including AI-assisted solutions and tools, and others stand out for their client-centricity. However, they all are related by their ability to add real business value rather than innovating just to be different or for the sake of innovation. To paraphrase the Ameritech slogan from the 1990's, innovation doesn't work if it doesn't work for people. It has to provide meaningful business value.

As to others who are missing the boat on delivering value to clients, we can only encourage them to reconsider their strategy and ensure they effective convey the differentiated business value they offer to clients and prospects in addition to how they are making efforts across multiple dimensions to ensure they stay ahead of the curve.

> These responses came from clients of a company they designated as "most innovative" from all suppliers they mentioned and effectively highlight the range of what defines "innovative" in our industry.

> They all are related by their ability to add real business value rather than innovating just for the sake of it. To paraphrase a vintage Ameritech slogan, innovation doesn't work if it doesn't work for people.

> *AI for pack design screening and online pack image testing. Also an AI enabled pack design score. New tools for omnichannel shopper. Updated qualitative tools. Digital shelves for online and in-person testing. Agile combination of simultaneous qual and quant offering.*

BEHAVIORALLY

> *I've had the pleasure of speaking with Recollective's product team to learn about their roadmap, vision and strategy. They are making decisions that align well with the future of the insights industry with respect to AI specifically. The Recollective platform continues to stand out as the best qualitative research tool that blends sync and async research and knowing what they have planned for AI feature development, I don't see myself needing to incorporate any other AI tools for analysis.*

RECOLLECTIVE

SHAPIRO+RAJ

Incredibly thorough. Highly insights driven. Finds insights nobody else can. Most strategic partner I have ever worked with.

QUANTILOPE

They have the highest number of advanced methods of any insights company I've worked with - they have a team of classically trained researchers to help assist in my business goals and are constantly innovating their product with new features - like adopting AI into their learning center or rolling out a new Brand Health tracker that is the first of its kind within the industry.

KANTAR

Thought leadership, integrating multiple areas to bring cohesive understanding.

IPSOS

They combine actual research expertise with innovation. Some companies don't understand the research part, but they blend it well.

DIG INSIGHTS

They are doing something unique when it comes to methodologies they leverage, they build a lot of analytics into their work and they're able to forecast impact of their work.

SKIM

They are ahead of the AI/neuromarketing curve. But also provide a scalable online solution.

NIQ

GFK provides actionable recommendations based on advanced analytics and powered by leading-edge technology. GfK is in the unique position to leverage proprietary and third-party data to create indispensable predictive market and consumer insights and recommendations.

QUALTRICS

They are constantly creating new products that align with industry trends.

THE BIG PICTURE

GRIT as a whole is a labor of love and a service to the industry. The *GRIT Top 50 Most Innovative Suppliers* list was designed to fill a specific gap in the market: a metric for brand awareness as it relates to the perception of a supplier as "innovative." To achieve that goal, the GRIT 50 is designed to do two things: identify how much the attribute of innovation drives brand awareness and what the term "innovation" means to the insights industry. Our belief, based on market dynamics,

financial performance, M&A activity, and other independent measures we have noted over many years, is that the more strongly a supplier is connected with this attribute, the more likely they are to succeed in the marketplace.

Congratulations to all the suppliers who made the GRIT 50! You can be proud of offering business value through innovation and that the market knows it!

Congratulations to all the suppliers who made the GRIT 50! You can be proud that that you are offering value through innovation and the market knows it!

THE GRIT TOP 50 LIST SIGNALS OUR INDUSTRY'S DIRECTION

Gary Ellis

CEO & Co-Founder, Remesh
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The GRIT Top 50 list signals our industry's direction: increased supplier diversity, tech-led growth, and an emphasis on real innovation.

The dawn of a tech-accelerated qualitative era

Qualitative research, often overshadowed, is primed to deliver exponential growth in value, so it's exciting to see more suppliers focusing on qualitative research. It only underscores that qual should be included in more workflows, and this is growth that the industry needs.

Historically, its adoption has been hindered by complexity. At Remesh, we've been shouting from the rooftops how valuable qualitative data is, and have been on a quest to make it more accessible. Artificial intelligence has been instrumental in our pursuit. The current technological advances are shattering previous limitations—capabilities improbable for qual research only a year ago are already becoming an established part of workflows.

Moving forward, there's room for everyone

The research industry is huge, and there's a multitude of providers, from DIY enthusiasts to those seeking full-service solutions. *The GRIT Top 50* reflects this varying need in its rankings. What stands out to me on this year's list is how diverse it is — suppliers of every size and offering can be found.

While currently nobody owns more than 2% of the market, it's probable that a few will carve out a significant market share (20%+). Recent acquisitions, take-privates, and roll-ups suggests as much. These could be providers who can do it all and serve a wide variety of research customers. And still, there will be plenty of room for us all at the table. In fact, there's opportunity for services-leaning organizations to leverage the innovative capabilities of smaller tech solutions, creating a harmonious ecosystem where collaboration *trumps* competition.

Fraud has no place in research

Fraud has *no place* in research. Ironically, while technological innovations are making fraud more and more prevalent, they're also making it less necessary. There is a place for synthetic sample— where exactly is still unknown. What is clear is that it must be abundantly transparent that they are not real, human responses. The path forward demands high integrity and accountability from vendors; representing simulated populations as though they were real takes us all down the road to ruin. There's ample opportunity to leverage technology to provide true innovative value (with a healthy dose of competition).

Where the GRIT Top 50 could go from here

The GRIT team has done a phenomenal job of evolving with the industry, which is why they've maintained such a high level of respect. At Remesh, we've experienced first-hand the benefits of being recognized on this list and consider it a high honor.

I hope to see the *GRIT Top 50* ascend to the next level of industry insight. Instead of just highlighting marketed innovation, the *GRIT Top 50* could elevate true industry changemakers. Let's use the data to reveal who is delivering on their promise to identify who to lean on in the future.

Elevating research and researchers

At the heart of all of this, we are enabling researchers to do their jobs easier and with greater efficiency. Technology enables us to achieve faster, cheaper, and higher quality work, so let's do more, and let's do it right.

GRIT TOP 25 MOST INNOVATIVE BUYERS

Insights-related innovation isn't just an imperative for suppliers; many buyers have made this a focus of their business, including within their insights organizations, and these companies set the standard for everyone year-after-year.

OVERVIEW

To complement our review of the most innovative suppliers, we asked participants to also consider who the most innovative buyers are, and, as discussed in the previous section, we collected both in a single set of verbatim responses. The buyer results focus on only the top 25 mentions as these tend to aggregate on fewer companies and dissipate faster than with suppliers. In fact, for this analysis we captured only 37 buyers named out of a total of 1,380 unique companies mentioned, and, of those, only twenty-five received at least four mentions.

2023 GRIT TOP 25 MOST INNOVATIVE BUYERS

As in the supplier section, this year we are not showing changes from previous years, but we will call out notable debuts and changes.

Rank	Company	Mentions
1	Alphabet	78
2	Microsoft	34
3	P&G	28
4	Meta	27
5	Amazon	25
6	Notion	22
6	PepsiCo	22
8	Apple	21
8	IBM	21
10	Slack	16
11	Unilever	15
12	The Coca-Cola Company	14
12	OpenAI	14
14	General Mills	10

Rank	Company	Mentions
15	Deloitte	9
16	Tesla	7
16	PwC	7
18	Bain & Co.	6
18	EY	6
20	Nestle	5
20	Nike	5
20	Salesforce	5
20	Coty	5
20	L'Oréal	5
25	McDonalds	4
25	Mondelez	4
25	Samsung	4

Includes all sub-brands, divisions, acquisitions, and branded products through July 2023

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Alphabet continues to be the buyer considered most innovative when it comes to their insights organization, with a wide margin between them and the next most mentioned company, Microsoft. However, P&G, Meta, and Amazon are relatively tightly clustered among the remaining top five.

What stands out, though, is that fourteen of the top twenty-five are debuts: Notion, Slack, OpenAI, Deloitte, Tesla, PwC, EY, Nestle, Nike, Salesforce, Coty, L'Oréal, McDonalds, and Samsung. Of those, six are technology companies, three are strategy consultancies, and the remainder are consumer product companies. Most of them are tightly clustered between four and nine mentions, with the exceptions of Notion, Slack, and Open AI, which have double-digit mentions.

Returning to the list are PepsiCo, Apple, IBM, Unilever, The Coca-Cola Company, General Mills, Bain & Company, and Mondelez. We see a similar mix of tech and FMCG, with a smattering of consultancies, as we do in the newer entrants.

> What stands out, though, is that 14 of the top 25 are debuts: Notion, Slack, OpenAI, Deloitte, Tesla, PwC, EY, Nestle, Nike, Salesforce, Coty, L'Oréal, McDonalds, and Samsung.

This trend is notable since for many years the CPG giants were widely considered the most innovative and helped drive the industry forward in terms of both demand for innovation and volume of projects. However, clearly tech-led is dominating the buyer side of the market just as it is the supplier side.

Certainly, over the past few years technology companies have come to serve a larger and larger role in the lives of humanity and are now just as much household names (perhaps more so!) than many other types of companies. However, this is focused on the perception of the insights organization, not of the brand generally, so clearly that growth of mind share has a demonstrable impact on our industry as well as the public at large.

Another striking finding is the kinds of companies were not listed: no media, financial services, pharma/healthcare, government agencies, hospitality, etc. appeared. Does it mean that the insights organizations in those categories are not innovating? We can't say for certain, but what we can say is GRIT participants are not thinking of those companies as innovative. They have no mind share or brand awareness when it comes to that attribute, and perhaps that is due to greater focus on protecting intellectual property in these industries.

THE BIG PICTURE

To summarize, there are a few buyers that really stand out as innovative to a wide range of insights professionals, and then some that have a reputation for innovation among a narrower set.

> For companies that make their commitment to innovation apparent to their suppliers and their peers, and in this study, GRIT recognizes that effort.

For those buyers that drive innovation forward in a very public way, we assume innovative focus is a core corporate value ingrained throughout the organization. For companies that make their commitment to innovation apparent to their suppliers and their peers, and in this study, GRIT celebrates and congratulates that effort.

INNOVATIVE BUYERS TAKE RISKS, PUSH BOUNDARIES, AND COLLABORATE

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Global companies thrive on innovation to keep pace with the changing market scenarios and to keep brands relevant for their customers. This explorative and risk-taking mindset allows brands to expand horizontally and vertically across geographies and customer segments. The consumer insights market plays a pivotal role in this ecosystem and is undergoing rapid transformations, as the digital and AI/ML mediums also usher in unprecedented connectivity, agility and information synthesis. The current ecosystem has seen a shift in how global brands engage with specialized partners to fuel innovation in the ever-evolving market research landscape.

As this year's list rightly exemplifies: the companies that have empowered their teams and their external collaborators to push boundaries have driven growth through exploration. These companies are willing to work with specialised tech-enabled insights companies to achieve agile impactful insights.

CPG companies have always been perceived as leaders in innovation in the research insights industry. Companies such as Unilever have been pushing the envelope by coming up with innovation platforms like Hive, which opens up collaborative & presentation opportunities for the suppliers to bring forth new-age solutions. We collaborated with Unilever to incorporate methodologies such as consumer neuroscience and real-time behavioural tracking into interviews, using big data, artificial intelligence (AI) and machine learning (ML) to deliver precise predictions and insights. The Coca-Cola Company worked with us to pilot a hybridized research approach to bring agility and deeper human centricity in decision making. Our key takeaway from these associations is that companies that are on the GRIT list are willing to collaborate with research partners to experiment and test new methodologies. They are not fearful of failure and are keen to push the boundaries.

The Coca-Cola Company worked with us to pilot a hybridized research approach to bring agility and deeper human centricity in decision making. Our key takeaway from these associations is that companies that are on the GRIT list are willing to collaborate with research partners to experiment and test new methodologies. They are not fearful of failure and are keen to push the boundaries.

Multiple tech companies have also made it to the list this time. Companies like Meta, Microsoft and Amazon, who are distinguished not only by their technological prowess but also by their ability to look for nuanced real-time insights to keep up with the constantly changing market trends, have collaborated with us to augment new age approaches for unveiling deep insights.

An important observation to note is that companies from the media, hospitality, travel and BFSI sectors are missing from this list. Our assumption is that most of these companies generate continuous consumer insights, but do so with their internal insights teams with their customer datasets. Therefore, there's no top-of-mind recall of these companies in the insights industry.

Looking at the *GRIT Top 25 List,* it's clear that the buyers are emerging as innovative leaders, and insights are undeniably a competitive advantage that plays a strong differentiator. But suppliers are also not lagging behind. They are a driving force in the ecosystem constantly identifying new methodologies and solutions or synthesizing existing solutions. At Borderless Access, we continually invest in market intelligence to identify possible new solutions that can be created using tech/AI-ML programs that enhance the insights generated and are as close to real-time as possible while maintaining strict data quality measures and privacy protocols.

BUSINESS OUTLOOK

Following the unpresented strength of last year's Business Outlook numbers, a letdown was inevitable. This year's numbers are much more moderate, though healthy overall. Some, however, may be signs of a tougher road ahead.

OVERVIEW

In recent years, the *Business Outlook* section of the *GRIT Report* chronicled the downs and ups of insights professionals on the buyer and supplier sides as they navigated the challenges of the pandemic and new opportunities presented by innovations. However, over the last couple of reports, we've also felt the need to comment on the looming specter of a recession even though all of our *Business Outlook* metrics said otherwise.

Last year's numbers were as strong as or stronger than ever, but this year's show an abrupt turn for the worse. The metric that may best capture this phenomenon is how many exceeded their insights and analytics goals: it took a nose dive from last year in every segment. This downturn is echoed in the other metrics, but this one is significant because managers can adjust their goals as conditions change, and this seemed to be a common practice earlier in the pandemic. For some reason, it appears that the industry may have experienced significant challenges with little or no warning and could not lower their expectations enough to be able to meet them.

> This year's numbers show an abrupt turn for the worse. The metric that may best capture this is how many exceeded their goals: it nose-dived from last year in every segment.

EXCEEDED RESEARCH AND INSIGHTS/ANALYTICS GOALS: GRIT WAVE (BUYER, SUPPLIER TYPE)

Legend: Buyer, Full service research, Strategic consulting, Technology, Data & analytics
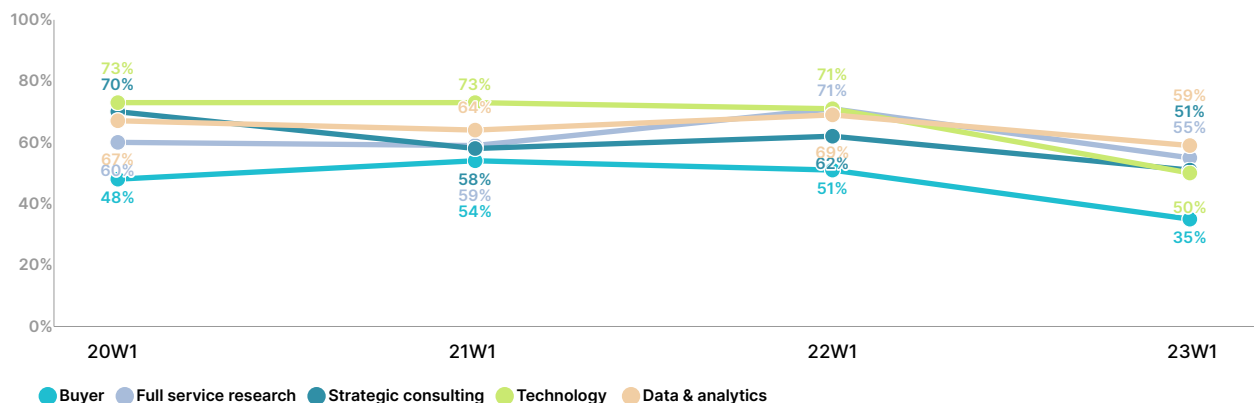
Overall, performances on the other metrics don't seem as shocking as performance against goals seems, and most segments seem to be doing at least moderately well. However, research budgets look more stagnant than they have lately, and the buyer trends in performance and budgets may be harbingers of tougher times on the horizon.

> Research budgets look more stagnant than they have lately, and buyer trends in performance and budgets may be harbingers of tougher times on the horizon.
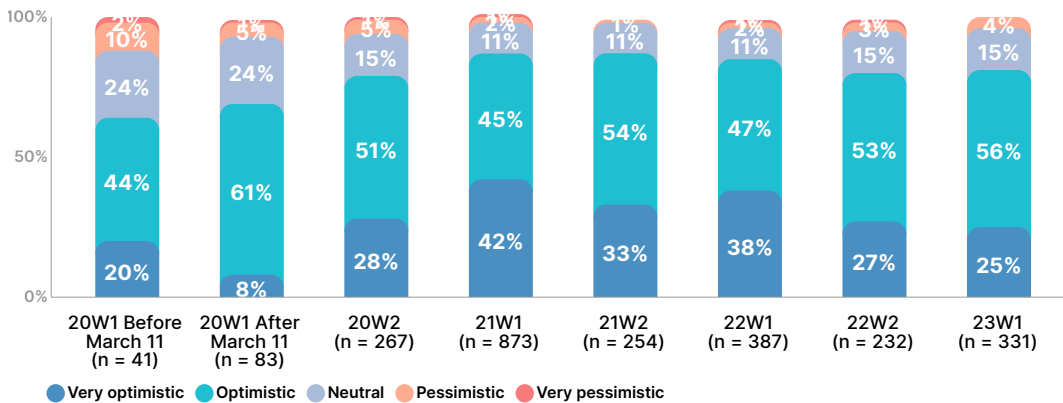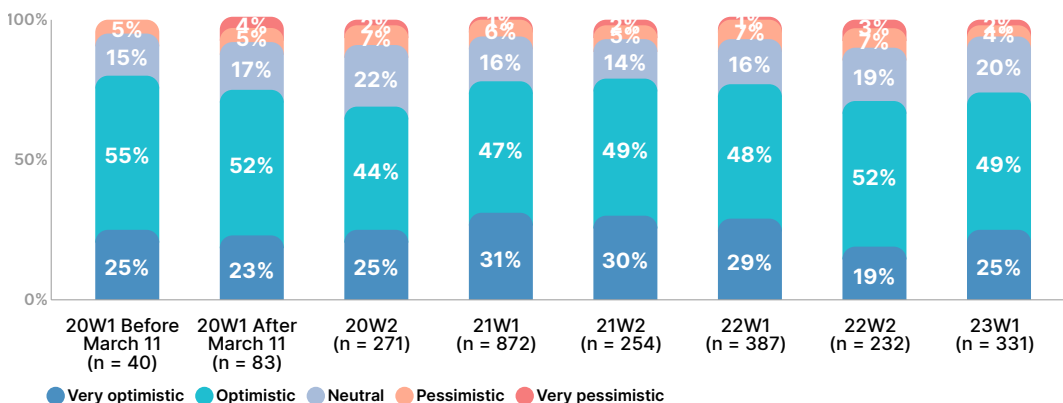
BUYER PERSPECTIVE

Among buyers, optimism about the insights and analytics industry increased as the pandemic progressed, from 70% as the pandemic hit to its peak of 87% in 21W2. Since then, it is arcing back down, but not all the way back down to where it was pre-pandemic. Perhaps the resiliency of the industry has inspired more confidence or the experience of learning how to meet novel challenges has sparked imaginations.

OPTIMISM ABOUT INSIGHTS & ANALYTICS INDUSTRY: GRIT WAVE (BUYER)

	20W1 Before March 11 (n = 41)	20W1 After March 11 (n = 83)	20W2 (n = 267)	21W1 (n = 873)	21W2 (n = 254)	22W1 (n = 387)	22W2 (n = 232)	23W1 (n = 331)
Very optimistic	20%	8%	28%	42%	33%	38%	27%	25%
Optimistic	44%	61%	51%	45%	54%	47%	53%	56%
Neutral	24%	24%	15%	11%	11%	11%	15%	15%
Pessimistic	10%	5%	5%	2%	1%	2%	3%	4%
Very pessimistic	2%	1%						

OPTIMISM ABOUT DEPARTMENT OR ROLE: GRIT WAVE (BUYER)

	20W1 Before March 11 (n = 40)	20W1 After March 11 (n = 83)	20W2 (n = 271)	21W1 (n = 872)	21W2 (n = 254)	22W1 (n = 387)	22W2 (n = 232)	23W1 (n = 331)
Very optimistic	25%	23%	25%	31%	30%	29%	19%	25%
Optimistic	55%	52%	44%	47%	49%	48%	52%	49%
Neutral	15%	17%	22%	16%	14%	16%	19%	20%
Pessimistic	5%	5%	7%	6%	5%	7%	7%	4%
Very pessimistic		4%	2%	1%	3%	1%	3%	2%

Following the same arc as optimism, buyer performance against insights goals peaked in 21W1 as 54% exceeded goals while only 7% fell short, but now both metrics have hit all-time lows, or "high" in the case of falling short. In the current GRIT wave, only 35% report exceeding goals, 11% lower than the previous low, while 17% report falling short, more than double the amount in the wave before the pandemic and during the first year of it.

In previous reports, we argued that performance against goals may not have changed much during the pandemic because insights groups would have adjusted the goals to match what could realistically be accomplished. It looks like the past year held some surprises that could not be incorporated into the insights plan.

PERFORMANCE AGAINST RESEARCH AND INSIGHTS/ANALYTICS GOALS: GRIT WAVE (BUYER)
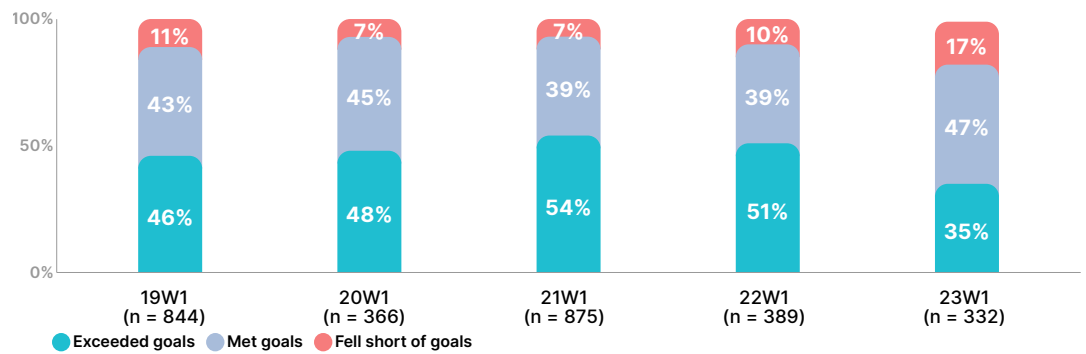
Coming out of the depths of the pandemic, last year 46% of buyers reported that their budgets increased, a GRIT record. Only 15% reported a smaller budget, the lowest percentage since 2014. Now, however, only 32% report an increase, the lowest percentage since 19W1, and 23% report a decrease, similar to the amount who reported

budget reductions just before the pandemic and one year into it. The last time more than 40% of buyer-side GRIT participants reported budget increases, 16W1, was followed the next year by a steeper drop than this one, 18%, so this pattern is not unprecedented.
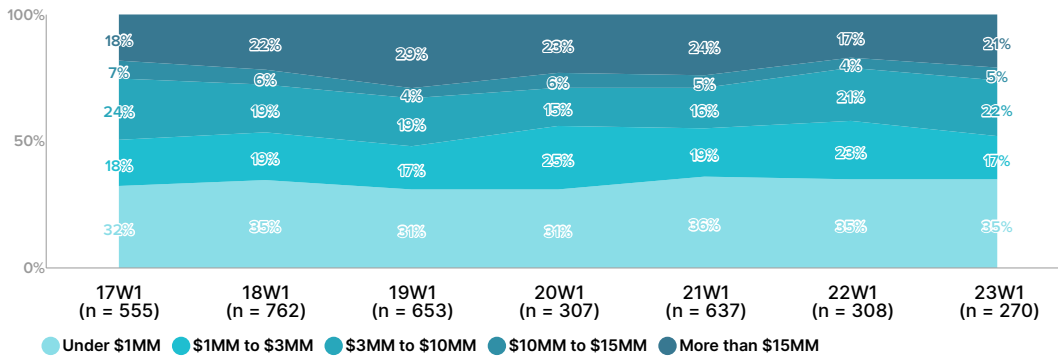
ANNUAL RESEARCH PROJECT SPENDING TREND: GRIT WAVE (BUYER)
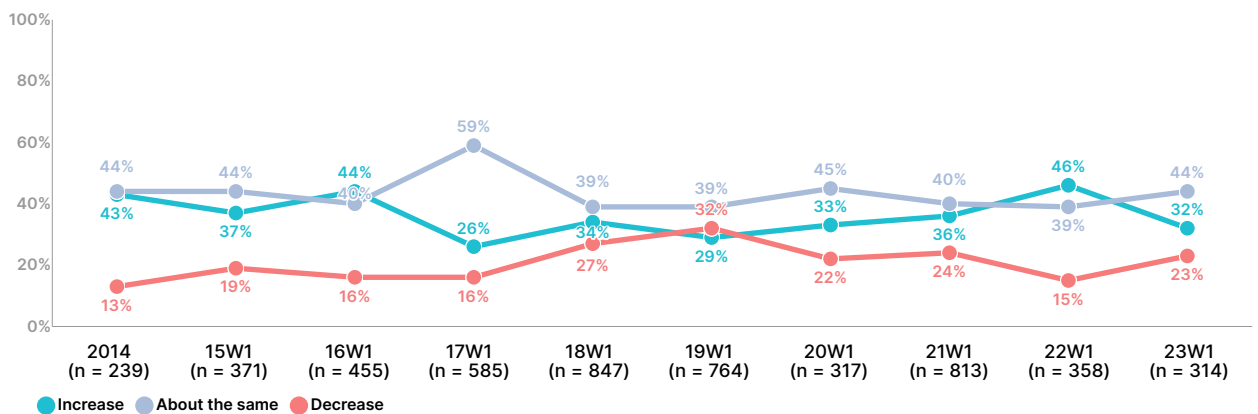
Overall, however, the health of the industry may depend less on how many budgets increase than it does on change in the total amount of money available for research spending. The percentage of budgets of less than $1MM has remained at 35% or 36% for the past three years, but the percentage of budgets of more than $15MM has increased from last year by 4%. In 22W1, the percentage of budgets over $15MM was 17%, the all-time GRIT low. This year's increase to 21% puts it right about at the median value across all waves.

ANNUAL RESEARCH PROJECT BUDGET SIZE: GRIT WAVE (BUYER)

	17W1 (n = 555)	18W1 (n = 762)	19W1 (n = 653)	20W1 (n = 307)	21W1 (n = 637)	22W1 (n = 308)	23W1 (n = 270)
More than $15MM	18%	22%	29%	23%	24%	17%	21%
$10MM to $15MM	7%	6%	4%	6%	5%	4%	5%
$3MM to $10MM	24%	19%	19%	15%	16%	21%	22%
$1MM to $3MM	18%	19%	17%	25%	19%	23%	17%
Under $1MM	32%	35%	31%	31%	36%	35%	35%

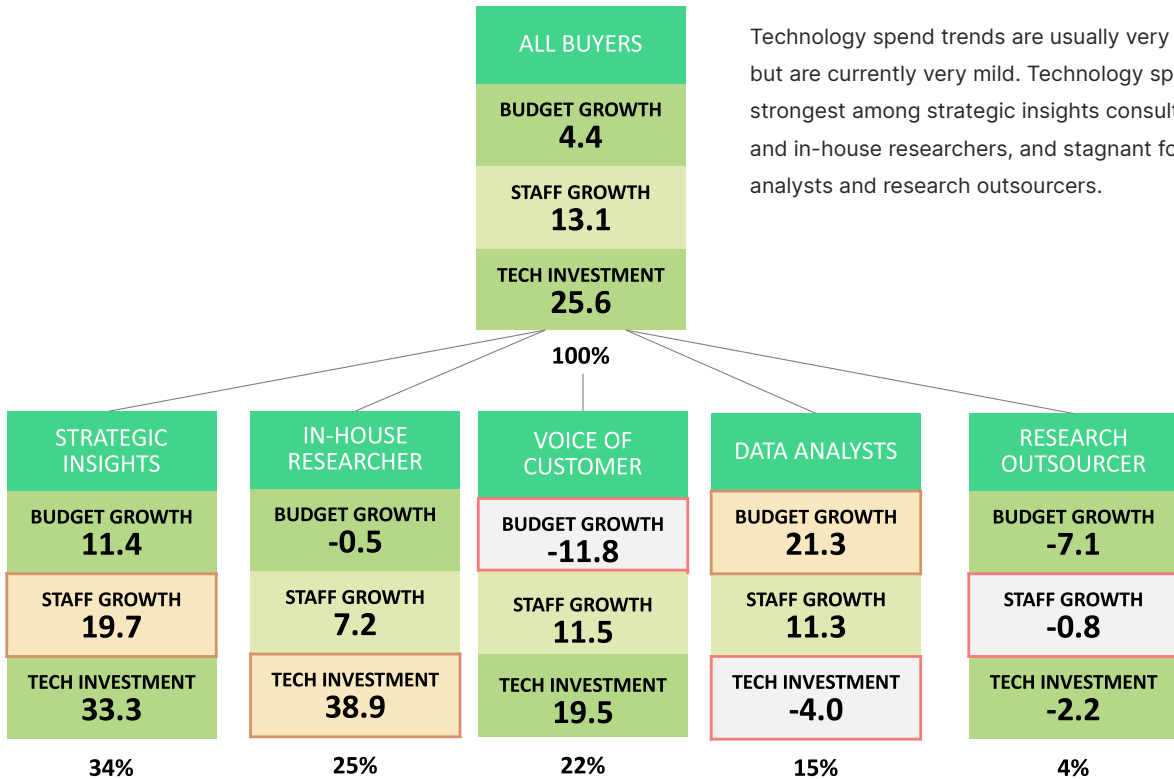● Under $1MM ● $1MM to $3MM ● $3MM to $10MM ● $10MM to $15MM ● More than $15MM

This section includes two tree diagrams which illustrate how three key trends differ by segment. The three trends, budget (for buyers) or revenue (for suppliers), staff size, and technology spending, represent areas that, if increasing, suggest the segment is healthy or, if decreasing, suggest it is not. These do not constitute a perfect or complete set of indicators, but they paint a general picture.

The metrics in each tree represent scores calculated from the five-point Likert scales which measure the direction of each trend and how strongly the GRIT participant feels about it. For example, if a buyer said staff size increased significantly, that would count as 200; if they said it increased slightly, it would count for 100; if they said it stayed the same, it would count as 0. Decreases are treated as the negative of increases, e.g., counting as -100 or -200. An average score of 200 means that everyone thought the metric increased significantly, and a score of -200 means every buyer thought it decreased significantly. A score of 100 means it increased slightly, on average; -100 means it decreased slightly on average; 0 means it was unchanged on average.

Currently, budgets are stagnant, on average, insights staffs are almost as stagnant, and technology spending is generally increasing, but not by much. Although none of these can be considered very strong, budget growth is strongest among those who identify data analysis as their primary role and sowemwhat negative for those whose primary role is Voice of the Customer or research outsourcer.

The magnitudes of the indexes for stazff size are not very large, but staff sizes are most likely to be increasing among those who function primatrily as strategic insights consultants. Staff growth is slightly positive for Voice iof the Customer, data analysts, and in-house researchers. Becasue their budget trends are somewhat opposite, it appears that research budgedts have been diverted to staffing among Voice of the Cusotrmer while data analysis staff have been added on top of the research budget increase.

| ALL BUYERS |
| :---: |
| **BUDGET GROWTH**
 4.4 |
| **STAFF GROWTH**
 13.1 |
| **TECH INVESTMENT**
 25.6 |

Technology spend trends are usually very positive, but are currently very mild. Technology spend is strongest among strategic insights consultants and in-house researchers, and stagnant for data analysts and research outsourcers.

100%

STRATEGIC INSIGHTS	IN-HOUSE RESEARCHER	VOICE OF CUSTOMER	DATA ANALYSTS	RESEARCH OUTSOURCER
BUDGET GROWTH **11.4**	**BUDGET GROWTH** **-0.5**	**BUDGET GROWTH** **-11.8**	**BUDGET GROWTH** **21.3**	**BUDGET GROWTH** **-7.1**
STAFF GROWTH **19.7**	**STAFF GROWTH** **7.2**	**STAFF GROWTH** **11.5**	**STAFF GROWTH** **11.3**	**STAFF GROWTH** **-0.8**
TECH INVESTMENT **33.3**	**TECH INVESTMENT** **38.9**	**TECH INVESTMENT** **19.5**	**TECH INVESTMENT** **-4.0**	**TECH INVESTMENT** **-2.2**
34%	**25%**	**22%**	**15%**	**4%**

The research budget trend is the weakest it's been since the first wave of the pandemic, as is the staff size trend. The technology spending trend is somewhat lower than it was even in that first pandemic wave. Historically, each of these are at or near their low ends, and this seems to be consistent with downward trends we discussed regarding optimism and performance against goals. It could be that the long-rumored recession is currently impacting many businesses and perhaps many others are steeling themselves for an imminent one.

KEY TRENDS INDICES: GRIT WAVE (BUYER)

Legend: Research project spending · Insights staff size · Technology spending
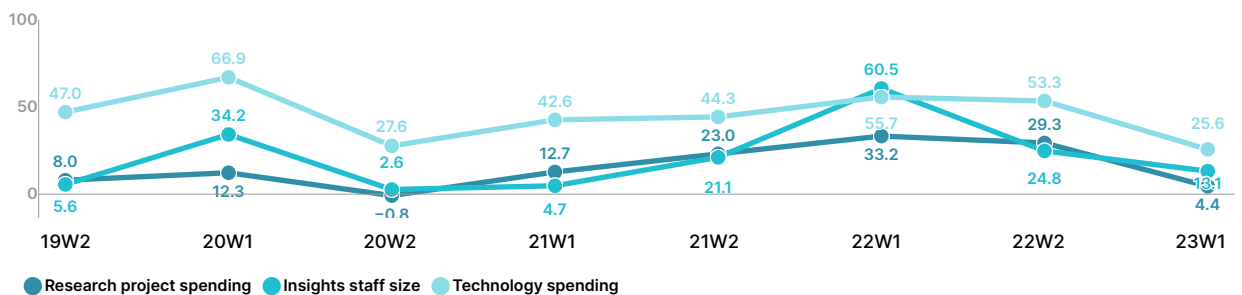
SUPPLIER PERSPECTIVE

Supplier optimism about the industry follows the same pattern as buyers': rising throughout the pandemic, hitting 88% in 21W2, and receding over the past couple of years to 81%. Both buyers and suppliers are more optimistic than they were before the pandemic, but not as much as they were during the depths of it.

OPTIMISM ABOUT INSIGHTS & ANALYTICS INDUSTRY: GRIT WAVE (SUPPLIER)
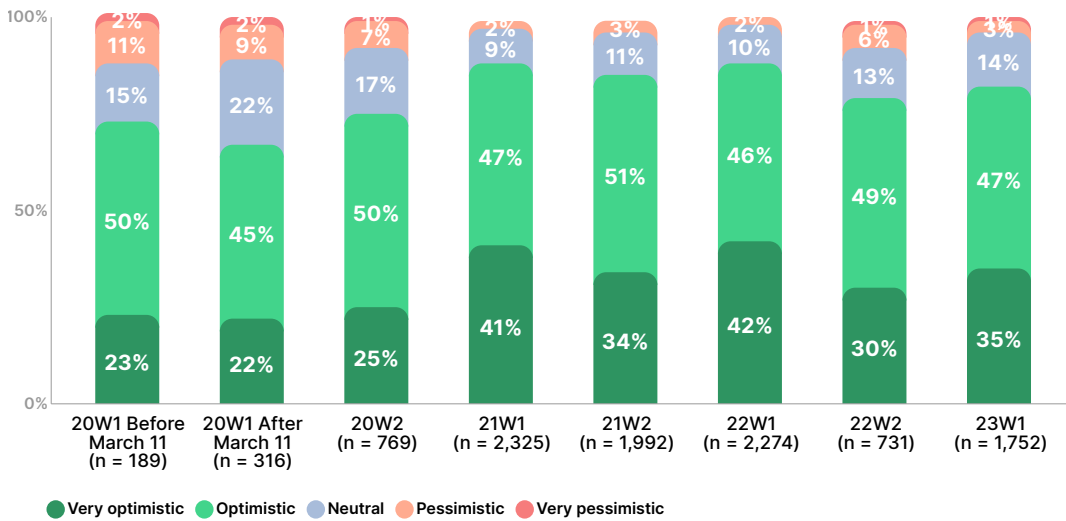
Regarding their company, supplier optimism plunged from around 80% before the pandemic to 73% in the first wave of it when revenue decreases outnumbered increases for the only time ever.

Only 23% were "very optimistic," about half of the pre-pandemic measurement. Company optimism peaked in at 90% in 22W1, and it's only slightly lower than that now (86%).
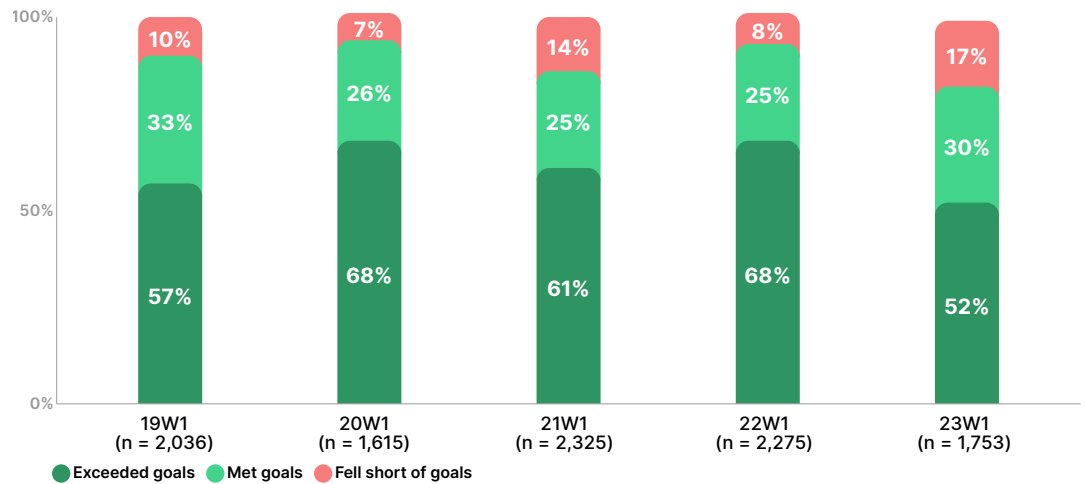
OPTIMISM ABOUT COMPANY: GRIT WAVE (SUPPLIER)
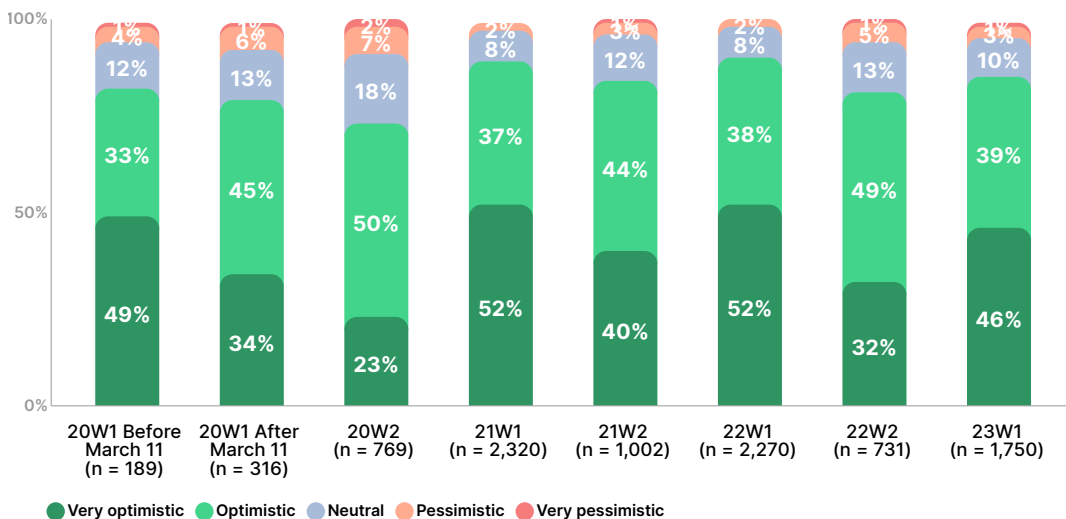
As we saw with buyers, the percentage of suppliers who exceeded their goals plummeted since last year while the percentage who fell short doubled. Last year, two-thirds exceeded their goals (68%), but only half did this year (52%), and the percentage who fell short of insights goals rose from 8% to 17%.

PERFORMANCE AGAINST RESEARCH AND INSIGHTS/ANALYTICS GOALS: GRIT WAVE (SUPPLIER)

	19W1 (n = 2,036)	20W1 (n = 1,615)	21W1 (n = 2,325)	22W1 (n = 2,275)	23W1 (n = 1,753)
Fell short of goals	10%	7%	14%	8%	17%
Met goals	33%	26%	25%	25%	30%
Exceeded goals	57%	68%	61%	68%	52%

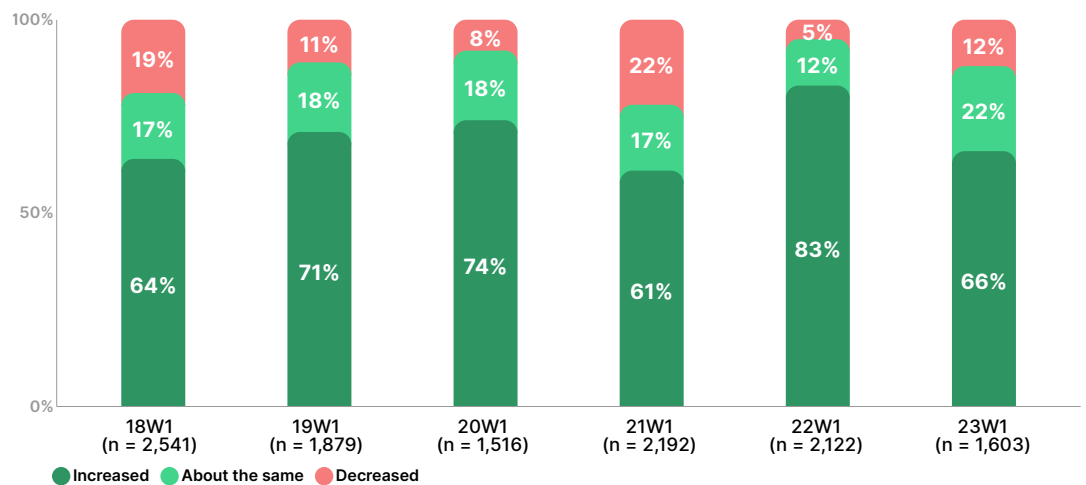● Exceeded goals ● Met goals ● Fell short of goals

> As we saw with buyers, the percentage of suppliers who exceeded their goals plummeted since last year while the percentage who fell short doubled.

Unlike with buyers, it's usually not complicated to understand about supplier performance against goals because it is highly correlated to revenue, so it is harder to revise goals downward. In 22W1, the percentage of revenue increase hit an all-time high, 83%, and the percentage of suppliers exceeding goals tied its all-time high, 68%. Similar, the percentage reporting revenue decreases hit an all-time low of 5% while the percentage reporting that they fell short of goals was near its low at 8%. The relationship between revenue and goal performance isn't perfect, but it's very clear.

REVENUE TREND: GRIT WAVE (SUPPLIER)

	18W1 (n = 2,541)	19W1 (n = 1,879)	20W1 (n = 1,516)	21W1 (n = 2,192)	22W1 (n = 2,122)	23W1 (n = 1,603)
Decreased	19%	11%	8%	22%	5%	12%
About the same	17%	18%	18%	17%	12%	22%
Increased	64%	71%	74%	61%	83%	66%

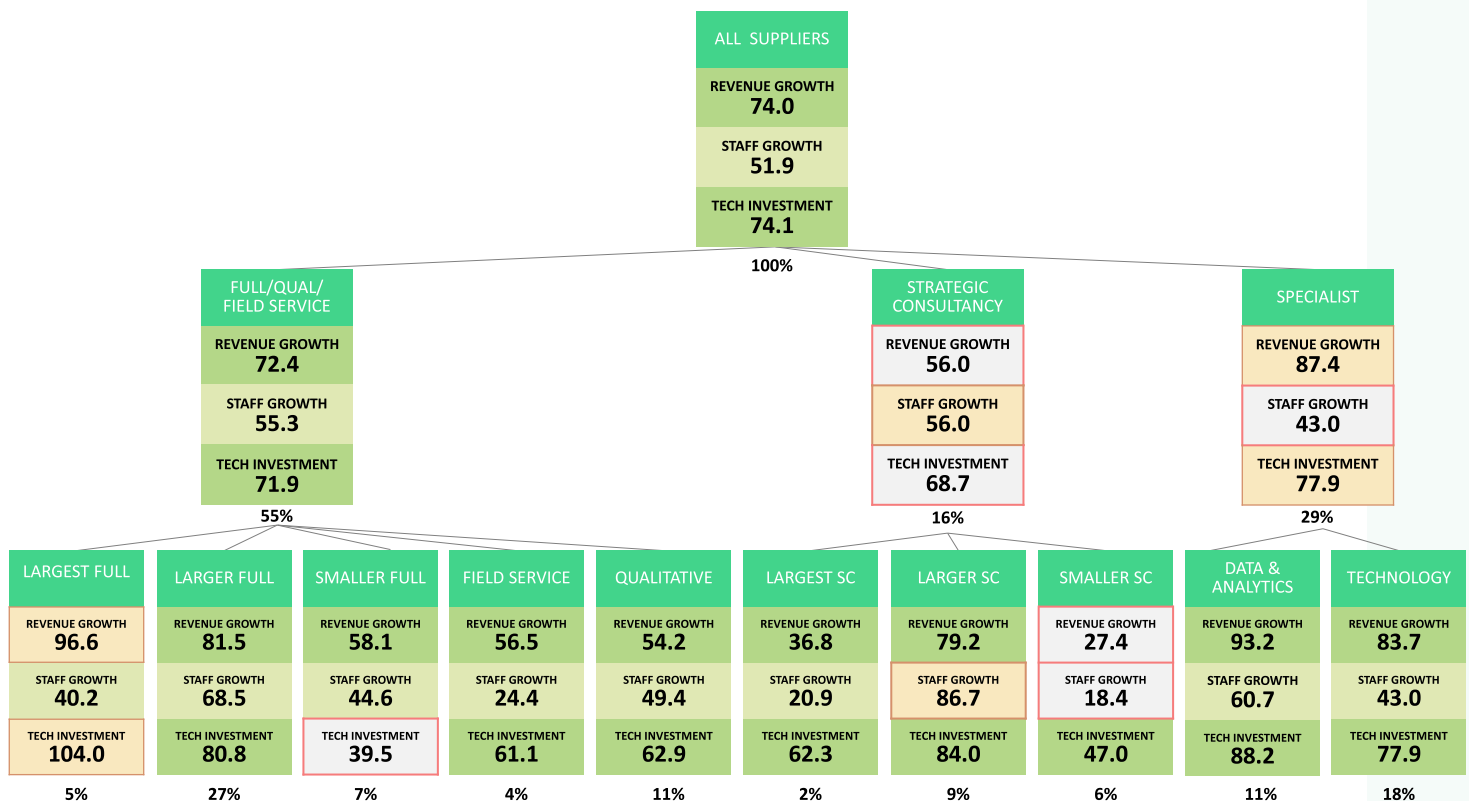● Increased ● About the same ● Decreased

Overall, the trends for revenue, staff growth, and technology spending are healthy, though unspectacular. Typically, we find that "specialists," like technology and data and analytics providers, have healthier scores than "generalists," such as full service research suppliers and strategic consultancies. We also find that the smallest companies suffer more than larger ones, and these two trends are represented in the current GRIT results, though the differences are not as dramatic as at some times in the past.

The revenue score for the largest full service providers of more than 500 employers leads all segments at 96.6, but data and analytics providers are nearly as high, 93.2. Just behind those are technology providers (83.7), mid-size full service research providers (81.5), and mid-size strategic consultancies (79.2). Field services, qualitative research, and smaller full service research providers have moderate revenue scores.

The smallest (27.4) and largest strategic consultancies (36.8) are struggling the most. One of the most dramatic changes in the industry structure is the shrinkage of the largest strategic consultancy segment, and it might be that the most successful of these have migrated to other segments. It could also be that the more successful of the smallest strategic consultancies moved up into the mid-sized segment.

The staff growth index supports this theory as mid-sized consultancies have the highest score by far, 86.7, suggesting that smaller firms grew into this category. Possible due to a similar dynamic, mid-sized full service research providers have the next highest score (68.5). Data and analytics providers, which tend toward mid-sized, are next highest (60.7). Staff growth is most constrained among the smallest strategic consultancies (18.4), the largest ones (20.9), and field services providers (24.4).

> The smallest and largest strategic consultancies are struggling the most. The shrinkage of the largest strategic consultancy segment has been dramatic, and maybe the most successful have migrated to other segments.

ALL SUPPLIERS		
REVENUE GROWTH	74.0	
STAFF GROWTH	51.9	
TECH INVESTMENT	74.1	

100%

FULL/QUAL/ FIELD SERVICE		
REVENUE GROWTH	72.4	
STAFF GROWTH	55.3	
TECH INVESTMENT	71.9	

55%

STRATEGIC CONSULTANCY		
REVENUE GROWTH	56.0	
STAFF GROWTH	56.0	
TECH INVESTMENT	68.7	

16%

SPECIALIST		
REVENUE GROWTH	87.4	
STAFF GROWTH	43.0	
TECH INVESTMENT	77.9	

29%

LARGEST FULL		
REVENUE GROWTH	96.6	
STAFF GROWTH	40.2	
TECH INVESTMENT	104.0	

5%

LARGER FULL		
REVENUE GROWTH	81.5	
STAFF GROWTH	68.5	
TECH INVESTMENT	80.8	

27%

SMALLER FULL		
REVENUE GROWTH	58.1	
STAFF GROWTH	44.6	
TECH INVESTMENT	39.5	

7%

FIELD SERVICE		
REVENUE GROWTH	56.5	
STAFF GROWTH	24.4	
TECH INVESTMENT	61.1	

4%

QUALITATIVE		
REVENUE GROWTH	54.2	
STAFF GROWTH	49.4	
TECH INVESTMENT	62.9	

11%

LARGEST SC		
REVENUE GROWTH	36.8	
STAFF GROWTH	20.9	
TECH INVESTMENT	62.3	

2%

LARGER SC		
REVENUE GROWTH	79.2	
STAFF GROWTH	86.7	
TECH INVESTMENT	84.0	

9%

SMALLER SC		
REVENUE GROWTH	27.4	
STAFF GROWTH	18.4	
TECH INVESTMENT	47.0	

6%

DATA & ANALYTICS		
REVENUE GROWTH	93.2	
STAFF GROWTH	60.7	
TECH INVESTMENT	88.2	

11%

TECHNOLOGY		
REVENUE GROWTH	83.7	
STAFF GROWTH	43.0	
TECH INVESTMENT	77.9	

18%

Technology spending trends are usually strong, and they are highest among the largest full service research providers (104.0), data and analytics providers (88.2), mid-sized strategic consultancies (84.0) and full service research providers (80.8), and technology providers (77.9). It's weakest among the smallest full service research providers (39.5) with the smallest strategic consultancies right behind them (47.0).

Among full service research providers, revenue plunged at the start of the pandemic, came back strongly last year, and has been more moderate this year. Insights staff growth slowed as revenue rebounded, but currently has returned to historically moderate levels. Technology spending accelerated when the pandemic hit and has remained well above pre-pandemic scores.

KEY TRENDS INDICES: GRIT WAVE (FULL SERVICE RESEARCH)

- Revenue
- Insights staff size
- Technology spending
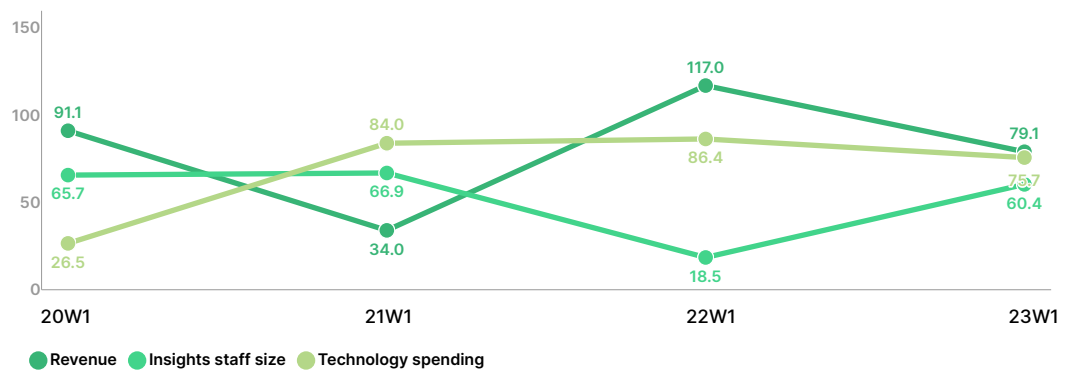
> Revenue for field services was strong last year, but the score halved this year. The segment is half the size as last year, suggesting those with the most robust revenue migrated to another segment.

Revenue growth for field services was strongest last year (114.4), but the score halved this year (56.5). In *Industry Structure*, we discuss that the segment is half the size as last year, suggesting another

instance where those with the most robust revenue migrated to another segment. Insights staff growth has followed the same trajectory, as has technology spending, although in less pronounced fashion.

KEY TRENDS INDICES: GRIT WAVE (FIELD SERVICES)

- Revenue
- Insights staff size
- Technology spending
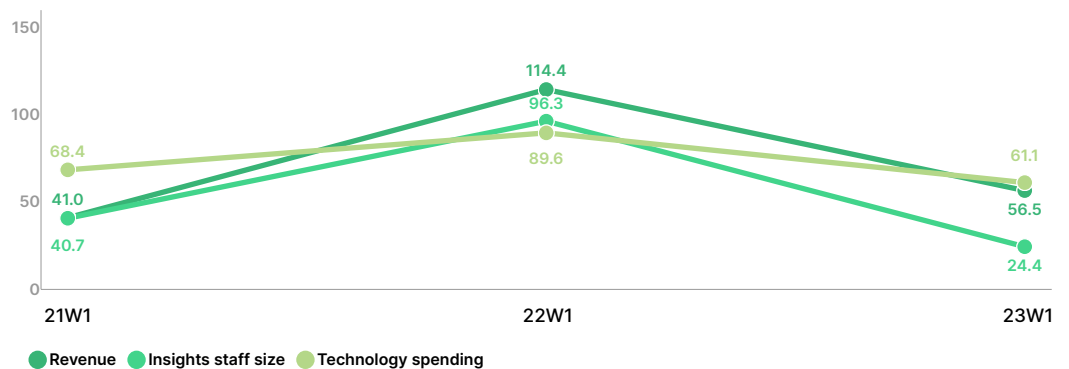
Similarly, for strategic consultancies, revenue and staff scores fell at the start of the pandemic, rebounded, and are now between where they were at their nadir and their pre-pandemic level.

Technology spending plunged at the start of the pandemic and has bounced around in the moderate range since then.

KEY TRENDS INDICES: GRIT WAVE (STRATEGIC CONSULTING)

- ● Revenue ● Insights staff size ● Technology spending
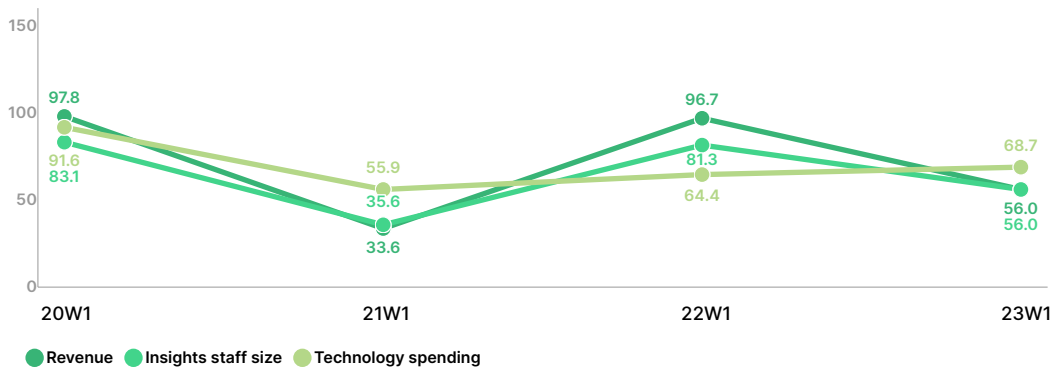
All indexes have been perennially high for technology providers before this year, but now are in much more moderate, but still healthy ranges. As we note in *Industry Structure* and other sections, technology providers are diversifying and expanding, and the segment may be taking on some of the characteristics of the other segments they are assimilating or aping.
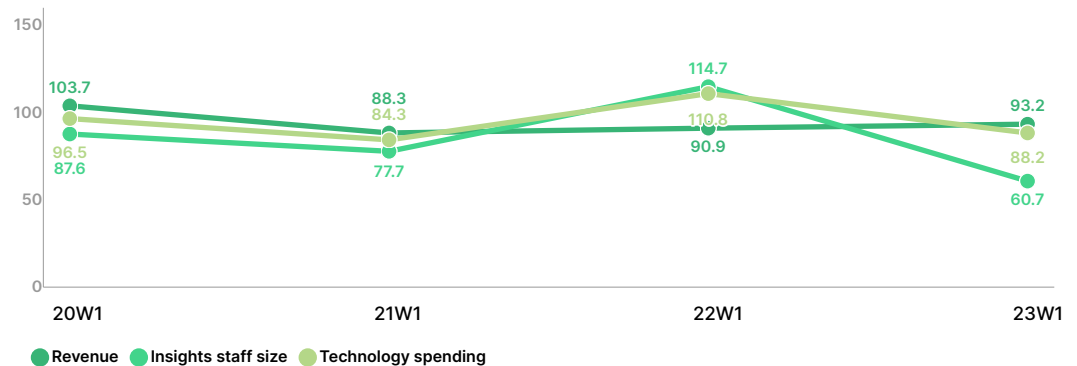
KEY TRENDS INDICES: GRIT WAVE (TECHNOLOGY)

- ● Revenue ● Insights staff size ● Technology spending
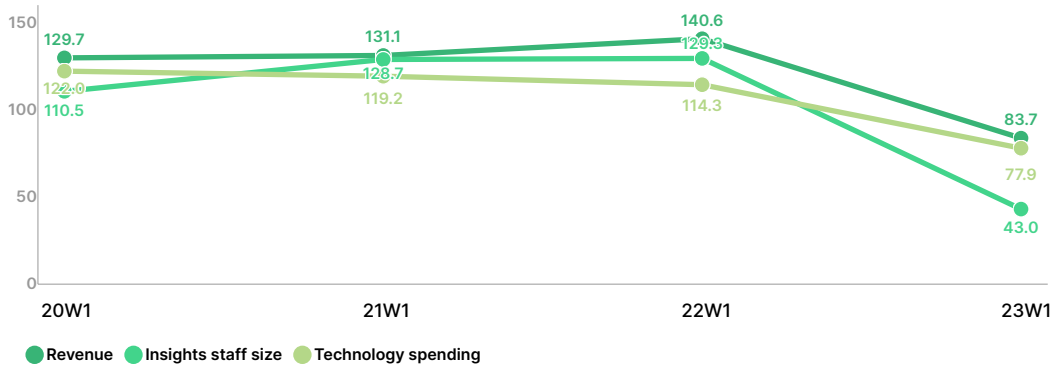
The data and analytics segment has also been evolving, and revenue has consistently been strong. Staff size and technology spending trends have followed the rough pattern of other segments, peaking last year before dipping into more moderate ranges this year.

KEY TRENDS INDICES: GRIT WAVE (DATA & ANALYTICS)

Legend: ● Revenue ● Insights staff size ● Technology spending

Data points:
- 20W1: 103.7, 96.5, 87.6
- 21W1: 88.3, 84.3, 77.7
- 22W1: 114.7, 110.8, 90.9
- 23W1: 93.2, 88.2, 60.7

THE BIG PICTURE

As of 2022, the insights professionals who survived the pandemic seemed to be in excellent shape with strong trends in research and technology spending, revenue, and staff size. A year later, there has been a letdown, and, although the metrics are generally solid, insights professionals seem to be struggling more with their goals, and research spending looks stagnant.

Despite last year's high-flying results, rumors of a recession hung over the industry. Perhaps the drop-off represents the impact of companies that are on the front lines of an economic downturn, and maybe it also represents a dampening effect of anticipation, as some suppliers mentioned in *Unmet Needs*. There might also be an element of recalibration: supplier segments continue to evolve as suppliers migrate to new segments when their portfolios change, possibly slowing growth in order to build for the future.

Generally speaking, the largest full service suppliers and data and analytics providers seem to be the strongest segments, followed by technology providers and mid-size strategic consultancies. Technology providers are historically the strongest segment with respect to *Business Outlook* metrics, but the segment composition is more diverse with respect to services and more skewed toward larger companies, a formula that might result in slower short term growth but larger absolute returns.

The churning of the supplier segments documented in *Industry Structure* is certainly a factor in the overall industry outlook, but the most significant factor may be the difficulties that buyers are experiencing in meeting their insights and analytics goals and the lack of research budget growth. GRIT doesn't have data regarding what is likely to happen when performance against goals suddenly declines, but we have seen that when performance has improved, so have budgets. Stay tuned.

> Perhaps the drop-off represents the impact of those on the front lines of an economic downturn, and maybe also a dampening effect of anticipation. There might also be an element of recalibration.

ONE BOOM ENDS;
ANOTHER BOOM BEGINS?

Greg Matheson

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The GRIT *Business Outlook* is always a highlight for me personally. While we work through a variety of benchmarks at Quest, looking at our performance historically towards industry trends can be revealing. On one hand, it's reassuring if some KPIs aren't performing the way you had hoped, and it looks like everyone felt the same pain – misery loves company after all. On the other hand, one is brought down to earth quickly when you realize the industry was just simply on 'fire' and perhaps your genius was anything but!

This year, it's pretty much the same dynamic. The 'post covid' boom time, if we want to call it that, came to a screeching halt. Money being thrown at the insights community dramatically slowed down and the industry tightened.

Now for me, the most important aspect to all of this is timing. At this point last year, the threat of recession loomed large heading well into the new calendar year. Most of us were expecting a pull back. Many companies in our particular sector were shedding headcount and tightening up, not only in anticipation, but in reaction to real-time events. For clarity, I'm coming from the supply perspective in case you don't know who Quest Mindshare is – which if you don't, you should! Completely self-serving of course...

Tech-based research, a key harbinger from our vantage point, was the first notable decline that seemed to drag others with it.

The data collected from this report coincides right around that inflection point. Whispers of layoffs and impending doom were inevitable talking points in just about every environment in our industry during the first half of the year.

The good news is that it looks like it was a blip more than an implosion. And as I type that, I'm tapping every piece of wood in my office... The simple fact of the matter: Tech research is normalizing, project starts and general activity throughout our networks are strengthening, and, as we head into the proverbial 'busy' season, we at Quest and many of our friends in the industry are bullish.

To that end, while the 23W1 data reflects a dark mood, I believe that industry is quite different heading into Q4 than when 23W1 was collected and, while I may very well end up eating my hat on this one, I suspect 24W1 will look a whole lot different.

And if I'm wrong, as I said before... misery loves company so look me up – I'll be the guy with a new hat.

FINAL THOUGHTS

Thinking about what makes for a good research project, there are a few critical pieces – having the right people actively involved, asking good questions, and telling a compelling story. All the other steps in the process are also important, and failure to execute will destroy an entire study. Without the three I mentioned, success is incredibly difficult.

One of the highlights of this GRIT report, at least to me, is that the engagement continues to be across internal functions. At least a third of the time, product development, analytics, marketing, and/or the executive team are together at the table with the insights department. The Venn diagram would likely show that most projects include at least three of these functions. The inclusiveness of the teams result in studies that are aligned clearly with business objectives, and results that have the attention of all the stakeholders.

The rest of this Final Thoughts is not meant to be in praise of AI, but it is. It is meant to be in praise of the human intellect that gets us to good research, and it is.

Back when I was a hiring manager, if a résumé from a journalism major crossed my desk, they would get an interview. My rationale was that they were trained in two important skills – doing good background research and asking good questions that followed the research. Until recently, background research was tough. It meant going through the 200 links that Google thought were the best. It meant going through prior studies (or remembering them) and doing a basic meta-analysis to learn what's already been learned. With generative AI, that task is immensely simplified in that the summary of all that information is available to us in three or four minutes. This is especially true if the enterprise allow the AI to access their historical research.

In the new world of AI, we have living data (a new term – at least, to me - attributable to Kathryn Tapp of Yabble). Much like a journalist doing an interview, the researcher can ask questions of the data, probe on those responses, come back to topics that they missed (unlike if you forgot to add a question to a survey), etc. But now researchers have the opportunity to be the journalist – with easily accessible background work and an ever-patient AI "interview."

The other college major that I would always interview was history. The rationale was that this major trains people to take very disparate pieces of information and put them together in ways that make sense – even with important gaps. For the purposes of marketing research and consumer insights, the means help make a business case, not just a marketing case. To make a business case, the consumer has to be at the heart.

At the same time, internal capabilities, competitive response, pricing strategy, marketing strategy, macro-economic trends, and social trends all need to be considered. As Simon Chadwick of Cambiar has said for years, researchers need to be polymaths. Again, our ability to be that polymath has been made significantly easier through generative AI. While it is still a long way away from putting all the pieces together for us, all the individual pieces are accessible.

The thinking that allows us, as research professionals, to do good work has been made infinitely easier. Our weaponized interrogation and strategic thinking will be the means to the end. And the end is effective, executable strategy with engaged stakeholders, and a clear, compelling story – with the consumer at the heart of everything we do.

Gregg Archibald
Managing Partner, Gen2 Advisors

APPENDIX: SAMPLE COMPOSITION

Here is additional information on the composition of the GRIT sample. It may provide additional context for understanding the report.

BUYER SAMPLE COMPOSITION

Most buyer-side GRIT participants work as part of a formal insights group and respond from that perspective. However, 44% do not work in such as group, including 20% who work in marketing.

DEPARTMENT OR FUNCTIONAL AREA (BUYER)

Marketing 20%
Insights group 56%
7% Executive team
6% Analytics
3% R&D
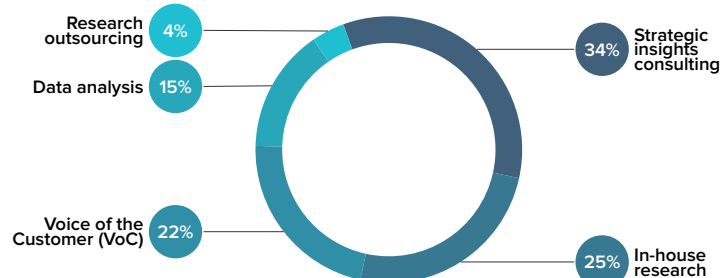2% Product management
5% Other
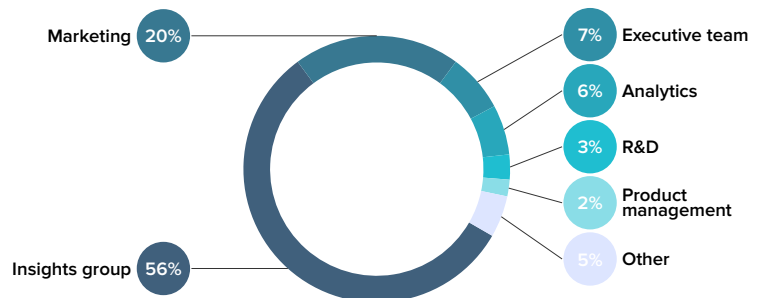
The median size of an insights staff, regardless of how they are distributed throughout an organization, is 10 to 19 staff.

NUMBER OF INSIGHTS PROFESSIONALS (BUYER)

20 or more staff 36%
1 to 4 staff 26%
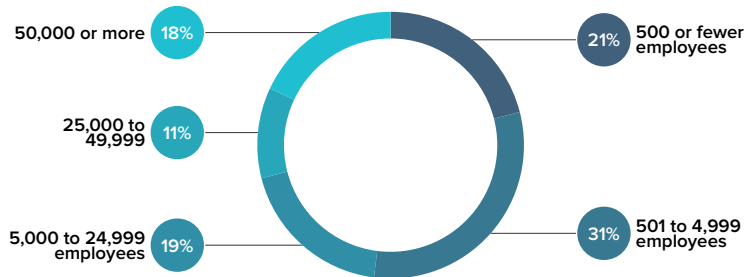5 to 9 staff 21%
10 to 19 staff 17%
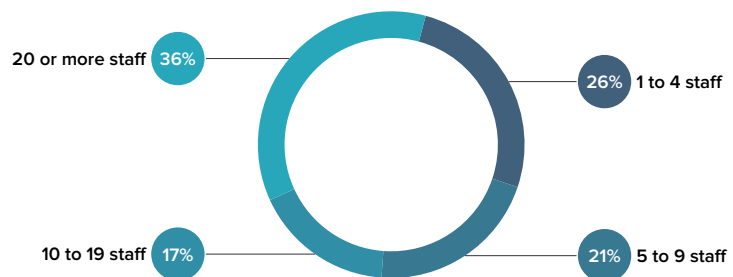
The most common primary role played by the insight staff is strategic insights consultant, but this is nowhere near a majority. More than 20% primarily conduct in-house research, and just over 20% primarily act as Voice of the Customer.
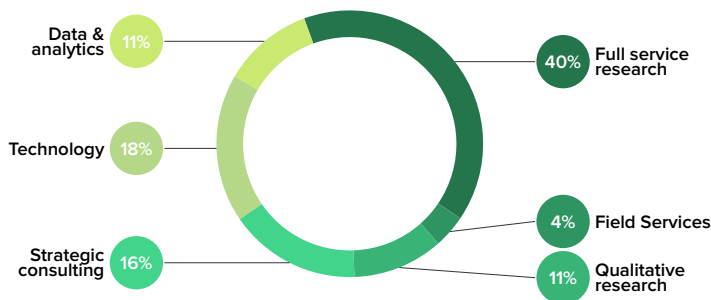
PRIMARY ROLE OF INSIGHTS PROFESSIONALS (BUYER)

Research outsourcing 4%
Data analysis 15%
Voice of the Customer (VoC) 22%
Strategic insights consulting 34%
In-house research 25%

COMPANY SIZE (BUYER)

- 50,000 or more — 18%
- 25,000 to 49,999 — 11%
- 5,000 to 24,999 employees — 19%
- 500 or fewer employees — 21%
- 501 to 4,999 employees — 31%

The median company size for buyer-side GRIT participants is 501 to 4,999 employees.

SUPPLIER SAMPLE COMPOSITION

SUPPLIER TYPE/HIGHEST REVENUE (SUPPLIER)

- Data & analytics — 11%
- Technology — 18%
- Strategic consulting — 16%
- Full service research — 40%
- Field Services — 4%
- Qualitative research — 11%

Full service research is by far the most common supplier type, as determined by highest revenue source. Strategic consultancies and technology providers are next, but together do not account for as many suppliers as full service research.

SUPPLIER TYPE/HIGHEST REVENUE (SUPPLIER)

- Data & analytics (more than 100 employees) — 6%
- Data & analytics (100 or fewer employees) — 5%
- Technology (more than 100 employees) — 12%
- Technology (100 or fewer employees) — 6%
- Strategic consulting (more than 500 employees) — 2%
- Strategic consulting (21 to 500 employees) — 9%
- Strategic consulting (20 or fewer employees) — 6%
- Full service research (20 or fewer employees) — 7%
- Full service research (21 to 500 employees) — 27%
- Full service research (more than 500 employees) — 5%
- Field Services — 4%
- Qualitative research — 11%

Nearly half of supplier-side GRIT participants have a client-facing role, with most of those in project work and fewer in account management.
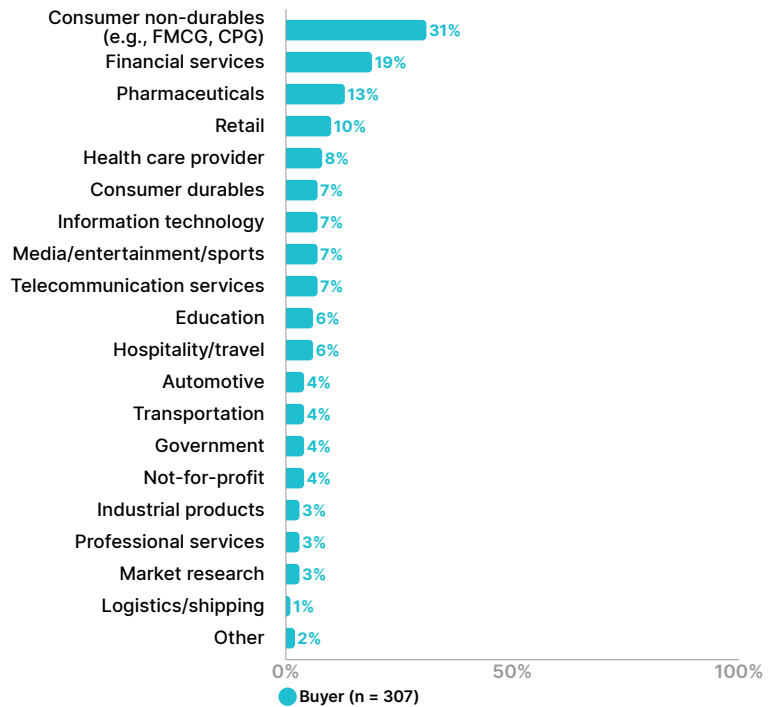
FUNCTIONAL AREA (SUPPLIER)

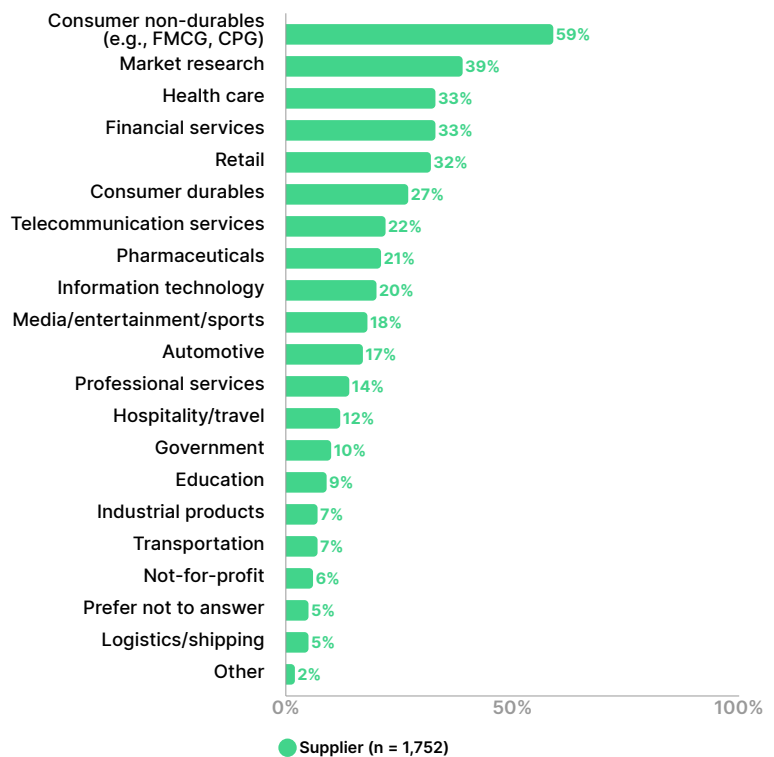|	
Client-facing project work	35%
Executive management	27%
Client or account management	14%
Internal project work	9%
R&D / solution development	7%
Marketing and communications	6%
Human resources	1%
Other	2%
n =	1,753

GRIT PARTICIPANT INDUSTRIES AND INDUSTRIES SERVED

Nearly one-third of buyers-side GRIT participants hail from consumer non-durables (CPG, FMCG). The next most popular primary industries are financial services and pharmaceuticals.

PARTICIPANTS BY PRIMARY INDUSTRY (BUYER)

Industry	%
Consumer non-durables (e.g., FMCG, CPG)	31%
Financial services	19%
Pharmaceuticals	13%
Retail	10%
Health care provider	8%
Consumer durables	7%
Information technology	7%
Media/entertainment/sports	7%
Telecommunication services	7%
Education	6%
Hospitality/travel	6%
Automotive	4%
Transportation	4%
Government	4%
Not-for-profit	4%
Industrial products	3%
Professional services	3%
Market research	3%
Logistics/shipping	1%
Other	2%

● Buyer (n = 307)

Most supplier-side GRIT participants earn significant revenue from consumer non-durables (CPG or FMCG). Nearly one-third or more earn significant revenue from market research, health care, financial services, and retail.
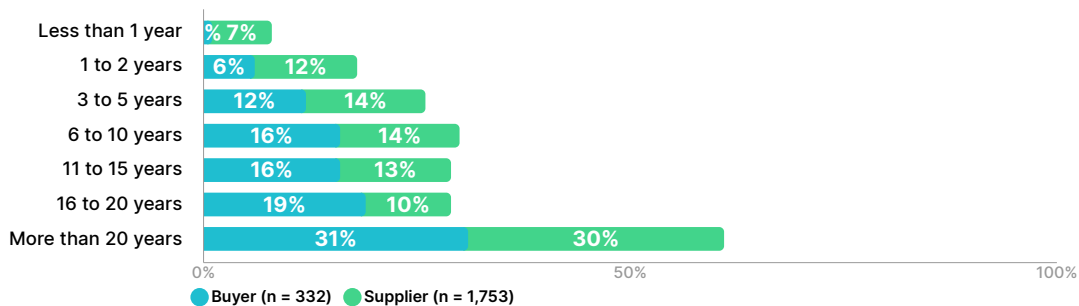
INDUSTRIES REPRESENTING SIGNIFICANT REVENUE (SUPPLIER)

Industry	%
Consumer non-durables (e.g., FMCG, CPG)	59%
Market research	39%
Health care	33%
Financial services	33%
Retail	32%
Consumer durables	27%
Telecommunication services	22%
Pharmaceuticals	21%
Information technology	20%
Media/entertainment/sports	18%
Automotive	17%
Professional services	14%
Hospitality/travel	12%
Government	10%
Education	9%
Industrial products	7%
Transportation	7%
Not-for-profit	6%
Prefer not to answer	5%
Logistics/shipping	5%
Other	2%

● Supplier (n = 1,752)

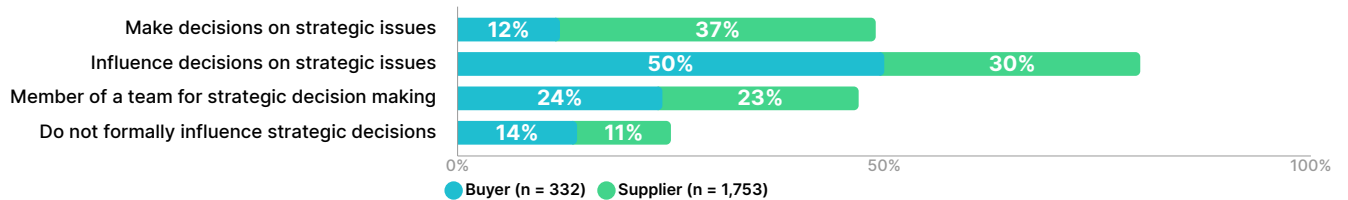# GRIT PARTICIPANT EXPERIENCE AND SENIORITY

At least 30% of buyer-side and supplier-side GRIT participants have spent 20 years or more working in insights, analytics, or research. The media for both is 11 to 15 years.
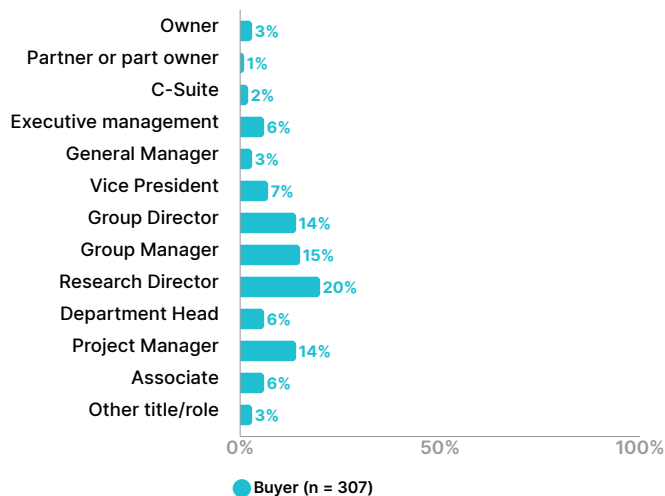
YEARS IN ROLE RELATED TO INSIGHTS, ANALYTICS, OR RESEARCH

Years	Buyer	Supplier
Less than 1 year	%	7%
1 to 2 years	6%	12%
3 to 5 years	12%	14%
6 to 10 years	16%	14%
11 to 15 years	16%	13%
16 to 20 years	19%	10%
More than 20 years	31%	30%

● Buyer (n = 332) ● Supplier (n = 1,753)

More than 60% of buyer-side and supplier-side GRIT participants either make strategic decisions or influence them directly.

ROLE IN STRATEGIC DECISIONS

	Buyer	Supplier
Make decisions on strategic issues	12%	37%
Influence decisions on strategic issues	50%	30%
Member of a team for strategic decision making	24%	23%
Do not formally influence strategic decisions	14%	11%

● Buyer (n = 332) ● Supplier (n = 1,753)

POSITION WITHIN COMPANY OR ORGANIZATION (BUYER)

Position	Buyer
Owner	3%
Partner or part owner	1%
C-Suite	2%
Executive management	6%
General Manager	3%
Vice President	7%
Group Director	14%
Group Manager	15%
Research Director	20%
Department Head	6%
Project Manager	14%
Associate	6%
Other title/role	3%

● Buyer (n = 307)

More than three-fourths of buyer-side GRIT participants have a positon that involves managing people.

More than 70% of supplier-side GRIT participants have a positon that involves managing people.

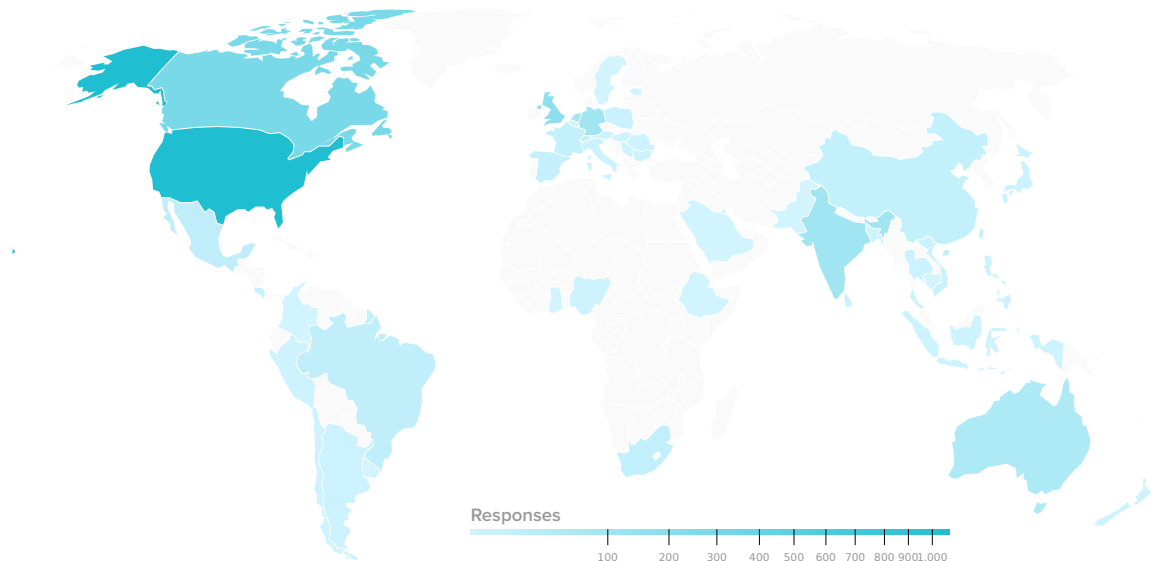**POSITION WITHIN COMPANY OR ORGANIZATION (SUPPLIER)**

Position	%
Owner/partner/principal	23%
C-Suite/executive management	13%
General Manager	5%
Vice President	9%
Group Director	7%
Group Manager	4%
Research Director	8%
Department Head	4%
Project Manager	10%
Associate	7%
Other title/role	8%

● Supplier (n = 1,753)
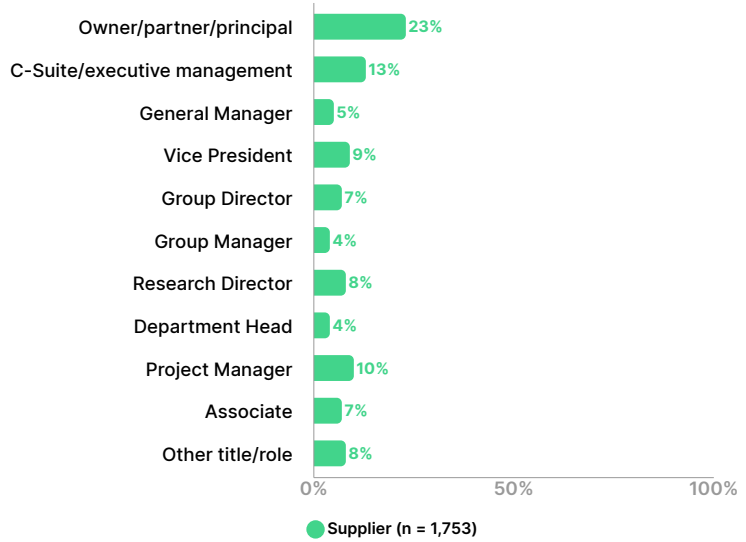
GRIT PARTICIPATION BY REGION

Most buyer-side GRIT participants are located in North America compared to nearly half from the supplier-side. Europe represents about one-quarter of both types of participants.

Current GRIT participants are located across 52 different countries, and some others describe their work as international or global.

PARTICIPANTS BY REGION

Buyer (n = 332)
59% 26% 7% 2% 2% 3% 1%

Supplier (n = 1,753)
49% 26% 16% 3% 2% 3% 1%

● North America ● Europe ● Asia-Pacific ● Central America
● South America ● Africa/Middle East ● Undefined region
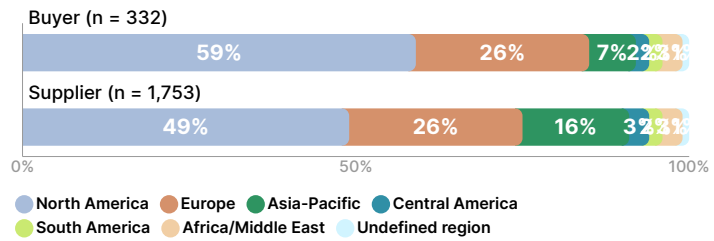
PRIMARY LOCATION FOR PROFESSIONAL WORK

Responses
100 200 300 400 500 600 700 800 9001,000

ACKNOWLEDGEMENTS

REPORT AND QUESTIONNAIRE CONTRIBUTORS

Concept Originator and GRIT Executive Editor Leonard Murphy – Greenbook

With over 20 years of high-visibility leadership roles in the Market Research industry, Leonard "Lenny" Murphy is widely considered one of the most influential insights & analytics industry thought leaders and advisors in the world.

As the CEO of several successful companies, most notably full-service agency Rockhopper Research, tech-driven start-up BrandScan360, CSO of data-privacy platform Veriglif, Board Member at Savio RXC, and Founding Partner of strategic consultancy Gen2 Advisors, his experience is vast and sought after. In 2010 he leveraged that experience into building the world's leading platform for content and marketing support for the research industry as Chief Advisor for Insights and Development at Greenbook.

Gregg Archibald – Gen2 Advisors

Gregg is a marketing researcher and strategist dedicated to helping the research industry navigate the waves of change that are making the field both more challenging and more exciting. Gregg has spent most of his career helping Fortune 500 companies and advertising agencies deepen their knowledge of consumer trends and insights and using that knowledge to drive profit and growth. At Gen2 Advisors he is dedicating his expertise and experience to fostering robust growth and healthy bottom lines in the research industry itself. After more than 20 years of experience with companies like AT&T, Capital One, Marriott, and GE Financial, the excitement and enthusiasm for marketing research is still there

Lukas Pospichal – Greenbook

Lukas leads Greenbook toward its goal of providing insights professionals with engaging, useful, and forward-looking resources.

During Lukas's tenure as Managing Director, Greenbook has transformed from its origins as a business directory into a leading marketing, content, and community platform serving the global insights industry. Lukas received his graduate degree in management from the University of Economics in Prague and he also completed a marketing program at HEC in Paris.

Jasmine Matthews – Greenbook

Jasmine has specialized in integrated marketing, brand strategy, and content development for more than 10 years. She is passionate about telling compelling stories fueled by extensive research that uncovers the needs, interests, and complexities of diverse audiences. She has worked in a variety of specialties in B2B and B2C marketing (including entertainment, med-tech, higher education, and now - market research), obtaining an MA in New Media & Journalism.

Dana Stanley – Greenbook

Dana is responsible for Greenbook's client relationships and revenue across all lines of business. He's been a research practitioner, speaker, marketer and business developer for companies like Greenfield Online, Research Now and Survey Analytics. He studied Psychology at Bowdoin College, and he works from home just outside Portland, Maine.

RESEARCH AND PRODUCTION

Forsta

Forsta powers the HX (Human Experience) Platform – an award-winning comprehensive experience and research technology platform that breaks down the silos between CX (Customer Experience), Employee Experience (EX), and Market Research – so that companies can get a deeper, more complete understanding of the experiences of their audiences. Forsta's technology, combined with its team of expert consultants, helps thousands of organizations across a variety of industries, including financial services, hospitality, market research, professional services, retail, and technology.

Gen2 Advisors

Gen2 Advisors constantly scan and track ways to manage insights, keep up with the latest tools and technology, and predict the impact of all this information on the future before it's here. Through syndicated reports, advisory services, and consulting engagements, we present emerging management, applications and technology in a systematic overview, and tell you how to apply it to your individual business.

Q Research Software

Q is for the analysis and reporting of survey data. It radically improves user efficiency via task automation and intuitive user interfaces, coupled with the latest analysis techniques.

Greenbook

Greenbook brings innovative resources to market researchers on both sides of the table and offers effective marketing opportunities in a variety of targeted media. Our publications and events provide a stimulating, practical, and timely perspective on topics and issues relevant to the industry.

Idea Highway

Idea Highway is a strategic design studio with offices in Bucharest, Romania and Linz, Austria.

COMMENTARY PROVIDERS

Behaviorally

We are Behaviorally, The Transaction Experts. Boasting decades of global experience in marketing insights, we integrate AI-technology on top of our industry-leading database and a unique behavioral framework to help brands achieve the most valuable moment in marketing: when a purchase transaction occurs.

Borderless Access Pvt Ltd

Borderless Access is an award-winning market research company with its digital-first products and solutions for agile research. We cater to our global clientele of MR firms, Ad Agencies, Consultancy firms and End Enterprises, who need rich, intelligent and actionable quant-qual insights, with our technology and analytics-driven research solutions – Borderless Access Health, Borderless Access Insightz, Borderless Access SmarTech, Borderless Access Connect along with our proprietary 8 million+ hyper-niche digital panels across 40 global markets.

Displayr

If you need your business to not just remain competitive but thrive in this new landscape, it's time to upgrade your tech stack to one built for the modern market research industry. Displayr is analysis and reporting software, designed and custom-built for researchers. It knows where your headaches and bottlenecks are, preventing project timeframes and cost blowouts, simplifying your workflow, and delivering more advanced insights. It's easy for the novice, but powerful for the expert. Analyze, report, and publish dashboards fast to fuel your business growth and gain a competitive edge today.

Dynata

Dynata is the world's largest first-party data company for insights, activation and measurement. With a reach encompassing nearly 70 million consumers and business professionals globally, Dynata is the cornerstone for precise, trustworthy quality data. Its innovative data services and solutions bring the voice of the customer to the entire marketing life cycle — from uncovering insights to activating campaigns and measuring cross-channel marketing ROI. Dynata serves more than 6,000 market research, media and advertising agencies, publishers, consulting and investment firms and corporate customers worldwide.

Fuel Cycle

Fuel Cycle accelerates decision intelligence for legendary global brands, enabling researchers to capture and act on insights required to launch new products, acquire customers, and gain market share. By leveraging the Research Engine, brands forge connections with their key audiences and harness actionable insights that drive confident business decisions.

Hotspex

Hotspex, the #1 innovation leader in North America and #4 globally, revolutionizes brand strategy through cutting-edge research. Employing Programmatic Research, they empower Fortune 50 giants in communication, e-commerce, and design through autonomous platforms and API integration. Employing GPT-4 chatbots for data analysis, Hotspex generates visualized insights and real-time predictions. With inventive Shelf Real-o-grams, they revolutionize retail virtualization, while seamless Brand Operating Systems integrate omni-channel insights. Their revolutionary Reticle product enables 20%+ enhanced media impact across platforms.

NAILBITER

NAILBITER

NAILBITER® is a Quantitative Behavioral Videometrics platform developed for quantitative video-based market research. Our platform utilizes in-the-moment video to capture and analyze shopper and consumer behavior, in-store & online. We transform these insights into actionable metrics that empower businesses to safeguard product launches, map shopper journeys, optimize planograms, and more. As a trusted data and analytics provider and full-service agency, NAILBITER® collaborates with leading CPG brands, scaling behavioral research with proven metrics to drive success.

recollective

Recollective

Recollective Inc. is an enterprise software company focused on the development of innovative solutions for online research. Launched in late 2011, the Recollective platform combines the social interactions of an online community with a professionally designed suite of both qualitative and quantitative research tools. Each site can be custom-branded and supports small or large populations for any duration required.

remesh

Remesh

The Remesh platform lets you understand your audience in their own words. Engage live with up to 1,000 participants or asynchronously with up to 5,000. Using artificial intelligence, the platform organizes responses in real-time, cutting down analysis time and leading to quicker insights and confident decisions. Over 1,000 leading businesses, including top Consumer Packaged Goods (CPG), Consulting, and Financial Services firms, trust Remesh with their insights.

QUEST MINDSHARE

Quest Mindshare

Launched in 2003 to meet the needs of technology companies, Quest began survey operations to 45,000 persons employed in technical fields. With fast growing panels and a focus on utilizing the greatest survey security technology, Quest Mindshare is now well known to provide the most extensive and flexible groups of online panel assets for every B2B and consumer need. Quest's largest panels reside in North America and Europe but our Project Management team can superbly tackle your projects anywhere in the world. Let Quest know what your hard to find audience is (from ITDMs, financial DMs, web developers to moms with babies, music ratings and everything in between) and the team of market research experts and professionals will either offer support through the diverse panel assets or recommend ways to achieve your target.

SAGO

Sago

Sago, formerly Schlesinger Group, is more than just a global research and data partner—we are connectors between human answers and business questions. Our innovation-driven research solutions empower confident, data-driven decisions for deeper customer connections.

logit RESEARCH EXECUTED

The Logit Group

The Logit Group is an innovative, technology-driven research execution company. We're a team of holistic research practitioners and aim to add value for our clients through expert-level insights across a wide range of methodologies.

I need coffee I like Tea Window Seat Isle Loved it Meh Makes me smile Makes me cry The bomb No bueno Pizza night Taco Tuesday Sensitive Tough as nails Techno Country western Made me cry Haha Crack of dawn Night owl Spicy Sweet tooth Couch potato Getting ripped Skeptic Mystic
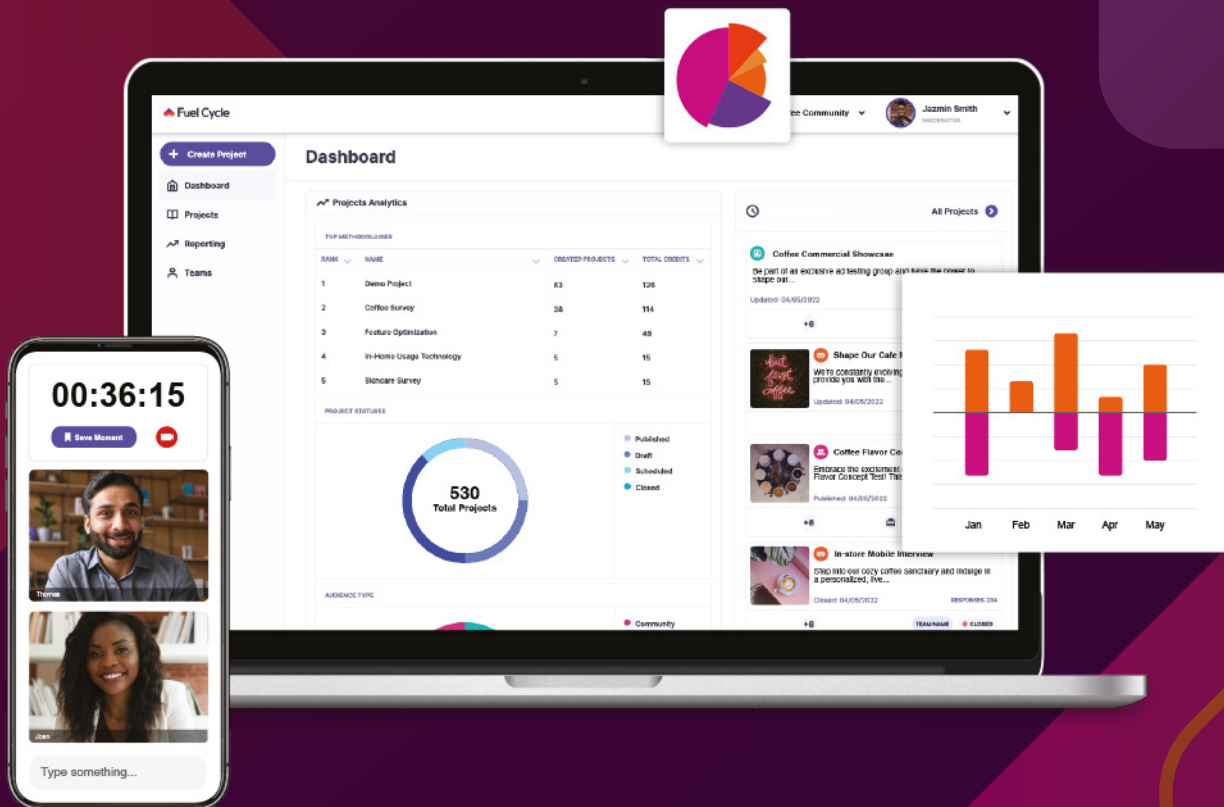
Understand your audience in their own words.

How we express our opinions and experiences can be done in a million different ways. It's what makes us human. Let your audience bring to light what truly matters to them as individuals and as a collective group. Capturing and decoding this nuance is the key to rich and meaningful insights.

Learn more at remesh.ai

•: remesh