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State of Market Intelligence

Market Maturity Index Report
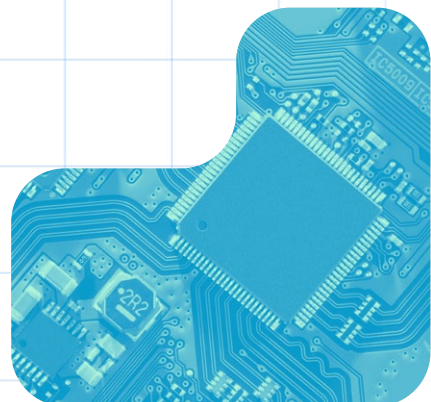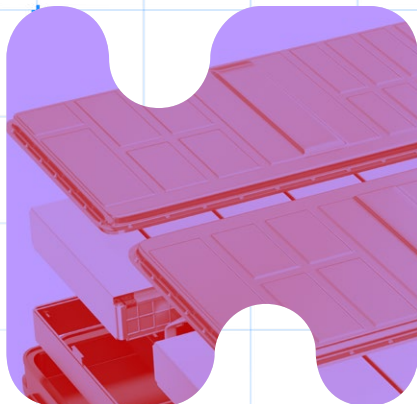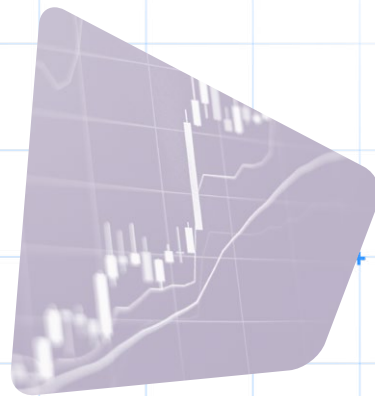
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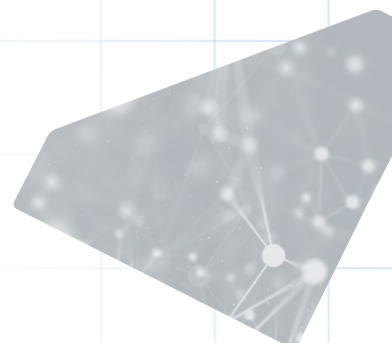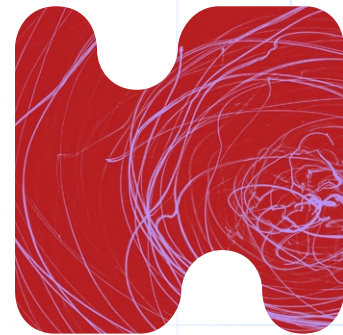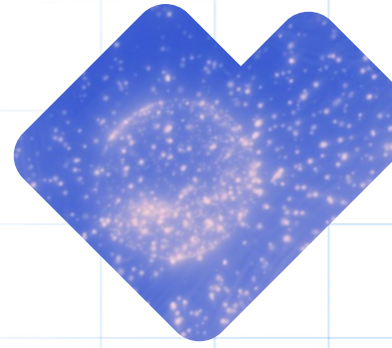
Introduction

Today's markets move at breakneck speed—generating massive amounts of information. Add in an unprecedented level of volatility and an overall increase in the pace of business, to put it lightly: gathering and acting on market intelligence has never been more challenging.

And while the pace of business has accelerated organizations largely operate in a world full of slow decision-making. This slow decision making is only made worse by greater levels of complexity and a veracious need for data as fuel. Needless to say, at every turn, focus is essential.

Intelligence that powers strategic decisions requires knowledge workers–and the wide range of professionals who conduct market research in their functions–to be agile.

According to an Orgvue Survey of Business Leaders, 65% of leaders say decision making is more complex post-pandemic. That fact, coupled with the 89% of business leaders who think their organizations make decisions too slowly, you need both speed and precision. In order to be confident and agile, you need verified, impactful, and relevant information fast without sacrificing thoroughness. You need to get to the truth in a matter of seconds.

But do you know where or how to find the answers you need to make critical decisions?

60% of large-company employees have <u>difficulty getting to information</u>. By 2025, global data creation is projected to grow to

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more than 180 zettabytes. Add in the fact that most teams operate with multiple platforms and subscriptions, siloed teams, and poor search and discovery and you have a recipe for sluggish time to decision and an overall market intelligence practice that is behind the curve.

For teams that are operating with sophisticated market intelligence practices, they reap the benefits of three main components:

1 **They connect more dots and Increase productivity with cutting-edge tech like artificial intelligence (AI) and generative AI (genAI).**

2 **They get answers faster by accessing insights not found anywhere else.**

3 **They leave nothing to chance and feel confident in the elimination of research blind spots.**

And while all of this sounds ideal, it can be difficult to gauge whether your company is on the right track to success or financial fallout with their market intelligence practices. When it comes to tactically employing all three of the components above, it is important to level-set and know where your company is in terms of market intelligence maturity. It is a matter of understanding where you stand without simply reacting to your competitors.

Enter: the market intelligence maturity index.

In this report, based around data from our State of Generative AI and Market Intelligence 2023 survey, we delve into the challenges and costs associated with not solving them, and outline the three stages of market intelligence maturity (or lack thereof).

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Market Intelligence Maturity: Challenges and the Cost of Not Solving Them

When it takes too long to gather the right intelligence, your level of confidence takes a massive blow and the risk of blind spots in both your research and decision-making increases. As a result, business decisions become flawed or biased. Eventually, key stakeholders lose trust in the intelligence, and internal alignment becomes a challenge.

In this kind of business environment, decisions can become a liability (if they even happen at all). This makes it impossible for you and your organization to:

- **Be nimble**, running the risk of negative impacts from big macro events (i.e. COVID-19 or recession)

- **Outmaneuver** in competitive situations

- **Be timely**, thus causing you to be reactive and miss key opportunities

When your company becomes paralyzed (i.e. rigid, uncompetitive, and reactive) you are in real danger of losing market share and revenue, as macro events expose real problems, or stronger, more agile competitors take over. When market intelligence is plagued with decision-paralysis, your company runs the risk of:

- **Taking too long to be confident:** Too much time is wasted searching for crucial pieces of information and there is often a struggle to feel confident in the intelligence itself. As more and more flawed intelligence is utilized, key stakeholders can become wary.

- **Flawed and/ or biased decisions:** As a result of not having access to the right content at the right time, teams miss critical insights available in premium intelligence. This premium intelligence offers the type of information that can help decision makers truly understand what is currently happening or about to happen.

- **Overall decline in market share and revenue:** Without compelling intelligence, it becomes difficult to align key stakeholders around the correct course of action. Opportunities are missed, the competition starts to win against you, and as a result, you lose market share and revenue.

The cost of poor business decisions is critically high across every industry and sector. The ability to make the right financial or mission-critical decision is often the difference between long-term success or irreversible consequences—think lost customers, a tarnished reputation, and missed financial opportunities.

Recent Gartner research illustrates a perfect storm of factors that demonstrate the challenges of making the right business decisions in today's economic climate. As the volume of high-impact decisions has grown, consideration for their larger implications has diminished. Bad financial decisions cost firms up to 3% of profits. Adding salt to the wound, poor data quality plays a heavy role in the problem, costing organizations an average $12.9 million every year.

At the same time, the majority of decisions (65%) that need to be made are more complex than they were just two years ago.

Even companies who have prioritized market intelligence in the past must reset and rethink their approach. Traditional processes no longer get the job done, and organizations that fail to advance their market intelligence capabilities risk being left uninformed or worse, left behind.

Challenges and Associated Costs

The Content Gap

Challenge

You lack enough quality content and information, as critical content is diffusely located, behind paywalls, and hard to parse.

Cost

You have a high risk of decision-making error. Teams have to lean into low value, questionable reputation, public-facing sources, that often lack the detail to explain the entire picture and leave you guesstimating.

For organizations identifying as mature, 95% say they have access to paid/paywalled content vs. less mature organizations at 46%.

When asked if an organization somewhat or strongly agrees if they often worry about missing critical information, 53% of mature organizations vs 68% of less mature said yes.

Ability to benchmark (75% of mature organizations claim they have the ability to benchmark against peers vs. 57% of less mature organizations.

The AI Gap

Challenge

Without the help of artificial intelligence and genAI, gathering insights remains an entirely manual process. There is not enough time to effectively find enough insights or to accurately detect important company or shifts in industry patterns.

Cost

There is never enough time for high value tasks. With a heavily manual and resource intensive process, teams over index on research, missing key information and leaving little time for analysis and idea generation.

When asked, "I often feel like I am searching for a needle in a haystack", mature organizations agreed at 19% vs. 27% of less mature organizations.

For organizations that do not identify their market intelligence practices as mature, 29% strongly agree that they feel they spend less time on research and more on higher-value tasks as opposed to the 40% of mature organizations who strongly agree.

The Monitoring Gap

Challenge

Your current monitoring relies on a base of low value content and/or you need to monitor from several different places, creating deluge of information.

Cost

You lose first mover and competitive advantage. You rely on a patchwork of manual checking and updates from several sources, causing information overload, exhaustion, and missing key updates.

When respondents were asked if they currently have updates on companies/industries automatically delivered, a staggering 58% said they do not.

A third of respondents said their current practice is highly reactionary.

The Knowledge Gap

Challenge

You do not have the tools to support a powerful ongoing cadence of intelligence across the organization.

Cost

Market opportunities are regularly missed. Without any of the other three gaps closed, and a toolset to support the tracking and dissemination of intelligence, the organization misses critical business and market opportunities and becomes susceptible to losing market share.

When respondents were asked if they have the ability to share insights across different teams, 95% said they do not.

When respondents were asked if they have the ability to aggregate market intelligence insights, 89% said they do not.

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Challenge	Level 1	Level 2	Level 3
The Content Gap You lack enough quality content and information, as critical content is diffusely located behind paywalls and hard to parse.	▪ Reliance on public facing, low-value content sets. ▪ Content mainly access from consumer grade search tools. ▪ No ability to conduct peer or competitor benchmarking—except when using public content.	▪ Access to a mixture of paywalled and public content. ▪ Content spread across several locations. ▪ Peer and competitor benchmarks available from a paid membership to a research company.	▪ Access to paywalled and premium content sets that have differentiated insights. ▪ Content all accessed from one platform. ▪ Ability to undertake thorough peer or competitor benchmarking analysis, from a range of valuable content sets.
The AI Gap There is not enough time to find enough insights or to accurately detect important company or industry patterns.	▪ Manually processing content—reading documents or ctr+F by individual keywords ▪ Not leveraging genAI at all. ▪ Manual effort to detect trends and patterns	▪ AI tech that searches, but returns lots of noise in results. ▪ Leveraging consumer grade genAI. ▪ AI tools that only summarize public content.	▪ AI search tech that automatically searches across all synonyms and removes noise. ▪ Leveraging purpose-built market intel genAI. ▪ AI feature that summarizes trends and key patterns.
The Monitoring Gap Your current monitoring relies on a base of low value content and/or you need to monitor from several different places, creating a deluge of information	▪ Manually searching several places for updates. ▪ Schedule of updates relies on your own memory or placing reminders on your calendar. ▪ Recommendations and ideas for new content are down to you.	▪ Automated updates sent from several places/systems. ▪ Lack of flexibility in scheduling automated updates. ▪ If content recommendations are available, they point to low-value or public content.	▪ Ability to receive all the automated updates you need from one single platform. ▪ Ability to schedule updates to fit your schedule. ▪ AI-powered updates and notifications that uncover new/relevant pieces of content.
The Knowledge Gap You do not have the tools to support a powerful ongoing cadence of intelligence across the organization	▪ Collaboration happens away from all source content—over email and comms tools. ▪ Outputs are built away from all source content, in writing/design, slide tools or email format. ▪ Intelligence sharing happens in comms tools—away from all source content, with sporadic linking ability. ▪ Ability to deliver high value research within three to five days	▪ Collaboration with colleagues happens away from most of your source content—in communication tools. ▪ Outputs are built away from most of the source content—needing plenty of copy paste from different places. ▪ Intelligence sharing happens away from most source content, with manual link building. ▪ Ability to deliver high value research within one day.	▪ Ability to collaborate with colleagues in one platform. ▪ Ability to collate intelligence and leverage templates to create output ready deliverables in one platform. ▪ Ability to disseminate intelligence across the organization from one platform as source content—with links back to source content. ▪ Ability to deliver high value research to c-suite in under one hour.

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The Three Stages of Market Intelligence Maturity

1

Underinvested

- Immaturity in reporting
- Decision making is not insight driven at the organizational level
- No real market intelligence team exists
- No dedicated market intelligence/centralized knowledge management tools
- Most (if not all) reporting happens in spreadsheets, across multiple tabs

2

Developing

- Data is siloed or only somewhat centralized
- A small number of data experts may exist
- Still reliant on sheets, and analysts; native reporting tools may be used
- Discrepancies in complexity of data used across teams
- No self service solutions exist
- No governance processes in place for reporting
- Data may not be easily accessible to all business users
- Limited self-service solutions
- Data is a tool to measure performance rather than an asset to guide business decisions

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3

Mature

- There are teams/individuals dedicated to market intelligence

- Knowledge workers and research professionals thrive and self-service solutions are widely used

- Utilizing a centralized market intelligence tool

- Predictive and prescriptive insights are widely used and trusted

- Reverse ETL exists

- Market intelligence is viewed as a critical asset and consistently being monitored, not just a nice to have

- Utilizes AI and genAI in market intelligence

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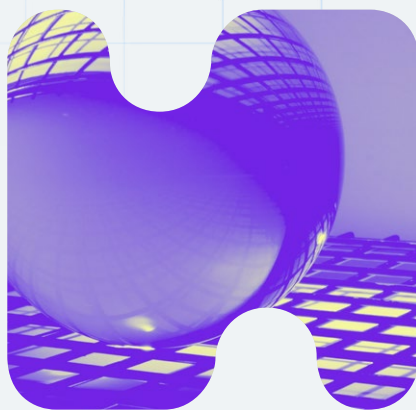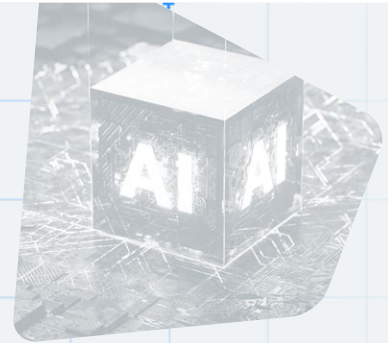
How AI Accelerates Market Intelligence Maturity

AI and genAI might currently be taking the world by storm, but its utility in the research and business world remains underplayed. AI not only enables you to consume exponentially more information than would be manually possible, but it identifies all of the most relevant insights for your specific needs—taking the guesswork out and saving you countless hours. Immediately, you are able to see larger themes and connect the dots across all sources, which translates to deeper analysis, smarter business decisions, and more mature market intelligence practices.

For business professionals conducting research today, AI is half of the equation. The other half is having access to premium and proprietary information that gives you the competitive edge and enables you to create a proactive strategy.

AI and genAI are the key to mature market intelligence practices. When integrated properly into your insight and research gathering practices, companies are able to:

- **Become mission-critical:** Access to a vast universe of content gives you a deeper layer of context, creating intelligence that powers market-beating decisions.

- **Get more done in less time:** Cover more ground in less time—no matter the market conditions—to find the key insights you need.

- **Overcome cognitive fatigue:** Quickly identify and isolate the exact information you need without the burn-out and cognitive strain that comes with today's deluge of information.

- **Always be the first to move:** When you find deep and accurate intelligence fast, you can move and act fast. Beat others to key opportunities and outmaneuver peers even in times of extreme market volatility.

Methodology

The 2023 State of Market Intelligence Survey opened on 6/20/2023 and closed on 8/3/2023, by which time it had yielded 552 responses. The survey was distributed to AlphaSense customers in the following industries: Life Sciences, Consumer Goods & Retail, Energy, Industrials, Tech, Media, Telecom, Financial Services, or Consulting.

Job Function

Competitive & Market Intelligence	31%
Corporate Strategy	13%
Management/Strategy Consultant	9%
Market Research Consultant	9%
Asset Management/Hedge Fund	7%
Private Equity/Private Credit/Venture Capital	5%
Investor Relations	5%
Sell Side/Independent Financial Research	5%
Corporate Development/M&A Consultant	3%
Corporate Finance/Accounting Consultant	2%
Investment/Corporate Banking	2%
Other	9%

Industry

Life Sciences	23%
Financial Services	21%
Tech, Media, Telecom	17%
Consulting	14%
Industrials	8%
Consumer Goods & Retail	5%
Energy	5%
Other	7%

Size of Company

Small: Less than 1000 employees or <$10M in revenue	31%
Mid-market: 1000 to 2000 employees or between $10M-$1B in revenue	22%
Enterprise: Over 2000 employees or >$1B	47%

Company Location

Asia	9%
Central America	1%
Europe	19%
North America	68%
Oceania	1%
South America	1%

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About AlphaSense

The world's most sophisticated companies rely on AlphaSense to remove uncertainty from decision-making. With market intelligence and search built on proven AI, AlphaSense delivers insights that matter from content you can trust. Our universe of public and private content includes equity research, company filings, event transcripts, expert calls, news, trade journals, and clients' own research content. Our platform is trusted by over 4,000 enterprise customers, including a majority of the S&P 500.

Founded in 2011, AlphaSense is headquartered in New York City with over 1,300 people across the globe and offices in the U.S., U.K., Finland, India, and Singapore.

Learn More at Alpha-Sense.com