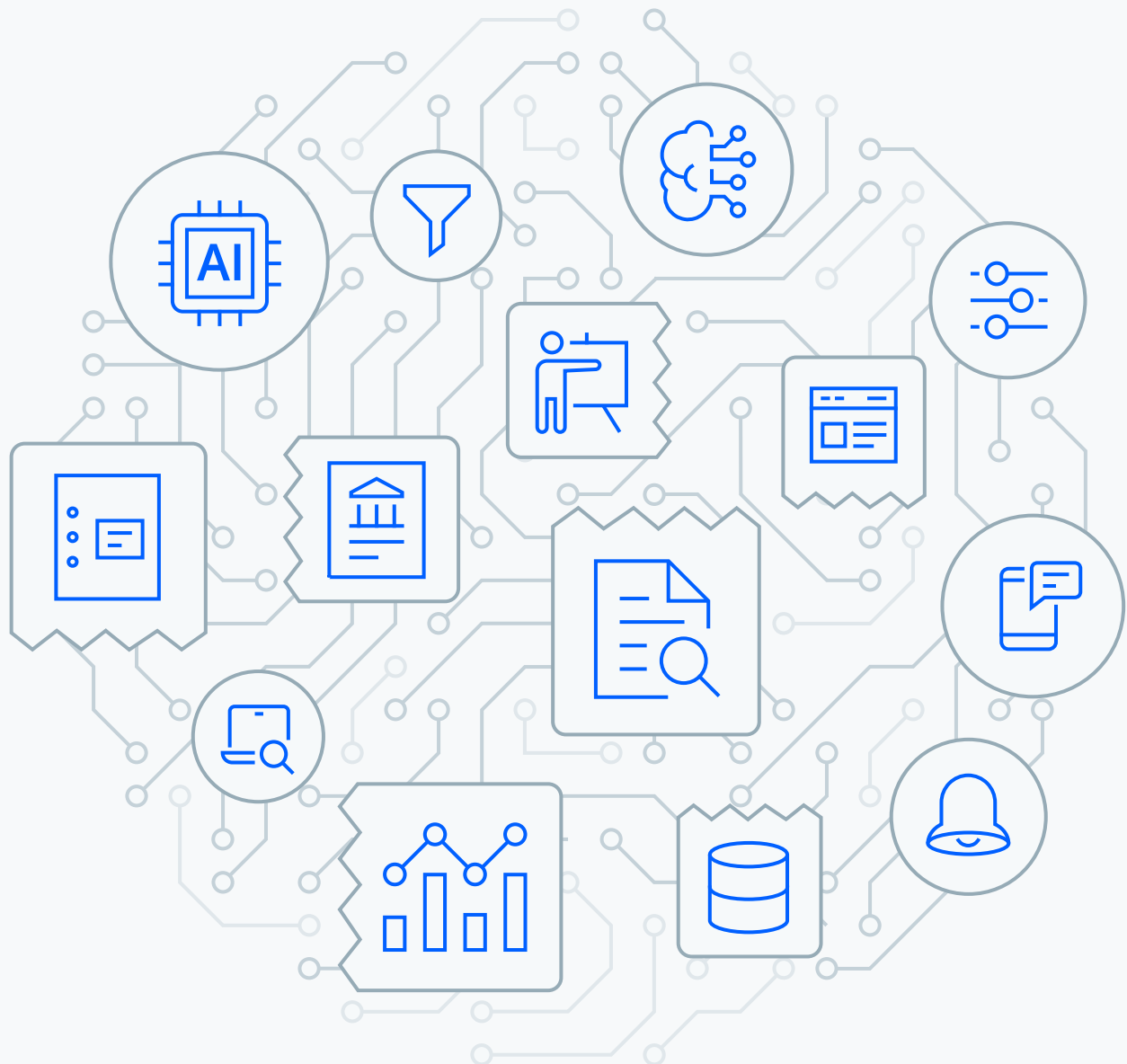


AlphaSense

2022 Benchmark Report

State of Market Intelligence



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Introduction

In business, a perfect strategy would predict the future. But since those responsible for developing business strategies cannot rely on the art of foresight, they instead must become skilled at reading signals. What hints about a competitor's strategy can be surmised from a public-facing press release? What emerging industry trends can be identified from a pattern observed in regulatory filings and company documents?

Tracking, evaluating, and deriving insights from such signals is the foundation of market intelligence (MI). And this type of work spans across numerous industries and organizations. But despite the necessity and ubiquity of market intelligence research, few standards exist for what good market intelligence gathering looks like. Historically, the aspects of a superior or even a normal market intelligence practice have not been well understood.

What have been well documented are the difficulties of producing competent market intelligence insights for two key reasons: information overload and research inefficiency.

And both of these problems are getting worse.

Exponentially larger volumes of information create an increasingly difficult atmosphere for even the most strategic teams to maintain a "comprehensive" overview

of any topic related to market trends, customer behavior, or competitor activity. The sheer amount of information being generated exceeds the limits of human imagination: by 2025, the total amount of data consumed globally is projected to be 181 zettabytes.¹

And, conducting research as a knowledge worker is notoriously inefficient. There's an oft-cited McKinsey study from 2012 stating that on average, employees spend 9.3 hours per week searching and gathering information and IDC research indicating that "the knowledge worker spends about 2.5 hours per day, or roughly 30% of the workday, searching for information."²

In the wake of the pandemic, and entering a period of economic instability, the costs of imperfect research processes are likely to have hard business consequences. It is against this backdrop of uncertainty that we debut our first annual State of Market Intelligence report. This report aims to answer two questions: what do market intelligence processes look like today, and where are they headed?

With over 570 responses, this report summarizes benchmarks, habits, processes, and challenges related to market intelligence gathering. Since we cannot see into the future, we hope it illuminates the present state of this key research process in a way that will be helpful to you.

¹ <https://www.domo.com/>

² <https://www.mckinsey.com/>

Executive Summary

The State of Market Intelligence report aggregates information about market intelligence processes, behaviors, challenges, and attitudes.

Key takeaways include:

1

Market intelligence is highly fragmented in terms of consumption and information sources.

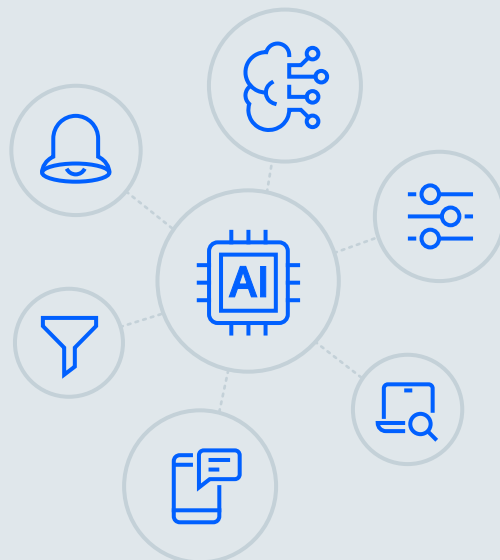
Practitioners of market intelligence consume information from a range of sources, relying on insights from consumer-grade search tools, as well as professional research services. The majority of respondents use 3–6 tools for market intelligence research. But ultimately more tools was not seen as necessarily better: Those leveraging more sources and tools reported similar challenges as those who used fewer.



2

Access to AI tools takes the pressure off market intelligence practitioners.

Those who used three or more AI tools reported feeling less pressure to exceed KPIs and more prepared to answer urgent questions from the C-suite in short turnaround times.





3

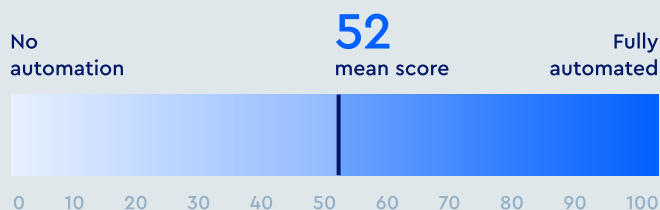
While market intelligence efforts remain mostly reactive, practitioners express a desire for a more proactive approach.

Conducting reactive internet searches is the most common way of consuming MI information. Only one-third of respondents consider their process to be proactive and over half wish their market intelligence process was more proactive. The majority of respondents wish they could spend less time researching and more time analyzing and implementing their research findings.

4

Automation is integrated into market intelligence activities and workflows.

Automation of research efforts is common, with about a 50–50 split between automated and manual work. Common elements of automation include leveraging AI tools, and having research proactively pushed to workers via dashboards and alerts.



5

Increasingly, organizations are investing and tracking their investment in market intelligence.

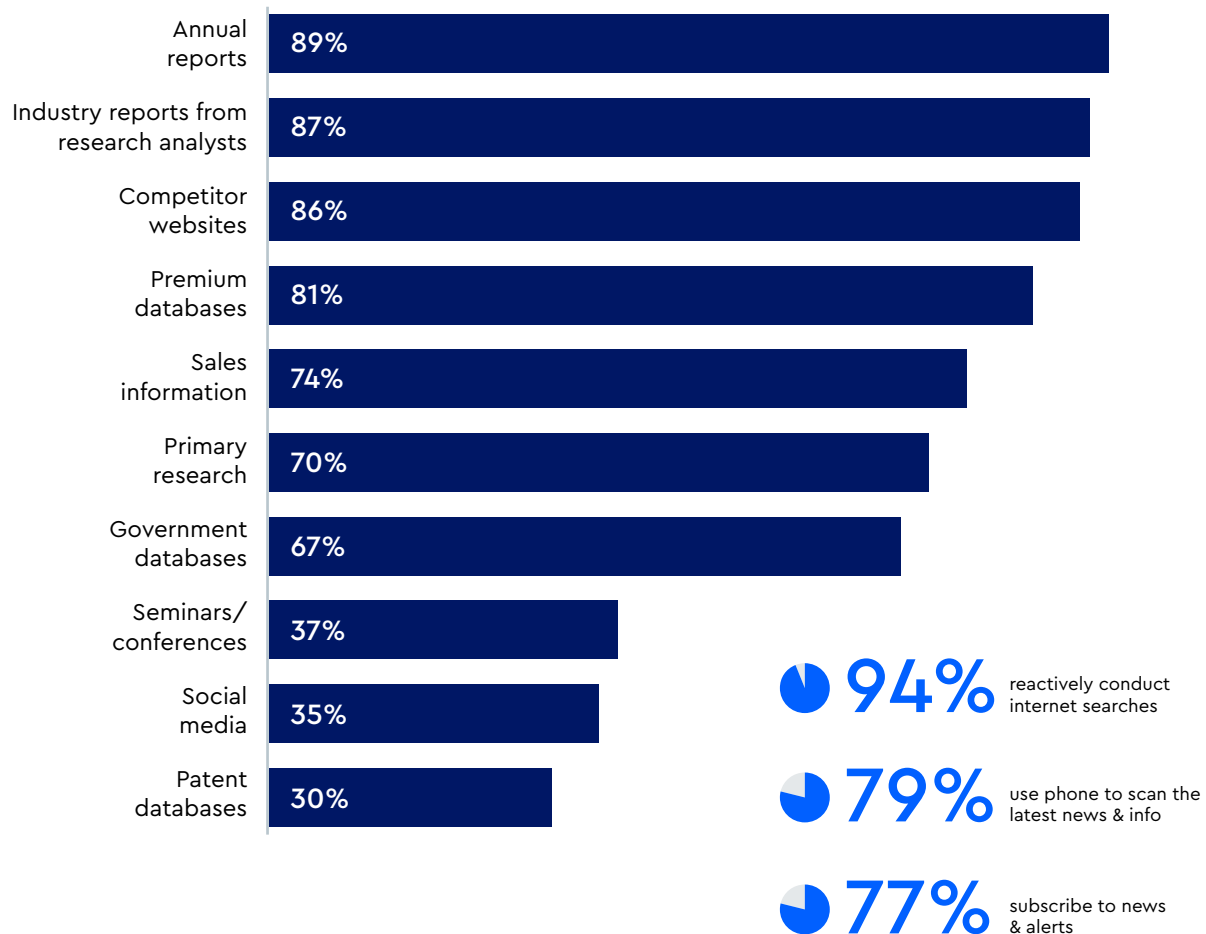
70% of organizations plan to invest more in market intelligence tools and headcount in the next 12 months compared to the previous 12 months. The majority of market intelligence activities' performance are tracked via KPIs.



Process

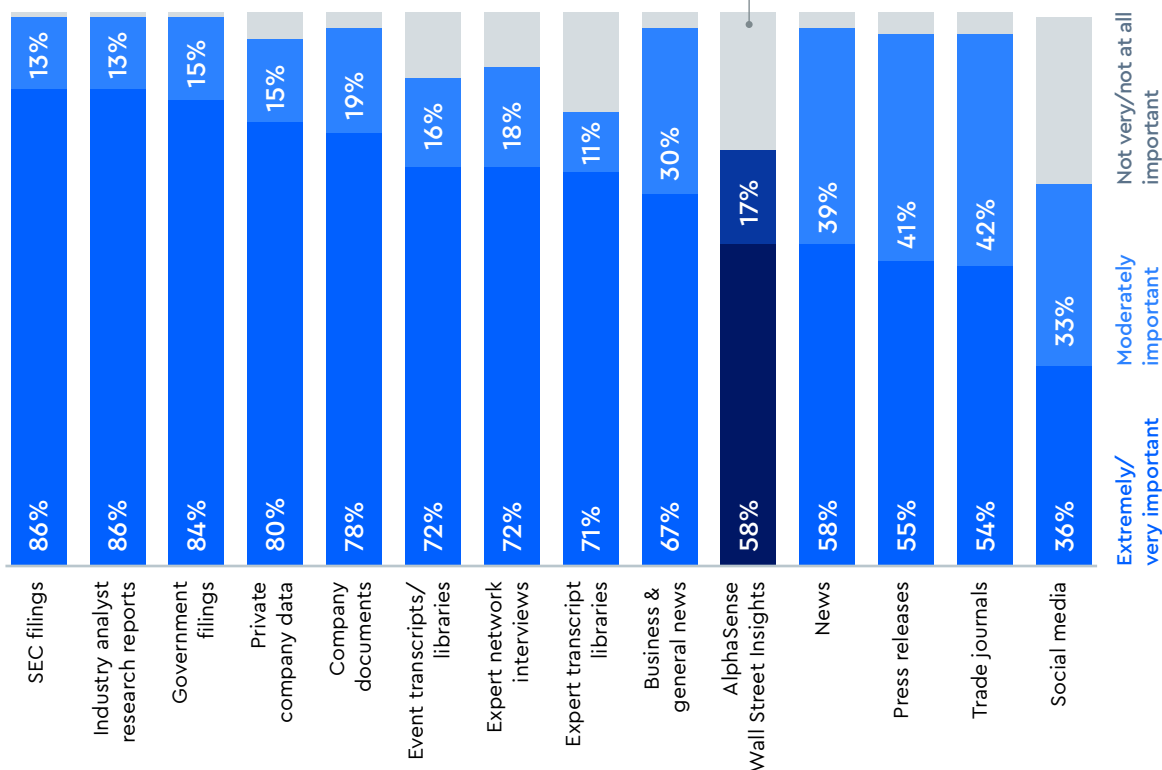
In an era of information overabundance, market intelligence practitioners cast a wide net to get insights. Their research is as informed by reactive, traditional research methods as it is by AI and automation. Professional research services are consulted nearly as often as consumer-grade search tools. Research happens via ad-hoc mobile scanning and via purpose-built dashboards that live on practitioners' desktops. In short, no stone is left unturned in the hunt for market intelligence insights.

Market Information Sources

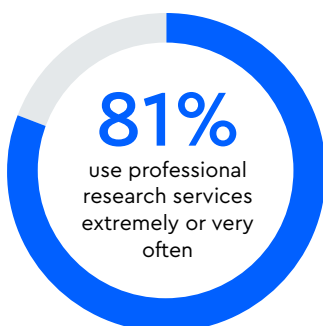


Importance of Content Sets

75% of AlphaSense users find it to be moderately to extremely important



Tool Use



93% of respondents use 3-6 tools/sources for market intelligence research

Use of Alerts



Work Automation

Total

52 median score



Financial Services

48 median score



TMT

55 median score



0 10 20 30 40 50 60 70 80 90 100

No automation Fully automated

Only 36% of respondents felt they had a proactive approach to market intelligence. Those with a proactive approach used:

- KPIs tied to revenue
- AI tools like document summarization
- On average, 5 tools
- Competitor websites, industry research, and annual reports for market intelligence gathering

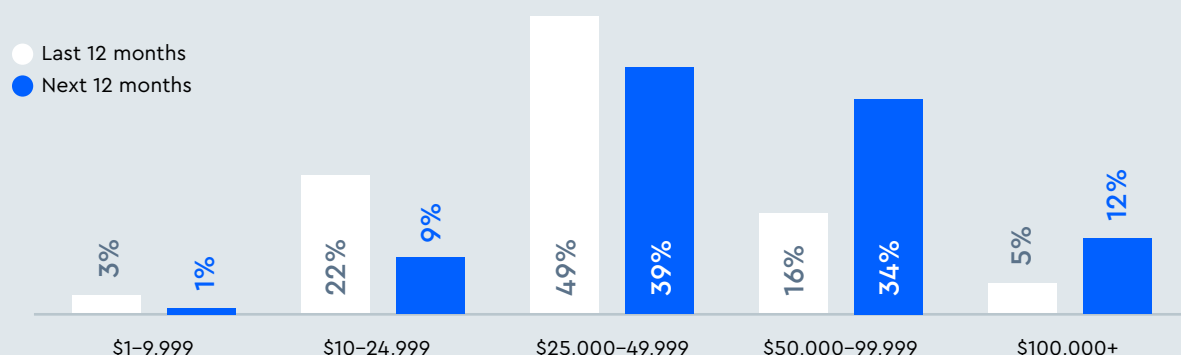
Investment

The majority of organizations already recognize the need for dedicated market intelligence budget and headcount, and that investment is likely to increase in the next 12 months.

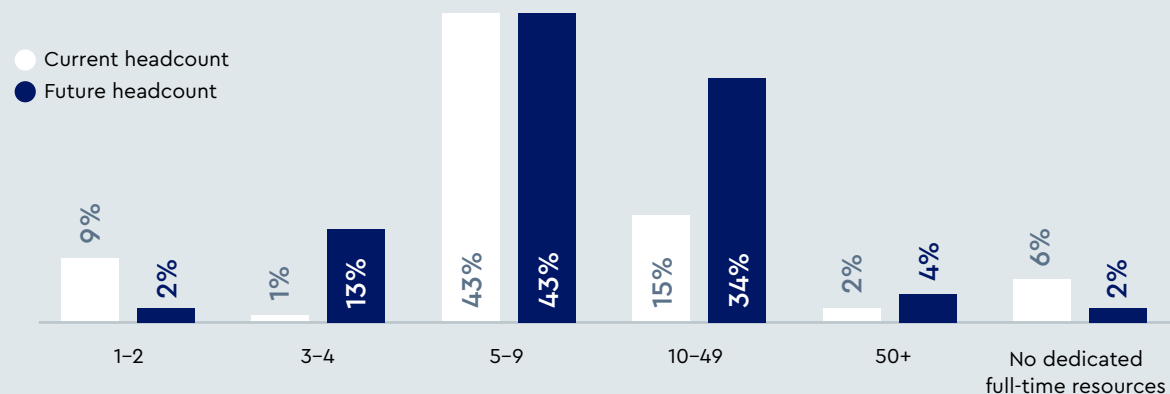
It is rare to see a one-person team owning market intelligence efforts. Teams owning this discipline were likely to have at least three, and often more than five, team members.

The organizations already investing most heavily in MI efforts and headcount are most likely to substantially increase their investment again in 2022.

Market Intelligence Budget



Market Intelligence Headcount



Almost 90% of survey respondents track the performance of their market intelligence efforts via KPIs, often ones linked to revenue, profitability, and customer satisfaction. Almost a quarter of respondents experience pressure to exceed KPIs; for the rest, this pressure is not an issue.

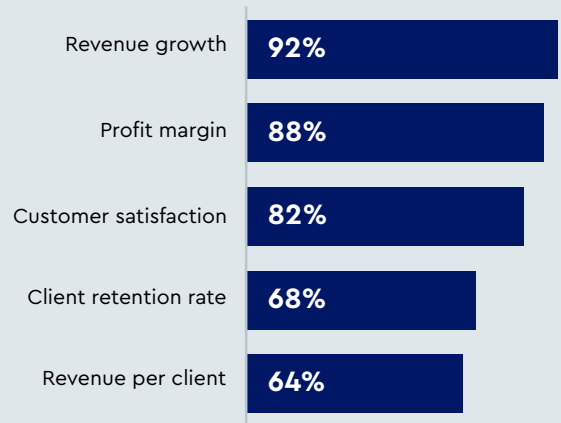
Marketing Intelligence KPIs



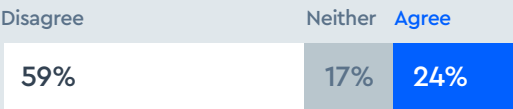
KPIs Specific to Market Intelligence

Customer acquisition & cost		Quality compliance	
Overhead expenses	Yearly growth comparisons	Brand awareness	
Burn rate	ROI	NPS	Profitability
Average transaction size		Average sales	

KPIs Specific to Market Intelligence



Pressure to Exceed My Organization's Market Intelligence KPIs



Those who use 3+ AI tools feel less pressure to exceed their organization's market intelligence KPIs

Sharing Market Intelligence

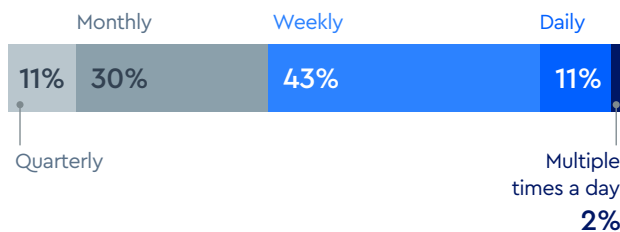
Market intelligence insights are shared broadly across organizations, most commonly with around 11–50 stakeholders from across teams. These updates most commonly happen on a weekly or monthly cadence.

Sharing insights happens via a range of channels, including intranet, shared drives, and email.

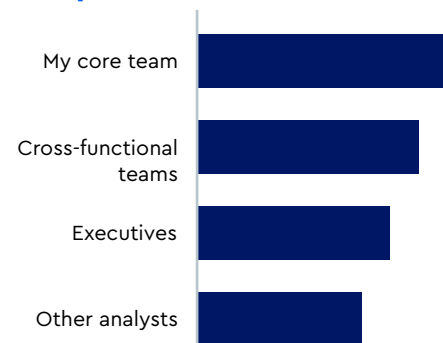
Sharing Market Intelligence

89% of respondents prepare industry benchmarking such as revenue trends and market share analyses

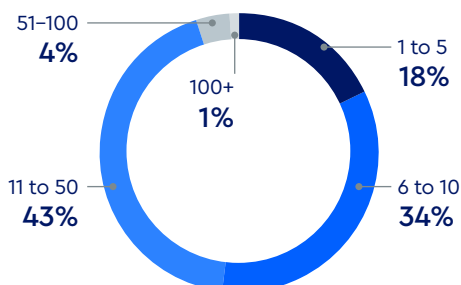
Sharing Frequency



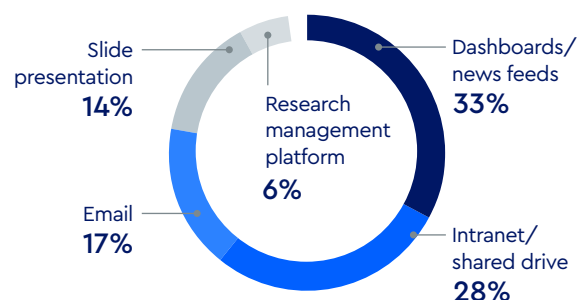
People Shared With



Number of People Shared With



How It Is Shared



When the C-suite asks for market intelligence insights, time is of the essence. Practitioners report most frequently having up to 1 day to respond to requests, with hourly or less than 1 hour response times also common. In addition to responding to ad-hoc requests, teams owning market intelligence efforts prepare regular reports for the C-suite, usually on a weekly or monthly basis.

While the majority of respondents generally feel equipped to answer executives' questions, only 12% of respondents claim to never feel unprepared.

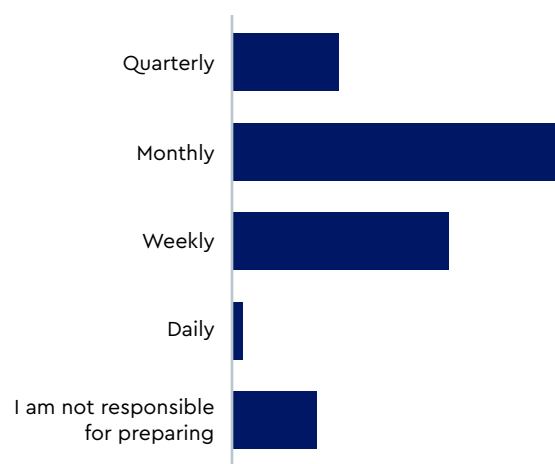
Greater access to AI tools helped teams feel more prepared; with those leveraging 3+ AI tools reporting feeling more prepared.

Handling Urgent Requests

Feeling Unprepared to Answer a Research Inquiry—Frequency



Preparing Reports for C-suite—Frequency



Turnaround Time for Answering C-suite Questions—Frequency

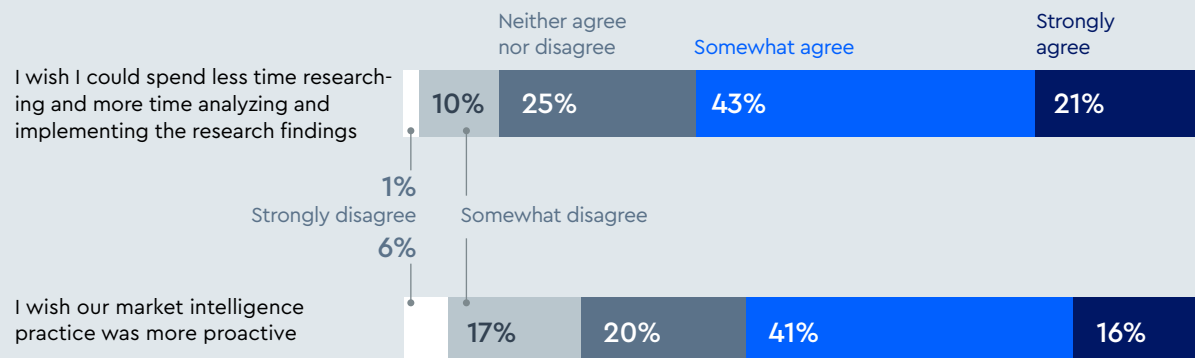


Challenges

The majority of respondents want to spend less time in the weeds of research and more time analyzing and implementing their findings.

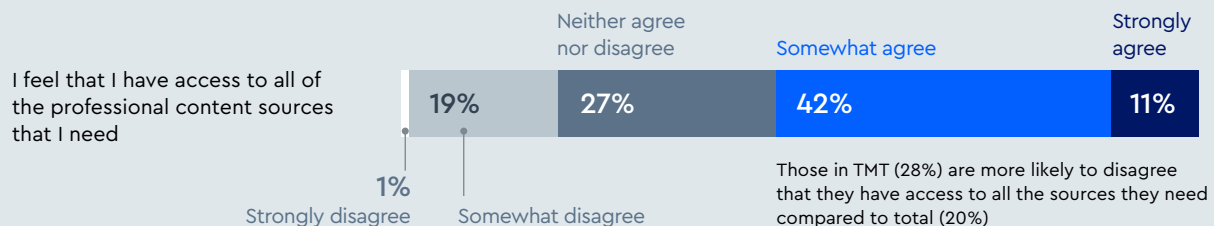
Over half also wish their market intelligence process was more proactive.

Marketing Intelligence Attitudes

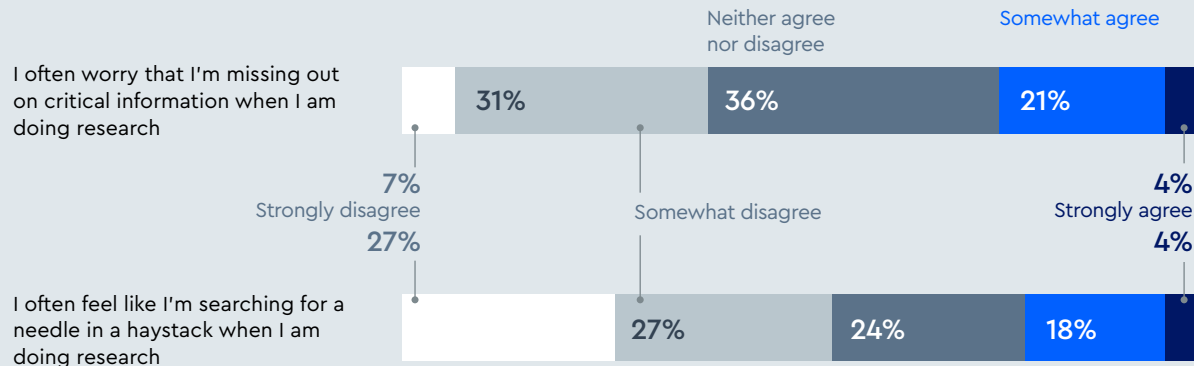


Despite an abundance of available information, 20% of respondents said that they did not have access to the right information sources. Over half of respondents feel that they have access to all the content they need.

Those in financial services and TMT are more likely to feel that they lack access to needed content sets.



Despite information overload (or perhaps because of it) almost a quarter of respondents also feel that they are missing out on critical information in their research process and say that their research process feels like searching for a "needle in a haystack."



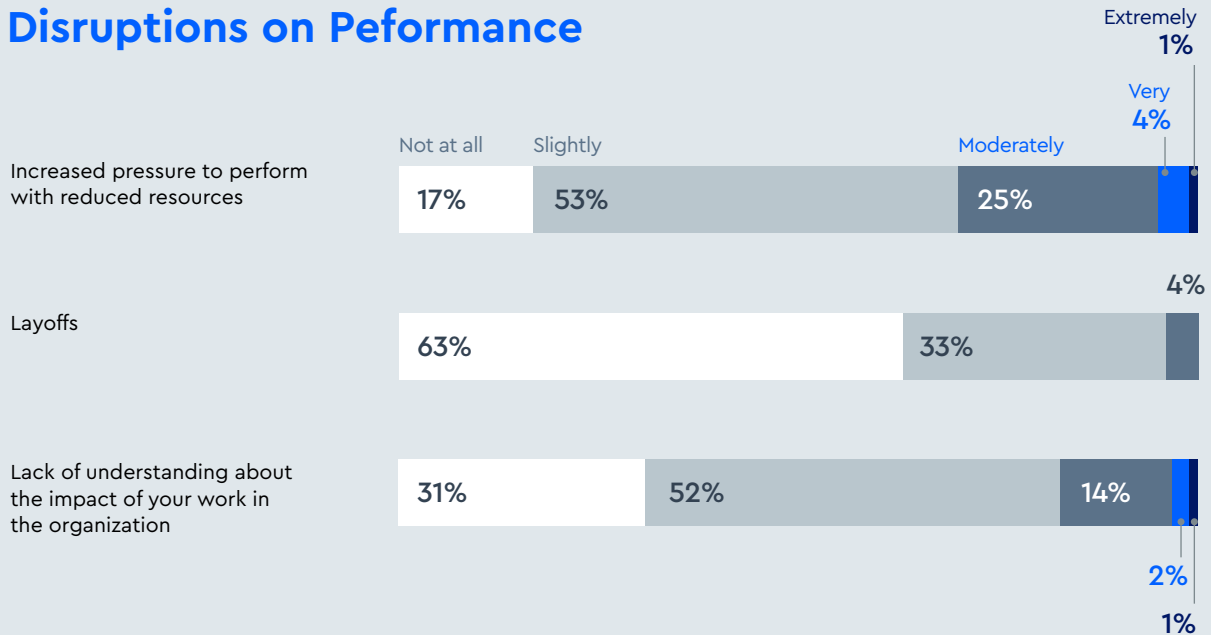
Overall, the top challenges respondents are experiencing when it comes to collecting market intelligence relate to data: accessibility, security, sharing, congestion.



In the wake of Covid, teams are still grappling with factors that disrupt their work.

The impending recession is impacting organizations most presently by increasing pressure on teams to perform with fewer resources. Layoffs were less of a concern. Many respondents feel a slight need to educate internal stakeholders at their organizations about the impact of their work.

Disruptions on Performance



The State of Consulting Market Intelligence

Current Processes & Challenges

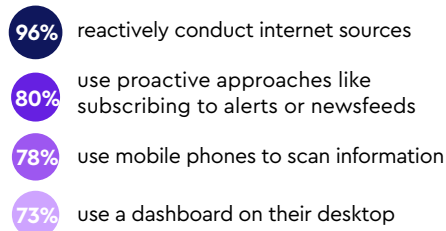


of consultants still use CTRL+F and other consumer-grade tools to answer critical business questions.

Top Ways to Consume Market Intelligence

Consultants were more likely to use alerts over dashboards as a way to proactively stay on top of market intelligence.

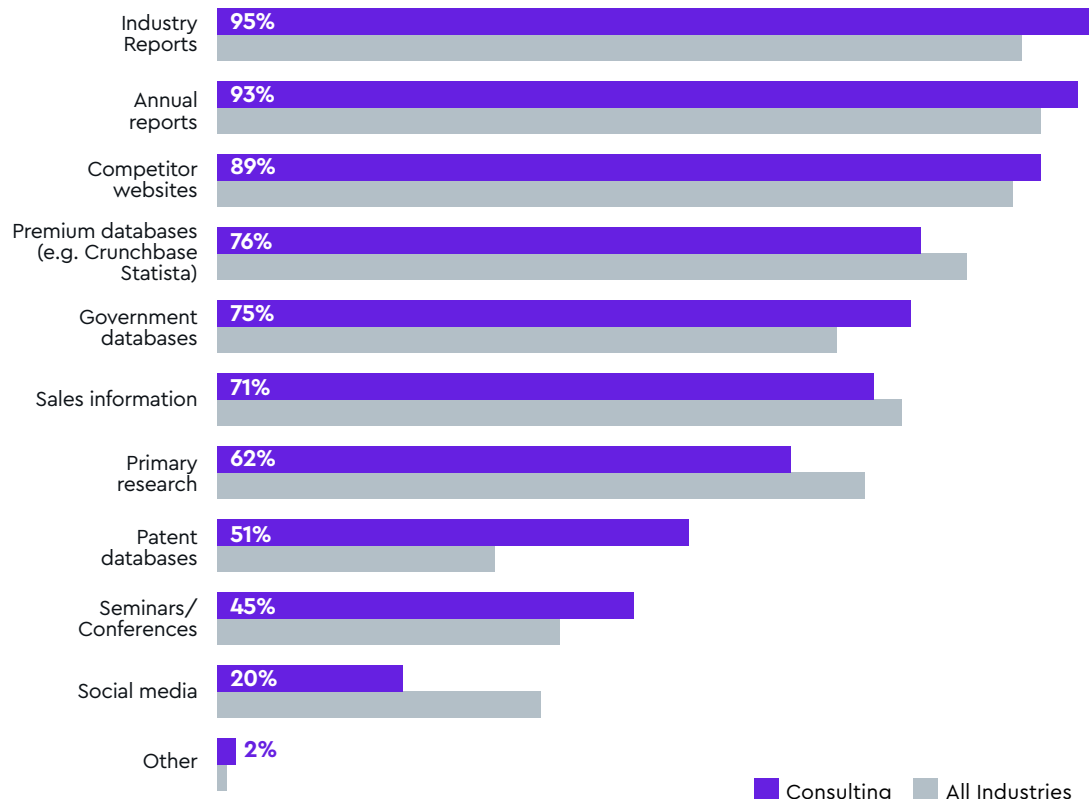
How do you typically consume market information?



Top Sources of Market Intelligence

Industry analyst reports were number one source of market information for consultants compared to annual reports for other industries.

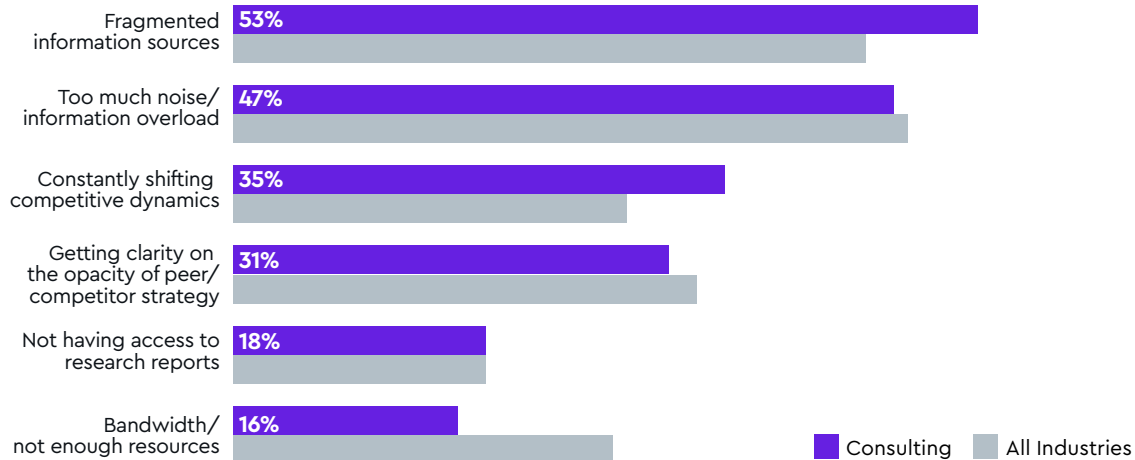
What are your top sources of information for intelligence gathering?



Top Challenges

Fragmented information was biggest problem for consultants compared to information overload for the majority of others.

Please rank the following from most to least challenging (Top 2 Box).



What the future holds

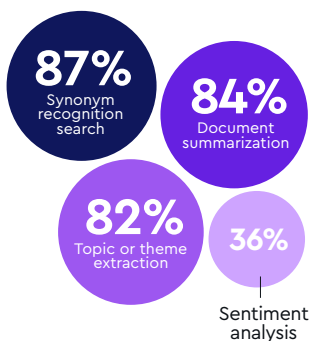


wish their market intelligence was more proactive and they could spend less time researching.

Most Used AI Functionality

Consultants most likely to use synonym recognition search.

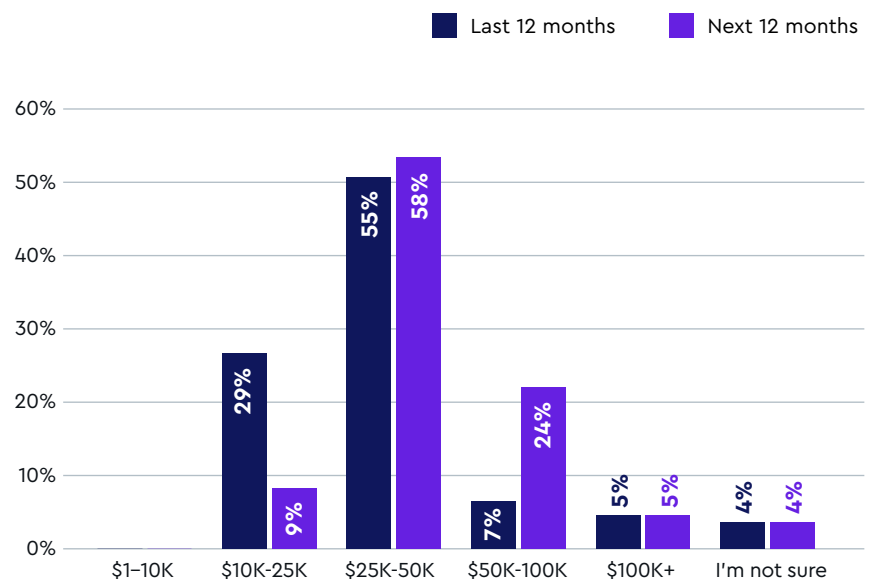
Which of the following AI tools have you ever used for market intelligence research?



Consulting Market Intelligence Budget Benchmarks

Consulting market intelligence budgets above \$50,000 are expected to increase by 142% in the next 12 months.

Excluding headcount, what was your market intelligence budget for the last 12 months? Next 12 months?



The State of Financial Services Market Intelligence

Current Processes & Challenges

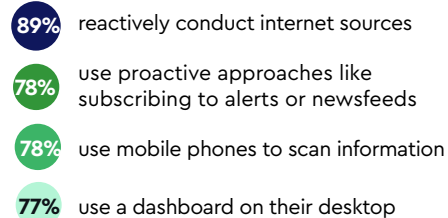


of financial service professionals still use CTRL+F and other consumer-grade tools to answer critical business questions.

Top Ways to Consume Market Intelligence

Financial services was least likely to conduct internet searches to consume market intelligence compared to other industries.

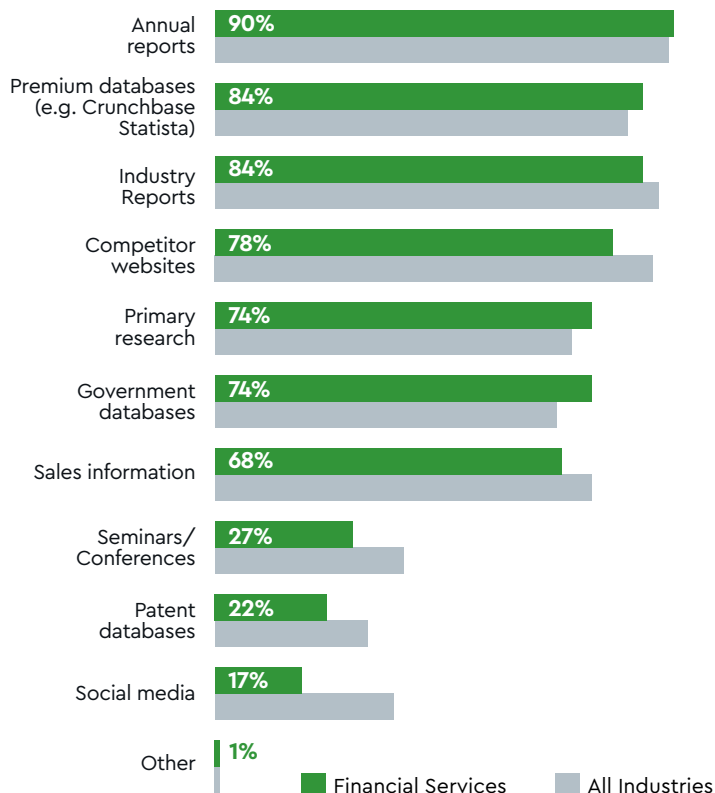
How do you typically consume market information?



Top Sources of Market Intelligence

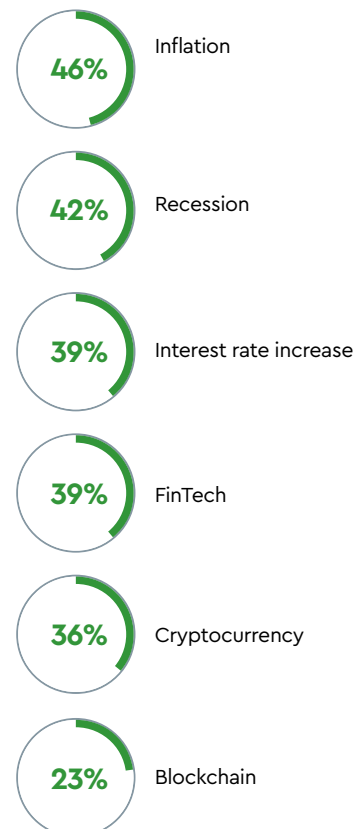
Financial services was less likely to use seminars/conferences, patent information or social media compared to other industries.

What are your top sources of information for intelligence gathering?



Most Researched Topics

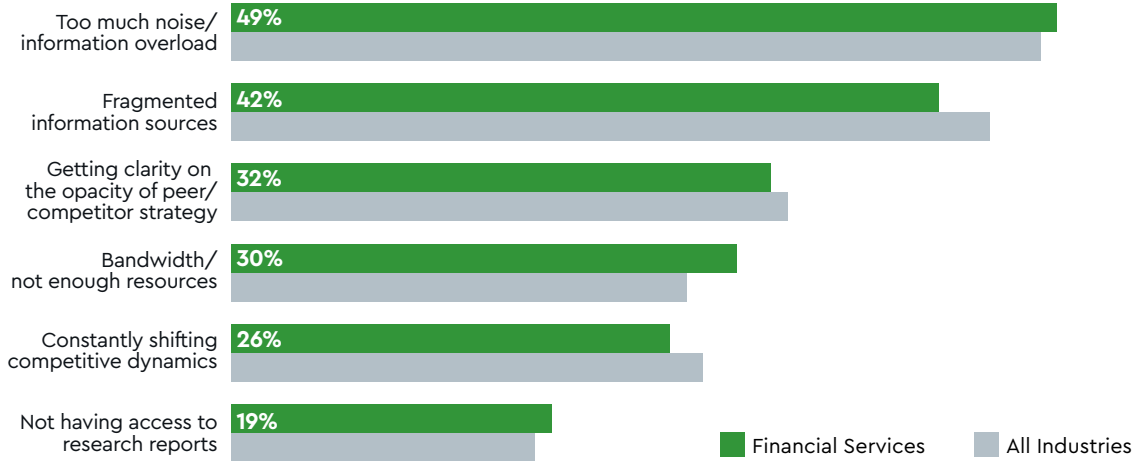
In which of the following areas do you spend the most time researching?



Top Challenges

Financial Services was the industry most affected by information overload in comparison to others.

Please rank the following from most to least challenging (Top 2 Box).



What the future holds

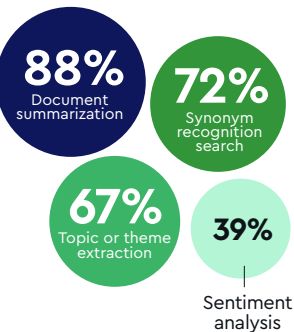


wish they could spend more time analyzing and implementing their research findings and less time researching.

Most Used AI Functionality

Financial service professionals are most likely to use document summarization.

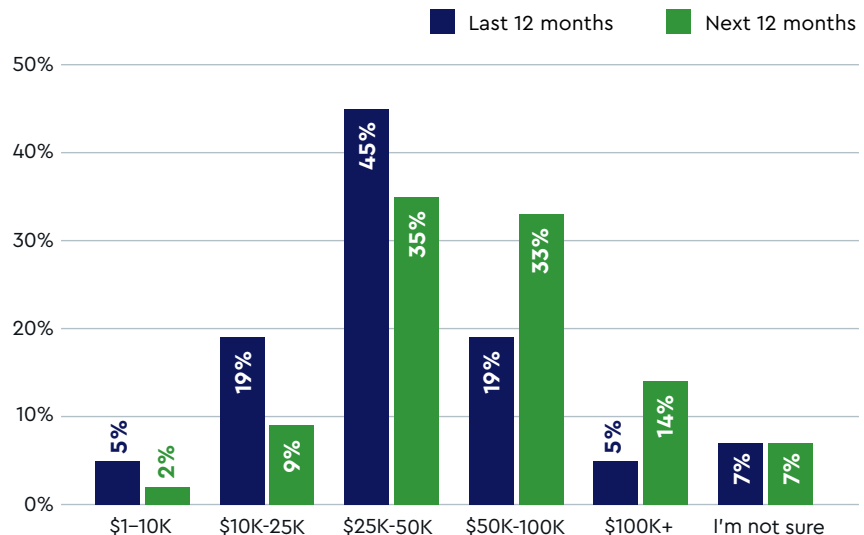
Which of the following AI tools have you ever used for market intelligence research?



Financial Services Market Intelligence Budget Benchmarks

Market intelligence budgets above \$50,000 are expected to increase by 96% in the next 12 months in Financial Services.

Excluding headcount, what was your market intelligence budget for the last 12 months? Next 12 months?



The State of Healthcare Market Intelligence

Current Processes & Challenges

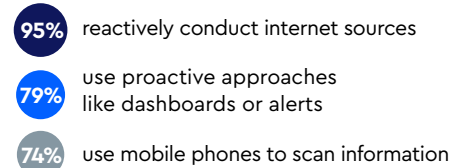


of healthcare companies still use CTRL+F and other consumer-grade tools to answer critical business questions.

Top Ways to Consume Market Intelligence

Healthcare was least likely to use their mobile device for consuming market intelligence compared to other industries.

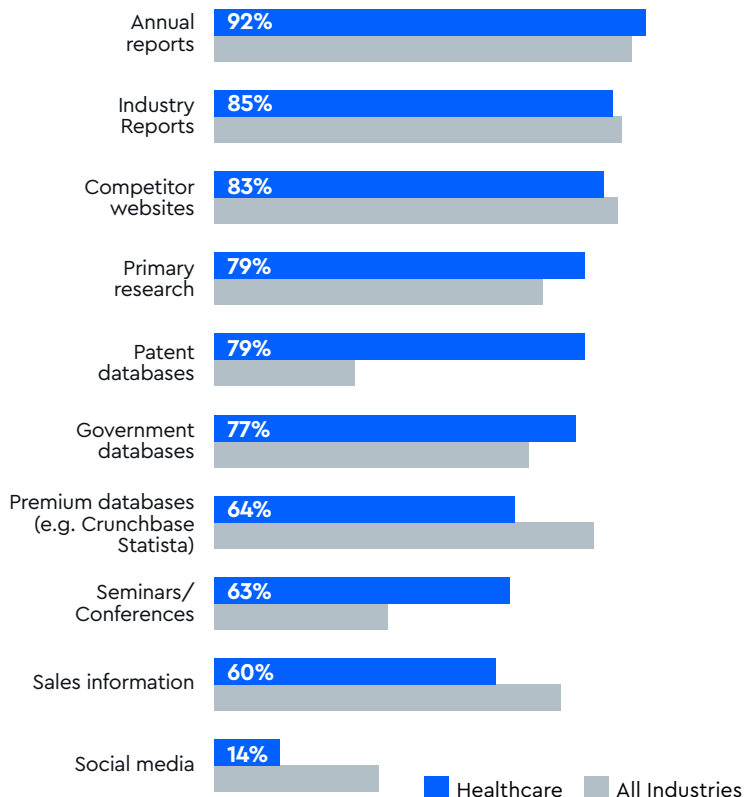
How do you typically consume market information?



Top Sources of Market Intelligence

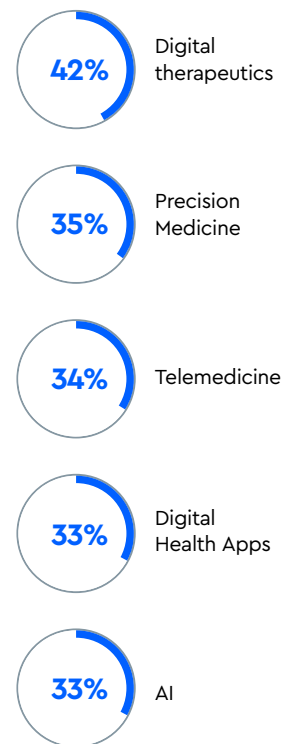
Healthcare companies were more likely to use patent databases than other industries.

What are your top sources of information for intelligence gathering?



Most Researched Topics

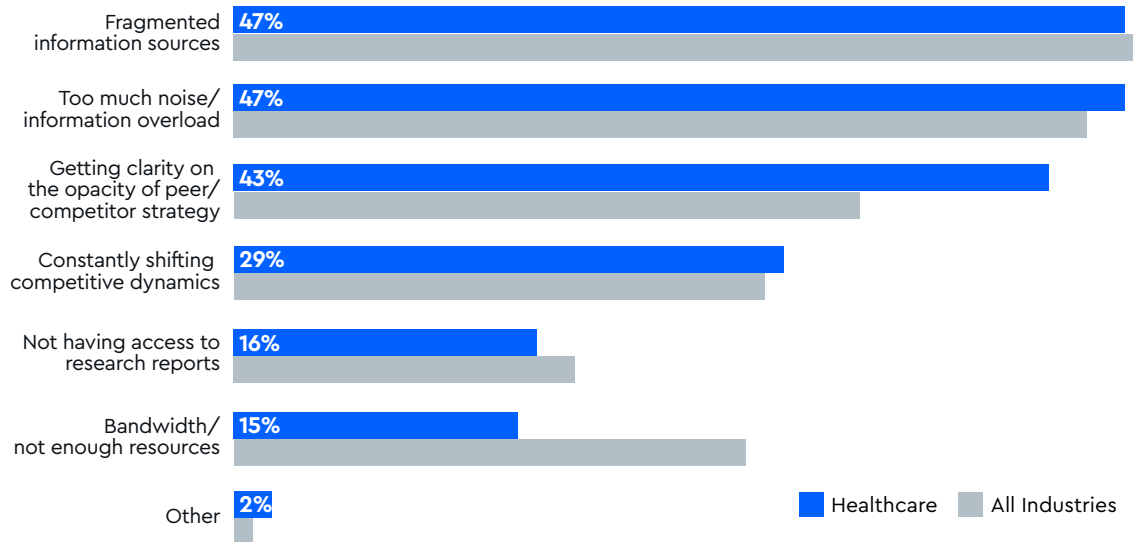
In which of the following areas do you spend the most time researching?



Top Challenges

Fragmented information and information overload tie for biggest market intelligence problems, yet healthcare companies struggle more than most to get clarity on the opacity of peer and competitor strategies.

Rank the following from most to least challenging (Top 2 Box)



What the future holds

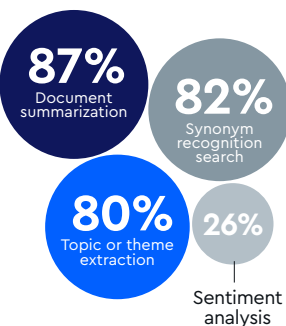


wish their market intelligence was more proactive and they could spend less time researching.

Most Used AI Functionality

Healthcare companies were least likely to use sentiment analysis compared to other industries.

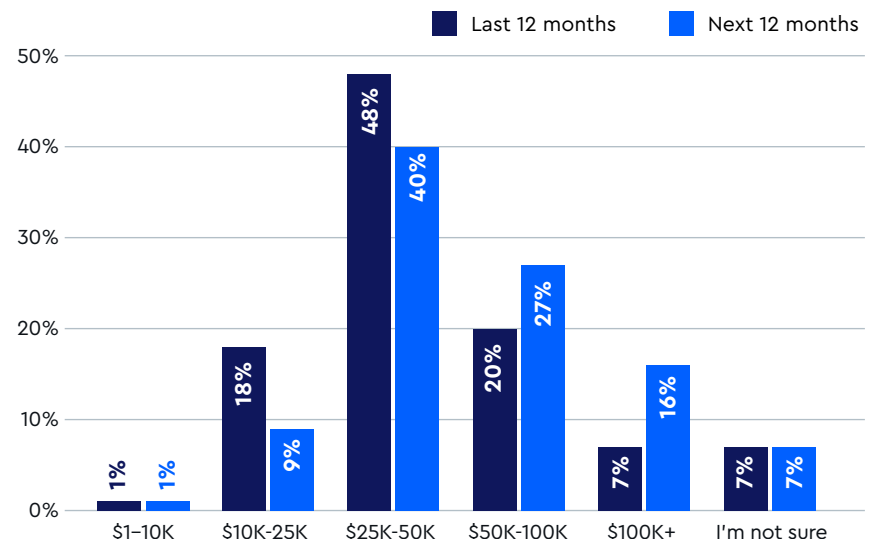
Which of the following AI tools have you ever used for market intelligence research?



Healthcare Market Intelligence Budget Benchmarks

Market intelligence budgets above \$50,000 are expected to increase by 59% in the next 12 months in healthcare. Healthcare and tech, media and telecom tied for highest expected investment in next 12 months.

Excluding headcount, what was your market intelligence budget for the last 12 months? Next 12 months?



The State of Manufacturing Market Intelligence

Current Processes & Challenges

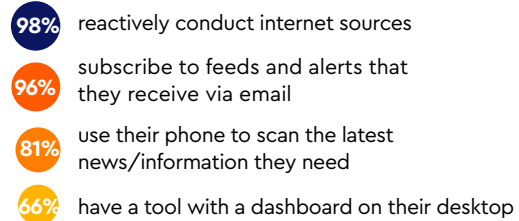


of manufacturing companies still use CTRL+F and other consumer-grade tools to answer critical business questions.

Top Ways to Consume Market Intelligence

Manufacturing was least likely to have a tool with a dashboard on their desktop as compared to other industries.

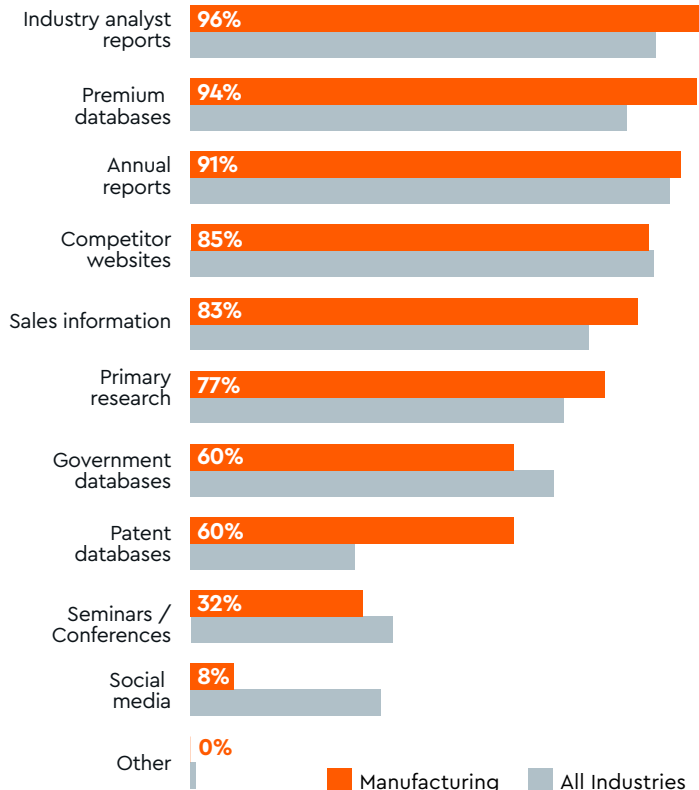
How do you typically consume market information?



Top Sources of Market Intelligence

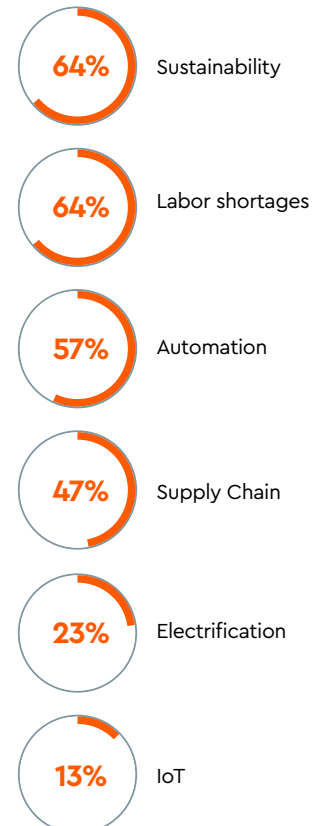
Manufacturing companies were more likely to use sales information than other industries.

What are your top sources of information for intelligence gathering?



Most Researched Topics

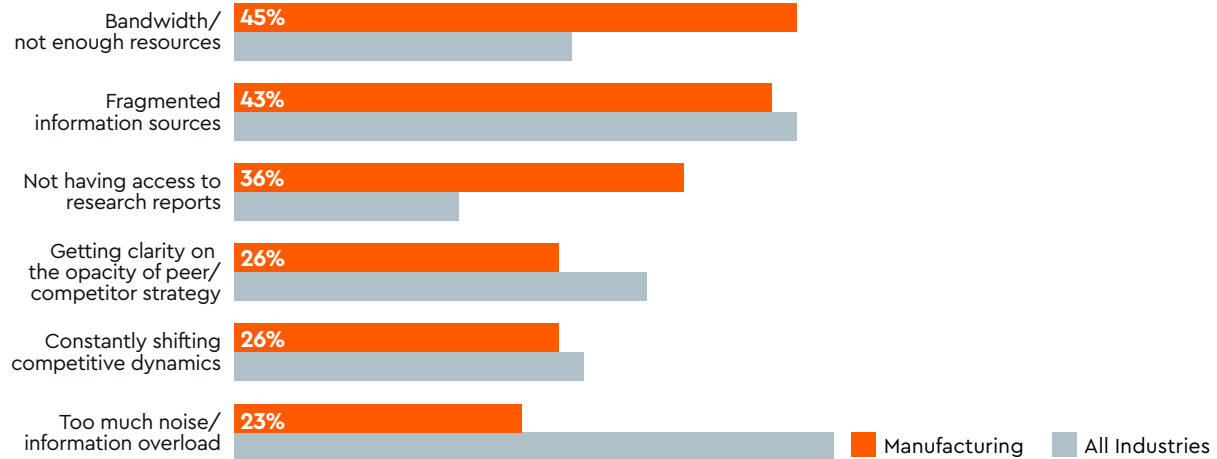
In which of the following areas do you spend the most time researching?



Top Challenges

Manufacturing was the only industry to have bandwidth/not enough resources as their top challenge – while information overload was the top challenge for most other industries.

Please rank the following from most to least challenging (Top 2 Box).



What the future holds

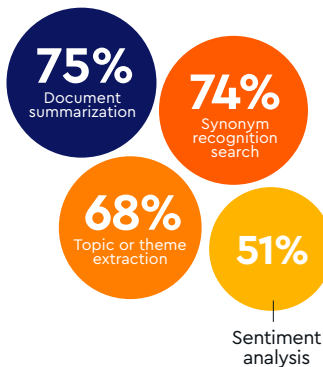


wish they could spend less time researching and more time analyzing and implementing the research findings.

Most Used AI Functionality

Manufacturing companies were more likely to use sentiment analysis compared to other industries.

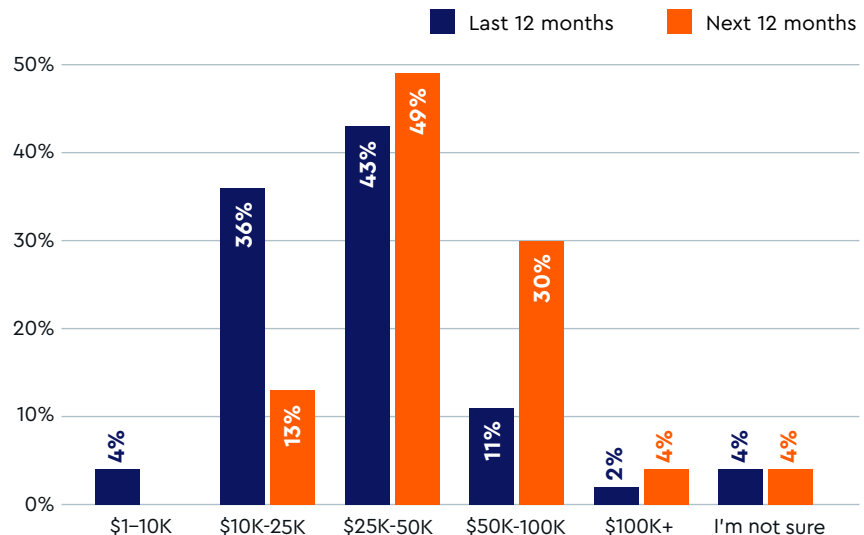
Which of the following AI tools have you ever used for market intelligence research?



Manufacturing Market Intelligence Budget Benchmarks

Market intelligence budgets above \$50,000 are expected to increase by 162% in the next 12 months in manufacturing. This is the largest increase out of all industries.

Excluding headcount, what was your market intelligence budget for the last 12 months? Next 12 months?



The State of TMT Market Intelligence

TMT: Tech, Media & Telecom

Current Processes & Challenges

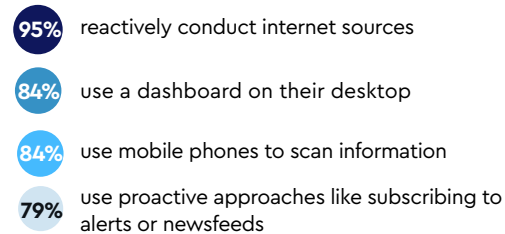


of TMT professionals still use CTRL+F and other consumer-grade tools to answer critical business questions.

Top Ways to Consume Market Intelligence

TMT professionals were more likely than any other industry to use their phone to scan market intelligence sources.

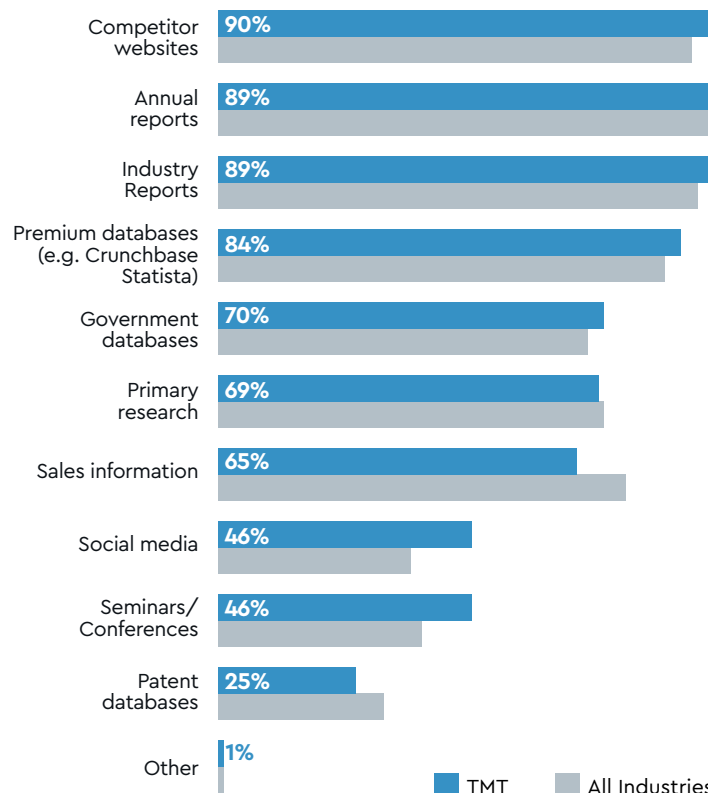
How do you typically consume market information?



Top Sources of Market Intelligence

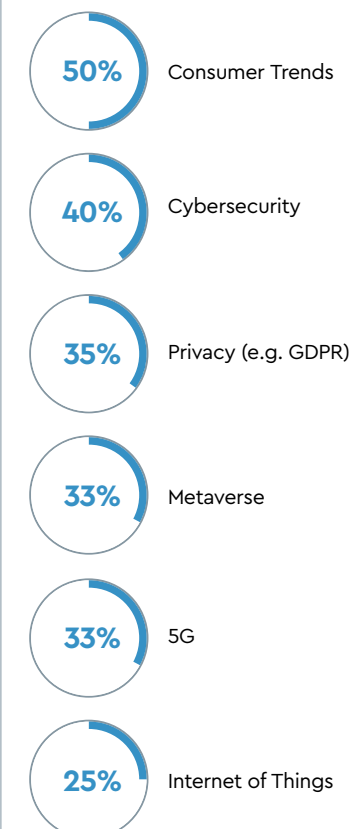
The TMT industry uses social media more than any other industry for market intelligence gathering.

What are your top sources of information for intelligence gathering?



Most Researched Topics

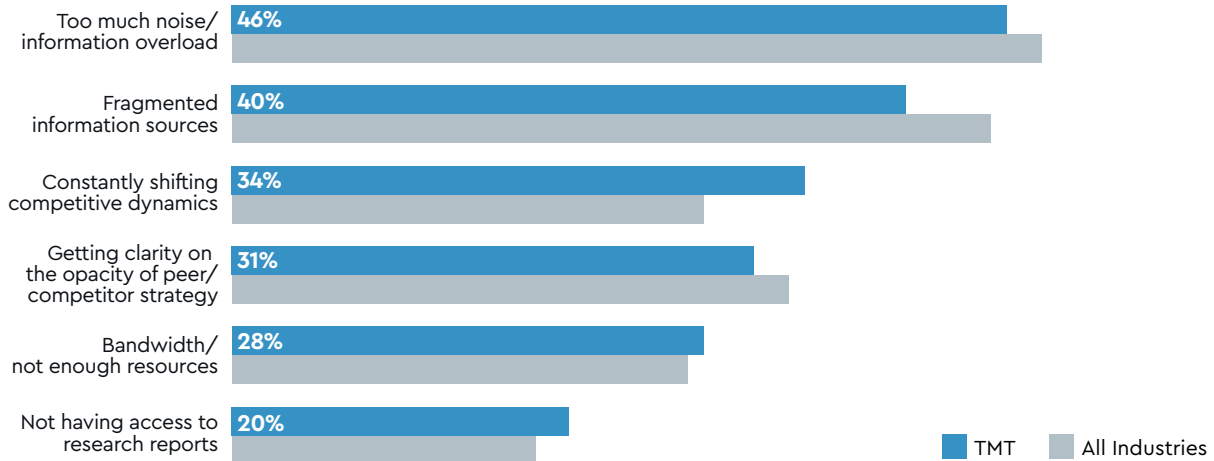
In which of the following areas do you spend the most time researching?



Top Challenges

Information overload was the biggest problem for the TMT industry, and 34% of tech companies say shifting competitive dynamics is a top issue, more than any other segment.

Please rank the following from most to least challenging (Top 2 Box).



What the future holds

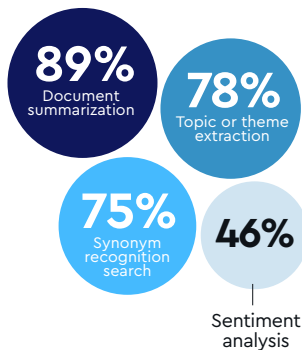


want to spend less time researching and more time analyzing research insights.

Most Used AI Functionality

Scanning and synthesizing information is a key use of AI for TMT market researchers. Nearly 90% of tech companies use document summarization tools in their market intelligence workflow.

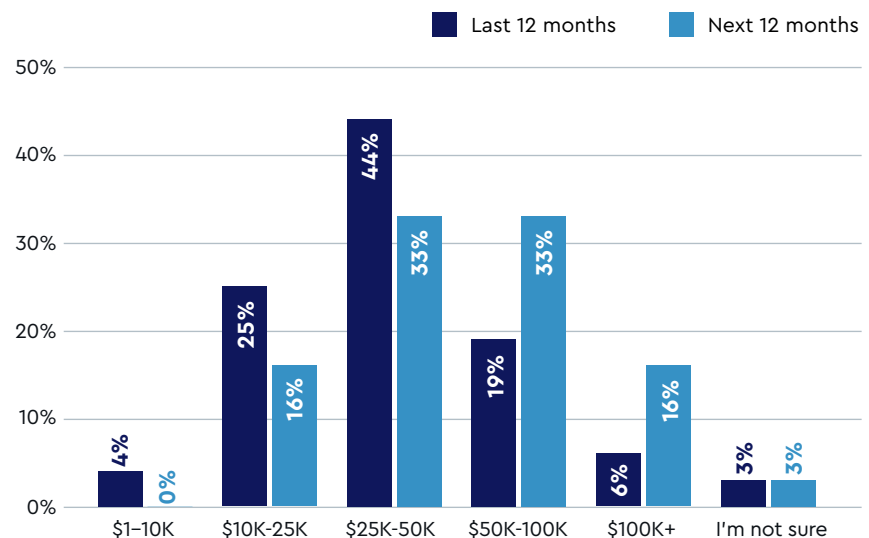
Which of the following AI tools have you ever used for market intelligence research?



TMT Market Intelligence Budget Benchmarks

The number of technology companies with market intelligence budgets above \$100,000 is expected to nearly triple in the next 12 months.

Excluding headcount, what was your market intelligence budget for the last 12 months? Next 12 months?



Conclusion

Whether you are a practitioner or a consumer of market intelligence, you likely are aware of the daunting number of sources, channels, and methods available for gathering and receiving insights.

Perhaps more so than ever before, it is essential for market intelligence practitioners to strive for more proactive, technology-driven and scalable practices, and for organizations to understand how their research processes measure up against their peers.

Many organizations are beginning to recognize this fact and thus are investing substantial budget and headcount into supporting market intelligence efforts, and, more importantly, are working to quantify its impact. While there is still much progress to be made, these are positive signs that this critical work is being given the support it needs.

During uncertain times, having access to the right information is critical. We hope that this report is itself a piece of valuable information for you and your team, as you gauge how best to prioritize market intelligence efforts, budget, tools and activities.

We are grateful for the 570+ respondents to the survey, without whom we would not have been able to illuminate the state of market intelligence. And, we look forward to returning in 2023 with even more insights.

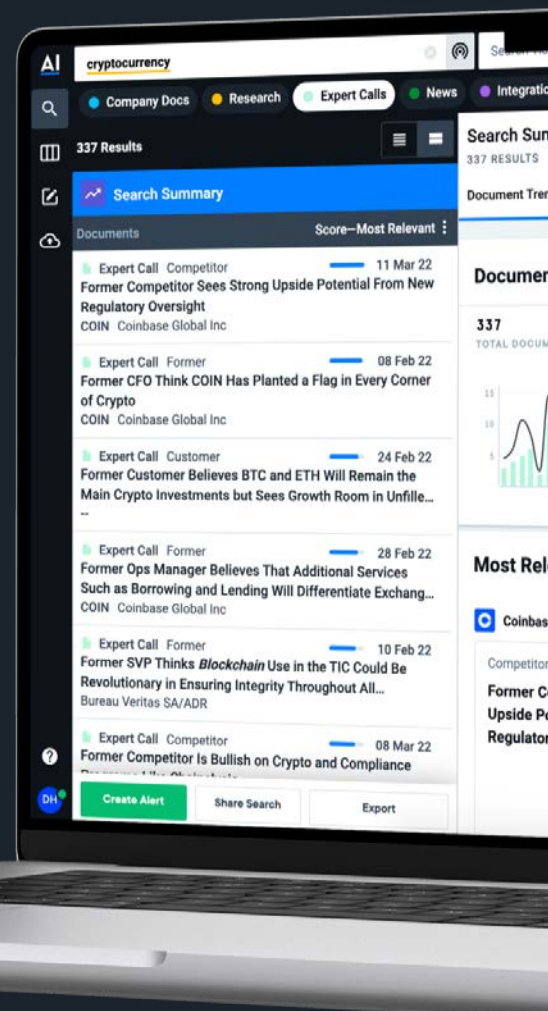
Methodology

The 2022 State of Market Intelligence Survey opened on July 22, 2022 and closed on September 16, 2022, by which time it yielded 574 responses. Included in our pool of respondents were those in roles such as Competitive & Market Intelligence, Hedge Fund Analyst/Manager, Corporate Strategy, Corporate Development, Investor Relations, Consultants and Financial Research.

About AlphaSense

AlphaSense is a market intelligence and search platform used by the world's leading companies and financial institutions. Since 2011, our AI-based technology has helped professionals make smarter business decisions by delivering insights from an extensive universe of public and private content—including company filings, event transcripts, expert calls, news, trade journals, and equity research. Our platform is trusted by over 3,500 enterprise customers, including a majority of the S&P 500.

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