Measuring the Business Impact of Insights

2023 GRBN Business Maturity Study

27 February 2024

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Study Purpose and Summary of Results

Purpose: To ascertain progress in Consumer Insights (CI) Maturity since 2015

History

- First Insights Maturity Model built by BCG in 2008
- Updated by BCG, Cambiar and Yale in 2015

Aim

- Update the model to reflect the modern Consumer Insights (CI) function
- Ascertain the key drivers of elevated maturity
- Measure growth in CI maturity in the last eight years

Method

- Online survey of CI professionals in major companies in the U.S. and U.K., as well as of their stakeholders and senior management – sample = 255 individuals in 86 companies
- Recruitment through corporate membership of Insights Association (U.S.) and the Market Research Society (U.K.)
- Analysis of Perceived Maturity (direct responses) and Modeled Maturity (algorithm)

More details on methodology are available in the Appendix

What do we mean by maturity?

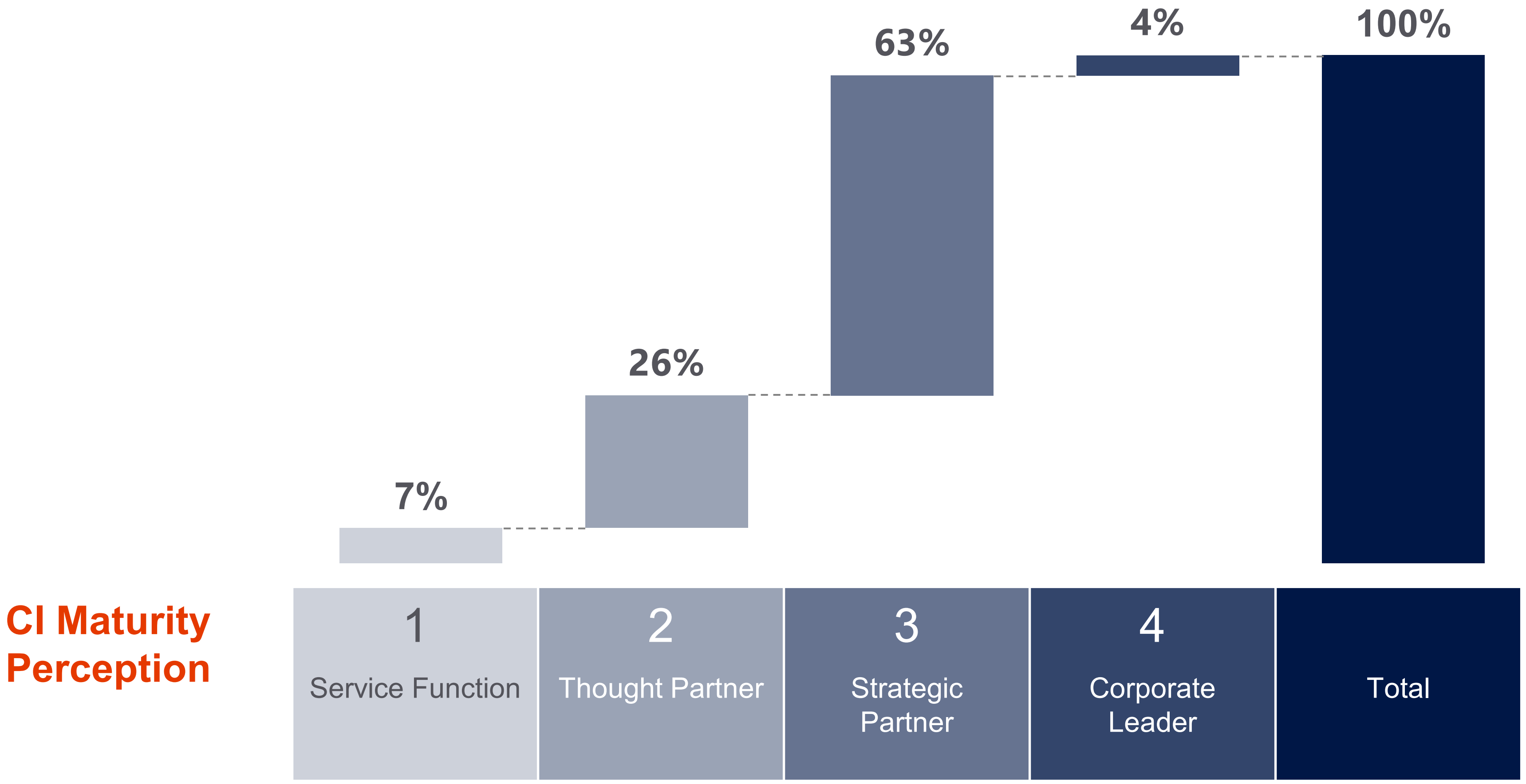
- It measures the degree to which Consumer Insight (CI) functions contribute materially to their organizations' wellbeing, organizing them into four distinct stages:
    1. **Traditional** – Act primarily as order takers from their stakeholders
    2. **Business Contributor** – Have more of a strategic focus and offer thought leadership
    3. **Strategic Insight Partner** – Strategic, trusted advisors, operating across the business
    4. **Source of Competitive Advantage** – Corporate leaders focused on foresight and innovation from an enterprise perspective
- While 2015 showed a significant improvement in the performance of CI functions, **still only 20% were found to be in Stages 3 and 4**

Executive Summary

- Consumer Insights (CI) functions have **higher business impact** today and are **more strategically integrated** into corporate decision-making than they were eight years ago
- **Their contribution is more widely recognized** within the businesses they serve; satisfaction with that contribution, the quality of insights that they bring to the table and their ROI is considerably higher than it was in 2015
- In other words, the corporate CI function is **more 'mature'**
- **Insights maturity in 2023 depends** on the integration of **four key aspects** of the CI function:
    1. **Structure** – diversity of CI personnel, their integration with other data-driven functions, and type of external partners
    2. **Abilities** – advanced training, consulting and activation skills, and strategically-oriented deliverables
    3. **Relationships** – extent of involvement across the business, role in decision-making, extent to which championed by and/or reports to C-Suite
    4. **Proof of value** – measurement and communication of ROI + widespread communication of knowledge and business value
- Of all of these, **proof of value is the most critical to being seen as and actually being a strategic partner (Stage 3 or higher)** Business-wide communication was not a key factor in 2015 – and now is seen as the key factor
- **Without proof of value and executive championship, reaching Stage 3 is extremely difficult**

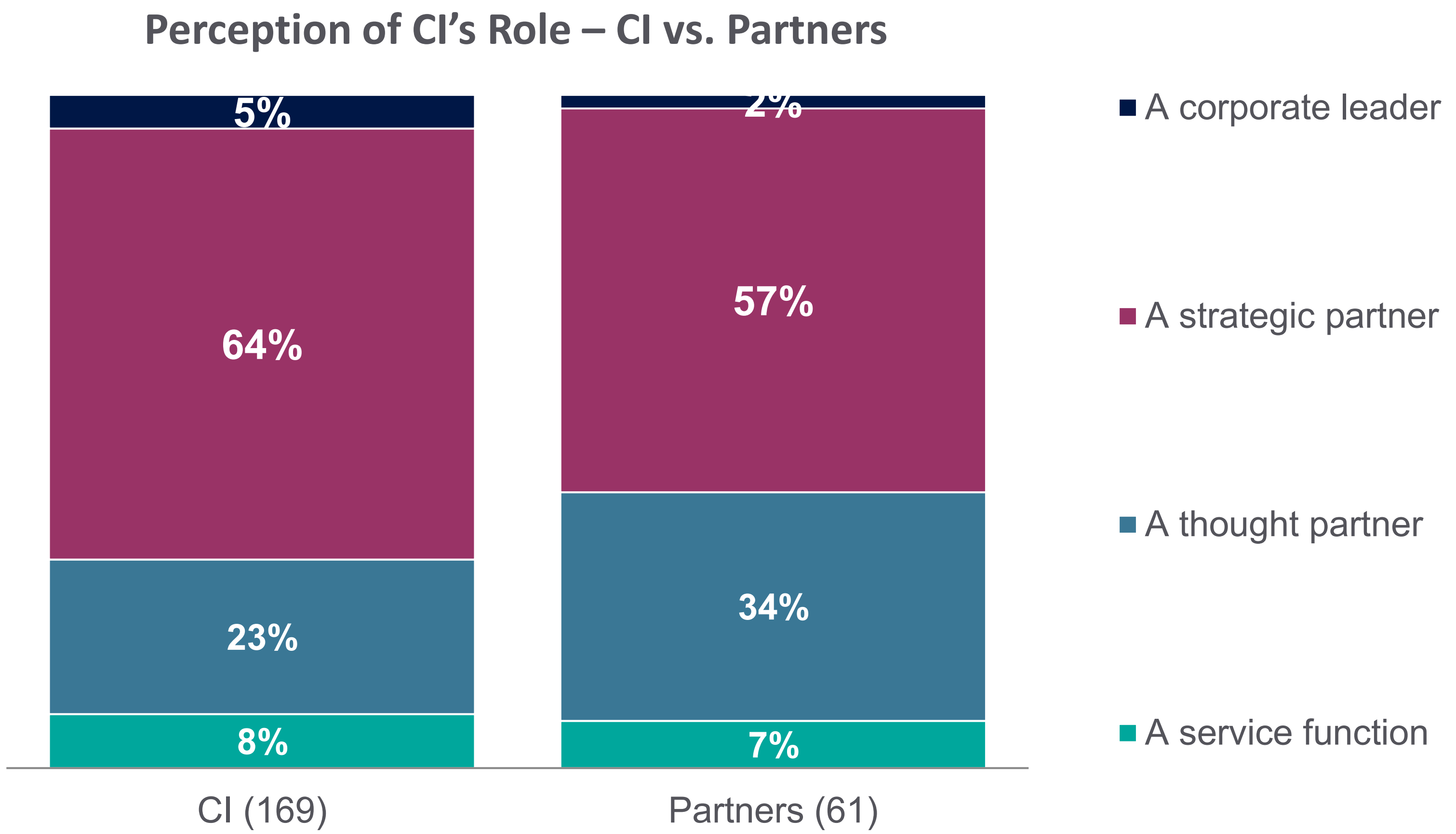
Findings:
Maturity Perception vs. Reality

Majority of respondents perceived their level of insights maturity to be at Stage 3



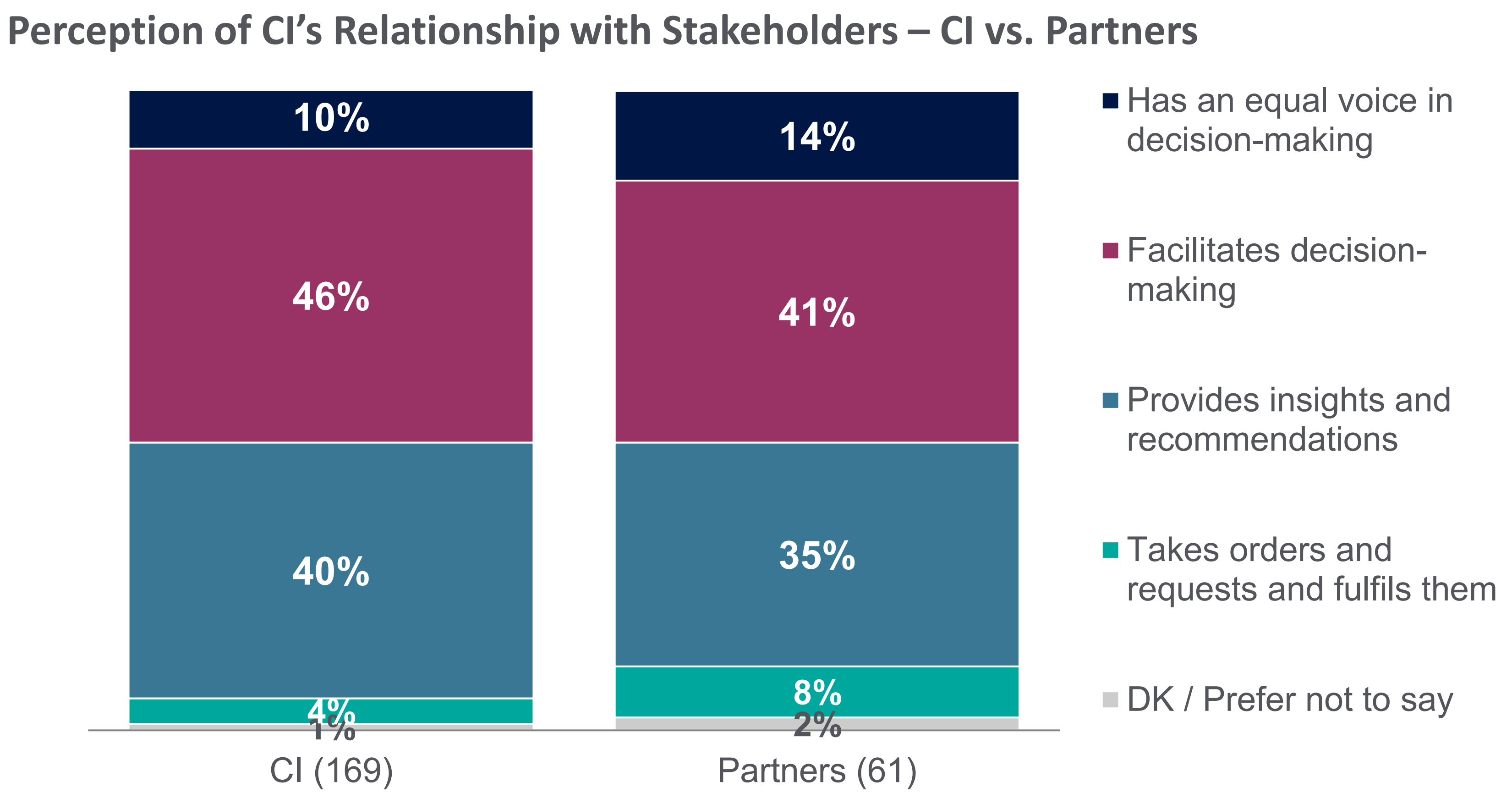
Q7: How would you best describe the role of the customer/consumer insights (CI) function at your company?
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

Maturity perceptions similar between CI and their partners



Q7: How would you best describe the role of the customer/consumer insights (CI) function at your company?
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

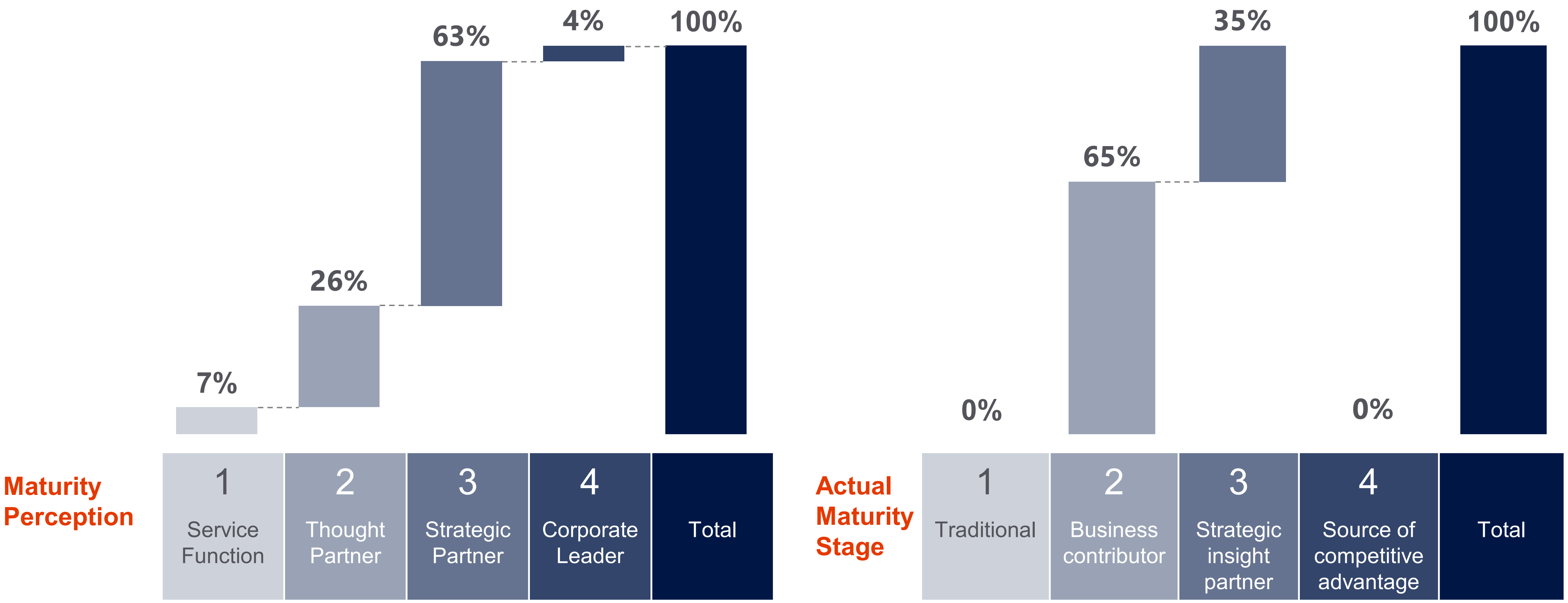
Given this, the perception is that CI plays a key role in decision-making



Q13: How would you primarily describe CI's relationship with its business stakeholders?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

Yet perception is not always the same as reality

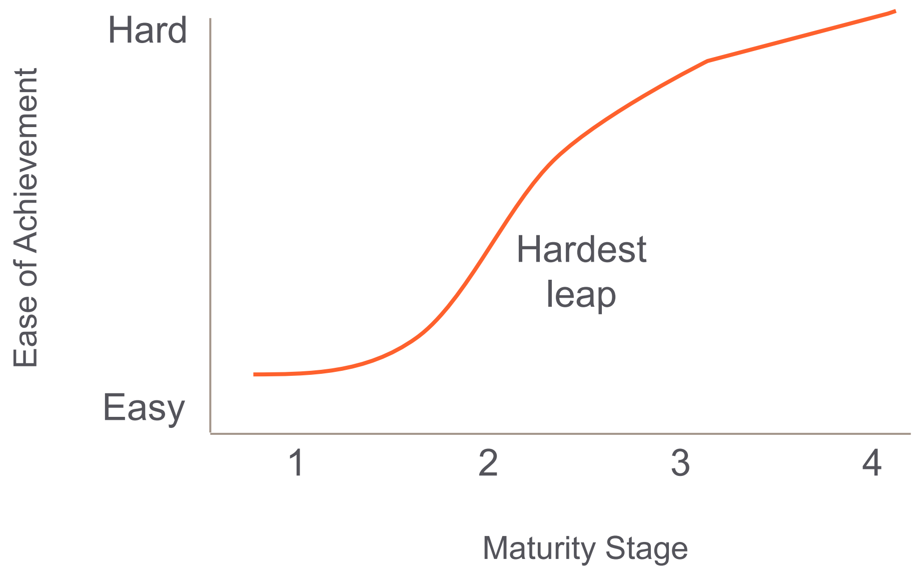


Q7: How would you best describe the role of the customer/consumer insights (CI) function at your company?
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

Based on maturity score algorithm. Only companies with at least 1 CI professional and 1 other business partner response are included
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=17 companies, with 157 total responses)

So, what's going on? Why are perceptions and reality so at odds?

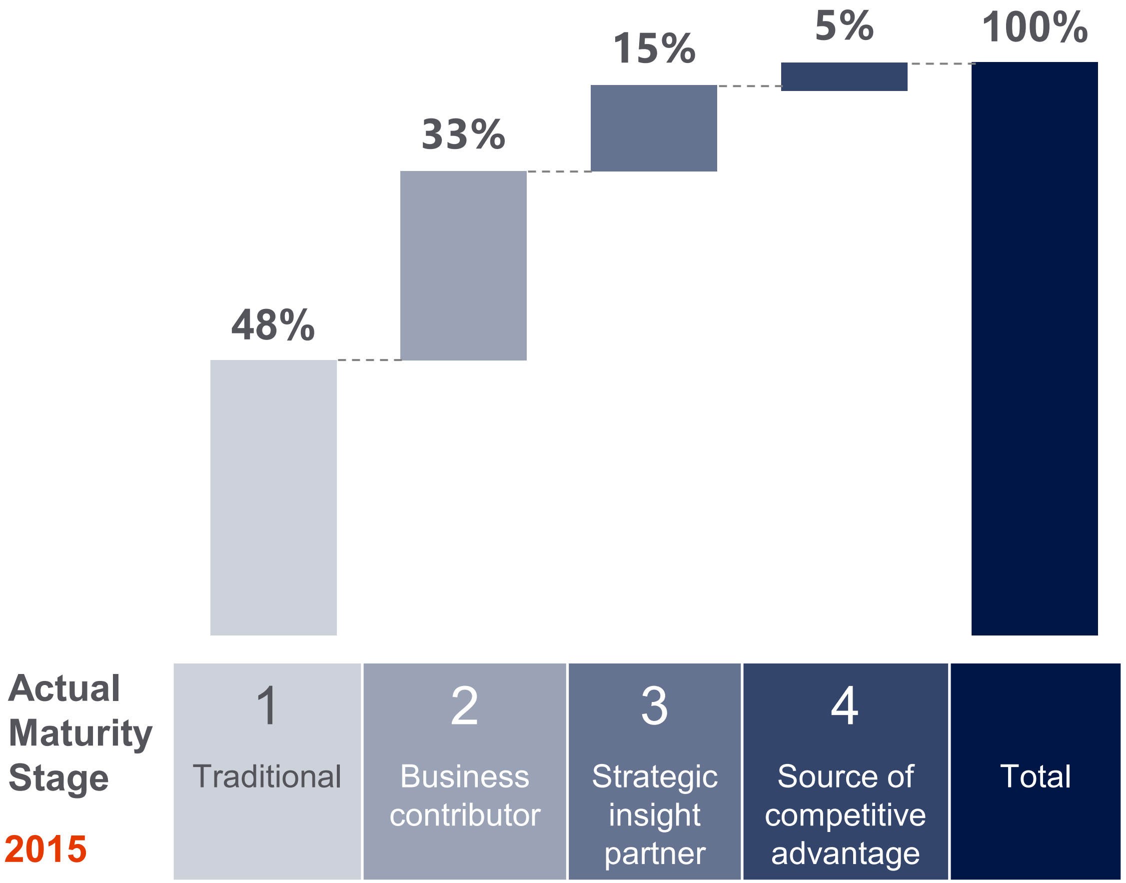
- **Maturity scales**, usually constructed by Management Consulting firms in relation to a specific industry, are deliberately designed to **create a non-linear gap between excellence and the 'merely good'**
- The number of high scores needed to progress from Stage 2 to Stages 3/4 means that an organizational division or department **must function at a consistently high level of excellence** across a majority of operational factors all the time
- In addition, **there may be exogenous factors** outside of a function's direct control **that make achieving a high maturity level extra-difficult**. These may include factors as to whom the function reports, the level of control it has over its budget, or even whether it has a champion in the C-Suite
- Perceptions will always be kinder than reality; **most companies will always be in Stages 1 or 2**

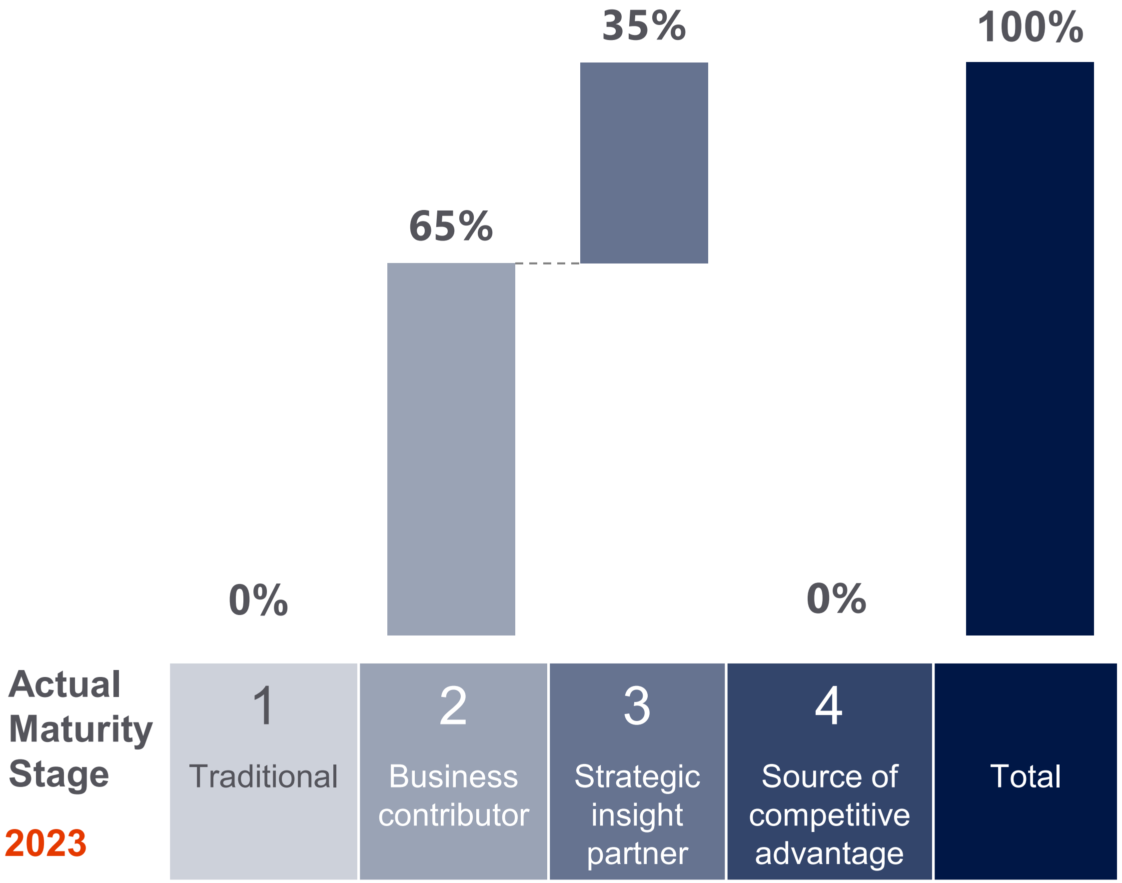


Source: GRBN 2023 Insights Maturity Benchmarking Study (N=255, Total sample)

Findings:
2015 vs. 2023

On the surface, considerable improvement in 8 years





Source: BCG, Yale CCI, and Cambiar 2015 Consumer Insights Benchmarking Study (N=605)

Based on maturity score algorithm. Only companies with at least 1 CI professional and 1 other business partner response are included

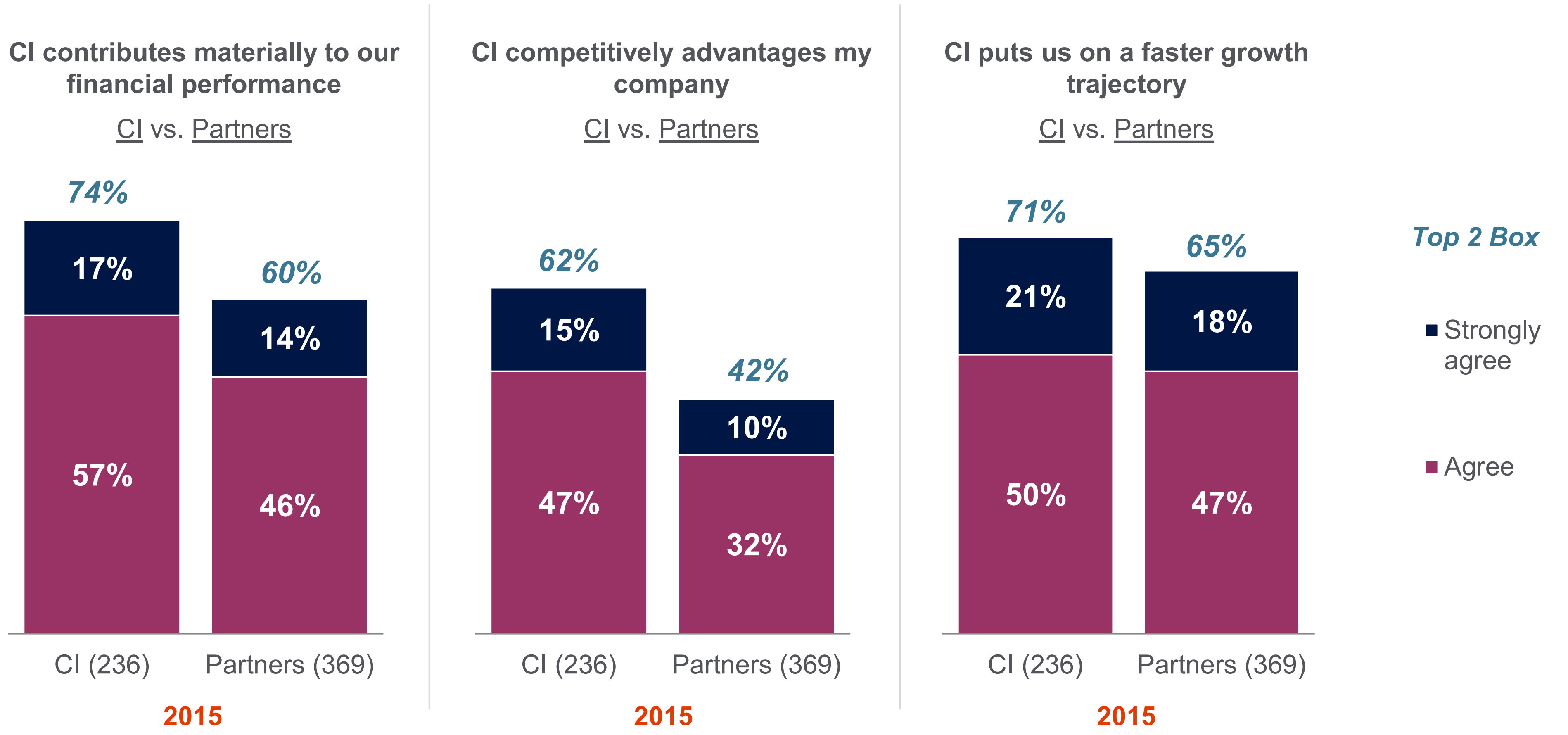
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=17 companies, with 157 total responses)

Sample variations likely contributed to some of this, but positive signs of growth nonetheless

- **The vast majority of 2023 respondents come from members of the MRS or Insights Association**. Stage 1 CI functions would be very unlikely to spend (scarce) budget on association membership
- Similarly, **CI functions that are involved** more than average in association life (conferences, webinars, boards, committees etc.) **do so to learn best practice and to learn from their peers**. It is logical that some of them would have learned enough to reach Stage 3
- But the Good News is…
  - ✓ This sample set shows that the number of companies in Stages 3/4 has **nearly doubled** over the least eight years (35% vs 20%), a leap so great that real, **continued improvement is highly probable**
  - ✓ **Association membership is good for you!**

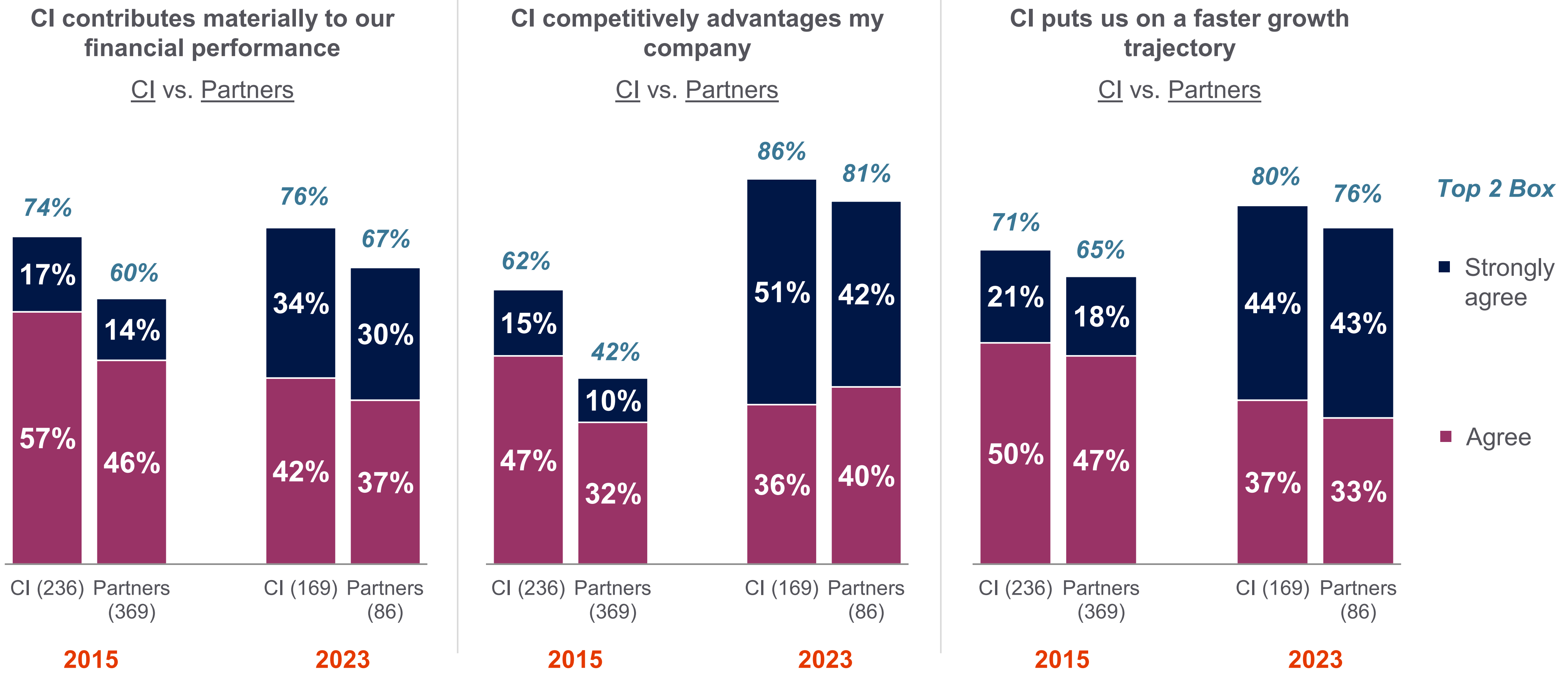
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=255, Total sample)

2015 – CI contributed to financial performance and growth. Competitive advantage? Less so.



Q: How much do you agree or disagree with the following statements?
Source: BCG, Yale CCI, and Cambiar 2015 Consumer Insights Benchmarking Study (N=605)

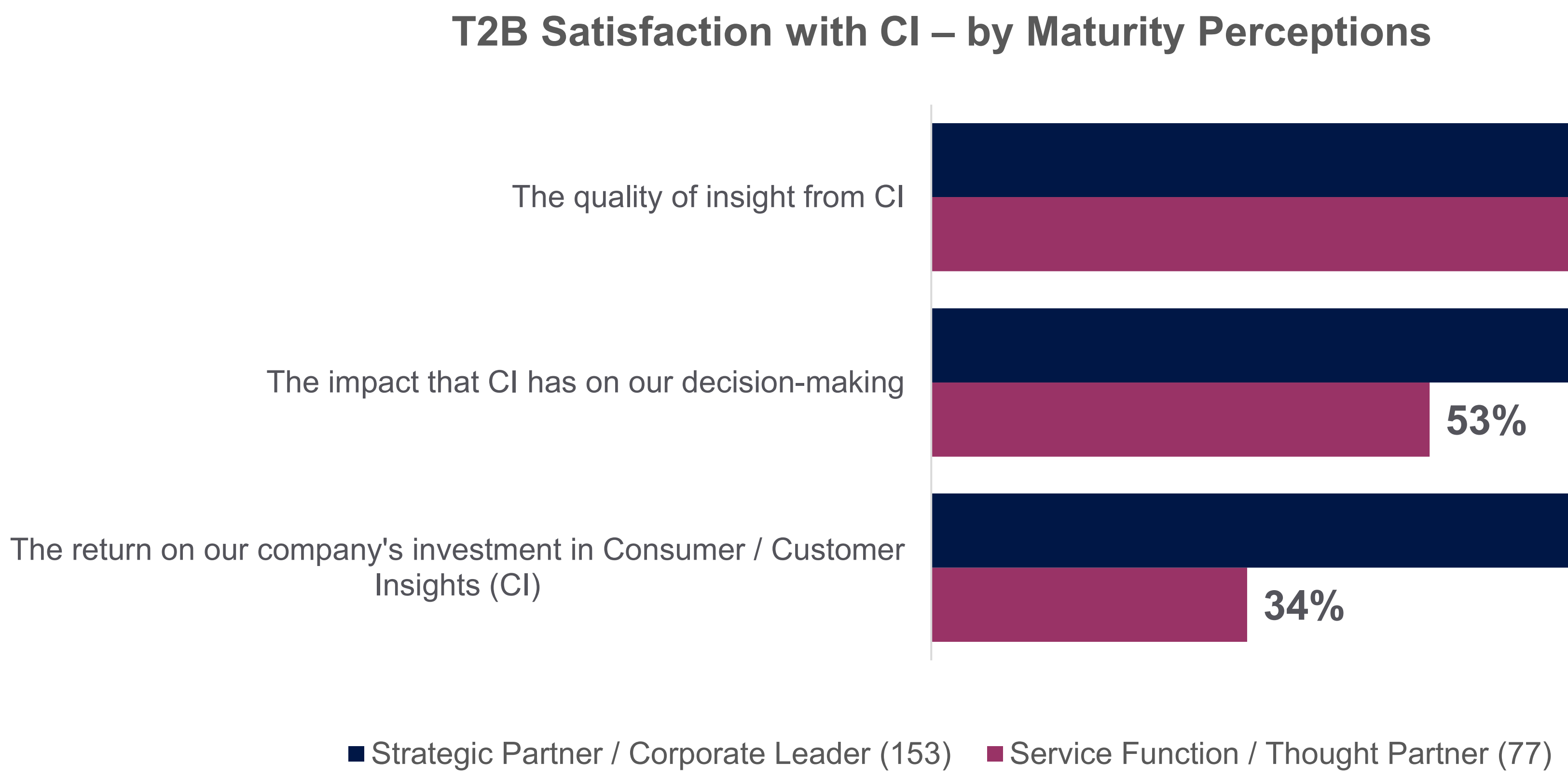
2023 – Much greater recognition of impact – and agreement between CI and their business partners



Q33: How much do you agree or disagree with the following statements?

Source: BCG, Yale CCI, and Cambiar 2015 Consumer Insights Benchmarking Study (N=605); GRBN 2023 Insights Maturity Benchmarking Study (N=255, Total sample of CI Professionals, Stakeholders from other functions and Senior Execs)

Satisfaction with insight quality, decision-making impact and ROI materially correlates with CI maturity perception



Q34: How satisfied are you with each of the following?
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

Findings:
2023 Maturity Drivers

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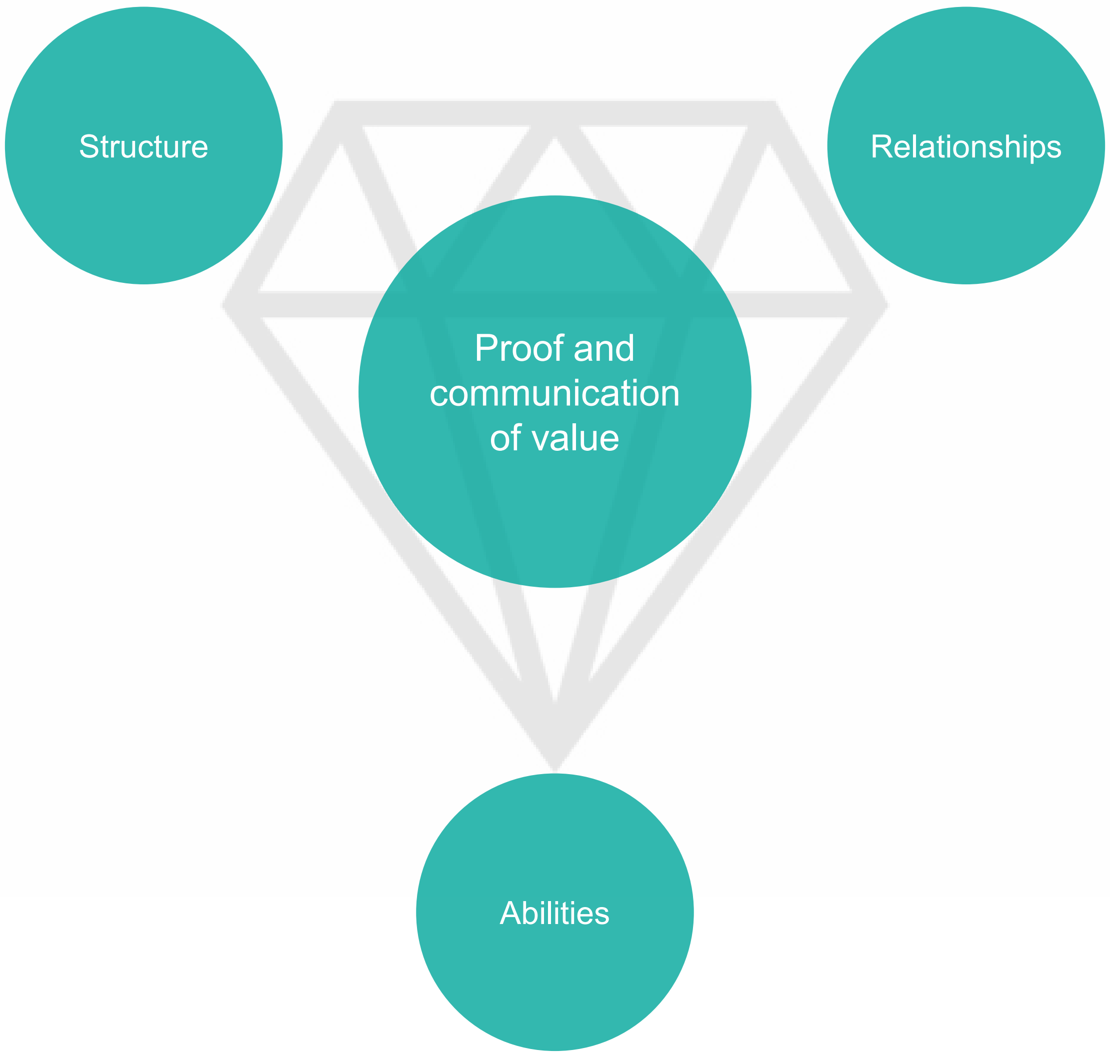
Insights Maturity Crystal

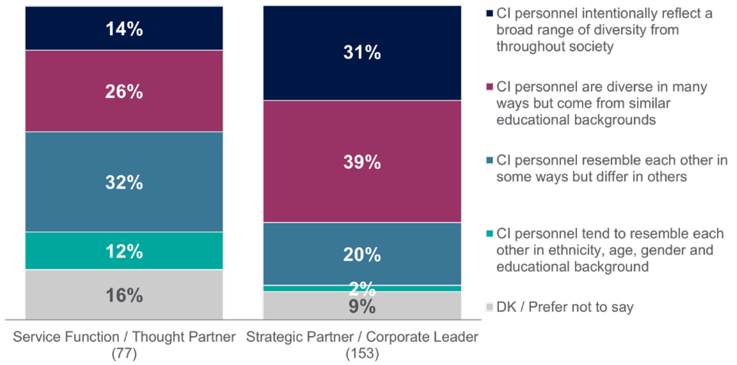


Insights Maturity Crystal – Structure

Based on Maturity Perception Measures

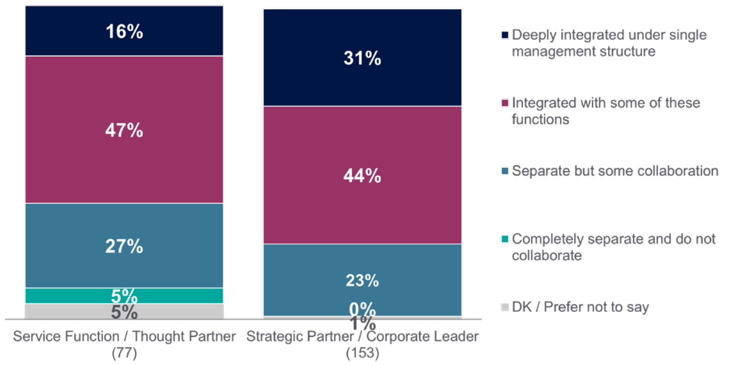
CI Personnel Composition

As society becomes more diverse, so does the need to reflect and understand more carefully the world in which we live. Strategic CI functions seek to do this through the **composition of people** they hire.



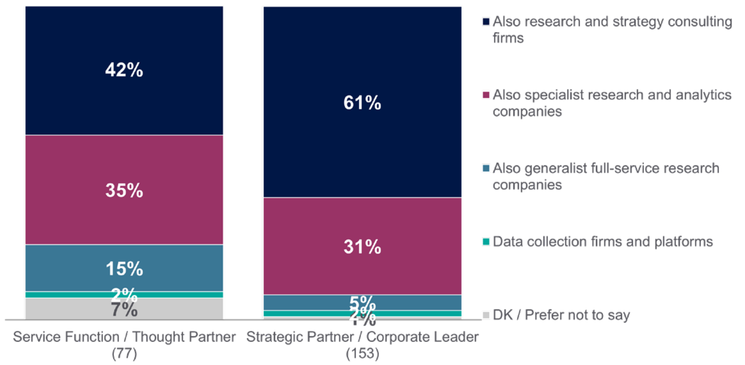
MR Integration with Insights & Data

As the sources and volume of data become increasingly diverse and intense, so is the need to integrate the management, synthesis and communication of emerging insights. Slowly, more mature CI functions appear to be **integrating with other data functions**.



Types of CI Partners

Even as managements demand insights faster, so they also see insights as integral to strategy. Mature CI teams partner with both **specialist and strategic providers** to achieve this.

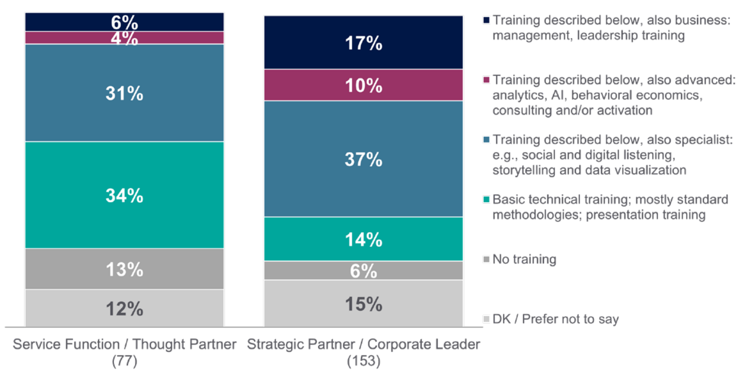


Insights Maturity Crystal – Abilities

Based on Maturity Perception Measures

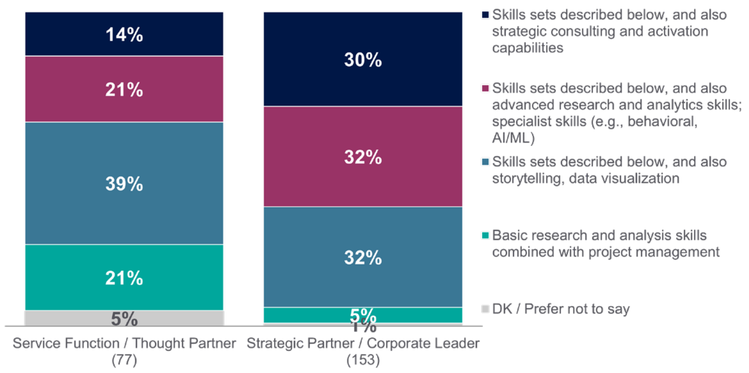
CI Training

Stage 3+ CI functions are careful to **train their staff in skills that go well beyond basic market research** and, increasingly, into the realms of activation, business management and leadership skills.



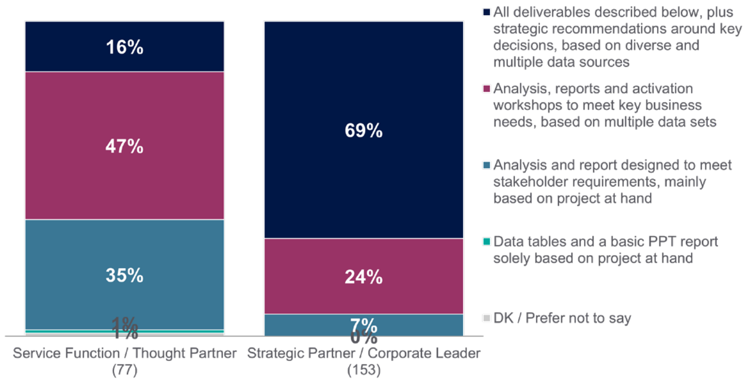
CI Skill Sets

This leads to the development of a variety of **specialist skills** that align with the increasing role of data-derived insights all the way through to **consulting and activation skills**.



CI Deliverables

The skills developed through more extensive training make themselves evident in Stage 3+ environments through the **strategic and consultative nature of insight deliverables**.



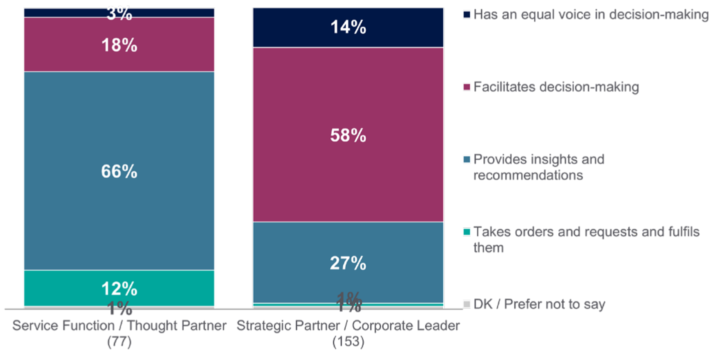
Insights Maturity Crystal – Relationships

Based on Maturity Perception and Actual Maturity Stage

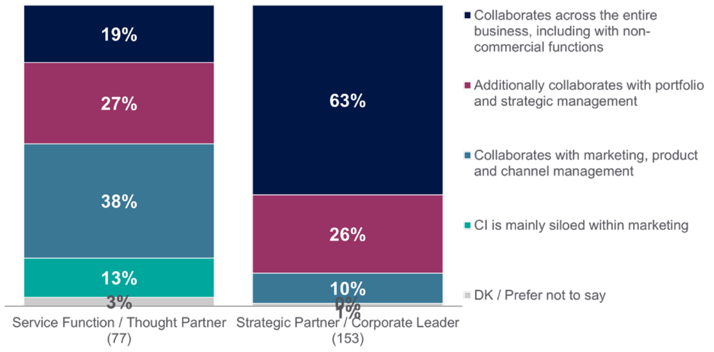
Perceived Stage 3+ CI functions have **more involved relationships** with stakeholders who, in turn, are to be found **right across the business**.

Maturity Perception

Relationship with Stakeholders



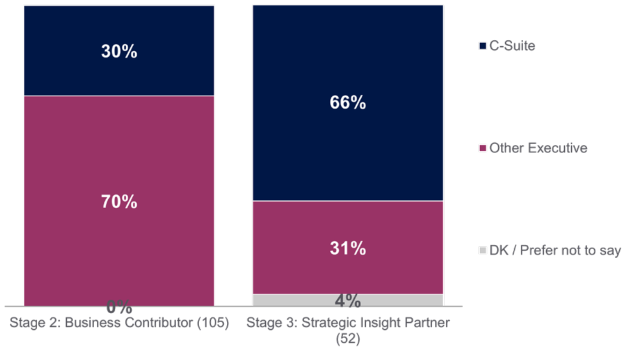
Collaboration with Business Functions



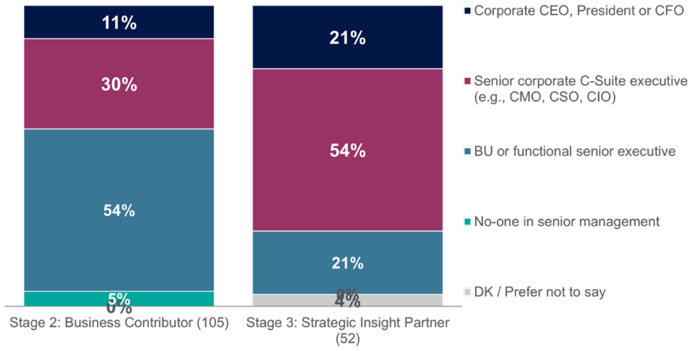
This is highly correlated with the degree to which actual Stage 3 CI functions **report into, and are championed by, the C-Suite.**

Stage 2 vs. Stage 3

To Whom CI Reports



Active CI Champion



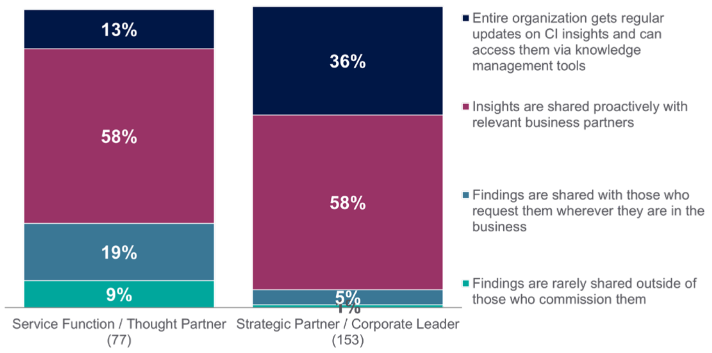
Insights Maturity Crystal – Proof and Communication of Value

Based on Maturity Perception and Actual Maturity Stage

Perceived Stage 3+ CI functions much **better at communicating insights** across the entire organization.

Maturity Perception

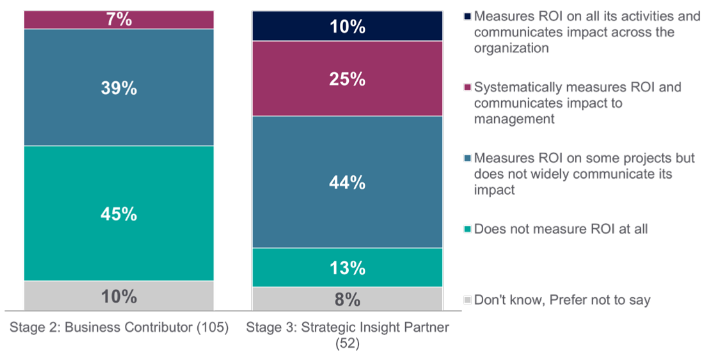
CI Knowledge Communication



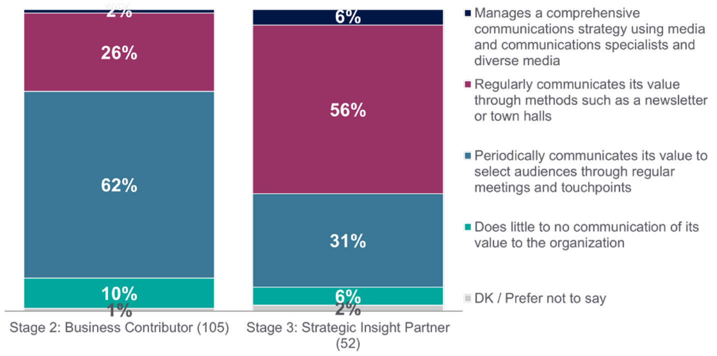
Actual Stage 3 functions recognize the need to **measure and communicate their ROI and value**.

Stage 2 vs. Stage 3

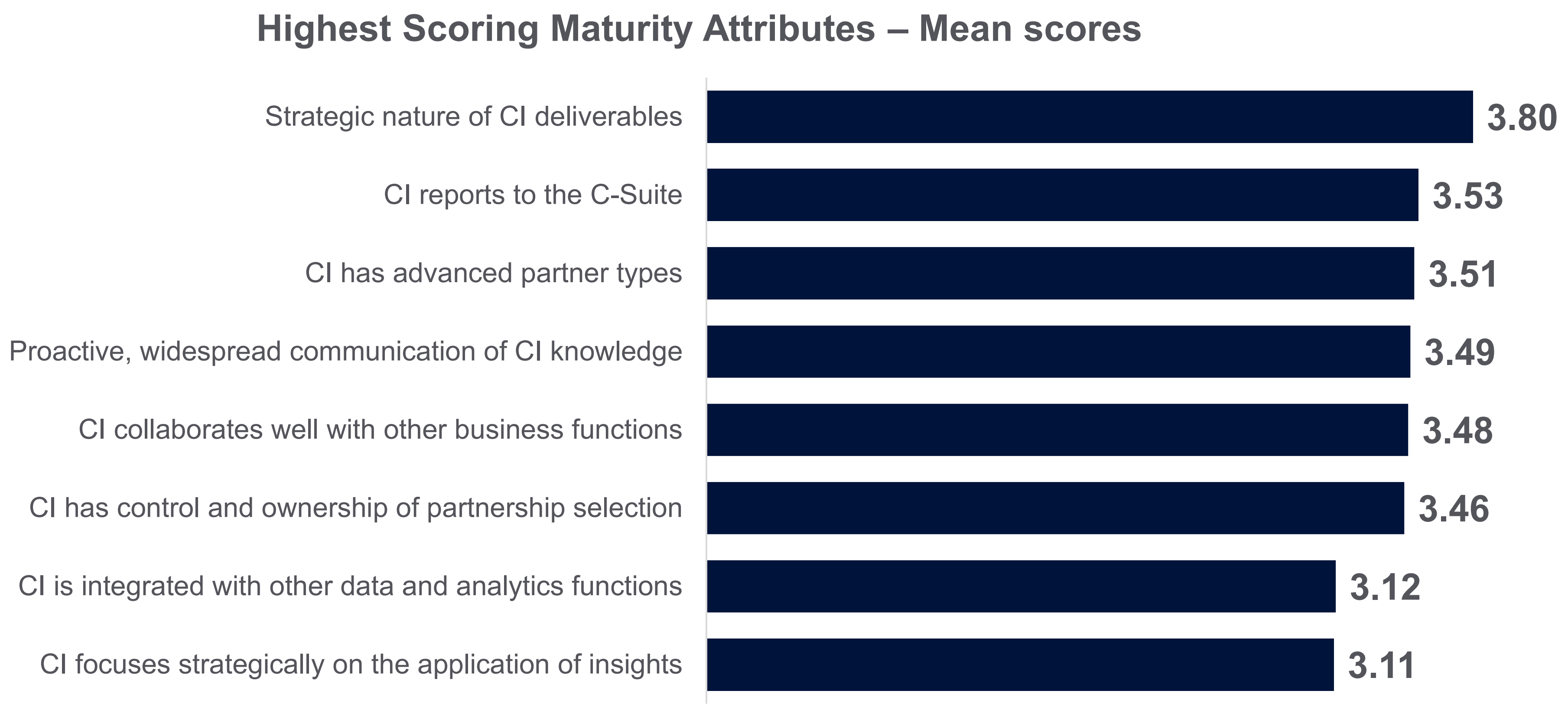
CI Measurement & Comms of ROI



CI Communication of Value



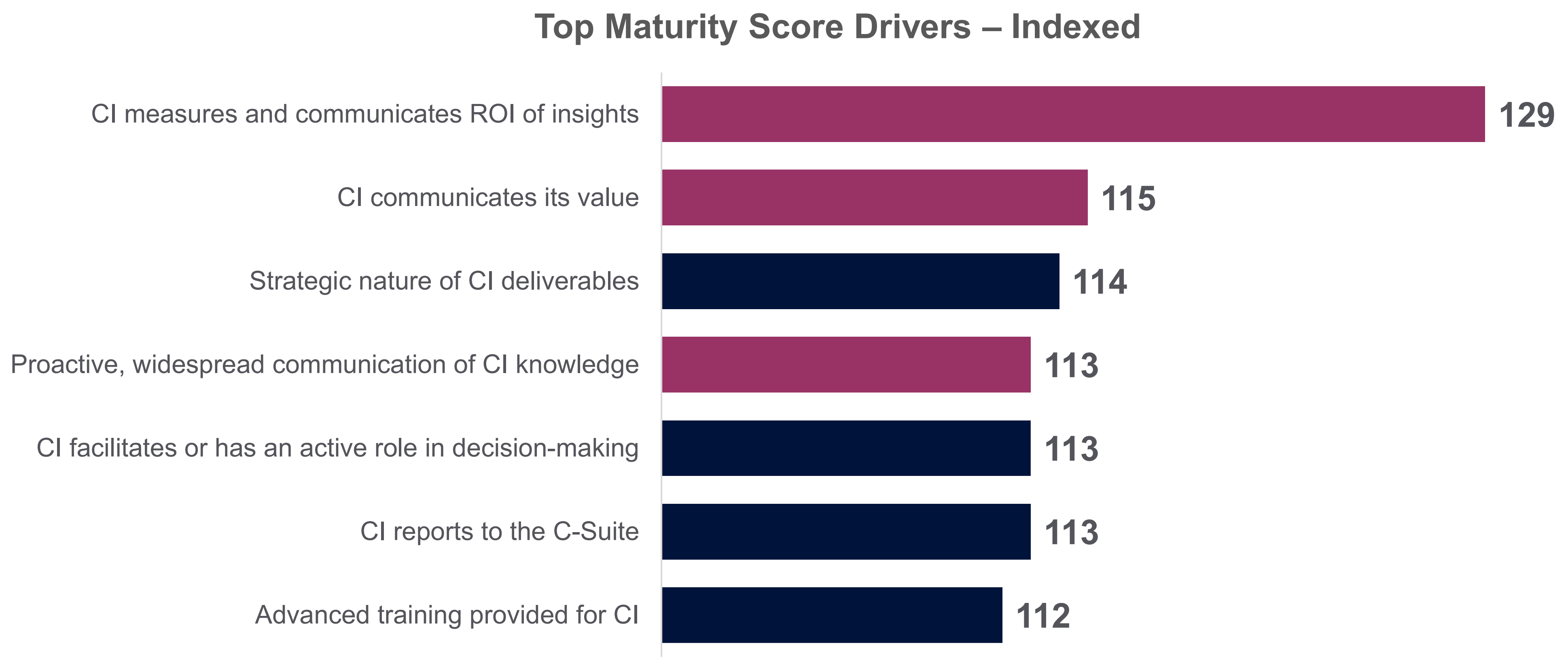
The highest scoring maturity attributes of Stage 3 CI functions – but not always those that *drive* maturity



Including Stage 3 company mean scores; all responses have been aggregated to one mean score per each company

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=86 companies, including 6 Stage 3)

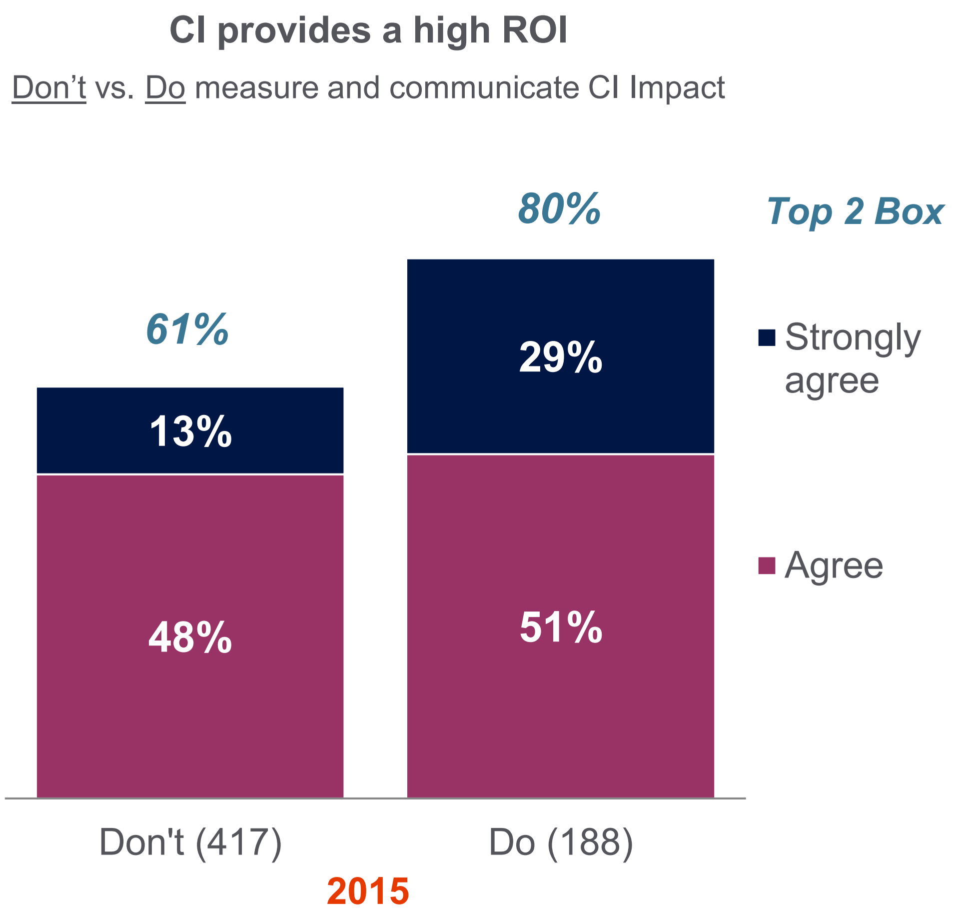
Measurement of ROI and value communication are key

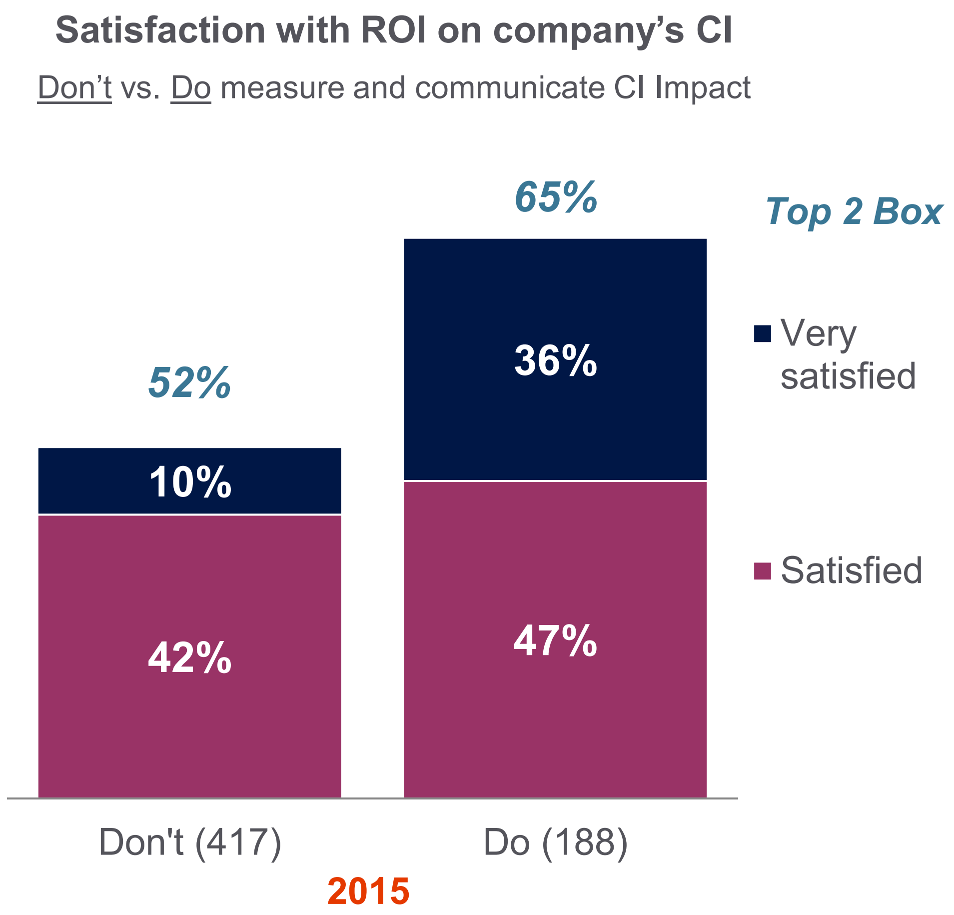


Including Stage 3 company means scores indexed against total sample mean scores; all responses have been aggregated to one mean score per each company

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=86 companies, including 6 Stage 3)

Measuring and communicating ROI a major driver in 2015, though only 31% of CI functions actually did so



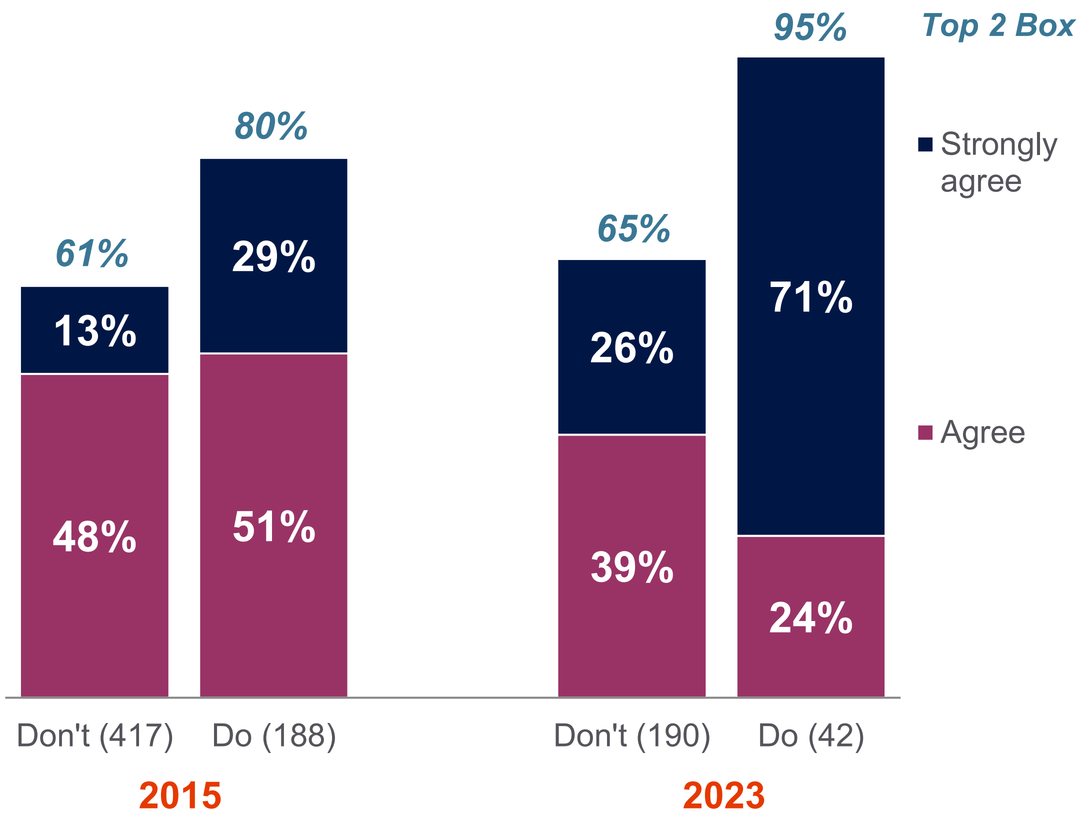


Q: How much do you agree or disagree with the following statements? Q: How satisfied are you with each of the following?
Source: BCG, Yale CCI, and Cambiar 2015 Consumer Insights Benchmarking Study (N=605)

ROI measurement even more of a driver in 2023!

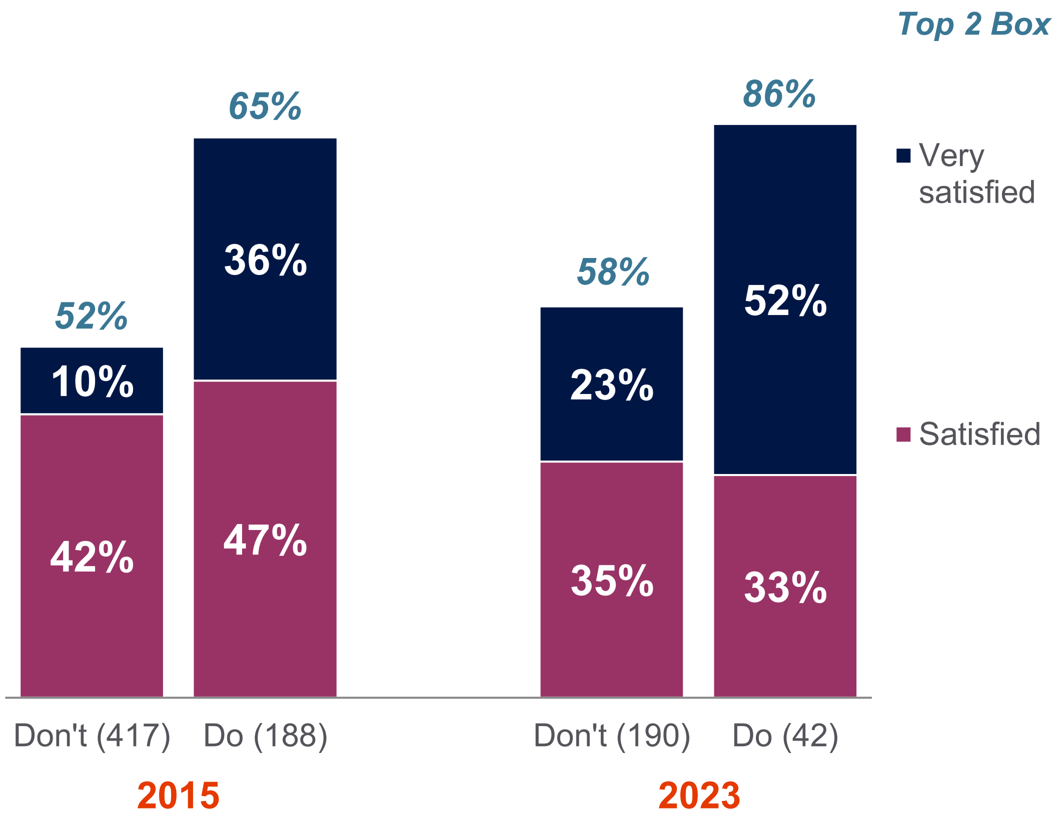
CI provides a high ROI

Don’t vs. Do measure and communicate CI Impact



Satisfaction with ROI on company’s CI

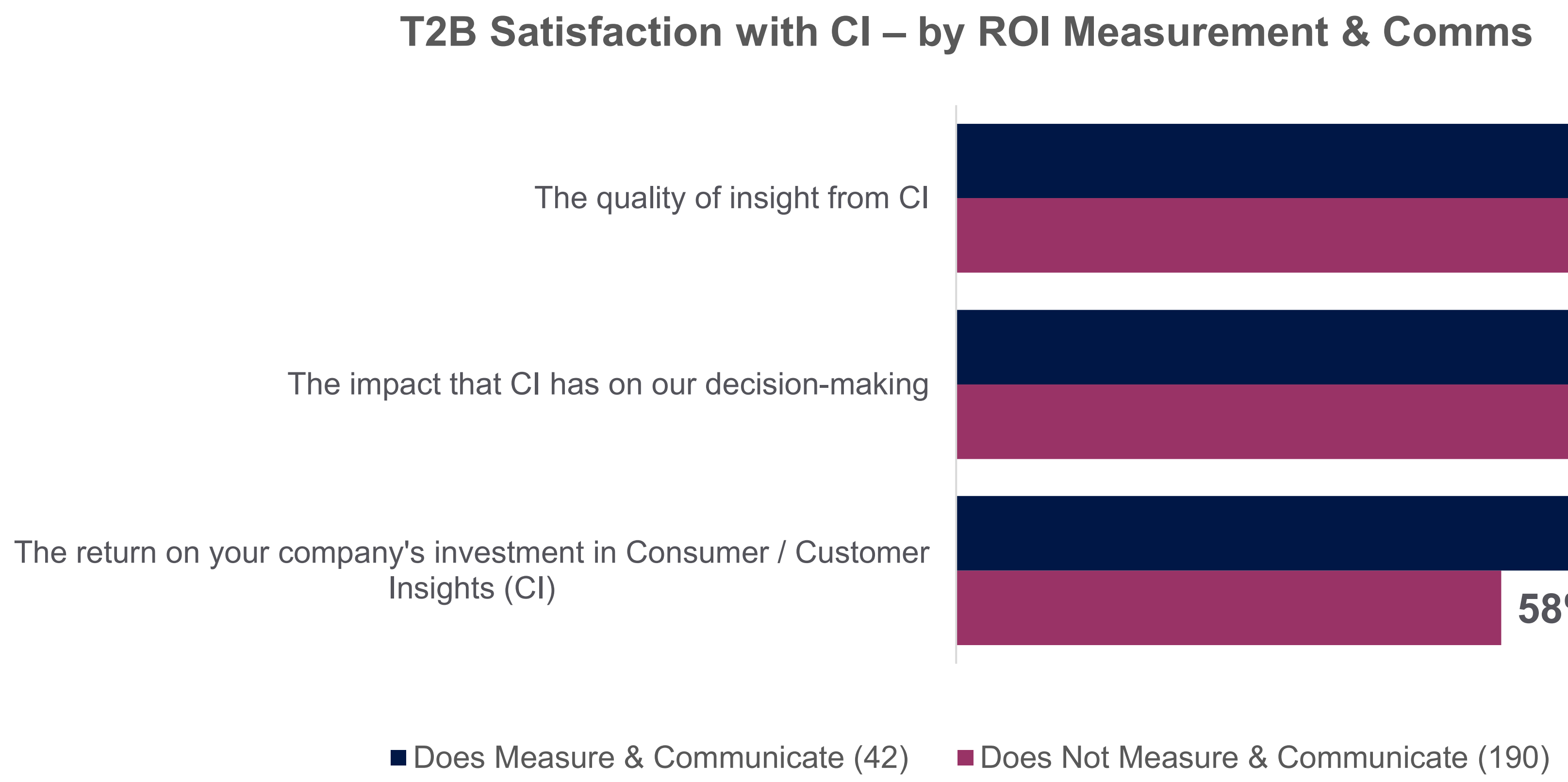
Don’t vs. Do measure and communicate CI Impact



Q33: How much do you agree or disagree with the following statements? Q34: How satisfied are you with each of the following?

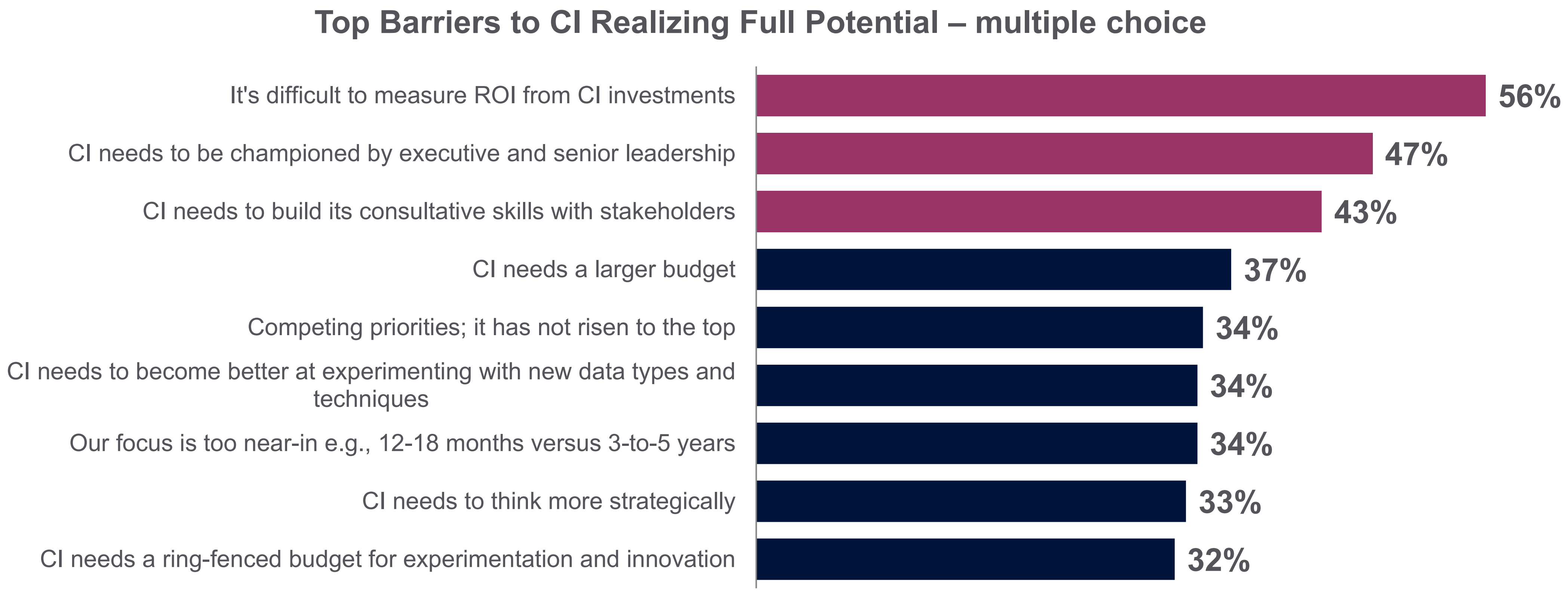
Source: BCG, Yale CCI, and Cambiar 2015 Consumer Insights Benchmarking Study (N=605); GRBN 2023 Insights Maturity Benchmarking Study (N=232, excluding any respondents that don’t know or prefer not to say if CI measures and communicates ROI)

Measuring and communicating ROI materially correlates with high satisfaction with the quality and impact of CI



Q34: How satisfied are you with each of the following?
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=232; any “Don’t know”/ “Prefer not to say” have been excluded)

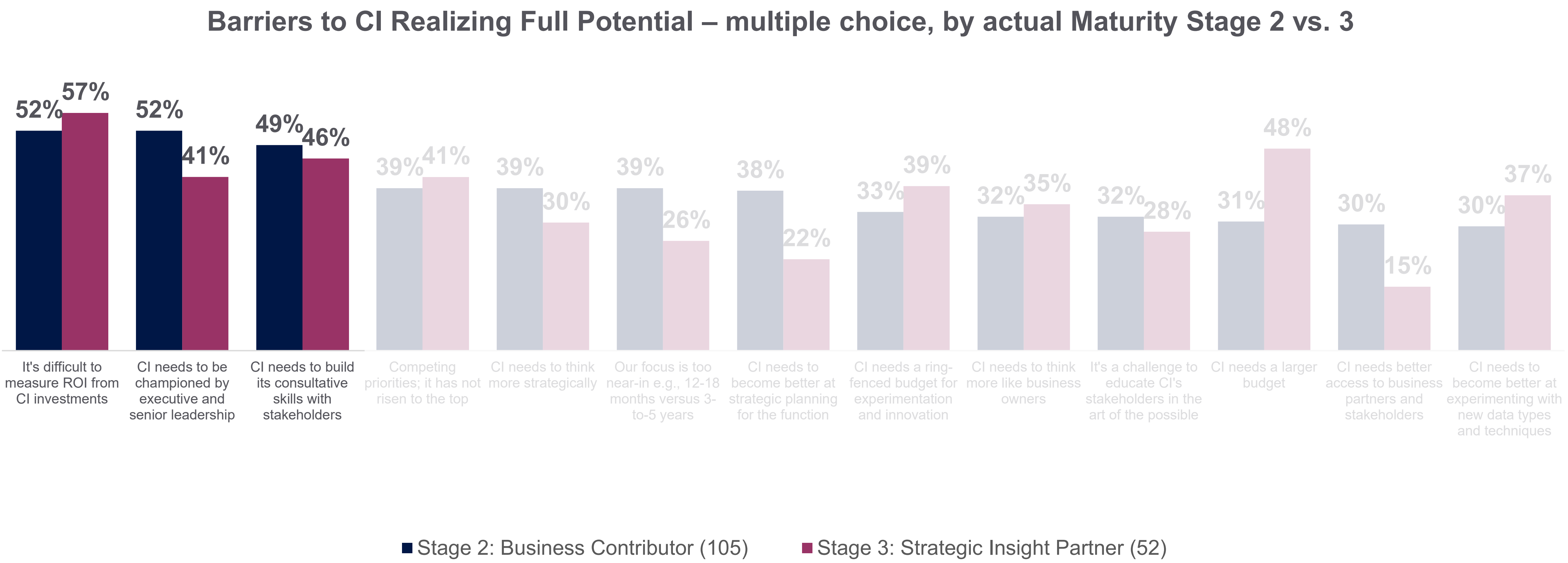
Absence of ROI measurement and communication, senior champions and consultative skills seen as the primary barriers to fulfilling potential of CI



Q35/36: What do you see as the biggest (investment and organizational status) barriers to realizing the full potential of your consumer insights function?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=255, Total sample)

In reality, ROI measurement, senior exec championship and poor consultative skills the top reported barriers



Q35/36: What do you see as the biggest barriers to realizing the full potential of your consumer insights function?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=157; Inclusive only of responses from companies with a maturity score - where at least 1 CI professional and 1 other business partner response received)

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Appendix

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Background, Objectives and Methodology

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Methodology: Overall approach

- Unlike the 2015 study (which was based on an extensive segmentation approach backed up by IDIs with senior executives in major companies), the 2023 survey, together with the resulting algorithm for ascertaining insights maturity, took its inspiration from an online self-assessment survey based on the original administered by BCG in 2008 and hosted by BCG and GRBN
- This was updated to include new elements in the algorithm reflecting changes in the role and context of corporate consumer insights functions (for example, the degree and ways of communicating insights and their impact throughout the organization)
- The resultant questionnaire was then iteratively critiqued by select corporate consumer insight (CI) leaders who are active in their respective associations (MRS and IA); and their suggestions incorporated

Methodology: Sample and recruitment

- Three types of participant were recruited to complete the survey:
    1. **CI professionals** working within corporate insights functions
    2. **Business stakeholders** who commission and apply the work of the corporate CI function
    3. **Senior executives** within the corporation (these completed a much shorter interview, recognizing constraints on their available time)
- Survey participants were recruited in one of three ways:
    1. **Via email to CI leaders** who were members of the MRS or IA
    2. Through these leaders, **via snowballing** to business stakeholders and senior executives
    3. **Via marketing hyperlink campaigns** to association members and non-members alike within corporate CI functions

Total Sample Achieved – 2015 vs. 2023

- Despite reaching an equivalent number of companies in 2023 to that achieved in 2015, we amassed fewer than half the number of survey participants
- BCG recruited most of the participants in 2015 via their contacts in senior management while 2023 participants were recruited primarily via CI (top-down vs. horizontal-up approach respectively)
- Firmographically, the respective samples of the two surveys are similar and, importantly, the 2023 survey replicates the shape of the industry landscape well

	2015	2023
Number of companies	90+	86
Number of individual respondents	615	255

Sample – Firmographics

Total sample	N=255
Industry	
CPG / FMCG	28%
Finance & Insurance	15%
Retail	13%
Tech / Telecoms	11%
Other industries (e.g., Media, Pharma, Health)	33%
Primary Geography Served	
North America	47%
Europe	26%
Global	23%
Other locations	4%

Total sample	N=255
Annual Revenues	
<$10 Billion	51%
$10+ billion	27%
Don’t know / Prefer not to say	22%
Total Employees	
10,000 or less	45%
10,001+	44%
Don’t know / Prefer not to say	11%

Sample – Demographics

Total sample	N=255
Role	
Consumer Insights (CI) Professional	66%
All outside of CI, including…	34%
Business Stakeholders	24%
Senior Executives	10%
Commercial Scope *Based on CI + Stakeholders only (N=230)*	
Domestic	48%
Regional	7%
International / Global	45%

- In 2023, the survey oversampled CI professionals in comparison to 2015 (39%), due to diversity in recruitment methods. However, this was not found to have distorted key findings – CI responses were, if anything, slightly less complimentary than those of their peers and management. In 2015, CI was found to be a lot more positive about their performance relative to the views of peers and management
- The 2023 sample is less international/global in scope than that of 2015 (69%)

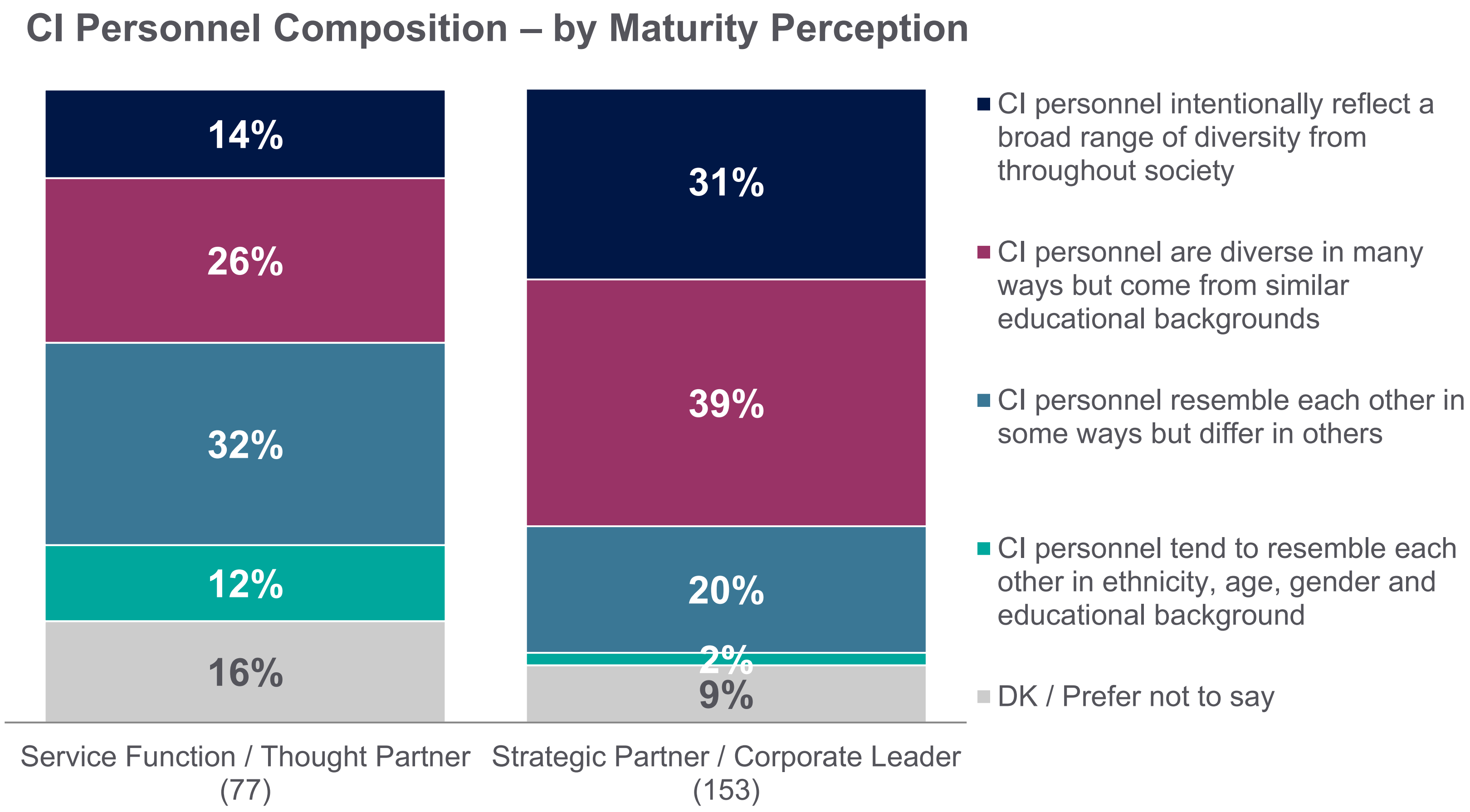
Calculating the Insights Maturity Score

- To be awarded a Corporate Insights Maturity Score, a company had to submit multiple survey responses:
  - **One CI Professional**
  - **+** at least one **Business Stakeholder** and/or one **Senior Executive**
- 17 companies (20%) successfully met this criterion, submitting a total of 157 responses between them
- A set number of questions go to make up the Maturity Score, yielding a mean score across all respondents from any one company
- Each Maturity Stage corresponds to a mean score range (see table to the right)

Mean Score Range	Maturity Stage
0.00 - 1.74	**1** Traditional
1.75 - 2.74	**2** Business Contributor
2.75 - 3.50	**3** Strategic Insight Partner
3.51 - 4.00	**4** Source of Competitive Advantage

Insights Maturity Drivers: Structure

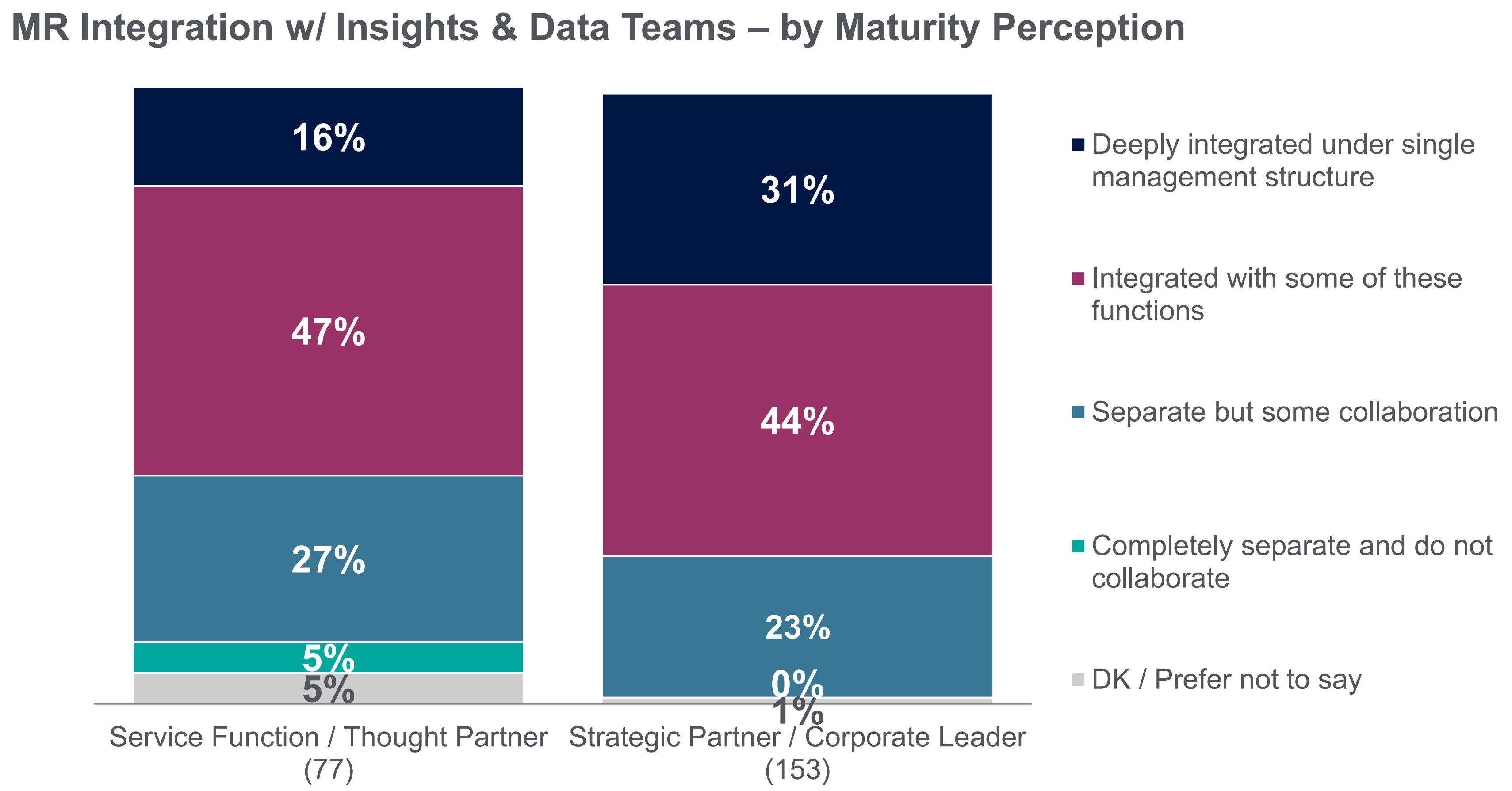
CI Personnel Composition



Q29: How would you describe the composition of your CI personnel?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

MR Integration with Other Insights and Data Functions

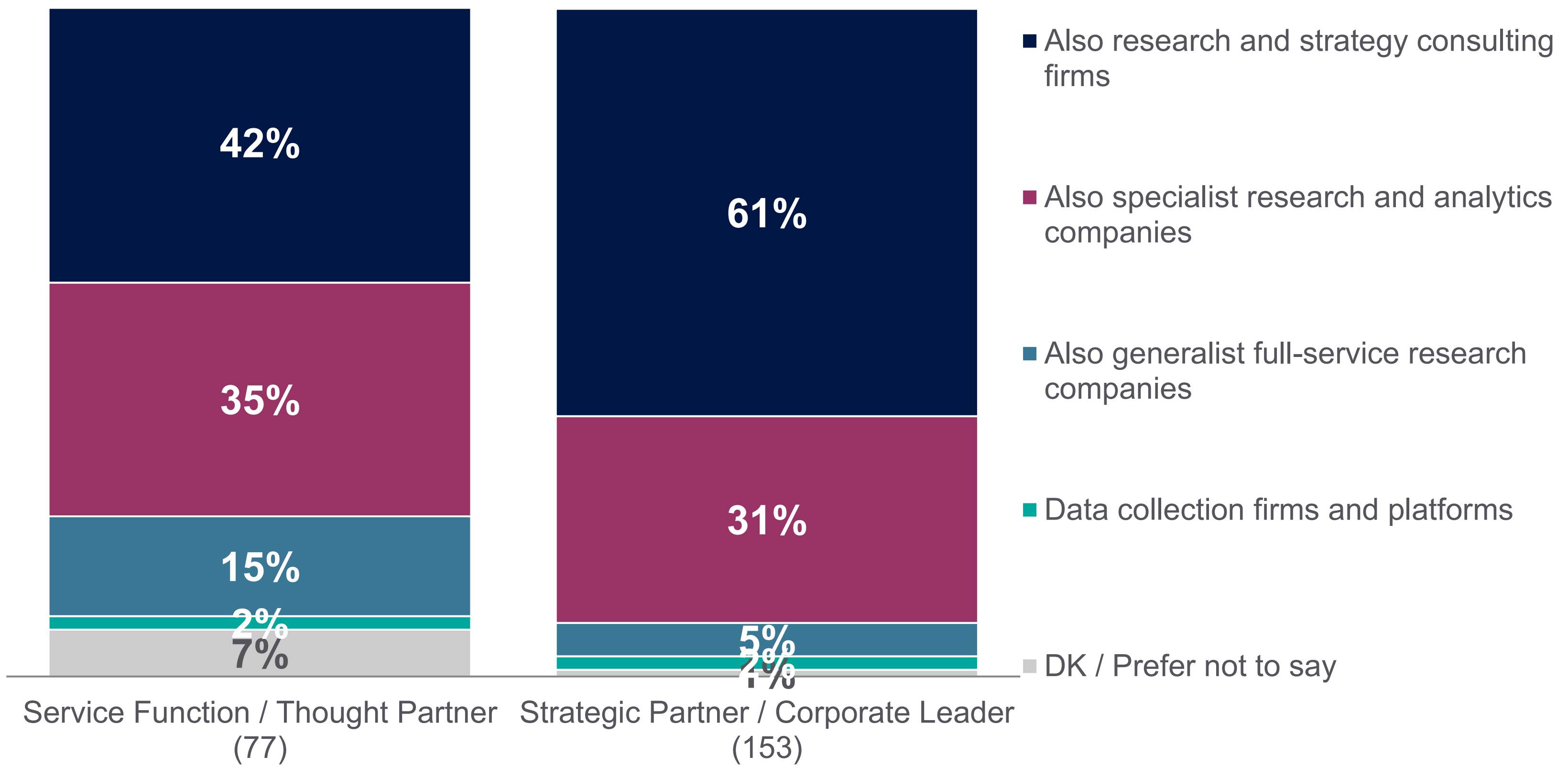


Q12: To what degree is Market Research integrated with other CI insights and data functions (for example, data analytics, CX, UX, competitive intelligence, business assessment) in your organization?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

Types of CI Partners

Types of CI Partners – by Maturity Perception



Q32: What types of provider does CI generally use or partner with?
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

Insights Maturity Drivers: Abilities

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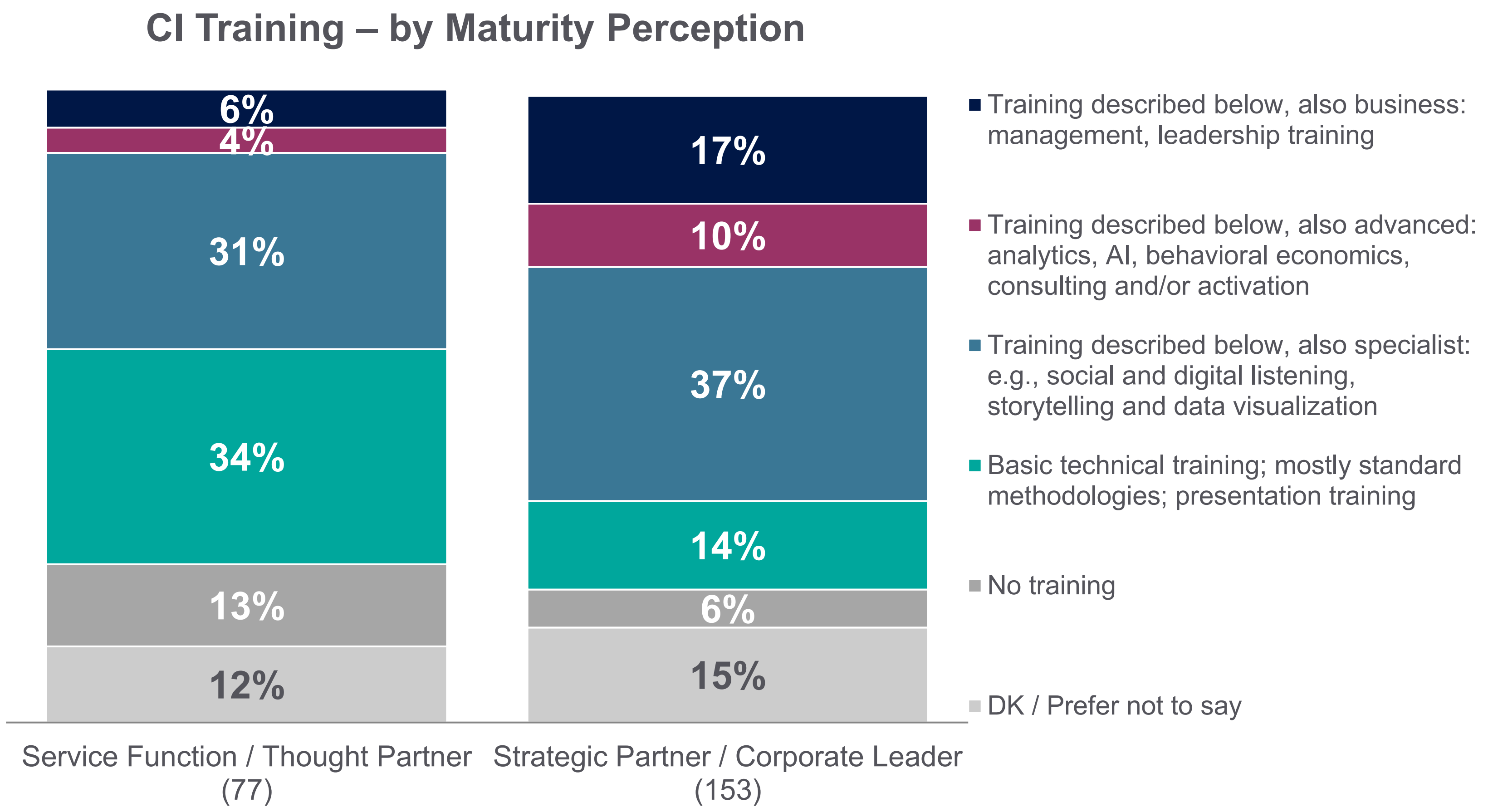
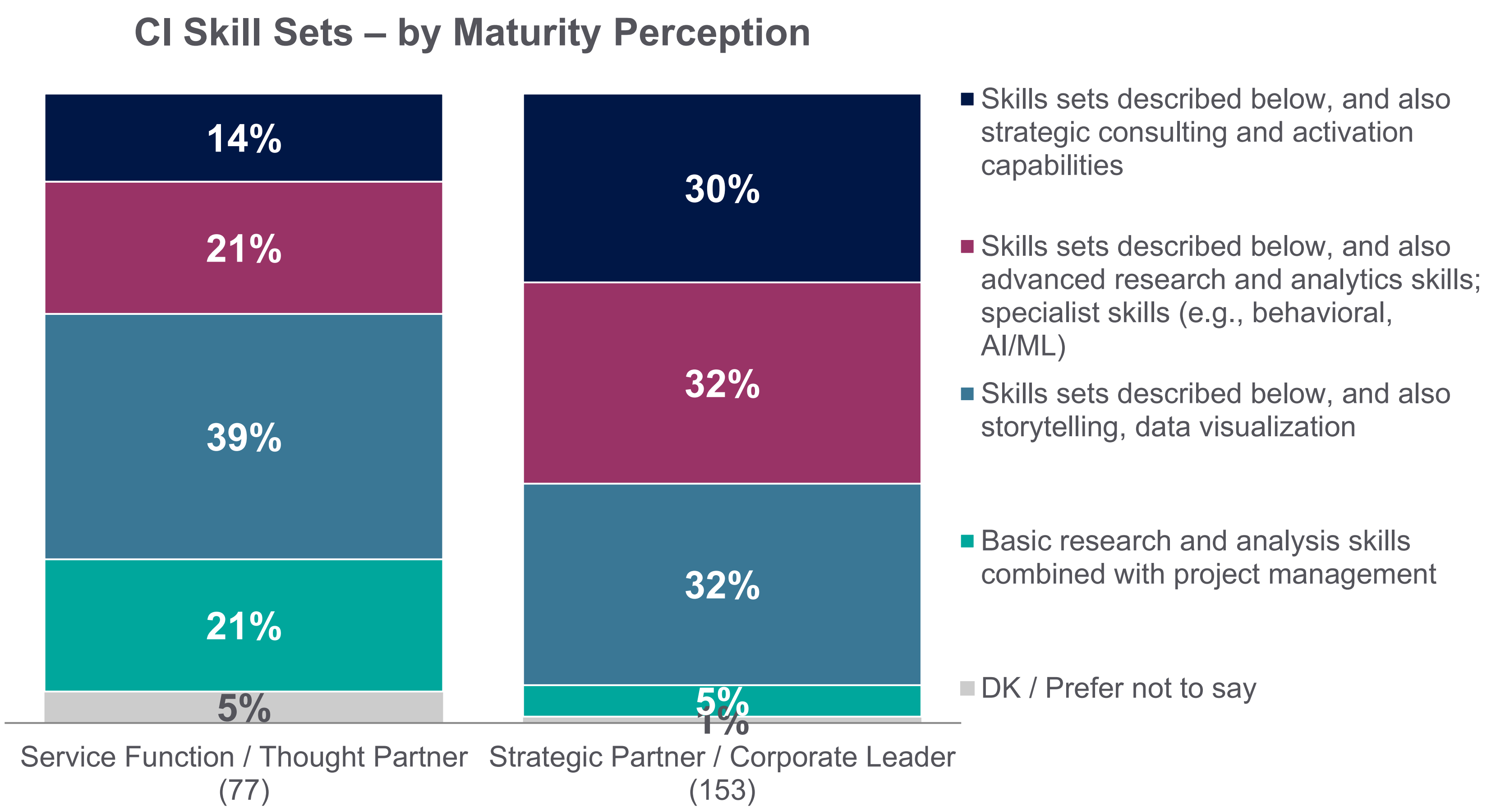
CI Training



Q28: How would you describe the training your CI staff receives?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

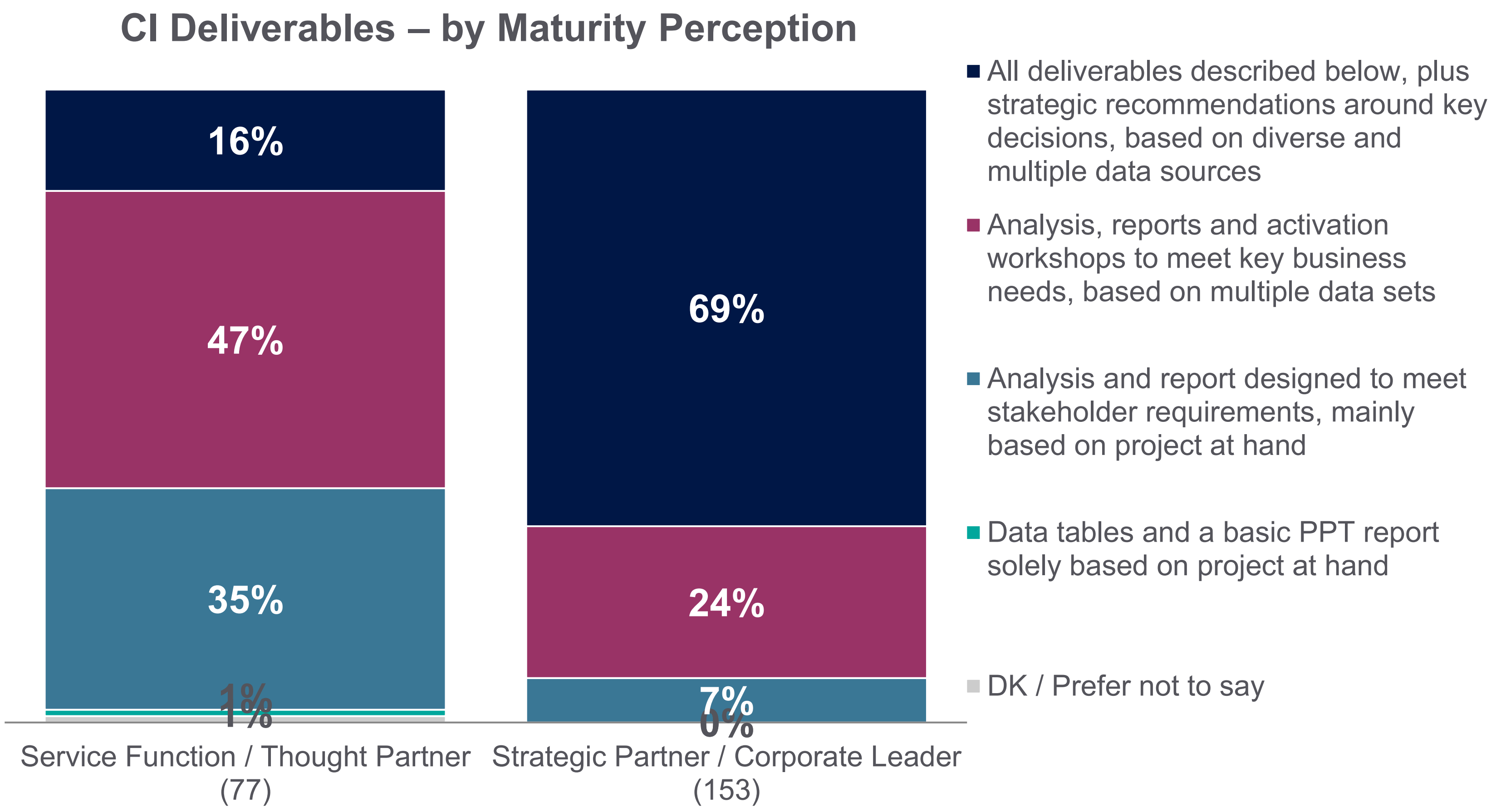
CI Skill Sets



Q27: What skill sets are present in your CI function today?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

CI Deliverables



Q8: How would you best describe CI's deliverables?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

Insights Maturity Drivers: Relationships

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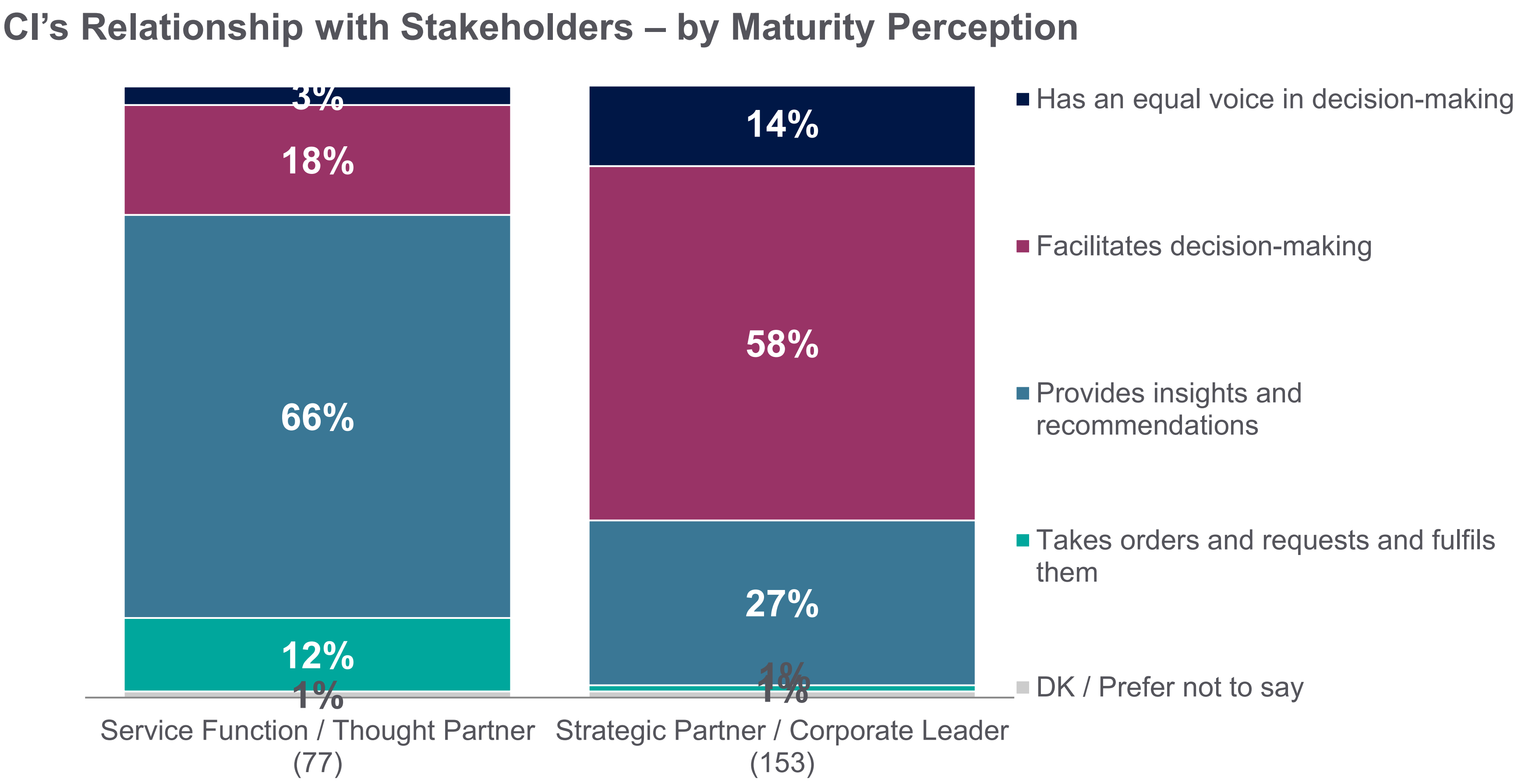
Relationship with Stakeholders

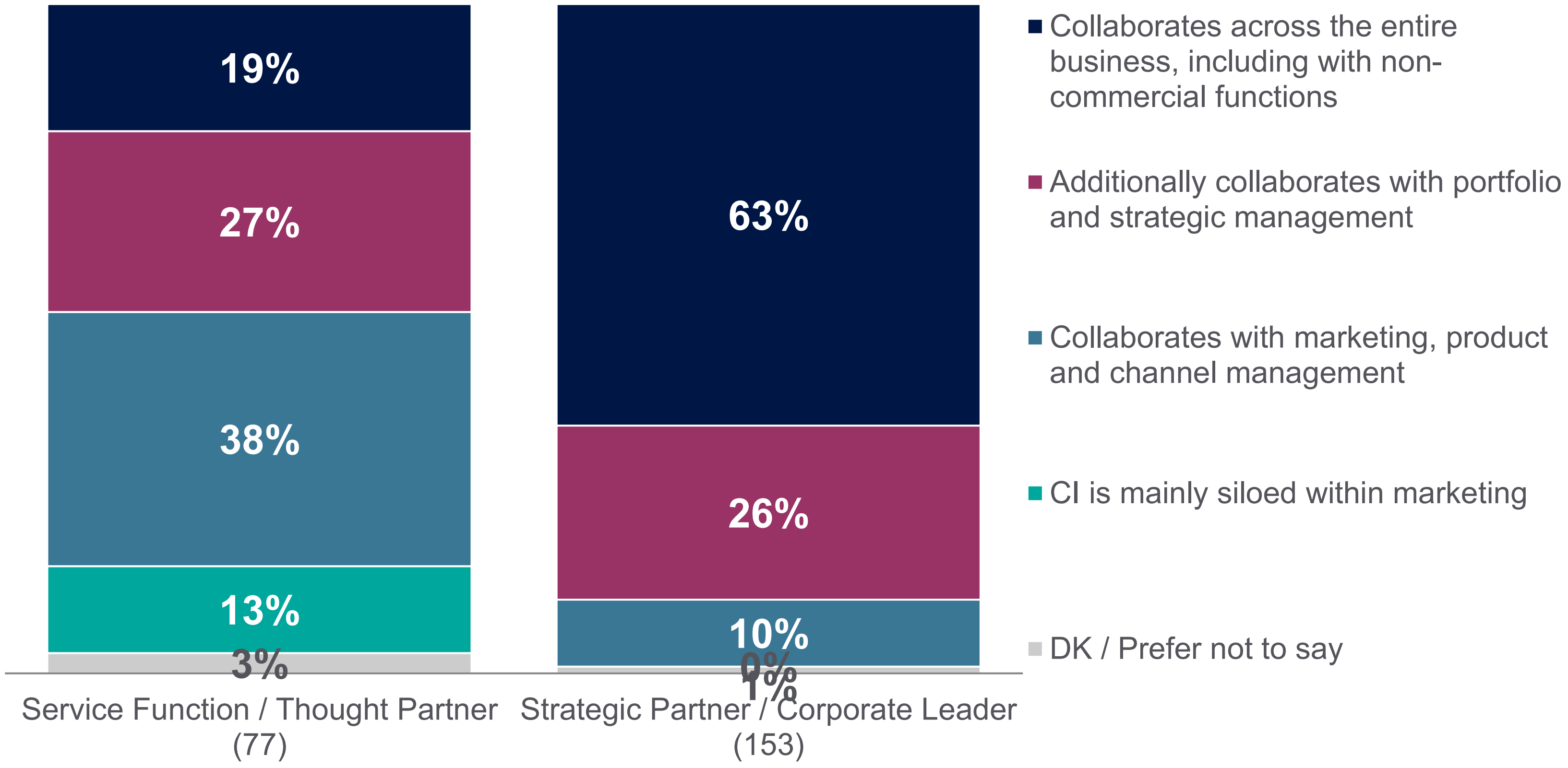


Q13: How would you primarily describe CI's relationship with its business stakeholders?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

Collaboration with Business Functions

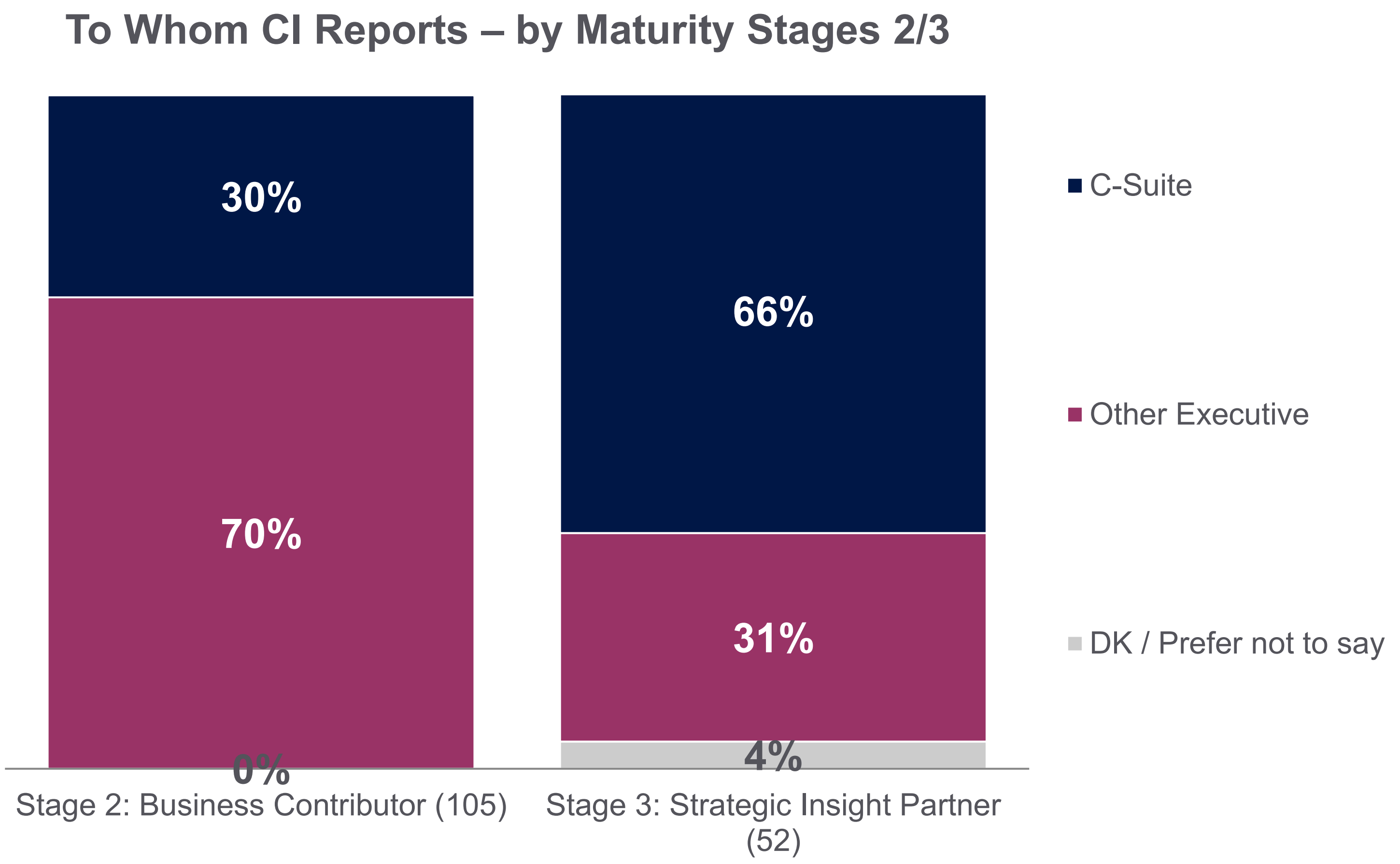
CI Collaboration with Business Functions – by Maturity Perception



Q22: To what degree does CI collaborate with other functions in the business?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

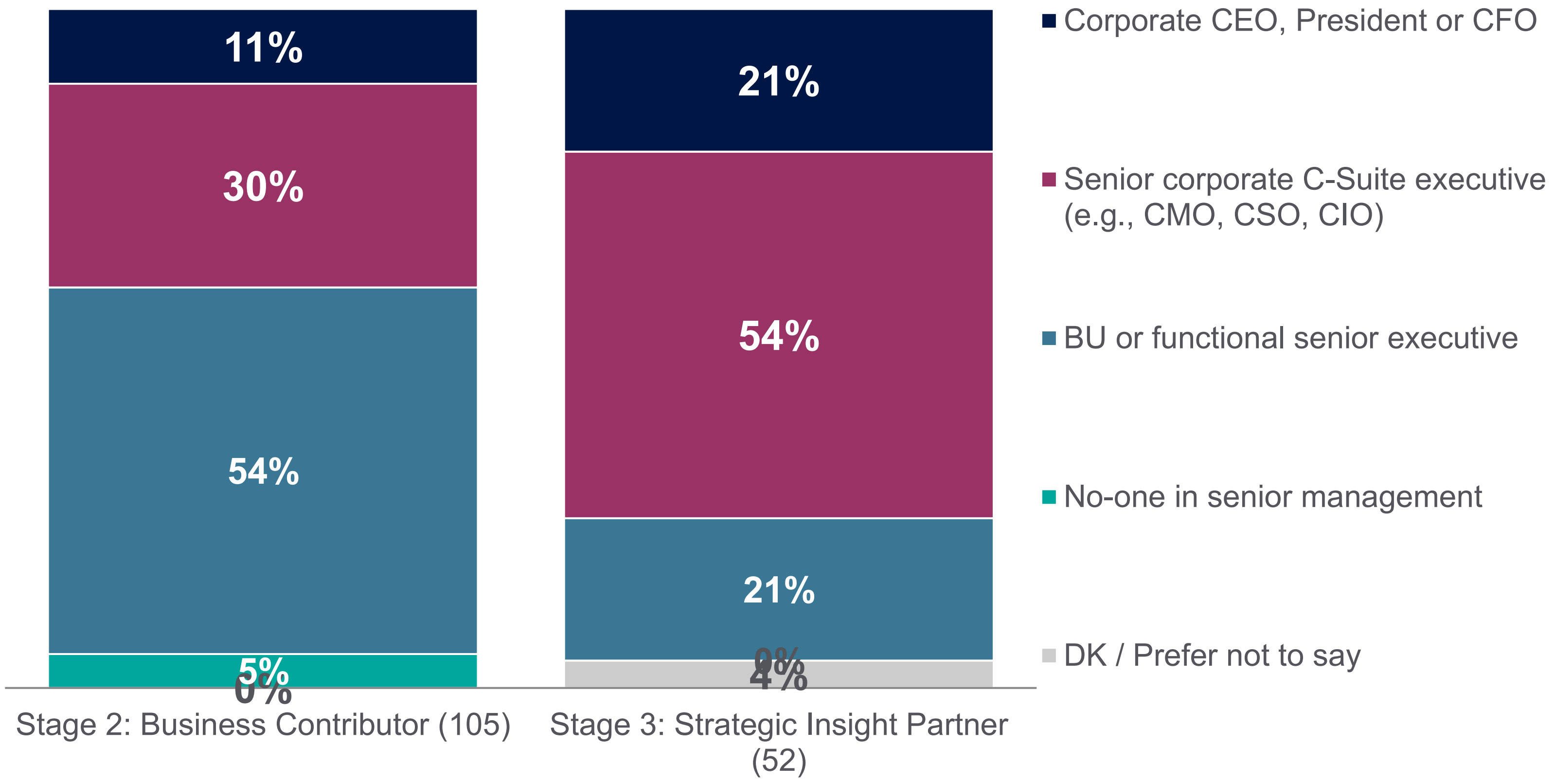
CI Reporting



Q11: To whom in your organization does the head of CI report directly?
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=157, all respondents working for companies with a maturity score)

Champions of CI

Active CI Champion – by Maturity Stages 2/3



Q9: Who, if anyone, do you feel is the primary active champion for the CI function in your organization?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=157, all respondents working for companies with a maturity score)

Insights Maturity Drivers: Proof and Communication of Value

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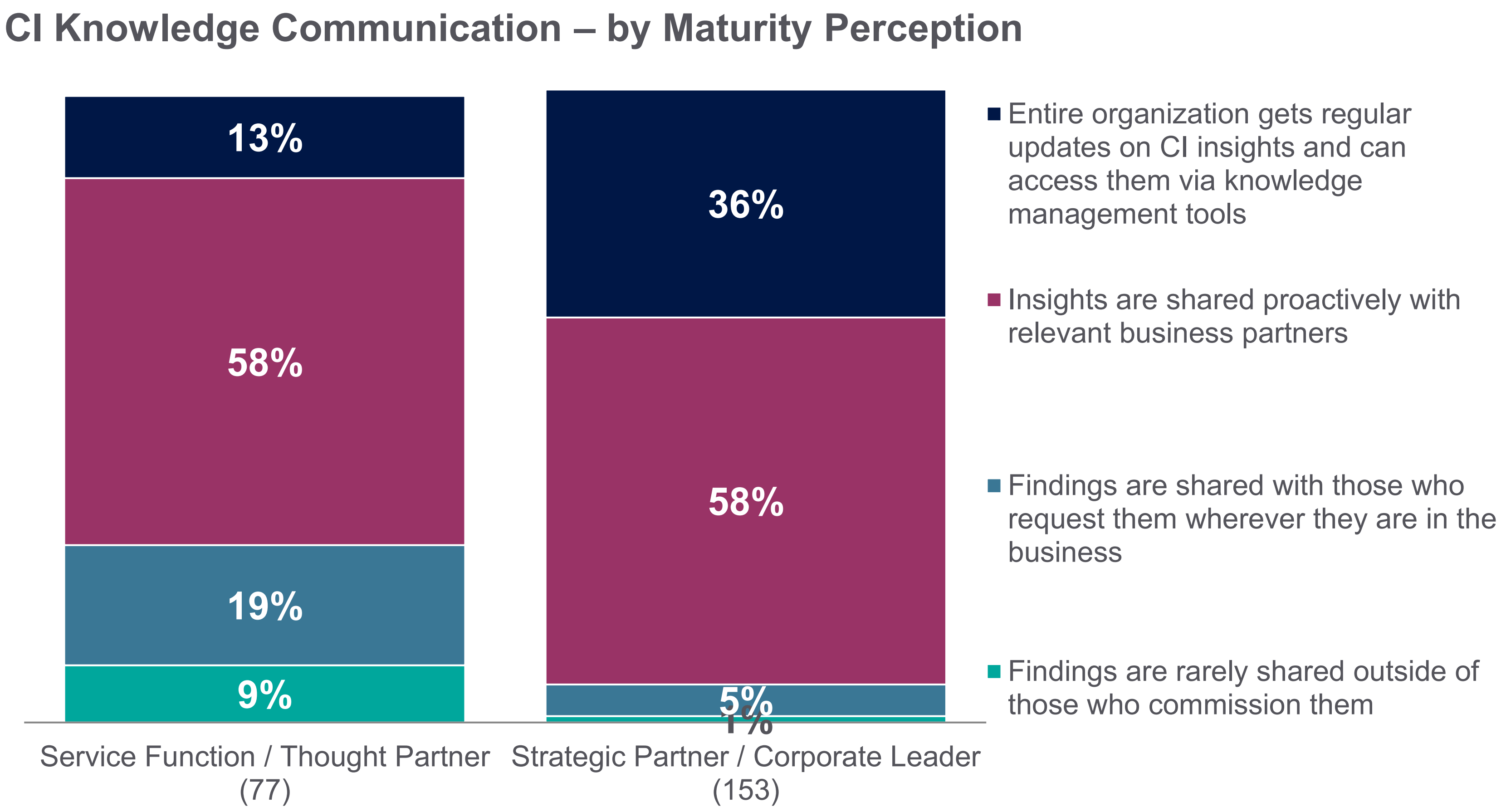
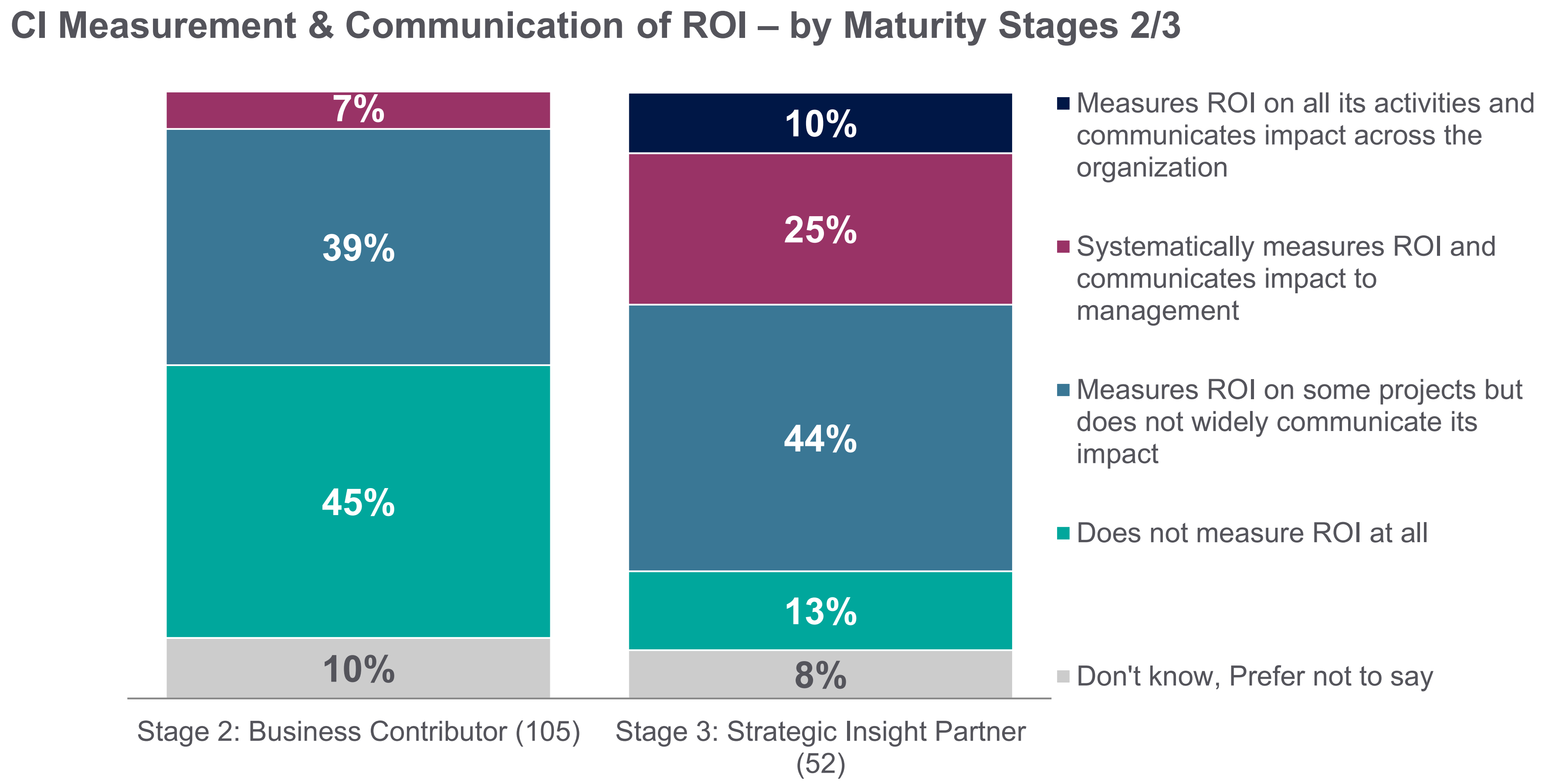
CI Knowledge Communication



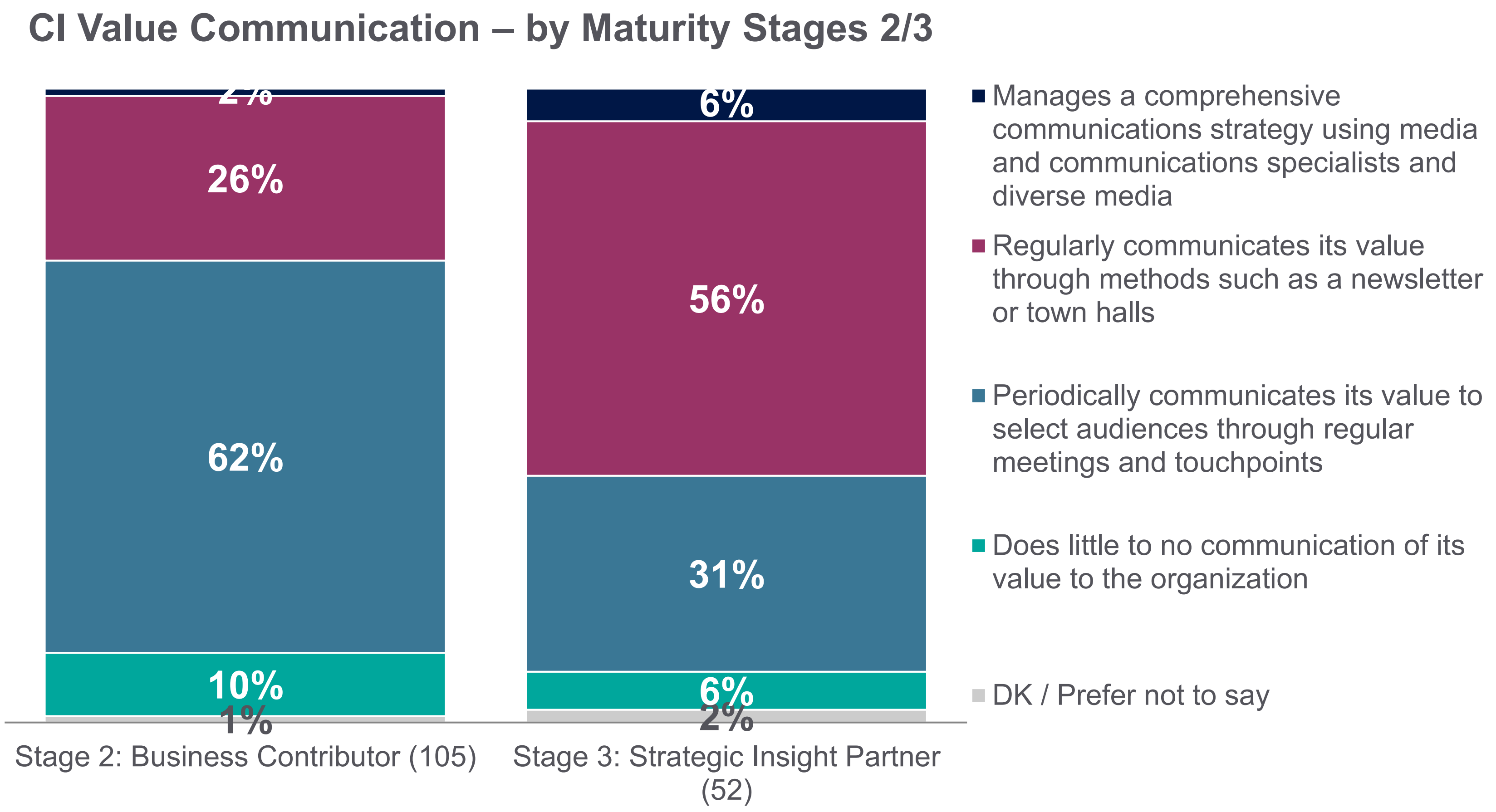
Q23: How is knowledge from the CI function communicated to the rest of the organization?
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

CI Measurement and Communication of ROI



Q24: To what extent does CI measure and communicate the business impact (ROI) of its activities?
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=157, all respondents working for companies with a maturity score)

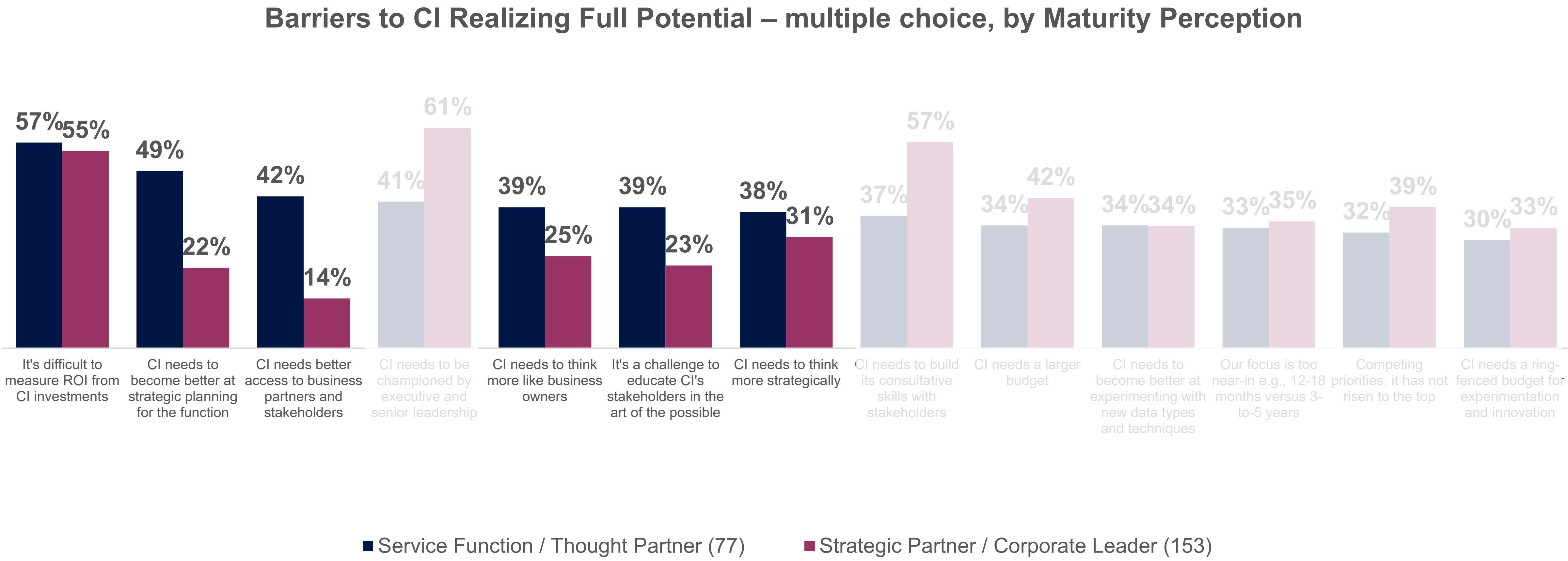
CI Communication of Value



Q25: How does CI communicate its value to the organization?

Source: GRBN 2023 Insights Maturity Benchmarking Study (N=157, all respondents working for companies with a maturity score)

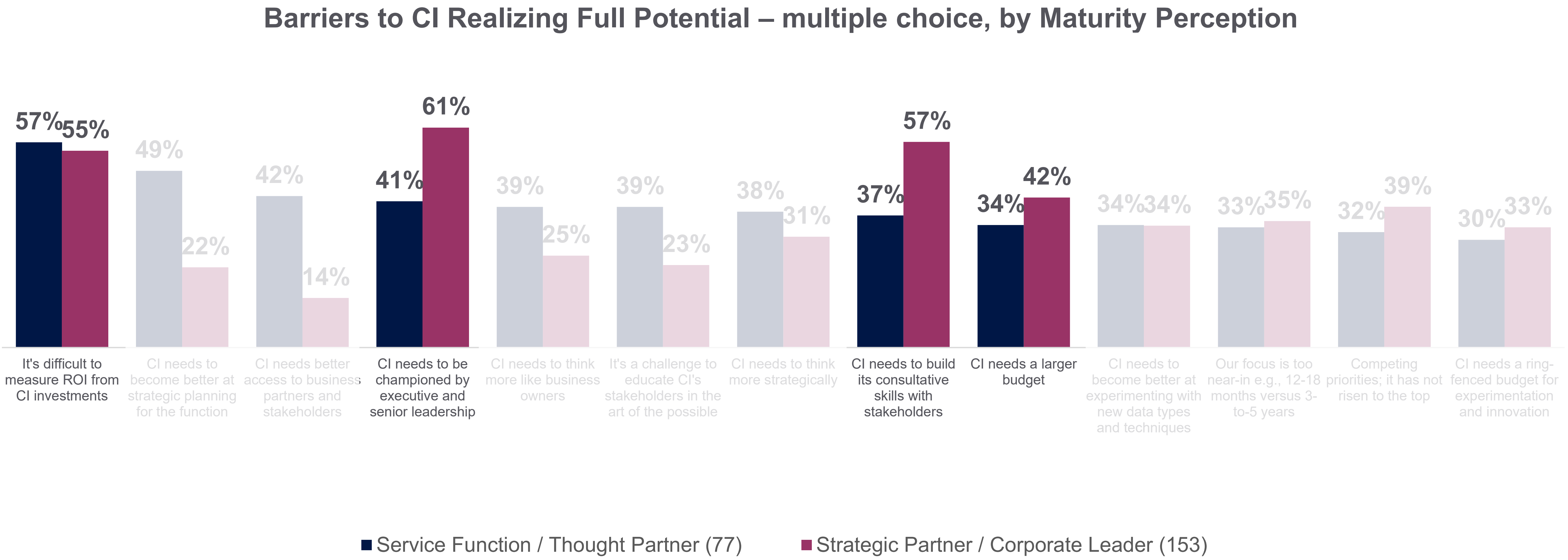
As well as ROI measurement, perceived Stage 1/2 very concerned about strategy and stakeholder access



Q35/36: What do you see as the biggest barriers to realizing the full potential of your consumer insights function?

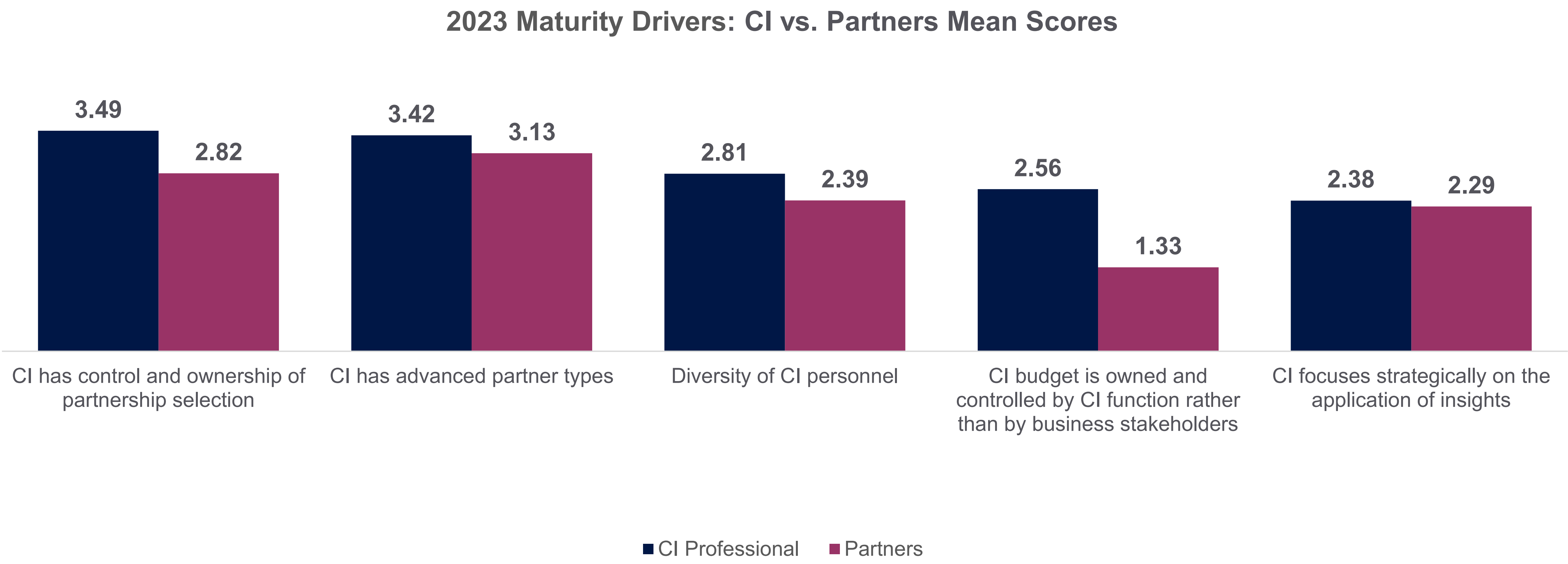
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

Perceived Stage 3/4 emphasize ROI measurement, senior exec championship, consultative skills and budget



Q35/36: What do you see as the biggest barriers to realizing the full potential of your consumer insights function?
Source: GRBN 2023 Insights Maturity Benchmarking Study (N=230, CI Professionals and Stakeholders from other functions)

Less diversity of opinion between CI and business partners on status of CI than in 2015



Source: GRBN 2023 Insights Maturity Benchmarking Study (N=255, Total sample)