

The Connected Insights Imperative



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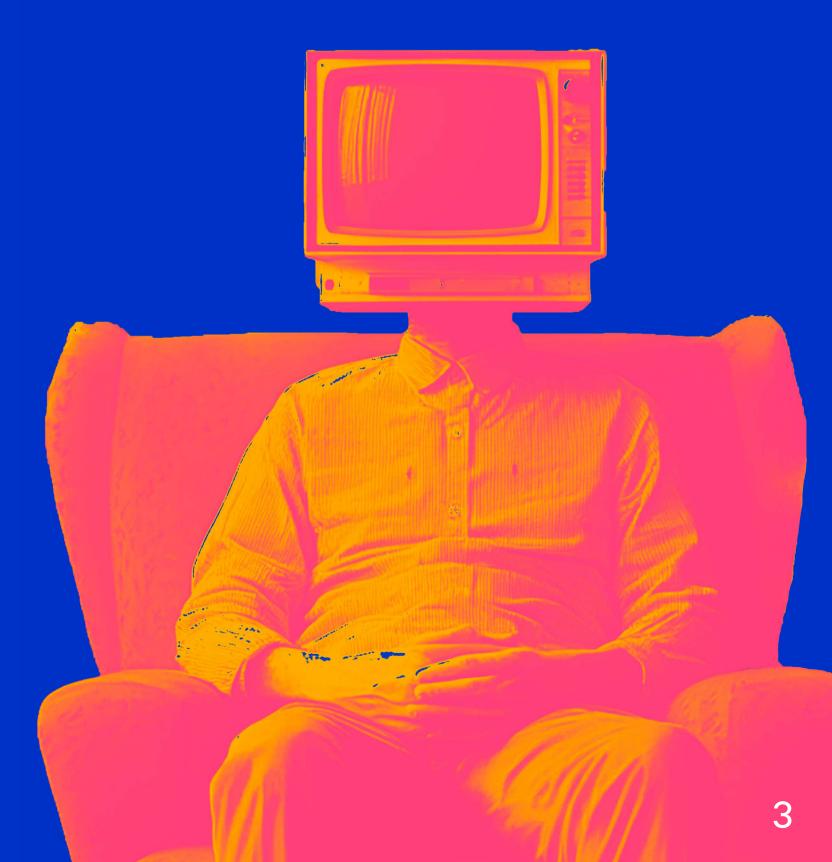
Introduction

The importance of connected insights cannot be overstated. As businesses and organizations gather vast amounts of data from diverse sources, the ability to integrate and interpret this information holistically becomes a critical competitive advantage.

Connected insights help businesses make smarter decisions, drive better advertising and innovation, and enhance customer experiences by providing a comprehensive understanding of consumers, trends and patterns over time.

Acting now to harness these insights is crucial — as waiting could also mean missing out on opportunities, running into inefficiencies or falling behind more nimble competitors.

Read on for our **key findings on the current state of connected insights** and the insights function, the implications for CMOs and insights professionals, and to learn about the Connected Insights Framework.



Key findings

From research Zappi conducted with the American Marketing Association (AMA), we uncovered five key findings:

- 1. The work insights teams do has an important business impact
- 2. Insights teams are leaning into technology and connected data
- 3. Systematization and connected insights drive satisfaction with insights teams
- 4. Most companies have not yet systematized insights
- 5. Insights teams are more likely than marketers to be driving the Al agenda



1. The work insights teams do has an important business impact

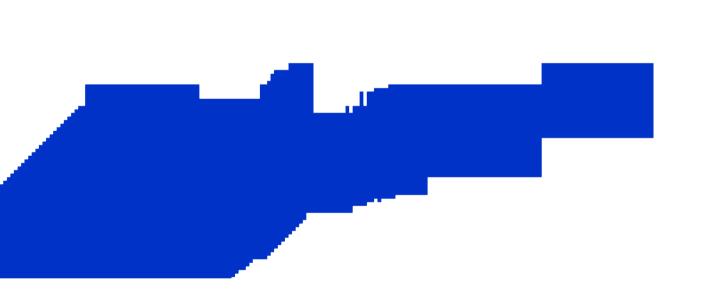
Insights professionals have traditionally struggled to get a "seat at the table" for major decisions that drive major business impact. They often don't feel like they are being heard or that their work is as impactful as it could be. In the past, **CMOs have not always viewed their insights teams as strategic partners** who can help enable data-driven conversations with the CEO and board.

However, the industry is evolving, and insights teams along with it. The great news is that our research indicates that insights teams are viewed more favorably than ever before by organizations, with half stating that their insights function is viewed as a strategic partner. We also see high satisfaction of both the insights function and the relationship between insights and marketing. Most importantly, the majority of respondents agree that consumer insights are "massively influential" over business decision making at their companies.

Although it's not all good news: 1 in 5 still report that the insights team at their organization is viewed as an "order taker," indicating that there is ample room to improve how insights operate with their stakeholders and how they are viewed.



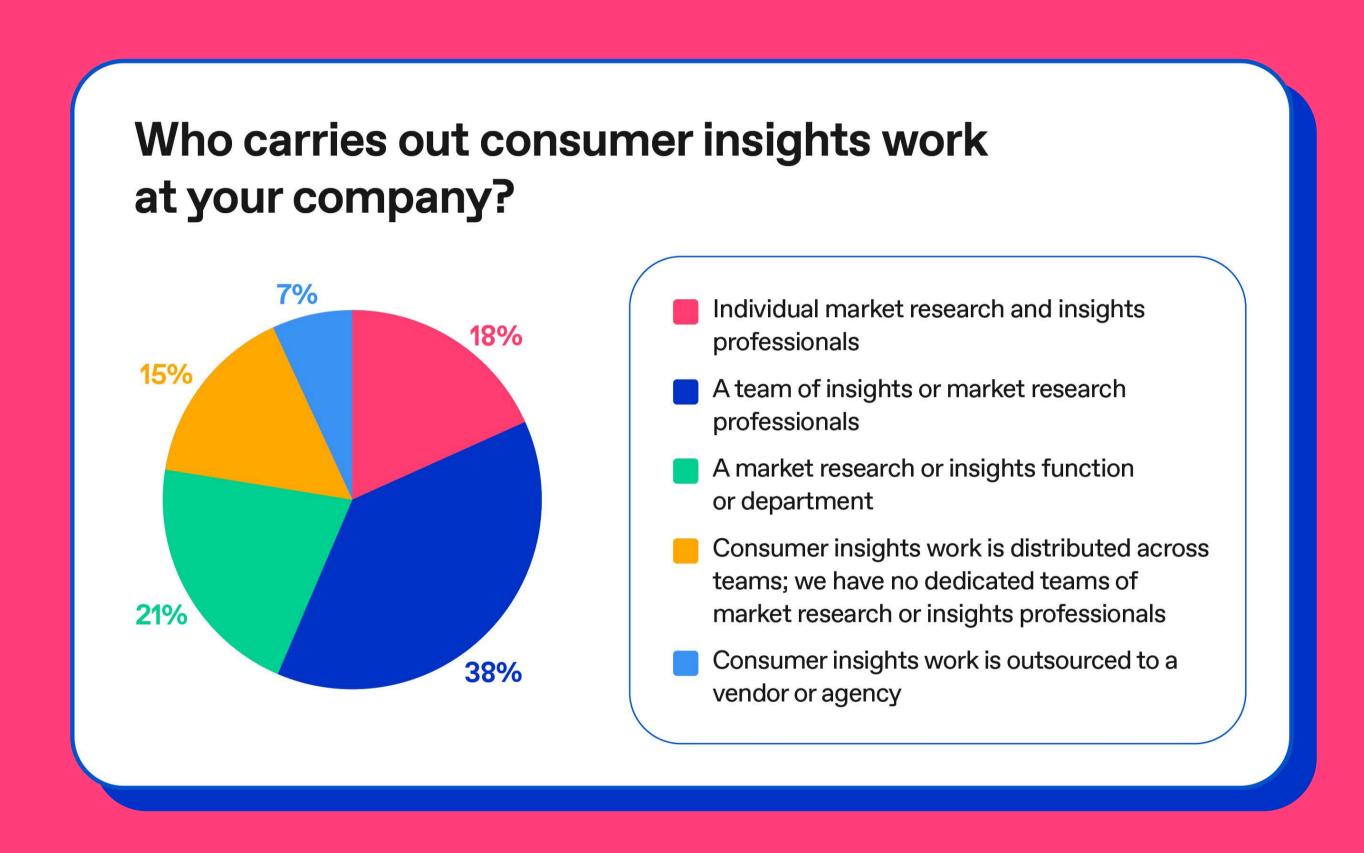
83% of respondents are satisfied with the state of the insights function at their company.



69% of respondents stated that consumer insights are "massively influential" over business decision making.

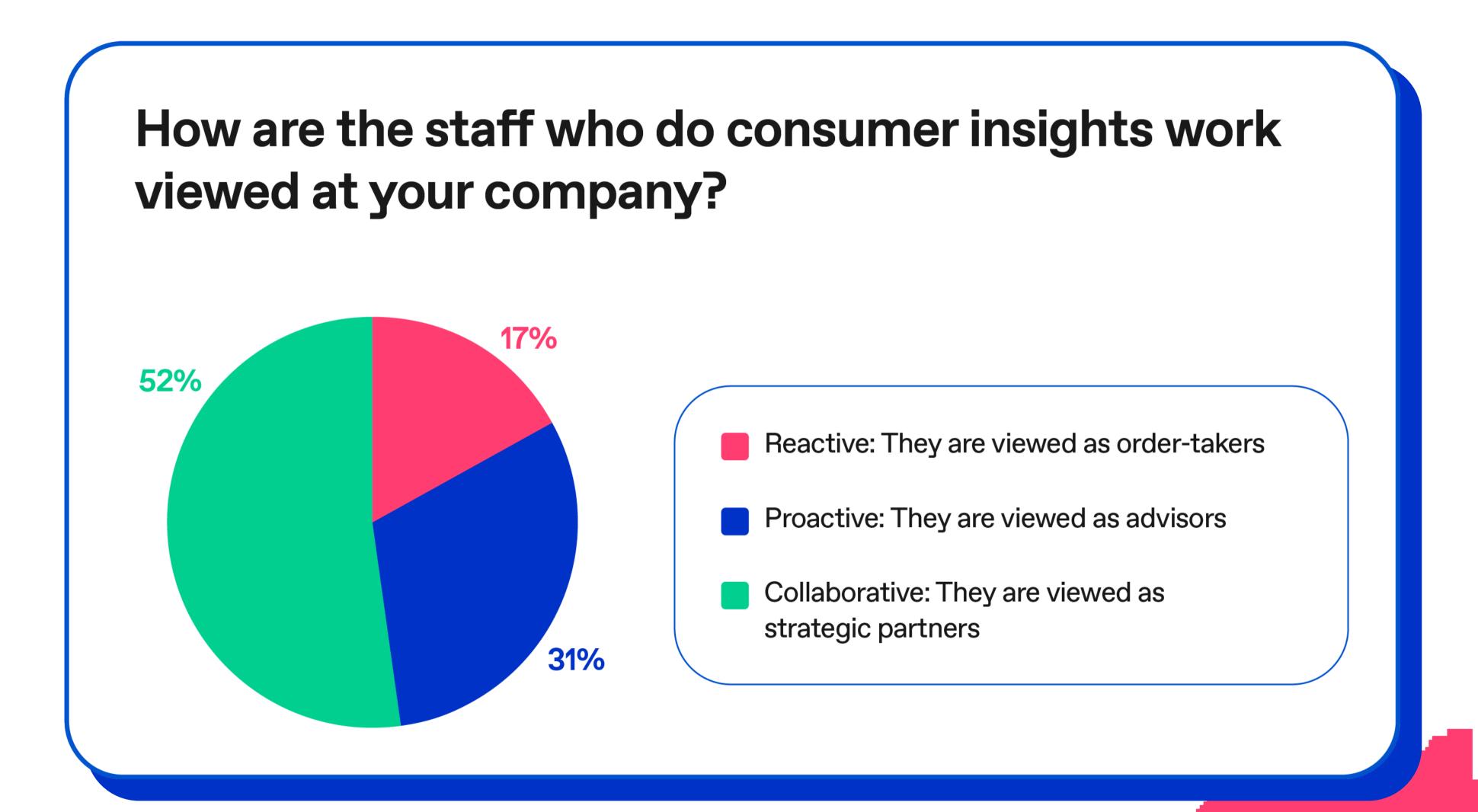
But 1 in 5 report that insights teams are still viewed as "order takers."

Only 21% of companies state that insights work is performed by a dedicated department or function, with an additional 38% of companies reporting that insights work was housed within a team. A full third (33%) do not have a dedicated team or depend on individual market researchers, while another 7% outsource their insights completely.

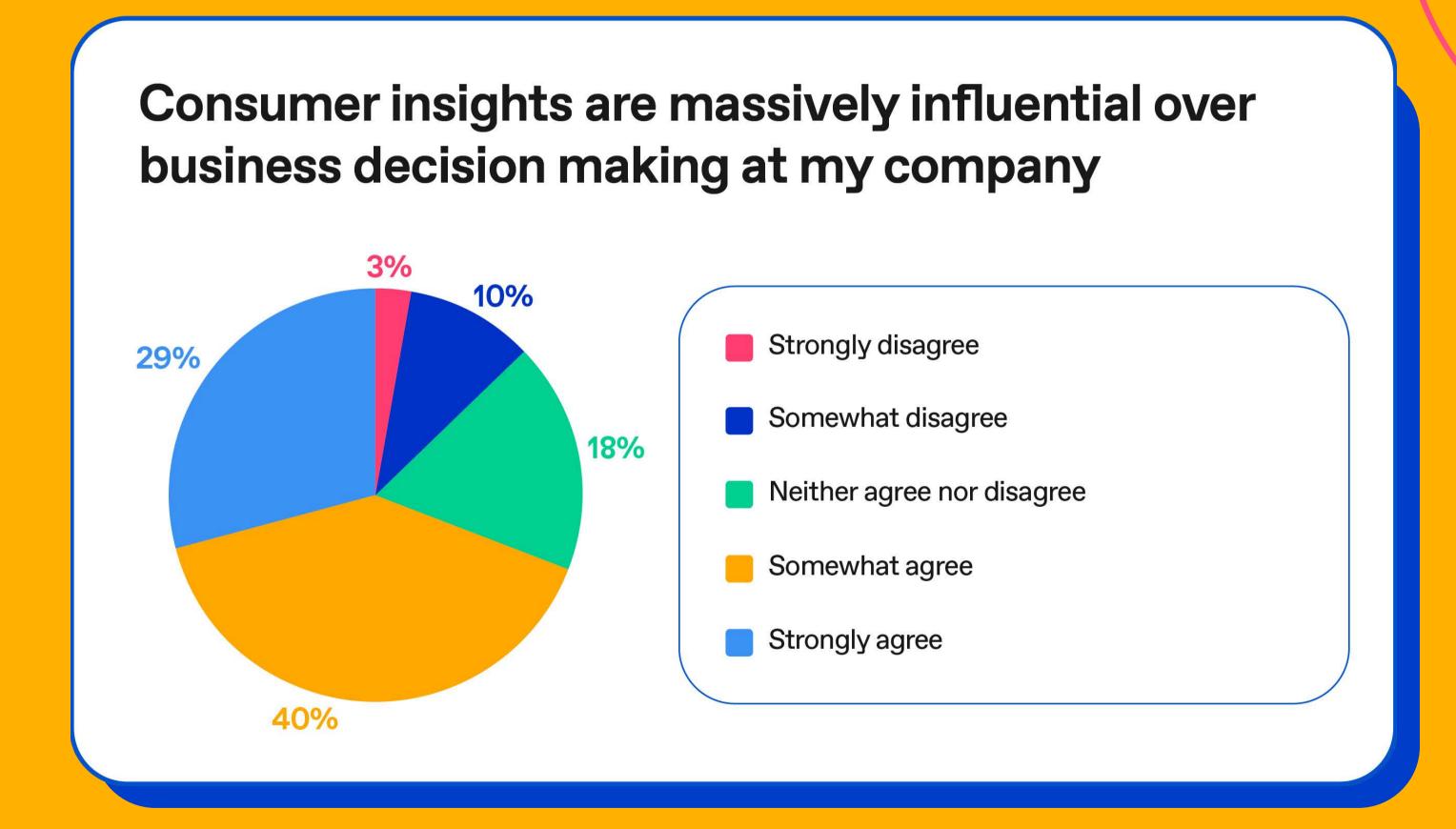


This implies that nearly 40% of insights are likely not connected.

Slightly more than half of respondents said that consumer insights staff are viewed as strategic partners (52%) and nearly one third are viewed as advisors (31%). However, 17% of insights teams are still viewed as "order takers."



At the same time, 69% of respondents stated that consumer insights are "massively influential" over business decision making at their companies. While it's unfortunate that some still view insights professionals as order takers, **this indicates a positive shift in perspective**, with the majority viewing insights teams as advisors or partners.



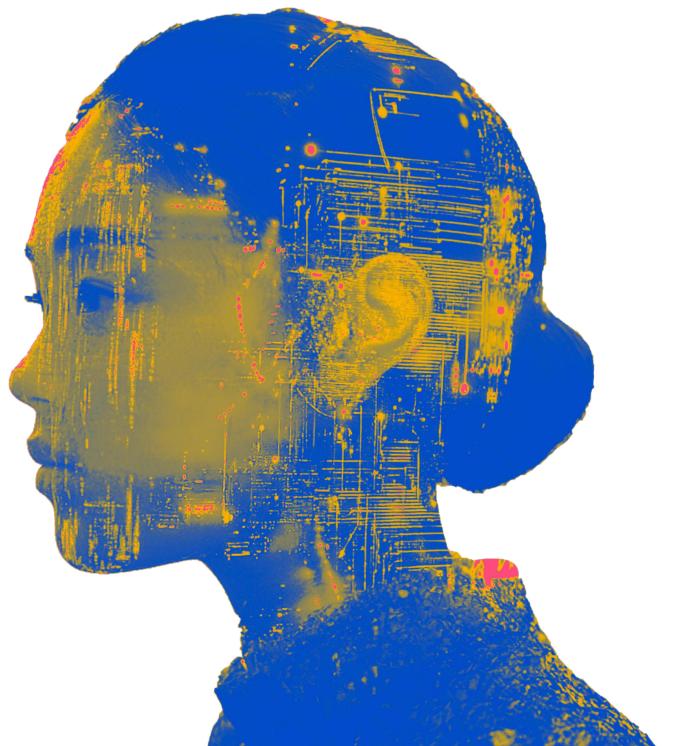
84% of respondents are satisfied with the relationship between marketing and insights at their companies.

2. Insights teams are leaning into technology and connected data

Our research finds that technology is commonly used by insights functions to generate consumer insights.

However, while technology use is common, the majority of respondents said their consumer insights projects are not yet handled systematically. Instead, they either use separate tools and programs or carry out projects ad hoc, with a combination of different vendors and technologies.

59% said their consumer insights projects are not yet handled systematically



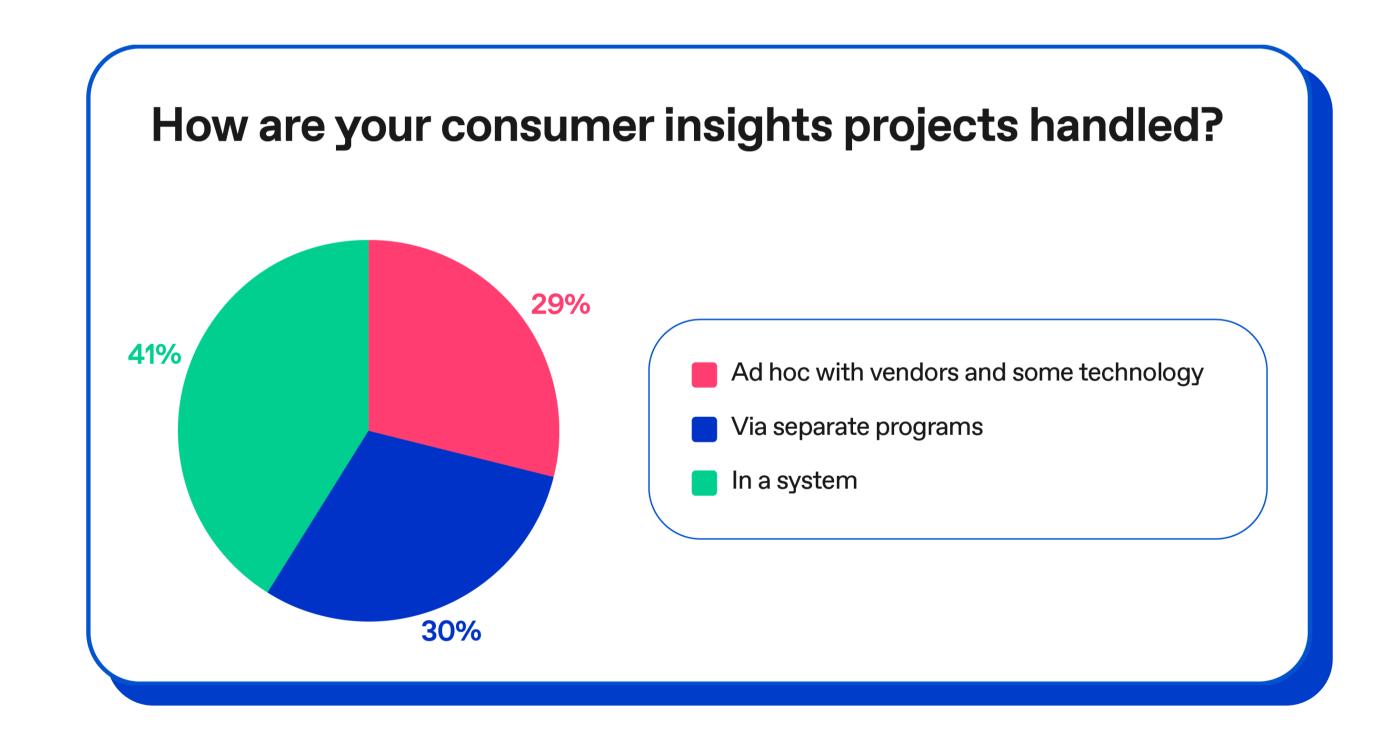
Systematizing your insights means that you apply a standard process, use a centralized platform and store your data within that platform. At Zappi, we refer to the end state of systematization as <u>Connected</u> <u>Insights</u>. The more you systematize insights, the more connected your insights will be, from project to project. And the more centralized your data will be as a result.



Let's dive into the data on both technology usage and systematization.

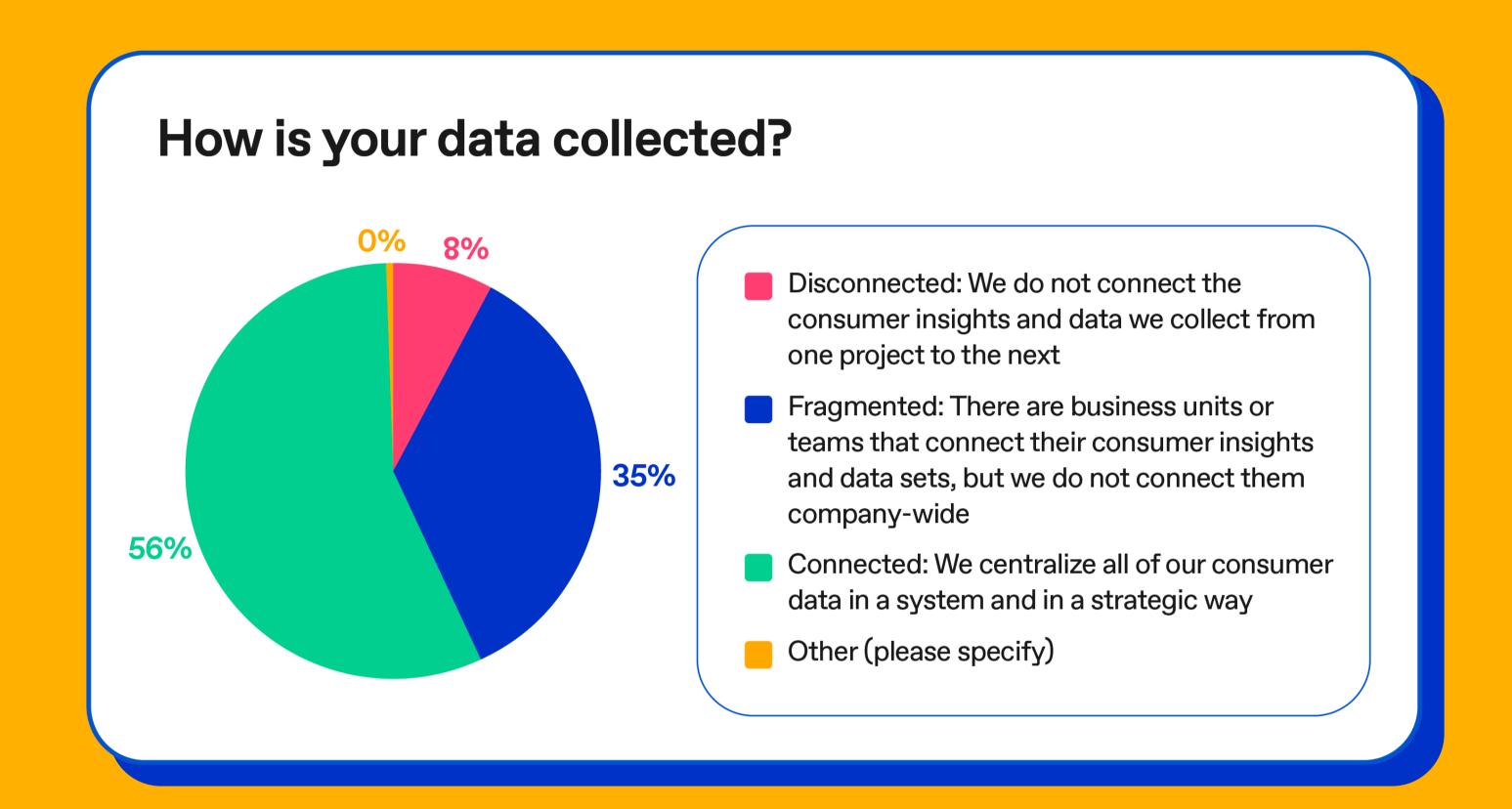
Technology is used frequently for consumer insights, according to the majority of respondents (78%).

However, 59% of respondents said their consumer insights projects are not yet handled systematically. Instead, they either use separate tools and programs (30%) or carry out projects ad hoc, with a combination of vendors and technology (29%).



78% of respondents say they use technology frequently for consumer insights.

56% of respondents said the insights and data they collect are connected in a strategic way.

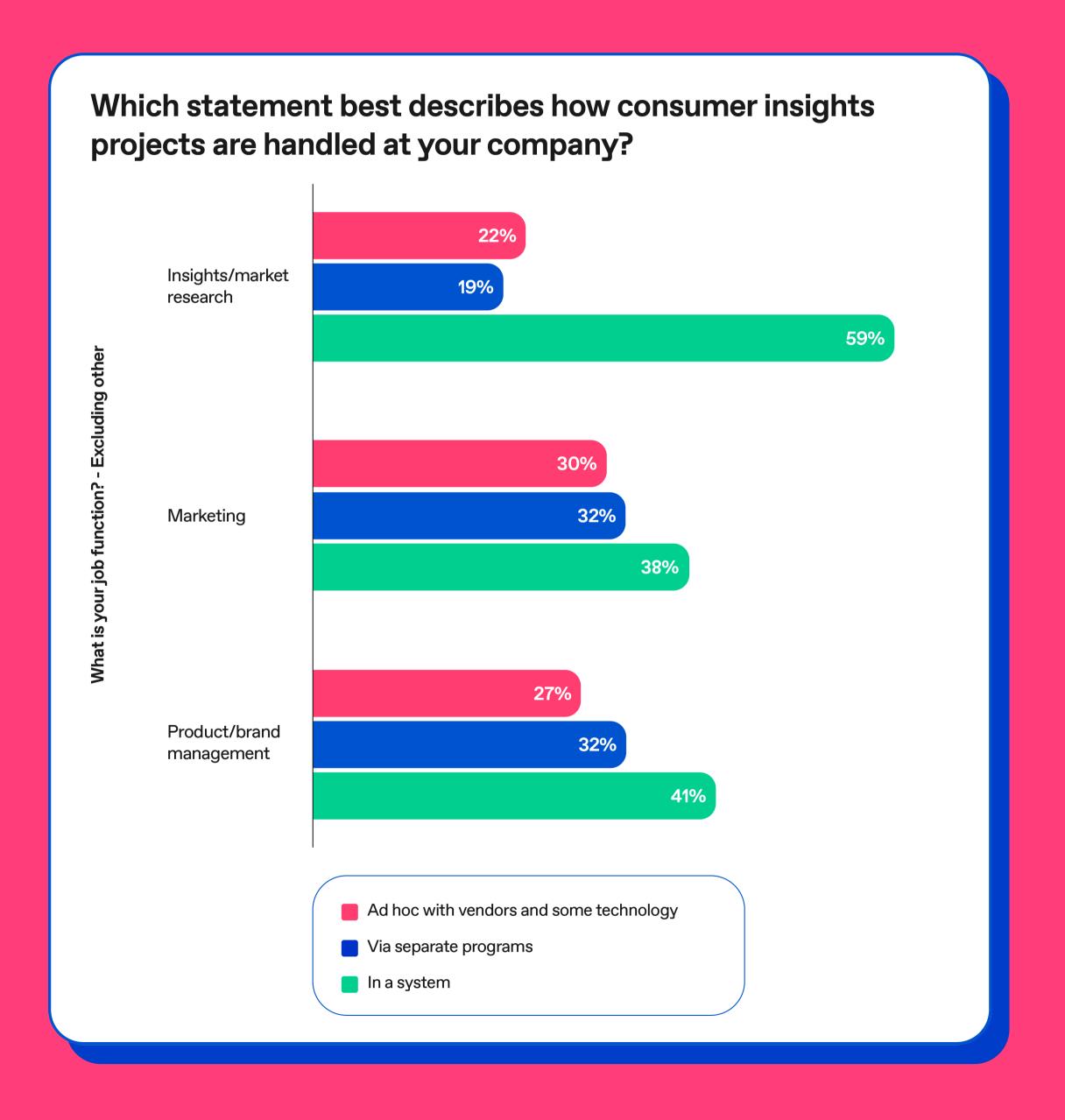


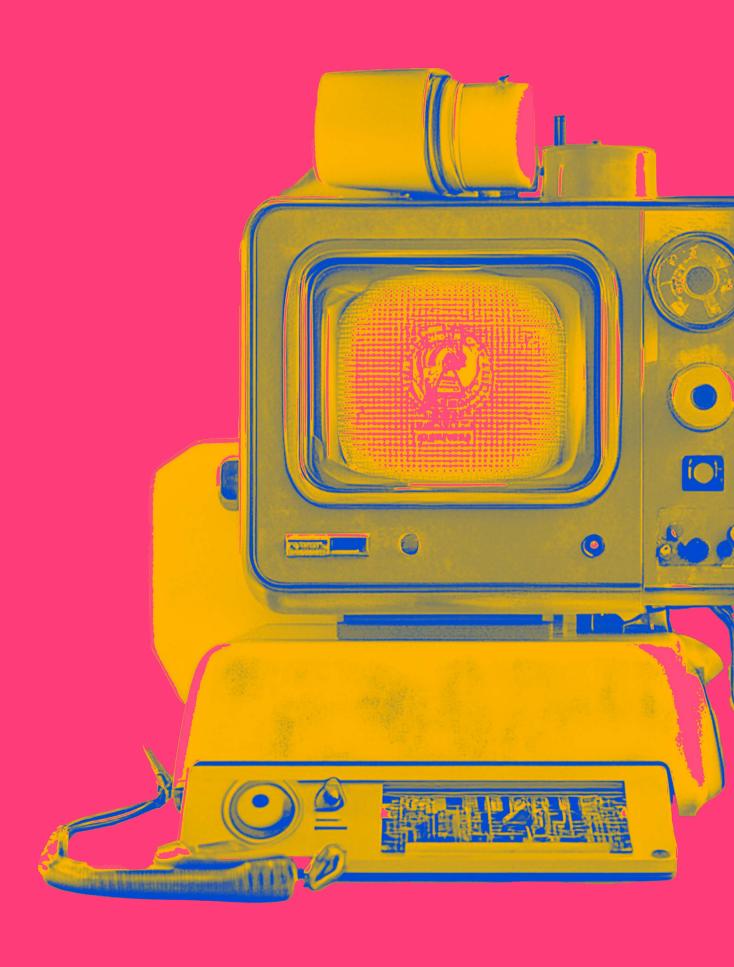


Budget constraints (40%), disconnected data (33%) and time constraints (28%) are the biggest blockers to effectively leveraging consumer insights.

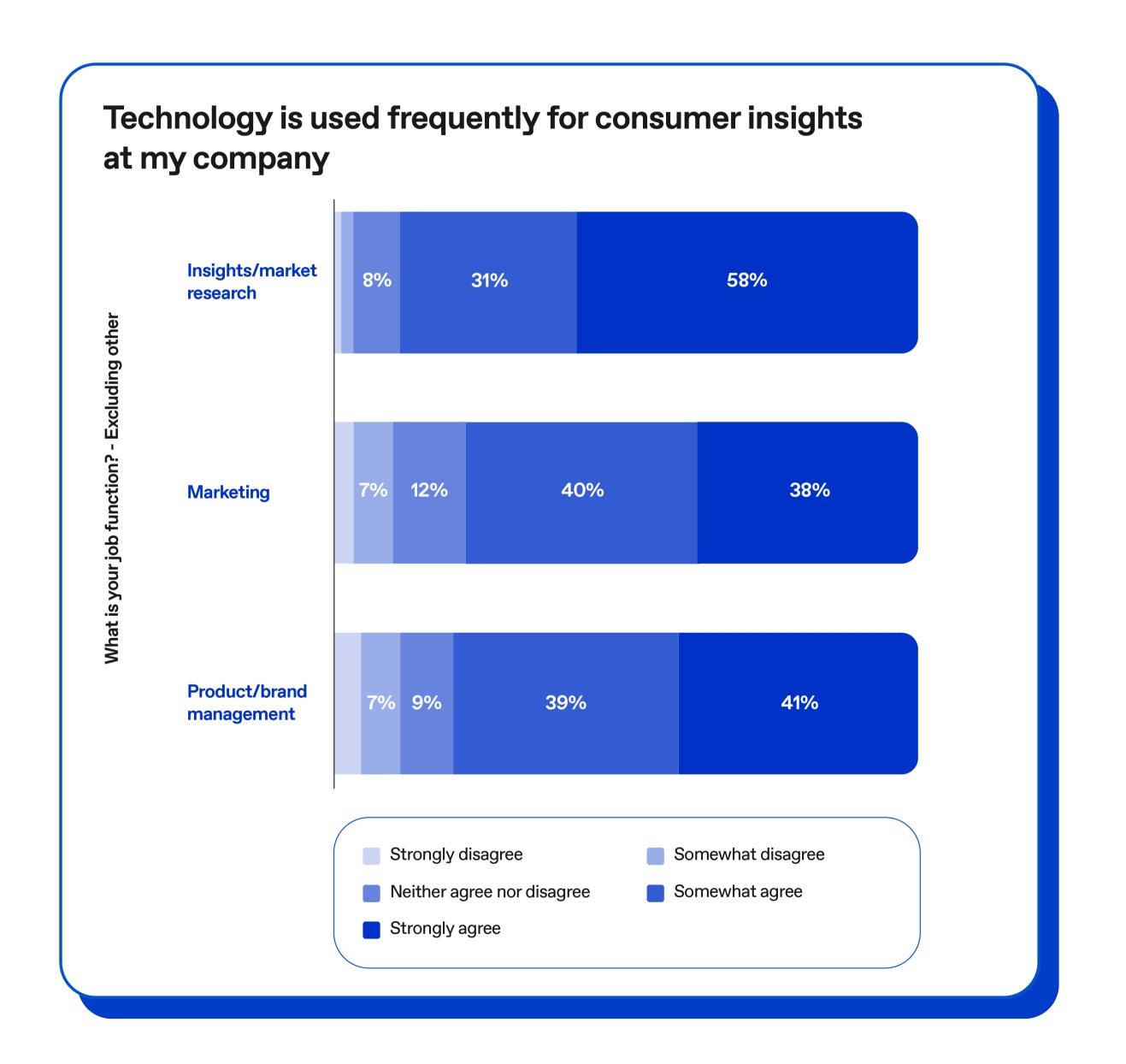


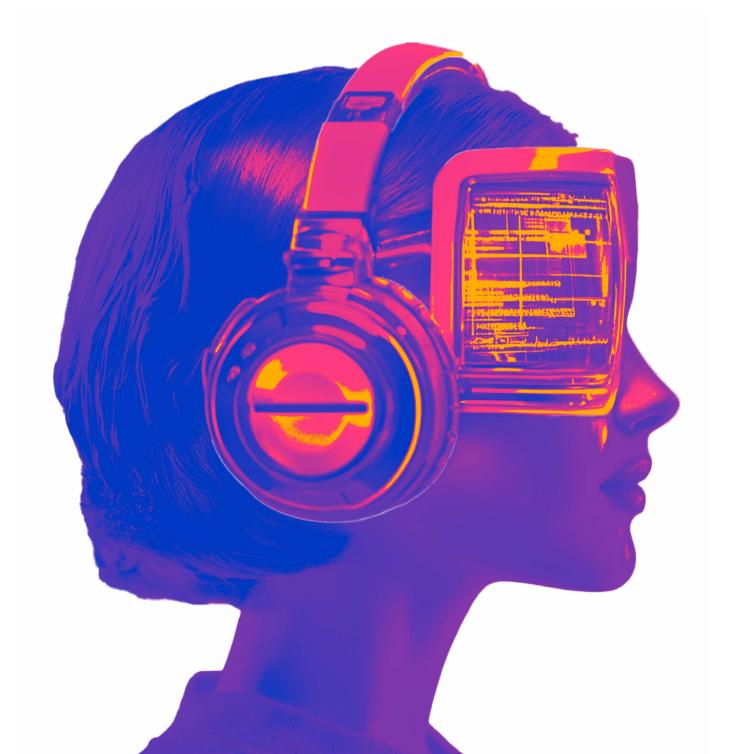
Insights professionals are more likely to state that their insights are already systematized when compared to marketing and product/brand teams.





This is also the case for technology usage, with 58% of insights professionals in strong agreement that it is frequently used, followed by product/brand (41%) and marketing teams (38%).





3. Systematization and connected insights drive satisfaction with insights teams

When we look at overall satisfaction with insights teams, we see that satisfaction is higher when insights are approached systematically, data is connected and insights teams are viewed as strategic partners.

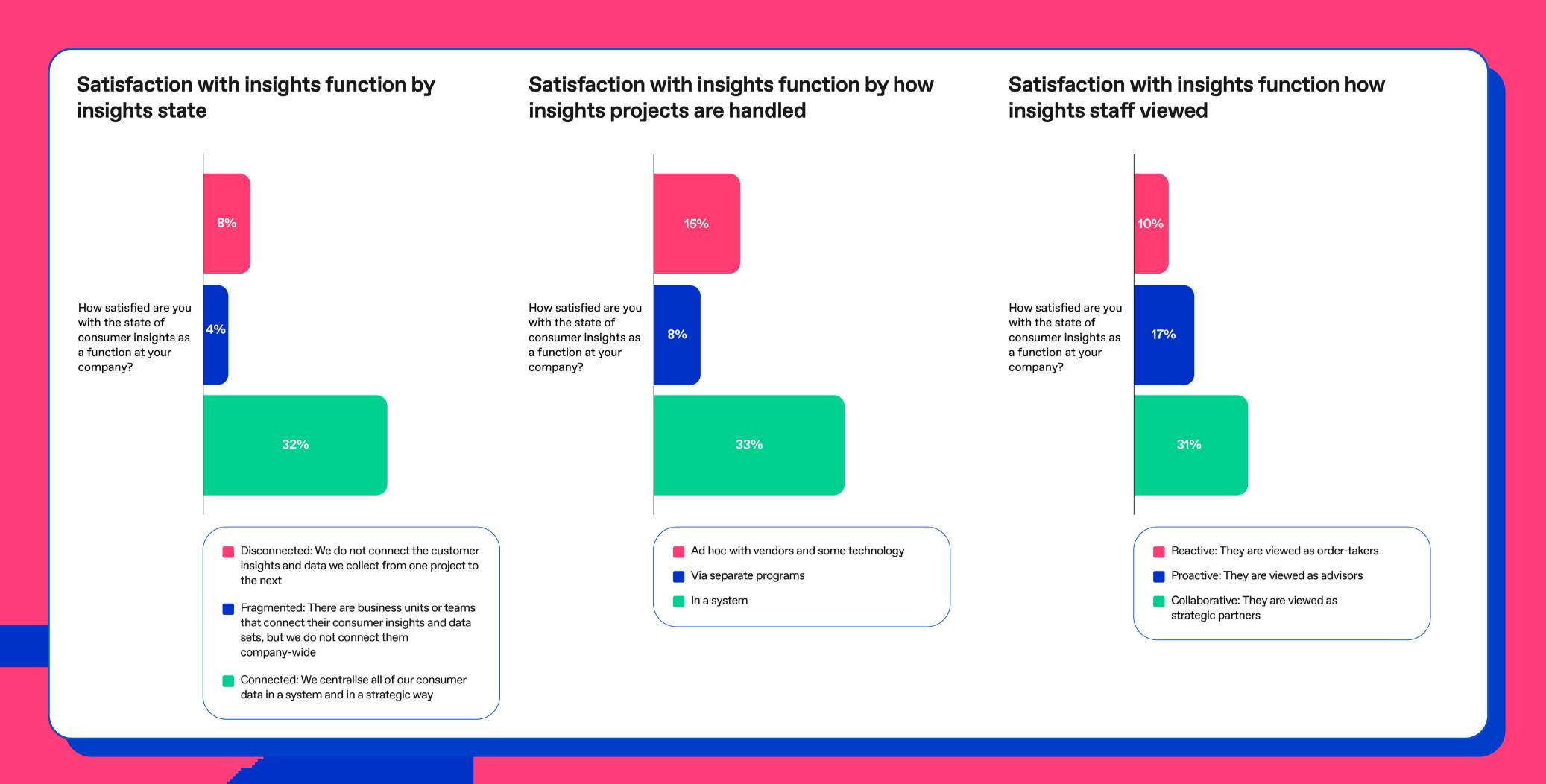
This has massive implications for insights teams, from how they approach consumer data to how they approach their day-to-day, because it can shape how insights leaders evangelize on behalf of the consumer, position their role internally, and more.

Your team's role isn't to single-handedly run all the research in the business or to control access to consumer data. It's to help and empower people across the organization to use meaningful consumer insights where and when they need them, so they make the best, consumer-oriented decisions. Your team can provide the competitive advantage of today: True consumer centricity.

Ryan BarryPresident, Zappi

As seen in the charts below, satisfaction is much higher when insights are connected, with consumer data centralized systematically. This is also the case when it comes to how projects are handled, with the majority of respondents stating that they are more satisfied when insights are collected in a system.

Where insights teams may have been previously seen as order takers, satisfaction levels are considerably higher when they are viewed as strategic partners.

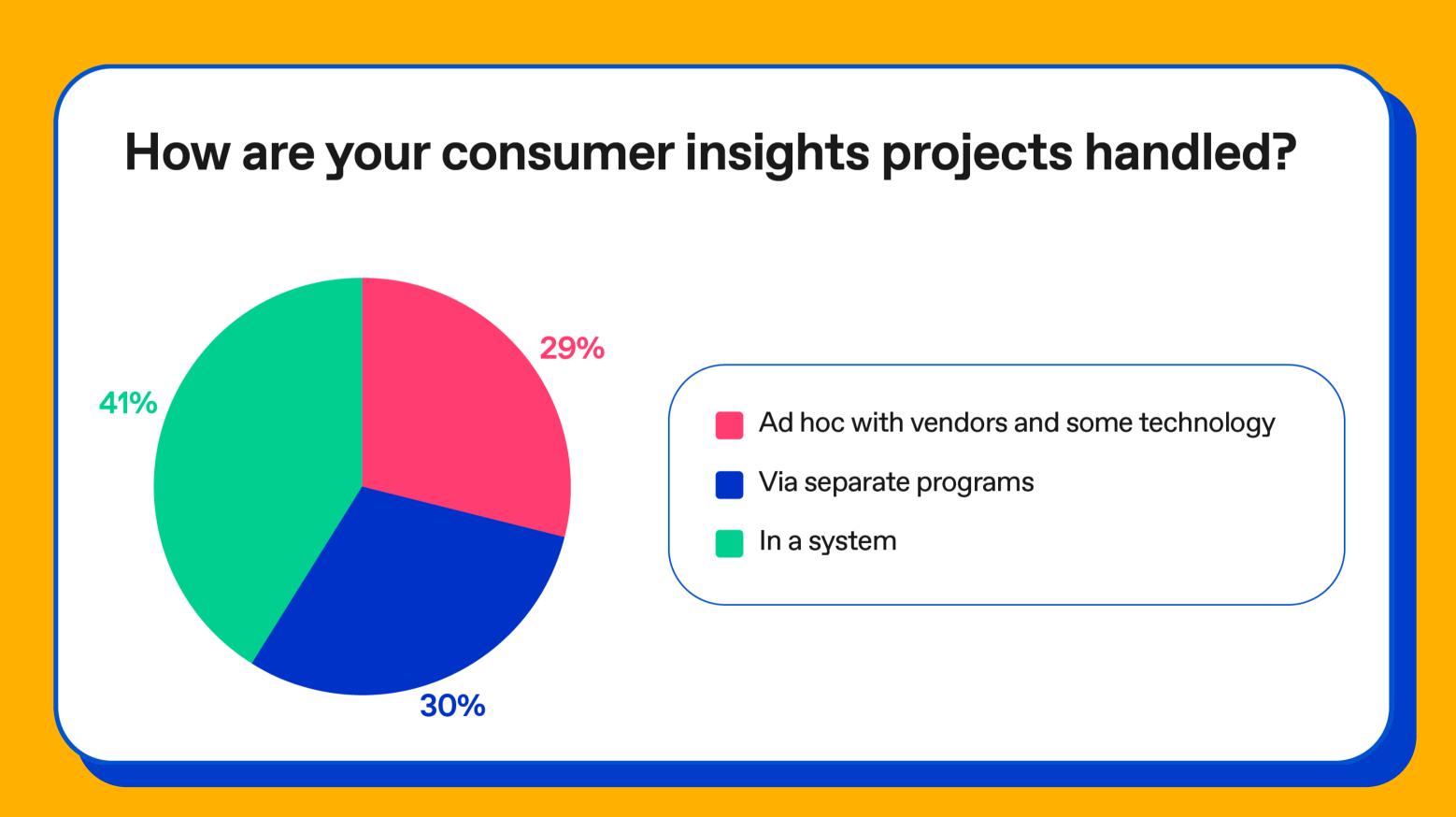


4. Most companies have not yet systematized insights

While we touched upon this briefly in the previous sections, it's worth calling out separately that most companies have yet to systematize their insights.

Our data shows that when systematized, **connected insights are a key driver for high satisfaction** within companies that have implemented it, from both a team and project perspective. This is a clear indication of the benefits to the insights function, in addition to the benefits of connecting insights from a business decision-making standpoint.

The more connected insights are, the easier it is for businesses to make informed decisions.



A big benefit is being able to look back and see what worked and what didn't and theme the learning to focus on better product options in the future. We have learnings we can now apply and get smarter.

Amanda Addison

Senior Manager, US Menu Insights, McDonald's



5. Insights teams are more likely than marketers to be driving the Al agenda

The rise of AI often stirs fears about technology taking over jobs, as machines become capable of performing tasks traditionally done by humans. However, while AI does have the potential to disrupt certain job markets, **embracing it can bring substantial benefits**.

Al can handle repetitive and mundane tasks, allowing insights professionals to focus on more complex, creative and strategic activities. Moreover, Al can provide valuable insights and improve decision-making across various industries, driving growth and efficiency — which is why it is so beneficial to embrace it.

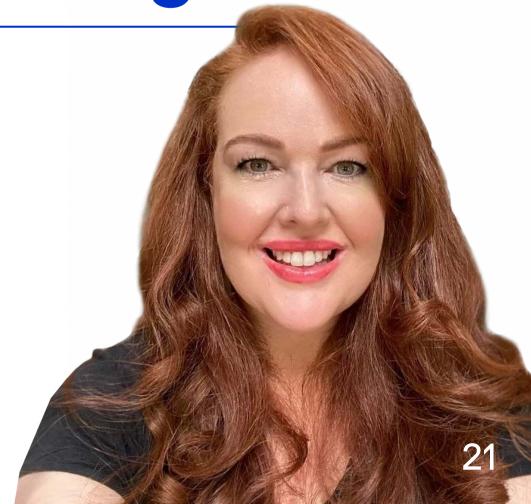
When surveying respondents, **insights teams were** recorded as being more willing to lean into Al and have a greater understanding of its importance.

Over 35% of insights professionals strongly agree that it's important to use Al for consumer insights

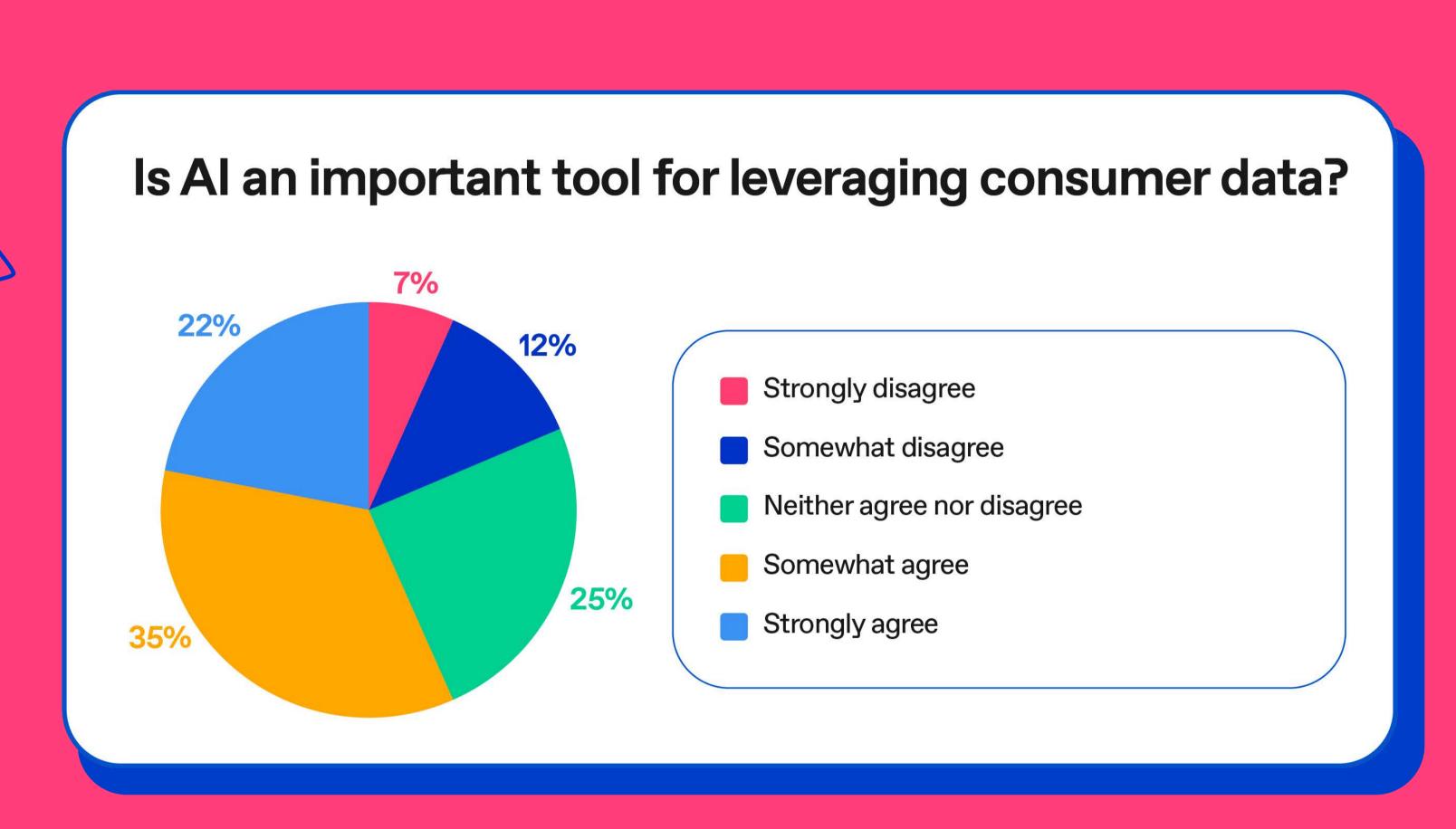
The future of insights is not less human. It's actually using us as humans in a better way. It's having humans understand how to partner with machines and working out how humans give you that competitive advantage.

Nic Umana

Global Agile Innovation Human Intelligence Director, Mars

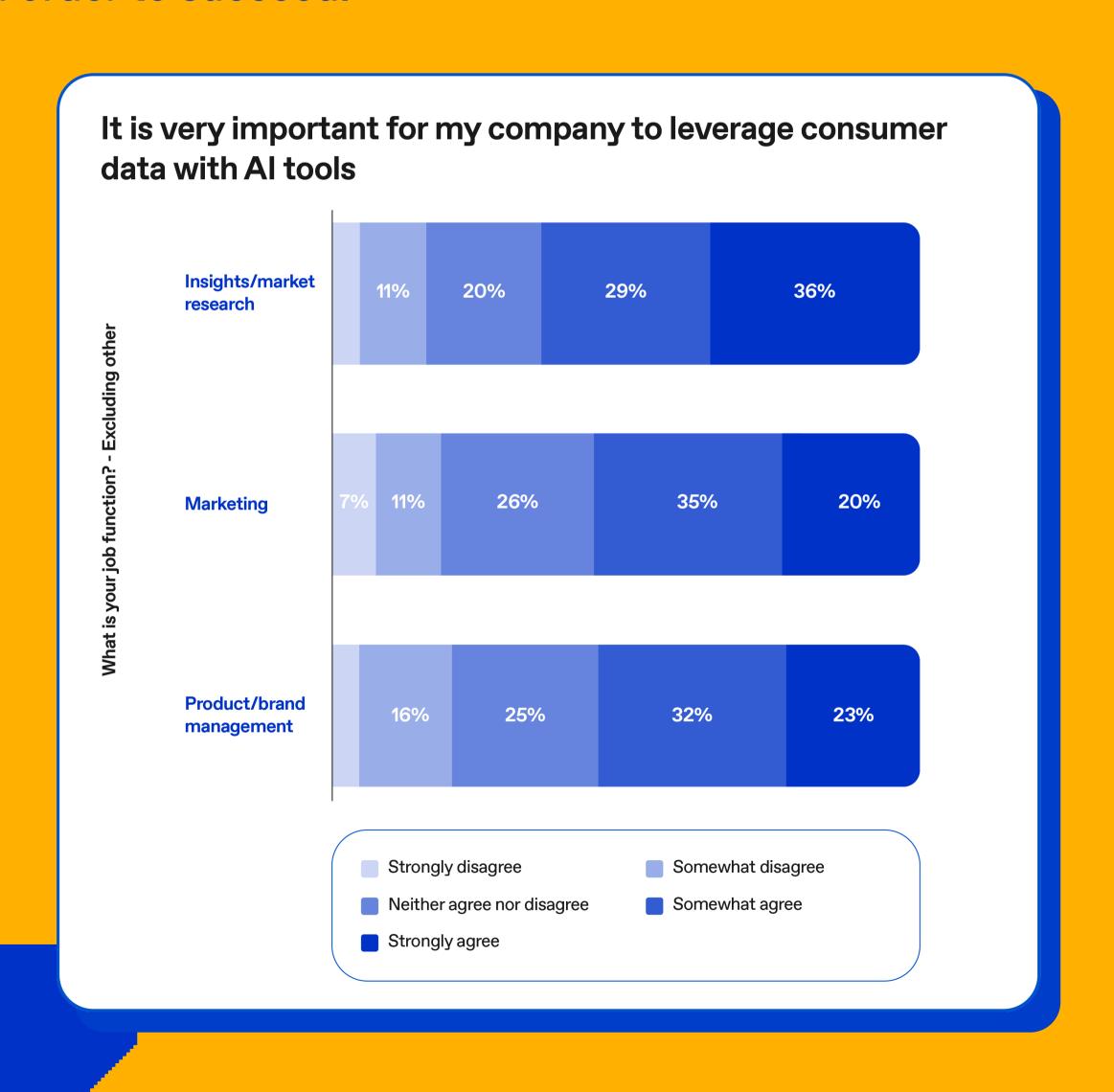


The majority of respondents (57%) believe it's important for their company to use Al tools to leverage consumer data.



Insights professionals are more likely than marketing respondents to believe in the importance of AI, and are also more likely to state that they have embarked on this process already.

Over 35% of insights professionals strongly agree that it's important to use Al for consumer insights, which indicates an openness within the function to embrace new technologies and ways of working. This implies a certain fearlessness to their approach — something brands need in their corner in order to succeed.



The worst thing we can do is tell people not to use these tools. Everyone in every function should be experimenting, they should be understanding the capabilities, and they should understand the risks.

Nic Umana

Global Agile Innovation Human Intelligence Director, Mars



Implications for CMOs

1. Make connected insights a strategic and budgetary priority

2. View the insights function as a strategic partner to marketing

3. Address the data fragmentation blocker

4. Recognize that systematization and technology use are very different things

5. Prepare to unlock the potential of Al by connecting data and insights

1. Make connected insights a strategic and budgetary priority

When planning their budget for the year ahead, CMOs need to ensure that connected insights becomes a priority not only in the budget, but as part of their strategy.

Without connected data and insights, CMOs are missing a huge opportunity to become better data storytellers. As seen in our data, consumer insights are "massively influential" on business decisions, but have the potential to make an even greater impact when they are fully connected.

The CMO who successfully connects their data will have a major competitive advantage against rival brands who are swirling in a sea of disconnected data and insights.

Connected insights will be the piece that helps drive the clarity and becomes the business advantage every CMO needs to help their business succeed.

It's really about having the courage to face a changing world. So going into the future with your eyes wide open, knowing that things are not going to be the same as they always have been.

Joanna Lepore

Global Director of Foresight and Capabilities Exploration, McDonald's



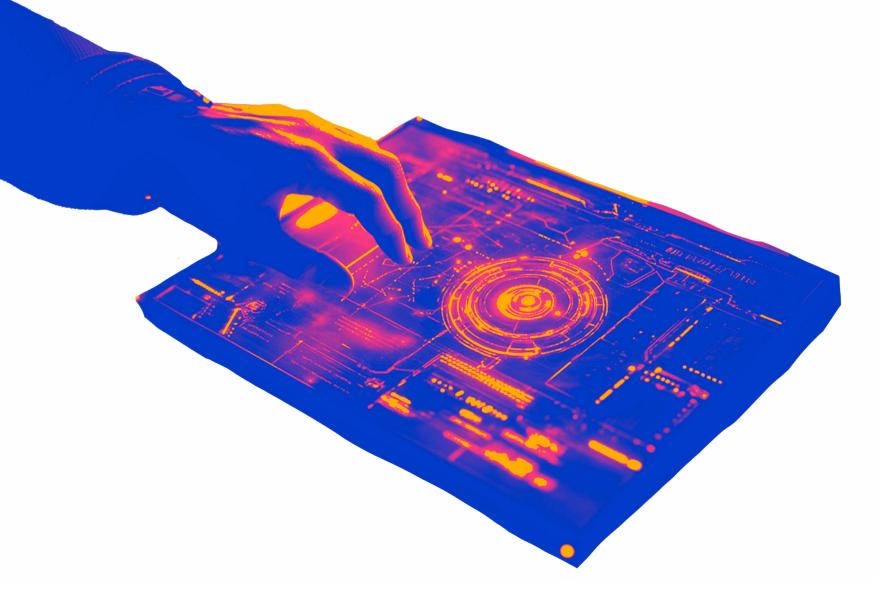
2. View the insights function as a strategic partner to marketing

The insights team is now being viewed as a strategic partner by more organizations than ever before. Satisfaction with insights and business impact depends directly on how the function is viewed internally.

Every CMO who wants to succeed should ensure that the insights function is driven by a strong strategic partner who can support the CMO's overall objectives, as well as help them to make better decisions based on their consumer research.

What we needed to do was transform the perception of the role of insights from a doer that provides support, to a strategic partner to the different key stakeholders. And for that, we first needed for the local insights team to be able to focus their time on more strategic projects and not be drowning with very recurrent simple tasks.

Jennifer Picard
Global Insights Transformation
Lead, Sanofi



3. Address the data fragmentation blocker

CMOs are finding that one of their biggest challenges to leveraging consumer insights fully is one of data consolidation.

When data is in silos and disconnected, the CMO cannot access meaningful insights that span across demographics, business units and geographies to drive true strategic advantage and leadership in competitive markets.



4. Recognize that systematization and technology use are very different things

At one point in time, it was novel to use technology for collecting consumer insights, with many CMOs leaning on marketing agencies and service providers to carry out this work in more manual, offline ways.

Today, 78% of companies are already using technology. What will differentiate the leaders from the followers is not only using technology, but handling their consumer insights projects in a systematic way.

With 59% of respondents admitting that their consumer insights projects are not yet handled systematically, every CMO should take advantage of the opportunity to beat their competitors to the punch in this regard.

However, this cannot be done without addressing the data fragmentation blocker. Making connected insights a strategic priority is also critical in order to pave the way for systematization.

We've started to do more iterations of tests on the same concept, to make it better. We can fit in a round of consumer input at almost any phase in the process now, which makes us much more in demand with our crossfunctional partners.



Senior Director, Consumer Insights Activation, McDonald's

5. Prepare to unlock the potential of Al by connecting data and insights

The majority of respondents (57%) believe it's important for their company to use AI tools to leverage consumer data.

However, even those for whom this is not yet a priority will need to begin preparing now for the possibility of leveraging Al in the future.

Al has tremendous potential for CMOs and marketing organizations, but data readiness is a huge determinant of a marketing team's capability for even using Al to begin with.

Insights teams are already further along on the journey of connected data and consumer insights than most marketing professionals. If the CMO prioritizes connected insights, they will also be setting their organization up for success for the future, in which Al will undoubtedly play more and more of a prominent role than it does today. We as researchers are in an incredibly brilliant position because we can be the data asset that is being used by Al to create new ideas and products. But the critical piece is that we are the ones who manage and worry about that data.

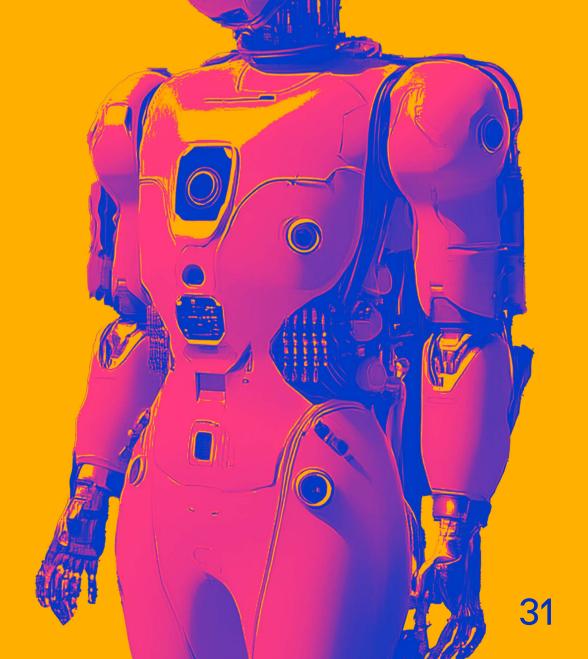
Steve PhillipsFounder and CEO, Zappi



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Implications for insights professionals

- 1. Get the connected data and insights agenda on the CMO's radar
- 2. Remember that truly connected insights extend across business units and geographies
- 3. Use Al to elevate the visibility of consumer insights functions
- 4. Highlight the importance of moving from tools to systems
- 5. Make the insights function a vital strategic partner to the leadership team



1. Get the connected data and insights agenda on the CMO's radar

As an insights leader, you are at the forefront of driving the agenda forward for connecting consumer data and insights. Yet, you cannot do this without the support of the CMO.

As a member of the leadership team, the CMO needs the data you have to support the goals of the business overall. The counterparts of the CMO, including the CEO and CFO, are relying on this type of data and insights in order to make the best strategic decisions and investments for your business.

Take the time to **establish a true partnership** with them and have open conversations about the benefits of connected data to truly get it on their radar.

You really have to do things differently. You cannot do the same thing that you used to do 5 to 10 years ago.

Joseph Chen
Founder & CEO, Leo & Dragon
(former Mondelez)



2. Remember that truly connected insights extend across business units and geographies

Insights leaders might claim victory prematurely if they believe that connecting data and insights across a single business unit or department is sufficient.

To drive truly connected insights, and to derive the highest level of value for their businesses, **insights leaders need to ensure that they are as inclusive as possible**, integrating data and insights across product lines, countries, brands and more.

Otherwise, valuable data can sit in silos, and businesses will still be missing out on broader consumer trends.

3. Use Al to elevate the visibility of consumer insights functions

Consumer insights leaders are ahead of the curve compared to the majority of marketers when it comes to driving and adopting Al for purposes of strategically leveraging consumer data and insights.

They are more likely to already be systematizing, connecting data and insights, and paving the way forward for Al adoption.

Other leaders who are in charge of data strategy, digitization efforts and other key strategic initiatives will find a strong partner in the insights leaders who champion Al. So if you haven't already, start exploring Al and the opportunities it presents for your role.

The biggest barrier of all is fear.

Tony Costella
Global Consumer and Market
Insights Director, Heineken

Don't be afraid to 'make yourself obsolete' because the people who do that are the ones who will experience the next new challenge. Do you really want to be doing 40 concept developments a year? No. That can be automated, so leave that and you can spend more time doing the exciting stuff.

Tony Costella

Global Consumer and Market Insights Director, Heineken

4. Highlight the importance of moving from tools to systems

In many areas of emerging technology, businesses embrace systems, as opposed to a collection of tools, in order to drive consolidation and encourage users to align around a common platform. Consumer insights is no different. By **capturing consumer data in a centralized platform** and in a systematized and holistic way, businesses can consolidate their data and better leverage it for strategic advantage.

However, it takes a change management effort within any business to make this type of transformation take place. For many companies, this process can take multiple years. It's not easy to move teams, business units, and individuals away from tools they are accustomed to using.

The most successful insights leaders will make a strong business case for centralizing their data and insights into a single platform, in order to drive the change that will enable them to make better decisions on behalf of their customers.

5. Make the insights function a vital strategic partner to the leadership team

While we are already seeing a positive shift towards insights teams being viewed more as advisors or strategic partners as opposed to the "order takers" of the past, there's still some work to do here.

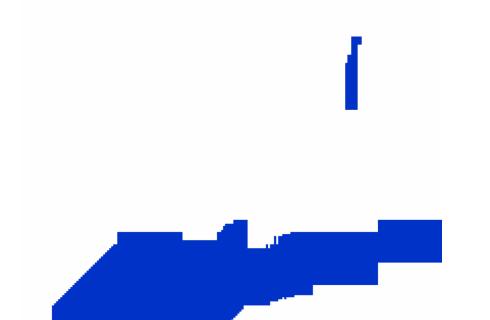
In reality, insights teams are a critical component for leadership teams. Without having insights leaders at the table, it makes it that much harder for businesses to make informed decisions on behalf of the consumer.

For organizations who already view insights as a strategic partner, overall satisfaction is reported to be much higher. Fortunately, this shift in perspective appears to be moving in an upwards trend, but it's important to advocate for insights to have a seat at the decision-making table in order to succeed.

Our voice matters and that is a really important lesson that I learned very early in my career... we are advocating for others [the consumer]. We're not advocating for ourselves....You can have the best data in the world, you can have the latest technology, but when decisions are made and you're not bringing that voice forward, then we're doing them a disservice.

Stefania Gvillo

SVP, Chief Analytics and Insights Officer, Domino's



Introducing the Connected Insights Framework

Consumer insights should be at the heart of decision making, but putting this into practice is no small undertaking.

In order to achieve a consumer-centric reality at your business, you first must embark on a journey. That journey involves advocating for change management, so that the role of **the insights function itself can change and evolve** within your organization.

In our experience working with insights leaders at some of the world's most successful global brands, Zappi created the Connected Insights Framework to help companies identify where they are in this journey, and how to move from one phase to another. Having validated the model with our customers to address this challenge for more than a decade, our hope is that it will help the insights community at large put the consumer squarely in the center of everything businesses do.

Through consistency and owning our own data, we now have greater consumer centricity. We are getting smarter and smarter over time by connecting all our data across brands, countries, categories, on and off platform to give us meta learnings.

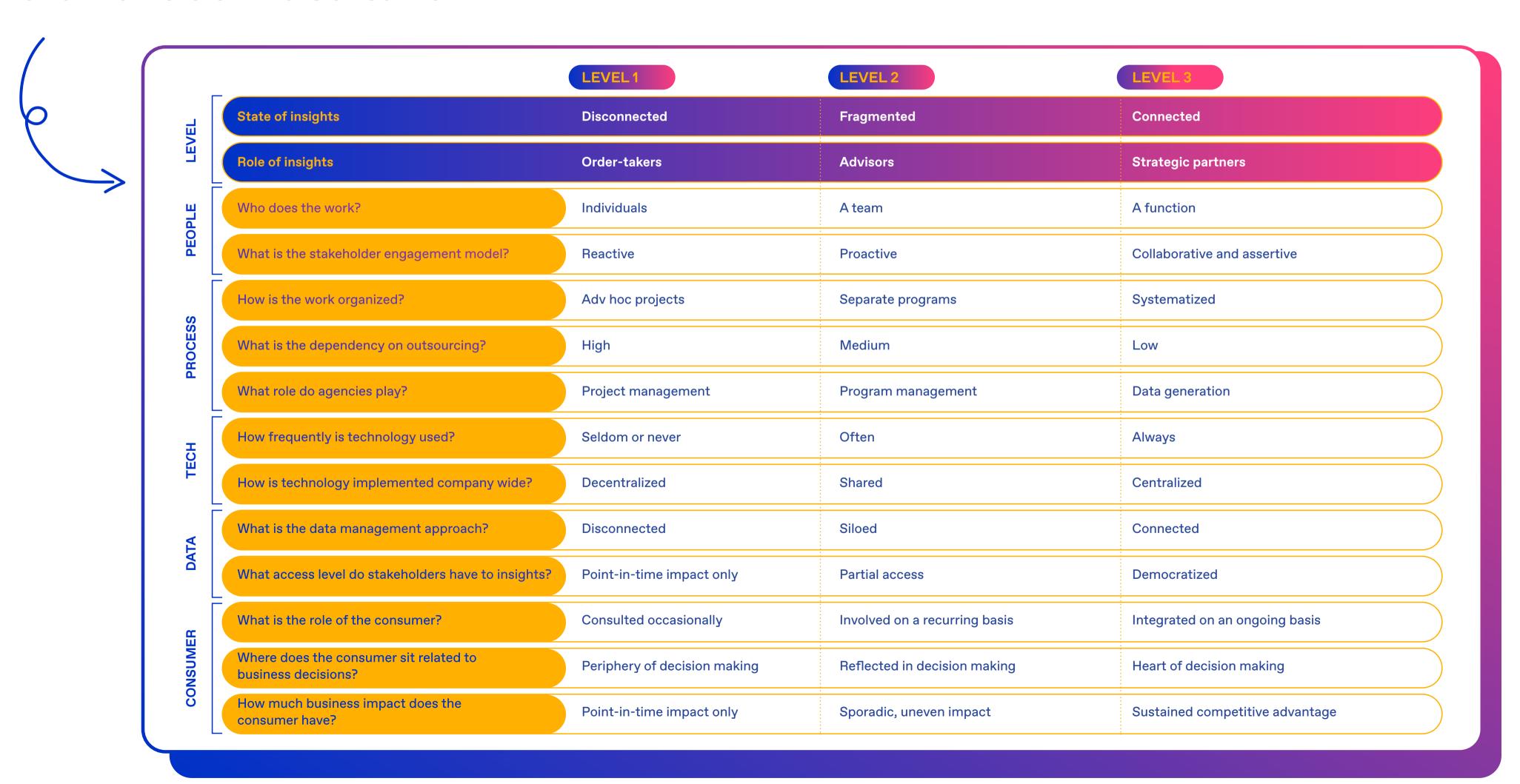
Stephan Gans

SVP Chief Consumer Insights and Analytics Officer, PepsiCo

The framework

The framework highlights many areas of focus in which business leaders, particularly insights and marketing leaders, must partner in order to drive change via the insights function. It asks a series of questions to enable individuals to self-assess their level of maturity.

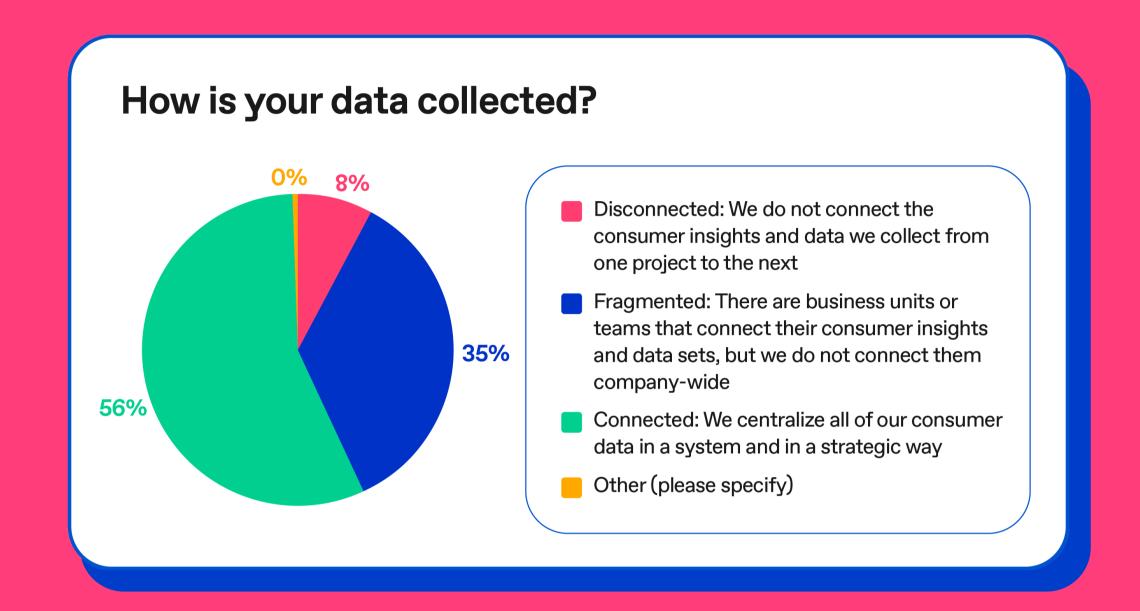
The core areas covered in the framework are: People, Process, Technology, Data, and the Role of the Consumer.

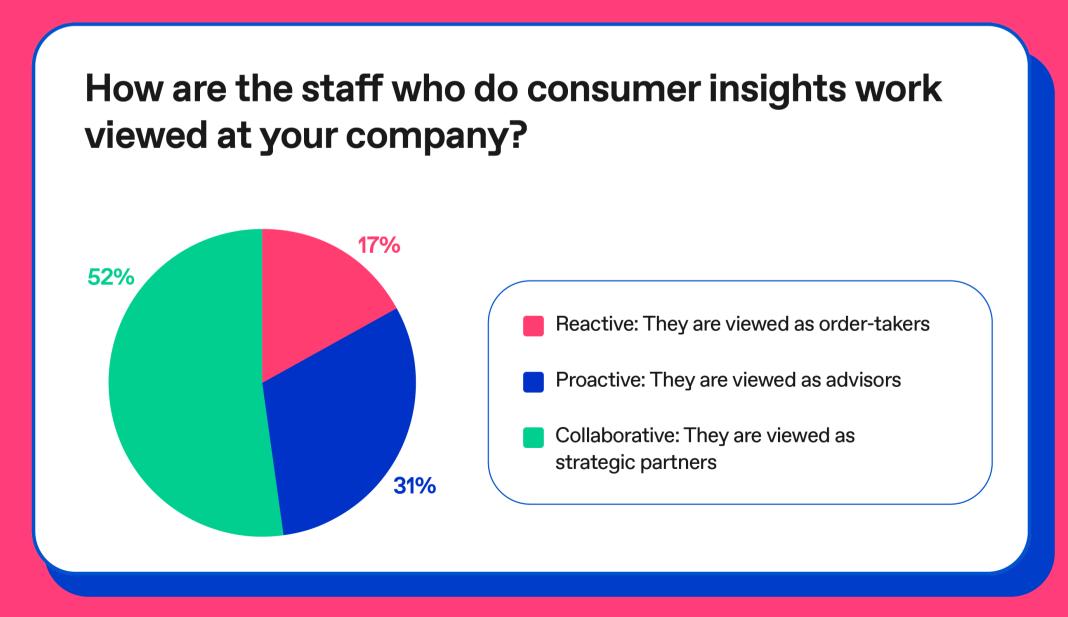


What do the results of our survey tell us when we look at them through the lens of the framework?

43% of respondents said the insights and data they collect are not yet connected, but are instead disconnected (Level 1) or fragmented (Level 2). According to this view, 57% of companies surveyed would appear to be in Level 3, the most advanced level of insights maturity.

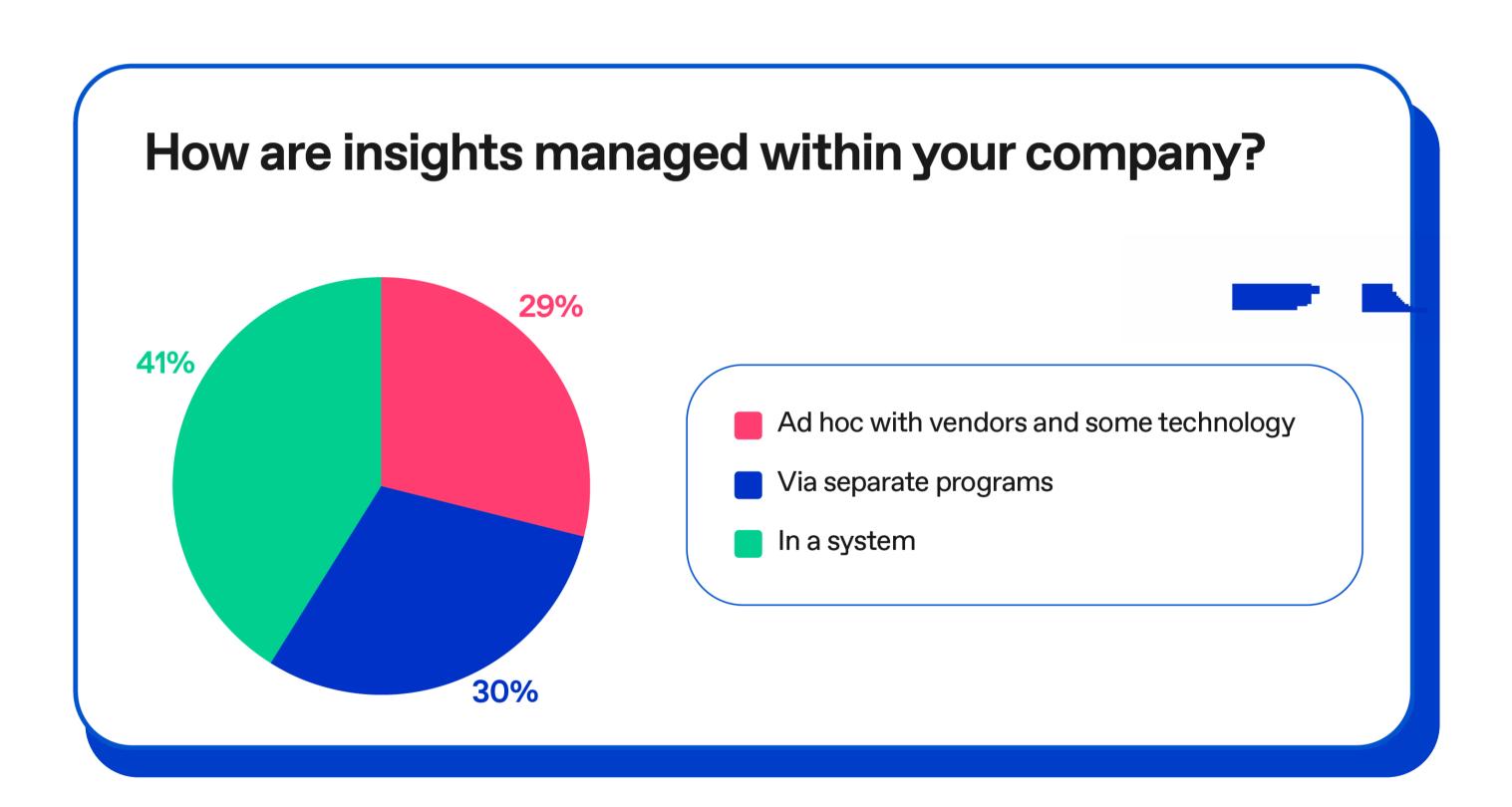
However, when we ask how insights teams are viewed within a company, we find that 17% are still viewed as order-takers (Level 1). A further 31% are viewed as proactive (criteria for Level 2), while 52% are viewed as strategic partners (Level 3).





Interestingly, there is an even bigger divide between the self-reported view of the insights function and what companies do in practice to organize their work.

The vast majority of respondents (59%) do not yet manage their insights work in a systematic fashion (Level 1 or Level 2), which means 41% meet the criteria for Level 3 when looking at how the work is organized.



Our research indicates that there are significant differences between three important variables:

- 1. How companies view their insights connectedness (State of Insights)
- 2. How the insights function is viewed (Role of Insights)
- 3. Their ability to actually carry out work in a connected and systematic fashion (Systematization of Insights)

The gap between these three aspects is important to highlight, because the inability to actually do insights work in a systematized way truly hinders the insights team's ability to contribute to strategic business impact in the long term.



When we analyze the results of these three critical variables using the survey data through the lens of the Connected Insights Framework, we find that 50% of companies surveyed self-identify in Level 3 (Connected), while nearly a third (32%) are at Level 2 (Fragmented), and nearly a fifth (18%) are in Level 1 (Disconnected).

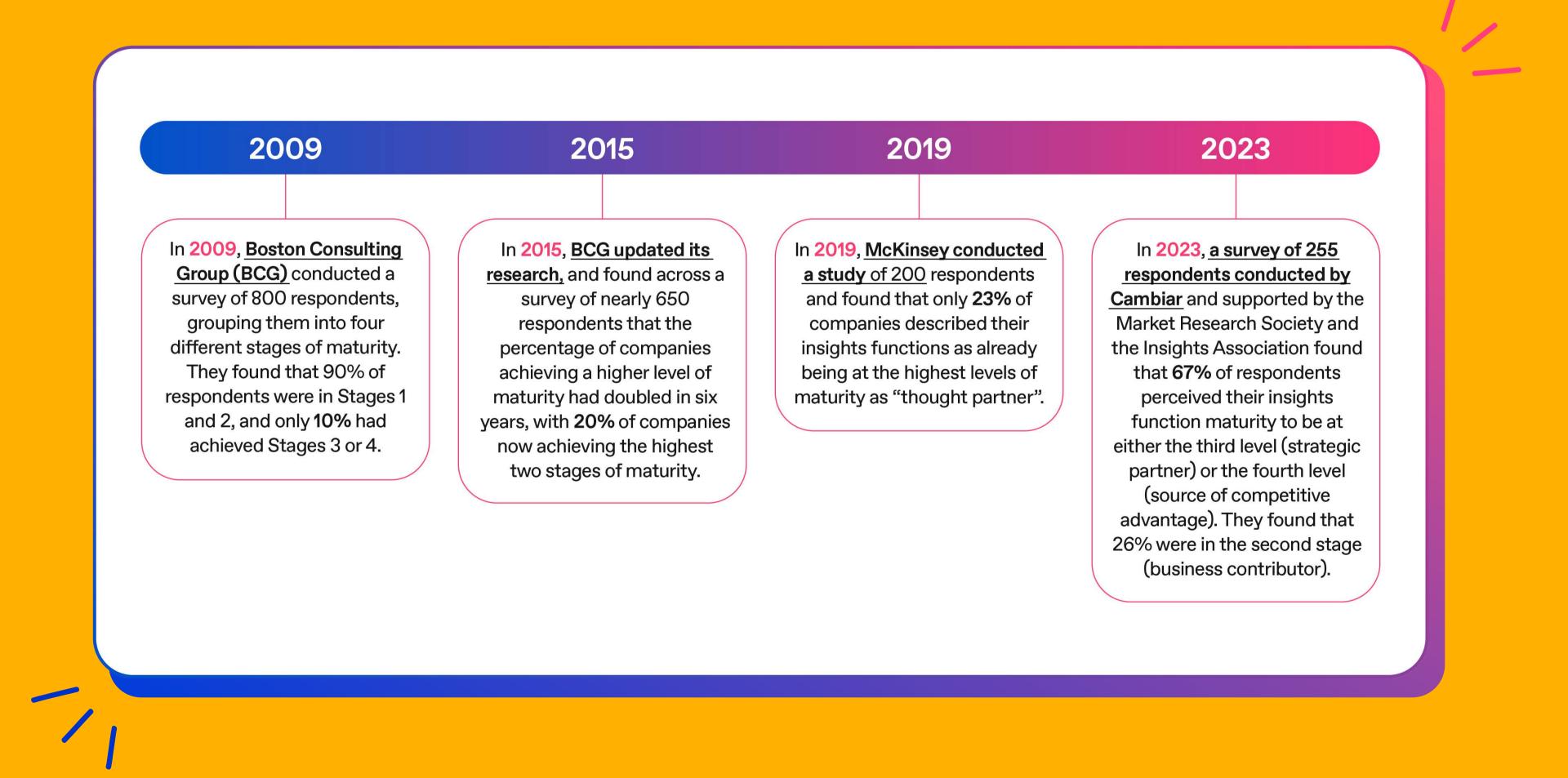


Insights maturity	Level 1	Level 2	Level 3
State of insights	Disconnected (8%)	Fragmented (35%)	Connected (56%)
Role of insights	Reactive (17%)	Proactive (31%)	Strategic (52%)
Systematization of insights	Ad hoc projects (29%)	Separate programs (30%)	Systematized (41%)
Composite score	18%	32%	50%

Connected Insights is now a business imperative

To understand what these research findings tell us about how consumer insights capabilities may be evolving over time, we looked at past research studies conducted by a variety of organizations.

In general, the percentage of organizations reporting more advanced insights maturity levels appears to be increasing over the past 15 years:



The current study from Zappi and the American Marketing Association is the largest known sample of respondents of any similar insights maturity study conducted since the original BCG research in 2009. Our research indicates that 50% have reached a higher-level state of maturity, which is somewhat lower than the 2023 study from Cambiar, but higher than the 2019 study from McKinsey.

Our study differs in that it places respondents across three levels of maturity instead of four, but also in that it differentiates between maturity levels based on perceived state of the insights function, the role of insights, and the systematization of insights, yielding a composite score.

Looking holistically at the general direction of maturity across all of these studies, we conclude that **systematizing insights**, and driving insights maturity more generally, **is not only an important and growing trend, but rather a business imperative.**

Companies that fail to take concrete steps toward improving their insights maturity ultimately may fail to drive consumer centricity, and run the risk of their businesses and brands being left behind.

Methodology & respondent profile

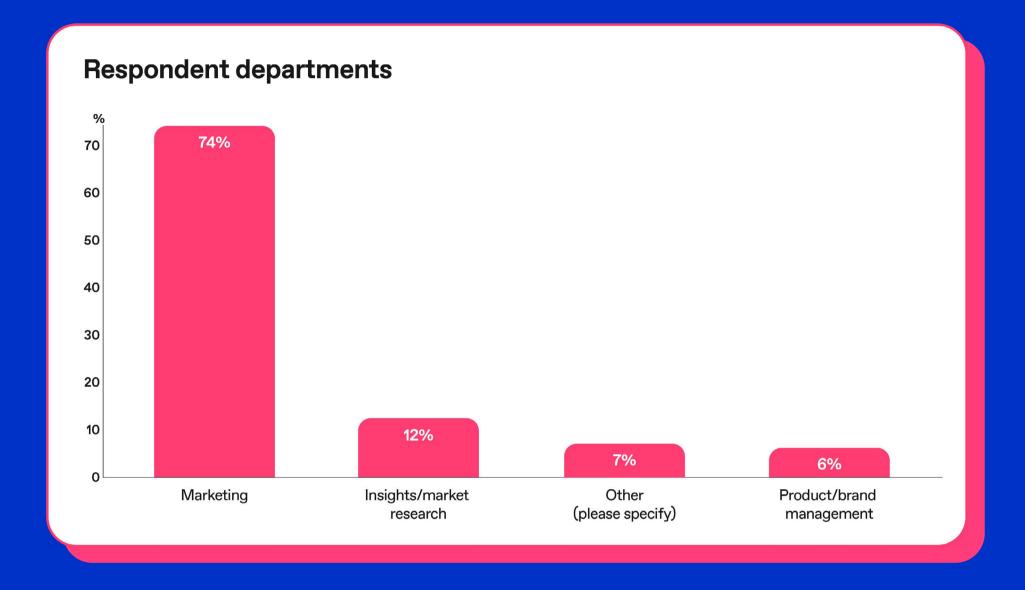
From April to June 2024, Zappi and the American Marketing Association administered a survey to gain a better understanding of the current state of connected insights.

To do this, we surveyed **715** professionals working in marketing teams at brand-side organizations on an array of topics about how they manage and view their insights function.

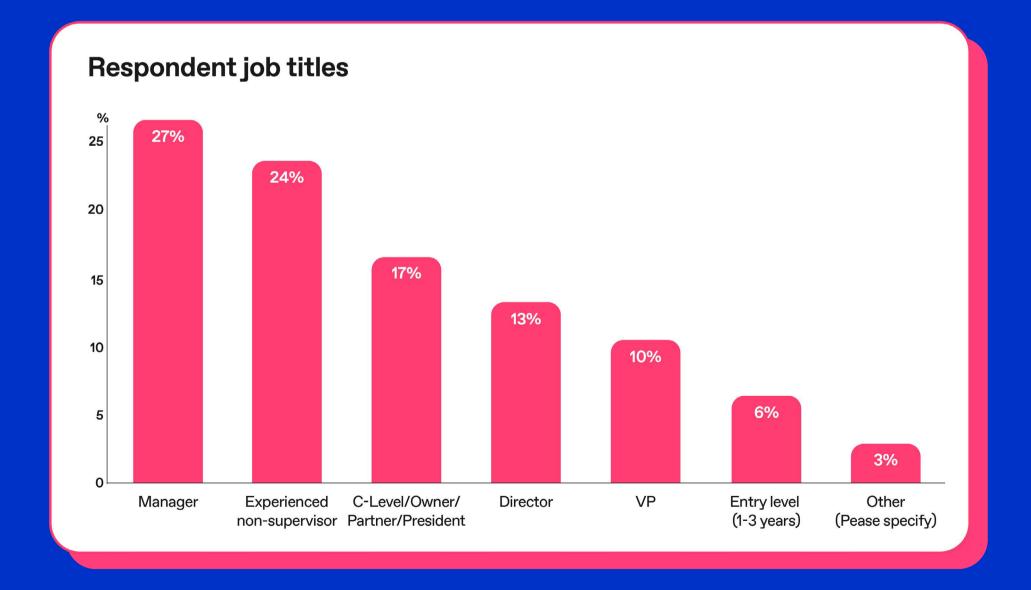
The following pages illustrate the profile of the respondents.



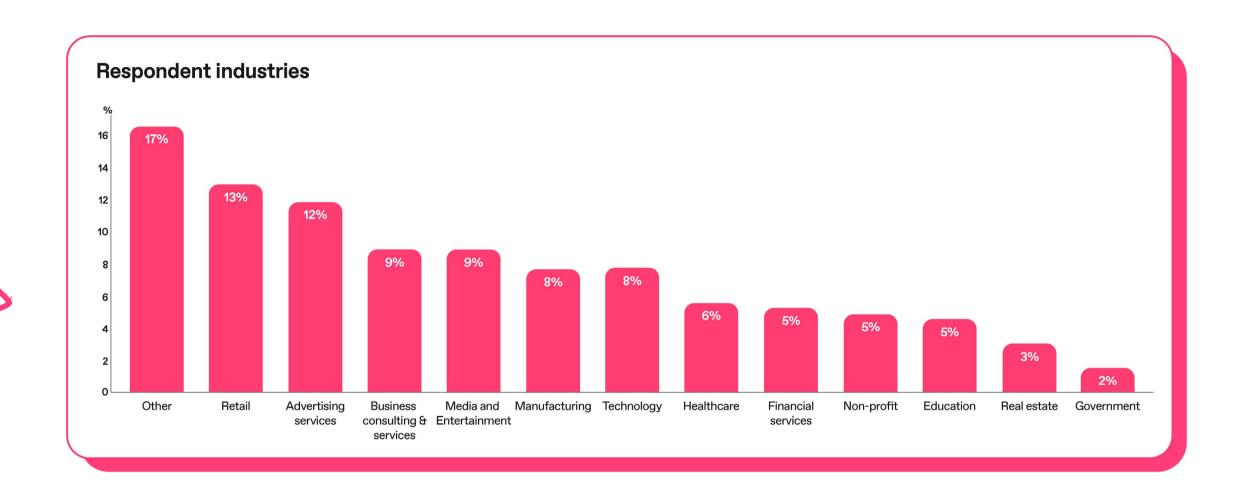
- 86% of respondents are marketing and market research professionals. —



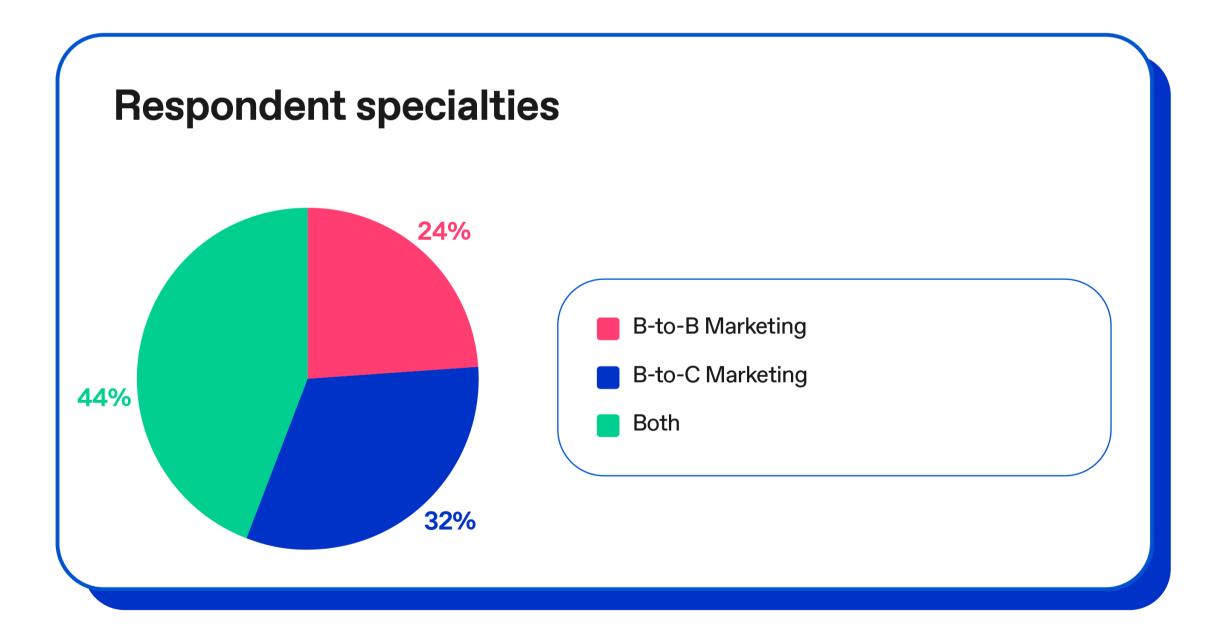
40% of respondents hold director titles and upwards.



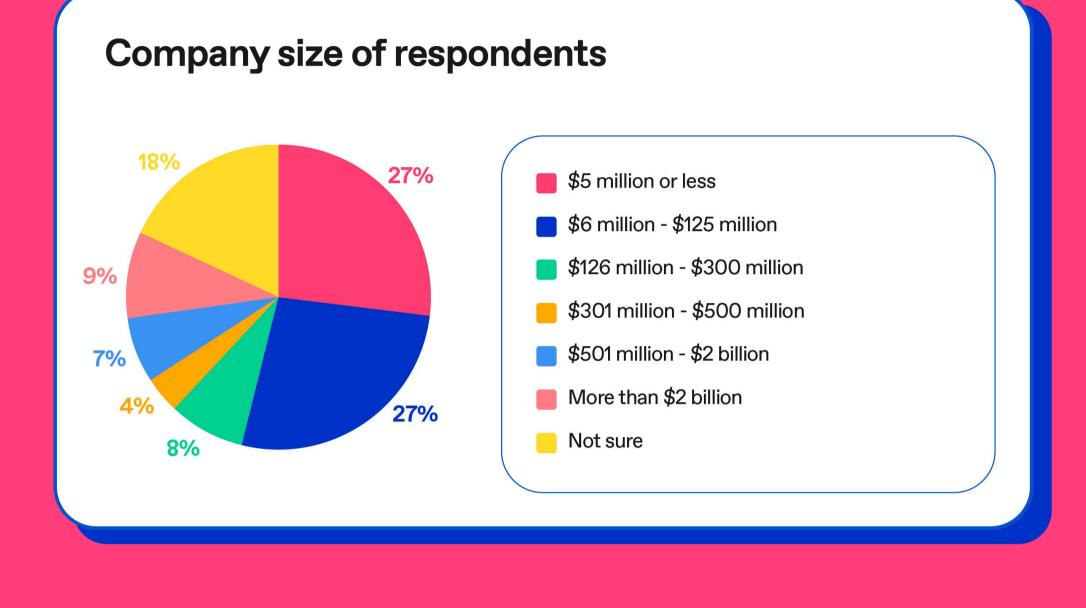
The majority of respondents (59%) span 6 industries: Retail, advertising, media, business services, manufacturing and technology.



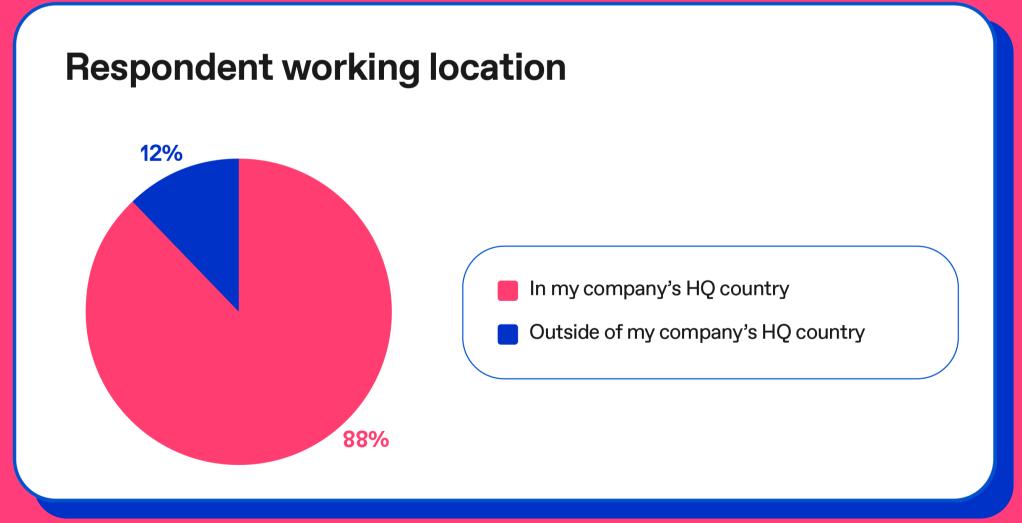
Respondents specialize in a mix of B2B, B2C or both.



Respondents reflect a crosssection of company sizes.



Most respondents (88%) work within their company's headquartered country.



About Zappi

Zappi is the leading agile market research platform that makes you smarter the more you use it.

We help brands to make every idea and execution better than their last by providing faster, more affordable, and better consumer insights so you can improve your ads and products as you develop them, have confidence when you launch and learn systematically.

Our mission is to drive better ways of working, resulting in stronger brands and smarter growth by inspiring, optimizing and validating your products and ads so everyone and every idea is set up for success.

Zappi has been named the Best Marketing Insights Platform by the 2023 MarTech Breakthrough Awards and one of the hottest martech companies by Business Insider, and our award-winning culture has been recognized by FastCompany, Comparably, Quirks, Great Place to Work and more.

With offices in Boston, London and Cape Town, we are a hybrid company where career growth is equitable for everyone, whether you do your best work fully remotely, from an office, or a mix of the two.

Transform your ad and innovation development process with insights early and often.

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About the American Marketing Association (AMA)

As the leading global professional marketing association, the <u>AMA</u> is the essential community for marketers. From students and practitioners to executives and academics, we aim to elevate the profession, deepen knowledge, and make a lasting impact. The AMA is home to five premiere scholarly journals including: <u>Journal of Marketing</u>, <u>Journal of Marketing</u>, <u>Journal of Public Policy and Marketing</u>, <u>Journal of International Marketing</u>, and <u>Journal of Interactive Marketing</u>. Our industry-leading training events and conferences define future forward practices, while our professional development and <u>PCM® professional certification</u> advance knowledge. With 70 chapters and a presence on 350 college campuses across North America, the AMA fosters a vibrant community of marketers. The association's philanthropic arm, the <u>AMA's Foundation</u>, is inspiring a more diverse industry and ensuring marketing research impacts public good.

AMA views marketing as the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. You can learn more about AMA's learning programs and certifications, conferences and events, and scholarly journals at **AMA.org**.

