Gordon Hooper - AI's impact on South African market research

By Gordon Hooper   19 Jan 2024

Market research in South Africa is gearing up for a big change, and the driving force behind it is anticipated to be Artificial Intelligence (AI).

When looking ahead to 2024 and beyond, it's evident that the partnership between AI and market research is set to reshape the industry, offering new and hopefully better ways to gather, analyse, share, and use strategic insights.

The rise of AI in South African market research

Concept testing has been a key step in the traditional realm of bringing new ideas to market. Still, it's had challenges in making ideas come to life in the research process.

Enter generative AI, which is expected to simplify the task of creating accurate verbal and pictorial conceptualisations for concept testing, giving a better understanding of what consumers think about new product ideas.

Simplifying concept testing with Generative AI

AI is also predicted to step in as an editor for research reports, ensuring they're clear and polished, overcoming language barriers ever-present in South Africa, and providing a significant step forward in improving the professionalism of research reporting.

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Elevating research reporting: AI as an editor

Qualitative research is expected to get a major boost with AI-driven thematic content analysis, digging into open-ended questions in qualitative and quantitative surveys.

Thematic content analysis and coding of open-ended questions have always been extremely labour-intensive and open to variation in interpretation by human analysts.

Using AI in the mundane task of thematic content analysis of text-based data is, without a doubt, revolutionary; it's like Excel working with words, not numbers.

Revolutionising qualitative research with AI-driven content analysis

Sorting through insights from multiple research reports has been time-consuming and prone to mistakes and omissions. AI is predicted to be a competent guide in this complex strategic task helping decision-makers see the big picture more

efficiently.

Navigating the sea of insights: AI's role in data management

Consumer trends, often hard to pin down, are expected to become clearer with AI's abilities in social media analysis. Social media listening tools will benefit dramatically from generative AI, yielding a better understanding of evolving consumer trends across important demographic and location variables.

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Unveiling consumer trends: Social media analysis with AI

Reducing time spent on questionnaire design, analysis, and report writing without compromising quality has been a long-standing goal in market research. AI is expected to speed up these processes significantly, cutting down time, saving costs and speeding up turnaround times. Such efficiencies promise to be a fundamental industry shift, freeing up resources for more strategic work.

Streamlining market research processes with AI efficiency

However, there are concerns about the promising world of AI and its application to market research. There's a risk of AI unintentionally making generalisations and missing local nuances. By definition, AI tends to zero in on popular opinion at the expense of local nuances. The underlying algorithms "learn" from the masses, not the eccentric. A keen human eye and delicate touch will be needed to work hand-in-hand with AI to ensure that innovation is not compromised by AI's tendency to gravitate towards central tendencies.

Balancing AI's potential with the need for human expertise

A growing worry is the rise of do-it-yourself research. As AI tools become more accessible, there's a risk that people with limited research experience will try research on their own.

This invariably leads to poorly designed research and interpretation, potentially hurting the quality of insights and their strategic usefulness.

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AI as a Transformative force: Rethinking research approaches

An even bigger worry for me personally is the talk of what is tentatively called "synthetic data". The somewhat repelling idea of generative AI "generating" artificial respondents to participate in surveys and focus groups is already in existence. Visualise a research panel from which to resource respondents who are artificial personas with inbuilt needs and perceptions about brands.

Personally, I shall put my trust in flesh and blood respondents.

In the grand scheme of market research, AI is a powerful tool but comes with risks. It can deliver great insights quickly and cost-effectively, symbolising progress.

However, if misapplied, AI could become a powerful but blunt tool, potentially providing poor strategic insights. The key is finding a delicate balance in using this tool. A chainsaw effectively cuts down an unwanted tree but is not great for carving a roast chicken.

Guiding principles emerging

A few guiding principles emerge as businesses and research professionals enter this AI-driven journey.

- Embracing the Future: AI's role in shaping market research in South Africa: A balanced and responsible integration of AI is crucial. Recognising its potential while understanding its limits is key. The fusion of AI with human expertise is important, ensuring insights contribute meaningfully to informed decisions.

- AI as a transformative force: Rethinking research approaches: The second guiding principle is understanding that AI isn't just a tool; it's a transformative force. Beyond the efficiencies gained, AI prompts re-evaluating how we approach research, creativity, and communication. It's a catalyst for evolution, challenging us to think beyond traditional methods.

Embracing the future: AI's role in shaping market research in South Africa

In conclusion, the future of market research in South Africa will be tied to the evolution of AI. The integration of AI isn't just a tech upgrade but rather promises to be a shift in how we perceive, communicate, and act on insights.

Practitioners need to embrace this evolution responsibly, recognising AI as a valuable ally in shaping the future of market research.

AI invites us into a future where insights are crafted with more precision, creativity, and strategic foresight. The anticipation is real, and the call to action is clear; South African market research is on the verge of a transformative journey, guided by the extraordinary potential of AI.

ABOUT GORDON HOOPER

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