

How AI Destroys^{the} *Economics* of Market Research

AI won't kill market research. But it will change what clients pay for, where the margin sits, and what a research company has to be good at.

When answers become free, evidence becomes the product.

BY MATILDA SARAH, CO-FOUNDER, DISPLAYR

Most Research Companies Think They Are Preparing For AI

They are investing in copilots, automating reports, training researchers to use better prompts, experimenting with synthetic respondents, and using it for qual analysis. All of that makes sense. It is also preparing them for the wrong future.

The biggest change AI brings to market research is not faster analysis, cheaper reporting, or even fewer researchers. It is a change in where value lives.

For decades, research companies made money from the work required to turn a business question into an answer: designing the study, collecting the data, cleaning it, analyzing it and presenting the result.

AI drives the cost of much of that work toward zero.

Here is what that means in practice. Coding open-ended responses used to cost a dollar or more per answer, per question — real money on any large study. It is now close to free. Producing the full set of tables for a wave once took days; it now takes minutes. The work still gets done. It just stops commanding a price.

That does not make research less valuable. It makes large parts of the current research business model less valuable.

The threat is not that AI replaces market research.

The threat is that research companies use AI to make the old business model faster, instead of building the one that replaces it.

Here is the uncomfortable version of that sentence: half of the industry's 2026 revenue is for work clients will not pay for by 2028. And most agency AI programs are aimed squarely at that half — using AI to make the existing factory line run a little faster, while keeping the business organized around it.

Faster horses.

The firms that win will automate that factory line away, and sooner than feels comfortable. The strategy is what they do with the people, the time and the margin that automation frees: they will organize themselves around a different source of value.

BY 2030, FOUR THINGS WILL DEFINE THE RESEARCH BUSINESS

Fresh facts will be scarce.

Execution will be cheap.

Proof will be worth paying for.

And expertise will live in systems, not just in people's heads.

AI Knows The Past. Your Clients Pay To Know What Happens Next

AI can summarize almost everything that has already been written, measured, recorded, or published. It cannot know how customers will react to a product that does not yet exist. It cannot know whether next month's price increase will damage retention. It cannot know why buyers quietly stopped choosing a brand in March unless somebody captured that information.

Those facts are not sitting inside an AI model, waiting to be retrieved. They have to be collected.

The travel industry lived through a version of this recently. When the pandemic gutted business travel, the consensus — and every forecast built on decades of booking history — said airlines would be forced back to competing on cheap fares. The fresh data said the opposite: wealthy leisure travelers, paying out of their own pockets, started buying the business-class seats that corporate frequent flyers no longer filled. "Premium leisure" was on nobody's radar, because it had never happened before. Today it is the most profitable segment in aviation and a fixture of every airline earnings call.

No AI trained on the pre-2020 world could have surfaced that. The fact had to be collected before anyone could act on it.

Synthetic respondents don't change this. They are useful for piloting, pre-testing and exploring ideas close to what has been seen before — but they are built from what is already known. An extrapolation of the past, not a window into the future.

By 2030, every serious competitor will have access to powerful models. Access to intelligence will not be scarce. Access to fresh, reliable evidence about real people will be.

By 2030, the most valuable thing a research company can own is a fact the rest of the market does not yet know.

The survey does not disappear. Maybe it changes form.

Check boxes, long questionnaires, and focus groups give way to shorter interactions, voice, behavioral data, passive signals, call transcripts, and conversations embedded in the customer's journey.

The format is up for grabs.

The function becomes more important, not less: finding out something the rest of the market does not already know.

And the biggest untapped source of fresh facts is already flowing through every business: conversations. Sales calls, support calls, interviews, open-ended comments — millions of hours of people explaining what they want in their own words, most of it evaporating because structuring it never used to scale.

Now it does. Every conversation can become structured, trackable evidence — a questionnaire nobody had to field, tracked over time like any other wave. And note the word: people, not customers — the same machinery that understands buyers understands employees, members and citizens. The discipline is becoming bigger than its name. It is understanding people at scale.

So the divide is sharp: the mechanics of designing, processing and analyzing research get cheaper, while access to high-quality human evidence — panels, trust, permission, representative samples, longitudinal access — gets more valuable, precisely because everything around it becomes easier to imitate.

That is the first shift: evidence becomes the scarce resource. The second is what happens to the price of everything in the middle.

The Middle Of The Value Chain Stops Carrying The Margin

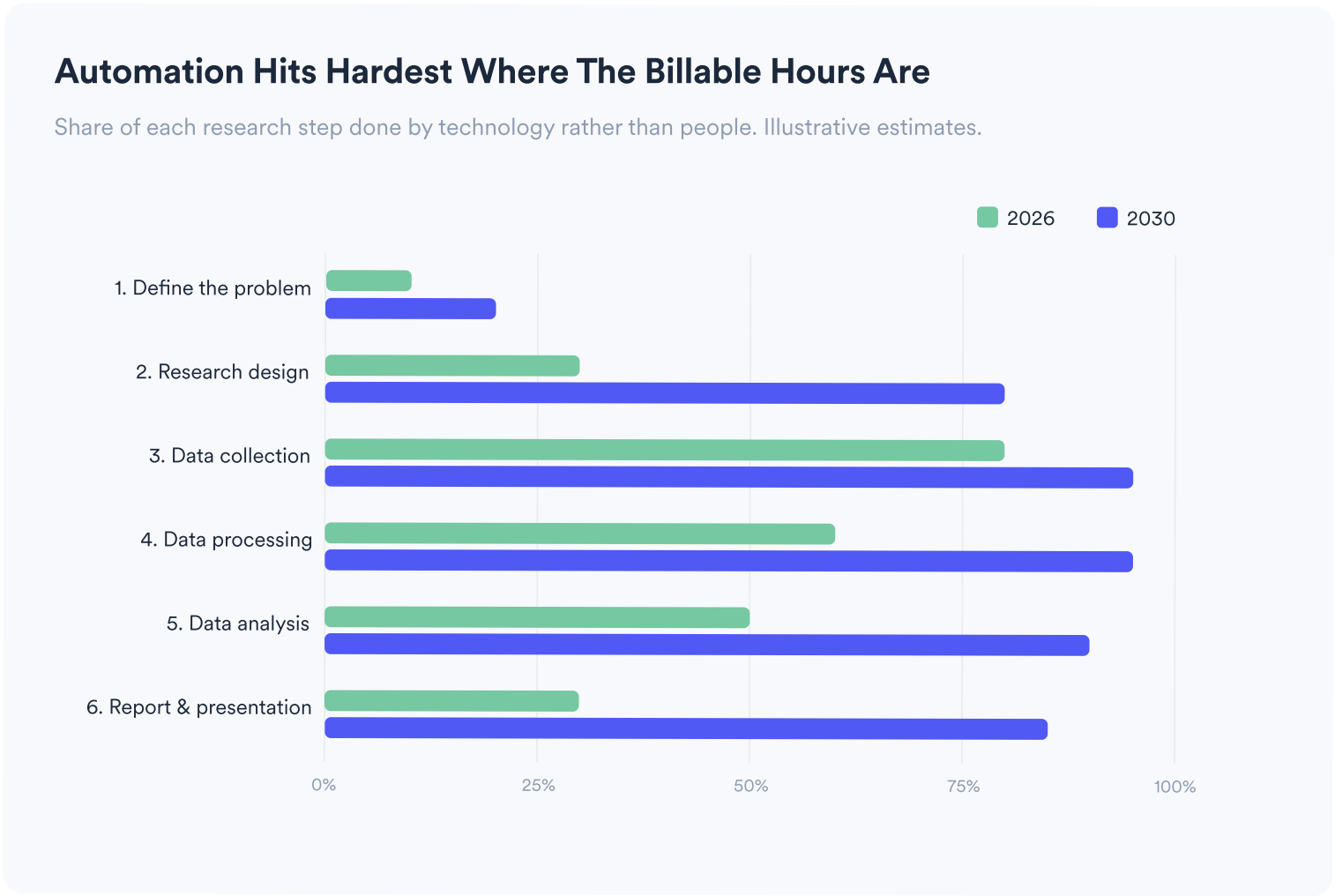
The traditional research process has six steps:

- 1. Define the problem.
- 2. Design the research.
- 3. Collect the data.
- 4. Process it.
- 5. Analyze it.
- 6. Present the result.

For fifty years, clients were primarily paying for the middle of that chain. That is what supported the economics of the industry.

Hours were spent designing questionnaires, preparing data, building tables, checking significance, writing commentary, formatting charts and assembling decks. That work was necessary. It was skilled. It also took time.

AI removes the time.



Nobody will pay a premium for a crosstab when it can be produced instantly. Nobody will wait three weeks for a topline. Nobody will accept a large bill for work they know software completed in minutes. Clients already suspect it. One put it to us bluntly:

"Basically all our agencies do the report in like two hours and then tell us it's two weeks."

— Research agency, client conversation, 2026

That suspicion is not always fair today. By 2028 it will simply be true — and priced accordingly.

Take a tracking study. In 2019, updating a wave — harmonizing the data, refreshing every table, chart and page, then checking that nothing had silently broken — took anywhere from a couple of days to months of skilled work. Today the same update can run in minutes, with every change flagged for review. The skill has not disappeared. The billable time has.

This is not a prediction about some distant version of AI. We have watched it land in real time.

By early 2025, using AI to code open-ended responses and draft the first pass of a report was already unremarkable. In March 2025, we showed a fully automated, end-to-end AI research workflow to working researchers for the first time. The room split cleanly in two. The researchers who understood what they were looking at said, quietly:

"There goes my job as it is today."

— Market Researcher, conversation, 2026

The ones who didn't attacked it, hunting for reasons it couldn't be real. Both groups were looking at the same screen. Only one of them was preparing for it. The question is not whether the middle becomes cheaper. The question is what happens to the margin when it does. The margin moves to the two ends of the chain.

To be precise: the middle does not become worthless. It becomes table stakes — essential, industrial, and priced like infrastructure rather than craft. Every answer still depends on data prepared properly, weights applied correctly, tables that are right. The money just stops being in doing that work by hand, and starts being in owning the machinery that does it.

At The Front: Deciding Which Problem Matters

Clients often arrive with a research request.

"Run a tracker."

"Test this campaign."

"Find out why our scores dropped."

The best researchers have never simply accepted those requests. They have worked out what the business is really trying to decide, challenged assumptions and found the problem beneath the brief.

That becomes more valuable when execution is cheap.

In 2030, clients will not need a research company to translate a question into a survey. They will need help identifying the question worth answering.

AI will contribute to that diagnosis. It will find patterns, suggest hypotheses and surface anomalies.

But choosing which problem matters is not only an analytical task. It requires context, judgment and accountability. It means understanding what the business can change, what it is willing to change and what will happen if it gets the decision wrong.

That is strategy work.

At The Back: Making The Answer Change A Decision

The traditional process ends with a presentation.

The real process does not.

A deck has no value unless somebody believes it, acts on it and changes a decision.

Charts, summaries and presentations will be increasingly automated. The difficult work begins after they are produced.

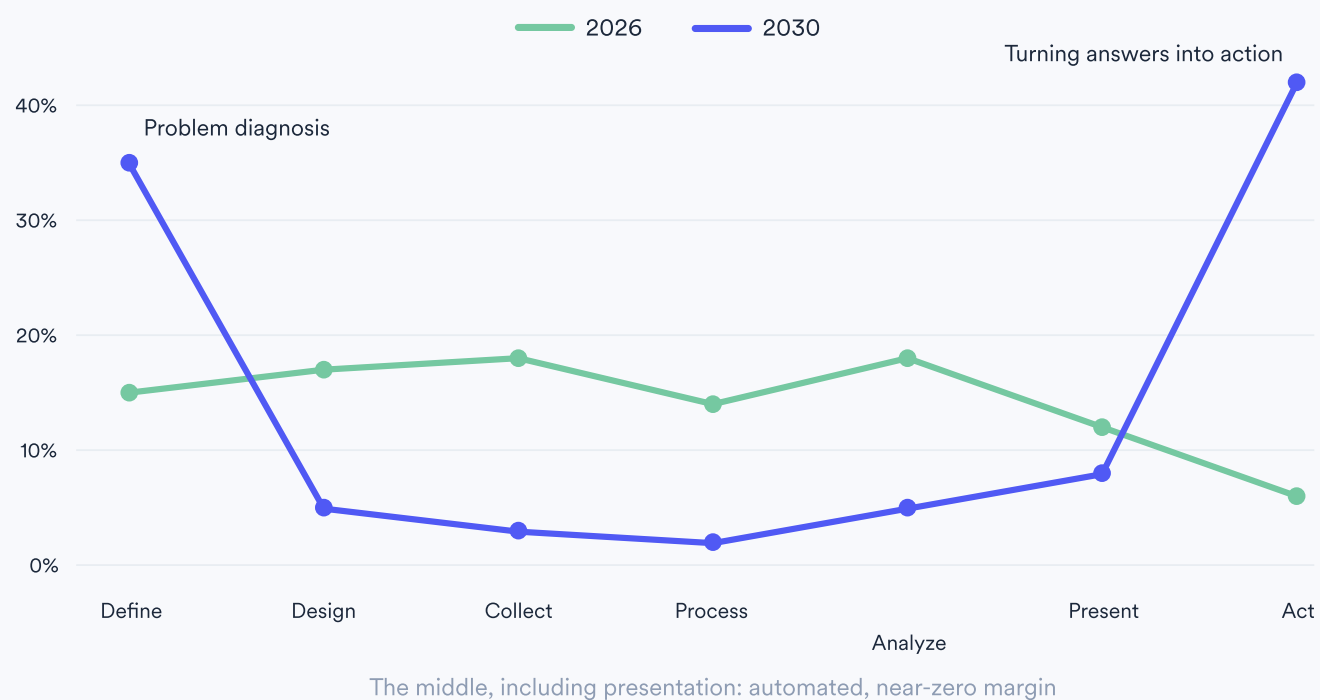
Someone still has to defend an unwelcome finding. Someone has to explain why the attractive answer is wrong. Someone has to bring marketing, finance, product and management to the same conclusion. Someone has to overcome politics, inertia and the cheaper alternative of doing nothing.

That work is personal. It depends on trust, judgment and influence.

It is also where the margin moves.

The Margin Leaves The Middle

Share of industry profit pool by step — concentrating at problem diagnosis and turning answers into action. Illustrative.



The research process does not end when the findings are presented. It ends when a decision changes.

By 2030, the successful research company may look less like a production business and more like a consulting firm running on automated infrastructure.

Its people will spend less time producing research and more time finding problems before clients do, interpreting the consequences and helping organizations act. This is not simply a change in workflow.

It changes the buyer.

For decades, research was often bought by process experts. They cared about sample design, statistical tests, questionnaire wording and whether the charts survived the export to PowerPoint.

Those things still matter. But as the process becomes automated, the process expert becomes less important as the economic buyer.

The buyer in 2030 is an outcome person.

They do not want a tracker. They want churn down.

They do not want a segmentation. They want growth.

They do not want a deck. They want a better decision.

That requires a different sales conversation, a different service model and, in many cases, different people.

That is the second shift: the margin moves to the ends, and the buyer sitting there cares about outcomes, not process. Which raises a question this industry has never had to answer before — when anyone can get a plausible answer in seconds, what exactly is the client paying for?

When Answers Are Free, Provenance Becomes The Product

There is a second consequence of abundant intelligence.
A plausible answer becomes almost worthless.

Any junior brand manager can ask a model a question and receive a polished explanation in seconds. It will sound confident. It may include charts. It may even be right.

But "may be right" is not a research standard.

AI analysis has a dangerous failure mode: it can produce a convincing answer even when the working is wrong.

Use the wrong weight. Filter the wrong group. Reverse a scale. Mix waves. Treat missing data as zero. Apply the wrong significance test.

Nothing crashes.

The report still looks professional.

The number is simply wrong.

This is not hypothetical, and it is not confined to junior analysts. In June 2026, the Financial Times reported that a KPMG report on the benefits of agentic AI was itself riddled with AI hallucinations: case studies about UBS, the NHS and Transport for London that were false, and only five of its 45 citations pointing to real sources. KPMG pulled the report. A month earlier, EY retracted a study after most of its citations turned out to be fabricated, and Deloitte refunded part of a government contract over hallucinated content.

These are firms whose entire product is being right. The reports looked professional. The working was wrong. And nobody checked the working until someone outside the firm did.

The client-side version of the same failure is already here. In January 2026, we started seeing clients vibe-code their own dashboards. They looked great. Under scrutiny, the working collapsed: filters that were dangerously wrong, incorrect assumptions about weighting, variables silently missing. And the only way to discover any of it was to rerun the entire analysis manually — at which point the time saved had been spent twice over. An exercise designed to make research faster became an infinite loop of fixing.

That matters because research is usually used to answer questions where the truth is not already obvious. The reader cannot reliably judge the answer by looking at it. They need to see where it came from.

In 2030, a research answer without provenance will be like a financial statement without an audit trail.

The value will not sit in the prose. It will sit in the chain of evidence behind it:

- the original data;
- the variables used;
- the filters applied;
- the weights selected;
- the statistical tests run;
- the assumptions made;
- and the person or system prepared to stand behind the conclusion.

When anyone can generate an insight, the scarce product is an answer somebody can prove.

This changes quality assurance.

Today, quality is often added at the end through review.

That will not scale in a world where thousands of analyses can be generated in minutes.

Proof has to be built into the system.

Every number should link back to the analysis that created it. Every analysis should link back to the variables, weights, tests and source data. Changes should flow through automatically. The working should be inspectable rather than hidden behind a fluent answer.

The future competitive advantage is not access to intelligence. Everyone will have that.

It is accountability for intelligence.

That is the third shift: proof becomes the product. The fourth is what delivering proof at scale demands inside the firm.

Expertise Has To Move Out Of People's Heads

There is one more shift, and it may be the hardest for large research companies. AI does not make expertise less valuable.

It changes where expertise has to live.

Today, much of a research firm's advantage sits inside its best people. Senior researchers know how to interpret a brand tracker, how to spot a bad questionnaire, how to choose the right method and how to explain a difficult result to a client.

Large firms have spent decades accumulating expertise. Hiring experts. Developing careers to create new experts. Codifying the knowledge of experts: methodology manuals, templates, quality standards, training academies. But having expertise is not the same thing as quickly executing with expertise. Experts become bottlenecks. Manuals are written for humans to apply by hand, one project at a time, and consistency depends on who is doing the applying. That is why the same firm can produce different quality in different offices.

Anyone who has audited a long-running tracker has seen the evidence: columns that quietly stopped matching across waves, or significance tests applied to time series they were never designed for. Not because anyone was careless. Because the process lived in people, and people vary.

That knowledge is valuable, but it is also fragile.

It is applied one project at a time. It is difficult to scale. When someone leaves, much of it leaves with them.

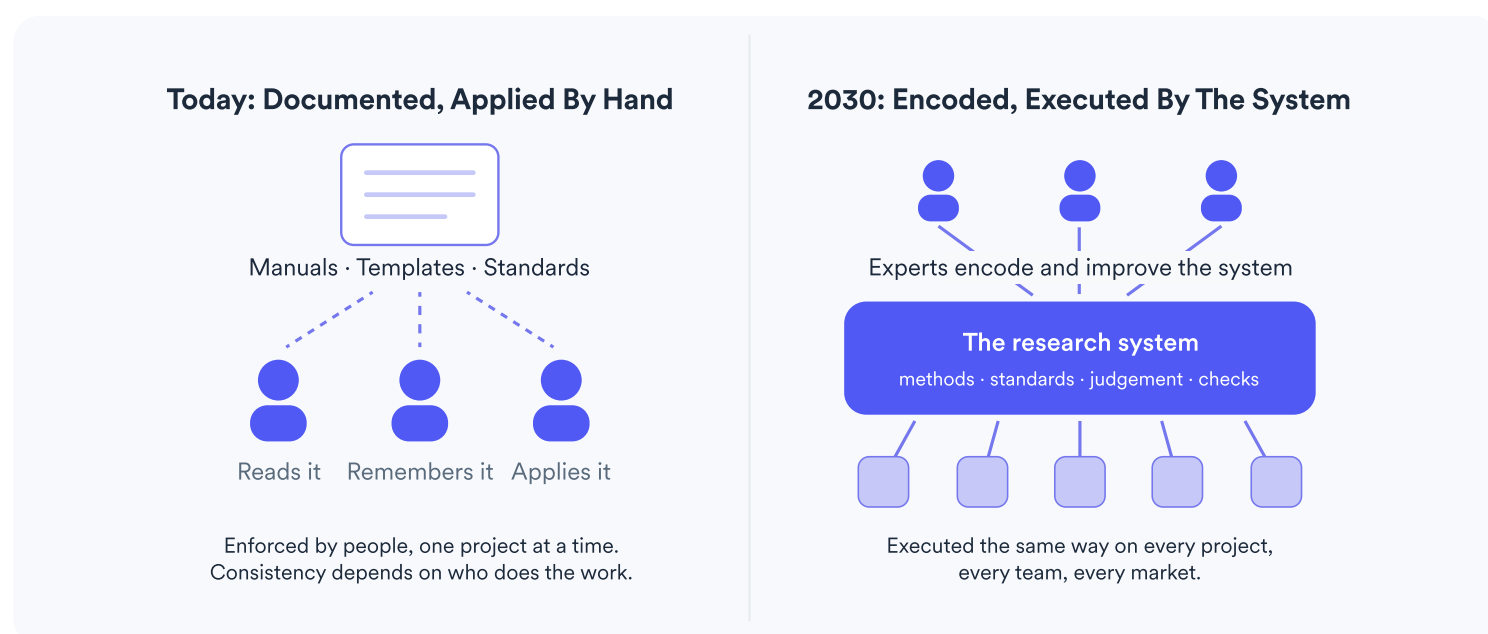
In an AI-enabled firm, the goal is not simply to give those experts better tools; it is to capture how they work and make it repeatable.

The firm's methods, standards, judgment and quality controls need to be encoded into systems that can be used across teams and markets.

Not as another manual. As infrastructure that runs. This is where many current AI strategies fall short. They focus on giving individuals access to general-purpose tools and teaching them to prompt better. Prompting is useful. It is not a moat.

The durable advantage is teaching AI how your firm does research: how it calculates metrics, how it handles exceptions, how it interprets evidence, how it applies brand standards and how it checks its own work.

The research process does not end when the findings are presented. It ends when a decision changes.



Documented process still depends on people to execute it. Encoded process executes itself — the same way, every time.

That does not remove the need for talented people. It changes what talented people do. Instead of repeating production work, they improve the system. They encode better methods, refine judgment, investigate exceptions and spend more time with clients.

The expertise still comes from people. It just stops leaving with them.

That is the fourth shift: Put the four together — scarce evidence, cheap execution, proof as the product, expertise in systems — and the shape of the winning firm is already visible.

The Company Built For 2030

Most research companies are responding to AI by making today's operating model more efficient.

They are automating pieces of the existing process, reducing turnaround times and lowering delivery costs.

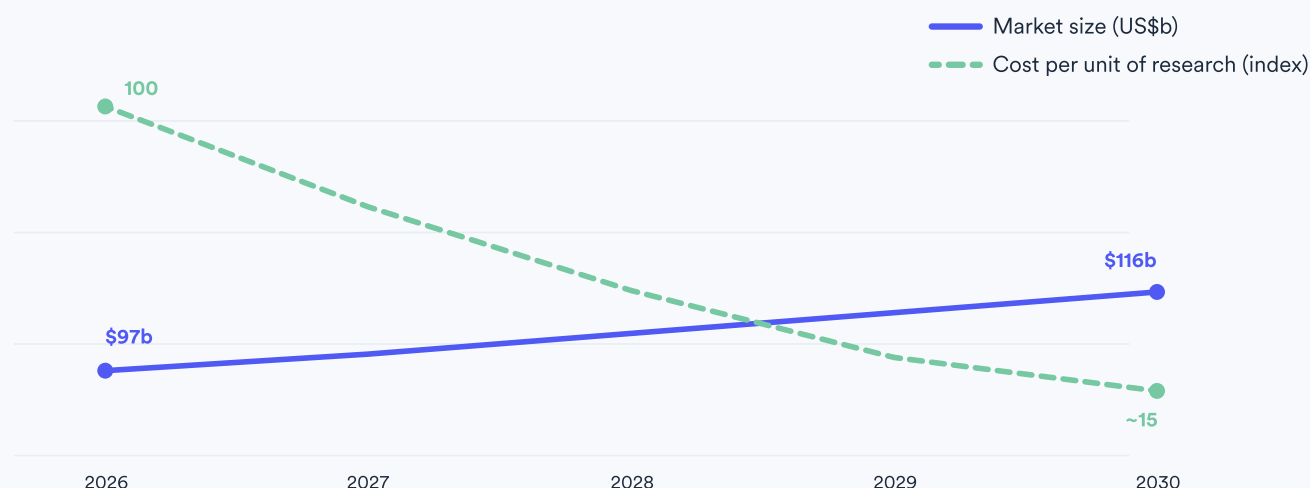
They should do all of that. It is not enough.

Adding AI to the existing agency model does not create the future research company. It creates a cheaper version of the current one.

The urgency is easy to miss, because the headline numbers look calm. The global market for research services is forecast to grow from roughly US\$97 billion in 2026 to US\$116 billion by 2030 — about 4.6% a year — while the cost of executing research collapses.

The Market Grows While The Cost Of The Work Collapses

Global market research revenue, US\$b · cost per unit of research, index.



Global market research revenue, US\$b · cost per unit of research, index.

A market that grows slowly while its cost structure collapses is not a stable market. It is a market where revenue is being redistributed. Some firms will do three times the work at a fifth of the cost and take share. Others will keep pricing yesterday's cost structure and quietly disappear.

And the advantage compounds. The first firms to encode their methods don't just cut costs first — every project after that makes their system smarter and harder to copy, while their pricing resets what clients expect to pay everyone else. In a market that isn't growing, share lost to a faster rival does not come back. Being second will mean competing against a machine that has already been learning for two years.

The company built for 2030 makes a more fundamental change.

It protects access to proprietary evidence.

It automates the middle of the value chain aggressively rather than preserving it for billable hours.

It focuses its experts on improving the process, and its best remaining talent on the two ends of it: before the research, deciding which problems are worth solving; after it, helping clients turn answers into decisions.

It captures expertise in systems instead of leaving it trapped in individuals.

It sells business outcomes rather than research processes.

And it treats proof as part of the product, not a quality check added at the end.

This raises uncomfortable questions for every CEO of a research company:

- How much of our revenue depends on work that will soon carry little or no margin?
- What evidence can we collect that a foundation model cannot reproduce?
- Are our people trained to execute research, or to identify consequential business problems?
- Can every answer we produce be traced back to its data, assumptions and analysis?
- Is our expertise embedded in the company, or does it still walk out of the door each evening?
- Are we selling studies to research teams, or outcomes to business leaders?

These are not technology questions.

They are questions about profit, organization and competitive advantage.

The research firms that thrive will not be the ones that resisted automation to protect the current model.

They will be the ones that automated it first, then moved quickly into the parts of the business their clients will still pay a premium for.

And here is the part the disruption narrative gets wrong: incumbents are not the default losers. The firms with the largest panels, the longest client relationships and fifty years of documented method have the most evidence to defend and the most expertise to encode. Scale becomes an advantage again — but only for firms that treat their accumulated process as software to be built, not heritage to be protected. A start-up has to invent its methods. An incumbent only has to make its methods run.

Fresh facts.

Better diagnosis.

Decisions that change.

Answers that can be proved.

That is what market research looks like in 2030.

The question is no longer whether your company will use AI.

The question is whether it will still be organized for a world that no longer pays for the middle of its value chain.

Notes And Sources

Market forecast: The Business Research Company, Market Research Services Global Market Report, January 2026 (US\$97b, 2026 → US\$116b, 2030). The cost-per-unit index shown alongside it is illustrative.

Consulting-firm AI failures: Financial Times reporting, June 2026, on the withdrawn KPMG agentic-AI report; the EY retraction and Deloitte refund were reported in May–June 2026.

Cost of coding open-ended responses (a dollar or more per answer, per question): Displayr, from published analysis of pre-AI coding costs.

The value-chain and margin charts are illustrative estimates, drawn to show direction rather than measurement.

Client and researcher quotes are verbatim from recorded conversations and demonstrations, 2025–2026, anonymized.

For more information, visit www.displayr.com