



How to calculate your knowledge management (KM) ROI

A practical guide for market intelligence & insights teams

Why knowledge management (KM) ROI matters – and how to calculate it

In today's unpredictable and fast-moving business environment, insights and market intelligence teams play a crucial role in shaping strategic decisions by empowering key decision-makers with the right knowledge. However, they also face increasing pressure to handle growing workloads—while often shrinking in team size—and battle with requests for data, reports, and answers to ad hoc business questions. This leaves insights teams little time for higher-value activities such as in-depth analysis, strategic recommendations, and proactive market exploration. Operating in a reactive mode limits their ability to drive meaningful business impact and contribute to product innovation. **With 95% of executives prioritizing new product launches in 2025, the demand for strategic insights has never been higher.**

To overcome bottlenecks, organizations can enable more efficient knowledge access. AI-powered tools offer a new opportunity to streamline research processes and scale enterprise-wide access to high quality knowledge. **This is especially critical as 40% of business decisions are still made without considering market intelligence.** Bypassing

intelligence gathering, in turn, contributes to sub-optimal results highlighted by the fact that 41% of new products fail. Freeing up time for insights teams to shift focus from simply retrieving data to generating actionable intelligence and uncovering trends can empower those teams to impact success rates for innovation.

That's why knowledge management (KM) has become such a strategic process for organizations seeking a competitive edge. Driven by insights and market intelligence teams, KM solutions enable organizations to capture, share, and leverage knowledge that propels the business forward. **Enhanced access to insights is a key factor in driving innovation and reducing risk, with 89% of marketing and product leaders agreeing that better intelligence improves product launches and advertising effectiveness.**

However, while the benefits of KM solutions are undisputed, most organizations struggle to measure ROI—often focusing solely on direct cost savings while overlooking broader productivity, research efficiency, and business

impact gains. **So despite a 37% expansion in the investment pouring into the market research sector in the past four years, many businesses underutilize those insights.** In doing so, they miss out on opportunities to optimize decision-making and innovation. Without clear ROI metrics, it becomes difficult to justify investment in insights tools and market intelligence platforms. Proving KM ROI is essential to secure long-term buy-in for market intelligence investments from the organization.

This guide helps organizations by outlining the measurable benefits provided by KM, with a structured framework and clear formulas. It helps insights and market intelligence teams plan how to measure and communicate the full impact of their work—ensuring they can secure budgets, drive efficiency, and enhance decision-making across their organizations.

Sections

- 1 Understanding the ROI framework and value
- 2 Productivity gains – Measuring time and efficiency
- 3 Research cost optimization – Avoiding duplication
- 4 Business impact – Revenue growth and market success
- 5 IT cost reductions – The hidden costs of data silos
- 6 Clarity on ROI to strengthen the business case

1. Understanding the ROI framework and value

[Calculating ROI](#) requires a multi-dimensional approach that accounts for direct savings, improved efficiency, and strategic benefits.

When measuring ROI, it's essential to consider both hard cost impacts, such as direct cost savings, and broader strategic benefits that also contribute to financial returns. By accounting for both factors and quantifying broader strategic business value, organizations can ensure a more accurate and comprehensive assessment of positive ROI.

To get started, evaluate four key areas:



Productivity gains

Measuring the value of time saved by insights teams and business stakeholders through faster access to market intelligence and research data



IT cost savings

Reducing the cost of infrastructure, minimizing the maintenance of fragmented research repositories, and improving system efficiency



Improved sales

Assessing how improved insights lead to better strategic decisions, resulting in higher product success rates, optimized marketing performance, and increased revenue



Research cost optimization

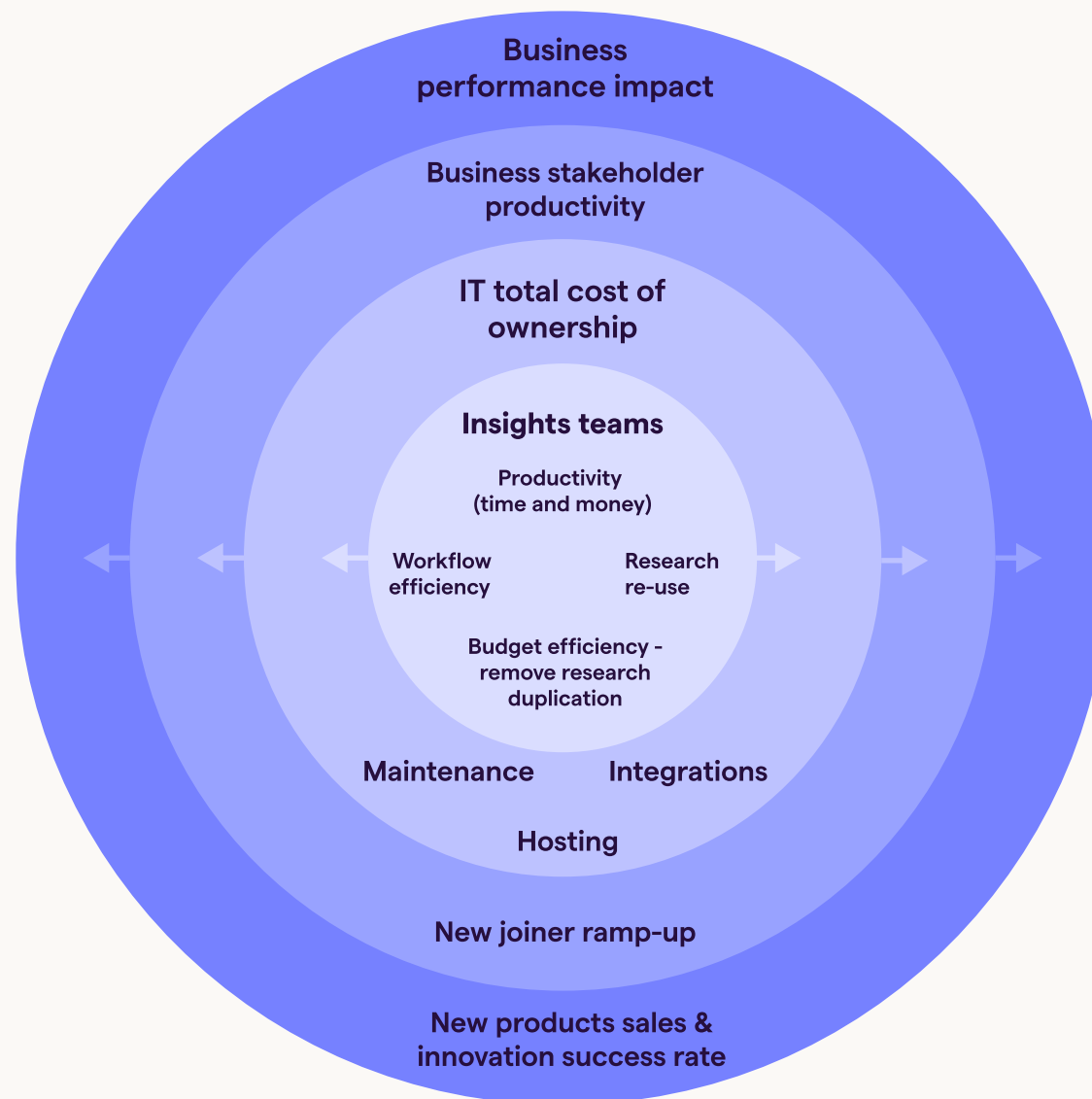
Quantifying savings from reducing redundant research, increasing reuse of existing studies, and accelerating the setup of new projects



By systematically measuring ROI, organizations can:

- Justify investments in knowledge management platforms
- Secure future funding for knowledge-sharing initiatives
- Demonstrate the direct connection between knowledge management and business outcomes
- Identify levers for improvement in their knowledge management strategy
- Build a culture of continuous learning and improvement

Calculating the value of your team's time



2. Productivity gains – Measuring time & efficiency

Insights teams often face a bottleneck, fielding constant requests for data, reports, and analysis. This limits their ability to focus on more strategic work, such as identifying emerging trends and advising leadership on market shifts. By streamlining access to insights through AI-powered platforms, organizations can significantly reduce the time spent on routine tasks and enhance overall efficiency.

Key metrics to track:



Time spent searching for information

Studies indicate that knowledge workers spend [an average of 1.8 hours per day searching for data and reports](#). AI-driven tools can cut this time in half, enabling employees to focus on higher-value activities.



Impact on decision-making speed

Faster access to critical data enables organizations to make informed decisions more quickly, reducing opportunity costs and minimizing delays in strategic initiatives.



+10 hours

time gained back per week by insights professionals who use [AI to access insights](#)¹



Reduction in repetitive requests

Many insights professionals spend hours responding to recurring questions. Automating responses and providing self-service access to market intelligence can [save insights teams up to 10 hours per week](#).



Formula for productivity

Total hours saved x **Average hourly salary** = **Productivity cost savings**

3. Research cost optimization – Avoiding duplication

One of the most common inefficiencies in market intelligence operations is the duplication of research efforts. Organizations often commission multiple studies on similar topics without realizing that existing insights could be leveraged. Implementing a centralized insights platform ensures that teams have visibility into past research, reducing unnecessary expenditure and maximizing the value of prior investments.

How to optimize research costs:



Eliminate duplicate research

Data silos prevent insights teams from getting a clear picture of what knowledge is available to them. As a result, research is all too often commissioned on the same topics. By identifying and eliminating redundancies in research spend, insight teams can realize a savings quickly.



Accelerate research setup time

Automating research workflows can cut project set up time while standardizing on quality and processes, allowing teams to respond to business needs faster. It's estimated that 60% of occupations could [save up to 30% of their time](#) with workflow automation.



Enhance research reuse

Organizations often underutilize their existing insights. With transformed searchability, past studies can be repurposed to support multiple business questions, extending their lifecycle.

AI helps extend the value of research investments for longer periods. Typically, use of knowledge assets reports drops by up to 80% in the space of two years, because reports are forgotten. By leveraging AI, all relevant data is fully utilized while simultaneously removing the problem of wasted research spend.



Avoid compliance risks

Audits in the [pharmaceutical sector](#) are a regulatory necessity, requiring significant time and effort to compile. While the direct time savings from streamlining the process can be beneficial, the more critical impact lies in compliance risks. Inaccurate or incomplete audits can lead to substantial penalties, often outweighing the cost of the audit itself. Ensuring accuracy and efficiency in audit preparation is not just a matter of operational efficiency but a crucial safeguard against costly compliance fines.

How can knowledge management help avoid unnecessary duplication?

AI-driven knowledge management and insights platforms like [DeepSights™](#), scan all available knowledge, ensuring a much higher reuse rate. They can streamline the research setup process, reducing the time needed to generate new studies.

This not only improves operational efficiency for insights teams but also accelerates business decision-making by delivering relevant findings faster. In conclusion, the integration of AI-powered knowledge management ensures that organizations fully leverage their research investments — driving both cost savings and smarter strategic decisions.

This increased reuse translates directly into greater value from research investments, as companies maximize the insights gained from past studies rather than duplicating efforts. By factoring in the cost of research and its extended utility, organizations can calculate a clear return on investment over multiple years.



20%

typical reduction in research spend by eliminating duplication²



Formula for research duplication savings

(No of annual research studies * 20%)

x

Avg cost per research study

=

Available costs in research duplication

4. Business impact – Revenue growth & market success

In the Consumer Packaged Goods (CPG) industry — including food, drink, household, health, beauty, personal care, and pet care — only 30% of new products sustain or grow sales in year two; fewer than 3% generate annual revenue of more than \$50 million. This means that the stakes are high for enterprises in industries like CPG, which are under pressure to introduce new products at a particularly high rate. For these, the cost of those failures is very hard to absorb.

[In our own research](#), we found that nine out of ten product / innovation teams agreed that easier, faster access to consumer insights and data would increase product launch success rates. Even a 1% improvement has a significant impact: increasing from 3% to 4% the share of new products generating sales of \$50 million + could add \$15 - 20 billion in incremental revenue. Bottom line? Transforming product launch success rate can unlock \$25 billion in CPG alone.

A robust market intelligence function doesn't just save costs — it actively contributes to revenue growth by enabling better decision-making. Stronger insights lead to more successful product launches, optimized marketing campaigns, and greater competitive agility.

Examples of measurable business impact:



Pressure to innovate

95% of executives indicated that launching new products or services will be a key focus for their companies in 2025, with [80% planning to boost investment in product innovation](#).



Competitive advantage

Organizations that leverage AI-powered insights can react more quickly to market changes, positioning themselves ahead of competitors and capturing greater market share.



Marketing efficiency

Enhanced audience understanding improves targeting precision, reducing wasted ad spend while boosting conversion rates.

Key product launch metrics in CPG:



30%

of revenue must come from new products to stay a market leader³



+ \$25 billion

revenue potential can be unlocked in CPG with faster access to consumer data⁴



80%

of CPG executives are planning to boost investment in product innovation⁵



Formula for business growth

(Increase in revenue from newly launched products) - (Cost of insights platform)

Cost of insights platform

=

**Business
Performance ROI**

5 . IT cost reductions – The hidden costs of data silos

Many organizations underestimate the IT savings that a well-structured knowledge management system can provide. Siloed research repositories lead to higher costs related to hosting, licensing, and ongoing system maintenance. AI-powered market intelligence platforms help centralize and automate these processes, reducing IT overhead and improving operational efficiency.

The total cost of ownership (TCO) for IT-related knowledge management extends beyond licensing fees, factoring in integration costs, data hosting, and the time IT teams spend managing updates across multiple platforms. With an average maintenance cost of \$28,000 per SharePoint or equivalent system, large organizations with multiple repositories could be spending over half a million dollars annually.

Beyond IT savings, the ROI of a knowledge management system should also account for research reuse and its impact on business growth, such as new product sales. By comparing total benefits against platform investment, organizations can more accurately measure ROI. To build a compelling business case, it's crucial to go beyond direct cost reductions and highlight how improved

knowledge, accessibility, efficiency, and insight-driven decision-making contribute to long-term business success.

Key metrics to track:



Improved security and compliance

Maintaining multiple research repositories increases the risk of data breaches and non-compliance. A single, AI-driven platform ensures secure, controlled access to insights.



Lower maintenance costs

A centralized platform reduces the need for IT teams to manage multiple disparate systems, saving both time and resources.



Fewer integrations and redundancies

Consolidating insights tools minimizes the number of software integrations required per month/year, reducing licensing fees and ongoing support costs.



Formula for IT cost savings

Current IT
running costs for
hosting multiple
data silos

-

Future running
costs of
centralized KM /
Insights platform

=

**IT Cost
Savings**

6. Clarity on ROI to strengthen the business case

By taking a structured and comprehensive approach to ROI calculation, organizations can shift the perception of market intelligence from a discretionary expense to a mission-critical investment. Leaders who effectively quantify and communicate the value of insights can secure budget approvals, drive more informed decision-making, and create long-term competitive advantages.

Key metrics to track:



Leverage knowledge management AI for maximum efficiency

AI-powered platforms streamline knowledge management, reducing inefficiencies, and enabling faster access to insights. A platform like DeepSights ensures that valuable research is continuously accessible, reducing the risk of lost insights and duplicated efforts.

By automating data retrieval and improving research reuse, organizations can maximize the value of their investments and make smarter, faster business decisions.



Look beyond direct cost savings

ROI isn't just about cutting expenses—it's about improving productivity, enhancing decision-making, and driving business growth.



Use clear, quantifiable metrics

Demonstrate ROI with hard data, including productivity gains, research cost reductions, and revenue impacts.



Are you measuring your KM ROI properly?

Find out with our [ROI calculator](#). For a tailored KM ROI estimation for your organization, get an in-depth, tailored calculation.

[Book a call](#) with our experts today.



About Market Logic

Market Logic is a market leading SaaS provider of insights management solutions. Our award-winning AI-enabled insights management platform DeepSights™ allows insights teams to equip business decision-makers with trusted insights at scale and speed. Since 2006, we've helped hundreds of consumer-focused brands across the globe to transform into insights-driven businesses. Market leaders such as Unilever, Vodafone, and Tesco are driving innovation and making smarter market moves with the support of Market Logic.

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