SPECIAL REPORT

The rise of synthetic responses in market research

2025

qualtrics XM

Introduction

We're living in an exciting time. Artificial Intelligence has permeated every industry and every facet of research, helping research teams do their jobs more effectively.

But that's just the beginning.

Synthetic data has seen a boost in popularity due to current GenAI tools' improved speed and processing power. This has given organizations the accessibility of using synthetic data for numerous research purposes.

Synthetic content is increasingly indistinguishable from human-generated content and is providing real value in saving research teams time and budget. Now, teams can speed up the product lifecycle, validate marketing decisions, influence strategic direction, and so much more with simulated consumer feedback.

This report is designed to benefit both newcomers to synthetic data and those seeking a more comprehensive understanding of how their peers are utilizing it in their research.

Meet the experts

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What are synthetic responses?

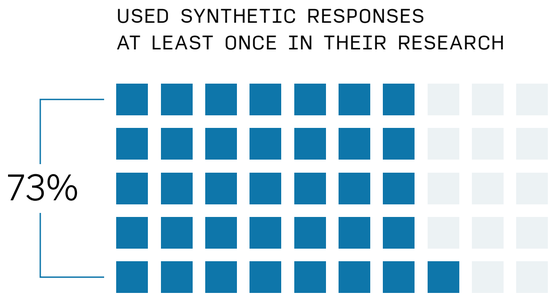
Synthetic responses are artificially generated to mimic real-world information in research studies. While researchers have been using predictive data for years - across many facets of research - synthetic data goes a step further, allowing teams to represent an individual consumer or group's attitudes and behaviors.

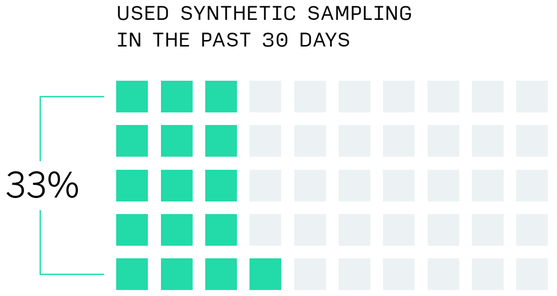
These "synth" responses are based on extensive datasets from your own customer data or the data of your ideal demographic.

The concept of artificial data has gained significant traction the past few years, with many organizations utilizing it to up-level their research.

According to our data, 73% of market researchers say they have used synthetic responses at least once in their research, and almost a third (33%) say they have used synthetic sampling within the past 30 days.

This speaks not only to the enthusiasm organizations have for synthetic research, but also the potential they see in how it will revolutionize market research process overall and insight generation.





01

Precise synthetic respondents are mission critical to effective research

Leveraging synthetically-generated responses that are both effective and accurate starts with ensuring validity in the underlying data.

Keep these best practices in mind when getting started with synthetic:

PRESSURE TEST THE VALIDATION

Research teams can ensure the accuracy of their synthetic datasets by implementing quality assurance practices to test the generated data for accuracy, consistency, and reliability. Automated tools can be used to compare the synthetic datasets with real-world data, allowing organizations to identify and address potential issues before deployment.

TAILOR YOUR APPROACH BASED ON YOUR AUDIENCE

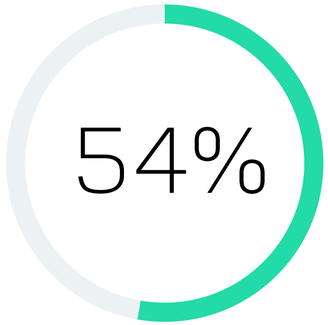
It is important not to forget, like AI, synthetic data is simply a tool to enhance, not replace traditional research. Teams that rely too heavily on artificially generated responses run the risk of missing out on the full spectrum of human experiences and emotions that research methods like interviews and focus groups provide. Instead, research teams should pair the method of research to the objective and be open to blended research such as combining AI-powered interviews with synthetic data.

OUT WITH THE OLD, IN WITH THE NEW

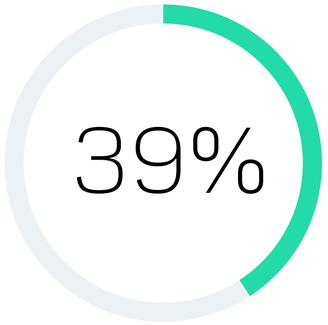
Synthetic responses are only as good as the data its AI is fed. Information that is months or years old may not be relevant for today's needs. As consumers rapidly change their preferences, so do their perspectives. Using old data can lead to outdated assumptions or campaigns that fail, resulting in wasted resources and budget.

01

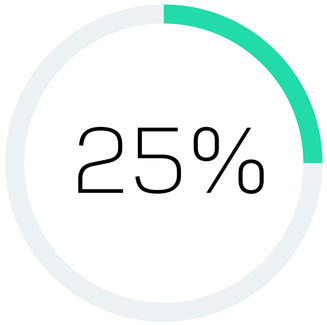
HOW MARKET RESEARCHERS ARE USING SYNTHETIC DATA



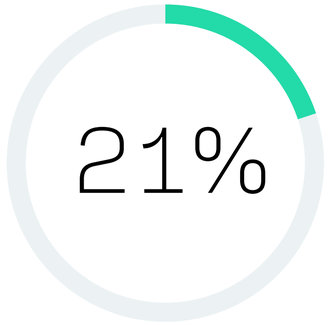
54% HAVE USED IT ON BOTH QUANT & QUAL RESEARCH



39% HAVE USED IT AS A FULL REPLACEMENT FOR HUMAN RESPONSES



HAVE USED IT ON QUANTITATIVE RESEARCH ONLY



HAVE USED IT ON QUALITATIVE RESEARCH ONLY

02

Applications of synthetic responses

When it comes to developing new products and bringing them to market, time is of the essence. The faster organizations can get their product to market and reach consumers, the better. However, the product development cycle can be arduous, with long periods of testing and feedback needed to inform crucial decisions around everything from pricing to packaging.

And we haven't even mentioned the limitations of traditional research when it comes to speed to insights.

Researchers are leveraging synthetic as a powerful tool to overcome traditional research constraints such as limited sample sizes, high costs, and slow data collection processes.

Practical applications of synthetic data range from using synth to replicate 1:1 interviews to large-scale research studies and have a multitude of uses across industries and sectors.

REPLICATING ONE-ON-ONE INTERVIEWS

Research teams can use synth data to recreate one-on-one interviews by mimicking the personality and response style of ideal or target audiences. This allows research teams to gain insights into the perspectives of their groups and explore how different personas might react to different topics. The insights generated fuel more strategic decision-making and empowers teams to tailor their strategies and products more effectively.

MAIN BARRIERS TO QUALITATIVE RESEARCH

37%

Time-consuming data collection and analysis

32%

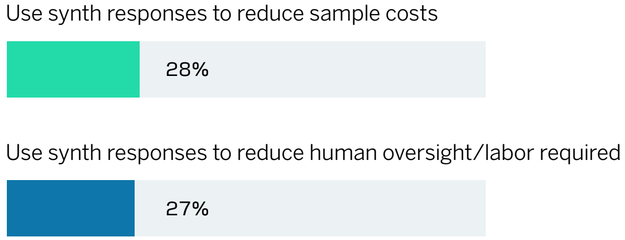
Higher costs compared to quantitative methods

02

ENSURING YOUR MARKETING BUDGET GOES THE DISTANCE

Marketing teams can optimize their budget allocation by utilizing synthetic data, enabling them to conduct granular research that doesn't require the need to repeatedly ping consumers for feedback. Since synth data mirrors the characteristics of real data, businesses can test new marketing initiatives, optimize pricing strategies, understand customer behavior, enhance marketing automations, and more.

HOW MARKET RESEARCHERS ARE USING SYNTHETIC DATA



IMPROVING HEALTHCARE OUTCOMES, WITHOUT VIOLATING PRIVACY

Healthcare is a highly regulated industry with a focus on maintaining patient confidentiality. Healthcare professionals can use synth data for clinical studies prior to real data existing. It can also be used to help researchers and practitioners access valuable insights without violating patient privacy, enabling healthcare organizations to design programs and experiences that lead to better patient outcomes.

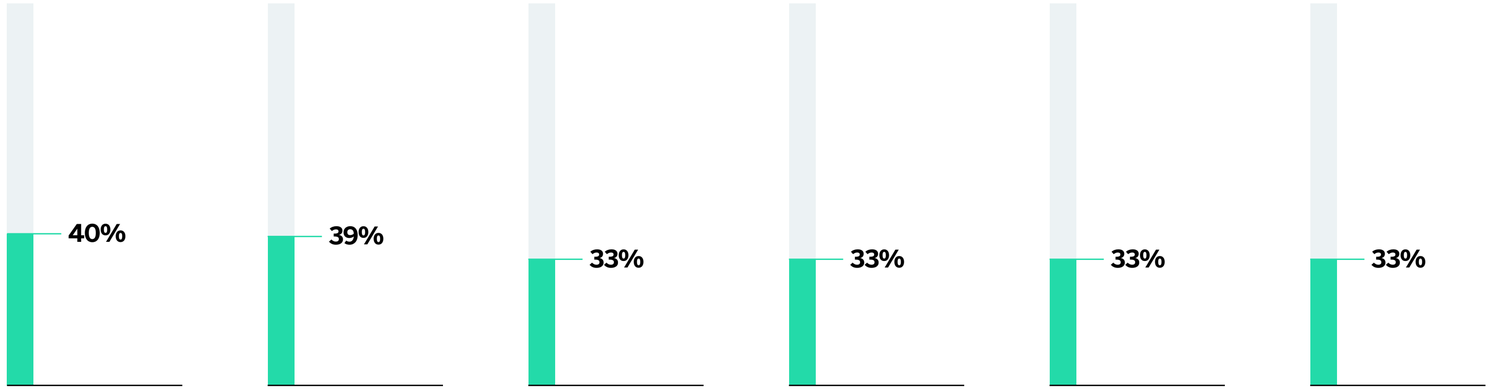
39%

of researchers say that in 1-2 years from now, synthetic responses will have the advantage in sample diversity or representation.

02

With its ability to provide reliable and diverse datasets, synthetic data is unlocking new possibilities and driving smarter, faster research outcomes across the board. Its contribution is not only reshaping how research is conducted but also enabling better-informed decisions in a rapidly evolving market landscape.

RESEARCH INDICATES THAT SYNTHETIC SAMPLING IS MOST BENEFICIAL FOR SPECIFIC APPLICATIONS INCLUDING:



User Experience Research: Usability tests and journey mapping are among the primary areas benefiting from synthetic insights

Early Stage Innovation: Important for idea generation, screening, and concept testing

Brand Research: Understanding brand health

Pricing Research: Developing effective pricing strategies

Foundational Research: Critical for segmenting markets and understanding the market landscape

Go-to-Market Research: Critical for understanding product pricing, packing, messaging

03

Advantages of synthetic data

Using synthetic data in research provides wide-ranging benefits for organizations. Synthetic responses are revolutionizing data analysis by mimicking real-world characteristics without sacrificing privacy. This means products and marketing initiatives can be tested without exposing intellectual property or revealing the personal details of real respondents.

Aside from privacy concerns, our data shows researchers have identified multiple benefits driving the adoption of synthetic sampling. When comparing the advantages of synthetic data vs. human responses in the next 1-2 years, researchers overwhelmingly favored synthetic data in the following areas:

SPEED OF INSIGHTS
(61% TO 39%)

Traditional research methods alone can no longer keep pace with evolving consumer demands. Adopt new technologies like AI automation, agentic workflows, machine learning, and predictive analytics to streamline research and stay competitive.

INCREASING SAMPLE DIVERSITY
(52% TO 48%)

Research teams can test their models and systems across different scenarios and conditions using synthetic data. In doing so, they can produce diverse data that represents realistic - or ideal - situations that may have proved difficult to source from real data such as incorporating hard-to-reach audiences.

COST REDUCTION
(52% TO 48%)

Generating synthetic data sets can be more cost-efficient than collecting and managing real data, due to less resources needed and the removal of the process of collecting, organizing and labeling real-time data.

03

ABILITY TO SAFEGUARD PROPRIETARY INFORMATION (54% TO 46%)

Synthetic data offers a solution to the privacy concerns and legal complexities associated with using real-world data. By eliminating the need to navigate these issues, businesses can streamline their data utilization processes and ensure compliance with data privacy regulations. Using synth data also protects sensitive customer information and simplifies the use of data for decision-making.

SCALABILITY (57% TO 43%)

Large volumes of synthetic data can be produced, offering more possibilities for testing and training machine learning models. With the appropriate algorithms, a training model and an output generator can endlessly create synthetic data for continuous use.

03

DEMAND FOR QUALITATIVE RESEARCH IS ON THE RISE

57%

of researchers have
seen an increased demand
for qualitative research

Yet, face-to-face research is far from dead. There will always be a place for certain traditional research methods, but researchers are increasingly turning to methods that provide the best of both worlds.

To extract deeper human insights, research teams are using digital tools to augment qualitative research rather than just replacing the traditional in-person methods.

AI is the driving force behind a lot of the innovation, shaping every area of qualitative research, including:

+ Forums and focus groups
+ Eye tracking
+ Mobile ethnography
+ Analysis, reporting and management
+ Video capture and analysis
+ Usability and user testing

Taking advantage of technology in qualitative research is providing teams with a wider reach, enhancing data collection, delivering real-time insights, increasing efficiency, and improving overall cost-effectiveness compared to traditional in-person methods.

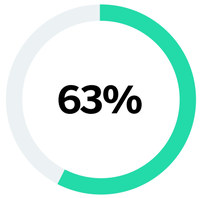
04

Future outlook

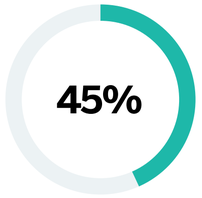
Synthetic data offers significant advantages for research teams and organizations of all sizes. By utilizing synthetic data, organizations can overcome the challenges associated with sensitive information, enhance data privacy and security, and uncover new business opportunities. Other key benefits include **deeper data insights, increased respondent feedback, reduced costs, and improved models and data assets**. By automating tasks, synthetic data can streamline research processes and foster innovation.

However, it is important to remember authentic human insights remain crucial. Synthetic data should be used as a supportive tool to guide research, not as a replacement for genuine market research principles.

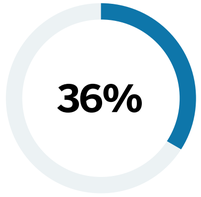
THE EFFECT AI IS HAVING ON THE REGION



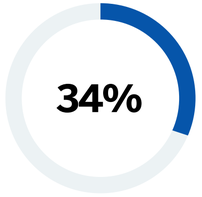
of synth users have had their budget increase



of synth users are in leadership capacities

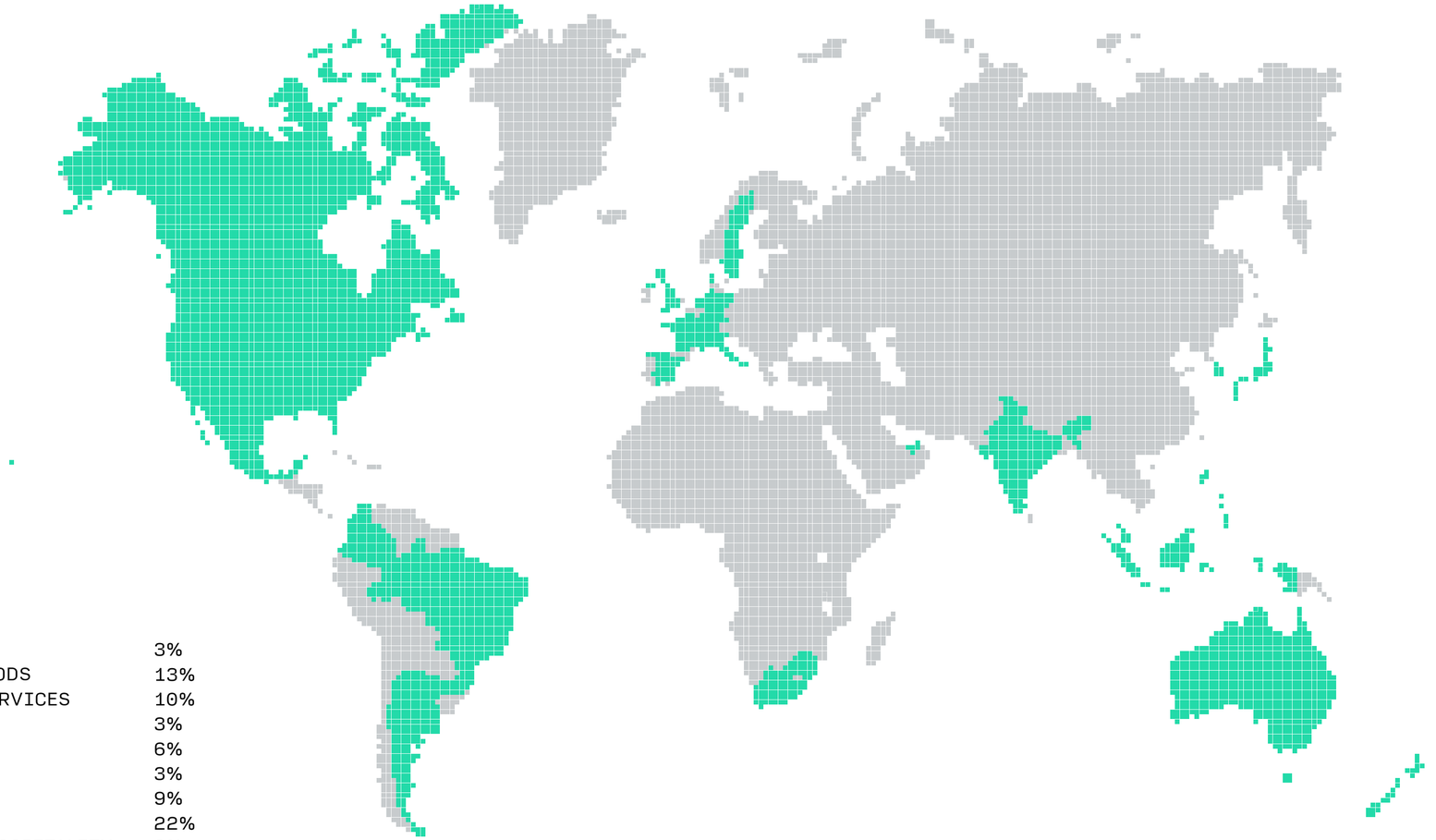


of synth users have a tenure of 10+ years



of synth users are using synth on over 50% of their responses

Methodology



RESPONDENTS

3198

AGE

18–24	0%
25–34	34%
35–4	38%
45–54	19%
55–64	07%
65+	01%

COUNTRIES

15

INDUSTRIES

12+

GENDER

MALE	60%
FEMALE	40%
NON–BINARY	< 1%

INDUSTRY

AUTOMOTIVE	3%
CONSUMER GOODS	13%
FINANCIAL SERVICES	10%
GOVERNMENT	3%
HEALTHCARE	6%
MEDIA	3%
RETAIL	9%
TECHNOLOGY	22%
TRAVEL AND HOSPITALITY	3%
EDUCATION	4%
NOT–FOR–PROFIT	1%
MARKET RESEARCH AGENCY	10%
PROFESSIONAL SERVICES	8%
OTHER INDUSTRY	4%

COUNTRY

AUSTRALIA	5%	GERMANY	7%	KOREA	4%	SPAIN	2%
BRAZIL	9%	HONG KONG	2%	MEXICO	9%	UNITED KINGDOM	5%
CANADA	9%	INDIA	1%	THE NETHERLANDS	5%	UNITED STATES	31%
FRANCE	5%	JAPAN	4%	SINGAPORE	2%		

qualtrics XM

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