The Hackett Group® | beroe

The ROI of Supply Market Intelligence

From Insight to Impact: Unlocking Value with Supply Market Intelligence (SMI)

THE STAKES

Supply Market Intelligence isn't optional any more

Price instability. Geopolitical risk. Supply disruption. Rising stakeholder expectations. Procurement leaders need credible market insight, faster than ever — and they know it.

85%+ of procurement leaders rate supply market intelligence as **moderate-to-critical importance** for achieving procurement's goals

THE REALITY CHECK

While almost everyone agrees it matters, almost no-one is doing it well

Recognition is universal. Capability is not. Despite the consensus on SMI's strategic value, most procurement organizations have not operationalized it.

42% of organizations have SMI that's either **ad hoc or not implemented** at all

EXECUTION GAP

5% have **advanced, end-to-end** SMI capabilities in place

BEST-IN-CLASS

THE DIAGNOSIS

It's not a people problem

The obvious assumption: "we need more analysts" – it's wrong. When procurement leaders are asked what's blocking them, the answers point squarely at execution, not skills.

BARRIER	% CITING AS TOP BARRIER
Manual & inefficient processes	49%
Technology integration challenges	46%
Lack of robust data analysis	45%
Data silos	44%
Inaccurate or outdated data	44%
Reliable data sources	44%
Lack of spend transparency	32%
Limited talent & expertise	31%
Poor stakeholder communication	19%

Execution, not talent, is the constraint.

The people are already there. The systems aren't.

THE ROI REVEAL

How a $5K investment returns $1M in savings

Reported incremental savings from SMI average just 1.5 percentage points – below the threshold many finance teams cite to justify investment. Look at it in isolation and it's easy to underestimate. Look at it against what SMI actually costs, and the picture changes.

1. INVESTMENT
   1% of procurement operating budget invested in supply market intelligence
2. IMPACT
   1.5pp incremental cost savings enabled by SMI
3. THE MATH
   $73,515 invested in SMI per $1 billion of spend

✓ PAYOFF
$15M in savings per $1B of spend: a **200× return** on the SMI investment

$204

average savings returned for every **$1 invested** in supply market intelligence

Scale that up and a **$5,000 investment unlocks $1 million in savings**. Per $1B of spend, that's $15M back on a $73.5K investment.

VALUE BEYOND SAVINGS

Cost is only half the story

Ask procurement leaders what SMI actually changes day to day, and the answers go well beyond savings.

- **80%** Stronger negotiations
- **67%** Increased credibility with stakeholders
- **61%** Better risk mitigation
- **59%** Improved supplier selection
- **58%** Competitive advantage
- **38%** Greater alignment with business goals

Supply Market Intelligence doesn't just save money. It changes the weight procurement carries in board-level conversations.

THE PATH FORWARD

Hybrid is winning

The fastest route to mature SMI isn't building it all in-house. It's combining internal category expertise with third-party intelligence. More than a third of organizations are moving this way over the next two years.

38% of organizations plan to expand hybrid SMI delivery (internal + third-party) in the next two years

WHY ORGANIZATIONS ARE MOVING TO HYBRID

Cost and time efficiencies	59%
Credible, unbiased data	46%
Greater category & domain expertise	41%
Ability to scale with business needs	35%
Access to AI-led platforms	34%

Internal teams focus on strategy, stakeholders, and decisions.

Third-party intelligence does the heavy lifting on data, scale, and credibility.

Get the full picture

From Insight to Impact: Unlocking Value with Supply Market Intelligence

Download The Hackett Group report →

All data: The Hackett Group, 2026 Supply Market Intelligence Quick Poll. Procurement cost benchmark: The Hackett Group, 2025.

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Decision-grade intelligence, enabling your decisions, wherever they are made

Beroe powers the decisions that drive procurement, from intelligence to execution, trusted by the world's largest enterprises. Building on 20 years of deep category experience, the company provides decision-grade intelligence that combines the benefits of cutting-edge AI with 'human-in-the-loop' expertise, delivered wherever decisions are made, through its portfolio of data products, AI agents, and workflows.

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