

## SO YOU WANT TO DO CI?

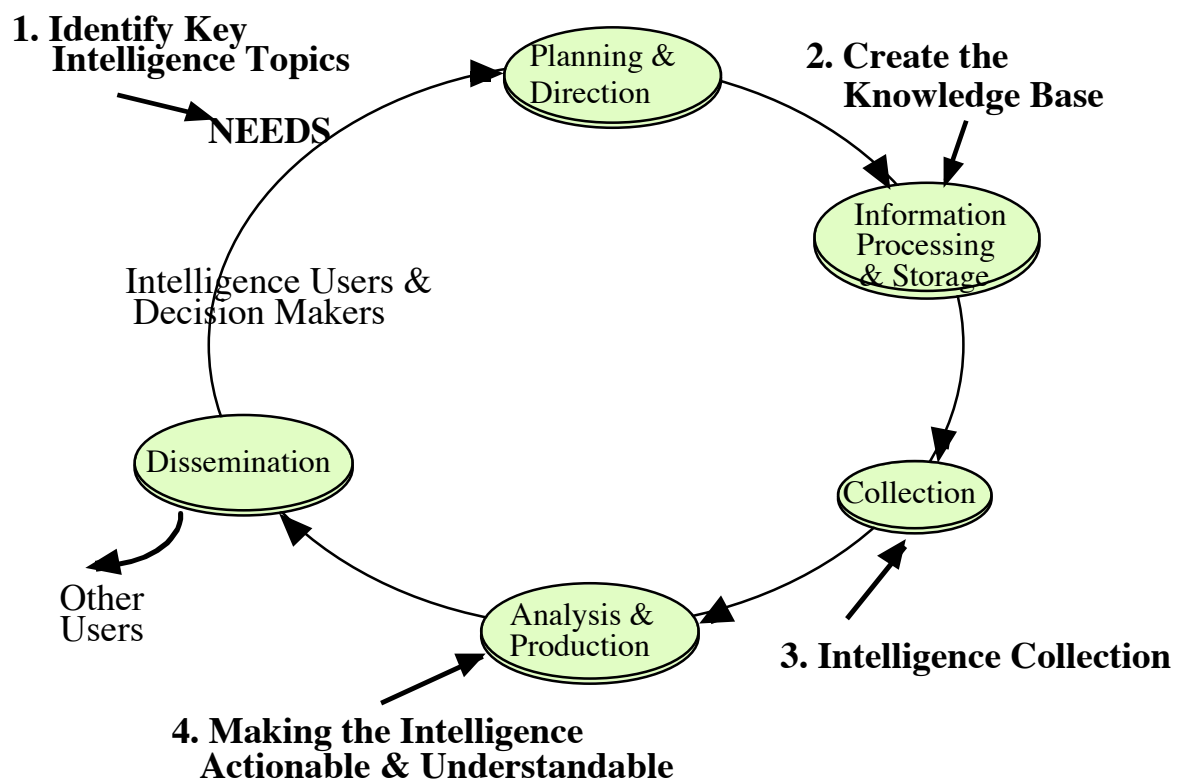
BY BABETTE BENSOUSSAN

This article focuses on the first couple of stages of the Competitive Intelligence cycle – identifying the Users Needs and the direction of the Key Intelligence Assignment.

The intelligence process is about the techniques and processes used to select and filter information and to interpret and analyse it. The aim is to provide insights as to what is likely to happen in one's marketplace and to help executives make better decisions about the future for their organisation.

Competitive Intelligence is defined as *“a systematic and ongoing process for gathering and analysing information to derive actionable insights about competitors, the competitive environment and trends in order to further the organization's business goals”* (Adapted from Fleisher & Bensoussan, 2003).

As a management discipline, it has the following stages:



This article will focus on the first couple of steps in the diagram above – identifying key intelligence topics and planning the direction of the assignment. Experience has shown that identifying Key Intelligence Topics (KIT)/Key Intelligence Questions (KIQ) to be one of the hardest steps for both senior management and the intelligence professional. Executives are often like kids in a candy store to start with. They are able to ask any question their hearts desire only to

find the answers often provide little, if any, strategic value. It is absolutely vital that there is an understanding of what the "customer" (ie the intelligence user) really wants, where they are coming from, and how the intelligence will be directly related to a management decision or course of action.

A good example of the need to understand intelligence questions occurred several years ago when a client brought us in for a CI assignment and asked us to "tell us who is who in this zoo". In order to understand their key topic and provide value, we asked the basic of all basic CI questions "What decision will you be supporting with this intelligence?" The answer - "should we enter this market niche?" We immediately realised that in order to answer their original question, we would have delivered little strategic value. The key was in understanding that what the client really wanted to know and the reasons behind the question.

The first step is then to formulate the goal you want to achieve. For example, the goal may be – “Is it worth my while to spend \$50,000 developing Product X?” or “What would be the most effective way of entering this market?” or “Is there a market for my services in Asia and if so, how do I do it?” The goal, whatever it may be, will in effect drive your information gathering process and keep you focussed.

Too many times CI projects fall over because of poor identification and understanding of the topic or question and its relationship to the business. It is really worthwhile spending time here to understand your intelligence user.

So, for the first step, focus on the issues involved with decision making. Ask yourself the following:

- Who needs the intelligence?
- What business decision is being supported?
- What specific information is required?
- What are some potential sources of information?
- What are the assumptions implicit in the KIT?KIQ?
- What method of analysis should be undertaken to answer the KIT/KIQ?
- What form should the final ‘report’ take?
- When is it needed?
- What are the budget constraints?

As already explained, it is a waste of time and resources to ask too much to start off with. It may be also useful to break down the key intelligence topics into three areas:

- **Early Warning Issues** – these typically stress activities and subjects by which management does not want to be surprised. They are heavily weighted toward threats.
- **Strategic and Tactical Issues** – these relate predominantly to the development of strategic plans and strategies. However issues around the implementation of marketing or sales tactics are also identified in this area

- **Market Player Profiles** – these are the least actionable but reflect a need to understand a “player” in a particular market.

This approach enables a clearer focus on the specific types of questions and their relations to company strategic issues, competitor issues or factors that cost the company money or identifying what are the critical issues for today and tomorrow. The more specific questions are to start off with the easier it will be able to build up CI abilities.

It has often been said that the critical factor is not the information we get but the questions we ask. Often we ask questions that are either too broad or too convoluted to be able to provide us with a specific response. In the end we often end up with information that is of little strategic value. So start with questions that are quite specific and result in a specific response.

The important thing to remember in all of this is that competitive intelligence works for the *business*. Businesses have a purpose, an intent, and all competitive intelligence activity must be carried out for, and focus on, the *intent* of the business - otherwise why bother!! To get information for the sake of getting it is really a waste of time.

The key is in understanding what you really need to know, where you are coming from, and how the intelligence will be directly related to a management decision or course of action.

Once the issues around the KIT/KIQ have been clearly defined and agreed to, a plan and direction of how the assignment will be undertaken can then be formulated. The major focus is not just the identification of sources of information but what method of analysis will be used to turn the information into intelligence. Let me say at this point that there are over 170 methods of analysis in business, and picking the appropriate methodology is critical to delivering value. It is through analysis that information is turned into intelligence. Intelligence is created - it is never found!

### **BABETTE BENSOUSSAN**

B.Bus(UTS), MBA(Macq.)

Babette Bensoussan is a Director of The MindShifts Group, a company specialising in competitive intelligence, strategic planning and strategic marketing projects in the Australasian region. She has undertaken major studies and consulted to Australian and Global Fortune 500 companies in strategic business and marketing planning, competitive intelligence, and strategic analysis. Babette has carried out numerous intelligence and strategic projects in a wide range of industries and markets including aerospace, information technology/computers, waste services, pharmaceuticals, utilities, tourism, mining and manufacturing operations – to just name a few. She has had published numerous articles, co-authored a successful book on CI and strategy, and is an invited speaker and guest lecturer both domestically and internationally.