



BUSINESS AND COMPETITIVE ANALYSIS: Effective Application of New and Classic Methods

By Craig Fleisher and Babette Bensoussan (FT Press (Financial Times Prentice Hall), 2007)

Book Description

Business success begins with deep clarity about your competition and your business environment. But, even as data gathering has improved dramatically, few business professionals know the state-of-the-art techniques for analyzing their data. Now there's a comprehensive, immensely practical guide to today's best tools and techniques for answering tough questions and making actionable recommendations.

Business and Competitive Analysis begins with end-to-end guidance on the analysis process, including defining problems, avoiding analytical pitfalls, choosing tools, and communicating results. Next, the authors offer detailed guides on 24 of today's most valuable analysis models: techniques that have never been brought together in one book before. They offer in-depth, step-by-step guidance for using every technique – along with realistic assessments of strengths, weaknesses, feasibility, and business value.

The Definitive How-To Guide to Analysis

You are flooded with data. This book will help you transform that data into actionable insights and recommendations that enterprise decision makers cannot and will not ignore. Craig S. Fleisher and Babette E. Bensoussan begin with a practical primer on the process and context of business and competitive analysis: how it works, how to avoid pitfalls, and how to communicate results. Next, they introduce their unique FAROUT method for choosing the right tools for each assignment. The authors then present 24 of today's most valuable analysis methods. They cover "classic" techniques, such as McKinsey 7S and industry analysis, as well as emerging techniques from multiple disciplines: economics, corporate finance, sociology, anthropology, and the intelligence and futurist communities. For each, they present clear descriptions, background context, strategic rationales,

strengths, weaknesses, step-by-step instructions, and references. The result is a book you can rely on to meet any analysis challenge, no matter how complex or novel.

Premises Underlying the Development of this Book

This is a book about how individuals in organizations can turn data and information into insights that decision makers cannot and will not ignore. This book provides its readers with 24 commonly applied methods for helping generate actionable recommendations for decision makers, as well as a handful of detailed chapters that address the process of competitive analysis itself.

Given the priority of competitiveness in firms today, business managers need to have a benchmark about what business and competitive analysis is and how it works. More importantly, they need to be able to convert the wealth of available data and information into a valuable form for decision-making and subsequent actions. Collected data must be converted into intelligence. This is accomplished through analysis.

Business and Competitive Analysis (BCA) is a book about analysis. Analysis is one of the more difficult and crucial roles a manager, consultant, functional specialist, strategist, or intelligence provider is called upon to perform. Although great strides have been made in recent years in terms of planning strategy and intelligence projects and collecting data, the same cannot be said for analysis.

Much of the background research we performed in developing this book was derived from practice and research in the larger field of competitive intelligence (CI). This field is not one most of our readers will have encountered during their formal education, and their current employers may not have anyone with that discipline in their job titles. Nevertheless, nearly every firm performs some of the CI functions, and most of them perform it on a regular basis in advance of making key decisions. Analysis is one of the key roles performed by individuals in the CI field, and it is the one that arguably generates the highest value for executives. In our view, business and competitive analysis can and should be a key weapon in the firm's arsenal for achieving competitive advantage. Despite many advances and steady growth in the CI field, some areas of this growing field have received more or less attention than others. The growth of digital communication and information technology and especially the Internet has led to much attention being given to processes and techniques of data collection, as well as information and knowledge management. Planning competitive intelligence projects has also received a boost from the ever-present attention given more broadly to strategic planning and strategy development. Despite these areas of popular interest, two areas that have received disproportionately less attention are analysis and its communication. In fact, our own observations, experiences and several studies underlie the author's contention that many practitioners have limited understanding of the breadth and depth of the challenge underlying these areas.

We seek to remedy this situation by offering this needed book that is devoted entirely to the process, tools and techniques for conducting business and competitive analysis.

Purpose of the Book

This is our second book on this subject matter area, with our first *Strategic and Competitive Analysis: Methods and Techniques for Analyzing Business Competition* having been published several years ago and subsequently been translated into half a dozen different languages. We received a lot of constructive feedback on that effort, particularly from managers and analysts who were using the techniques described in that book. Based on the feedback and reviews, readers typically found it to be an excellent, one-stop source for reminding and guiding them on the key steps of a particular tool to address a particular problem they were facing, as well as providing them with an enhanced idea of what was supposed to be accomplished by applying the tool. That book was used in many well-known enterprises to help train newly hired analysts and consultants. Finally the book was used in business school courses in scores of countries to help students learn and apply these techniques to decision-oriented case studies and "real world" projects.

We took the feedback we received and incorporated it into this book in the form of a wider range of proven techniques and a better background on the process and context of business and competitive analysis. This book is absolutely *not* a second edition and contains completely new content. Between the two books, we provide lengthy coverage of nearly 50 different techniques, which is surely the most detailed coverage of business and competitive analysis methods ever produced.

The Audience

This book is designed for everyone who performs analysis: managers, consultants, functional specialists and strategists.

How to use the Book

To assist our readers, the majority of this book is self-contained, with the array of analytical techniques being supported by references for further reading for those individuals who want longer treatments. The book is organised into two main sections, with the first providing the reader with an understanding of what the evolving body of knowledge in the field has revealed about analysis in its real-world context and how analysis processes actually are supposed to work.

This book includes five detailed chapters that describe, define and discuss the basic facts about analysis, how analysis can ideally be performed, avoiding analytical pitfalls, and communicating analysis results. The last chapter in the opening section describes our unique FAROUT method for understanding the application of the various tools. We strongly recommend that readers thoroughly review that particular chapter before progressing into the remaining sections of the book that contain coverage of the analytical techniques themselves.

We have tried to make the book easy for the reader to use. The basic structure of the chapters containing the analytical techniques is common throughout the second part of the book and contains the following format:

- **Short description** – A brief definition of the purpose and objective of the analytical model to provide an analyst with a quick and handy reference guide.
- **Background** – To place the model in context of management, this section outlines a broad description of the history behind the development of the analytical technique.
- **Strategic Rationale and Implications** – Understanding the strategic thinking and implications associated with a particular analytical technique is important in order to evaluate the appropriateness of a particular tool. This section reviews the strategic issues inherent in each technique.
- **Strengths and Advantages** – Each model has its own strengths and advantages that need to be weighed in light of the purpose of the analysis. This section briefly reviews those strengths and advantages.
- **Weaknesses and Limitations** – Likewise, each model has its own inherent weaknesses and limitations. The weaknesses/limitations identified in this section need to be taken into account when performing the analysis.
- **Process for applying the technique** – This is the ‘how to’ of the analytical technique and identifies the necessary steps required to use this tool. Case studies, figures, and tables are also provided to guide the analyst through the strategic thinking required for each model.
- **FAROUT Summary** – unique to this book, the FAROUT summary allows analysts, at a quick glance, to identify the ease of use, practicality, and usefulness of each model.
- **Related tools and techniques** – Each model of analysis is related to or supported by a number of techniques that may aid or enhance the analysts task. This section provides a useful guide of related techniques and tools that support the objective and purpose of each analytical model.
- **References** – For those analysts wanting to delve further into a particular technique, references for additional readings are provided at the end of each chapter.

Readers will benefit from becoming familiar with this template. This book was not designed to be read in one sitting. Instead we have designed it as a handy comparison and reference source. In this respect it can be most effectively applied in a “just in time” fashion so as to proactively or concurrently meet an organization’s analytical needs as they arise.

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