

How to Describe Competitive Intelligence: Ask a Practitioner

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Introduction

Some individuals simplify CI, claiming that “all you do is investigate a few competitors to get ALL the answers”. You can source information from these avenues. By taking the easy way out, however, you may not be able to accurately pinpoint gaps to capitalize on. ‘Real’ CI incorporates rigorous investigation, marketing skills, lateral thinking and mathematics to level the playing field.

How to Describe CI

The medical field is what comes to mind. Both medicine and CI require diagnostic skills. Whether you use CI to uncover planned intrusions from foreign competitors, examine best practices among competitor product offerings, reconstruct competitor marketing platforms, fine-tune sales plans, streamline distribution of internal information or locate customer service gaps, CI challenges the user to **visualize** their competitor’s gaps and **hypothesize** what the competitor’s counter-attacks will be.

Analogies to 6 medical instruments, 5 procedures and 3 practitioner types serve to reposition CI from ‘espionage’ to an **investigative science**:

A. By Instruments Used

Gauze – *thin absorbent cloth used to prevent body fluids from escaping and to keep wounds clean.*

In **CI**, we “mop up” data discharge by contacting ad agencies, associations,

competitors, competitors of these competitors, consultants, distributors, journalists, equipment suppliers, government trade offices, head hunters, brokers and customers. The challenge is to consolidate findings into summary tables and verify data for accuracy.

Microscope – *magnifies viruses, bacteria, tissue matter.*

CI uncovers competitors’ test markets, taps into new market needs and fills sensitive information gaps by bringing ‘fissures’ of information to the surface that would otherwise go unnoticed. For example, to correctly uncover a competitor sales delivery gap you mystery shop their flagship store 10 times.

Scalpel – *a small razor-sharp knife used to cut a narrow incision.*

CI practitioners thread snippets of data. For example, to estimate market shares of courier companies, a CI specialist will examine the competitor’s waybills and then break down each document according to frequency of shipments, parcel weight, destination and service fee. This segmentation becomes the basis to reconstruct volume estimates.

Syringe – *a device consisting of a tube with a rubber bulb or piston at one end for drawing in liquids and then ejecting it in a stream.*

In **CI**, the syringe is the CI specialist. Whether employee or consultant, they draw information from internal reports and then eject a hypothesis into the

market to uncover new insights. (You hear from a colleague that a foreign company is planning to enter the market. You contact a journalist, who in turn, interviews the competitor. A story on the competitor surfaces.)

Tongue Suppressor – *an instrument for examining patient’s mouth and tonsils for infection.*

CI practitioners frequently commence an assignment by carrying out an internal review. We get clients to say, “Aah” by perusing through focus group studies, customer satisfaction surveys, customer letters, etc. We also interview the client’s sales reps, customer service reps and HR managers to obtain helpful contact names for follow up.

B. By Procedures Employed

Autopsy – *examination of a cadaver to determine cause of death.*

In **CI**, we carry out investigations to determine why an advertising campaign went flat, why a new product launch failed, etc. In essence, the CI practitioner uncovers evidence and traces it back to the cause of expiration.

Biopsy – *remove bits of tissue for diagnosis.*

In **CI**, we carry out mystery shops to pinpoint sales and service gaps that contribute to customer dissatisfaction. A ‘malignant growth’ is comparable to finding out that 48% of dealers are “bait and switching” customers away from your product to the competitor’s. A ‘benign

growth' would be the same dealers failing to assess customer needs.

Reconstructive Surgery – helps physically injured and misshapen people re-adapt to life.

In **CI**, shadow marketing plans reconstruct critical elements of the competitor's marketing plan. Annual reports, ad campaigns, speeches, news releases. Websites, product literature and point-of-sale material are the implants which CI specialists insert to re-engineer competitor platforms.

Skin Grafting transfers skin to surfaces depleted of healthy tissue. Botanists graft buds from one plant into another.

In **CI**, we uncover best practices of competitors and adapt those successful strategies to our programs. (In the mid '80's I sent 146 yogurt drinks to American food companies. The product development teams were delighted that a Canadian yogurt dairy drink was available to benchmark their product against.)

Transplants – Whether a patient needs a new kidney, liver, lung or bone marrow, transplants replace the defective organ with a healthy body part from another individual.

An innovative **CI** procedure draws insights from non-competitive industries to resolve problems that the company is facing. For example, a pharmaceutical company does not know whether low

Quebec sales are due to Quebec's weaker economy or poor performance by their Quebec sales team. The CI manager contacts 2 non-competing companies. Comments are as follows:

Printing Company

- "Separate sales offices for Quebec and Ontario."
- "Not fair to compare sales between regions. Different expectations and targets in each."
- "No notable drop in sales due to economy, competition or declining market in Quebec."

Steel Company

- "Work around variables to achieve maximum sales potential."
- "Cannot compare Quebec to Ontario directly."
- "Expectations for each region set individually."

Findings:

1. These companies are not experiencing lower sales in Quebec.
2. Collectively, they point out that it is not fair to compare Quebec to Ontario sales.
3. They target sales in each region individually.

C. By Practitioners Servicing the Field

General Practitioners – They address basic medical needs – colds, physical, check-ups, minor cuts and burns, etc.

They also refer patients to specialists if they are unable to help.

In **CI**, some market research firms refer clients to competitive intelligence specialists if traditional surveys, focus groups, and customer satisfaction studies do not yield sufficient information to make decisions on.

Paramedics – In emergencies, they keep the patient alive.

In-house CI managers and external CI consultants bring expertise and experience to complete "rush" investigations.

Radiologists – Take x-rays to help doctors assess a patient's ailment.

Electronic database specialists are the CI equivalent. They scan articles, newswires, trademark applications and websites.

Conclusion

We could go on and on (e.g. cells paralleling data, wounds paralleling company leakage points of information, cosmetic surgery paralleling product repositioning, etc.).

CI's roots are in the investigative sciences. Though some may perceive CI as espionage, most of us grind out findings and stick to sleuthing. If you were to compare CI to popular TV shows of the past, I suggest studying Quincy's forensic techniques, before switching to Mission Impossible. ●