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## The role of competitive intelligence in business integration

by Enrico Codogno

Business Integration is the most important role Competitive Intelligence can play in a company. As a process, Competitive Intelligence is unique in that it can bring together the resources from different departments. In fact, the Competitive Intelligence process depends on bringing together people and resources from a wide range of internal sources and departments. Given the right corporate culture and senior management support, the Competitive Intelligence process can play the leading role in business integration.

In this article, I will discuss how Competitive Intelligence can be used to "tear down the silos" by bringing about a sharing of information between departments, and contribute to business integration.

### Action Versus Reaction

The Competitive Intelligence process is a continuous activity. Unlike traditional market research which provides a snapshot of market conditions at a specific moment in time, the Competitive Intelligence process provides practically a "real time" updating of activities in the marketplace.

Traditional market research provides information for a company to react to circumstances. Competitive intelligence provides signals or early warnings that allow a company to act first in anticipation of a competitor's moves, or to adopt or counteract new technologies that will impact on its industry.

And while the results of traditional market research are usually shared only by senior management, the Competitive Intelligence process allows information to be shared at all levels of the organization. Instead of a top-down information flow, information can flow down-up and across departments.

### The Nature of the Competitive Intelligence Process

The Competitive Intelligence process is a catalyst for information sharing and mobilizes members from different areas in the company to co-operate in the gathering and sharing of competitive and market information.

An important part of the Competitive Intelligence manager's job is to develop alliances and contacts with colleagues in such areas as sales, customer service, human resources, purchasing, finance, marketing, research and development, and the legal department. Clearly, these are departments that under normal circumstances rarely, if ever, communicate with each other. Yet, one thing that these departments all share is that they have a part or an influence (albeit even at a distance) in the sale of the product and service mix.

An active CI manager should "follow the money trail" and use the activities and resources of the various departments to do the following:

- develop new products and services
- upgrade the existing product and service mix
- improve customer service
- develop new training programs

### Components of the Competitive Intelligence Process

Competitive Intelligence is not, despite the common image, a cloak and dagger activity. Rather, it is a "people activity", a process by which the Competitive Intelligence manager can access a wide range of internal and external sources to develop the intelligence required by decision-makers.

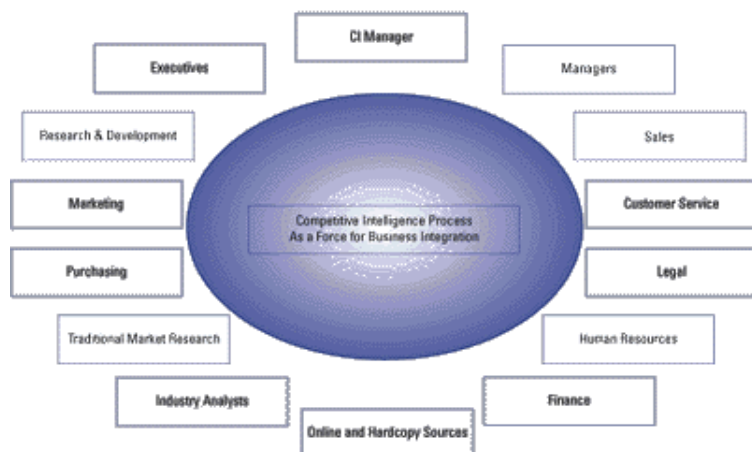
Here are a few things a would-be Competitive Intelligence manager should keep in mind:

- obtaining senior management support and conducting a competitive intelligence audit are cornerstones to building a

## Competitive Intelligence process;

- be aware of the corporate culture: it's not profitable to create something the company's executives do not want;
- be extra careful if there was a previous, failed attempt to set up a "competitive intelligence" department: those who remember the failure may see you as "flavor of the month";
- "people" skills are essential to developing the trust and confidence of potential allies;
- sales and customer service reps are often the least respected employees: showing them respect not only gets their attention, but will win you the buy-in of some of your more important allies;
- don't expect a large number of people to actively participate in the process: ally yourself with a few strong supporters, and eventually others will join in (especially if they see you succeeding);
- communications (via newsletter, email, intranet, etc.) must be a constant: this is part of a continuous selling job;
- provide recognition to those who bring in vital information;
- be willing to give information in order to get information: for example, sharing information obtained from market research studies or online articles with other departments;
- be aware of feedback loops that can help in providing competitive information: e.g. win-loss analyses usually shared by account executives and their sales managers;
- be aware of internal sources of information: market research studies, financial reports, etc.;
- be active and organized: the competitive intelligence process requires a lot of energy.

## Key Players in the Competitive Intelligence Process

**Conclusion**

The Competitive Intelligence process is a continuous activity that can play a prominent role in a company's efforts to integrate business activities. Given the right corporate culture and senior management support, the Competitive Intelligence process can help a company to remain strong during bad economic times and to flourish when the economy improves.

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