

Why does a company need Competitive Intelligence (CI)?

Enterprises and markets are ever more strongly affected by fast changing trends and technologies. This applies in particular to industries, for which time is a critical success factor.

The ability of an enterprise to achieve competitive advantages through “Competitive Intelligence“ plays a large role and is an important condition for the lasting business success.

CI helps to generate relevant insights on the competition and the industry. Remember, management decisions are only as good as the information, on which they are based.

Or as one says: Competing in business without CI is “like running a race without looking at the other runners”.

What is Competitive Intelligence?

The term “Intelligence“ originates from the military vocabulary and is most appropriately translated with early warning or reconnaissance. Without insights on the enemy no military leader can deploy the troops effectively nor achieve important advantages over the opponent.

An enterprise needs reconnaissance in order to position itself optimally in the market. Reconnaissance in this regard means: Information and insights about today’s and future markets, competitors, customers, technologies, etc.

However, CI is not simply a methodology for finding certain information about a competitor, but a continuous process of identifying, collecting and systematic analysis of publicly available data.

This process is closely linked to the strategic planning of an enterprise, providing essential support for an enterprise’s growth strategy, which is directed on winning new customers and market shares, developing new products and outstanding equipment production.

All these activities are unsatisfactorily implemented, if no relevant competitive insights are present, which support these strategies. The focus is clearly on transforming bits of data in into decision relevant knowledge.

What is the advantage if I use Competitive Intelligence? What is the cost/benefit effect?

CI supports decision makers to understand the strategy of the competition so that in the future appropriate counter activities can be deployed. Preparing forecasts, implementing effective competitive strategies as well as informing systematically about critical developments are all part of it. This involves the use of real-time information as well as primary and secondary research.

In times of information overload, scarce resources and a dynamic, global and continuously growing competition, no enterprise can dare to not use CI. Enterprises, which use CI, benefit from optimized decisions, cost advantages as well as revenue growth.

CI cannot predict the future but helps to understand “the competitor” and his strategy to protect the critical success factors of an enterprise.

Questions? Please ring +49 6703 301690 or visit our web page www.infoplusdaten.net for further information on our services.

Source: Industry Canada, own

