



Where Market Research Meets Competitive Intelligence

SIS International Research



What is CI?

The capturing, synthesis, and analysis of information about the competitor's:

- Organization and structure
- Products,
- Distribution channels
- Pricing
- Manufacturing costs and procedures
- Strategic & Tactical Initiatives
- New product development programs
- Financial performance
- M&A strategy
- Local & global strategy
- Marketing & Sales





Comparison to Market Research

- Market research has
 - Been established for nearly 100 year
 - Established quantitative and qualitative methods
 - Performance measures (N = sample sizes)
 - Standardized project objectives, methodology, research design, and deliverables
- Competitive Intelligence
 - Established in 1970s/1980s
 - No quantifiable results
 - Fluid research methods
 - Been evolving as a research discipline
 - Become an accepted practice



Questions to be Answered by CI Research

- CI research and analysis seeks to answer the following:
 - What is their strategy (e.g. domestic, international, in select markets, etc.)?
 - What new products/technology are competitors developing?
 - What is their strategy re price, placement, promotion.
 - Have they developed strategic alliances/JV partners, etc.?
 - What are their prices/financial performance/operating costs? (This is usually the most difficult information to obtain)
 - What factors could impact our market share or increase theirs in the next five years?



CI= Qualitative Research Methods

- Since the objective of CI studies is to obtain “sensitive” information, CI research staff needs highly skilled in telephone, face-to-face, or in-depth interviews.
- The best researchers are knowledgeable about the industry, product categories, and technology, and are able to engage the respondent in an open conversation.





CI = Qualitative Research Methods

- The CI Interview:

- Is not a traditional market research interview; interviewers engage the respondent in a conversation
- Does not “directly ask” the questions to the respondent due to the sensitive nature of the dialogue
- Interviewers use elicitation techniques to offer industry expertise and opinions -- and probe for information



Our CI Qualitative Research Methods (Cont'd)

- While the CI (hard copy) questionnaire may resemble a traditional market research in-depth interview, the actual execution of the interview is an “art,” depending on the approach and skill of the interviewer.
- The analysis is similar to “piecing a puzzle together.” Rarely, does one interview generate the required information.
- Generally, several interviews throughout an organization are necessary to obtain information.





CI Recruiting ≈ Qualitative Research

- Recruiting methods in CI research require interviewers to “navigate” throughout the organization to find the appropriate person
- We recommend interviewing 2-3 people from different departments in a company
- Speak with anyone with knowledge of the targeted company(ies), issues, products, etc.
 - Industry Experts, Associations, Press, Clients, Suppliers, Govt.



CI Techniques ≈ Qualitative Techniques

■ Overview

- Position the respondents as “thought leaders” rather than interviewees.
- Establish professional dialogue to encourage an exchange of intelligence
- Expect respect for your input as you have a finger on the pulse of the industry sector



Competitive Intelligence Interviewing Techniques (Cont'd)

- Establish credibility
- Offer “tradeables” e.g. Executive Summary
- Use open-ended interviewing techniques
- Follow-up

Competitive Intelligence Interviewing Techniques (Cont'd)

- **ESTABLISH credibility**

 - Demonstrate knowledge of subject matter and current issues

- **OFFER tradeables**

 - For people to talk, they have to gain something from the discussion

 - Offer them a copy of an Executive Summary which addresses the key strategic issues facing their industry and is derived from secondary research.



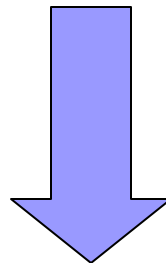


Other CI Methodologies

- Competitive Literature
- Product Samples
- Technology – Product Development
- Profiles of Key Executives in the Company

The Integration of Market Intelligence and Market Research

Traditional Market Research



NET RESULT: "Strategic Intelligence"





Conclusion

- Market and business intelligence have increased in demand
 - Recession Resistant
- Market intelligence needs to be integrated with traditional market research
- The value of this integrated approach must be explained to – and therefore sold to – the client.





In Sum ...

- We/you/all of us already have untapped CI capabilities in house.
- We could all use these capabilities to add value to projects and to upsell services.
- Find your comfort level with CI, try a “finger exercise.”
- CI can be a brand and service enhancer.