

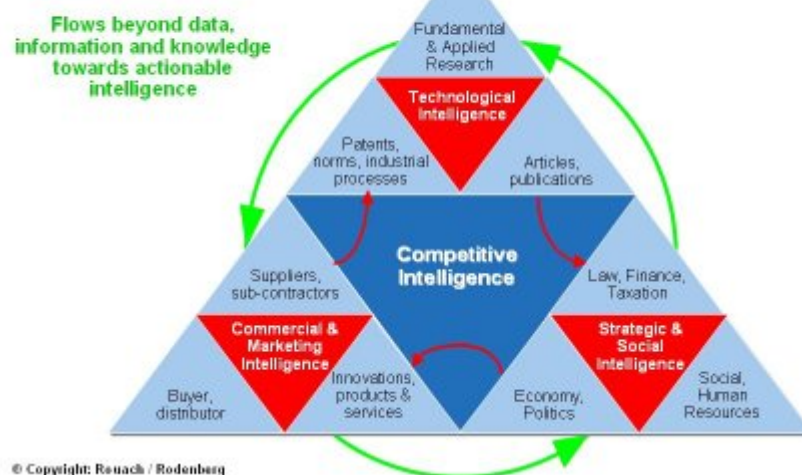


Competitive Intelligence Best Practices Event at SCIP Benelux June 2003

Competitive Intelligence Best Practices

Chaired by Joseph Rodenberg of Rodenberg Tillman & Associates and Senior Advisor at Arthur D. Little, SCIP Benelux has organised a successful event "Best Practices in Competitive Intelligence in the Benelux", on June 26 in Breda. In the nice surroundings of Hotel Golden Tulip Mastbosch, 60 practitioners in competitive intelligence came together in an informal setting to participate in the contributions of Royal Dutch Shell, Solvay Belgium, Pfizer The Netherlands, SCA Packaging The Netherlands, La Poste Belgium and Dutch-based Annalise SVP.

Competitive Intelligence lets us understand "why" and "how" our interactions with the market place and space impact our competitive position, and allows us to make better decisions



New vision on intelligence: Enterprise Intelligence

At his opening as chairman of SCIP Benelux, Joseph Rodenberg introduced his future vision on Competitive Intelligence by introducing "Enterprise Intelligence, creating the intelligent and alert organisation". Key message of Joseph was that in order to become successful in competitive intelligence the three intelligence areas of business intelligence, organizational intelligence and competitive intelligence should be integrated. This new concept of Joseph Rodenberg is called Enterprise Intelligence. Business Intelligence can be seen as the umbrella name of numerous IT-based software solutions to better order, structure and access the internal information flows, workflows, management information systems supported by tools such as data

warehousing, data mining, business performance management tools as balance scorecards and dashboards.

The challenge of the competitive intelligence professionals is to relate the results of these business intelligence solutions with the external business environment dynamics, seen as the domain of the competitive intelligence management discipline. However, the key success factor in enterprise intelligence is people, which must be seen as the intellectual capital of the organisation as well as the most important assets at a company balance sheet. This area of human intelligence has been defined as intelligence of the people in the organisation. By well balancing the responsibilities, capabilities and tasks of people organizational intelligence will becoming the bridging factor of the gaps between business intelligence and competitive intelligence. The aim of organizational intelligence is to develop the ability of people to transform the data, information and knowledge into policy making, improved decision making and business fore sighting.



Competitive Intelligence Services at Solvay Belgium

Francis Gallez of Belgium based Solvay shared his vision with the attendees on the competitive intelligence activities at Solvay. CI at Solvay started in 1997 by establishing a so-called "Watch Team". During the last couple of years Francis succeeded in creating the "CI-Master" as the centre of external agents and provided services, resulting in a secured watching system and portal based open access systems. The competitive intelligence focused organisation at Solvay exist of a champion, a crew of watchers, a team of experts, a network of internal information sources and a network of external information sources. Intelligence at Solvay means inquiries and not cleverness and inquiries are seen as watching and is always strategic. In 2003 the Competitive Intelligence Service has been based on three key pillars:

First a computerised & secured knowledge management system. Secondly a business & market focused watching organisation and thirdly the opportunity to take advantage of company networks & communities of business practices.

Intelligence at Pfizer The Netherlands

Paul Boeren explained the audience how intelligence at Pfizer drives strategic decisions in order to build sales throughout the product lifecycle. Aim is to minimising risks and maximising opportunities. The growing gap of intelligence at Pfizer has been recognized. The gap between the growth of data and information and the decreasing availability of analytical personnel. For Pfizer the reason to better manage the intelligence change process with the focus on three areas. First area is the structures and processes meaning people, processes and partnerships. Second area is training and development towards the strengthening of the general and technical competencies of the organisation. Third area is change management dealing with vision, strategy, short-term wins and business success. The mission of the intelligence capability at Pfizer has been redefined into as: "business intelligence, as partner in business decision making, will pro-actively guide the strategies and operations by objective presenting value added internal and external business insights and recommendations to business decision makers. As a result the profile of the intelligence officers at Pfizer has been changed from a provider towards an internal consultant. The provider has been active in the past as re-active and providing data and information, whilst the internal consultant currently acts as pro-active and selling insights and recommendations.

Case example Co-Sourcing at Annalise SVP

Theo van Stuijvenberg gave a brief introduction of a co-sourcing case. In close cooperation with the client, project execution can become highly efficient and effective at competitive cost. Especially in merger & acquisitions activities co-sourcing can be of interest as the role of independent research agency implies that the potential target company is unprepared.

Competitive Intelligence at Royal Dutch Shell

Christiaan Luca of Shell showed the attendees an interesting view on intelligence based Play Mapping. Three focus areas have been explained. First, know where you are as organisation. Secondly, know where you want to go as organisation. Thirdly, make a forward plan. To know where a company as Shell is Christiaan presented an industry analysis of the upstream oil business as well as the Exploration & Production trend analysis. To know where you want to go as a company, an inventarisation of the strategies of the key players in the upstream oil business has been presented. Most interesting part of Christiaan Luca's presentation was the Forward Plan where Play Mapping and Scenario Analysis were demonstrated. The Technology Play Mapping provides a comprehensive overview of the technical and competitive landscape by describing the four dimensions: business needs, market dynamics, key players and competencies. Objective of the Forward Plan is "in time" insights and making priorities with the aim to make the right strategic decisions. Throughout the Technology Mapping exercise six steps have been identified: issue framing (1), secondary research (2), visualisations (3), primary research (4), analysis (5), and action (6).

Conclusion made by Christiaan was that there are plenty of tools, enough information that is publicly available, however you need stamina and hard work, and finally that strategy development and execution need broad consultation, communication and cooperation.

Intelligence by Arie Barendregt SCA Packaging

Arie Barendregt gave a very brief overview of his competitive intelligence activities at SCA Packaging. However, he was able to present the attendees recent research results on the effectiveness of competitor analysis at medium sized business-to-business companies in the Netherlands. Key challenge was to find out the relationship

between success in business and competitor analysis. The results for "companies active" and for "companies non-active" in competitor analysis are following:

Non-Active Competitor Analysis Companies:

- 28 % report above-average turnover growth
- 37 % report above-average profitability
- 31 % report positive development of profitability over 3-year period
- 42 % report growth of ROI over 3-year period

Active Competitor Analysis Companies:

- 63 % report above-average turnover growth
- 70 % report above-average profitability
- 70 % report positive development of profitability over 3-year period
- 73 % report growth of ROI over 3-year period

Conclusion might be that there is a positive correlation between improved efforts in competitor analysis and growth of turnover, profitability, improved profitability midterm and midterm growth of Return On Investment.

Joseph Rodenberg explained to the attendees what the possible outcome could have been in case we are not talking about competitor analysis but about a structured competitive intelligence process. The ratings would have been possible even higher. Competitive Positioning should therefore be seen as one of the most important differentiating factors in strategy. Along the vision of Joseph Rodenberg we never must forget that competitors acting at the same marketplace only have one simple objective: "going after your company's customers who they just see as hot prospects".

Competitive Intelligence at La Poste

Koen Devos, competitive intelligence manager at Belgium La Poste presented the competitive intelligence activities at the postal market. Competition is increasing with the new entrants of British Royal Mail, German Deutsche Post and Dutch TPG at the Belgian postal market. Koen showed us three relevant dimensions La Poste currently is facing. First a better understanding of the internal business processes and human related issues. Second an improved understanding of former, current and prospect customer characteristics, behaviour and attitudes with respect to postal matters. Third to get an in-depth understanding of the market environment and competitive landscape. Aim of the intelligence focus at La Poste is "translation of data into added value or decision support for the company". To get a better understanding and to be able to manage the intelligence process, three levels of intelligence activities have been identified: strategic, tactical and operational intelligence.

Competitive intelligence at La Poste has been situated within Strategy & Business Development as a corporate support function. They work closely together with the market intelligence professionals of the marketing intelligence department. The corporate function is responsible for the management of the public data sources. One of the first steps or achievement is establishing the development of a knowledge database with the objective to provide a platform for easy storage & retrieval of all market intelligence related knowledge available at La Poste. Objectives are to create a shift from individual to shared knowledge (1), to secure to have the best data available (2) and finally to avoid reinventing the wheel (3). Koen finally came up with following learning steps. The technical part is the easiest one, however takes time. Data is a cost; only if it improves decision making it is beneficial for the organisation. Finally no users without content, no content without users.

This half day event of SCIP Benelux has been very well perceived by the attendees, because of a combination of excellent contributions by the seven speakers, the inter-activity between the participants and speakers and finally by the very nice atmosphere of the premises in Breda, located in the middle between Amsterdam and Brussels and seen as a real with even attendees from the United Kingdom, Germany,

France and Finland.

Joseph H.A.M. Rodenberg, Chairman of SCIP Benelux.

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