



WHAT IS EVERYBODY AFRAID OF?

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Your phone rings. It's a news writer for the *Wall Street Journal* or *The New York Times* who wants to ask you, the competitive intelligence (CI) manager, about the CI industry — maybe a few questions about your company's CI practices and how this industry has evolved over the years.

How do you respond? Do you say:

- 1) "Absolutely, fire away! I'll provide you with some insight on the CI industry."
- 2) "I would love to; I just have to check with the public relations folks first."
- 3) "Our policy is we can't talk about our CI practices."
- 4) "CI? What's CI? We don't do CI and even if we did, I couldn't talk about it!"

Whether you see a phone call like this one as a threat or an opportunity says a lot about the competitive intelligence industry's self-image. Unfortunately, to the detriment of the industry, the vast majority of competitive intelligence managers would respond to a request for an interview by declining it.

This actually happened recently: nearly 20 leaders of prominent competitive intelligence functions all refused to talk with a business writer at a major U.S. newspaper who wanted to help promote the concept and benefits of competitive intelligence. We are even aware of many current and former SCIP board members who are instructed by

management not to talk to the press about competitive intelligence.

Are you kidding? What is the big deal? Why don't we want to promote our industry, just like all other professional service companies do? What are people afraid of?

TALK ABOUT COMPETITIVE INTELLIGENCE

How will competitive intelligence ever receive positive press if no one (or very few people) will talk about the positive impact of competitive intelligence on their business? And worse yet, what does it say about our entire profession if we don't want to talk about it? Why the need to keep competitive intelligence so hush-hush?

It's time to cast aside the cloak-and-dagger image. We're not the Central Intelligence Agency (CIA), for goodness' sake! In fact, the competitive intelligence industry and its practitioners need to stop hiding their light under a bushel, and instead start taking pride in their role in improving and accelerating competition, the driver of world markets. Competitive intelligence is a business decision-support service that has grown in part out of Michael Porter's scholarship at Harvard Business School. His work was first presented more than 20 years ago in his thought-leading book *Competitive Strategy* (1980).

Sure, it makes sense for competitive intelligence managers to have approval from their public relations (PR)

folk before talking to reporters. But the problem is that PR, legal, marketing, and individuals in other departments are themselves underinformed about competitive intelligence, so they often immediately squash the idea. These groups rarely let their internal competitive intelligence expert talk externally about competitive intelligence in general, let alone how it specifically relates to their company. Why not?

We are not aware of any negative repercussions that a competitive intelligence manager or company might have faced because they discussed their function or shared some of the successful results of the team. For example, Craig McHenry, director of competitor insights for Wyeth, recently shared some thoughts about competitive intelligence at his company in a December 10, 2007, *Chicago Tribune* article, “Corporate Covertness,” that appeared on the front page of the publication’s business section. Neither he nor his company suffered any negative consequences from McHenry’s comments to the reporter.

Our profession needs more people speaking out to enhance the image of competitive intelligence. Practitioners do not have to share secrets or deep insights about their competitive intelligence processes or precisely how their CI unit operates. But sharing how competitive intelligence has a positive impact on a company or even on an entire market certainly will help the CI industry be more positively recognized.

SHARE SUCCESSES

For competitive intelligence to truly become an essential part of every successful business — and we predict that this will take place within the next five years — great competitive intelligence champions and their C-suite sponsors must green-light conversations with the press, and highlight CI’s positive effects on their business. The competitive intelligence manager has a professional duty to push back at PR or any other group that mandates keeping quiet about how competitive intelligence brings success to their company.

On the contrary, if we want to remove the negative connotations often associated with competitive intelligence, then we need more practitioners speaking up and sharing their programs’ amazing successes. Highlighting these experiences gives clarity to what competitive intelligence is and how it confirms, substantiates, and supports multimillion-dollar business decisions. Competitive intelligence efforts can alter, redirect, or even change the course of any business for the benefit of the company and its customers, employees, and shareholders.

NECESSARY AND LEGITIMATE

It’s not as if companies aren’t looking at their competition. In fact, don’t you want the company you have

invested your hard-earned dollars in to be studying the competition? We want the competitive intelligence profession moved into the mainstream, into business schools, and seen as a career track or prized assignment, and moved out of the negative spotlight.

If managers either refuse to or are prohibited from talking about competitive intelligence, this movement will never happen. What does that say about our profession? How can competitive intelligence be viewed as a necessary and legitimate profession when even SCIP board members will not or cannot speak with the press, in any context, about it?

If competitive intelligence continues to be viewed as a clandestine, cloak-and-dagger, midnight-rendezvous, secret-handshake activity that is somehow harming society or the business world, then those who are unwilling to speak up and set the record straight actually foster and perpetuate this negative image of our profession. It can’t always be just the academics or the solution providers who raise their voices. Our industry must have a champion — or even better, C-suite sponsors — willing to affirm that yes, competitive intelligence happens, and thank goodness it does.

MAKE COMPETITIVE INTELLIGENCE VISIBLE

Our economy, our prices, our product offerings, our entire free enterprise system demands and requires that we understand the competition. Without competition, how do patients get better, how do medicines become more affordable, how do new and enhanced technologies spring to market sooner, how are new services created, and how else would consumers have the options and choices they have? All industries require their companies to understand the competition. Why won’t people talk about all the good that competitive intelligence does and can do?

CI Magazine cannot be the only publication in which positive competitive intelligence articles appear. On the currently rare occasions when writers actually want to highlight competitive intelligence’s value and importance, they end up either killing the whole story or putting a negative slant on it because no one or very few knowledgeable people will speak about how essential CI really is. As the competitive intelligence industry evolves to become as important to a business’ success as any other recognized business support function (such as market research, advertising, public relations, research and development, marketing, strategy, sales, and human resources) it requires strong CI leadership and strong C-suite champions to help transform the current unwarranted image.

Does any company truly believe that its competitors are clueless, that they don’t know they are being monitored? Of course not. The nature of competition is to see where you stand in relation to others in your league. Is any sports team shocked to know the team they will be playing next

is scouting them, assessing their strengths, and figuring out ways to exploit their weaknesses? What is so wrong with a business having the courage to enthusiastically say, “Yes, of course we look at our competition. We use all legal and ethical means to help us gain an advantage.” Isn’t that what capitalism is all about?

Although a major component, conducting hard-core primary research to obtain difficult-to-find information is not all there is to competitive intelligence. So much more of the practice and how it works makes a compelling story for the media. For example, internal networks of knowledge-sharing help provide many pieces of the puzzle, or competitive intelligence teams use analytical tools to assess, corroborate, and form final conclusions and recommendations. Multiple aspects of the industry are there for any competitive intelligence manager to discuss.

SILENCE IS NOT GOLDEN

Instead of crafting a positive competitive intelligence story for the media, many companies’ public relations or legal departments become unnecessarily paranoid or defensive when people talk about competitive intelligence. Not so long ago when “public relations,” “advertising,” and even “market research” were discussed, people cringed at these groups’ “gimmicks” when statistically valid, random sampling was nowhere to be found. Now companies consider public relations and similar functions necessary to business survival. So too is competitive intelligence.

So why don’t managers and their companies want to talk about competitive intelligence? Is it the words “competitive” or “intelligence”? Are they fearful their competition will know they are being analyzed or examined?

Guess what? They already know. This is part of the strategic game, isn’t it? Are managers concerned that shareholders will not be happy that they are studying the competition? Quite the opposite: It would worry an investor if you weren’t looking at the competition. Is there a desire to downplay the company’s engagement in competitive intelligence? Sharing your company’s competitive intelligence activities can actually be seen as a competitive differentiator.

Are managers and companies just not concerned about developing the competitive intelligence industry and taking the necessary action (as challenging as it may be) to bring its practices out into the sunlight? If you are a competitive intelligence manager and think this way, then you see your CI role as simply a job, not a career that has significant impact and influence on the strategic and tactical direction of your company. It might be time to consider grooming another person who does have a deep passion for it.

Any company that has a competitive intelligence function should take pride in its foresight. If your competitive intelligence team is doing their work correctly,

they are tirelessly working to pull together extraordinary insights that affect their company’s decision-making.

WHERE ARE THE RISKS?

Over the years, have some rogue employees engaged in practices that have abused ethics or put the company at risk? Absolutely. But every function has the potential to put its company at risk in one way or another. Think about it. Selling a product that you know may have serious adverse and even deadly side effects puts the company at risk. Hiring poor talent puts the company at risk. Bad decisions from the strategic planning steering committee put the company at risk. Sales people not hitting their sales goals put the company at risk. Executives who abuse expense accounts put the company at risk.

When conducted properly, competitive intelligence actually helps reduce risks, which is critical when company leaders are risk-averse success seekers. Competitive intelligence:

- uncovers the situations senior managers thought they knew, but didn’t.
- helps identify information you didn’t even know that you didn’t know.
- ultimately improves decision-making.

All of this activity creates a competitive edge.

If you view a business as a living, breathing entity, information is its life-blood. Intelligence, like oxygen, keeps it all moving and allows for clear thinking. How can it be bad to talk about such a concept?

CONVINCING MANAGEMENT

Are you thinking, “This sounds all great, but how do I convince the powers that be of this?” We suggest that not only is it important to encourage management that it is okay to talk with the press, but you must also persuade them that talking openly about competitive intelligence is something the company ought to do proactively and frequently. Here are some thought starters on how to do this:

- Show them articles that contain quotes from other competitive intelligence managers or executives from leading companies that reference the positive impact of competitive intelligence.
- Emphasize how promoting that the company is using competitive intelligence to keep it Out In Front™ of the competition is a forward-thinking differentiator.
- Reference the company’s stated mission, purpose, vision, or values when talking to management, and use this language to explain the benefits of competitive

intelligence and the ways in which CI upholds the corporate vision.

- Demonstrate your competitive intelligence unit's return on investment. Publicly sharing the successful use of competitive intelligence will raise internal awareness of competitive intelligence and enhance the entire company's involvement in monitoring competition.

DEFINE YOUR PROFESSION

It's time for companies to overcome their aversion to the press and embrace the publicity, or at least start working with the media to illustrate the benefits that competitive intelligence delivers. You can deny that your company does what you know it must do to survive, or you can decide to have a voice to help this industry evolve so it truly becomes an essential part of every successful business.

In our hypercompetitive business environment, we all need to do what we can to inspire our C-suite champion or sponsor to speak out on the importance of competitive intelligence. Imagine how great it would be for the profession

if CEOs in their next quarterly shareholders' meeting actually said, "Because of our competitive intelligence team's great work, we learned our competition might beat us to market, so we adjusted our strategy, tactics, and resource allocation so we could be first to market. Because of that, profits are up 15 percent this quarter."

Are we defining the future of our industry and our profession, or are we letting others do it for us? It's your choice. What are you afraid of?

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The graphic features the SCIP logo (Society of Competitive Intelligence Professionals) on the left. The title "2008 Training Calendar" is centered at the top, with the year "2008" in large, stylized numbers. Below the title, a group of silhouettes of people in business attire stands in a line. The calendar lists several events in two columns:

Event Title	Dates	Location
SCIP 08 Annual Conference & Exhibit	April 14-17	San Diego, California
CI 101® and CI 202™	June 16-17	Chicago, Illinois
Competitive Financial Analysis	June 17-20	Chicago, Illinois
CI 101® and CI 202™	September 8-9	Alexandria, Virginia
Starting a CI Function	September 10-11	Alexandria, Virginia
European Summit 08	October 20-22	Rome, Italy
Competitive Financial Analysis	December 2-5	Alexandria, Virginia

Check the calendar at www.scip.org to stay current with upcoming events and webinars.

www.scip.org