

market research bulletin

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Market Research & Translations

Where Are
We Going?

Strategies for Building
an Innovation **Practice**

Gary D. Maag
Co-founder and CEO
Proactive Worldwide

Real-Time Voice of
Customer Programs
Innovations in Market Research



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About The Cover



Gary Maag leads the organization's strategic development and manages the company's practice directors. During his almost 20 years in the competitive intelligence field, he has assisted dozens of Fortune 500 companies with decision support activities and has advised numerous product and task force teams on innovative growth strategies and CI-related issues.

Gary D. Maag
Co-founder and CEO
Proactive Worldwide,

HQ Location: Chicago IL
www.proactiveworldwide.com



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Your CMO bursts into your office. "Did you hear that our top competitor just launched a rival product?! It's a major attack on our business. We need to know more about it – positioning, pricing, their targets, and what other versions they're launching. And I need this info for meetings in six weeks."

In this good news/bad news scenario, the great news is that the CMO values your function. You know everything about consumer and market trends, and have great analytics. The bad news: Your department doesn't handle these types of requests.

Competition-oriented requests are increasing due to heightened competition, reduced resources, and a rapidly evolving market landscape. Providing competitive insights requires different tools and different methodologies than traditional market research. But the payoff is huge: insights into a competitor's strategy, positioning, pricing, and future tactics can change an organization's strategic direction.

Combining competitive research with market insights can give senior management a complete, 360-degree perspective so they can make better-informed strategic and tactical decisions. The challenge is how to navigate the differences between competitive research and market research – and how to combine and manage the two for optimal results.

Proactive Worldwide, Inc. is a leading global research and consulting firm that specializes in providing evidence-based strategic intelligence and support services. Join us for a discussion on competitive insight requests, how traditional market research functions can adapt to them, the steps for success, and how to turn a seemingly impossible task into an actionable, game-changing deliverable.

FREE WEBINAR

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Wednesday, August 10th,
2:00 PM EST / 11:00 AM PST

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DO YOU KNOW WHAT YOUR COMPETITION IS UP TO RIGHT NOW?

What you don't know about your competition can hurt you. To get OUT IN FRONT, there's no substitute for world-class competitive intelligence. Proactive Worldwide collaborates with some of the liveliest and most provocative minds in the business and intelligence communities. Which enables us to deliver the essential CI you need to acquire and maintain your competitive advantage. Why guess what your competition is doing? With Proactive Worldwide, you'll know.

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**Benchmarks for
Success:**

**The Continued
Evolution of
Competitive
Intelligence**

*Even if you're on the right track, if
you stand still, you'll get run over.*

-Will Rogers

*Written by:
Gary D. Maag, Proactive Worldwide*

I'm sure you're at least somewhat familiar with Charles Darwin, the father of evolutionary theory. He argued that evolution in the natural world occurs through a process of adaptation and natural selection, which Darwin dubbed "survival of the fittest." Whether you personally believe in evolution, creationism, the Big Bang theory, or any other explanation for our existence, many of Darwin's points remain valid. And they are as relevant in the business world as they are in nature.

Will Rogers summarized Darwin's message in a simple one-liner: "Even if you're on the right track, if you stand still, you'll get run over." This is evolution in a nutshell: Survival depends on continuous improvement and strategic adaptation. For thousands of years, many species appeared to be "on the right track," only to be wiped out by environmental changes to which they were poorly adapted.

EVOLUTION AND THE CI INDUSTRY

The concept of evolution is especially relevant to our business: Competitive intelligence (CI) as an industry must take this lesson to heart and develop a plan that ensures its healthy adaptation, its continued evolution, and, ultimately, its survival as a robust and essential business service.

To survive and thrive, competitive intelligence as a discipline cannot stand still. Quite the opposite: CI firms and practitioners must strive to be the fittest possible and to pursue excellence in all aspects of their activities to ensure not only their own longevity, but also that of the competitive intelligence industry as a whole. Who comes out on top depends on how well and how quickly firms adapt to the current environment and anticipate future needs and trends.

To ensure the longevity of competitive intelligence as a species of professional service – to join the ranks of respected relative newcomers like advertising and public relations – we must establish a set of commonly held standards for industry excellence. Such benchmarks provide practitioners with goals for further development, a gold standard of sorts. At the same time, creating a set of world-class expectations will earn the trust of consumers by giving them a customers' bill of rights and a means to measure one CI company against another. In short, a set of clearly expressed, commonly accepted benchmarks will help the industry identify the true competitive intelligence contenders for excellence.

Competitive intelligence helps bridge the gap from guessing to predicting events in the marketplace – not as futurists, but as realists. To satisfy clients' business needs for competitive advantages and to reach this level of insight, the industry must establish a clear set of standards that ensure the development of rich, vibrant, and insightful intelligence for competitive intelligence consumers. This is the path to world-class CI.

WORLD-CLASS CI CAPABILITIES CHECKLIST

A set of world-class competitive intelligence performance parameters serves at least two purposes:

- It establishes benchmarks against which competitive intelligence firms and professionals can measure themselves.



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- It clarifies the essential capabilities a client should expect to find in a potential competitive intelligence partner.

A checklist of essential capabilities can help clients decide whether they are likely to be working with the right partner before they sign the contract. Competitive intelligence consists of a complex set of activities that requires a broad array of specialized skills. As a broad overview, clients should expect their competitive intelligence provider to exhibit specific qualities organized into the following six major categories:

- Established competitive intelligence culture, with a set of guiding principles around which the company consistently operates and which are understood and implemented by its employees.
- Talent management, with an experienced team that offers flexibility, multidimensional thinking, and commitment to the clients' intelligence gathering goals.
- Competitive intelligence training, as continuous and comprehensive training is key to the development of true CI practitioners and clients.
- Industry expertise, including subject matter expertise and senior team members who have actively participated in and objectively study the vertical industry over the long term.
- Systems and technology, including tools that leverage technology advancements to ensure robust customer relationship management.
- Performance metrics, as objective measurement is the only way to ensure validation, return on investment (ROI), measures of effectiveness (MOE), and improvement.

These benchmarks are just the beginning, but they provide a basis for further discussion and development of commonly accepted professional standards for the competitive intelligence industry. As a practice, the industry must set high-performance and world-class standards that formalize CI as an empirical research discipline. Doing so will ensure that competitive intelligence is a highly valued business practice that offers high top- and bottom-line impact.





THE FUTURE OF CI THROUGH STRATEGIC ADAPTION



Competitive intelligence as a species occupies a unique position in the world of business. Most market research as we know it is oriented to the present and past environment. Rarely do companies invest in research to gain perspective on the future, much less a quantifiable or action-oriented outcome. World-class competitive intelligence can offer that vision.

As seen in the rise and fall of many a great company, today's most effective information-gathering lens must be a combination of a high-powered microscope and a wide-angle camera. It must show in infinite detail the inner workings of markets and players, balanced with a broader perspective of the countless socioeconomic forces that truly shape a business.

Look too closely, and you lose objectivity and perspective. Step back too far, and you miss the subtle nuances and shifts that can quickly, quietly, and completely reshape a product category, brand, or market.

The future poses a formidable challenge to how we think of business: We must re-examine traditional assumptions and make new connections to the realities of the external forces driving the market. To be ready for that future and posed to adapt to whatever it may bring, competitive intelligence must focus on standardizing its own practices. Firms that make a concerted effort to establish a set of world-class CI standards now will have made a quantum leap in the evolutionary process and readied themselves not just to survive but to excel in the competitive years ahead.

