

15 Implementing Market Intelligence Programs

THE CHALLENGE OF A NEWLY APPOINTED HEAD OF MI

Mark was smiling inwards. He was quite happy with the presentation he had prepared for a conference where he had been invited to speak about setting up a Market Intelligence (MI) program. In his mind, he had gone through once again the multiple initiatives that had kept him occupied for the last one and a half years, reflecting on his past experiences and selecting some of the key things to discuss in his presentation. One thing clearly stood out: never before had he had such an extensive network of people around him, all of whom were stakeholders to the intelligence program that he was leading. Mark felt somewhat pressured – he felt personal responsibility for delivering on the promises that his program continuously made to the organization – while at the same time he thought nothing could be more rewarding than this: being able to support the managers and experts around him by providing top notch intelligence to their needs. As a people person, he really enjoyed his job. This was what he would start his presentation with.

Mark was working in a relatively large logistics company whose services covered express delivery, freight, warehousing, and distribution. Originally, the initiative to establish a systematic intelligence program in the company had come from one of the board members who had previous experience of a solid intelligence program in operation. It was not like Mark's company hadn't had any previous MI activity at all, though. On the contrary, information about market players and trends had been collected by various local units for their own purposes.

Only there was no central coordination in collecting and processing information, and no-one really knew just how much of the resources were being put into the activity and what the concrete benefits were at the end of the day. In addition, the top management felt they were not being served with good enough MI for their strategic needs that had become very apparent in the increasingly complex competitive landscape.

“IT’S TIME TO MODERNIZE OUR MI APPROACH”

To further add to the challenge, the organization was burdened with some old traditions that the management now felt should be replaced by a new level of professionalism in collecting and using business information: there were very experienced long time employees in the company who were

knowledgeable about the business and were more than happy to serve as the trusted sources of information for the rest of the organization. Valuable as they were, the management viewed this as a potential risk for several reasons:

- Getting accurate business information should not be dependent on individual persons. This would make the company very vulnerable to changes in personnel.
- While person-to-person communication is vital in exchanging business information, without any central information management, the group of people that would benefit from the insights of the random individuals who were willing to share theirs would be very limited.
- The changes in the business environment happened so fast these days that the process of collective insight creation just needed to be faster than it had been traditionally.
- Finally, the company was looking to soon bring on board hundreds of new employees, following the decision to expand its business to new market areas in the emerging economies. These employees would need to be brought up to speed rapidly, and the management simply felt the modern way of contributing to this goal was to have a professional MI program in place. Naturally the modernization of the MI approach would simultaneously serve the entire organization regularly needing business information, not just the new employees.

Hence Mark had been appointed as the Head of Market Intelligence, reporting to the Vice President of Strategic Planning who was part of the management team. Mark's background was in sales and, more recently, corporate development, so he was not new to the company and he already had insight into where some of the pain points were regarding market information – or the lack of it. Yet Mark was in no way familiar with MI as a discipline, and while he was waiting to have the chance to talk to the MI savvy board member about his experiences, Mark had simply started running Google searches on market and competitive intelligence.

THE MI ROADMAP

Mark was clicking through his conference presentation, repeating the storyline once again in his mind. Back then, one and a half years ago, running his Google searches Mark had come across the Global Intelligence Alliance's World Class MI Development Roadmap (Table 15.1) that he had placed as the next slide of his presentation. Rather overwhelming as the Roadmap looked at first – and Mark knew his audience wouldn't be able to read the small font from the screen – he had immediately found it useful for three reasons:

- The Roadmap concretized the things that he would need to address from the beginning;
- Setting the ambition level for the entire MI initiative was easy with the Roadmap; and
- The Roadmap mercifully presented the necessary development efforts in steps, making it easy for Mark to set intermediate targets rather than suggesting the world class levels should be achieved at once.

Description	Informal MI “Firefighters”	Basic MI “Beginners”	Intermediate MI “Coordinators”	Advanced MI “Directors”	World Class MI “Futurists”
Intelligence Scope	No specific focus has been determined. Ad hoc needs drive the scope.	Limited scope, seeking quick wins. Focus typically on competitors or customers only.	Wide scope with the attempt to cover the current operating environment comprehensively.	Analytical deep dives about specific topics complement the comprehensive monitoring of the operating environment.	Broad, deep and future-oriented scope that also covers topics outside of the immediately relevant operating environment.
Intelligence Process	Reactive ad hoc process put out fires as they emerge. Uncoordinated purchases of information.	Needs analysis made. Establishing info collection from secondary external sources. Little or no analysis involved in the process.	Secondary info sourcing complemented by well established primary info collection and analysis.	Advanced market monitoring and analysis processes established. Targeted communication of output to specific business processes and decision points.	Intelligence process deeply rooted in both global and local levels of the organization. MI fully integrated with key business processes; two-way communication.
Intelligence Deliverables	Ad hoc deliverables quickly put together from scratch.	Regular newsletters and profiles complement ad hoc deliverables.	Systematic market monitoring and analysis reports emerge as new, structured MI output.	Two-way communication is increased in both production and utilization of MI output. Highly analytical deliverables.	High degree of future orientation and collaborative insight creation in producing and delivering the MI output.
Intelligence Tools	Email and shared folders as the primary means for sharing and archiving information.	Corporate intranet is emerging as a central storage for intelligence output.	Web-based MI portal established that provides access to structured MI output. Users receive email alerts about new info in the system.	Sophisticated channeling of both internally and externally produced MI content to the MI portal. Multiple access interfaces to the portal in use.	Seamless integration of the MI portal to other relevant IT tools. Lively collaboration of users through the MI portal.
Intelligence Organization	No resources specifically dedicated to MI; individuals conducting MI activities on a non-structured basis.	One person appointed as responsible for MI, increasing coordination of MI work in the company. Loose relationships with external info providers.	A fully dedicated person manages MI and coordinates activities. Centralized, internally or externally resourced info collection and analysis capabilities exist.	Advanced analytical and consultative skills in the intelligence team. MI network with dedicated resources in business units for collecting local market info. Non-core MI activities outsourced.	MI team has reached the status of trusted advisors to management. Internal MI network collaborating actively. Internal MI organization smoothly integrated with the outsourced resources.
Intelligence Culture	No shared understanding exists of the role and benefits of systematic MI operations.	Some awareness exists of MI, but the organizational culture overall is still neutral towards MI.	MI awareness in a moderate level. Sharing of info is encouraged through internal training and marketing of MI.	MI awareness is high and people participate actively in producing MI content. Top management voices its continuous support to MI efforts.	A strong MI mindset is reflected in the way people are curious towards the operating environment and co-create insights about it.

Table 15.1 The World Class MI Roadmap

The World Class MI Roadmap contained six Key Success Factors (KSFs) for an MI program that would have a professional ambition level, and Mark had quickly introduced the KSFs on his next slide, reflecting on the status in his company back then with each of the KSFs (Figure 15.1).

- **Intelligence scope:** the purpose for the program should be derived from the management’s initial drivers for assigning Mark to his role in the first place. Working on the required breadth and depth of the intelligence program would be one of Mark’s first tasks.

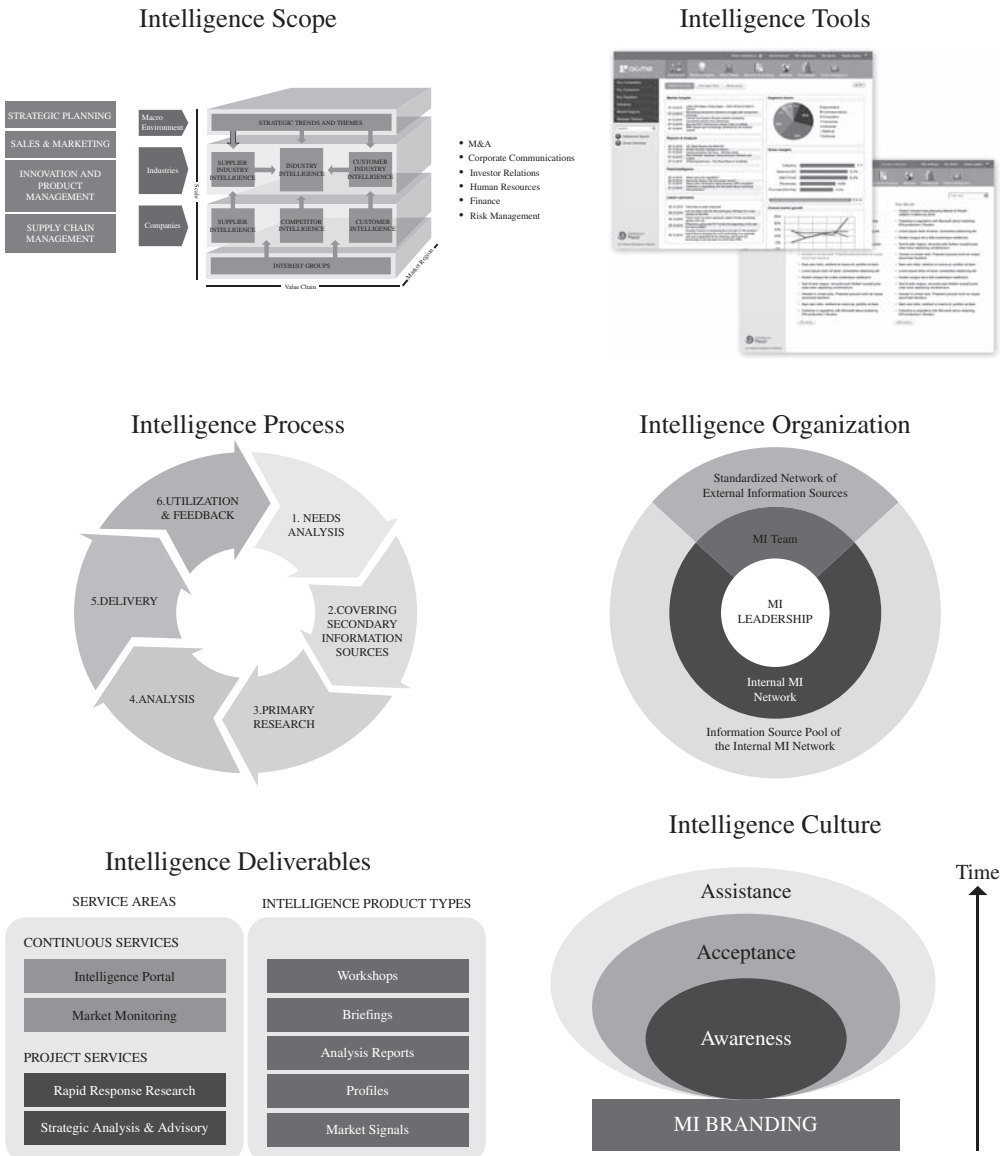


Figure 15.1 The six KSFs in the World Class MI Roadmap

- **Intelligence process:** how to organize the production of whatever deliverables the MI program was to produce? Mark knew he would have to run a proper assessment of what MI exactly would be needed in the company and, importantly, what the company already had in different parts of the organization.
- **Intelligence deliverables:** first things first – from day one, Mark knew his MI program would have to deliver value, even in the middle of only resourcing the activity and developing the related processes.
- **Intelligence tools:** in the beginning, there was no dedicated MI software existing, and Mark intended to look into how people were storing and delivering whatever MI content was being stored and delivered.
- **Intelligence organization:** now this was a complicated one. Mark knew he would need to evaluate the resourcing situation, considering who could be assigned with intelligence tasks even as a part-time role, let alone full time. As a separate area, Mark would need to familiarize himself with what services were available out in the market for outsourcing any of the MI activities. Mark would also need to start building a network of stakeholders internally, at the same time avoiding stepping on the toes of the “self made intelligence professionals” who might feel intimidated by his efforts. They would be immensely valuable as allies, but Mark would need to treat them delicately to generate goodwill.
- **Intelligence culture:** in the beginning, Mark didn’t think the company had much of an intelligence culture to speak of: MI efforts existed but they were too random and local to have achieved anything like a uniform culture towards MI. “If an intelligence culture rests on branding the MI activity, there’s not much to brand”, he thought. He would need to change that.

INITIAL SUCCESS INDICATORS

Now, the World Class MI Roadmap had given Mark the topics to work with and even the frameworks to use; however, his next challenge was to determine exactly where he would start. He thought of the initial indicators of success that he would like to achieve quite quickly in order to demonstrate value and results to the management team:

- **Success stories:** Mark would be able to point out decisions that had been successful for the company because the background work was well done, that is, the decision-makers had the insights that were needed to make an educated decision.
- **Requests for intelligence inputs** would be flowing in.
- **The intelligence program** would start to be recognized in the company.
- **People** would view the MI program positively, so much so that they would willingly contribute by sharing their own information.