



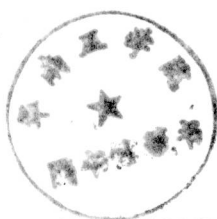
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COMPETITOR INTELLIGENCE

How to Get It; How to Use It

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COMPETITOR INTELLIGENCE

A WORD OF CAUTION

This book describes and encourages honest, ethical means of gathering competitor information. Should any of the techniques or sources in this book be used illegally, the author and publisher do not claim responsibility for such misuse. The author and publisher recommend that any reader in doubt about the use of a source or technique in a particular industry consult with an attorney before beginning research.

*To Suzi and Elan,
with all my love and intelligence.*

ACKNOWLEDGMENTS

This book is based on years of research assignments carried out for scores of clients in industries as wide and diverse as there are pages in the telephone book. But this book, like most others, has greatly benefited from the generous time and patience of those people that surround the author.

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L.M.F.

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INTRODUCTION

How to Use This Book and Where It Will Help You Most

There are many books that will teach a reader how to conduct a survey, sample a population, do basic library research, or write a research paper. Yet there are few sources a researcher can turn to when having to scrutinize a competitor's income statement, distribution channels, or marketing strategy. Somehow these other sources fail to impart the nitty-gritty information that will allow you to track your competition. The present book attempts to accomplish this with a down-to-earth series of lists and lessons.

The entire field of competitive strategy—a popular subject in today's business press—assumes you already have all the facts about your competitor in hand. Unfortunately, this assumption is way off the mark. Sometimes the most difficult part of competitor analysis is collecting accurate and reliable intelligence in the first place.

Too often, obtaining even the most basic pieces of information, such as plant location or number of employees, becomes an enormous obstacle, which in turn can hold up an entire assignment. After all, how can you proceed to collect information on a plant or a service office if you can't find it?

This book deals with the mundane: with the specific tools and techniques you can use to get that microscopic, “insider” corporate information.

It may be a wonderful experience to be able to project a competitor's growth rate, using your favorite spreadsheet package. But where are you going to find the facts you need to construct that forecast?

This text answers the most fundamental questions about intelligence-gathering:

1. How do you do it? What is the technique?
2. Where do you find the intelligence? What and where are the sources?

This book will help you determine your competitor's:

- Income statement and balance sheet.
- Marketing strategy.
- Service plans.
- Salesforce deployment.
- Production.
- Sources of supply.
- Product features.
- Impending product announcements.
- Plant capacity.
- Number of employees.

A STEP-BY-STEP GUIDE TO INTELLIGENCE-GATHERING

This book offers you a “soup-to-nuts” approach to intelligence-gathering. Simply listing sources is not enough; that would provide no guidance as to which source is best or which to use first. Instead, this book gives you the basic understanding of how and why intelligence-gathering works, as well as an explanation of the techniques that will allow you to put theory into practice. Then the many sources of intelligence information are listed, first the basic and then the more creative sources. By the time you reach the creative sources, you should be able to understand and, more important, use intelligence-gathering techniques and sources to your competitive advantage.

Every profession has a certain amount of lore. I find intelligence-gathering exciting and full of adventure. To help you feel and understand the full import of certain sources and techniques, I have introduced what I call “War Stories” into the text. These stories recount actual research assignments tackled and solved, illustrating certain techniques and sources.

Part I of this book (“Competitor Intelligence: What It Is, Where to Find It, How to Use the Sources”) explains to the researcher who is making the first stabs at corporate intelligence research why it is possible to collect a great amount of detail on competitors. It presents the basic interview and questionnaire-design techniques. Also, this section presents the first-time researcher with valuable checklists, as well as tips for obtaining the most intelligence out of distributors, suppliers, retailers, consultants, and editors.

In Part 2 ("The Basic Sources of Intelligence") I take what are normally considered traditional sources and bring them into the realm of company intelligence-gathering. I cite scores of industries in this section, demonstrating, for example, how industry directories are an excellent investigative tool. Among other things Part 2 lists dozens of data bases that contain vital corporate information, and offers tips on how the corporate researcher can best employ these data bases.

Part 3 ("Creative Sources and Techniques") instructs the reader how to locate creative intelligence sources that will reveal vital facts. This section brings together the experience of researchers in many industries and shows how corrugated boxes, box cars, technical manuals, help-wanted ads, and even the Yellow Pages can reveal a great deal about your competitor. Most important, it demonstrates how to locate new intelligence sources to meet different needs. Since no book can provide all of the possible sources and techniques to meet every contingency, Part 3 is designed to give the researcher intelligence independence.

INDUSTRIES COVERED

This book is chock full of sources that apply to scores of industries. Specialized techniques are offered for gathering intelligence in telecommunications, electronics, commercial banking, insurance, software, pharmaceuticals, and chemical processing.

In addition, this book reveals the company-specific information available in thousands of other books, magazines, and reference works for the following industries:

- Advertising
- Aerospace
- Agriculture
- Air travel
- Apparel
- Appliances
- Automobiles
- Banking
- Beverages
- Broadcasting
- Building materials

Chemicals
Drugs and cosmetics
Electrical equipment and power
Electronics
Engineering
Food and grocery
Food processing
Gas (natural)
Health and medical
Hotel and lodging
Household and institutional furniture
Incentives and premium products
Industrial arts
Insurance
Investment banking
Iron and steel
Laboratory diagnostic supplies
Lumber
Machinery
Meat processing
Medical and dental supplies
Nonferrous metals
Packaging and containers
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