Competitive Intelligence & Market Research Techniques

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Terms that get conflated with “competitive intelligence”

- Business intelligence
- Data mining
- Industrial espionage
- Knowledge management
- Customer relationship management
- Market Research
Definition of CI

Competitive intelligence (CI) is the label given to a systematic examination of external forces affecting a company, such as predicting competitor moves, customer moves and/or government moves.
Key Characteristics of CI

- Information gathering, analysis & delivery
- Tactical & Timely: relates to key business decisions
- Uses internal or external resources
- A process & a product
External analysis: Porter’s five forces

Source: https://en.wikipedia.org/wiki/Porter_five_forces_analysis
## Typical ecosystems for CI & BI

### Competitive Intelligence

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<thead>
<tr>
<th>Source</th>
<th>Percentage</th>
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<tbody>
<tr>
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### Business Intelligence

![Diagram of Business Intelligence ecosystem](image)

Source: Meidata Infographics

Source: *Applied Microsoft Business Intelligence* (Wiley, 2015)
Models of Competitive Intelligence within an organization infrastructure

C-suite

Competitive Intelligence Unit

Marketing Dept.
Research & Development
Information Technology

Competitive Intelligence Unit
A compact history of Competitive Intelligence

1950s

1970s

1986

1996

2017

Big Data The New Natural Resource
Established methodology cycle:
- focus
- info-gathering
- evaluation
- synthesis
- dissemination/communication
- decision
# The Periodic Table of Competitive Intelligence

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Radioactive: H (91), Th (92), De (93)

Please email science@aqute.com if you discover new elements.
SCIP, https://www.scip.org/?page=CodeofEthics

- Code of ethics, paraphrased:
  - Professionalism
  - Accurately disclose info, including your identify before interviews
  - Respect confidentiality requests
  - Avoid conflicts of interest
  - Provide honest and realistic recommendations
  - Promote ethical behaviors within company and with contractors
  - Abide by company policies and guidelines
### Steps Businesses Take To Protect Trade Secrets

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Action Description</th>
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<tbody>
<tr>
<td>51%</td>
<td>Employees sign nondisclosure agreements.</td>
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<td>35</td>
<td>Departing employees reminded to protect trade secrets.</td>
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<tr>
<td>30</td>
<td>No steps taken to protect trade secrets.</td>
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<tr>
<td>30</td>
<td>Employees sign noncompete agreements.</td>
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<td>Written policy developed on protecting trade secrets.</td>
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<td>13</td>
<td>Procedures developed for reporting/investigating trade secret violations.</td>
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<td>Employees trained on laws prohibiting disclosure of trade secrets.</td>
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<td>9</td>
<td>Violations of trade secret policy punished.</td>
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<td>9</td>
<td>Employees trained on trade secret definitions and protections.</td>
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<td>7</td>
<td>Employee communications monitored for trade secret violations.</td>
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<td>7</td>
<td>New employees sign document agreeing not to disclose previous employer's trade secrets.</td>
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</tbody>
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**Protecting Trade Secrets**

*Michael Barrier*. [HRMagazine](http://www.hrmagazine.com). Alexandria: *May 2004*. Vol. 49, Iss. 5; pg. 52, 6 pgs
What If You’re on the Receiving End?

For most employers, the principal concern is the employee who takes trade secrets to a new job—but what about the employer who unwittingly hires someone who has stolen trade secrets?

"An employer is going to be liable if they knew or they should have known that this employee was coming with trade secrets," says Ellen Storch, an attorney with the Garden City, N.Y., law firm Moritt Hock Hamroff & Horowitz.

As a result, it's important to do an entrance interview focused on trade secrets, she says. “Ask them outright if they signed a nondisclosure agreement. If so, review it. Show the employee the applicable provisions of the Economic Espionage Act and have them sign a statement saying that they understand what the potential liability is and they’re not bringing any trade secrets with them.”

R. Mark Halligan of the Chicago law firm Welsh & Katz says there’s “a very fine line” between hiring an employee for “general knowledge, skills and experience” and hiring an employee to gain access to a competitor’s trade secrets. But, he says, if the previous employer has not specified to the worker what information is secret and what information is not, you will be well insulated if you have the worker sign a one-page form in which he or she agrees not to violate company policy against disclosing or using the trade secrets of a former employer.

But once an employer is on notice that an employee is using someone else’s trade secrets, the employer must take action; even then, the employer may not be able to avoid liability entirely.

Firing an offending employee as soon as the misappropriation is discovered—and perhaps even filing an indemnity suit against the employee—may not relieve the employer of liability, says Paul J. Kennedy, an attorney with the Washington, D.C., office of the national employment law firm Littler Mendelson, “but it goes a long way toward showing a judge or jury that the company limited the damage to the extent that they could.”
L2M Technique Exercise:
Parts of a Market Research Report
L2M Technique Exercise: Class guide

http://ucsd.libguides.com/marketresearch
Parts of an market research report

- **Scope and Depth** - aka industry overview and definition
- **Details** - industry performance, competitive landscape & key benchmarks
- **Major companies’ profiles**

- Observations about the research process
  - Partly art, partly science
  - Be alert to your sources
    - facts vs estimates
      - Find & cite concrete, reputable sources
      - Beware that many analysts’ forecasts are “porous” and vary wildly
  - Consider primary research, focus groups for missing details
Possible stumbling blocks

- Terminology issues
- Don’t understand sources’ contents and/or navigate interface quirks to your advantage
- Forget to use your own critical/creative thinking
Terminology Technique

- Too specific?
  - Synonyms
  - Broader categories

- Too generic?
  - Keyword + a company or product brand name
  - Try a NAICS code + keywords
Selecting a source & navigating its features, 1

- Contents
  - Think: who would produce this info?
  - Familiarize yourself with types of business information resources

- Interface quirks to advantage
  - Controlled vocabulary and metadata
    - Industry codes (e.g., NAICS)
    - Tags for subsetting (by document type, etc.)
  - “Help” (and the left nav bar) are your friends

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Selecting a source & navigating its features, 2

- Managing your process:
  - Keep an eye on the clock
    - Don’t get stuck in one source
    - Ask for help
  - Use the tools for information gathering
    - Evernote
    - Link sharing for teams
    - Citation managers
You are unique: “Bring it!”
Engage your critical/creative thinking

- Don’t get stuck on how other reports portray the info
  - What are key features for you?
  - What is missing?
  - What is not necessary?

- Create a balance of information types to get your point across
  - Visuals, infographics
  - Narrative text and statistics
  - Data tables
Your class guide

http://ucsd.libguides.com/marketresearch

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