

Competitive Intelligence

A quarterly eBulletin from the people who bring you the Competitive Intelligence Executive MindXchange

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Strategic Competitive and Market Insights to Propel Profit and Growth

Creating Insights to Influence Growth: 2009 Market Research and Competitive Intelligence Priorities Survey

By Growth Team Membership™
Frost & Sullivan

Frost & Sullivan's Growth Team Membership™ recently completed its 2009 survey of Market Research and Competitive Intelligence executives. The executives were asked to identify their most pressing challenges for 2009 so GTM could develop its best-practices research agenda. This article summarizes the survey results.

Business Environment Factors Shaping Market Research and Competitive Intelligence Decision-making in 2009

Business Environment Factors	North America
Global economic downturn	51%
Intensifying competition	29%
Increasing need for product/service innovation	27%
Corporate restructuring	27%
Emerging global markets	17%

Executives in both functions are concerned about the current economic environment and the intensified competition and corporate restructuring it engenders. Both functions also cite emerging global markets and increased innovation as positive developments within the business environment.

Key Challenges Facing Market Research Executives

Market Research Challenges	North America
Challenge One	<ul style="list-style-type: none">Ensuring internal clients/stakeholders integrate research insights into their decision making (19%)Generating data insights that contribute to the company's strategic priorities (19%)
Challenge Two	Allocating resources to project requests based on project value and impact (16%)
Challenge Three	<ul style="list-style-type: none">Identifying and screening suppliers/agencies for partnerships (13%)Enhancing Market Research's insight generating capabilities (13%)

Market Research executives' primary challenges are focused on driving adoption of their data and insights by decision makers especially those driving strategic decisions. Secondly, research executives struggle to develop an objective and effective system for evaluating and prioritizing client requests given limited resources. Finally respondents face the ever present challenges of identifying and screening potential suppliers/vendors, and improving the quality of their insight.

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Root-cause of Key Market Research Challenges

Market Research Challenges	North America
Ensuring internal clients/stakeholders integrate research insights into their decision making	Process 56%
Generating data insights that contribute to the company's strategic priorities	Process 62%
Allocating resources to project requests based on project value and impact	Process 67%
Identifying and screening supplier/agencies for partnership	Talent 100%
Enhancing Market Research's insight generation capabilities	Process 50%

Respondents were asked to attribute the root-cause of their principal challenges to Talent, Technology or Process. In general, Market Research executives identified shortcomings in "Process" as the primary cause of their challenges. The one exception concerned screening potential suppliers where respondents identified "Talent" as the sole root-cause.

Key Challenges Facing Competitive Intelligence Executives

Competitive Intelligence Challenges	North America
Challenge One	Packaging and communicating competitive data insights to drive stakeholder decision making (26%)
Challenge Two	Entrenching competitive intelligence insights in the company's revenue-generating activities, e.g., Sales (21%)
Challenge Three	Tapping into the competitive information held by the company's employees (26%)

Competitive Intelligence executives' two principal challenges involve the relevancy of their work: communicating their insights in a manner that drives the decisions made by management and embedding insights into front line activities such as Sales. Respondents' final challenge involves trying to identify and leverage the competitive intelligence possessed by the company's employees — a typically underused source of competitive knowledge.

Root-cause of Key Competitive Intelligence Challenges

Competitive Intelligence Challenges	North America
Packaging and communicating competitive data insights to drive stakeholder decision making	Talent 60%
Entrenching competitive intelligence insights into company's revenue-generating activities, e.g., Sales	Process 60%
Tapping into the competitive information held by the company's employees	Process 60%

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Competitive Intelligence executives identify "Process" as the predominant root-cause to two of their three most pressing challenges. In contrast, "Talent" is the primary source for the challenges in packaging their work in a manner that will drive stakeholders' decision making.

Respondent Demographics

The 77 North American respondents work predominantly for Public (75%) rather than Private (24%) companies. Most of the respondents (49%) work in a business-to-business (B2B) environment. The largest set of respondents (37%) comes from firms with revenues of \$1 Billion to \$11 Billion. The majority of the respondents work in either the Healthcare/Life Sciences or Information and Communication Technologies industries.

Summary

Market Research and Competitive Intelligence executives are feeling the pressure of the recession, its impact on the competitive climate and the resulting corporate restructuring. Respondents indicate that corporate reorganizations are requiring them to do more with fewer resources. Shortcomings in staff increase the difficulty of both functions to fulfill their primary role: generating actionable data and insights. However, executives judge some factors in the business environment to be favorable: the potential growth stimulated through the desire for new products and services, and the rise of new markets through globalization.

In this economic climate, Market Research and Competitive Intelligence executives are feeling pressure to generate high quality data and insights for strategic purposes. Both functions are constantly striving to ensure that their stakeholders integrate these insights into their decision making.

While their primary concern is the same, the two functions diverge on their secondary challenges. Market Research struggles in allocating resources to high value projects. Problems with process are deemed to be the root cause. Staff reductions bring to the forefront concerns about talent that can effectively evaluate potential suppliers or agencies.

Competitive Intelligence executives' insight adoption challenges are not solely focused on strategic decision making. They are also concerned with demonstrating their impact on revenue by entrenching their data in frontline functions such as Sales. Factor in diminishing resources and it is imperative that Competitive Intelligence establishes a process to tap into the competitive information held by their own company's employees.

Should you have any questions regarding the survey, or consider yourself to be performing at best practice levels around any of these issues, please contact the Growth Team Membership™ research team at: GTMResearch@frost.com.