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Differences in the Americas and Europe: Comparing CI Challenges

Frost & Sullivan's Growth Team Membership™ recently completed its 2010 survey of Competitive Intelligence (CI) executives in the Americas and Europe. The executives were asked to identify their most pressing challenges for 2010. In the following article, we summarize some of the survey's preliminary findings.

At first glance, the top three challenges of CI executives in the Americas and European Union seem dissimilar. However, if one looks closer there are corresponding themes in each of the challenges for the two regions.

Key Competitive Intelligence Challenges

	Americas	European Union
Challenge One	Embedding an understanding of CI's benefits with executive management	Demonstrating the ROI of competitive intelligence
Challenge Two	Packaging and communicating competitive data and insights to drive stakeholder decision making	Engaging internal clients/stakeholders to diagnose their specific intelligence needs
Challenge Three	Developing a methodology for identifying disruptive or emergent challenges	Creating and maintaining networks to capture CI information outside of the company

Challenge Themes:

1. Justifying the impact of CI with executive management
2. leveraging data and insight
3. Capturing CI information outside of the company.

The primary challenge for both groups is justifying the impact of competitive intelligence activities with executive management. The divergence is about which method to employ. CI executives in the Americas are highlighting a qualitative approach by extolling the benefits of CI activities. Conversely, Europeans are utilizing a metrics-driven methodology to demonstrate the quantitative impact of their activities.

The similarities between the second and tertiary challenges are more subtle. The secondary challenges for both regions relate to data and insights. CI in the America's is focusing on the final stage of the insight generation process—effectively

packaging deliverables to drive action. Europeans, in contrast, are concerned with the first step of insight generation—finding ways to identify the specific needs of their internal stakeholders.

The tertiary challenges continue this theme of “similar yet different.” Europeans' third challenge concerns capturing information outside of the company, while the Americans are focused on a sub-component of this activity—pinpointing specific information on disruptive or emergent challenges.

While the challenges across the two regions have similar themes, the root-causes attributed to each are dissimilar. CI executives in the Americas are most likely to identify “Process” as the predominant root-cause to two of their three most pressing challenges. In contrast, CI executives in Europe attribute “Staff” as the root-cause for all of their challenges.

Root-cause of Key Competitive Intelligence Challenges

Americas	Root-Cause	European Union	Root-Cause
Embedding an understanding of CI's benefits with executive management	75% Staff	Demonstrating the ROI of competitive intelligence	34% Staff
Packaging and communicating competitive data and insights to drive stakeholder decision making	86% Process	Engaging internal clients/stakeholders to diagnose their specific intelligence needs	67% Staff
Developing a methodology for identifying disruptive or emergent challenges	100% Process	Creating and maintaining networks to capture CI information outside of the company	100% Staff

Effectiveness of the Competitive Intelligence Function

Only 19 percent of North American and 23 percent of EU respondents rated the effectiveness of their CI function as “Exceptional.” European executives (46

percent) are twice as likely to rank their effectiveness as “Above Average” than their peers in the Americas (22 percent). Next month’s eBulletin will look at additional data from the 2010 Competitive Intelligence Priorities Survey, including

insight on budget and staffing trends and which functions CI departments report into. If you have questions or would like more information regarding the survey, please contact Holly Lyke-Ho-Gland at GTMResearch@frost.com