

Appendix: The Competitive Intelligence Checklist

The coverage of any competitive intelligence exercise will vary according to business area, the companies to be covered and the purposes for which the results will be used. The checklist that follows lists the generic topics that can be covered.

(A) Who Are the Competitors?

- Current direct competitors
- Current indirect competitors
- Potential future competitors

(B) Profiles of Current and Potential Competitors

1. Company details

- Headquarters
- Company structure
- Production locations
- Sales offices (domestic and foreign)
- Key executives (background, previous employment, track record)
- Total number of employees (administration, production and sales and marketing)
- Ownership
- Subsidiaries
- Affiliates

2. Organisation

- Organisational structure
- Key operating divisions
- Resourcing of each division
- Activities of each division

3. Financial performance

- Consolidated key financial performance data
- Divisional financial performance

4. Products

- Products/services supplied
- Specifications of products/services
- Claimed technical/specification advantages
- Major product applications
- New product development
- Investment in R&D (history)

5. Production

- Production employees
- Production capacity
- Capacity expansion plans
- Production technologies
- Claimed production skills
- Licences held/given

6. Suppliers

- Raw material suppliers
- Equipment suppliers
- Subcontractors used
- Packaging suppliers
- Length of time suppliers have been used
- Use of electronic data exchange
- E-procurement (see section on e-business)

7. Sales and customer base

- Size and structure of the sales force
- Characteristics of the sales force (technical or commercial)
- Qualifications of the sales staff
- Length of time sales representatives have been with the company
- Role of the sales staff (representation, order-taking, provision of technical advice)
- Use of field sales agencies
- Total sales (volume and value)

- Key accounts/customers and contribution to total business
- Contribution of each product/service line to company sales
- Sales by applications
- Sales growth

8. After-sales and technical support

- Types of support provided
- Support methods (telephone, on-site, return of items to support centre, Internet)
- Number of support staff
- Number of maintenance personnel
- Qualifications of the support and maintenance staff
- Regional organisation
- Use of technical literature, CD-Roms, video and other methods of distributing technical information

9. Physical distribution

- Distribution channels used
- Key distributors
- Relative importance of each distribution channel
- Distribution methods (own transport resources, subcontracted logistics services)
- Size and structure of transport fleet
- Use of vehicle livery for advertising

10. Marketing

- Target market segments
- Market shares in key segments
- Size and structure of the sales and marketing department
- Outline of marketing and promotion methods
- Brochures and catalogues
 - Format
 - Coverage
 - Content
- Newsletters
- Advertising
 - Advertising objectives
 - Advertising expenditure

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- Media used (TV, radio, national press, trade, technical and professional press, cinema, posters and non-conventional media)
 - Advertising messages
 - Advertising agencies used
 - Direct marketing
 - Direct mail programmes
 - Telesales
 - Role of the telesales department
 - Balance between inbound and outbound activity
 - Locations of call centres
 - Number of telesales agents
 - Sources of databases
 - PR (programmes and resources)
 - Agencies used
 - News items issued
 - Volume of coverage obtained
 - Sales promotion
 - Programmes
 - Incentives
 - Resources
 - Exhibitions attended
 - Sponsorship
 - Events sponsored
 - Value of sponsorships
 - Corporate hospitality
 - Events used
 - Merchandising
 - Customer/distributor service programmes
 - Market research
 - Commitment to research
 - Size of research department
 - Types of research carried out

11. Website

- Role of the website within the e-business strategy (see below)
- Format (text, graphics)
- Coverage and content
- Extent to which the website is transactional and types of transactions available
- Hyperlinks to other sites
- Number of visitors/hits to website

12. E-business

- Existence of an e-business strategy
- Role of e-business in the overall strategy
- E-business objectives
- E-business initiatives
 - Electronic information exchanges with suppliers and customers
 - E-procurement
 - Transactional services (ordering, inventory data, order status, payment information, payments)
- Proportion of sales made through e-business channels
- Use of Internet trading sites
- Use of extranets and web portals

13. Prices and discounts

- Price of ranges per product line
- Price positioning
- Discount structure

14. Relationships/partnerships

- Licences
- Joint ventures
- Distribution agreements
- Marketing partnerships
- Length of time relationships/partnerships have been running
- Affiliations/membership of trade bodies

15. Export activity

- Export sales
- Importance of exports in total revenues
- Export methods (through overseas subsidiaries, agents, distributors)
- Countries in which export sales are made and local resources in each country
- Export marketing activity

16. Overseas subsidiaries

- Countries
- Locations
- Activities (representation, local production, sales and marketing)
- Products sold
- Contribution to consolidated revenues

(C) Interpretation

The data collected on each company can be analysed and interpreted in order to deduce those aspects of their activities on which direct information is unlikely to be collected. These will include:

- Apparent overall strategic intent
- Strategic directions
- Methods of implementing the strategy
 - Apparent market positioning
 - Products
 - Technology
 - Target markets (customer segments, geographical)
 - Apparent distribution strategy
 - Apparent pricing strategy
 - Promotion and communications strategy
- Extent and nature of competitive threat
- Resources and resource limitations on the business
- Potential retaliation to competitive action (intensity and direction)

(D) Counter-Intelligence

On the assumption that all companies seeking competitive intelligence are also likely to be the subject of competitive intelligence-gathering exercises by their competitors, equal consideration should be given to the task of minimising information outflows. A key task is to balance essential information outflows (for marketing, procurement and other purposes) with the need to restrict information flows to competitors or those acting on their behalf. The relevant questions to be asked are:

- Who is likely to be seeking information about our activities?
- What information needs to be protected?
- Who has access to the information?
 - Within the organisation
 - Externally
- Are we vulnerable to information outflows from distributors?
- Are we vulnerable to information outflows from customers?
- Are we vulnerable to information outflows from advisers and consultants?
- Have those with access to the information signed confidentiality agreements?

- What physical measures are in place to prevent/control information outflows?
 - From full-time employed staff
 - From part-time staff
 - From the staff of distributors and associates
 - By observation
- Who screens all documents passing out of the company for their information content?
 - Brochures and catalogues
 - Newsletters
 - Annual reports
 - Other official filings

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