COMPETITIVE INTELLIGENCE IN LARGE COMPANIES – GLOBAL STUDY
Executive Summary

This interview study was conducted in eight countries and in the Asia-Pacific region in the spring of 2005 by seven Global Intelligence Alliance (GIA) members. The survey respondents were responsible for Competitive Intelligence (CI) in their respective companies - one of the top 50 or top 100 firms in the country under study.

One of the most significant results of this global study was that, amongst large scale companies, almost nine in ten use CI and, on average, had practiced the discipline for three to five years. Nearly eight companies in ten had a CI budget and approximately two thirds were planning to increase their investments in the activity. These results offer a solid indication that CI, albeit still a nascent practice relative to more traditional functions (accounting, marketing, operations, etc) in global, large scale companies, it was well on the way to becoming an established functional discipline.

CI seemed to be fulfilling primarily strategic roles, with top management being the most important user of intelligence output and analysis. From a functional perspective, strategic planning and business development ranks similarly. Continuous monitoring was seen as the most important CI element, with companies mainly focused on gathering information on competitors, customers, and their own industries. These three information needs can be considered as forming the strategic purpose of CI activity.

The activities of CI most in need of further development include utilizing information possessed by personnel, identifying critical information needs, and gathering and managing information effectively. Practicing CI had most often benefited companies in the form of increased quality of information, increased general awareness, and improved threat and opportunity identification.

The research results are important in providing companies with points of comparison regarding their own CI performance. Other stakeholders in the CI community can benefit from the results in the form of increased understanding of the use of CI in a global context.
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1. INTRODUCTION

In the spring of 2005, seven Global Intelligence Alliance (GIA) members decided to engage in collaborative research in the field of Competitive Intelligence (CI*). The objective of this project was to produce mutually comparable information regarding CI in each of the respective domestic markets. This goal was ‘operationalized’ via the use of a common research framework to deliver both country-specific reports and a comparative multi-country report. Additionally, this research collaboration would showcase the capability of the GIA network to engage in multi-country research.

Interview study was selected as the research method. All seven of the participating GIA partners were involved in the creation of the questionnaire (see Appendix 1), which was used for the interviews in all of the markets under study. The questionnaire consisted of three sections: 1) Definition of the CI Activity, 2) Organization of the CI Activity and 3) Future Outlook of the CI Activity. The target was to interview the highest ranking CI personnel in approximately 30 of the 100 largest companies operating in each market under study. In order to ensure an optimal response rate, the respondents were guaranteed total anonymity along with an offer to receive the final report.

The primary research question was, “What is the current nature and state of competitive intelligence (CI) activities in major corporations operating in the market in question?” It was further delineated into two sub-questions: 1) “How are the activities organized?” and 2) “How will the scope of current CI activities change in the future and what are the developmental targets for the CI program?” These research questions were answered through quantitative and qualitative analysis of the interview results.

The research proved to be very successful given the participation of a total of 287 companies in eighteen countries - Australia, Brazil, Canada, China, Finland, Germany, Hong Kong, India, Japan, Korea, Malaysia, Mexico, the Netherlands, Norway, Singapore, Taiwan, Thailand, and Switzerland. The scale and scope of the response makes this research one of the largest and most comprehensive studies conducted in the field of CI to date.

*CI is defined by the Society of Competitive Intelligence Professionals (SCIP) as “the process of enhancing marketplace competitiveness through a greater -- yet unequivocally ethical -- understanding of a firm’s competitors and the competitive environment.” CI as a term is used throughout this study although it is considered to mean an activity wider in scope than in the definition by SCIP. Even though there might have been a better term to be used instead, CI was chosen because of its wide acceptance in the business community and also because the terminology is used by a number of GIA members in describing their businesses.
2. DESIGN AND IMPLEMENTATION OF THE RESEARCH

The questionnaire used was designed as a collaborative effort by the participating GIA members and Tampere University of Technology. Most of the questions used were multiple choice and structured questions. There were also some open questions included and, in some of the multiple choice questions, the interviewees were allowed to elaborate. In a number of the survey questions, a modified Likert scale was used, by which the respondents were asked to place issues in the order of importance. In these cases, the results were weighted according to following principles:

- Most important issue: 10 importance points
- 2nd most important issue: 6 importance points
- 3rd most important issue: 4 importance points

In the markets under study, the goal was to interview one individual from each of the top 50 or top 100 companies as measured by sales. This study targeted the individuals responsible for CI activity in his or her company as candidates for the survey. In order to increase the response rate, every respondent was promised total anonymity in addition to an offer to receive the final report.

The respondents received a cover letter via e-mail outlining the study in advance and advance notice of imminent phone contact - although in some markets the study facilitated responses via e-mail or fax. The actual telephone interviews were conducted in the spring of 2005. Each of the interviews took approximately 15 - 30 minutes. Microsoft Excel software was used in the analysis of the responses as well as in building most of the charts. The research was static in the sense that it examined the situation at a certain time. The number of the responding companies in each market under study are shown in Table 1.

Table 1. Number of Responding Companies in Each Market Under Study.

<table>
<thead>
<tr>
<th>MARKET</th>
<th>NUMBER OF RESPONDING COMPANIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia-Pacific</td>
<td>47</td>
</tr>
<tr>
<td>Brazil</td>
<td>33</td>
</tr>
<tr>
<td>Canada</td>
<td>28</td>
</tr>
<tr>
<td>Finland</td>
<td>41</td>
</tr>
<tr>
<td>Germany</td>
<td>25</td>
</tr>
<tr>
<td>Mexico</td>
<td>36</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>25</td>
</tr>
<tr>
<td>Norway</td>
<td>30</td>
</tr>
<tr>
<td>Switzerland</td>
<td>22</td>
</tr>
<tr>
<td>TOTAL</td>
<td>287</td>
</tr>
</tbody>
</table>

As can be seen in the “Markets” column of Table 1, Asia-Pacific was the only market on the list that was comprised of a multinational region while the other markets are comprised of individual nations. The reason for this was that Asia-Pacific is still a developing market it was feared that focusing on only one of its constituent countries might misrepresent or skew the conclusions drawn on this the Asia-Pacific market as a whole.
3. KEY FINDINGS

3.1 DEFINITION OF THE ACTIVITY

3.1.1 SYSTEMATIC INFORMATION COLLECTION AND ANALYSIS

On average, 87 percent of the interviewed companies systematically collected and analyzed information about their external operating environments (see Exhibit 1). Below the global average were Norway, the Netherlands, and Canada, with 73, 76, and 79 percent reported respectively. The top three markets in which companies systematically conducted CI were Germany, Finland, and Mexico, with 96, 95, and 94 percent, respectively. However, in the case of Germany the companies that might have responded negatively to this question might be reasonably expected to be reluctant to respond. Therefore, the results from this survey question might not realistically present the CI utilization ratio across the board in the case of large companies in Germany.

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switzerland</td>
<td>90.9 %</td>
</tr>
<tr>
<td>Norway</td>
<td>73.3 %</td>
</tr>
<tr>
<td>Netherlands</td>
<td>76.0 %</td>
</tr>
<tr>
<td>Mexico</td>
<td>88.9 %</td>
</tr>
<tr>
<td>Germany</td>
<td>96.0 %</td>
</tr>
<tr>
<td>Finland</td>
<td>95.1 %</td>
</tr>
<tr>
<td>Canada</td>
<td>78.6 %</td>
</tr>
<tr>
<td>Brazil</td>
<td>90.9 %</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>89.4 %</td>
</tr>
</tbody>
</table>

Note: Overall average shown by orange line
3.1.2 TERMINOLOGY USED

Globally, almost one-third of the large companies surveyed labeled corporate CI as market research (see Exhibit 2). This might indicate that the activity was primarily tactically focused, and might include for example monitoring competitors’ prices. The term “business intelligence” was used by 20 percent of respondents and the term “CI” by another 16 percent of the responding companies. Approximately one-third of the responding companies used other terminology to describe their CI.

Note: The percentages shown are averages of the percentages received by each term in each market. Therefore, all of the markets contributed equally in spite of the number of respondents in each of the countries. The percentages add up to more than 100, because the responding companies were allowed to choose multiple names for the activity.

There exist notable differences in terminology used between different markets. While “market research” seemed to be the term of choice to describe CI for most of the companies operating in the Asia-Pacific region, it was only used by 8 percent of the responding companies in Finland. Also, while half of the responding companies in Canada referred to their intelligence activities as “CI”, in Finland and Asia-Pacific the term was used by only 8 and 12 percent of the responding companies, respectively. Brazil was the only market where “market intelligence” was the most often used term (30%), while “BI” was relatively common only in Finland (67%) and the Netherlands (58%). In Brazil, for example, the category “something else” received the most responses, but since it consists of multiple terms, it was not directly comparable to other terms.

It can be concluded that there was no universal terminology for CI and it seemed to vary according to market. CI had been the term selected for the purposes of this research and is used from this point forward in this report since it was the understanding of the researchers that it best describes the activity that was under study.
3.1.3 AGE OF CI ACTIVITY

The number of years for which CI had been systematically conducted in each market is shown in Exhibit 3. On average, the responding companies had systematically organized CI for 7.8 years. Therefore, CI had on average been established within large, globally operating companies in 1997 - 1998.

![Exhibit 3. Average Age of CI Activity in Each Market](image)

**Note:** Overall average shown by orange line

Canada was the only country in which the average age of systematic CI organization exceeded ten years. Naturally, in every market there were also companies that had practiced the activity for more than 10 years, even though the average was lower. In Canada, Germany and the Netherlands none of the responding companies had practiced CI for less than one year. In none of the markets under study had CI activity, on average, been systematically organized for less than 6 years.
3.1.4 MOST IMPORTANT INFORMATION NEEDS

As can be seen from Exhibit 4, the three most important information needs were “information about competitors”, “own industry” and “customers”. The topic of “competitor information” garnered 28 percent of the overall importance points and was seen as the most important information need globally. The topics of “own industry” and “customer” were offered by respondents as worth 25 and 24 percent of the overall importance attribute respectively.

Note: The results have been weighted according to the principles described in Section 2.
Exhibit 5 shows that the responding companies were unanimous regarding their three most important information needs. However, there was some country-specific variation in the ranking of the top three information needs. While the companies in Brazil, Germany, Norway, and Switzerland considered “information about competitors” the most important of their information needs, in Mexico and Asia-Pacific the most important was “customer information”. “Information about own industry” was seen as the most important in Canada and the Netherlands, while in Finland, it shared the highest ranking with “competitor information”.

![Exhibit 5. Top-3 Information Needs by Market]

Note: The results have been weighted according to the principles described in Section 2.

It seems fair to conclude that information about “competitors”, “customers”, and a “company’s own industry” formed the core of information needs addressed by CI conducted by corporations around the globe. One could also argue that, in general, these are the three types of information with the strongest impact on business success.
3.1.5 UTILIZATION OF CI ELEMENTS

Finland, Germany, and Norway were the only markets in which all of the responding companies utilized all elements of CI as shown in Exhibit 6. In Asia-Pacific, only two-thirds of the responding companies utilized “ad hoc research”, whereas in Brazil, “ad hoc research” was used the least of all the nations surveyed - however, still being utilized in 74 percent of the responding companies.

Switzerland and the Netherlands, on the other hand, were the only markets in which “ad hoc research” was utilized more than the other CI elements. In general, “regular reviews” were used in 95 percent and “continuous monitoring” in 94 percent of the responding companies. Overall, “ad hoc research” was used in 91 percent of the surveyed companies.

Respondents were asked to place intelligence elements that they utilized in order of importance. The global averages for each CI element per importance rating, i.e. “most important”, “2nd most important”, or “3rd most important,” were calculated. These percentages were then assigned weights according to the principles described in Section 2. This was needed to remove the distorting effect of the response dynamic that a different number of companies responded to each importance category. Therefore, had the weights been given to the absolute number of responses to each importance category, the overall importance would have been biased in the direction of the importance category with the most responses. The methodology used in this analysis effectively removed this bias. The overall importance of each CI element is shown in Exhibit 7.
Exhibit 7 reveals that while “continuous monitoring” was the most important CI element, it was also the second most widely utilized one, superceded only by regular reviews - albeit by only a small margin. In light of these results, it is fair to say that “continuous monitoring” was the most central role of the CI elements to the surveyed large companies. “Regular reviews” followed closely as the second most important role of CI while “ad hoc reviews” had a notably more minor role than the other two.
3.1.6 LOCATION OF INFORMATION PROCESSING

In large companies operating in the national markets under study, 70 percent of information processing was performed in-house while the rest was outsourced. Exhibit 8 displays the location of information processing in each market. In Mexico, 52 percent of information processing was done in-house. In other markets the distinction was far greater, with Germany representing one extreme where as much as 83 percent of information refining was conducted in-house.

Note: Overall average shown by orange line.
On average, 71 percent of in-house intelligence activities were conducted in a centralized unit. The market-specific situation is shown in Exhibit 9. Finland stands out, with a 50:50 division between centralized intelligence units and outside units. Mexico represents the other extreme, with only 14 percent of intelligence activities performed outside of centralized corporate units. In Brazil, Mexico, Norway, and Switzerland, greater than 75 percent of intelligence activities were conducted within a centralized unit.

To conclude, intelligence activities were usually performed in-house and this in-house processing was usually done within a centralized unit.

Note: Overall average shown by orange line.
3.1.7 UTILIZATION OF INTERNAL COMPETITIVE INTELLIGENCE AND TACIT MARKET KNOWLEDGE

As Exhibit 10 reflects, on average, companies perceived that they were performing satisfactorily in extracting and collecting information and knowledge possessed by corporate personnel. Companies operating in Mexico seemed to be the most effective at utilizing internal intelligence and companies operating in Finland and the Netherlands seemed to be lagging other countries in capturing and leveraging internal human intelligence sources.

Exhibit 10. Average Utilization of Information Possessed by Personnel in Each Market

Note: Overall average shown by orange line.

In six of the nine markets under study, the two most common responses were “satisfactory” and “good” when survey respondents were asked to describe their internal human intelligence processes. This response result coupled with the data shown in Exhibit 10 describes the situation regarding this area of CI quite well - companies appear to be successfully utilizing information and tacit market knowledge possessed by their personnel.
3.1.8 EXISTENCE OF CI-DEDICATED IT TOOLS

More than one-third of the responding companies globally have had an IT tool dedicated to CI for more than three years (see Exhibit 11). Surprisingly, one in four companies did not yet have a dedicated IT tool supporting their intelligence effort with no plans of acquisition. However, on average, two-thirds of the responding companies were using such IT tools (see Exhibit 12).
In Asia-Pacific and Canada, companies most often did not have such IT tools and were not planning on acquiring one. In all of the other markets, the responding companies most often have had such IT tools for more than three years. Norway was the only market in which more than half (54%) of the responding companies have had such IT tools for over three years. In Mexico, an equal percentage (28%) of companies have been using such tools for more than three years as those which have not been using such tools for less than three years. As can be seen in Exhibit 12, Finland had the highest penetration of IT tools for this purpose, with 82 percent of large companies in this country using such technology to support CI.

Most of the large companies in the markets studied were using CI-dedicated IT tools. On the other hand, most of the companies that were not currently using such tools were not even planning on acquiring one. Generally, three out of four companies surveyed either had such a tool or were planning to acquire one.
3.1.9 BENEFITS ACHIEVED THROUGH THE USE OF CI

“Increased quality of information” was cited as “the most important” benefit of CI by one third of the responding companies as shown in Exhibit 13. Also, “increased awareness” and “accelerated decision-making” were often offered by respondents as “the most important” benefits. “The 2nd most important” and the “3rd most important” benefits are not taken into account in Exhibit 13.
“Increased quality of information” also topped the list of overall importance of the benefits of CI with a clear margin (see Exhibit 14). The five benefits that followed were almost equally important, with “increased awareness” slightly ranked as the second most important overall benefit of CI and “improved dissemination” cited as the third most important overall benefit of CI. “Time savings”, “decreased costs”, and “improved effectiveness” were seen as the least important overall benefits of CI.

Exhibit 14. CI Benefits - Overall Importance

- Increased quality of information: 24.7%
- Increased awareness: 12.0%
- Improved dissemination: 11.5%
- Improved systematicity: 11.4%
- Improved effectiveness: 11.2%
- Accelerated decision-making: 4.7%
- Improved threat & opportunity identification: 4.0%
- Decreased costs: 3.3%
- Time savings: 3.1%
- Other: 4.7%

Note: The results have been weighted according to the principles described in Section 2.

Exhibits 13 and 14 underscore that “increased quality of information” was easily the most important benefit of CI for the surveyed companies. Also, the top four benefits of CI were the same in both of the exhibits, clearly indicating which of the achieved benefits were considered important by the large companies across the world. In addition, the three least important benefits were the same in both exhibits. These were either not often achieved, could not be measured and hence substantiated, or were not regarded as important as other benefits.
3.2 ORGANIZATION OF THE ACTIVITY

3.2.1 PERSONNEL GROUPS UTILIZING CI PRODUCTS

Nearly two thirds (62%) of the responding companies perceived top management as the most important user group of information products produced by CI (see Exhibit 15). There were also market-specific variations in this regard. In Germany, for example, top management was regarded as the most important user of information products (83%), while in the Netherlands and Finland, the percentage was lower than 50 percent. Middle management was given as the most important user of information products by 24 percent of the responding companies, while 12% of respondents indicated that experts were the most important user of intelligence products. However, in Norway and Finland, more than 40 percent of respondents considered middle management the most important personnel group in this sense. In Mexico and the Netherlands, more respondents considered experts to be more important users of intelligence products that middle management.

Note: The colored lines represent the overall cumulative averages.
When all of the importance rankings were weighted according to the same principles outlined in Section 2, the overall importance of different personnel groups as users of CI products was achieved. Exhibit 16 shows that, overall, top management was the most important user of CI products, while middle management was nearly as important. Experts were also fairly important users of CI information, while other personnel groups were a minority in this sense.

As a general observation, management can be said to be the strongest users of CI products in large companies. Almost nine out of ten companies (86%) reported this dynamic to be the case in their organizations.
3.2.2 FUNCTIONS THAT UTILIZE CI PRODUCTS

On average, “strategic planning/business development” was seen as the most important function to utilize intelligence products by 54 percent of the responding companies (see Exhibit 17). However, market-specific differences were apparent, as witnessed by German respondents who reported a figure of 83 percent for the equivalent category. Alternately, in Canada, Mexico, and the Netherlands, the most important function to use CI products was “sales/marketing”. In Brazil, equal percentages of respondents saw “strategic planning/business development” and “sales/marketing” as the most important function. “Sales/marketing” was, on average, considered to be the most important function by one third of the responding companies. In the case of “product and technology R&D” and “some other function or process” the corresponding figures were 8 and 5 percent, respectively.

Note: The colored lines represent the overall cumulative averages.
Using the same weighting principles as described in Section 2, the overall importance of different functions as users of CI products is reflected in Exhibit 18. “Strategic planning and business development” was, overall, the most important function to use CI products followed closely by “sales and marketing”. Also “product and technology R&D” was a heavy functional user of CI as well.

The most frequently cited personnel group that used CI products was “top management” and the most frequently cited function that used CI was “strategic planning and business development”. In light of these results, it could be feasibly asserted that CI plays primarily a strategic role in the large companies surveyed.

Note: The results have been weighted according to the principles described in Section 2.
3.2.3 CI-BUDGET

Exhibit 19 highlights that, on average, approximately 77 percent of the responding companies had allocated a budget for CI. However, there were significant market-specific differences. A case in point was Asia-Pacific, where approximately 88 percent of respondents had a budget for CI. In Canada, the comparable percentage was approximately 55 percent which was similar to the Norwegian experience where just more than half of the responding companies had an allocated budget for CI.

![Exhibit 19. Percentage of Respondent Companies with CI Budget](image)

*Note: Overall average shown by orange line.*
3.2.4 PERSON RESPONSIBLE

As can be seen in Exhibit 20, approximately 90 percent of the responding companies had a person responsible for CI. In Mexico, Germany, and Brazil, all of the responding companies had such personnel on staff. Companies in Asia-Pacific, Canada, and Finland reported the lowest percentages of 65, 82, and 85 respectively. In more than half of the markets under study, greater than 90 percent of companies had a specific individual on staff with responsibility for CI.

Note: Overall average shown by orange line.
3.2.5 EMPLOYEES ALLOCATED TO CI

As Exhibit 21 shows, the median number of full- and part-time employees allocated to CI was, in general, quite low, especially taking into account the fact that the responding companies were within the top 50 or top 100 in their respective markets. Asia-Pacific seemed to be the only exception, although the figure was somewhat distorted by very high figures reported by some of the responding companies. When the responses with figures exceeding 1,000 are left out of the equation, the median figures of full-and part-time employees dedicated to CI becomes 9 and 2.25, respectively. However, even after accounting for probable outlier statistics, these percentages are still notably higher than in the other markets.

In Norway, the median number of both full- and part-time employees was one. Finland had the second smallest number of full-time employees allocated to CI in the responding companies, even though the total number was third highest. German companies seemed to have fairly large intelligence units compared to other markets under study. However, German companies did not usually have anyone working part-time in CI. In less than half of the markets under study did companies employ part-time staff in CI (measured in median figures). Switzerland and Finland seem to be exceptional given their relative high proportion of part-time employees allocated to CI.

Note: The orange and turquoise lines show the global median numbers of full-time and part-time employees, respectively.
3.3 FUTURE OUTLOOK OF CI

3.3.1 DEVELOPMENT OF CI INVESTMENTS

As can be seen in Exhibit 22, the majority (68% on average) of responding companies forecasted that their investments in CI will increase during the next five years. There were no markets in which more than five percent of the companies forecasted a drop in their investments in CI. Companies operating in Asia-Pacific and Norway had the most positive outlook for intelligence funding given that approximately 80 percent of respondents anticipated an increase in funding for CI. In Asia-Pacific, more than half (54%) of all the responding companies expected a significant increase, whereas in Norway, the comparable percentage was 10 percent. In Germany, Switzerland, and Canada approximately 40 percent of the responding companies expected their investments in CI to remain constant.
3.3.2 CRITICAL CI DEVELOPMENT ISSUES

The responding companies appeared to value CI given their intentions to increase their investments in it. It might be inferred from this observed intention that the lower the projected investment growth, the higher the level of the activity already. However, there was not enough evidence to categorically state this as fact or even speculate it as probable.

When the respondents were asked to choose critical issues facing their CI function, the issue of “identifying critical information needs” was cited either as most critical or second most critical (see Exhibit 23). However, there was much country-specific variation regarding this issue. For example, in Canada, one-third of the responding companies indicated that the issue of “top management commitment” most requires development. In Brazil, two equally critical issues were indicated as “utilizing internal knowledge” and “identifying critical information needs”. In Norway, “human resources” was seen as the issue most in need of development. In Germany, the issue of “procuring integrated technologies” shared the top position for most critical development issue with “identifying critical information needs”.

![Exhibit 23. CI-Related Issues Most in Need of Development](image-url)
On average “identifying critical information needs” seemed to be the most critical CI issue in need of development as can be seen in Exhibit 24. It was followed by “effectiveness of information gathering and management”, and “utilizing internal knowledge.” Also, the issue of “top management commitment” ranked relatively high.

As can be seen by comparing Exhibits 23 and 24, the global averages were not representative of the situation in some of the individual markets. However, they are important in presenting the general situation globally. Country-specific variation is normal due to companies being in different stages of CI development or valuing different aspects of it. Although most other issues were not on similar positions in the two exhibits, “identifying critical information needs” was the top ranked issue in both. It can be reasonably asserted that this was the single most important CI-related issue in need of development.
Almost nine in ten large-scale companies in various markets around the world used CI and on average had practiced it for three to five years. The CI units usually had four full-time employees and one part-time employee, with 88 percent of the companies also having named a person responsible for the activity. Nearly eight companies in ten had a CI budget and about two thirds were planning to increase their investments in the activity. These figures strongly indicate that CI was an established practice in large-scale companies in all continents.

CI also seemed to fill a primarily strategic role, with top management being the most important personnel user group of CI information products. Functionally, strategic planning and business development mimicked the results found for the personnel perspective. Continuous monitoring was seen as the most important CI element, with companies mainly focused on gathering information on competitors, customers, and their own industries. These three information needs can be seen forming the core of CI activity in large companies in markets around the world.

Most (70%) of the information processing was done in-house, and 71 percent of it in a centralized unit. The large-scale companies were able to leverage tacit knowledge and market information possessed by internal personnel only satisfactorily. It was also one of the issues that needed the most development in addition to the issues of identifying critical information needs, and of gathering and managing information effectively. Practicing CI had most often benefited companies in the form of increased quality of information, increased general awareness, and improved threat and opportunity identification.

To conclude, this study asserts that CI was a fairly recently established, strategically active function in the large companies surveyed. The CI units were generally fairly small although most of the information processing was done internally. The companies that use CI were clearly reaping the benefits of the activity, although there were still some areas that need development. The core of CI activity was the continuous monitoring of competitors, customers, and companies’ own industry.
A. DEFINITION OF THE ACTIVITY

0. Is there a systematically organized activity to collect and analyze information regarding the external operating environment of your company?
   a) Yes. Please, move to question no. 1. □
   b) No. Please, answer the sub-questions below and move to question no. 17 on page 5. □

   I How do you keep up-to-date on the developments in your external operating environment?

   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________

   II Are you planning on launching an activity of this sort?
   a) Yes □
      I When? Why? Elaborate, please:
      __________________________________________________________
      __________________________________________________________
      __________________________________________________________
   b) No □
      I Why not? Elaborate, please:
      __________________________________________________________
      __________________________________________________________
      __________________________________________________________

1. What is the activity called?
   a) Business Intelligence □
   b) Competitive Intelligence □
   c) Competitor Intelligence □
   d) Knowledge Management □
   e) Market Intelligence □
   f) Market Monitoring □
   g) Market Research □
   h) Market Analysis □
   i) Something else, what? □

2. For how long has the activity been systematically organized?
   a) Over 10 years □
   b) 5–10 years □
   c) 3–5 years □
   d) 1–3 years □
   e) Less than 1 year □
3. List the three most important intelligence needs in order of importance (1–3, 1 = most important).
   a) Intelligence regarding the industry in which your company operates
   b) Competitor intelligence
   c) Customer intelligence
   d) Macroenvironmental trends
   e) Customer industry intelligence
   f) Country intelligence
   g) Technological intelligence
   h) Intelligence regarding similar industries
   i) If something else, what? _____________________________________________

   Why do you consider those needs important? Elaborate, please:
   ___________________________________________________________________
   ___________________________________________________________________
   ___________________________________________________________________

4. Does the activity include the following elements? List the elements to which you answered "yes" in order of importance, please. (1 = most important).
   a) Continuous monitoring of operating environment
     I Yes       Importance:  
     II No
   b) Regularly delivered reviews / reports
     I Yes       Importance:  
     II No
   c) Ad hoc reports
     I Yes       Importance:  
     II No

5. Companies utilize various sources in their efforts to procure information. Information of this sort (e.g. news items or market reports) often needs processing in order to add value in decision-making.
   a) What percentage of this processing is done outside the company, e.g. by a service provider? _____%
   b) What percentage of this processing is done in-house? _____%
     I What percentage of this in-house processing is done in a centralized unit dedicated to the activity? _____%
     II What percentage of this in-house processing is done outside the centralized unit dedicated to the activity? _____%
6. Company personnel often have useful information about the external operating environment of the company. However, extracting and collecting this information in order to make it actionable can be a challenging task. In your opinion, how well have you been able to overcome this challenge?

   a) Excellent
   b) Well
   c) Satisfactory
   d) Fair
   e) Poor

What means do you use in extracting and collecting this information?

_________________________________________________________________
_________________________________________________________________
_________________________________________________________________

7. Is there a data processing system / IT tool dedicated to the activity?

   a) Yes. Has been for more than 3 years
   b) Yes. Has been for less than 3 years
   c) Yes, a new one
   d) No, but is planned
   e) No and is not planned

If you answered yes, briefly describe the purpose of use of this system / tool:

_________________________________________________________________
_________________________________________________________________

8. Please, list the three most important benefits gained through the activity in the order of importance (1 – 3, 1 = most important). Through the activity...

   a) The general level of awareness has been increased
   b) The internal dissemination of information has been improved
   c) The decision-making processes have been accelerated
   d) The quality of information gained to support decision-making has been increased
   e) Cost savings have been achieved
   f) Time has been saved
   g) Activities have been made more effective (e.g. gathering overlapping information has been reduced/avoided)
   h) Gathering and analysis of information has been systematized
   i) Threat and opportunity identification has been improved
   j) Something else, what?

_________________________________________________________________
_________________________________________________________________
9. Give concrete examples on the ways your company assesses the benefits of the activity?
_______________________________________________________________________________
_______________________________________________________________________________
_______________________________________________________________________________

B. ORGANIZATION OF THE ACTIVITY

10. a) How would you describe the organizational position of the unit in charge of the activity?
_______________________________________________________________________________
_______________________________________________________________________________

b) How wide a responsibility does the unit have regarding the activity inside your company? (e.g. local, global, main responsibility etc.)
_______________________________________________________________________________
_______________________________________________________________________________

b) To which organizational level does the activity report to?
_______________________________________________________________________________
_______________________________________________________________________________

11. Which one(s) of the representatives of the following groups utilize the intelligence deliverables produced by the activity? Please, list the representatives of the groups in order of importance with regards to the utilization volume of the intelligence deliverables produced by the activity (1–3, 1 = most important).

a) Top management
   I Yes
   II No
   Importance:  

b) Middle management
   I Yes
   II No
   Importance:  

c) Experts
   I Yes
   II No
   Importance:  

d) Other employees
   I Yes
   II No
   Importance:  

12. Which one(s) of the following functions utilizes the intelligence deliverables produced by the activity? Please, list the functions in order of importance in regard to the utilization volume of the intelligence products produced by the activity (1 – 3, 1 = most important).
   a) Strategic planning / business development
      I Yes
      II No
   b) Sales and / or marketing
      I Yes
      II No
   c) Product and / or technology R&D
      I Yes
      II No
   d) Some other function or process, what?
      I Yes
      II No

13. Has a budget been allocated for the activity?
   a) Yes
   b) No
      I If you answered no, where are the costs directed?

14. Is there a person responsible for the activity?
   a) Yes
      I If you answered yes, what is the title of the responsible person?
   b) No

15. How many full-time employees are allocated to the activity? _____ people

16. How many part-time employees are allocated to the activity? _____ people

C. THE FUTURE

17. Do you see the investment for the activity in the next five years as likely to...
   a) Increase significantly
   b) Increase moderately
   c) Remain the same
   d) Decrease moderately
   e) Decrease significantly
18. Choose the three most important issues that need developing and list them in order of importance (1 – 3, 1 = the most important).

   a) Staying on schedule
   b) Budget
   c) Mitigating the resistance of personnel to change
   d) Human resources
   e) Top management commitment
   f) Identifying critical information needs
   g) Amount of user training
   h) Utilizing internal knowledge
   i) Procuring appropriate, integrated technologies
   j) Effectiveness of information gathering and management
   k) Measuring the benefits of the activity
   l) Producing marketable products in the activity
   m) Something else, what? ____________________________________________________ 

19. What kind of changes do you see taking place in the next five years regarding the activity?

   __________________________________________________________________________
   __________________________________________________________________________
   __________________________________________________________________________
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