Propose a Conceptual Model of Adaptive Competitive Intelligence (ACI)

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ABSTRACT

In recent years, competitive changes and pressure on business environment have increased importance of competitive fields. Competitive intelligence is one of the commercial tools available in this field. It extracts helpful information from competitive environment and, after accurate analysis, generates effective strategies for the organization. High speed of changes, uncertainty, complexity and so on are among the characteristics of competitive environments. Consequently, approach of competitive intelligence must be adaptable to any kind of changes occurring in the competitive environment. In this paper, a conceptual model was presented for adaptive competitive intelligence. The proposed model which was a conceptual model was evaluated along the paper and the results were discussed. Increasing sustainability of competitive power was one of the most important outcomes of the recommended model.

Keywords: Adaptive Competitive Intelligence, Competitive Intelligence, Effect, Enterprise, Information Technology

1. INTRODUCTION

Today, the competitive environment is expanding. Companies and organizations are joining the market and competitive environment. Competitive and Business environment is changing rapidly and uncertainty is a feature of this environment.

Competitive Intelligence (CI) is a discipline to better anticipate risks and identify opportunities. The last few years have seen a multiple definition of Competitive Intelligence: from definition orientation mapping process practice of Competitive Intelligence, strategic vision of the Competitive Intelligence to others including the concepts of knowledge manage-

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ment, collective learning and cooperation. A broad definition of Competitive Intelligence is a set of coordination actions of research, treatment and distribution of useful information to stakeholders to enable the action and decision making. More, Competitive Intelligence is a regal business practice, as opposed to industrial espionage which is on the external business environment (Haddadi et al., 2006).

Competitive Intelligence offers a real strategic advantage for more business and it is important to any business that wishes to make better-informed decisions (Ding, 2009). However, what’s more important is the processing of information to obtain value-added knowledge and intelligence (Xianjin & Sujuan, 2006). As a support technology, a platform of Competitive Intelligence could continually orderly and systematically collect various information related to the competitive power of the enterprise in a changing environment, then make real-time organization, analysis and forecast of the information so as to obtain Competitive Intelligence that is transmitted and utilized in the enterprise’s competitive activities (Xianjin & Sujuan, 2006).

Parameters of competitive intelligence undergo variations as a result of consecutive changes in the competitive environment which lead to generation of various competitive strategies for organizations. Accordingly, there is a need for adaptability in planning and designing competitive intelligence for more and better investigation of information flows of the past, present and future. The model presented in this paper is an adaptable competitive intelligence model. The ultimate objective of this model is to increase sustainability of competitive power.

The rest of paper is structured as follows: section 2 reviews related concepts of competitive intelligence. Among, definitions of competitive intelligence, process and categories of competitive intelligence, scope of competitive intelligence and benefits of competitive intelligence. Section 3 describes proposed model in details. Section 4 elaborates assessment proposed model and explains results. Section 5 concludes the paper and presents future works.

2. LITERATURE REVIEW

2.1. Definition of Competitive Intelligence

Kahaner (1996) emphasizes the need to distinguish between information and intelligence: Information is factual. It is numbers, statistics, scattered, data about people and companies. Intelligence is information that has been filtered, distilled and analyzed. Competitive intelligence requires knowing precisely the differences between information and intelligence. Intelligence, not information, is what managers need in order to make decisions (kahaner, 1996).

Rouch and Santi (2001) believe competitive intelligence has the following characteristics: It is an art of collecting, processing and storing information to be made available to people at all levels of the firm to help shape its future and protect it against current competitive threat: it should be legal and respect codes of ethics: it involves a transfer of knowledge from the environment to the organization within established rules (Rouach & Santi, 2001).

A broad definition of competitive intelligence is the action of gathering, analyzing, and applying information about products, domain constituents, customers, and competitors for the short term and long term planning needs of an organization. Competitive intelligence is both a process and a product, the process of collecting, storing and analyzing information about the competitive arena results in the actionable output of intelligence ascertained by the needs prescribed by an organization. Key points of these definitions: (a) competitive intelligence is an ethical and legal business practice; (b) the focus of competitive intelligence is on the external business environment; (c) there is a process involved in gathering information, converting it into intelligence and then utilizing this in business decision making (Ding, 2009).

Competitive intelligence can help the enterprise to identify new opportunities, leading to innovation and ultimately benefiting the competitive status of the enterprise. Competitive intelligence may be required to attain a com-
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