Chapter 15
Competitive Intelligence for Business Enhancement:
Deployment Framework

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ABSTRACT

Many organisations employ Competitive Intelligence (CI) to enable and support their goals and objectives, periodically. The CI is deployed by many organisations mainly to collect and analyse relevant data for decision making and competitive advantage. CI products are deployed in various ways in different contexts. CI products differ in many ways such as in terms of compatibility and the functionalities that they offer. The functions of a CI product are considered to be of significant to the organisation that deploys it. Otherwise, it would be short of enabling and supporting its objectives. The compatibility is critical mainly because each environment is unique. Many organisations have acquired CI products which they could not use because of compatibility challenges they encountered during implementation. This is one of the reasons why the criteria for selection and deployment of CI products are very important in many organisations as explored and presented in this chapter.

1. INTRODUCTION

Competitive Intelligence (CI) is an information system which many organisations make use of to determine their competitiveness. CI is a system that performs various functions such as management and dissemination of information; and collection and analysing of data. Van Brakel (2005:1) defines Competitive Intelligence as, “a business discipline that is used by companies and countries alike as a means to improve competitiveness by making better use of information”.

CI as a system, is often used by some organisations as a decision making tool in their businesses. Guimaraes (2000) argues that an organisation can improve its competitive edge and its overall performance by applying an effective CI programme. According to Brouard (2006) organisations should scan
the environment in which they operate to ensure that they are ahead of the changes that are happening in
their industry, and they are aware of what their competitors are doing in order for them to react quickly
if and when necessary.

Primarily, organisations make use of CI products to improve their competitiveness. According to
Dou et al. (2005: 209) some CI products make use of patents in their design and development. Xu et al.
(2011) argue that it is imperative for organisations to ensure that they identify possible risk that they may
be faced with pertaining to products as well as any plans that their competitors may have. Viviers and
Muller (2004) posit that organisations use CI to enhance their competitiveness and that it is regarded as
a legitimate business activity.

Due to factors such as rapid change in business requirements, as well as increasing competition amongst
organisations, there is more demand for CI products. According to McGonagle and Vella (2004), CI is
becoming more and more vital to firm’s survival in today’s dynamic markets. Myburgh (2004) stated
that the objectives of CI are to manage and reduce risk, make knowledge profitable, avoid information
overload, ensure privacy and security of information, and use corporate information strategically.

Information Systems such as CI is intended to bridge the gap between business initiatives. It is imple-
mented mainly to assist organisations in improving their effectiveness and efficiency. There are a number
of CI products that are currently deployed by organisations. Some of them are transaction processing
systems, decision support systems, knowledge management systems and database management systems.
In order for an organisation to gain its own competitive advantage using information systems such as CI,
it has to ensure that its focus is on its structural capabilities (Song and Li-Hua, 2005).

The primary goal of this article is to provide a framework which could guide the deployment of CI
products in organisations. This was done by critically analysing current studies, imploring experiential
learning of many years in different organisations. Also, the framework is intended to assist employees
in organisations to understand the influencing factors in the deployment of CI products.

2. COMPETITIVE INTELLIGENCE

Competitive intelligence (CI) has become a very important source of information for business planning
and other activities and is considered to be a set of legal and ethical methods used to gather information
about competitors’ activities from public and private sources (Jaworski et al., 2002). If organisations
understand CI factors and the factors that enhance their effectiveness, they will be more concerned with
the utility of their competitive intelligence output, according to Jaworski et al. (2002).

CI is both a product and a process (Myburgh, 2004). The product is information on the competitors
in the market and it is used as the basis for specific action. The process is the systematic acquisition,
analysis and evaluation of information for competitive advantage over known and potential competitors.

However, gaining access to this information is not enough. It is important to gain the information
quickly before the competitor gets hold of it (Johns and Van Doren, 2009). It is therefore important to
understand the competition in order for an organisation to be able to adapt to changing market and en-
vironmental trends. On one hand, it is argued that CI has the capability to set organisations apart from
one another, and that it can also be used to inform an organisation about emerging trends within the
business. On the other hand, it can be used to identify threats that potential competition may bring about.