

# conducting CI for b2b products & services

by Enrico Codogno

## INTRODUCTION

Conducting Competitive Intelligence (CI) research in the business-to-business arena brings about a set of challenges that is unique to this type of research, and it is something that both research suppliers in this field and their clients should be aware of.

Information on competitive products is available, to a certain extent, in the public domain. Certain key pieces to the information puzzle are hidden from the public and must be obtained by contacting competitors directly.

## THE NATURE OF THE B2B MARKET

In general, the following can be said about the B2B markets, especially those involving high technology products:

- Competitors serving B2B markets often provide products and services for markets that are highly competitive. This is especially the case for competitors serving enterprise level clientele.
- Much of the information is either proprietary or not readily disclosed (for example, pricing, bundling of products and services, negotiated agreements, etc.).
- Some technologies require specialized knowledge or, at least, knowledge of what products are available, the jargon or technical language used by people working with or selling those products, and what those products do. (For example, a researcher should understand the difference between bandwidth volume versus bandwidth throughput).

## CHALLENGES FOR RESEARCH SUPPLIERS AND CLIENTS

For research suppliers, the main challenges research suppliers face in the B2B market are:

1. Understanding the technologies/jargon of the technologies. Thoroughly understanding what they are researching allows researchers to communicate intelligently with the personnel they contact. They must either have experience in that field or demonstrate an ability to quickly learn the essentials of the technologies involved.

2. Knowing who to contact. Sometimes the researcher must contact a number of people, such as the customer service representative, the account manager and the technical person. The process of completing the research on a single competitor may require several days (or weeks).

3. Understanding sub-contractors. Some companies outsource services or have strategic alliances, and the research suppliers must contact not only the competitor but the companies they outsource to.

For clients, the challenges are as follows:

1. They must find research suppliers who either have an intimate knowledge of their industry or have demonstrated an ability to quickly learn enough about their industry to conduct the research properly.

2. They must accept that they may not get all of the information they requested. They can help their suppliers by

narrowing down their research requirements to information deemed essential for decision making.

3. Finally, they should give their suppliers the time required to conduct in-depth research. This involves planning on the client's side, to ensure that the research supplier is not forced to rush to complete the project within an inadequate time frame.

Research suppliers often create problems for themselves by not fully understanding the scope of the project, by not asking the right questions or by not keeping the client up-to-date on the progress of the project.

As a matter of course, suppliers should meet with their clients (often product managers) to make sure that both sides understand the scope of the project and to clarify any issues they may have about the project.

During the course of the project research suppliers should provide their clients with drafts of the report. This is an opportunity for the researchers to ask for guidance if any problems should arise and for the client to fine tune research requirements when necessary.

## THE CONDUCT OF B2B CI

Unlike mystery shopping for consumer products and services, B2B CI is conducted almost exclusively by phone or by email. On occasion, it may be necessary to make onsite visits to gauge the capacity and condition of facilities, the professionalism of personnel, etc. Onsite visits, however, can be risky for researchers.

As in mystery shopping for consumer products and services, the researcher often has to appear as a potential client. Often, contacts from competitors would like to know about the company the researcher supposedly represents, or they may ask technical questions that may surprise the researcher.

As described above, the researcher can avoid many of these problems through in-depth industry research prior to the launch of the study. Having foreknowledge will prepare the researcher for any difficulties when dealing with competitor contacts. Competitor websites, on-line industry magazines and other secondary sources are essential for any researcher conducting B2B CI.

Researchers usually contact account managers and technical experts. Most of these contacts spend most of their day out of the office meeting prospects and clients. Accordingly, it may take several days before the researcher is able to make initial contact with these individuals. Clients must take this into consideration when allotting time to complete the project.

An example of some B2B products and services that a supplier may be called upon to research involves Internet technologies used for e-banking, e-commerce and telecommunications.

To follow are examples of the type of matrices a supplier may be asked to complete.

**CONCLUSIONS**

The conduct of Competitive Intelligence for Business-to-business products and services brings unique challenges to the fore for both suppliers and clients. Therefore, it is essential that suppliers and their clients understand the scope and challenges of the projects they undertake.

For researchers, the keys to success are:

- background knowledge of the industry they are researching, including technical language;
- understanding the scope of the re-

GLOBAL MASS PAYMENTS					
Feature	A	B	C	D	E
<b>What countries can payments be sent to</b>					
<b>Are there minimum or maximum payment requirements</b> • eg. # of payments • eg. \$ value					
<b>What type of payments can be made</b> • ACH/EFT (direct credit), • Cheque/Drafts • Other					
<b>What currencies are available</b>					
<b>Who conducts Foreign exchange</b> • Customer • Bank					
<b>What Does the service cost</b> • Setup fees • Transaction fee - flat fee regardless of country OR - a specific fee per country • Monthly fees • Minimum fees • Software fees					
<b>How can you access the service</b> • by software • direct connection to the Bank - what are the file formats supported - Compatibility with Accounts Payable packages • Internet connection - what are the file formats supported - Compatibility with Accounts Payable packages					

INTERNET HOSTING/CO-LOCATION FACILITIES					
Product/Feature/Bundle	A	B	C	D	
<b>Cage</b> • MRR & setup costs by term • Dimensions of cage • What is included in price of cage? - e.g. power circuits, cabling, Ethernet ports • Racks or lockable cabinets in cage?					
<b>Quarter Cabinet</b> • Space: dimension • Power • Connectivity - # of power circuits included? - # of outlets?					
<b>Half Cabinet</b> • Space: 24"(w) X 36"(d) X 38"(h) • Power: One redundant AC power circuits with 12 outlets • Connectivity - One 10BaseT Ethernet port - # of power circuits included & type? - # of outlets?					
<b>Full Cabinet</b> • Space: 24"(w) X 36"(d) X 77"(h) • Power: Two redundant AC power circuits with 12 outlets • Connectivity: One 10BaseT Ethernet port					
<b>Bandwidth Traffic</b> • Option 1: Top bandwidth used (per Mbps, 1 Mbps minimum) • Option 2: Data transferred (per gigabyte, 100 gigabyte minimum)					

- search project; and,
- providing frequent feedback with the client to provide updates on the progress of the project and to clarify any questions that may arise during the project.

For clients, a success in a research project is based on:

- clearly defining the scope of the project;
- keeping information requirements fo-

cused on what is essential for decision making; and,

- keeping open the lines of communication with the research supplier(s) to provide guidance during the conduct of the project.

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