

BOTTOM LINE COMPETITIVE INTELLIGENCE



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➤ *Bottom Line Competitive Intelligence*, John J. McGonagle and Carolyn M. Vella, 2002. Quorum Books, London and Westport, CT, tel: 610-916-2081. 247 pages. \$59.95.

Once in a while a special CI book comes along that makes us re-think what we're doing, and change our direction for the better. John McGonagle and Carolyn Vella have accomplished this with *Bottom Line Competitive Intelligence*, the latest of their nine CI books. This book is designed for experienced CI professionals – the people who have been in the trenches, have lots of mud on them, and are looking for ways to improve their situation. These individuals constantly struggle to show how CI impacts their company's bottom line. This book very skillfully illustrates ways that they can improve that impact.

McGonagle and Vella suggest that CI professionals may be:

- using the wrong metrics, or
- collecting the right CI but not getting it to users in the right form at the right time, or
- just not collecting the right type of CI for their unique competitive environment.

The authors show how making just one of these errors leads to CI failure, and they provide much detail on how to avoid these pitfalls.

Active And Defensive CI

McGonagle and Vella also explain the differences between what they call *active* and *defensive* CI. Active CI, according to the authors, is divided into four divisions:

- Strategy
- Tactics
- Technology
- Target

The authors then provide a fabulous matrix and an analytical system to help determine which type or types of CI, based on the company's competitive landscape, will most likely contribute to its bottom line. Regarding defensive CI, they argue that CI professionals need to share more of their collection experiences and skills so others in the company can understand the specific types of raw data their competitors may be seeking from them.

One of this book's most interesting elements is its treatment of CI metrics. McGonagle and Vella show not only how metrics can work for us, but they also list and evaluate virtually EVERY conceivable metric used by CI professionals today to show CI's impact on the company's bottom line.

Analytical Tool Selection

For the CI professional, this book provides the tools and techniques to better understand what type of CI to use, and then shows where and how that CI can contribute to the bottom line. According to McGonagle and Vella, every industry is different and too many of us have been using a cookie-cutter approach, developing a generic CI process and then expecting it to work.

The authors provide a framework for determining the best types of CI for different competitive markets. But they don't stop there. They show how best to COMMUNICATE the different types of CI, and give examples that will produce both satisfactory and unsatisfactory results. This is extremely helpful for CI professionals wanting to fine-tune their intelligence activities.

The only troublesome aspect of the book is an entire chapter devoted to sources of information. Why, I asked myself, would they put this in a more advanced CI book? Then I realized there will potentially be many CI novices who will read this book in an attempt to improve their situation. Bravo!

Overall, this is a highly insightful book and excellent reading for the more experienced CI professional. I highly recommend it to not only CI professionals, but also planning executives and product, brand, and category managers — in fact, anyone who is serious about developing a CI process that will keep their company one step ahead of the competition.

Kirk Tyson has been providing Fortune 100 clients with time-based strategic research for more than 25 years. He is the author of seven books on the subjects of competition, CI and strategic planning, the latest being The Complete Guide to Competitive Intelligence: Second Edition, 2002. He is also a highly acclaimed seminar leader and speaker, having presented in 20 countries. Prior to his own firm's activities, Kirk co-founded the strategic services consulting practice of Andersen Consulting (now Accenture). Kirk is a founding member and fellow of SCIP. He can be contacted at kirk.tyson@kirktyson.com.