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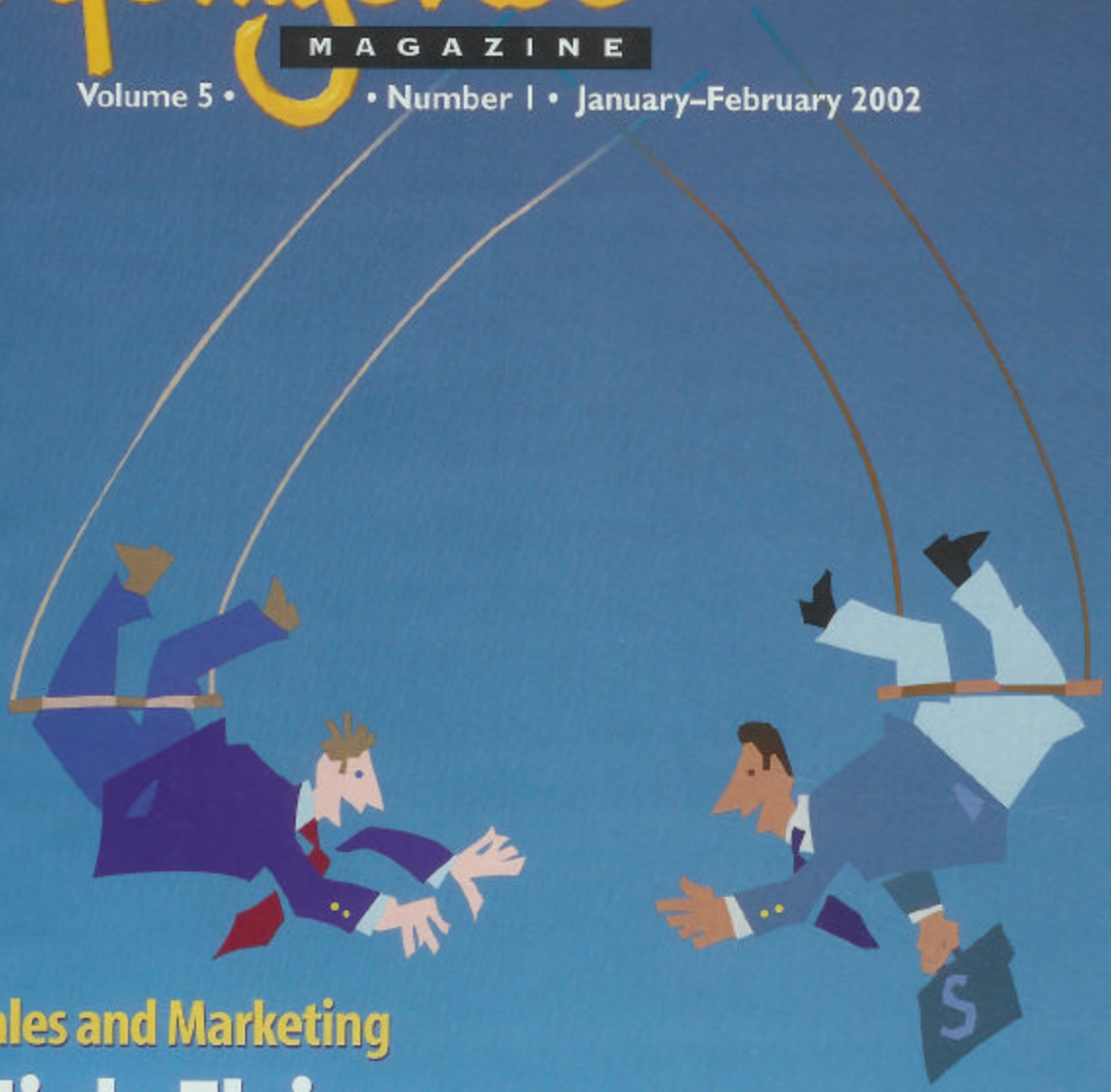

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Capturing CI Through Your Sales Force

By Stephen Schaub, Fortenic Inc.

SUCCESSFULLY INFLUENCING BEHAVIOR BY FILLING THE "BLACK HOLE."

Dear CI professional,

I'm a sales representative at a telecommunications company. I'm writing to you because I just received a request from one of your colleagues, our director of competitive intelligence, to begin sending field information to her at headquarters so she can "analyze and share it with senior management to improve our strategies." Who does she think she is, anyway? Is it my job to help her look good and schmooze with senior executives? Not a chance! If I have some good "dirt" on competitors, I'll send it up the ladder and take the credit myself! My job is to sell, and hers is to support me—not the other way around.

However, if she really wants to help, what I need is a partner who can provide useable analysis and information that helps me beat my competitors. If she can do that, I'll be happy to send her all the field data she wants.

So keep this in mind the next time you send a request to your sales force—if you want me to help you collect field data, you'd better be prepared to "close the loop" and provide me with analysis and tools that help me win business.

Sincerely,

Your typical sales representative

The sales force and competitive intelligence are inextricably linked. Nowhere is there a greater sense of the firm's competition and the need for good competitive analysis than on the front lines. Nowhere else in the firm does there exist such clarity of outcome—the sales person either wins an account or loses it—and the understanding of performance *relative to competitors* as the determinate of success. Nowhere else is the source of competitive information so closely linked to its use, and nowhere else in the firm exists greater motivation to use competitive information, because the sales person's professional and financial success is determined by their customers' everyday buying decisions.

With such high awareness of the potential value of CI by the sales force, why do most CI professionals have such difficulty getting access to field information and working as a partner with sales reps? While many of the reasons are cultural and involve organizational design, the CI professional can create an environment of feedback and information sharing by taking a first step of actively providing analysis to the field. This article continues the discussion by Ellen Naylor of the Business Intelligence Source on working with the sales force (*CI Magazine*, vol. 3, no. 1, January-March 2000) and suggests that the concept of

FIGURE 1. COMPETITOR MAP.

	Our Major Product Lines or Business Units		
Our Market Segments	**Biggest Product Line 1**	Next Product Line 2	Smallest Product Line 3
Most Important Segment X	Competitor A Competitor B **Competitor T**	Competitor A Competitor R Competitor M	Competitor A
Next Most Important Segment Y	Competitor A **Competitor T**	Competitor M Competitor R	Misc. Competitors
Least Important Segment Z	**Competitor T** Competitor B	Competitor B	Misc. Competitors

positive reinforcement—i.e., providing analysis and information back to the sales force using simple analysis tools and techniques—is the key to gaining immediate support and beginning an ongoing partnership with the sales team.

KEY DESIGN CONSIDERATIONS

Jaworski and Wee best summarized the primary design consideration in their 1993 SCIP monograph, *Competitive Intelligence: Creating Value for the Organization*. They wrote:

> "...the sales force provides information to the extent that they receive equal value in return. If their information is not used, they will quickly discontinue reporting."

This philosophy forms the basis for successful interaction between the CI professional and the sales force.

A second principle is to integrate CI activities with the general sales process, rather than creating an additional activity for the sales force. The first step is to map the existing information flow of data from the field. Where does it go? Who uses it? Are there weekly call reports and regular conference calls? The second step is to tap into this flow.

It is also critical to keep in mind the competitive knowledge and political needs of your key stakeholders, and to note the differences in needs between sales management and the sales force. For example, sales management may look to you more for early warning reports and analysis pertaining to sales strategy. The sales force has two primary questions—Who is the competition? and, How do I compare?

Last, a primary concern for most CI managers and staff when working with the sales force is over-committing available resources. In most companies where only one, or a handful, of CI analysts serve a sales force of hundreds of representatives, a real concern is getting buried with requests for tactical sales information. Given this imbalance, survival depends on enabling representatives to replicate simple templates and information so they can conduct analysis at the local level

TOOLS AND TECHNIQUES

The following are examples of analysis tools you can provide the sales force to meet the key design considerations mentioned. They work best if a basic CI process is already in place that includes a competitor profile database and a regular "push" early warning tool.

Competitor Map

Want an effective way to communicate to the sales force and identify the firm's competitors? Create a simple map that clearly shows which competitors are most important. This not only prioritizes their capture and channeling energies, but also helps them alert you to new entrants. A side benefit can be pointed discussion by senior management about who really belongs on the map—and why.

A simple competitor map has the focal firm's main products or services along the horizontal axis, and its markets down the vertical axis, with the names of the most important competitors in the cells. Thus Figure 1 describes how Competitor A plays in your most important market segment, and how Competitor T is focused on your biggest product line.

FIGURE 2. 360-DEGREE VIEW.

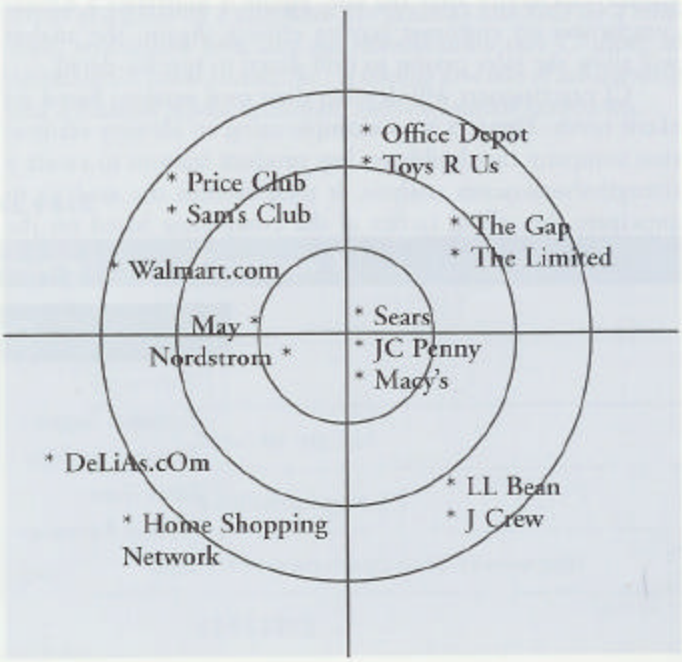

FIGURE 3. PRODUCT FEATURE COMPARISON: TELECOM.

	Our Product	Compet. A	Compet. B	Compet. C
Phones	5	5	5	8
Voice Mail	7	6	4	3
Call Reporting	8	8	8	8
Network	9	7	5	6
Call Center	7	8	6	6
Data Features	8	6	5	7
Total	44	40	33	38

1 = Low 10 = High

A more comprehensive competitor map takes a 360-degree view by using a radar screen with the focal firm in the center, as shown in Figure 2. This analysis tool can be used in many different ways, but is best used to group companies with common business models. (Adapted from *Value Migration*, by Adrian Slywotsky, 1996, HBS Press)

Comparative Product Analysis

Tactical comparisons of product features and benefits are probably the analysis most valued by sales people because they help increase the salesperson's credibility in the customer's mind and, hopefully, positively influence the buying decision. The key consideration is providing the right level of detail, as sales reps typically do not need the depth that a product manager might need. Figure 3 uses a telecom product to demonstrate that Our Product is rated higher overall and has superior features for voice mail, network, and data than the competitors'. This table may be an introductory analysis that allows the sales person to drill down to the specifics behind each rating.

Of course, customers don't make decisions on product features alone. Buying criteria will likely include attributes beyond the product, such as company reputation, financial stability, or service after the sale. Figure 4 illustrates a similar comparison on customer buying criteria. Again, the analyst will allow the sales person to drill down to specific detail.

CI practitioners will develop their own versions based on client needs. Figure 5 is an example using an identity verification company that builds on key product features to create a strengths/weaknesses analysis. It then extends the analysis to anticipate the selling tactics of the competitor based on the identified strengths and weaknesses. Last, it gives the sales person an action step in the form of verbal ammunition and recommendations for offensive or defensive positioning.

Conversion Impact Model

This defensive "switching cost" analysis helps the sales person quantify and communicate the focal firm's incremental value vis-à-vis competitors to retain clients. Because the analysis is at the account level, the CI practitioner should create a template and provide base data that can be complemented with local knowledge by the account representative. Figure 6 demonstrates how the overall cost of doing business with My Company is lower overall despite a higher product price. This template is ideally completed face-to-face with the decision-maker to maximize buy-in as well as to capture information on competitors in a non-threatening manner.

CONCLUSIONS AND LESSONS LEARNED

Sales people need a partnership with the CI practitioner, rather than one where they provide data that feeds a "black hole" at corporate headquarters. By first disseminating simple analysis and templates to the sales force instead of asking them for data, the CI professional begins a self-reinforcing process of field sales feedback that, in turn, enables increasingly more valuable analysis and recommendations from the CI group.

Simple analysis tools such as the competitor map address the question of who the competitors are. These, in turn, enable sales people to prioritize their capture and channeling efforts and to alert you to new entrants. Simple grid comparisons address their second major question—how do we compare? They give the sales person objective information that heightens

FIGURE 4. CUSTOMER BUYING CRITERIA COMPARISON.

	Our Company	Compet. A	Compet. B	Compet. C
Technology	9	5	5	6
Technical Support	9	8	8	6
Financial Stability	7	7	7	7
Sales Team	7	9	6	7
Product Reliability	8	5	5	7
Total	40	34	31	33

1 = Low 10 = High

FIGURE 5. SIDE-BY-SIDE MODEL

	Our Company	Competitor A
Key Customer Requirements		
• *Data sources*	Proprietary, direct	3rd party
• *Ease of access*	Secure internet	Secure internet
• *Data timeliness*	Updated real time	Depends on client
• *Customization*	3 options	Will custom design
Company Strengths & Weaknesses	**S**: data sources, timeliness **W**: customization	**S**: internet tech, customization **W**: data sources
What to Anticipate	Competitor will sell custom capabilities, ROI. Will position data source "just as good as."	
Recommendations	Position data sources and timeliness as the most important buying criteria by using an economic analysis. Show how customization adds to client costs.	

their credibility and image in the buyer's mind and which ultimately results in a positive buying decision. Creating templates and providing base data for sales representatives to complement with local knowledge provides needed flexibility and addresses the CI group's primary concern of overextending resources.

Sales intelligence professionals should start small with a willing sales district or region, document success, and be patient in building key relationships. Once begun, this approach builds and constantly communicates the value of the CI group broadly within the firm, making them a true partner with the sales force. Ultimately, CI professionals benefits through increased job security and satisfaction—and knowing that no one will ever again question the value they provide to the organization.

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RELATED READING

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FIGURE 6. SWITCHING COST ANALYSIS

	My Company	Company X
Product Price	$$$$	$$
Product Quality	High	??
Company Commitment	High	New to market
Employee training	None	$100/employee (?)
Order system change	None	IT Programming, code conversion
Total Cost	$$$	$$$$$$$$.....