

## Chapter 1

# Business and Competitive Analysis: Definition, Context and Benefits

# Ch1. BCA Definition, Context & Benefits

## Understanding the Terminology

- Competitive
  - Strategic
  - Analysis
- 
- Effective business and competitive analysis requires astute applications of parts art and science!



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## The Three Critical Analysis Questions

1. What?
2. So What?
3. Now What?





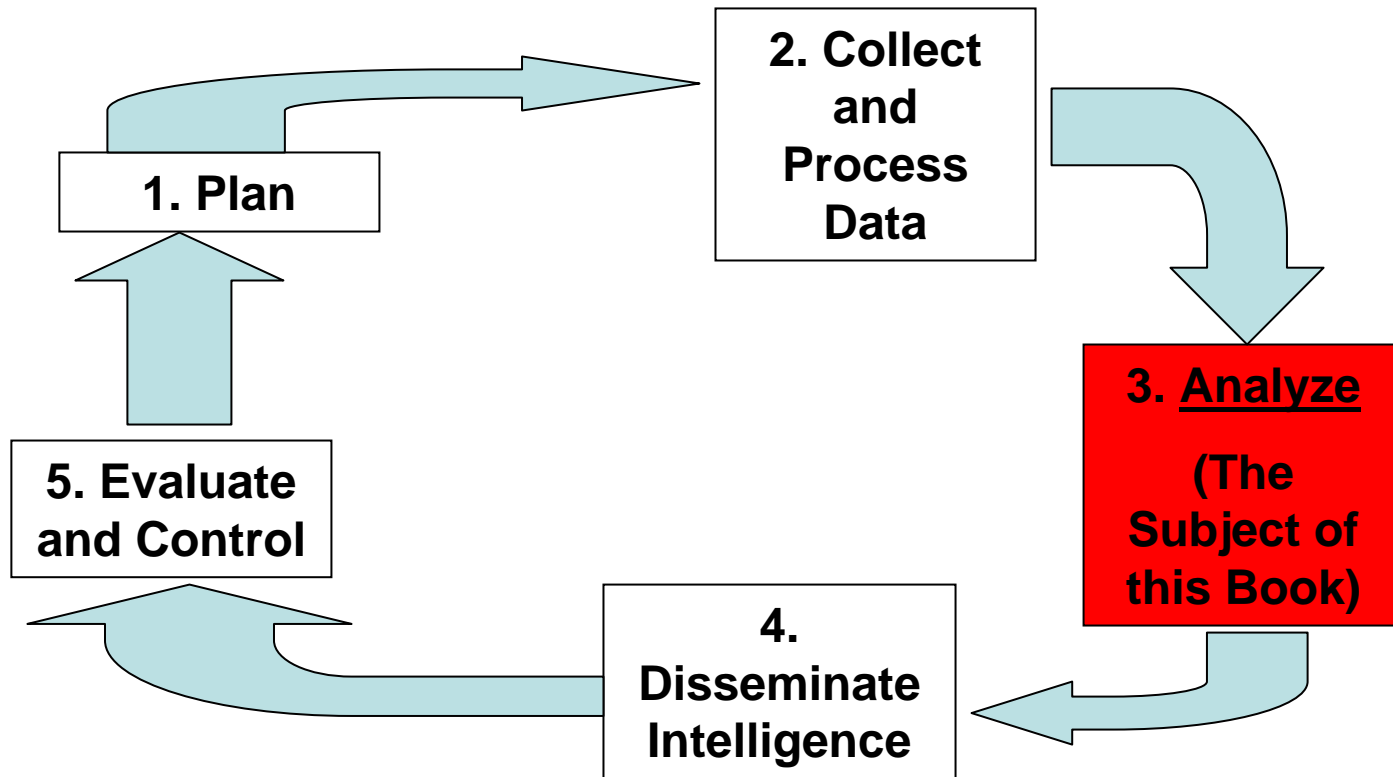
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## BCA in Competitive Intelligence

- **Competitive intelligence** is the process by which organizations gather actionable information about competitors and the competitive environment and, ideally, apply it to their planning processes and decision making in order to improve their enterprise's performance.
- It is not business espionage, illegal or unethical.
- Sits between business intelligence and competitor analysis.
- Often organized as CI programs.

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## BCA in the Generic Intelligence Cycle





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## Competitive Analysis and Decision Making

- Most organizations are not structured or organized properly to make good decisions that will help them outperform their competitors in the marketplace.
- Executives lament: “If only I’d known that, I’d have never...”
- Avoiding “paralysis by analysis,” “extinction by instinct,” blind spots, and/or “drinking from the fire hose”
- Analysis is more critical in the present knowledge era

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## Today's Competitive Context Facing Business Enterprises

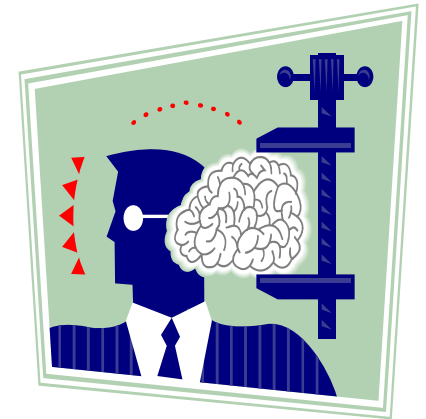
- Explosion of access to cheap and fast information.
- Maturation of businesses and industries.
- Loss of traditional means of competitive structuring and advantage.
- Sophisticated and better informed consumers.
- Dynamic and rapidly evolving technology.



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## Contemporary Context Facing the Analyst

- Lack of recognition that analysts are mission-critical.
- Decision makers cannot always articulate their decision needs.
- Pressure for a quick judgment.
- Highly ambiguous situations.
- Incrementally received/processed information.

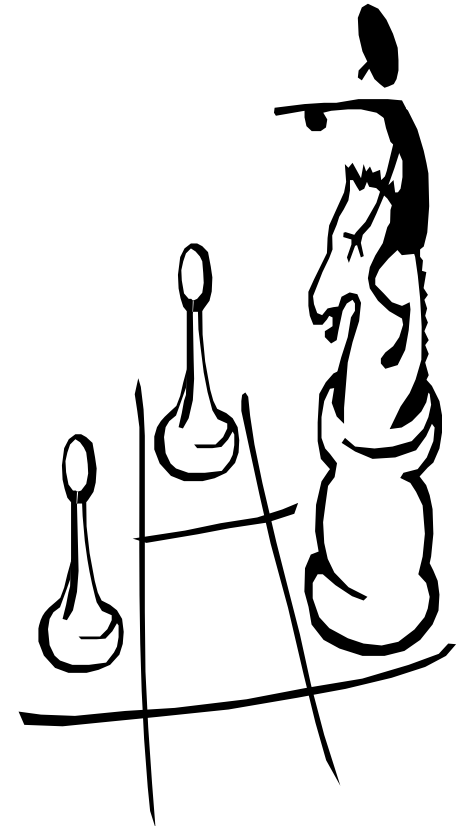




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## Shifting Organizational Priorities

- Adding value to intelligence.
- Answering questions in real-time.
- Concentrating resources.
- Forging partnerships.
- Looking over the horizon.
- Providing timely support.



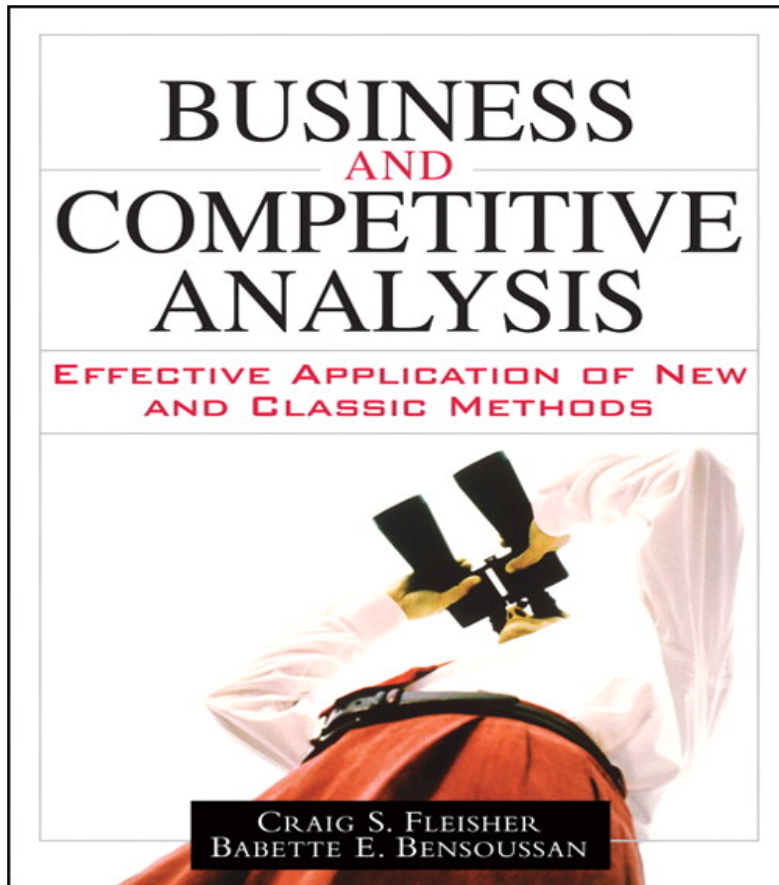


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## Summary

- Excellent analysis is the key to successful insights and can provide high value strategic decision support capability.
- Analysis is a key facet of the larger intelligence, planning and decision making processes in contemporary enterprises.
- Knowledge of wide range of analysis tools and techniques is important.
- B&CA are a challenging (yet potentially lucrative) area to pursue a career!

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For More About **Business & Competitive Analysis**, and 24 Useful Analysis Methods, see:  
Fleisher, Craig S. and Babette E. Bensoussan

*Business and Competitive Analysis: Effective Application of New and Classic Methods*

**FT** Press  
FINANCIAL TIMES

Upper Saddle River, NJ  
2007