- SWOT
- PEST
- 5 Forces
- Four corners
- Value Chain
- Early warning
- War gaming

1

Analysis – Case   - Embosser Market in the United Kingdom

- Sophia Johnson, the international marketing manager for SalesSmarts (a Canadian stationary company) was reviewing her options regarding selling their new innovative "Legal Signature embosser" (LSE) in the United Kingdom. Sophia had to make her recommendations at tomorrow's international marketing committee meeting. In addition to the U.K., market inquiries were coming from around dealers around the world. Sophia had received enquiries from firms in Australia, Japan, Sweden, Italy, France, Barbados, Spain and Indonesia. Thanks to innovative and possibly disruptive design changes, in just two years, the Canadian company's product had already captured 60% of the Canadian embosser market. Within Canada, five firms produced most embosser bodies but it appeared that they were prepared to let SalesSmarts take the market. With very limited competitor response, it was conceivable that the product would have 90% market share within the next few years.

2

1

The Embosser Case

- Take five minutes to scan the case (this is pre analysis)

- How would you address this? What information would you gather? What analytical technique do you think you would use?: Help SalesSmarts use to decide whether or not to enter the UK Embosser market.

- What is SalesSmarts strategy vis a vis Embosser?

- When they go to the UK what would be different? Who would they be selling the Embossers to?

- The UK market were examining then is…. From whose perspective?

3

Any analytical technique contains three levels

1. The name of the technique (e.g. Five forces, four corners, SWOT) THIS IS WHERE CONCLUSIONS CAN ARISE

2. The "categories " to assess for the technique (e.g. Political Economic Social Technological) THIS IS WHERE ANALYSIS COMES IN

3 Information to be gathered under each category for assessment (e.g. for threat of new entry - switching costs, economies of scale, learning curve, capital requirements, patents) THESE ARE THE INFORMATION NEEDS

- You can add additional information needs based on industry, country and strategy but if you remove an information need there better be a good reason why.

- You then assess each "category" and then make an overall conclusion. The technique may even have implementation recommendations

4
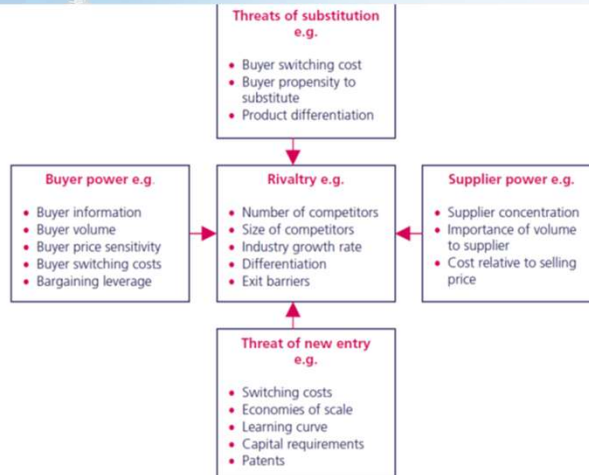
Based on Michael Porter's five forces of competitive position model
ww.businessballs.com/portersfiveforcesofcompetition.htm

5

Worksheet on Industry Structure

Threat of new entrants/Entry barriers	Yes (+)	No (-)s

(How difficult is it for someone to come into the industry)
1. Do large firms have a cost or performance advantage?
2. Are there any proprietary product differences?
3. Are there any established brand identities?
4. Do your customers incur any significant costs in switching suppliers?
5. Is a lot of capital needed to enter the industry?
6. Is serviceable used equipment expensive?
7. Does a newcomer face difficulty accessing distribution channels?
8. Does experience help to continuously lower costs?
9. Is there a significant learning curve?
10. Does the newcomer have problems obtaining resources/supplies?
11. Are there any licenses, insurance or qualifications which are hard to get?
12. Can a newcomer expect strong retaliation on entering the market?
13. Are there economies of scale in the business?

+ is anything that is favorable to industry participants while - makes it unfavorable. For entry barriers, anything that makes it easy for a company to enter the market would be a -'ve while anything which makes it more difficult to enter the market would be a +ve.

6

3

Summary and Recommendations from Five Forces Analysis

Overall ratings:
1 Threat of new entrants
2. Bargaining power of buyers
3. Bargaining power of suppliers
4. Threat of substitutes
5. Extent of rivalry
Overall conclusion on attractiveness

_____
_____
_____
_____
_____
_____

Internal considerations impacting five forces analysis:
_____

_____

_____

_____

7

Gather the information associated with your assigned force and report on its attractiveness

- Group 1: Threat of new entrants/entry barriers
- Group 2: Bargaining power of buyers (who are the buyers?)
- Group 3: Threat of substitutes (there are none but they will be legalized soon)
- Group 4: Extent of rivalry

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Now time for intelligence

Group	Force being examined	Overall rating (be sure to project forward)
1	Threat of new entrants/entry barriers	
2	Bargaining power of buyers	
3	Threat of substitutes	
4	Extent of rivalry	

Discussion: Recommendation (this is intelligence):

Now time for intelligence

Group	Force being examined	Overall rating (be sure to project forward)	`Implications of the analysis – include firm factors
1	Threat of new entrants/entry barriers		
2	Bargaining power of buyers		
3	Threat of substitutes		
4	Extent of rivalry		

Discussion: Recommendation (this is intelligence):

- Clean data/identification of the right data sources

- Knowledge of analytical techniques

- Prompt engineering

Analysis is what turns information into …Lots of analytical techniques used in CI

Analytical technique	Total
Competitor analysis	85%
SWOT analysis	82%
Benchmarking	70%
Competitive positioning	50%
Industry analysis/5 forces	49%
Customer segmentation	43%
Scenario	42%
Financial	39%
Patent	30%
Technology forecasting	22%
Indications and warning analysis	19%

Lots of foresight methods (Saritas and Burmaoglu 2015)

technology foresight	Scenario analysis	Delphi method	Perfect foresight
Technology forecasting	Strategic foresight	Decision making	Technology road map
Mental time travel	System Dynamics Models	hindsight bias	game theory
multi-criteria decision analysis	policy analysis	risk assessment	science and technology policy
Simulation	bibliometric analysis	Adaptive foresight	Emerging technology
Expert panel	Weak signal	Text mining	Case study
cluster analysis	Network analysis	nonlinear systems	patent analysis
Stochastic model	trend research	Autobiographical memory	Early warning
Horizon scanning	Megatrends	path dependence	priority setting
Survey	agent-based modeling	Analytic hierarchy process	cross-impact analysis
Dynamic programming	Future-oriented technology analysis	Metacognition	monitoring
Neuroimaging	Portfolio management	Strategic decision making	workshop
Alternative futures	Bayesian estimation	Benchmarking	benefit-cost analysis
content analysis	Evidence-based policy	Evolutionary game theory	Exploratory Modeling and Analysis
foresight bias	Group decision support	Linear programming	Markov decision process
Multiparameter stochastic process	neural network	Qualitative analysis	rational expectations equilibria
Strategy formulation	SWOT analysis	Technology Acceptance Model	Visualisation

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Analytical techniques- Strategic and Competitive Analysis

- Strategic analytical techniques
  - BCG Growth/Share Portfolio Matrix
  - GE Business Screen Matrix
  - Industry analysis
  - Strategic Group Analysis
  - SWOT Analysis
  - Value Chain Analysis
- Competitive and customer analysis techniques
  - Blindspot Analysis
  - Competitor Analysis
  - Customer segmentation analysis
  - Customer Value Analysis
  - Functional Capability and Resource Analysis
  - Management Profiling

- Environmental analysis techniques
  - Issue Analysis
  - STEEP analysis
  - Scenario Analysis
  - Stakeholder Analysis
- Evolutionary Analysis Techniques
  - Experience Curve Analysis
  - Growth Vector Analysis
  - Patent Analysis
  - Product Life Cycle Analysis
  - S-Curve Analysis
- Financial Analysis Techniques
  - Financial Ratio and Statement Analysis
  - Strategic Funds Programing
  - Sustainable Growth Rate Analysis

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Business and Competitive Analysis

- A better swot analysis
- Analysis of competing hypothesis
- Benchmarking analysis
- Business model analysis
- Competitive positioning analysis
- Competitor cash flow analysis
- Critical success factor analysis
- Driving forces analysis
- Event and timeline analysis

- Historiographical analysis
- Indications and warning analysis
- Industry fusion analysis
- SERVO analysis
- Shadowing
- Strategic relationship analysis
- Supply chain management analysis
- Technology forecasting
- War gaming
- Win/Loss analysis

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Profiling

- It's about what you expect companies, people, etc. to do and why. Hathaway was competitor profiling, Clear Risk was customer profiling

"If you know the enemy and know yourself, you need not fear the result of a hundred battles. If you know yourself but not the enemy, for every victory gained you will also suffer a defeat. If you know neither the enemy nor yourself, you will succumb in every battle." Sun Tzu and the Art of War

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Why bother to analyse competitors?

- To help management understand their competitive advantages/disadvantages relative to competitors
- To generate understanding of competitors' past, present (and most importantly) future strategies
- To provide an informed basis to develop strategies to achieve competitive advantage in the future
- To help forecast the returns that may be made from future investments (e.g. how will competitors respond to a new product or pricing strategy?

Questions to ask (this is form C)

- Who are our competitors? (see the section on identifying competitors further below)
- What threats do they pose?
- What is the profile of our competitors?
- What are the objectives of our competitors?
- What strategies are our competitors pursuing and how successful are these strategies?
- What are the strengths and weaknesses of our competitors?
- How are our competitors likely to respond to any changes to the way we do business?

https://www.tutor2u.net/business/reference/the-role-of-competitor-analysis

Tutor2U on where to get the information

Recorded Data	Observable Data	Opportunistic Data
Annual report & accounts	Pricing / price lists	Meetings with suppliers
Press releases	Advertising campaigns	Trade shows
Newspaper articles	Promotions	Sales force meetings
Analysts reports	Tenders	Seminars / conferences
Regulatory reports	Patent applications	Recruiting ex-employees
Government reports		Discussion with shared distributors
Presentations / speeches		Social contacts with competitors

In the case – where in theory could Electrohome have gotten competitor information?

- Meyer Briggs Type Indicator (MBTI)
- Firo-B
- DISC
- 16PF
- People map
- EDS Executive Decision Style
- Team Management Index (TMI)
- WMI (Weber Motivational Index)
- Berkman
- Statement Analysis

SIDEBAR 3: KIT-DRIVEN KEY CONSIDERATIONS

SWOT:
In his current role, what are the subject's major strengths and weaknesses?
Where is he gifted with talent?
Where has he had to develop additional skills?
Are there gaps in his knowledge or capabilities that bear on the current issue?
Does his self-evaluation differ greatly from the assessments of peers and expert observers, and in what ways?
What are the threats he faces?
The opportunities?

Philosophy:
What are the key observable elements in his business philosophy and approach?
His management style?
His preparation for the current endeavor?
Which aspects of his leadership or management role does he emphasize?
Does he ignore, neglect or avoid any?
Where does he delegate and where does he hold the reins?
Why?
In what aspects of his role does he most like to operate hands-on?
How much is his attention directed toward managing?
How much toward leading?

Strategy:
Is she more comfortable as a strategists or a tactician?
Where is she more effective?
How does she evaluate both strategy and tactics?
Is she flexible or rigid?
How are her priorities expressed operationally?
How does this relate to the KITS at hand?

Team:
Who does she place on her team and how does she make those selections?
How does she use the team?
How does she approach evaluation of her team?
What characterizes her communications — style and effectiveness?

Risk:
How does he approach risk in the business application currently under examination?
Elsewhere in the business?
Elsewhere in his experience, e.g. avocations?

Innovation:
What is her attitude toward innovation?
Does it fit with the demands of the industry and the market?

Competition:
How does she approach competition philosophically and operationally?
Is she congruent in philosophy and operation?

Decision-making:
How does he approach decision-making?
Who does he involve?
How much information does he seek and how many alternative courses of actions does he typically plan?
From whom does he seek information?
Opinion?
Perspective?
Advice?
Does he cultivate input?
How open is he to negative input or feedback?

Motivation:
What are his key motivators, e.g. achievement, discovery, recognition, reward, contribution, adventure, security, etc.?
As evidenced by. . ?
What does the evidence suggest about his view of the current circumstance and its issues?
What does he say he wants to achieve?
Avoid?
Master?
Escape?
Does his observable approach reflect this — are actions and statements consistent?

Dynamics:
What are the larger issue and dynamics — company culture, market, larger social, economic, political — influencing his performance and perception?
How does he influence those dynamics?
Is it a priority of his to do so?

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Liam Fahey: Competitors

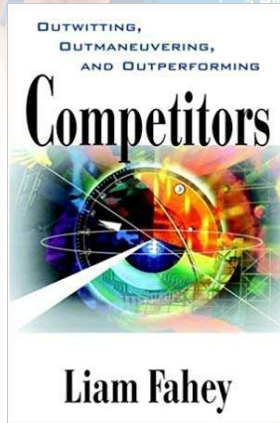**Part. 1 A Framework for Competitor Learning (page 1)**

Part. 2 The Analysis of Individual (and Multiple) Competitors (page 105)

Part. 3 An Organizational Perspective on Competitor Learning (483)

Bensoussan and Fleisher : Profiling in Analysis without Paralysis

Product/services	Marketing	Human resources
• # of products/ services • Product line diversity • Projected new products/services	• Segmentation strategy • Branding and image • Probable growth vectors	• Quality and skill of personnel • Turnover rates • Labor costs
Operations • Manuf. Capability • Mass customize ability • Overhead costs	Management profiles • Personality • Background • Motivations	Sociopolitical • Government contacts • Stakeholder reputation • Public affairs experience
Technology • Process technology • R&D expertise • Ability to innovate int.	Organizational structure • Nature of hierarchy • Team building • Cultural alignment	CI Capability • Formal CI capability • Reporting relationships • Integration
Strategy • Positioning • Future plans • Core competencies	Customer value analysis • Quality attributes • Service attributes • Customer goals	Financial • Absolute/comparative ratio analysis • Cash flow analysis • Costs

A summary of Porter's four corner's analysis

MOTIVATION | ACTIONS

Drivers
- Financial goals
- Corporate culture
- Organisational structure
- Leadership team backgrounds
- External constraints
- Business philosophy

Current strategy
- How the business creates value
- Where the business is choosing to invest
- Relationships and networks the business has developed

COMPETITOR'S FUTURE STRATEGY

Management assumptions
- Company's perceptions of its strengths and weaknesses
- Cultural traits
- Organisational value
- Perceived industry forces
- Belief about competitor's goals

Capabilities
- Marketing skills
- Ability to service channels
- Skills and training to work force
- Patents and copyrights
- Financial strength
- Leadership qualities of CEO