

# MARKET INTELLIGENCE TO ANTICIPATE CHANGE

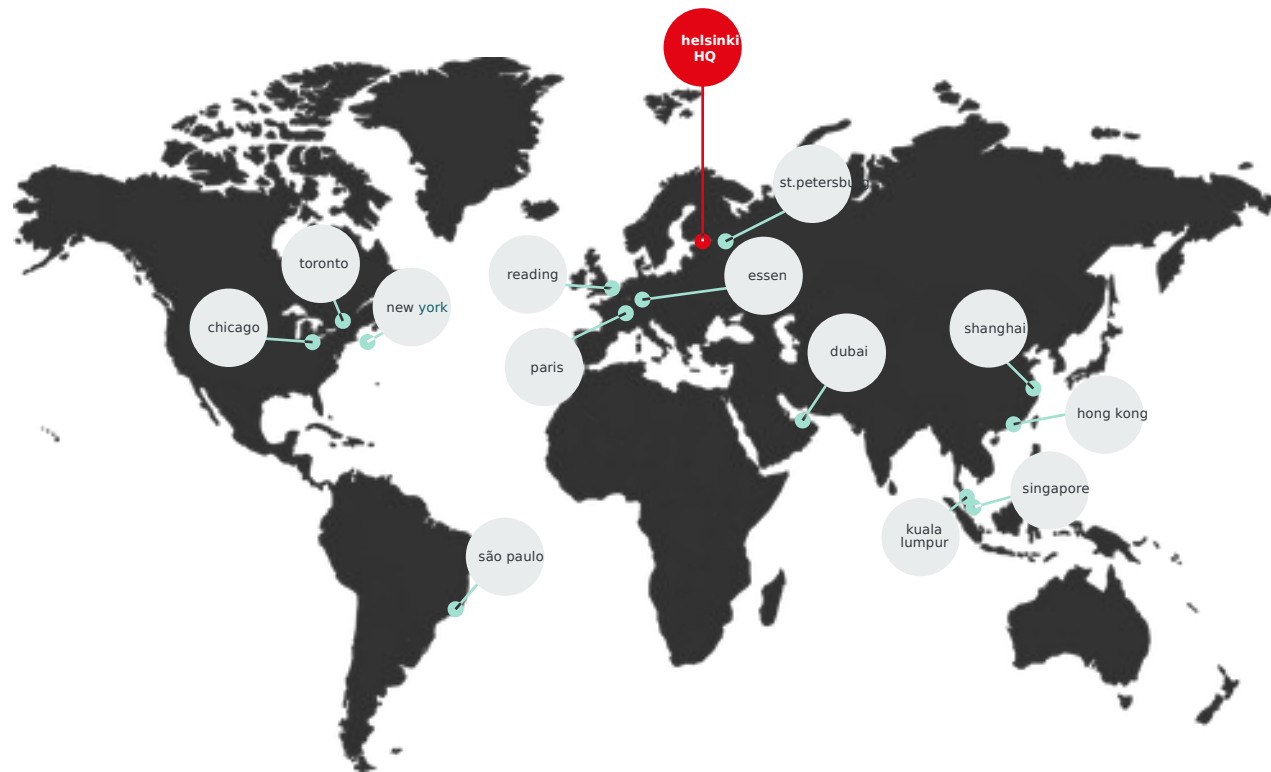


## **Joonas Kovapohja**

Head of Market Intelligence Services, M-Brain Finland

- Joonas has 15 years of experience in developing market intelligence operations in organizations. Currently Joonas is heading a team of consultants and analysts developing M-Brain partner clients' competitive and market intelligence operations and serving them with a full suite of market intelligence services.
- Joonas has industry experience mostly in financial services, payments and mobility sectors, but has been widely involved in senior steering projects and services to various other industries as well.
- Joonas has also acted as a lecturer in the course Competitive Intelligence in Metropolia Business School for two consecutive years and is a frequent visiting lecturer on the topic in universities.

# INFORMED LEADERSHIP



## ABOUT M-BRAIN

- **M-Brain is a global information, technology and consulting services company.**
- We are the leading global provider of external competitive and market intelligence.
- We help our clients to navigate the turbulent and ever-expanding business environment. We offer crucial external business information, and advise in its efficient management and utilization.
- **We turn information into actionable insights** for daily decision-making and strategic planning.
- We call it Informed Leadership.

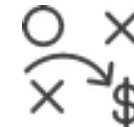
# Our product and service portfolio

Our suite of services enables you to transform intelligence into actionable insights. We are experts in retrieving and analysing relevant information, as well as advising how to use that intelligence to your advantage.



## MARKET & COMPETITIVE INTELLIGENCE

Track your competitors, customers, and key industry events. By collecting and analyzing relevant information for you, M-Brain supports your market awareness for enhanced competitiveness.



## STRATEGIC INTELLIGENCE

Whether you're attempting to identify new growth areas, to expand your business into new markets, or to understand future industry trends, we will provide you with customized information and expert interpretation.



## INTELLIGENCE SOFTWARE

A central platform to track, store, and share intelligence within your organization. Eliminate information silos and proactively deliver timely, customized intelligence reports to colleagues.



## INTELLIGENCE BEST PRACTICES

Leverage M-Brain's 20+ years of experience to assess, develop, and deploy your market intelligence program. Proven methodologies and teaching techniques are delivered through, benchmarking, workshops, consulting and development projects.

# COMPETITIVE AND MARKET INTELLIGENCE DEFINED

# What is meant by competitive and market intelligence? - definitions

- **A systematic process** of information retrieval and analysis, in which fragmented (raw) information on market competitors and technologies can be transformed into a vivid understanding of the corporate environment for the decision-maker. (Institute for Competitive Intelligence)
- **Systematic** and **ethical program** for gathering, analyzing, and managing **external information** that can influence a company's plans, decisions, and operations. (Society of Competitive Intelligence Professionals)
- **Market intelligence includes the process of gathering data from the company's external environment** while **the Business intelligence process primarily is based on internal recorded events** – such as sales, purchases. The purpose of incorporating Market Information or intelligence into the Business Intelligence process is to provide decision makers with a more “complete picture” of ongoing corporate performance in a set of given market conditions. - Prescott, John and others, Proven Strategies in Competitive Intelligence (Wiley, 2001)
- Action of defining, gathering, analyzing, and distributing **intelligence** about products, customers, competitors, or any aspect of the environment needed to support executives and managers in making strategic decisions for an organization. (Wikipedia definition)

# Common elements according to m definitions

1. External focus
2. Ethical
3. Process-driven
4. Emphasis on "Intelligence"

# What is meant by Intelligence?

- Intelligence is analyzed information that is made actionable
  - **Analyzed** meaning that the information has been put in *perspective* and value is added *beyond the facts themselves*
  - **Actionable** means that the output allows to take action

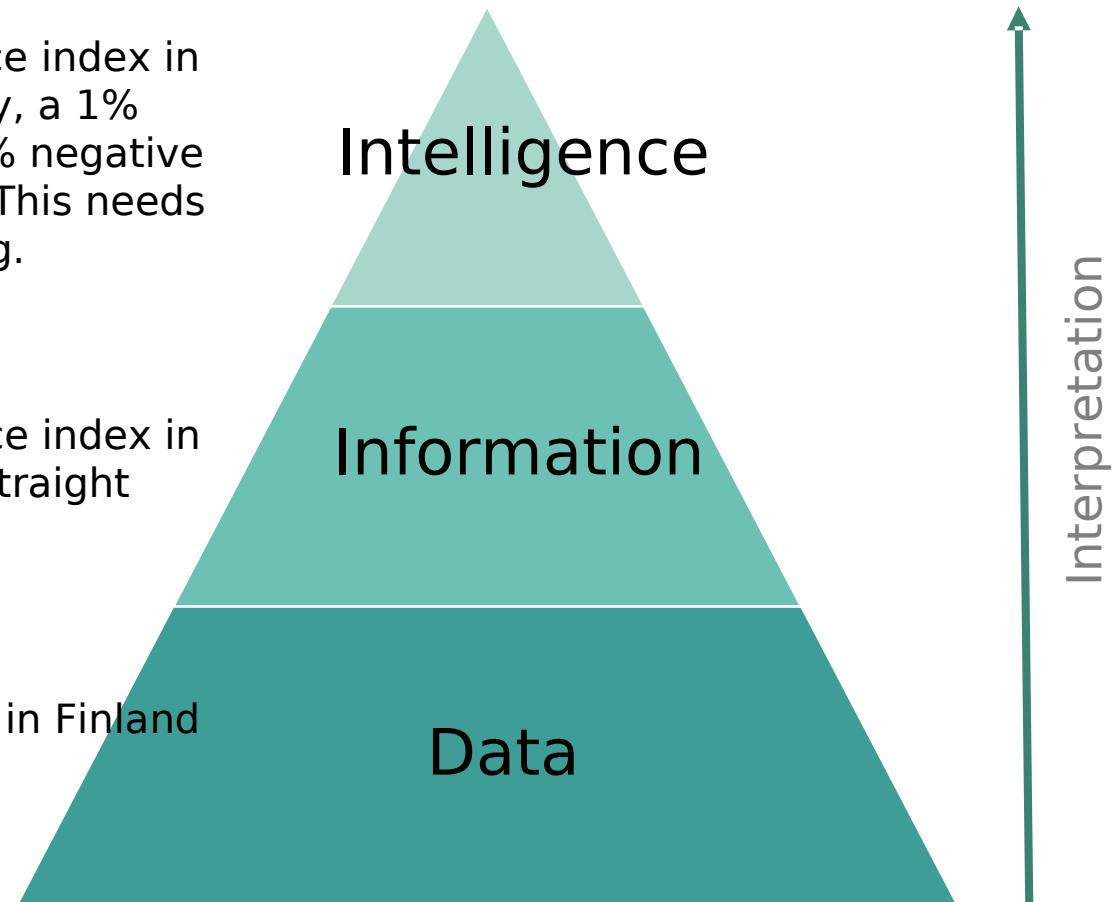


# The Intelligence pyramid

**Intelligence** => OECD consumer confidence index in Finland dropped 10% last month. Historically, a 1% drop in consumer confidence has had a 0.8% negative impact on our sales with 1-2 months delay. This needs to be taken into account in demand planning.

**Information** => OECD consumer confidence index in Finland dropped 10% last month, the third straight drop in a row.

**Data** => OECD consumer confidence index in Finland stood at 94.6 in the month of January.



# WHY INTELLIGENCE IS IMPORTANT?

# Why is competitive & market intelligence becoming more and more important?

*What factors are hindering our understanding of the competitive environment?*

1. Globalization
  - Change, complexity, competition
2. Technology revolution
  - The speed of change
3. Exponential growth of information
  - Data overload

THE COMPETITIVE ENVIRONMENT IS FAR MORE COMPLEX AND EVER CHANGING AS IT WAS EVEN A DECADE AGO

# Example: Automobile Industry

In 2006:

Consumer preferences:

- Diesel or gasoline?
- Car type?
- Fuel consumption?
- Performance?
- Color preferences?

Other external factors - legislation, regulation, environment, etc.  
Competition?



In 2020:

Consumer preferences:

- Ownership, sharing, renting, mobility as a service?
- Alternatives: Public transportation, cycling, On-demand ride hailing services
- Electricity, gasoline, diesel, natural gas, hydrogen, others?
- Connected cars?
  - Car as a channel of media and advertisement delivery?
  - Car as an integrated payments option?
  - Vehicle data for insurance pricing?
- Self driving cars?
- Alternative sales channels of cars? Changes in the car dealership r
- Technology trends: 5G, AI, Big data, Robotics, Blockchain, IOT, API etc.

Competition? Partnerships?



# PURPOSE OF INTELLIGENCE

# Purpose of Intelligence

- Anticipate changes in the marketplace.
- Anticipate actions of competitors.
- Enter new businesses.
- Discover new or potential competitors.
- Learn from the successes and failures of others.
- Increase the range and quality of acquisition targets.
- Learn about new technologies, products and processes that affect your business.
- Learn about political, legislative or regulatory changes that can affect your business.

# Where strategic, tactical, operational intelligence collides



**Strategy is developed in line with longer-term corporate goals**, which is governed by a company's overall vision and mission

**Tactics are deployed on a more frequent basis** to support corporate strategy

**Operational action plans** support deployment of tactics in providing a "how" to move forward

# What makes intelligence strategic?

	STRATEGIC		TACTICAL
1	Future	<b>TIME</b>	Present
2	Generalists	<b>USERS</b>	Specialists
3	High-Level	<b>DATA</b>	Granular
4	Initiation	<b>GOAL</b>	Reaction





# Examples of tactical intelligence

# Market opportunity tracking

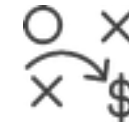
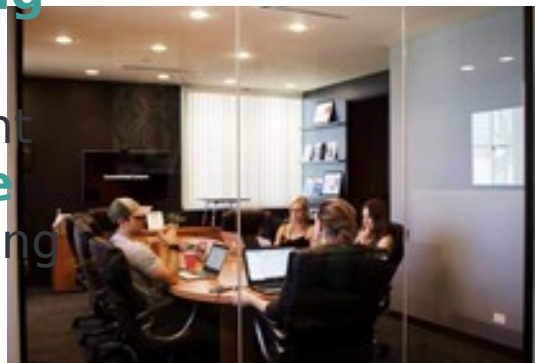


## KEY QUESTIONS AUDIENCE

- Where should we allocate resources for **marketing campaigns**?
- What should we highlight in **messaging on the website** and in marketing campaigns?



- Marketing



## OUTCOME

- Quarterly tracking of **market size** broken down by segments (e.g. product, geography) and sorted by **CAGR** to identify pockets of opportunities to focus on
- Analysis of quarterly **customer surveys** broken down by segments to customize marketing messaging to fit the current customer needs

# Competitor product benchmarking

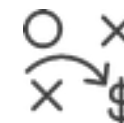


## KEY QUESTIONS SAUDIENCE

→ How does our **product feature set** compare in terms of perceived strengths and weaknesses in relation to our key competitors?



→ Sales



## OUTCOME

→ Competitive **battle cards**, including analysis of competitors' relative strengths, weaknesses, as well as objection handling



# Examples of strategic intelligence

# Trend analysis for innovation



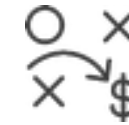
## KEY QUESTIONS

- How are emerging trends going to **impact our business**?
- **How should we react** to changing market conditions?
- **What are competitors doing** about these trends?



## AUDIENCE

Strategic planning



## OUTCOME

- **Summary of key trends and implications** to business, focused especially on main product areas
- **Positioning analysis of key competitors** against emerging trends
- **Examples of innovative products and services** identified against trends
- **Workshop** to generate concrete product and service ideas for upcoming year

# Scenario planning / wargaming

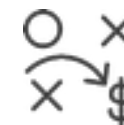


## KEY QUESTIONS AUDIENCE

- How can we better understand how our industry is developing and what might happen?
- Where are we truly at risk? What are our advantages?
- What are our competitors likely to do in the near-, mid-, and longer-term?



## Strategic planning



## OUTCOME

Workshops working through the scenario analysis process, covering:

- **Megatrends**
- **Key drivers** in the business environment
- **Future customer needs** and business models
- **Existing competitive responses** and what competitor strategies may dictate their next moves are

# ROLE OF DIGITALIZATION & ANALYTICS

# Analytics Defined

- Analytics is the discovery, interpretation, and communication of meaningful patterns in data and applying those patterns towards effective decision making.
- **Descriptive analytics** is the interpretation of historical data to better understand changes that have happened in a business (what happened or what is happening).
- **Predictive analytics** is the branch of the advanced **analytics** which is used to make predictions about unknown future events. **Predictive analytics** uses many techniques from data mining, statistics, modeling, machine learning, and artificial intelligence to analyze current data to make predictions about future.
- What is needed in order to obtain useful information via (predictive) analytics?



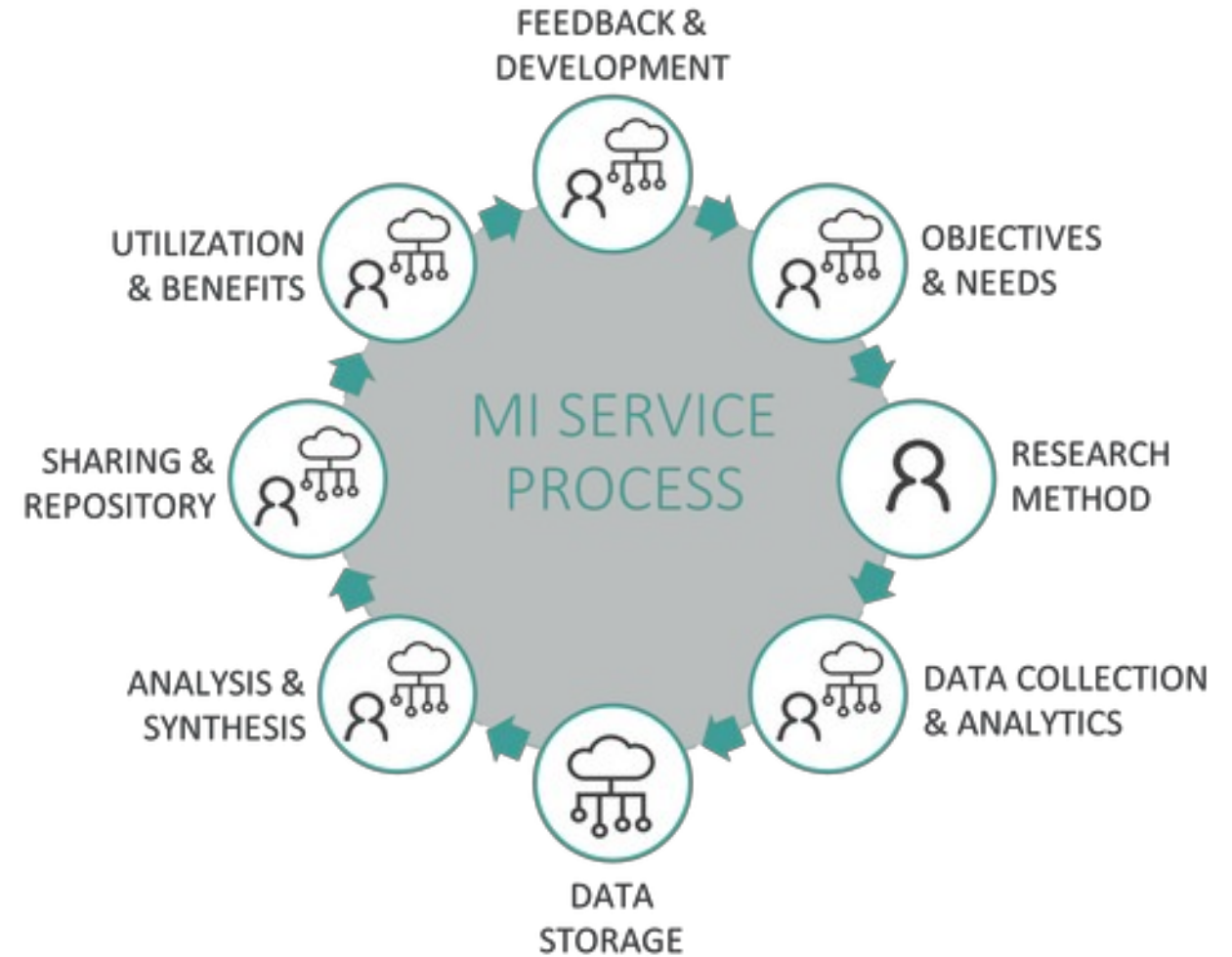
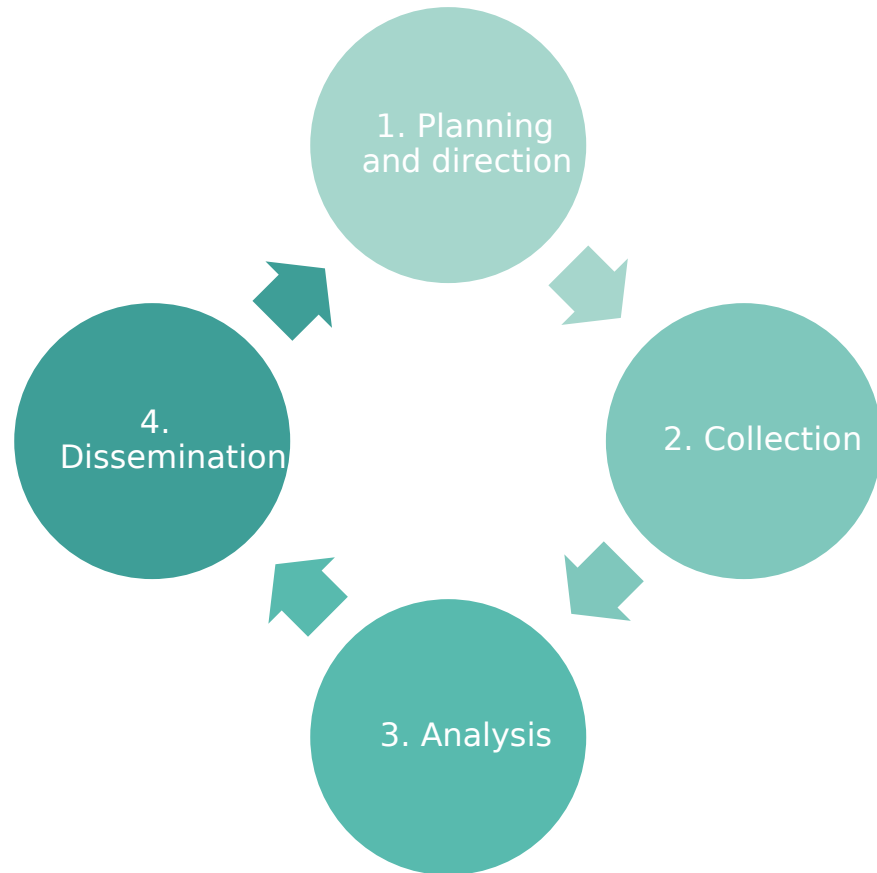
# Analytics in CI vs. BI

- Customer analytics
- Optimization of production, maintenance, usage of raw materials, supply chain management, logistics, resourcing, pricing etc.
- Why analytics is so useful in these topics?
- What if the question at hand that we want to examine that "what will our target industry look like in 2030?"

# Digitalization of Intelligence

Digitalization & Analytics

# Intelligence process



# Digital Biases?

- *“Finally, our judgments are data-driven as we have access to all data”*
- *“With this AI-based tool, we get the best decisions”*
- *“With our AI-enabled analytics, we are entering bias free decision making”*

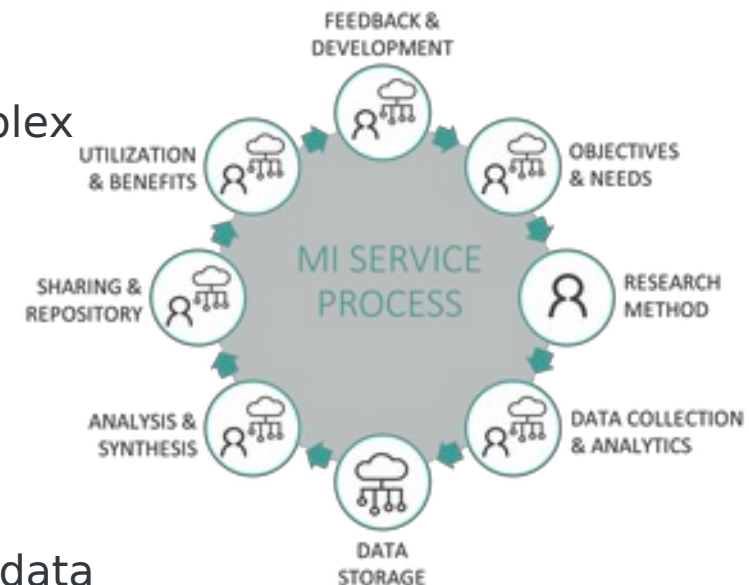
# Trends in Intelligence?

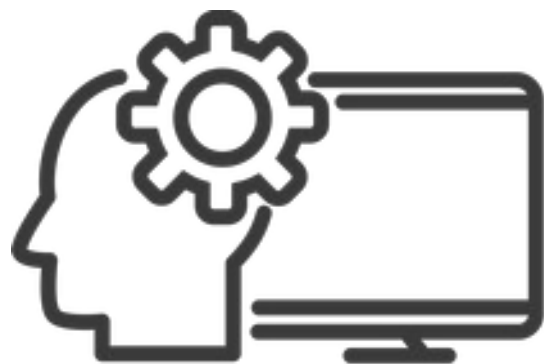
## → Shifts?

- Sources and tools: AI, Big Data, usage of complex algorithms
- Reports vs. real-time
- Data accessible for everyone - how to differentiate?
- The role of intelligence in organizations

## → Obstacles?

- Resources, budget, stakeholder engagement, data availability, Intelligence culture





AUGMENTED  
INTELLIGENCE

Technology  
+ human

Offices in  
**11**  
countries

 NUMBER  
OF EMPLOYEES  
**350+**



**INFORMATION  
SOLUTIONS**

from monitoring and analysis  
services to consulting and  
technology solutions

 GLOBAL  
**DATA  
COVERAGE**

€ REVENUE  
**22,5** million  
(in 2019)

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