Utility of Social Media for Competitive Intelligence Boon or Bane

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Introduction

Most of the value added in manufacturing, product service companies is created by knowledge-based service activities such as research and development, marketing research, product design, customer service, advertising, or distribution. Winning firms are organizations that most successfully master the business issues critical to their performance, and develop the most precise understanding of definitions of value and creation of value. Competitive advantage has a lot to do with leveraging the knowledge assets of the firm, while at the same time determining how competitors are likely to leverage theirs.

Competitive intelligence has undergone a groundswell of interest in the recent years, the interest is partly fuelled by an increasing availability of information itself (the much-touted information explosion) and an increase reflected in the proliferation of commercial databases world-wide. The objective of competitor intelligence is not to steal a competitor's trade secrets or other proprietary property, but rather to gather in a systematic (i.e., legal) manner, a wide range of information that when collated and analyzed provides a fuller understanding of a competitor firm's structure, culture, behaviour, capabilities and weaknesses.

Competitor intelligence is the analytical process that transforms disaggregated competitor intelligence into relevant, accurate and usable strategic knowledge about competitors, position, performance, capabilities and intentions. This study is significant to understand the whether the purpose and objective of collecting information through social media for competitive intelligence is worthwhile or not.

Competitive intelligence is first and foremost about understanding your competitor's strategy. To do this, one needs to gain insight into their products, services, finances, partners, and customers. In today's increasingly open and social Web, there are few better places to gather all of this important data.

Following are few insight on the issue:

1. *Identify Promising Social Networks*: Although there is some increasing stability in the landscape of social networks, communities and demographics are still shifting in some of the most popular social media venues. Challenge is to continually survey and make sure that all are tuned into the most appropriate social networks for achieving objectives.

2. *Create Social Media Profiles*: Although much of competitive intelligence is about having good listening capabilities, it is important to gain credibility in environments that

one monitors. This step means creating and maturing effective social media profiles. This does not necessarily have to be specific, but relevant personas need to be manned by someone in the business.

3. **Aggregate Social Media**: One should have social network targets and persons to link with need to turn on the fire hose. In online circles, this is often referred to as a 'river'. This is most often a flow of messages from blogging and micro-blogging (Twitter) platforms in the form of RSS feeds. This simple technology, combined with something like Google Reader can literally flow in thousands of social media conversations from all corners of the Web.

4. **Track Important People (Influencers)**: This approach will be filled with tons of noise and irrelevant messages. However, if one starts to recognize the most influential and relevant people to the objectives one can begin to focus and prune the social media monitoring bringing in better competitive intelligence.

5. **Continually Tune Competitive Intelligence**: Once objectives are confirmed, one needs to constantly avail information such as, what are the best sources of information? Who tends to break news first? Are there people and websites that do the best analysis? Are there insiders that tend to leak information?

Enriching Competitive Intelligence Via Social Media
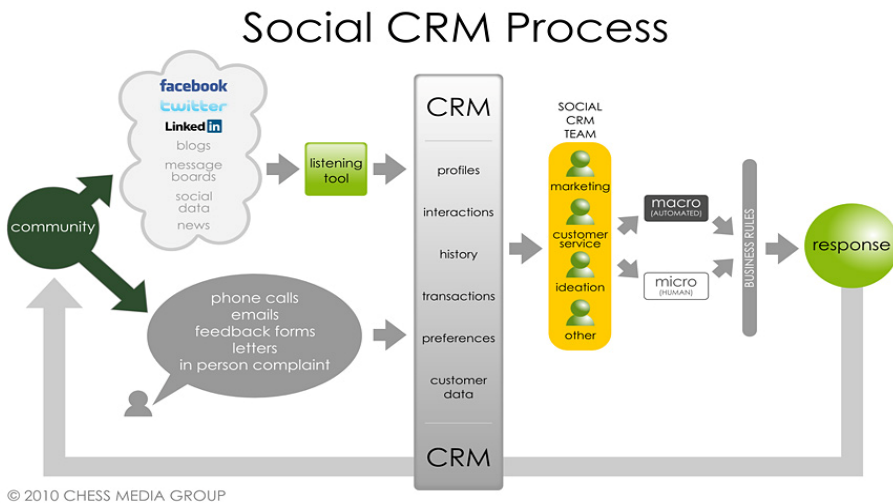
With so many channels available to listen and explore right from Facebook to Twitter to LinkedIn to YouTube to Tumblr to … getting data about competition is easier, but competition has never been simpler.

Searching for Competitive Intelligence Via Social Media

Means and Ways for Competitive Intelligence Via Social Media

- Monitor popular keywords of similar industries. For example, for home renovators, it could be 'renovations', 'home improvements', 'DIY repairs' or 'home projects'

- It is necessary to keep a steady eye on competitors to see what's being said about them and also focus on people who are complaining about bad products, service or customer service. Then, it is necessary to offer advice or help, rather than trying to sell them something.

- One can also look for conversations about trends within industry. For example, for home renovators, it could be about new kitchens, bathrooms or energy-efficient appliances. Then the company can provide advice, insight and recommendations.

- The competitors are probably using the same tools to keep tabs. So, it is necessary to keep an eye on our own social media presence to see the images that are being projected.

- Conducting an audit of the social media used for marketing outlets is necessary. It is necessary to hire someone outside marketing department to browse Facebook, Twitter and YouTube accounts to seek out the answer to the following question, 'Do we want our competitors' access to this piece of information?' It is necessary to use Web 2.0 search tools to cull information that might be available on Web 2.0. This initiative is a part of a defensive competitive intelligence plan.

- It is necessary to draft and adhere to engagement guidelines that is, When engaging the audience, it is necessary to be prepared to deal with some of the unwelcome comments. These comments can be used against the competitors. As a result, a set of guidelines should be established to clearly state the topics that should be covered, when postings should be done.

Information on using Social Media for Competitive Intelligence

1. Know what you're looking for

   - This seems like an obvious point, but often isn't, to end users! Sometimes people will ask you for things without explaining what they actually need, often without even really knowing these themselves.

   - First step is always to clarify with enquirer–what are they actually expecting?

   - For example, 'How many German cars are there?' Enquirer may think this as a straightforward question, but do they actually mean how many cars are there in Germany? Or, how many cars are manufactured in Germany (and is this per year?) Or, how many types of German-manufactured cars are there?

   - What is the information for? Why is it needed? How will it be used?

   - Different information will be useful if the company you've been asked to look into is an existing client, potential client, competitor, etc. Make sure you know who they are.

2. Create a collection plan

   - If the subject of the enquiry is either very broad or very niche, general search engines won't be of much help

   - Consider where the information is likely to be, search likely sources directly rather than using Google

3. Know your search engines

   - Don't rely on just one, e.g. Google and Bing will return slightly different results. How different they are will depend on the subject

   - Consider using advanced options, e.g. Google's 'wonder wheel'

4. Consider the 'deep web'

   - General search engines index less than 10% of the web!

   - Use specialist search engines like Google Scholar/ Books/ News,

   - Go directly to official sources such as government websites for official data

   - Job sites can be useful for finding out if a company is restructuring etc, seeing how they describe themselves

5. What can company websites generally tell?

    - domaintools.com can be used to find out domain ownership, domain name history, what other sites are hosted on the same server, any other domains owned by the same people

    - OpenSiteExplorer.com will tell who is linking to a particular site

6. Find public opinion through social media

    - Search different social media (e.g. blogs, Twitter, LinkedIn) to find news on a company before it hits the headlines

    - See what news the company itself is putting out, do they have any official social media accounts?

    - See what others are saying about them

7. Be prepared to pay for information

    - Free information is often free for a reason!

    - There will be a limit to what canbe found without paying

    - Paid for information will usually be more comprehensive and more authoritative

8. Keep up-to-date

    - Search tools and sources change all the time, make sure you know what is out there

    - Mailing lists and library associations are also a good way to keep up-to-date

9. Think different

There's a goldmine of competitive intelligence within the social media landscape. Spending some time on the dark side could generate some good business opportunities.

Competitive Intelligence–Boon or Bane?

The social web is becoming more personal so consumers expect the messaging to evolve. By obtaining a real-time window into issues and problems facing the competitors, one has the opportunity to proactively respond with timely messaging or programs targeting the customers or products affected and capitalizing on the specific problem. If a competitor is having supply or quality problems, offer a targeted upgrade program.

One probably already talks to the customers about how to improve your products. That's good. The savviest companies are learning to also talk—or at least listen—to users of competitive products. What features or capabilities do they really want and why? What are key challenges or

objections? User forums are good, but don't overlook professional or social communities where key competitor staff might brag or vent. Better than a focus group or interviews, social media also lets you see the competitors' responses and often their rationale. They may explain why a requested feature won't be in the next release that provides important insights into their strategy or operations. This leads to **long-term product improvement.**

Seldom do people realize that business, just like life is merely a series of decisions. And global firms have a growing need for the necessary information on which to base decisions concerning the conduct and development of each of their firm's strategic objectives, and the protection of their organizations against threats from their competitors. So they need avenues through which information of competitors can be collected. Social media like Facebook, Twitter, Blogs, Linkedin etc. The social media are of great importance for competitive intelligence. But, the businessmen should be well aware that it comes with great amount of flaws. Utility of social media for competitive can be viewed as boon and bane both, it depends upon what information, from where and how information is collected. To take the maximum advantage of social media for competitive advantage one has the complete knowledge as to the working of social media, the behaviour of people using social media etc.

In short, CI is the purposeful and coordinated monitoring of the competitor(s), wherever and whoever they may be, within a specific marketplace... 'Competitors' are those firms which are considered as rivals in business, and with whom marketers compete for market share. CI is to do with determine and analyze, what the business rivals WILL DO and take action before they do it. Social media opens up many of the critic communications that are important to answering competitive questions. However, there is significant work in keeping the listening posts dialed into a moving target. A more comprehensive and dedicated social media monitoring platform can help to stay plugged-in on the competitors. On understanding the pros and cons of competitive intelligence via social media, it can be clearly vouched that it is more of boon than bane, but not to forget the darker side or the limitations of its usage for competitive intelligence compared to other types of media.

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