

Book review

Tools and concepts for strategic decision making on Market Intelligence

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Abstract

The aim of this paper is to output a critical book review of *Market Intelligence: Building Strategic Insight* by Jenster & Sjøilen (2009). The purpose of the book is to provide helpful and practical information about market intelligence and analysis for real life situations for managers. The book reviewed is conducted by using systematic review for gathering information in the field of market intelligence. The book reviewed is written by two Nordic authors: Jenster and Sjøilen. Jenster is a Danish Professor that specializes in strategic management and entrepreneurship. Jenster is working as a professor in China Europe International Business School, and he has earlier worked as a consultant and a board member for international companies. Jenster has previously published over one hundred books, as well as several articles concerning management issues, which some of those are written regarding competitor intelligence, company analysis and managing industrial and business to business marketing. The other author, Sjøilen is a professor currently working in Halmstad University, Sweden. Sjøilen works also as the Editor-in-Chief of the Journal of Intelligence Studies in Business (JISIB) and the Senior Editor of the International Journal of Innovation Science (IJIS). Sjøilen has published books and several articles for Journal of Business Research and European Business Review. Among others, books and articles concerning market intelligence written by Sjøilen include: public and private intelligence, business intelligence, competitive intelligence, innovation benchmarking, market intelligence at trade shows, information systems and economic intelligence, and competitive intelligence. Targeted audience for the book is managers, business school faculty and students.

Introduction

This paper represents a critical book review of Jenster & Sjøilen (2009). The aim of this review is not to summarize the content of the book but rather discuss, not only the content, but also other aspects, which may affect the opinion of the reader. The book aims to provide helpful and practical information about market intelligence and analysis for real life situations for managers. Both authors clearly have previous experience in the field of intelligence studies and are therefore considered competent. This book review is constructed as follows: First we are going to present an overall summary of the basic content of the book, and after that, the critique towards the book is discussed. The criticism is divided into different sections, such as Structure, Content, Layout, Language, References, Definitions, Examples, and Figures & Tables. Last, the conclusion of this critical book review is presented including some future suggestions within the topic.

Summary of the book

The aim of the reviewed Market Intelligence book is to provide helpful and practical information about market intelligence and analysis for real life situations for managers. The authors argue that there is a lack of intelligence- related literature in English, and they highlight the content of the book to be rather concentrated on concepts and methods, than on academic arguments. Moreover, the faculty of business school and students are said to be hoped to find the book as supplementary for understanding the application of theories in practice. The book consists of nine chapters discussing tools and concepts of intelligence analysis for strategic decision-making. As market intelligence is a future oriented action, so is predicting future issues by answering to questions of “how” and “when” to advance decision-making in the center role of the book. Competitive and intelligence analysis are discussed from theoretical aspect, and following that, industry and company analysis are discussed by providing more practical view to the topic by presenting tools for the analysis. Other analytical tools, such as portfolio chart, benchmarking and critical success factors as also discussed, as well as advices for building an effective business intelligence system, and at the end of the book, business intelligence systems are discussed in general. Internal and external environment of organizations is studied, as in some literature described as direct and indirect considerations of the organization. To name main few areas, the book discussed competitors, customers, and considerations from PESTEL-model as part of tools to handle with intelligence analysis. The book ends up with a chapter about information gathering and intelligence ethics. The book is constructed as follows of chapters: Foundations of intelligence analysis, Strategies for a competitive advantage, Industry analysis, Company analysis, Intelligence analysis, Building an effective business intelligence system: Technology and organizational structure, Marketing intelligence, The strategic perspective to intelligence analysis, and Information gathering and intelligence ethics. The overall topic of market intelligence can be argued to be important as market intelligence includes all factors influencing business-to-business relationships, which can be collected by gathering and understanding strategically important topics, such as “...market trends, customer needs, perceptions, attitudes, beliefs and behavior...” as well as “...competitors’ thinking, strengths and weaknesses...” which can support company’s decision-making (p. 160).

Critique

The analysis of the book is divided into different sections to make it easier for the reader to follow. The sections discussed are: Structure, Content, Layout, Language, References, Definitions, Examples, and Figures & Tables.

Structure of the book is found quite simple from the perspective of a reader. Areas of study are divided to clear sections by chapters. Structure supports authors’ purpose in a way that the first chapters provide an introduction to the topic, following the tools of analysis and later on discussing other analysis methods and at last the ethical part of data gathering. Good example representing workable structure and clear content is having an introductory chapter to the topic in the beginning of the book, followed by chapters concerning more specific areas of market intelligence and providing different strategic insights to the topic. Therefore, the structure is found quite logical and jumping from a topic to another does not confuse the reader. Nevertheless, coherent introductions could

be added to the beginning of each chapter, such as chapter 4, having a clear subtitle for an introduction, unlike “introductions” of the other chapters are not named the same way (p. 85). Naming the subheadings differently is definitely not a problem but sticking into same style throughout the book is recommended. Conclusion after each chapter is acknowledged helpful for understanding the content of the book.

Overall, the **content** of the book is evaluated relevant. Basic theories in the area of intelligence studies, as well as analysis and tools, are presented. However, the viewers’ of the book find the areas of intelligence not equally represented as the main concentration in the book seems to be on private intelligence, and not so much on public intelligence, military intelligence or NPO intelligence, for instance; even though the authors explain that latter listed intelligence studies have much in common, and therefore could be presented easily (p. 12). Also, compared to other literature offered and read by the viewers of the book, it can be stated that the content in the field of market intelligence provides comprehensive insights. However, the viewers’ expectations on a book were more on deep and detailed tools for the analysis part, but this is only our expectations and not necessarily the aim of the authors. Some strategies presented are found too general, for example *“Attacking the strategy of a competitor. This can pull the rug out from under the competitor’s feet, and leave him in a weaker position. The most effective way has already been mentioned; strategy of applying creative, entrepreneurial thinking to a base of sound knowledge and analysis, thus changing the competitive arena...”* (p. 42). Other strategies suggested in the book that are perceived quite general from the viewers’ perspective are, for example: *Price discounting, Lower price, Same price..*” et cetera (p. 48). Some good general methods presented include the usage of outside consultants and later on the Ten steps to company analysis, for instance, which are also explained a bit in detail (p. 88- 89). Also, block diagram on page 76, and Strategic groups on page 80, were found useful. In our opinion, the book covers general insights to the topic, but this could be developed to another level by concentrating also on small enterprises, or taking different cultures into consideration, for instance, as in the opinion of the viewers of the book, the concepts and tools seem to be applicable for rather multinationals than small enterprises. It could also be stated in the Foreword or Preface that this book provides only general insights to the topic, and the tools and analysis concern mainly big enterprises. This is only our suggestion and other readers with different background and previous knowledge might disagree. In addition, the themes of market intelligence could be explained in more detail at the beginning of the book, to provide understanding of the linkages between different parts of market intelligence to each other, and to help the reader to follow the text, for instance. In our opinion, at the moment, intelligence studies are explained briefly and in general level; this considers also market intelligence (p. 13). It also seems to the viewers of the book that some of the chapters discuss the same topic overlapping, such as Benchmarking, which is discussed in chapter 5 and chapter 7 (p. 114; p. 173). Even though the chapter 5 concentrates on analysis, some of the parts of benchmarking could probably have been connected with each other. The same concerns intelligence studies in general, as the viewers of this book argue that some areas of market intelligence studies are not discussed equally in the book. Even so, it might be that the viewers’ have not clearly understood why the authors’ concentrate on certain aspects of intelligence and its’ analysis, but if this is the case, the latter could be clarified clearly to the reader at the beginning of the book.

Layout, in this book review, is defined as the format of the book, but also including the language aspect. Even though the layout of the book seems quite consistent to the viewers

of the book, some improvements can be suggested to help a reader to follow the book and make it visually more professional. First of all, the reviewers' suggest adding more subtitles to slightly advance the book, which could also enhance the legibility of the book.

Language in the book reviewed is understandable. However, some mistakes are found, which seem to the viewers more like careless errors. For example, Internet is sometimes written "internet", and sometimes in a correct way "Internet" (p. 23-. 24). Language of the book could be updated by using more modern language and examples. Old-fashioned words, such as "motor car" and "personal computer" (p.229; p. 238) were used instead of "car" and PC, or simply, computer. Outdated usage of words, and oldish examples, might decrease the credibility of the authors being up to date. In general, the language of the book is understandable, but from a perspective of students that were previously not very familiar with the topic, some chapters were difficult to read and follow because of many "new" theories and definitions, such as in chapter 1, and therefore some parts of the book had to be read couple of times before truly understanding the content. However, we want to state that after understanding the basics of market intelligence, understanding the book became significantly easier. Therefore, we find this book useful for readers' with previous basic knowledge and understanding on market intelligence and its' analysis.

What comes to **references**, some indistinctness in referencing is noted, as couple of different styles of referencing was found. For example, on page 25, the authors have used APA style as referencing style in the following way: "*Other examinations of the literature, such as that of Day and Reibstein or recently by Knip, Dishman and Fleisher (2003), have looked at a number of different perspectives to Intelligence analysis, encompassing broad areas such as management, marketing, policy, and strategy.*" However, on the same page, footnotes are used "*14 See Day, G.S. & Reibstein, D.J. (eds) (1997). 15 See Prahalad, C.K. & Hamel, G. (1990).*" In some cases, references were totally missing: "For example, 2Checkout.com, a banking service which only exists on the internet, is taking small and midsize business customers away from major banks all over the world. Its services are often quicker and less expensive than those of its competitors (p. 23)." The viewers' believe that creating fully coterminous referencing would increase the professionalism of the book.

What we as reviewers found sometimes confusing, was the usage and clarification of **definitions**. As mentioned earlier, this might also be strongly affected by the viewers' previous knowledge about the topic. Unlike in some literature viewed before, *Market Intelligence* was well defined compared to other research discussing market intelligence, but understanding the whole concept of market intelligence by reading the book for the first time took a while for the viewers. Therefore, we suggest that when defining market intelligence, the whole concept of market intelligence could be explained in more detail. Other concerns of definitions include the definition of Marketing Intelligence, as in other literature marketing intelligence is not widely defined as MI, and in this book, MI is used for the abbreviation of business marketing intelligence or marketing intelligence (p. 159). We encourage the authors to use the most commonly approved definitions to enrich the understanding of the topic in general, as we find the usage of commonly approved definitions enhancing the understanding of the topic. Important clarification noticed from the authors compared to other previously viewed literature is a statement of distinguishing "...MI from marketing research and argue that MI is much more than traditional marketing research. We then discuss different types of marketing intelligence: continuous and problem-related (p. 159)." Then on the page 164, in the "*Table 7.1 Examples of*

Marketing Intelligence Analysis” are presented examples of marketing intelligence activities. On the page 163, the authors state again that “*MI includes continuous and problem-oriented activities*”, and explains those two in more detail. What is confusing from a perspective of a reader is that in the table, there is a third column called “*Integrated*”, and this is not explained in the text, either are the rows (Scenario analysis, Trend analysis, game theoretical approach. Industry analysis is explained in the earlier chapter in more detail). Therefore, definitions should be consistent throughout the text and the terms used should be the same throughout the academic literature concerning the same thing. We would suggest explaining all the new definitions at the beginning of the book or at the beginning of each chapter as it is difficult to follow some academic and/or professional terms in case the reader is not previously very familiar with them, for example, not all the managers are necessarily aware of them, and especially students, or academically inexperienced managers might have problems understanding the text because of unclear definitions. By reading this book and other literature on market intelligence, it can be suggested to create working universal definitions.

This book includes several **examples** to illustrate the practical side of theoretical aspects. The problem for an academic reader is the lack of references in some examples and the viewers do not totally agree with content of some of the examples. For example, the following is stated in the book “*Nokia’s employees are a part of a very successful and relatively young company, and possess a team spirit and curiosity that few companies can match*” (p.169). Based on viewers’ knowledge and Nokia’s website, Nokia was found in 1865, and started producing different telecommunications equipment already since the 1880s, so we would not state Nokia being a relatively young company (Nokia, 2017). The examples under subtitle are provided by Hans Hedin, SCIP Scandinavia Chapter Coordinator (p. 168). In this case, Hedin does not seem academically reliable source for the viewers as it is not explained how the information is gathered, and Hedin is not mentioned in the reference list either. This is a desired improvement that the readers’ believe the authors can fix easily. Also, confusing example of benchmarking is given: “*In competitive benchmarking, a firm’s performance is measured against that of “the best-in-class” companies to determine how to achieve desired performance levels. Business functions are analysed as processes that produce a product or service. Benchmarking can be applied to strategy, operations, and management support functions. Customers are the primary source for market and competitive benchmarking (p. 173).*” This statement concerning competitive benchmarking is rather confusing as it is first argued that the firm and its strategies, operations and management support functions are basically compared to other companies, but then at the end, the customers are the primary source for market and competitive benchmarking.

In the opinion of the reviewers, some of the **figures and tables** could have been self-made, and not used the figures of, for examples, student’s created figures under supervision. In our opinion, this could increase the credibility of the authors. Also, some very famous theories having received a solid worldwide format, such as SWOT- analysis, could have been displayed in the book as the original figure, and in our opinion are not necessary to change (p. 90). The authors’ do not either always refer to the tables or figures in the text, by writing “as figure 4.2 indicates”, for instance. Referring to the tables and figures in the text could make the reader to pay more attention to tables and figures.

Some of the tables and figures are very clear and informative as *Figure 5.3 An Information “Bridge” for Making Strategy Operational* and *Figure 5.1 Outline*

Competitor Profile, besides that the Figure 5.1 is placed on the page on horizontal level which makes it challenging to read as an eBook (p. 120; p. 104). In addition, there are some figures in a book, which include definitions and other theories that are not discussed in the book. For example, in chapter 1 is “*Figure 1.1 Intelligence Studies*” is briefly explained above the figure, but then the text below starts with “*The Venn diagram shows the relation between different intelligence studies*”, without reference (p. 13- 14). After that the authors explain the Figure 1.1 and write “*..Market Intelligence (dotted line) is mostly about business activities...*”, but there is no dotted line in the table on page 13 (p. 14). There are also some figures where the content of the figure is good, but the looks of the figure is unprofessional as the lines and the text in the figure are not in line visually. Example of this can be found in a chapter one, “*Figure 1.2 Management levels and scope of analysis. Modified version by Jenster* (p. 17).

Conclusion

As authors state, this book is meant to give managers helpful and practical information about market intelligence and analysis. The authors additionally state that this book aims to provide the reader advice on practical market intelligence work in reader’s own situation without over-simplifying the topic of the book. Our conclusion based on our previous knowledge is that the book rather gives a simplified academic introduction to the intelligence studies and gives general examples on topics discussed. We argue practical examples to sometimes be too general, and therefore not always giving the reader practical advice. In the way that the viewers’ of this book understand the purpose of the book, the book states to provide helpful and practical information. Practical, in this case, is understood by the viewers’ as something more concrete and detailed and we argue that the examples provided are not necessarily useful for small- or medium-sized companies in different countries, but rather for bigger enterprises, for instance. However, it is hard to find literature about market intelligence and intelligence studies providing tools for analysis in general, especially in English. Introduction to some different areas of market intelligence in more detail provided useful insights as there are not many articles or books found concerning market intelligence, tools and analysis in one book. Overall the content of the book is acknowledged useful and relevant. Analysis- chapters are clearly presented and very understandable having good structure. This book is also representing one of the only books where the reader has found the difference between some definitions, such as market intelligence and marketing intelligence, and different intelligence studies, for instance. If the authors’ are interested for future writing within the same topic, the viewers’ of this book suggest future writing improvements including recommendations for narrowing down the topic and concerning only on few areas of intelligence studies and more specific analysis for them. As the authors argue “*The study of intelligence also differs much from one country to another*”, and as the world is globalizing rapidly, it would be interesting to view a research, or a book concentrating on the cultural aspects of market intelligence from the aspect of analysis, and see if the methods for the analysis be any different (p. 12). Also, writing more specific book about different intelligence studies, and not viewing little bit of all of them could provide deep understanding about each topic. As a conclusion, we recommend more equal structure of the book, meaning that all the areas of intelligence studies would be discussed equally. Also, if this was not the purpose of the book and the authors wanted to concentrate on only couple of big areas of intelligence studies, it would be reader-friendly to explain at the beginning of the book why certain topics are discussed deeply, and why some of them are left to unimportance. Could it be argued that the book is targeted to managers with

little theoretical knowledge about market intelligence? And/or for managers who are not very experienced in intelligence analysis? From a view of masters students, we would recommend to invest in a clear, reader-friendly and directional structure along with clear definitions, and sticking to those definitions throughout the book so the reader won't lose the track. Moreover, we would recommend this book to provide general insights into the field of market intelligence, and the tools for the analysis for people with some basic understanding of the topic. Jenster and Sølén write in their book that "...we hope will make a useful contribution to the understanding and application of the subject (p. 10)." This goal can be said well reached.

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