

2021

STATE OF COMPETITIVE INTELLIGENCE

The Latest Best Practices, Trends, and Results in the
Market and Competitive Intelligence Field

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INTRODUCTION

FROM THE EXECUTIVE DIRECTOR OF SCIP

McKinsey has described “a pattern of great acceleration,” where market trends prevalent before the pandemic are undergoing dramatic surges. We all know the stories of specific industries expanding or rapidly declining over the last year. However, the trend most relevant for competitive strategy & intelligence professionals is the widening gap between industry leaders and laggards. Leaders aren’t coming out on top simply because of better cash management or cost reduction efforts. Rather, they’re more adept at “seeing through the fog” of a volatile market, and acting quickly when opportunities and threats arise.

| If there ever were a time for organizations to embrace competitive intelligence, this is it.

As the world’s largest non-profit serving the competitive strategy & intelligence community, SCIP (Strategic and Competitive Intelligence Professionals) is excited to team with Crayon on this study. As you’ll read on the following pages, sales deals are getting tougher, product life cycles are getting shorter, and tomorrow’s competitor is today’s customer or supplier. To support growth in this volatile market, many organizations are investing more time, money, and effort into competitive strategy and intelligence.

One word of caution: Don’t get trapped in the boom and bust cycle of CI, where budgets get slashed when the organization doesn’t see the value it had expected. Here are a few recommendations to avoid that fate:

- **Start with “Why.”** Your budget increase just got approved – congratulations! Before you pop the champagne, sit down with your key stakeholders to understand why they’re investing more. What are their expectations? What can you do to make them successful?
- **Stay focused.** Whether you do CI full or part-time, you’re going to be pulled in multiple directions. Make sure that you understand the “why” behind every project request, and make “When everything is important, nothing is important” your professional mantra.
- **Be nimble.** Free and paid CI tools can save you time and add value, too. Don’t get stuck in a rut by keeping processes that can be streamlined or even automated. Your higher purpose is as an interpreter and communicator, not an aggregator.

As the saying goes, standing still is the fastest way of moving backwards. This report provides great insights to help us move forward quickly, and accelerate the impact of intelligence on growth.

Cam Mackey

Executive Director, SCIP

INTRODUCTION

Today, businesses are more agile than ever before. Bringing a product to market, releasing a new feature, launching a marketing campaign — these initiatives, while they will never be easy by any means, are not as daunting as they once were.

| As your competitors get lighter on their feet, the need for competitive intelligence (CI) intensifies.

And competitive intelligence as an industry is evolving, too. Every year, new CI tools and technologies transform the way we capture, analyze, and act on competitive insights.

The annual State of Competitive Intelligence Report aims to pick the brains of CI professionals and stakeholders in order to uncover the trends, best practices, and benchmarks that are defining the field as we know it. Once again, this report brings together responses from more than 1,000 participants, each of whom shared details about their CI processes, deliverables, results, and more. By compiling their responses, we strive to help both fledgling and experienced CI professionals grow within their roles and better enable their teams to succeed.

WHAT IS COMPETITIVE INTELLIGENCE?

Competitive intelligence is the field dedicated to capturing, analyzing, and acting on insights related to your business' competitive landscape. These insights can encompass anything and everything with respect to your competitors — their products, their personnel, their strategies, and so on. In plain terms, when we discuss competitive intelligence, we're talking about the use of information to help your business build and maintain a competitive advantage.

STATE OF COMPETITIVE INTELLIGENCE SURVEY

The State of Competitive Intelligence Survey was open from December 2020 to February 2021 and yielded more than 1,000 responses. Included in our pool of respondents are full-time CI practitioners, professionals who conduct CI as part of their roles, and stakeholders who consume CI deliverables throughout their day-to-day activities. Each chapter of this report dives into a specific area of CI — investments, processes, outputs, and more. Keep reading to learn what top professionals are doing today and how they plan to innovate throughout the year.

EXECUTIVE SUMMARY

The 2021 State of Competitive Intelligence Report focuses on trends in CI investments, processes, metrics, and outputs, as well as the overall impact of implementing CI practices.

KEY FINDINGS INCLUDE:

- **CI teams keep getting bigger.** More than two-thirds (70%) of businesses have CI teams of two or more dedicated professionals, compared to 57% in 2020.
- **Most businesses are investing in CI technology.** The majority (62%) of respondents anticipate increased use of paid CI solutions in 2021.
- **90% of businesses will either increase or maintain their CI budgets.** More than half (52%) of businesses expect their CI budget (not including headcount) to increase in 2021, compared to 46% one year ago. In spite of the COVID-19 pandemic, more than 90% of businesses will, at the very least, keep their CI budget as is.
- **Sales deals are more competitive than ever.** 53% of businesses say the majority of their deals are competitive. In 2020, this figure was 49%.
- **CI processes are evolving to focus more on communication and less on research.** On average, CI professionals spend 33% of their time on research and 36% of their time on communication. In 2018, these figures were 43% and 26%, respectively.
- **The competitor website and field intel are the most valued sources of CI.** Both sources are considered valuable by 99% of respondents.
- **Sales and Executive Leadership are the most important CI stakeholder audiences.** The majority (54%) of respondents say Sales is a very important audience, and 45% say the same about Executive Leadership.
- **Most CI teams are responsible for win/loss analysis.** The majority (60%) of respondents say their team is responsible for win/loss analysis. Amongst respondents whose full-time jobs revolve around CI, 80% say win/loss analysis is their responsibility.
- **Most businesses have seen direct revenue impact from CI.** 61% of businesses report that CI has directly contributed to an increase in revenue, compared to 52% in 2020.
- **Businesses are turning that revenue impact into CI investments.** In 2021, amongst businesses that have grown revenue as a direct result of CI, 70% expect CI headcount to increase and 61% expect non-headcount budget to increase.
- **Those who share CI daily and weekly are the most likely to see direct revenue impact.** Amongst businesses where CI is shared daily, 69% say they've seen CI drive an increase in revenue. Amongst businesses where CI is shared weekly, this figure jumps to 72%.
- **Most businesses that maintain Battlecards say they've improved their win rate.** 71% of businesses that are currently maintaining Battlecards say these assets have helped them improve their win rate.
- **Stakeholders' perspectives on CI are shifting.** 92% of CI stakeholders say CI is important to overall success. Last year, this figure was 85%.
- **Email is clearly the preferred communication method for stakeholders.** Nearly 60% of stakeholders say they prefer to receive CI updates via email. Face-to-face meetings are in a distant second place, considered preferable by only 30% of stakeholders.



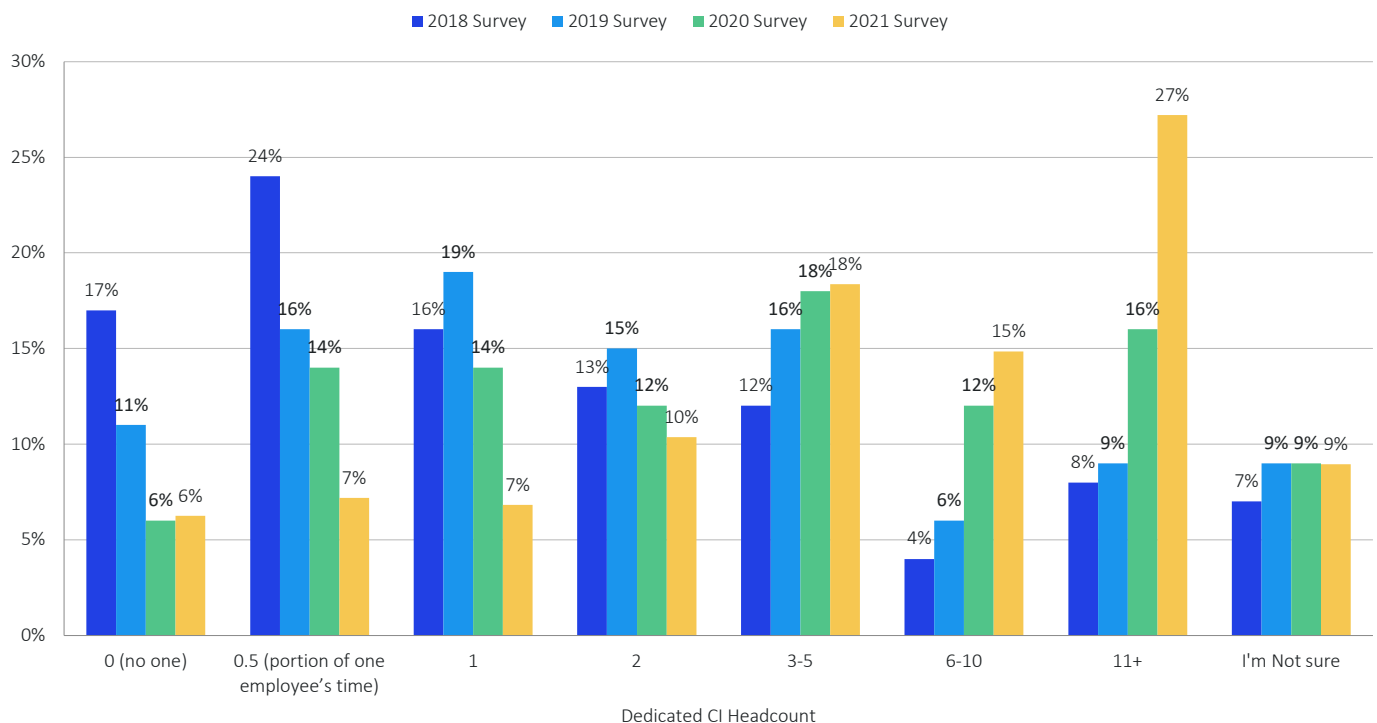
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INVESTMENT

COMPETITIVE INTELLIGENCE TEAMS

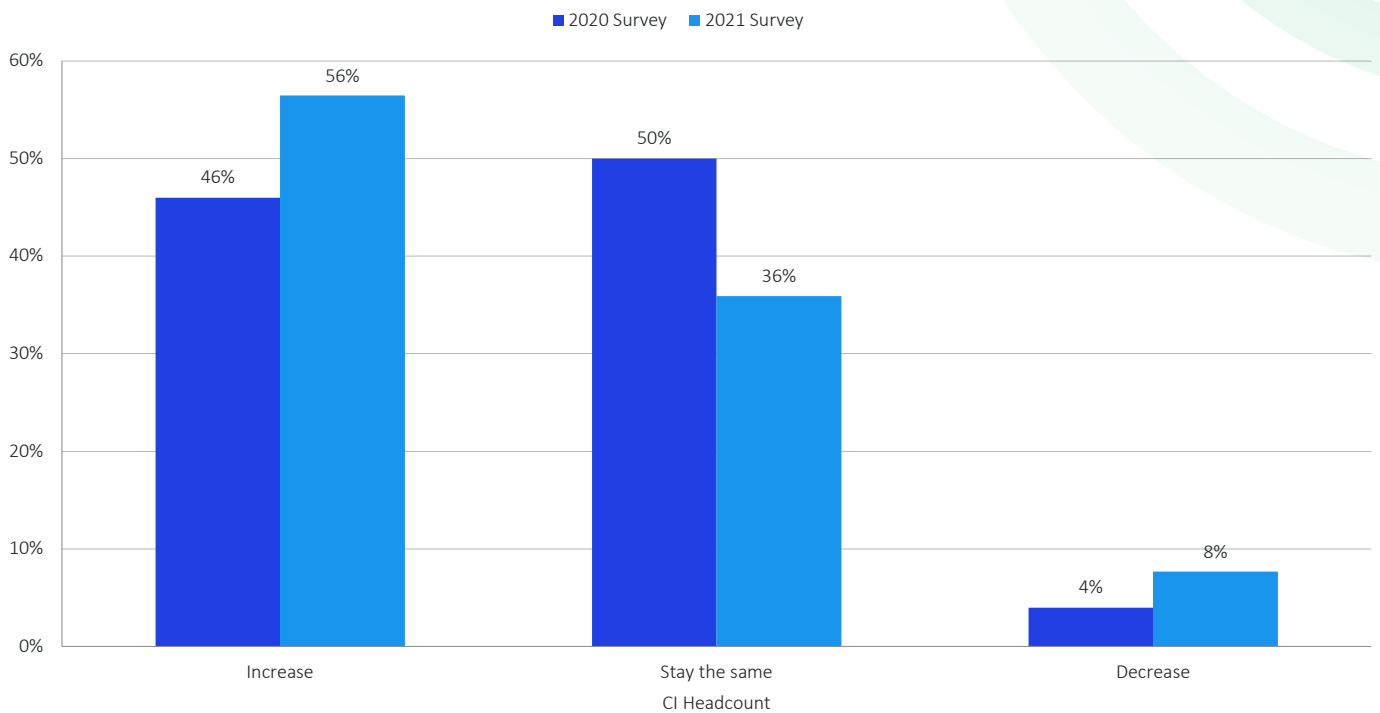
Competitive intelligence teams keep getting bigger. More than two-thirds (70%) of businesses have CI teams of two or more dedicated professionals, compared to 57% only a year ago. Looking more closely, we can see not only the steady decline of the one-person CI team, but also the rapid growth of the large-scale CI team: Whereas 16% of businesses reported CI teams of 11 or more people in 2020, that figure has now climbed to 27%.

Dedicated CI Headcount (Year-over-Year Trends)

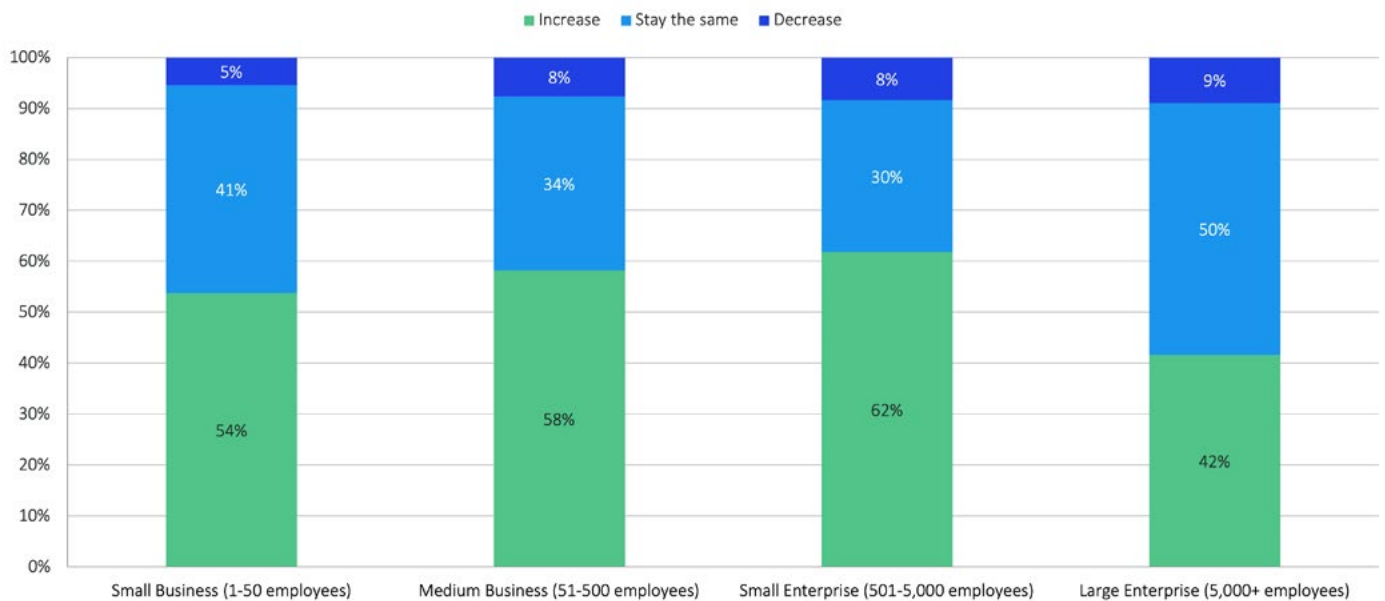


The majority of businesses anticipate continued growth in the size of their CI teams, with 56% of respondents saying they expect headcount to increase throughout the year. That being said, we don't see the same exact story across businesses of all sizes: Whereas 62% of small enterprises (501-5,000 employees) anticipate increases in CI headcount, only 42% of large enterprises (5,000+ employees) report the same expectation.

How do you expect CI headcount to change this year? (Year-over-Year Trends)

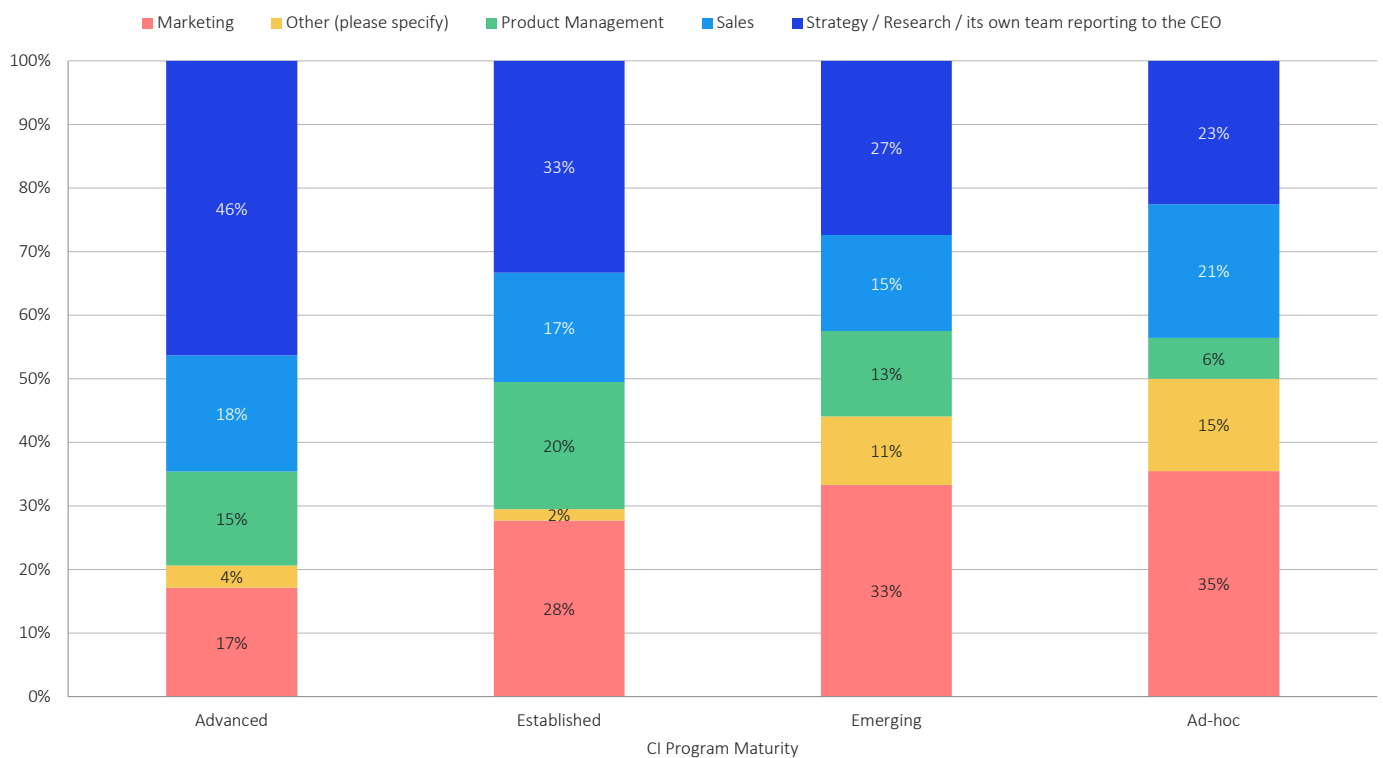


How do you expect your CI headcount to change this year?



As businesses continue to add headcount, where will these new hires find themselves sitting? The answer to this question can vary dramatically, and one of its key determinants is the maturity of the CI program that the new hire is joining. Amongst respondents who describe their CI programs as “ad-hoc,” 35% say their personnel report to marketing. Amongst respondents who describe their CI programs as “advanced,” only 17% say their personnel report to marketing. (We’ll discuss these descriptions in greater detail in Chapter 3.) In general, as a CI program matures, personnel are more and more likely to find themselves on a dedicated strategy team and/or reporting directly to the CEO.

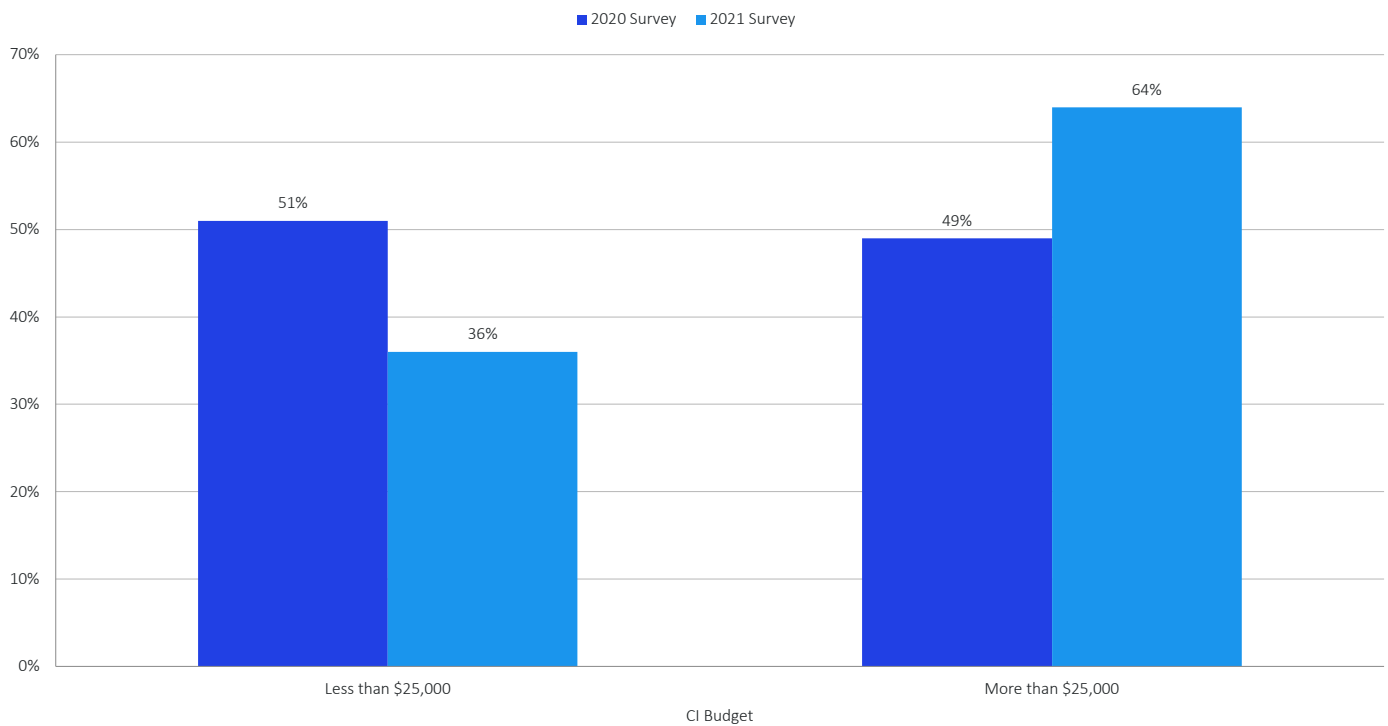
CI Program Maturity vs Department Responsible for CI



COMPETITIVE INTELLIGENCE BUDGETS

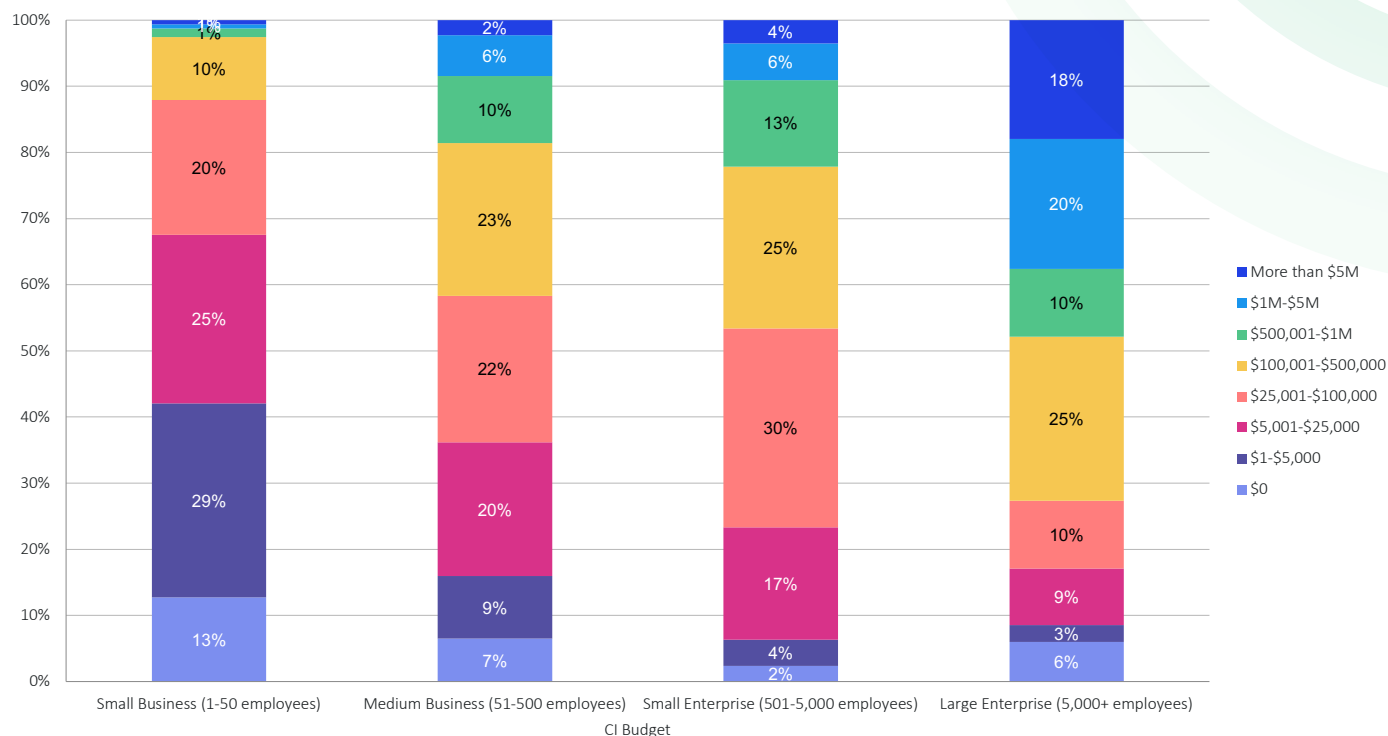
An investment in CI involves not only employee headcount, but also budget for tools, research, consulting, and other resources. CI budgets, like CI teams, are growing. 64% of businesses say their annual CI budget exceeds \$25,000, compared to only 49% in 2020.

Annual CI Budget (Year-over-Year-Trend)

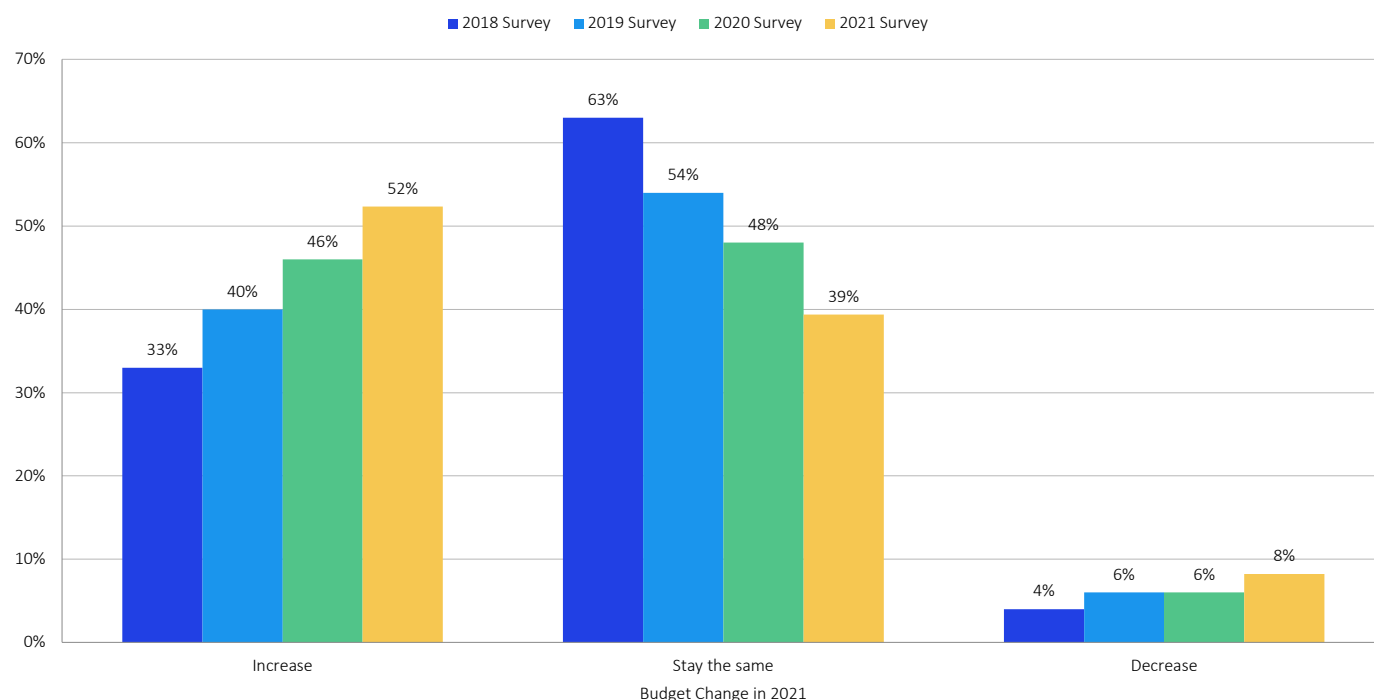


For most, CI budget growth will continue — 52% of respondents say they’re expecting a budget increase in 2021. Even more remarkable is our finding that, in spite of the COVID-19 pandemic, more than 90% of businesses say they will, at the very least, keep their CI budget as is. *Clearly, competitive intelligence is not a nice-to-have — it’s a need-to-have.*

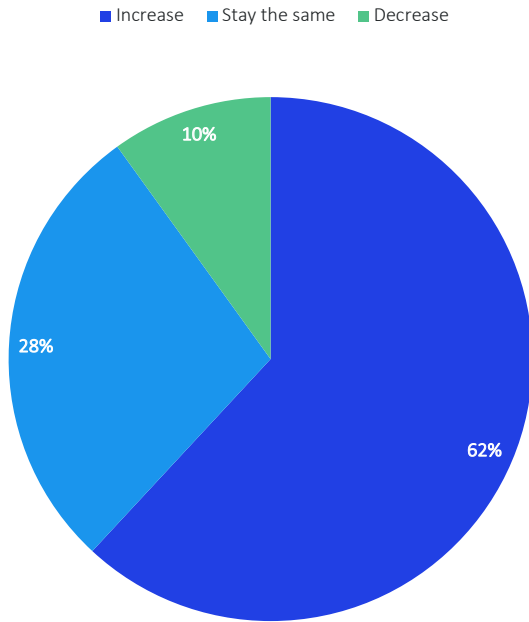
CI Budgets by Company Size



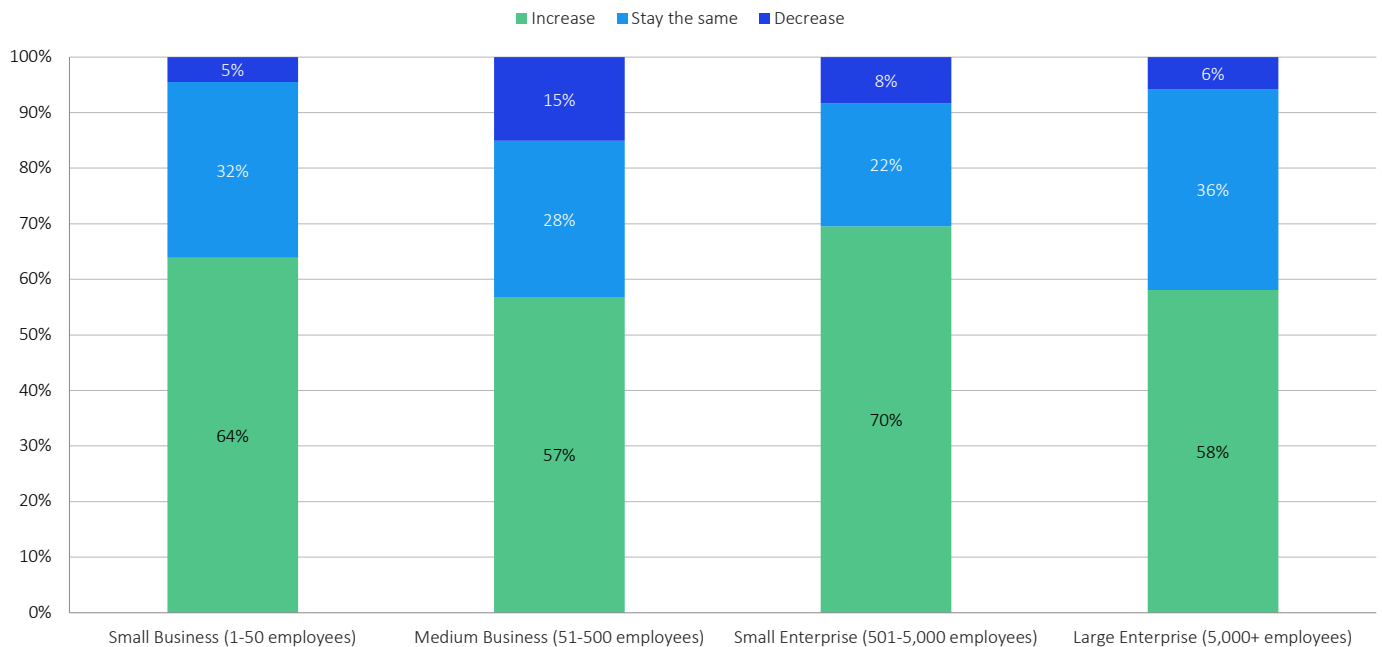
How do you expect your CI budget to change in 2021? (Year-over-Year-Trend)



How do you expect your use of paid CI tools to change in 2021?

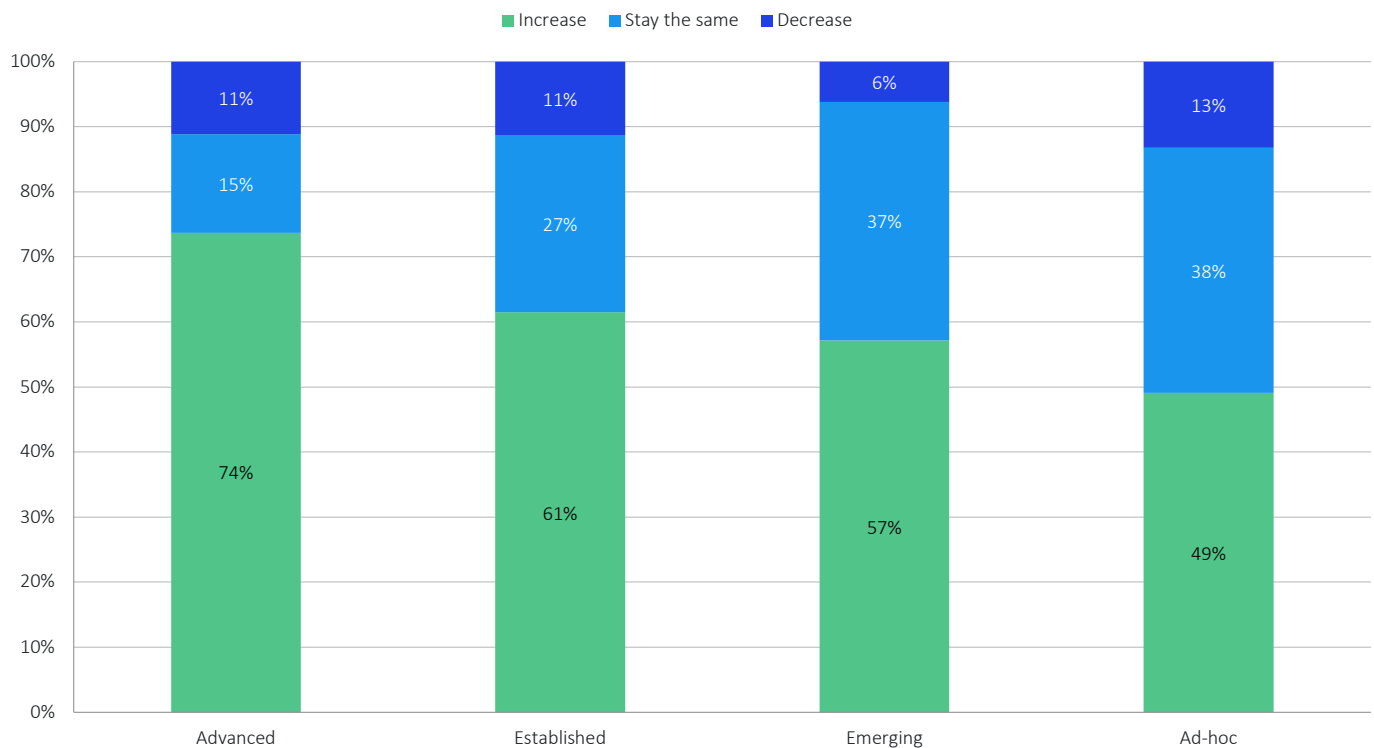


Looking more closely, we can see that many businesses plan to capitalize on budget increases by further leveraging CI technology: *62% of respondents say they expect an increase in the use of paid CI solutions in 2021.*



Although we cannot establish a clear relationship between business size and likelihood of increased use of CI solutions, when we turn our attention to CI program maturity, a correlation appears: Mature CI programs are more likely to increase their use of CI solutions in 2021.

How do you expect your use of paid CI tools to change in 2021?



**COMPETITIVE INTELLIGENCE
IS NOT A NICE-TO-HAVE,
IT'S A NEED-TO-HAVE.**





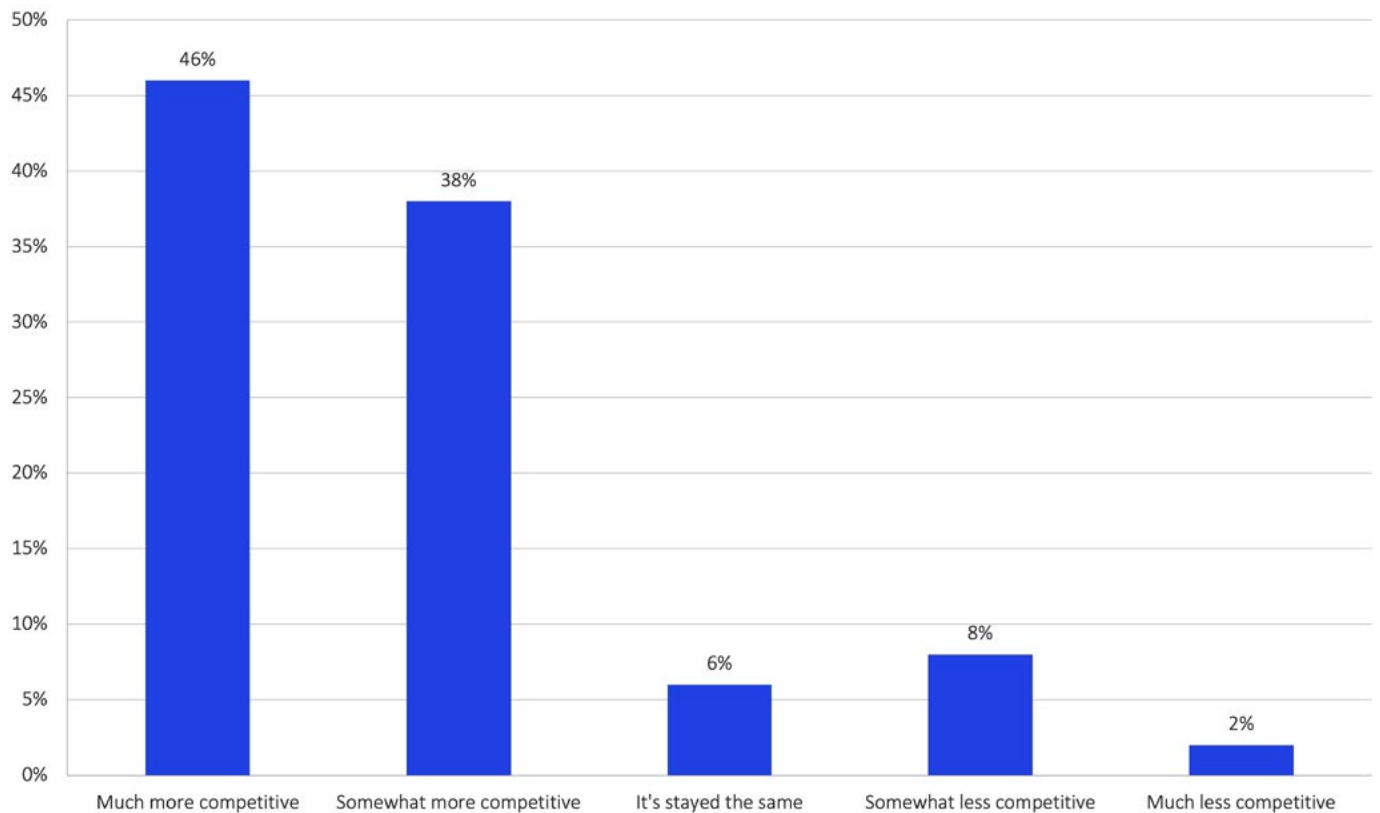
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INDUSTRY COMPETITION

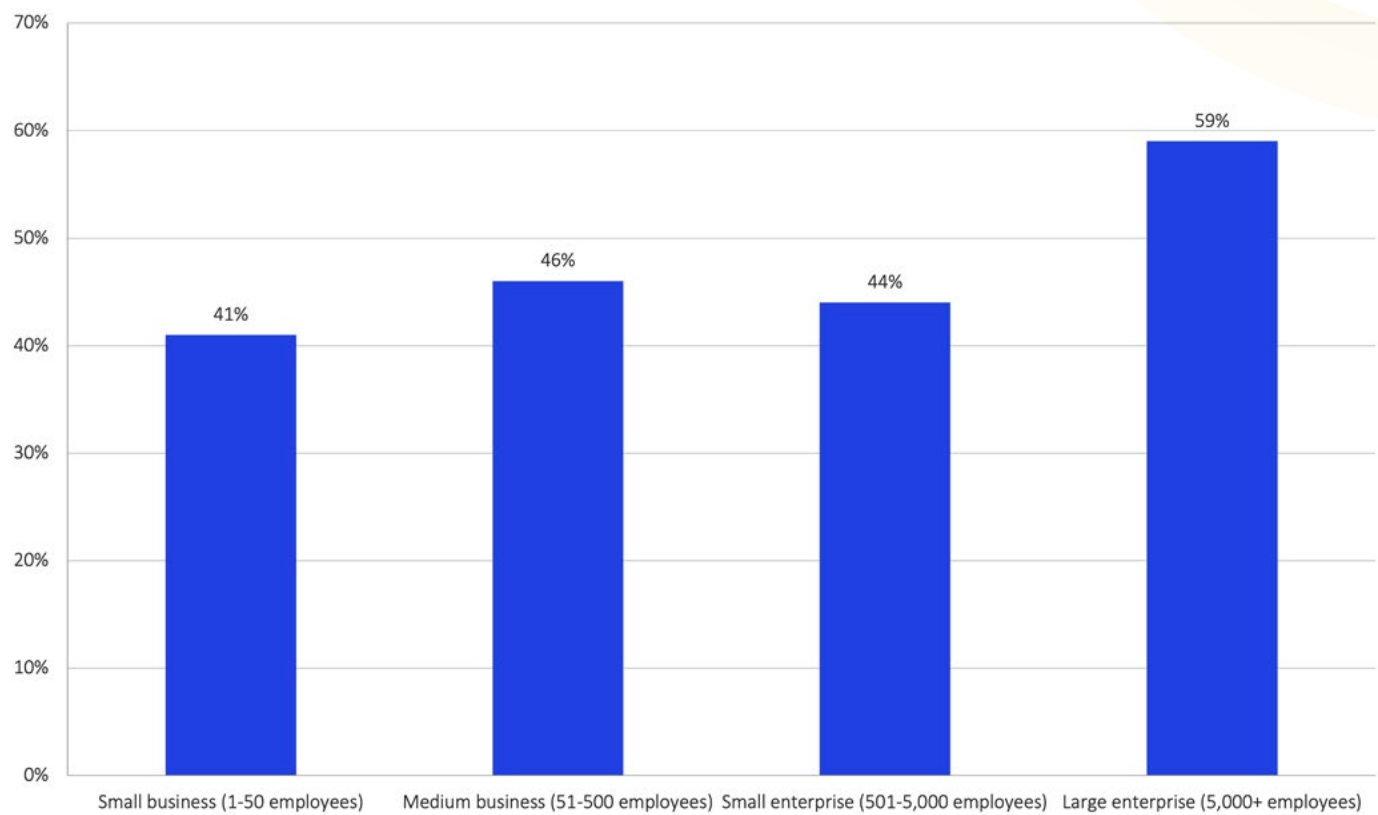
LEVEL OF COMPETITION

There's a reason businesses are investing more in CI than ever before: In spite of the COVID-19 pandemic, the vast majority (84%) of businesses say their industry has gotten more competitive in recent years. By a wide margin, respondents from large enterprises are the most likely to say their industry has gotten *much more competitive*. 59% of businesses in this category are facing a rapidly increasing level of competition.

Has your industry gotten more or less competitive in the last three years?

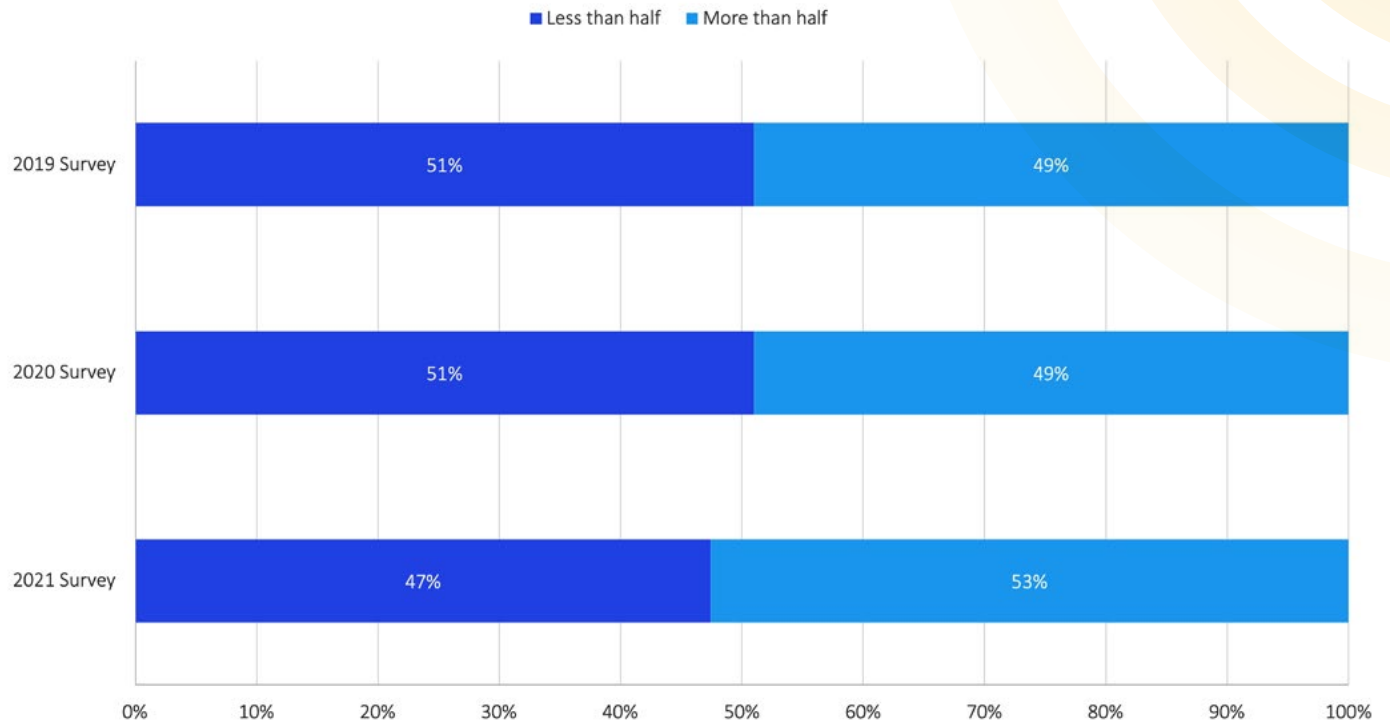


Percentage of respondents who say industry has gotten much more competitive in last three years

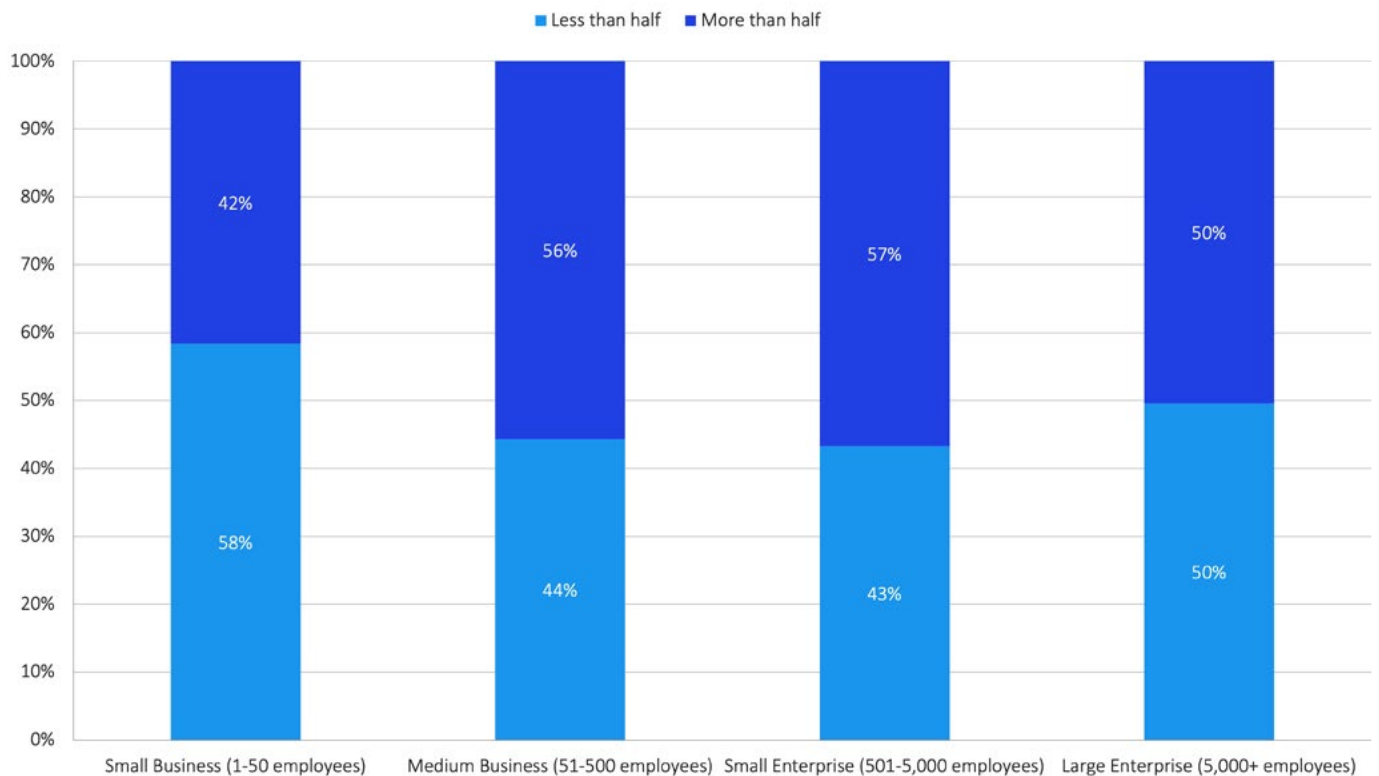


Sales professionals, who tend to be major stakeholders of CI, are feeling the heat of the intensifying competition: 53% of businesses say the majority of their deals are competitive, compared to 49% in 2020. Small enterprises in particular are feeling the impact of industry competition on the sales process, with 57% of respondents from this category saying the majority of their deals are competitive.

What percentage of your sales deals are competitive? (Year-over-Year Trend)



How many of your sales deals are competitive?



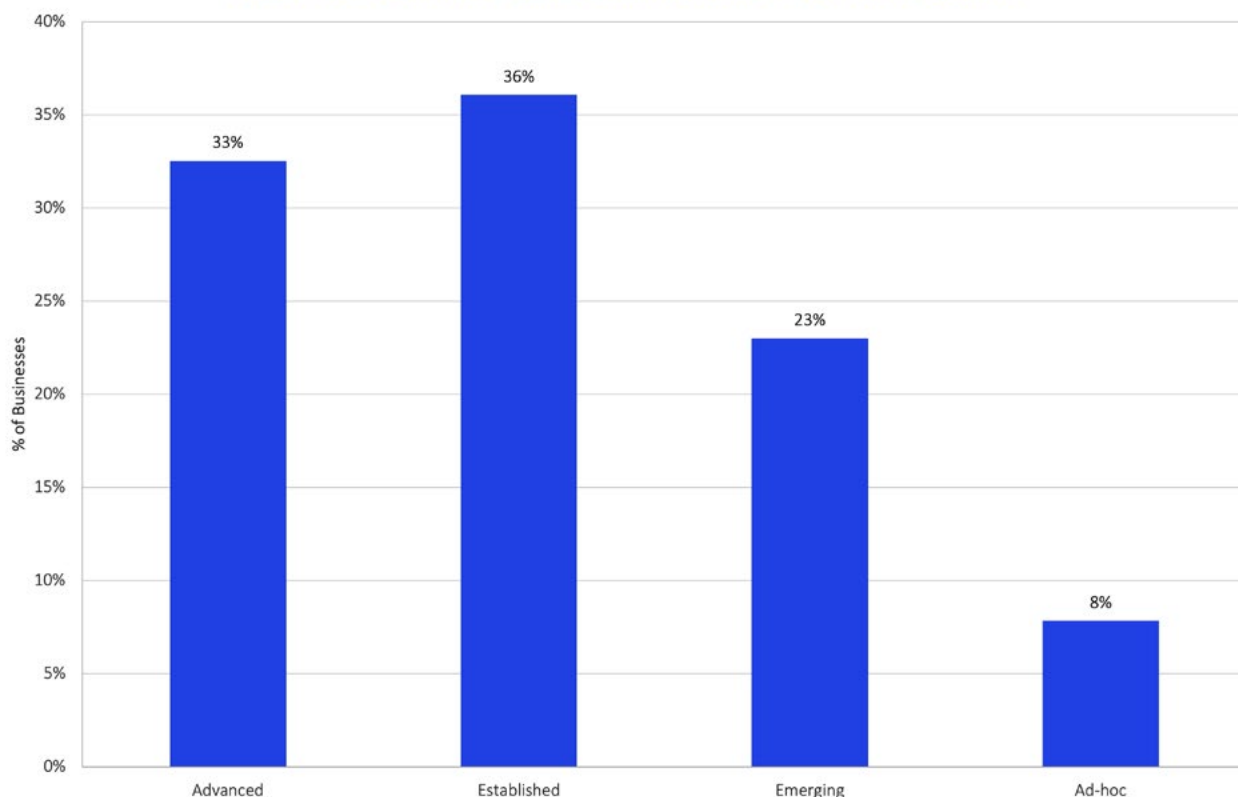
LEVEL OF CI PROGRAM SOPHISTICATION

Your business' ability to navigate an increasingly competitive industry depends, in large part, on the sophistication of your CI program. As we alluded to in Chapter 2, each of our respondents was asked to categorize their CI program with one of the following labels (ordered here from least sophisticated to most sophisticated): ad-hoc, emerging, established, or advanced.

- **Ad-hoc:** no formal processes; CI happens inconsistently in pockets
- **Emerging:** starting to coordinate CI efforts across the organization; limited use of tools and technology
- **Established:** many established processes; solid coordination across the organization; investing in technology
- **Advanced:** optimized processes in place; sophisticated use of tools and technology; strategic partner to board and senior leadership

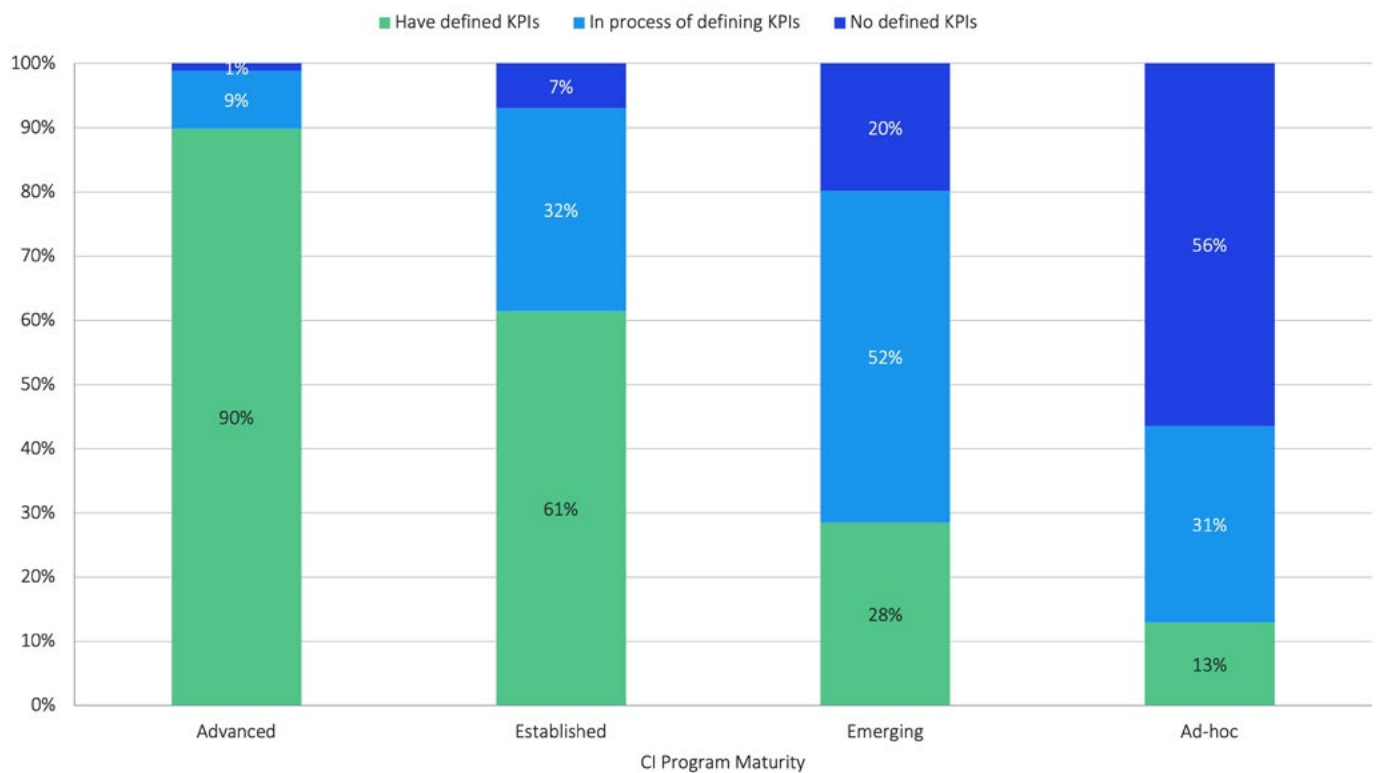
As you can see, 69% of businesses have CI programs that are either established or advanced, and 31% have programs that are either ad-hoc or emerging. Less than 10% of businesses are currently conducting CI without any kind of formal processes.

Which best describes the sophistication of your CI program?



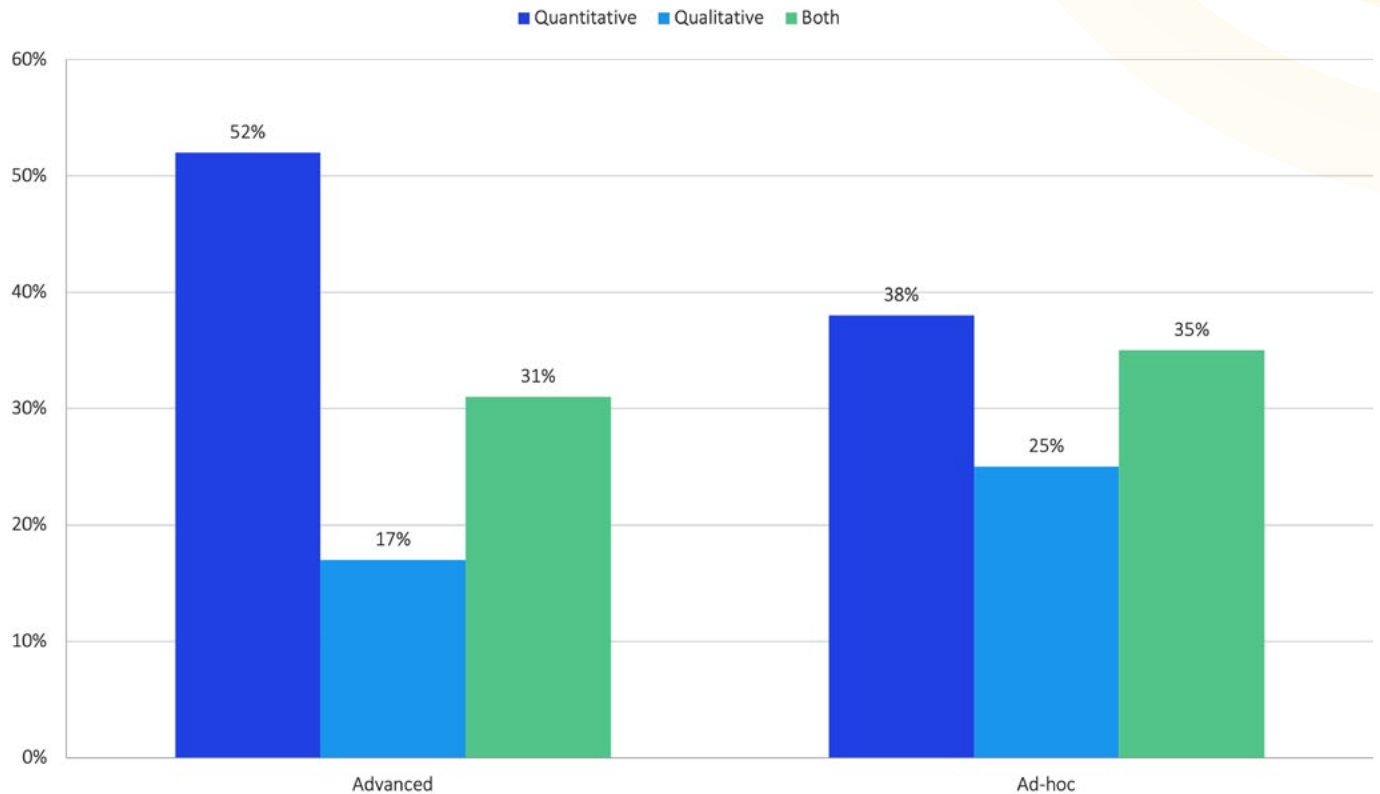
A clear sign of a sophisticated CI program is the definition of key performance indicators (KPIs). Amongst respondents who categorize their programs as advanced, 90% say they have defined KPIs. Amongst respondents who categorize their programs as ad-hoc, this figure is cut all the way down to 13%.

CI Program Maturity vs KPIs



Looking more closely, we can see that defining *quantitative* KPIs is another sign of a sophisticated CI program. Amongst respondents from advanced programs with defined KPIs, 52% say they use quantitative KPIs. For comparison, amongst respondents from ad-hoc programs with defined KPIs, only 38% say they use quantitative KPIs.

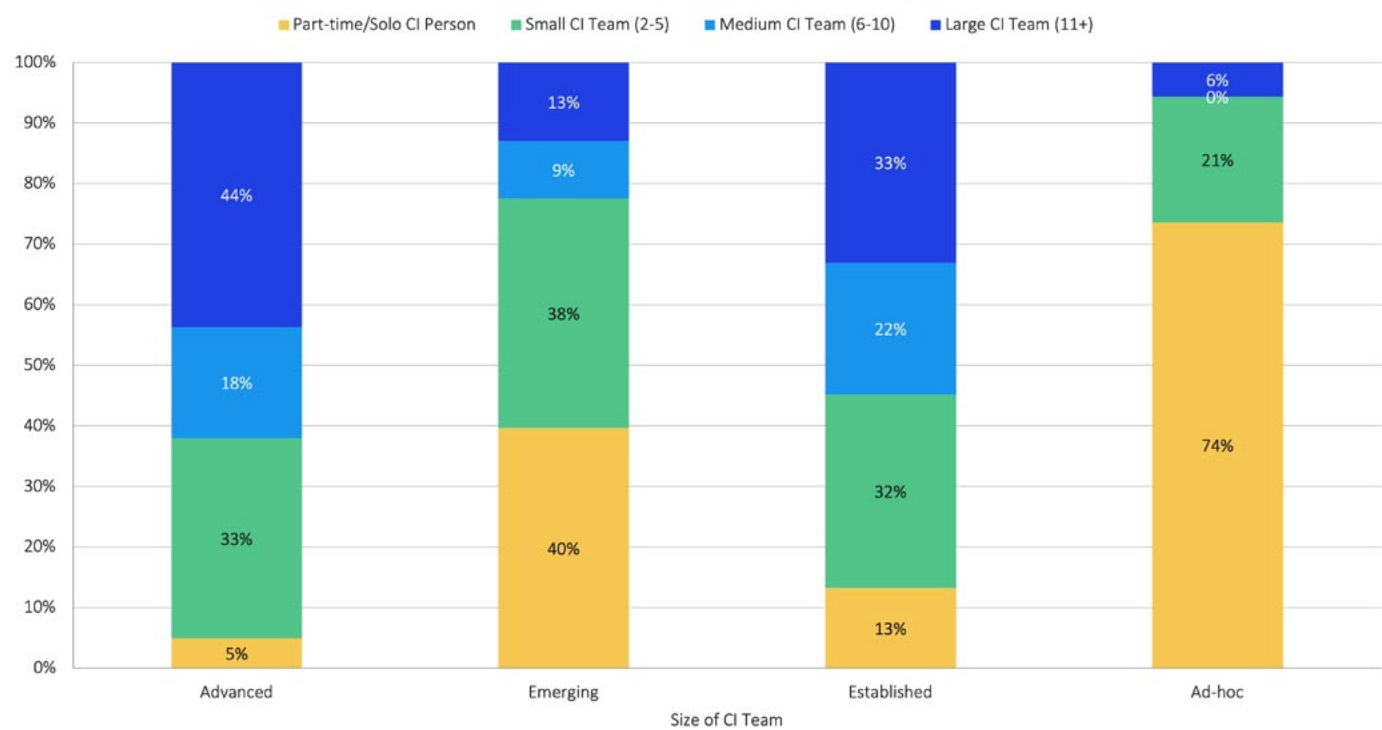
Which kind of KPIs do you use?



“YOUR BUSINESS’ ABILITY TO NAVIGATE AN INCREASINGLY COMPETITIVE INDUSTRY DEPENDS, IN LARGE PART, ON THE SOPHISTICATION OF YOUR CI PROGRAM.”

Finally, and as you might expect, CI programs tend to get bigger as they mature. Whereas three-fourths of ad-hoc programs are run by individual people — who may have responsibilities outside of CI — nearly one-half of advanced programs are run by 11 or more people:

CI Headcount vs Program Maturity



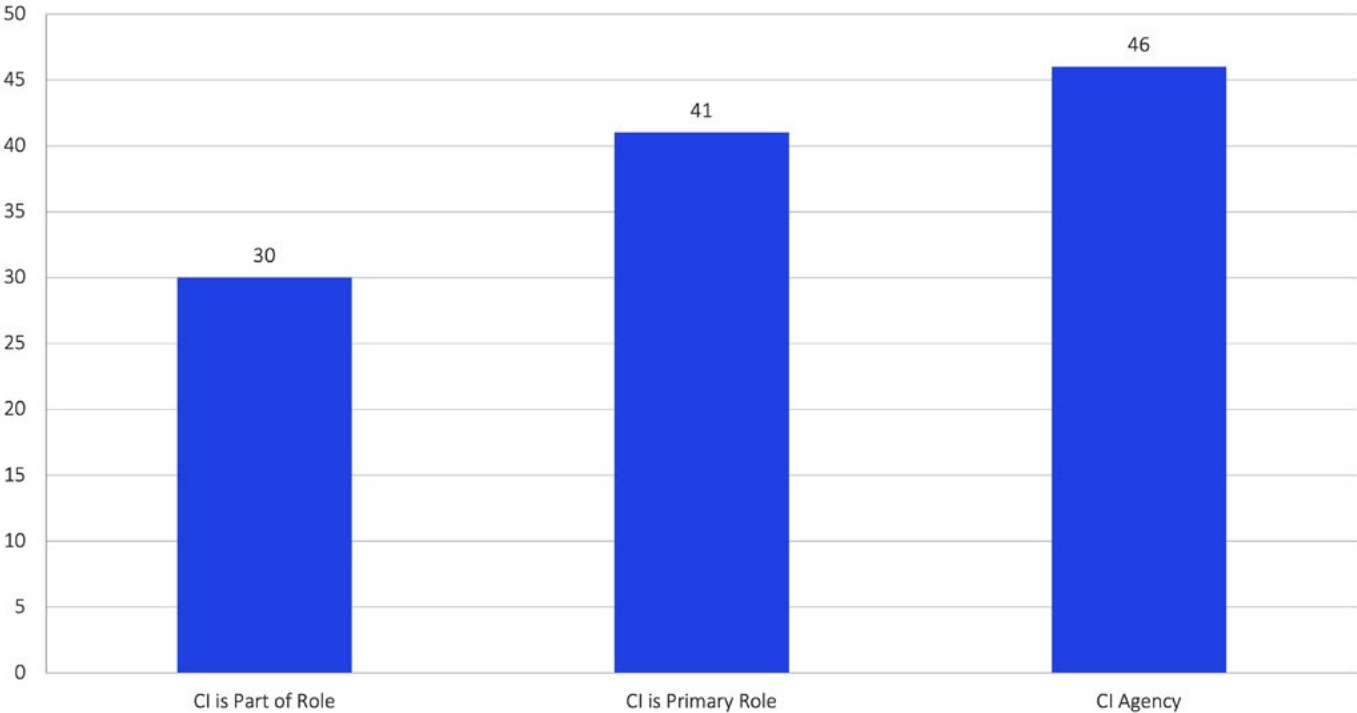


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CI PROCESS

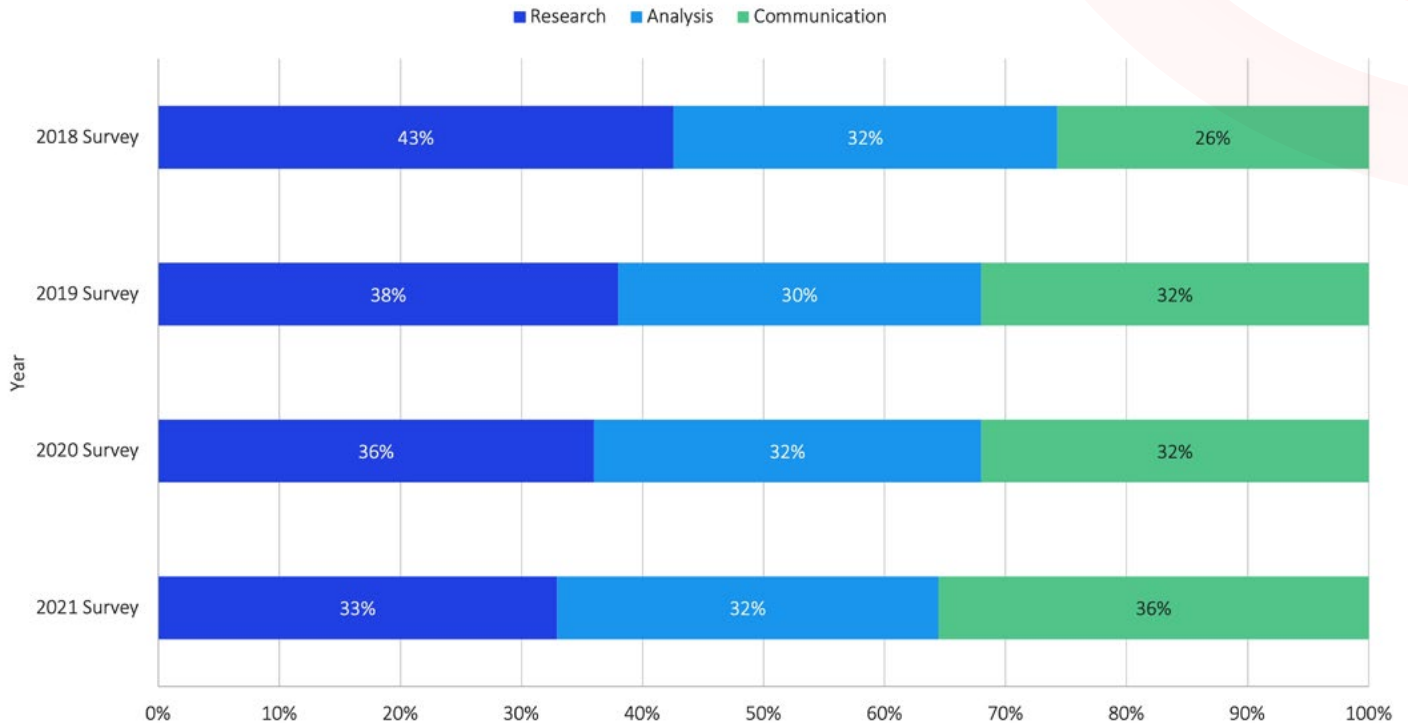
Competitive intelligence is a time-consuming, multi-faceted process. Amongst respondents who say CI is only one part of their job, the average number of hours dedicated to CI each week is 30. This isn't far from the average amongst folks who say CI is their primary role (41 hours/week).

How many hours do you dedicate to CI each week?



Changes in the way these professionals allocate their time indicate that CI processes are becoming more sophisticated. On average, CI professionals spend 33% of their time on research and 36% of their time on communication. In 2018, these figures were 43% and 26%, respectively. Clearly, those responsible for CI are finding ways to spend less time tracking their competitors and more time taking strategic action.

Percentage of CI time spent on each phase (Year-over-Year Trend)

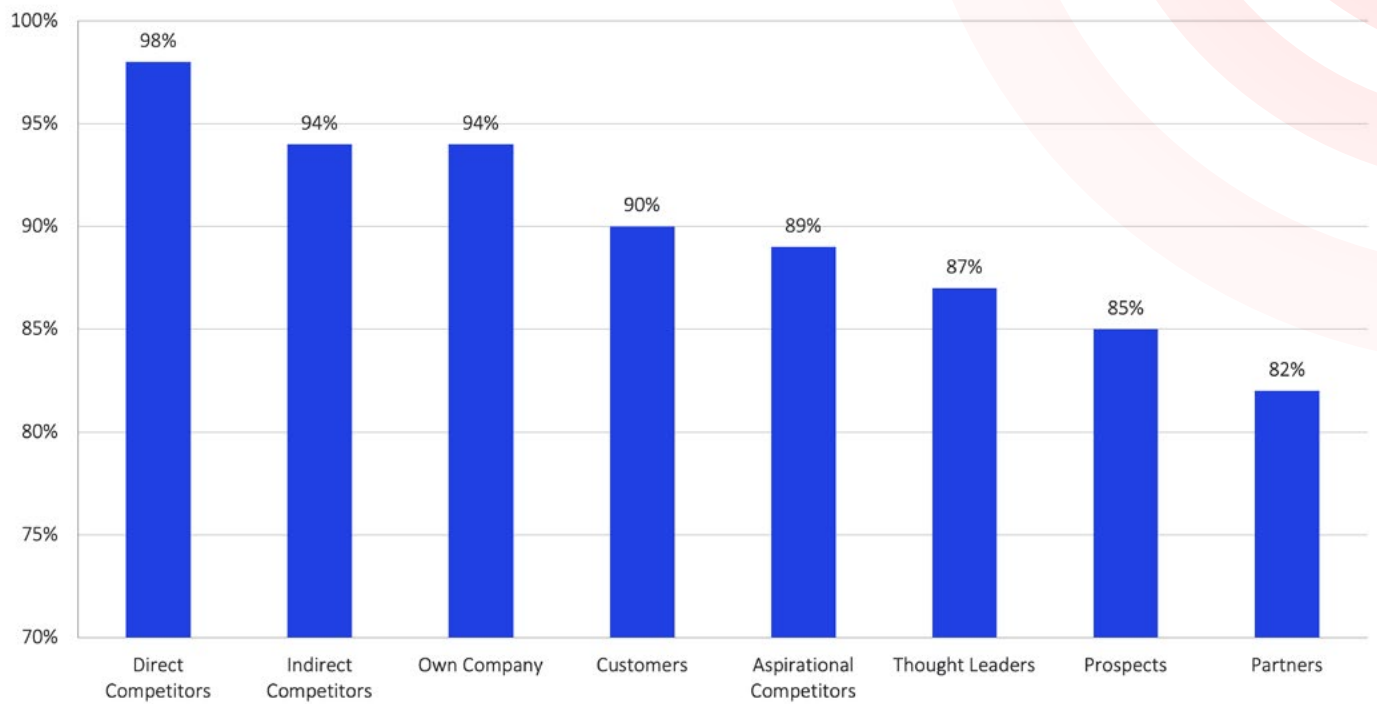


TRACK AUDIENCES

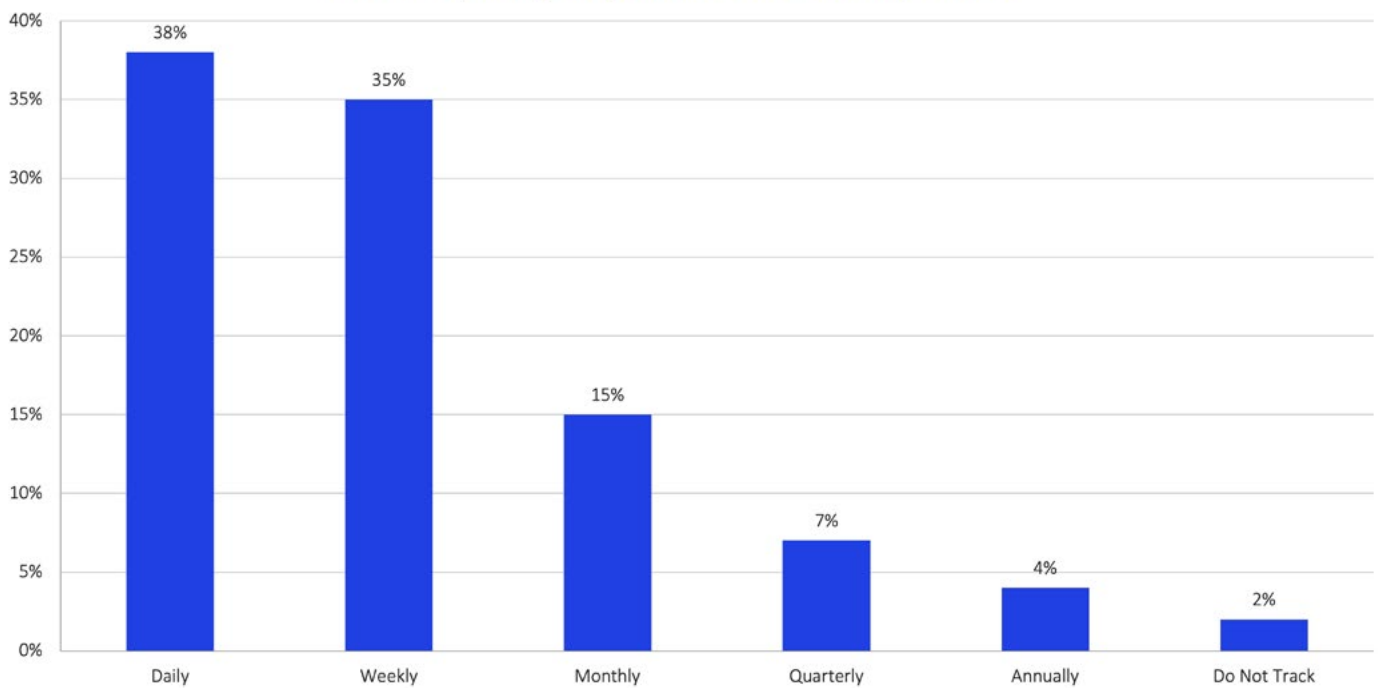
We shouldn't completely dismiss the fact that CI professionals are spending one-third of their time on research. Even if CI is only one part of your job, we're still talking about 10 hours of competitive tracking every week.

Who, specifically, is getting tracked during all these hours of research? Unsurprisingly, practically all businesses (98%) take the time to track their direct competitors — i.e., those companies with which they go head-to-head in the sales process. In fact, 38% of businesses track their direct competitors on a daily basis. 73% track them at least on a weekly basis (if not more frequently), and 87% track them at least on a monthly basis.

Which audiences do you track?

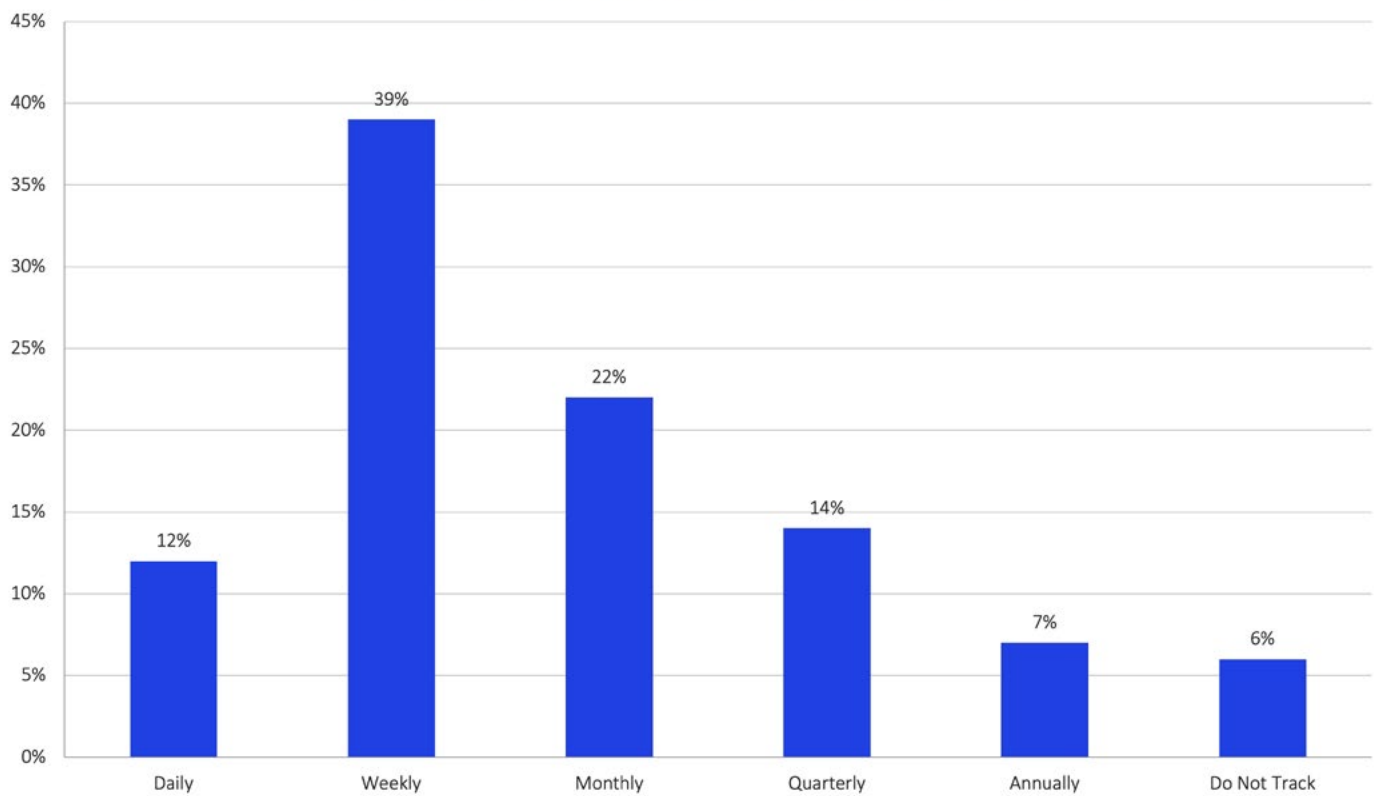


How frequently do you track direct competitors?



Of course, there's more to your competitive landscape than just direct competitors. Fortunately, the vast majority of businesses seem to have internalized this, as 94% say they're tracking their indirect competitors. Although only 12% track their indirect competitors on a daily basis, 51% track them at least on a weekly basis, and 73% track them at least on a monthly basis.

How frequently do you track indirect competitors?

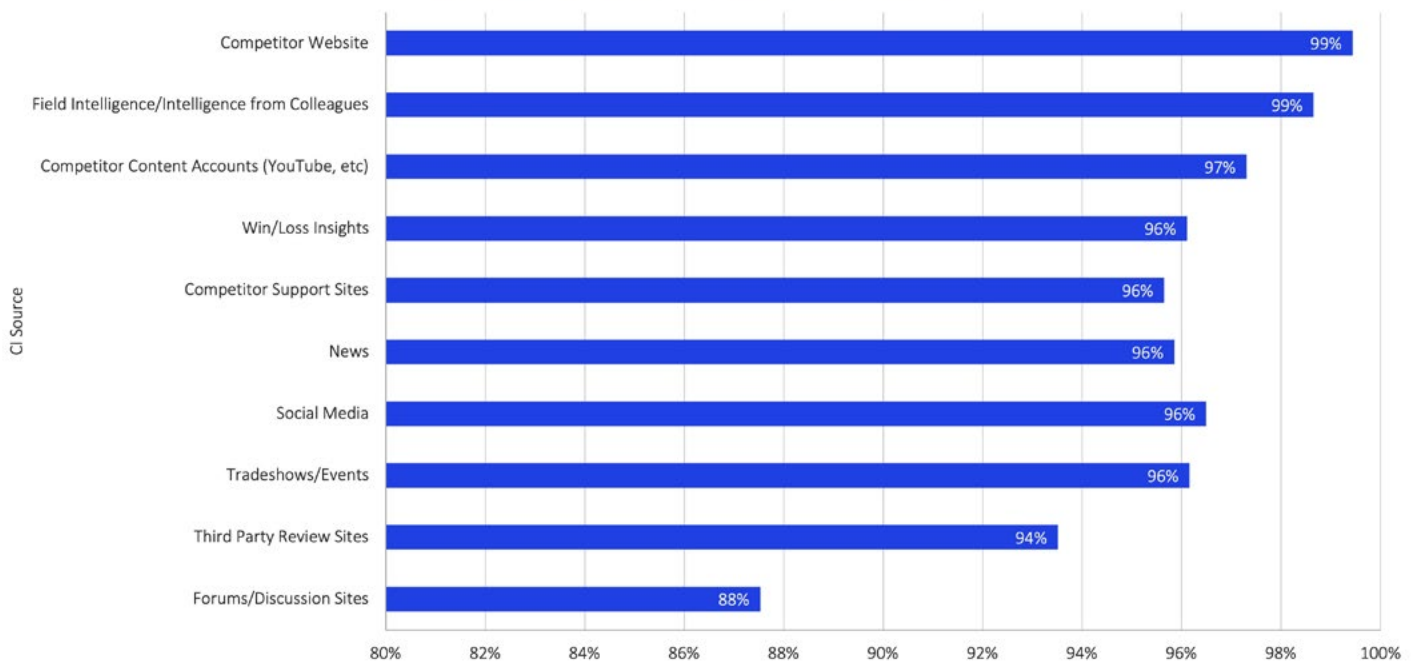


SOURCES OF CI

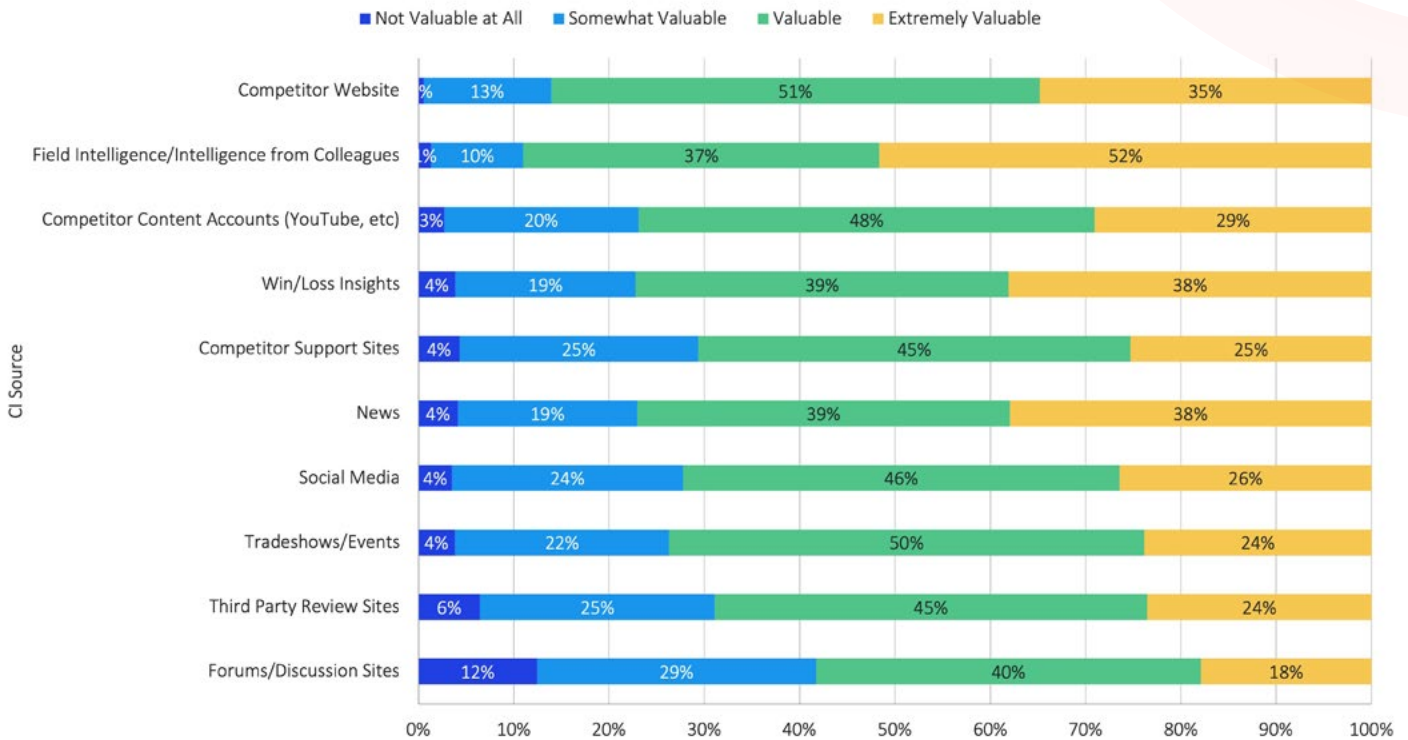
The return on your competitive research time investment is not only a function of the companies you choose to track — it's also a function of the sources of intel you choose to leverage. According to CI professionals, not all sources of intel are equally valuable.

99% of businesses get valuable intel from their competitors' websites. In fact, 35% describe this source as extremely valuable. Similarly, *99% of businesses tell us they value field intelligence, and a whopping 52% describe this source as extremely valuable.*

Percentage of businesses that find source valuable



How valuable do you consider each of these sources of CI?



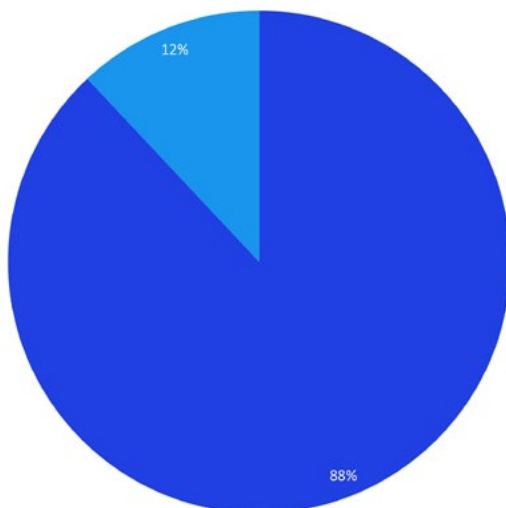
Forums/discussion sites are perhaps the most polarizing source of all: Although 18% of businesses consider them extremely valuable, 12% — more than one in ten — say they're effectively worthless. As is often the case, your perspective on forums/discussion sites will largely depend on your industry. Most businesses, but not all, can extract competitive value from this source.

WIN/LOSS ANALYSIS

Win/loss analysis — the process of determining why deals are won or lost — is an essential practice for anyone who wants to better understand their competitive landscape. It's clear that the vast majority of businesses have internalized this, with 88% saying they conduct win/loss analysis. Amongst CI professionals at these businesses, 69% report that their team is directly responsible for overseeing its execution.

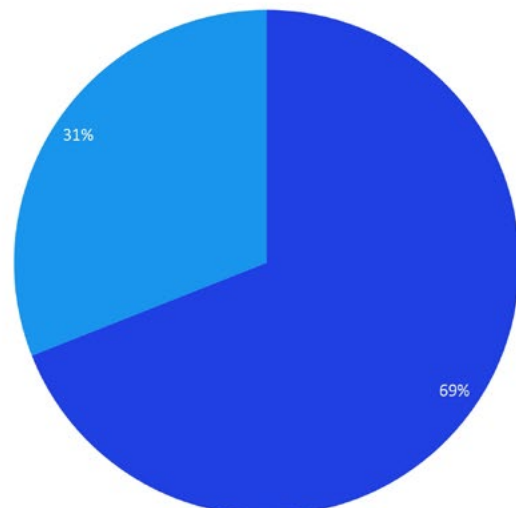
Does your business conduct win/loss analysis?

■ Yes ■ No



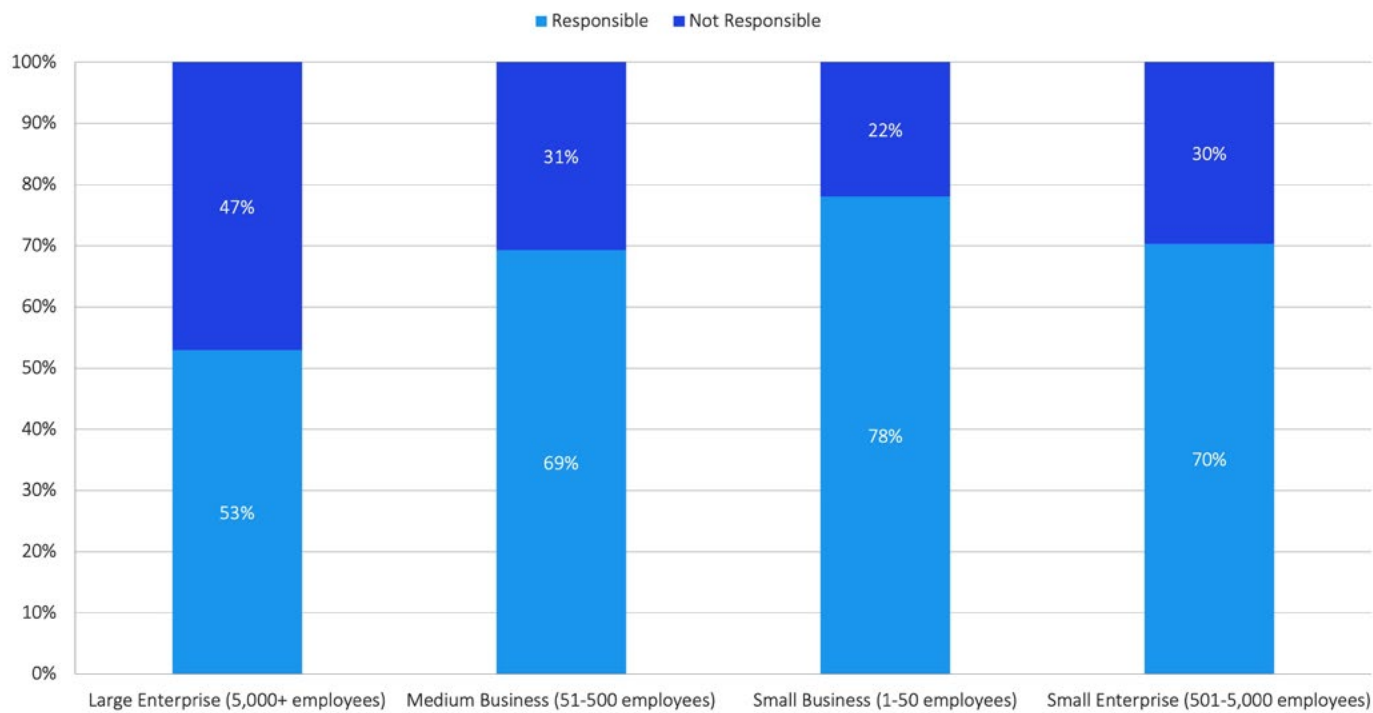
If yes, is your CI team responsible?

■ Yes ■ No



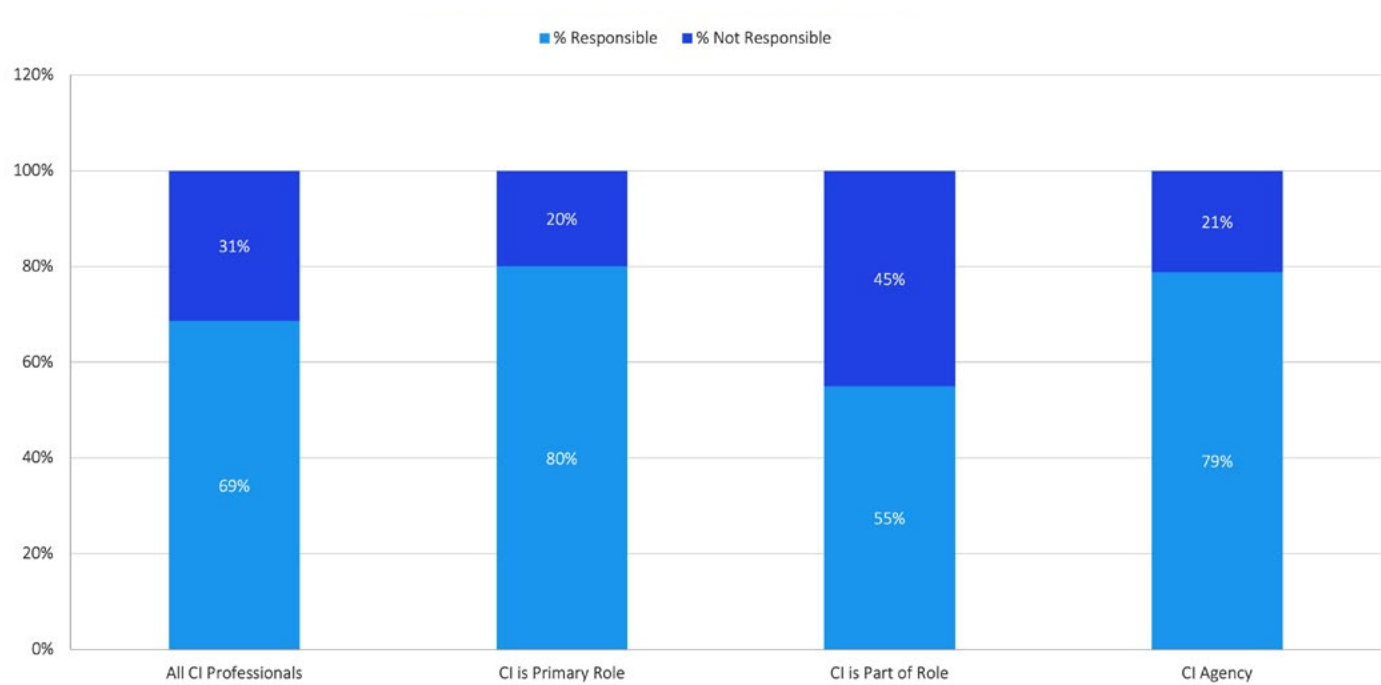
In terms of methodology, win/loss analysis is most commonly conducted via interviews with prospects — carried out either by internal personnel or a third party. Unsurprisingly, CI professionals at large enterprises are the least likely to report responsibility for win/loss analysis (53%), and CI professionals at small businesses (1-50 employees) are the most likely (78%). In general, the bigger the company, the greater the likelihood of this function being outsourced.

Win/loss responsibility by company size



The likelihood of a CI professional being held responsible for win/loss analysis does not depend solely on the size of their company. Amongst respondents who say CI is their primary role, 80% are responsible for conducting win/loss analysis. Amongst respondents who say CI is only one part of their role, this figure is cut all the way down to 55%.

Win/loss analysis responsibility by role



5

CI OUTPUTS & COMMUNICATION

As we alluded to in Chapter 4, properly gathering and analyzing competitive intelligence requires a substantial time investment. And as we'll see in Chapter 6, it is, without a shadow of a doubt, a worthwhile investment. But how do you make it worthwhile? How do you ensure a healthy return on that time investment?

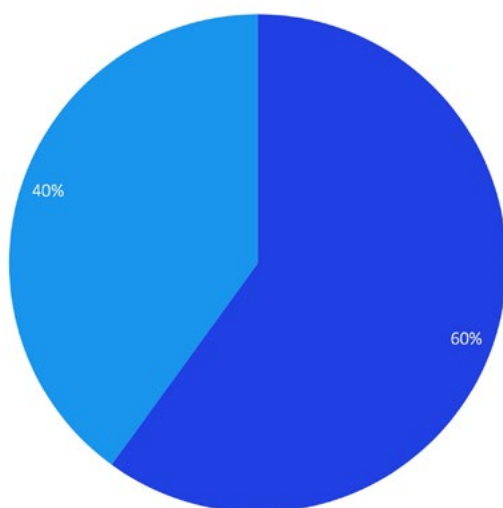
Short answer: You need to communicate with your colleagues. You need to take the insights you've gathered and analyzed and turn them into outputs that your CI stakeholders (more on them at the end of this chapter) can easily digest.

COMMUNICATION METHODS

Before you take the time to create those outputs, it's wise to determine which communication methods (or channels) you'll be using to distribute them. For the majority (60%) of businesses, competitive intelligence lives in a single centralized platform. Amongst businesses that are not currently using a CI platform, 50% say they plan on getting one in the future. Respondents from large enterprises are the most likely to say they plan on getting a CI platform in the future (28%). Recall that these respondents are also the most likely to say their industry has gotten much more competitive in recent years.

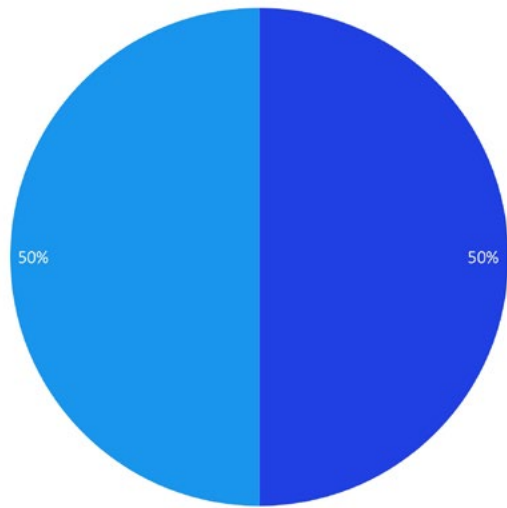
Does your CI live in a single platform?

■ Yes ■ No

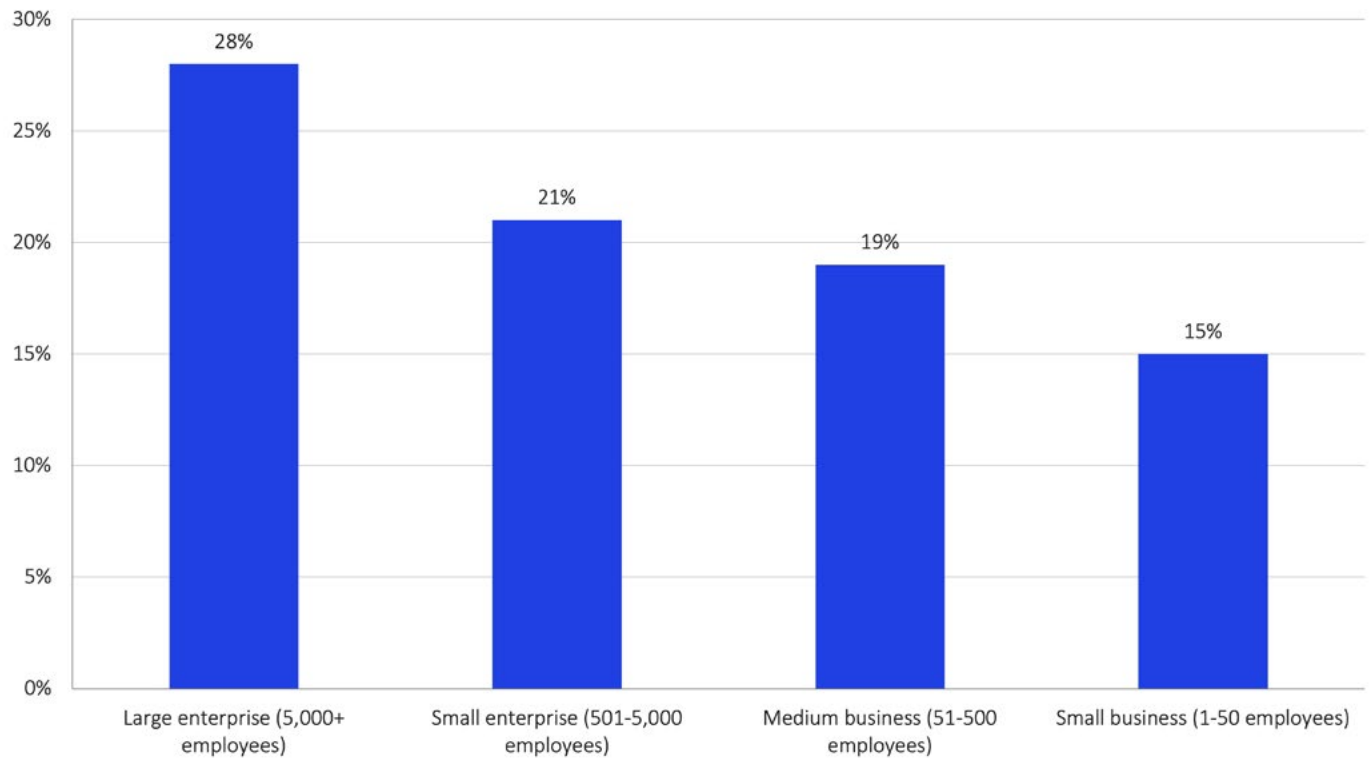


If you don't have a CI platform, do you plan to get one?

■ Yes ■ No

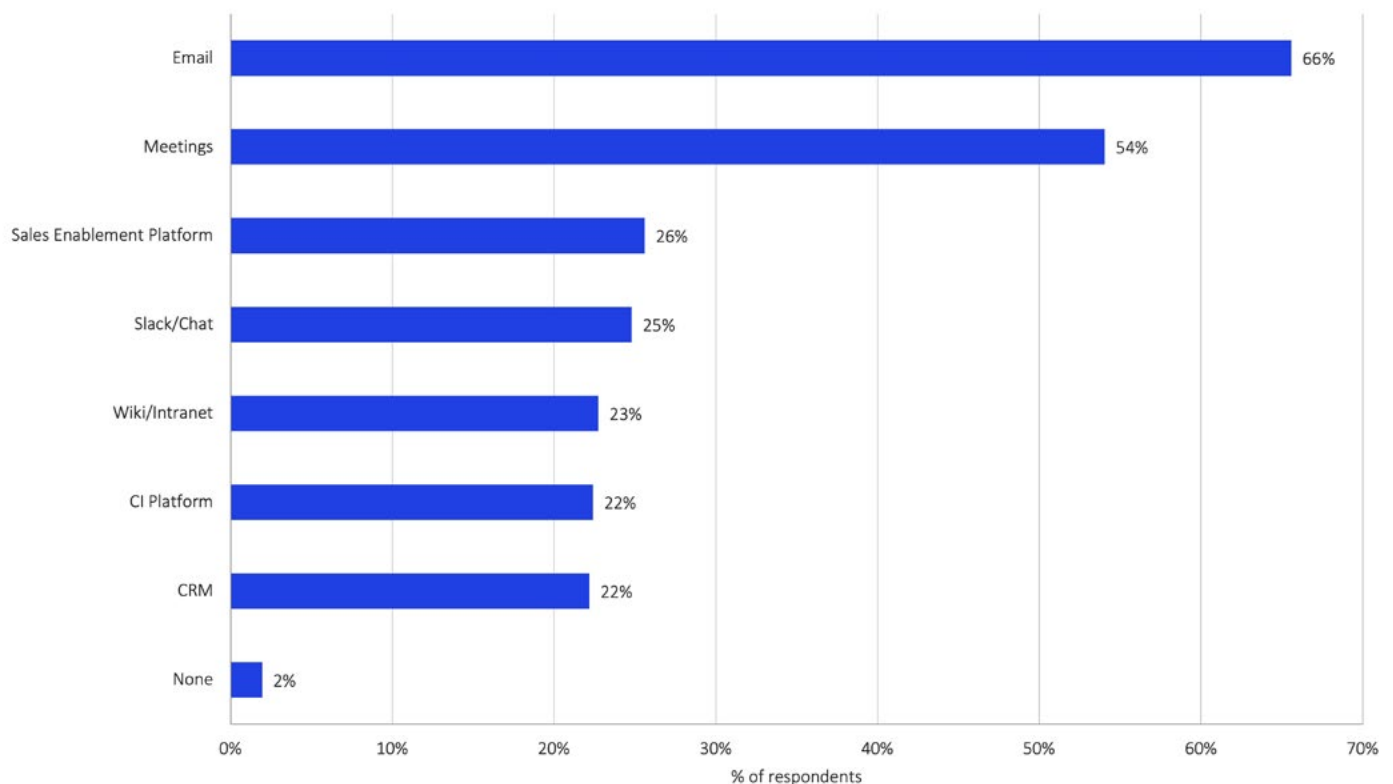


Percentage of businesses planning to get CI platform



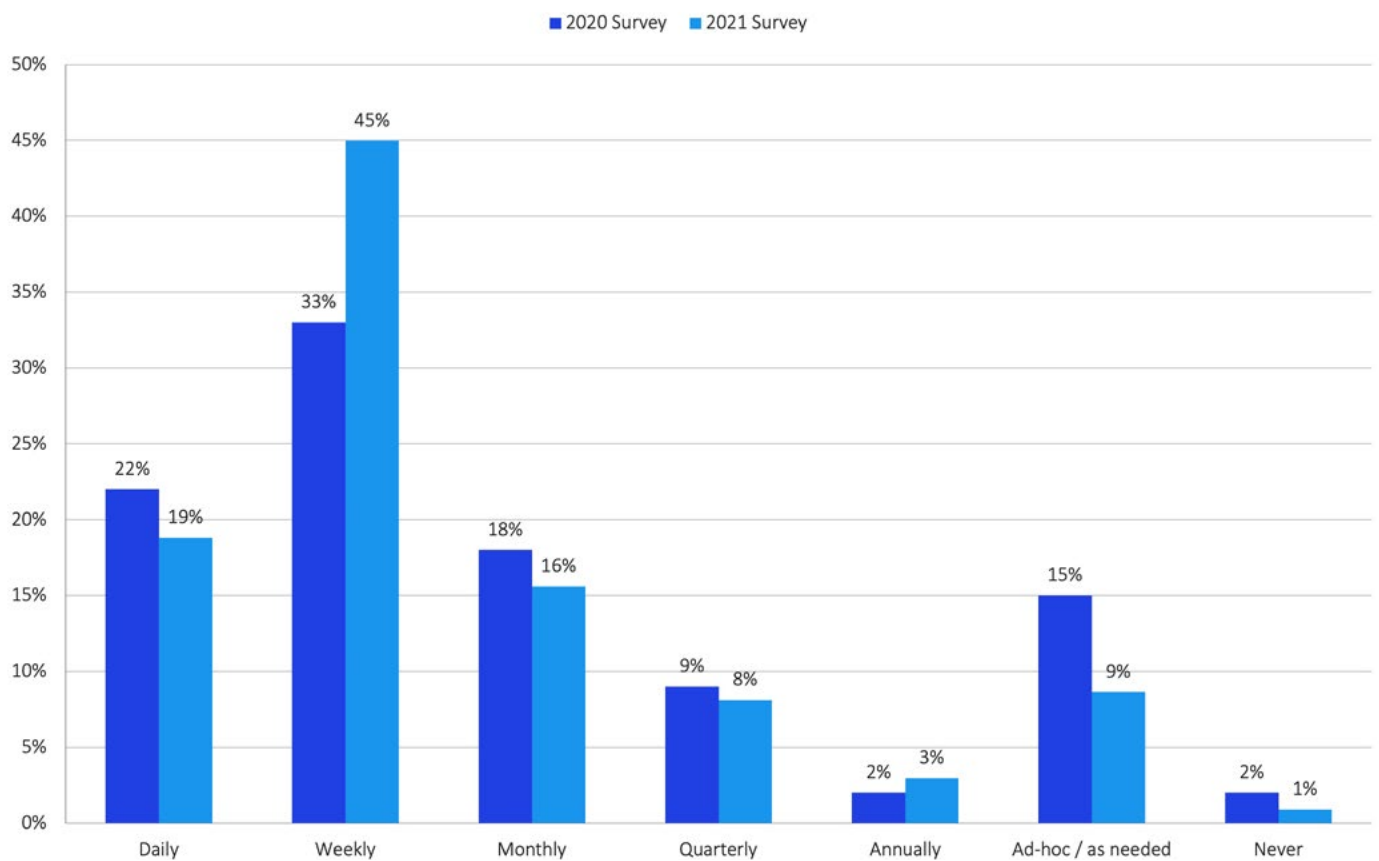
In general — platform or no platform — email is far and away the most popular method of communicating CI: 66% of businesses say they share competitive insights via email. Only one other communication method is currently being used by the majority of businesses: face-to-face meetings (54%). After that, it's a steep drop-off to sales enablement platforms (26%), chat (25%), and company wiki/intranet (23%). Fortunately, only 2% of businesses say they do not have a method of communicating CI.

How do you share/communicate CI?



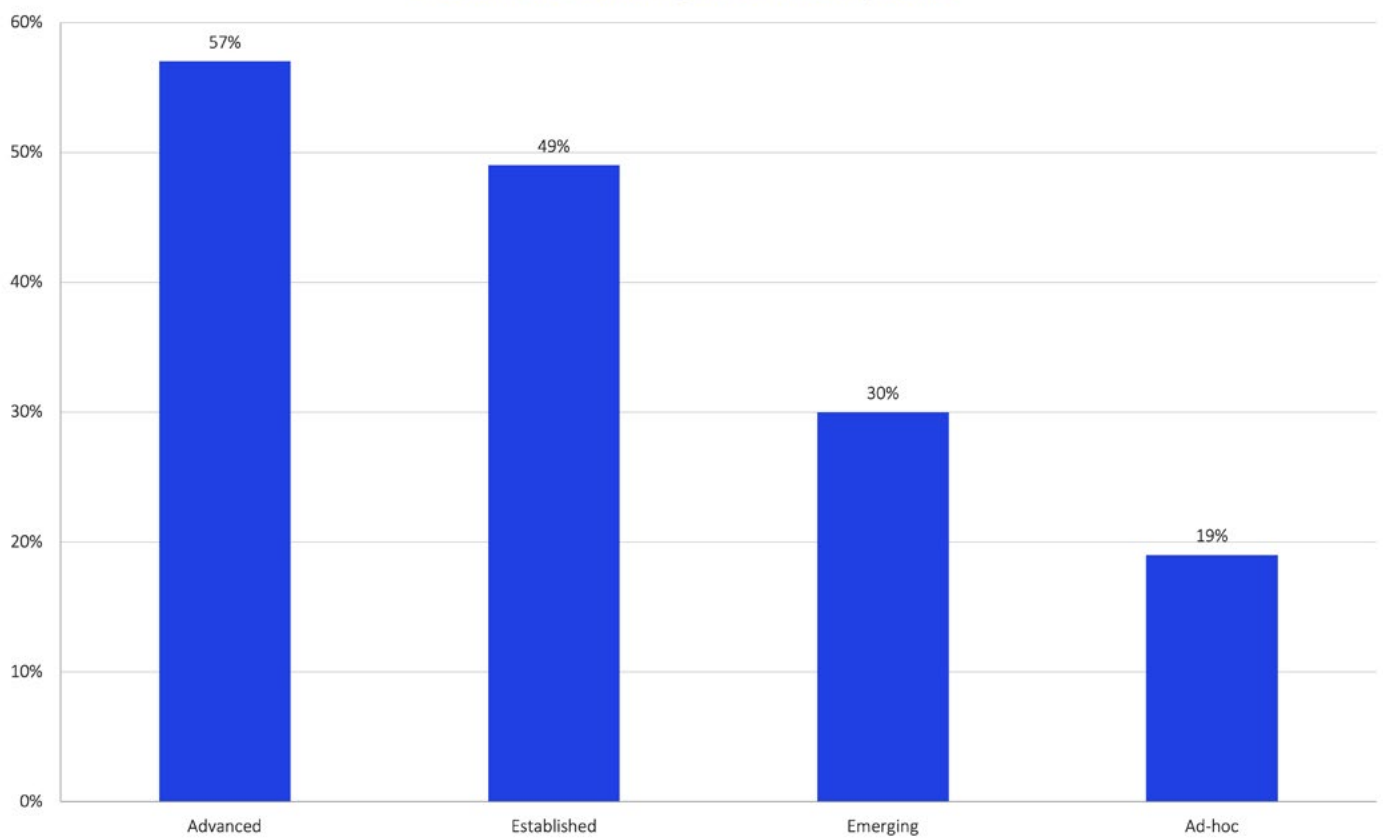
How often are these communication methods put to use? Remarkably, nearly one-half (45%) of businesses say they're internally sharing CI on a weekly basis; that's up from only 33% in 2020. As you can see, this dramatic jump is accounted for by decreases in virtually every other bucket — particularly the ad-hoc/as needed bucket. Broadly speaking, businesses are becoming more formalized when it comes to sharing CI.

Frequency of sharing CI (Year-over-Year)



Unsurprisingly, we can see a clear correlation between CI program maturity and the frequency with which CI is shared. Whereas 57% of businesses with advanced programs are sharing CI on a weekly basis, only 19% of businesses with ad-hoc programs are doing the same.

Percentage of businesses sharing CI on a weekly basis

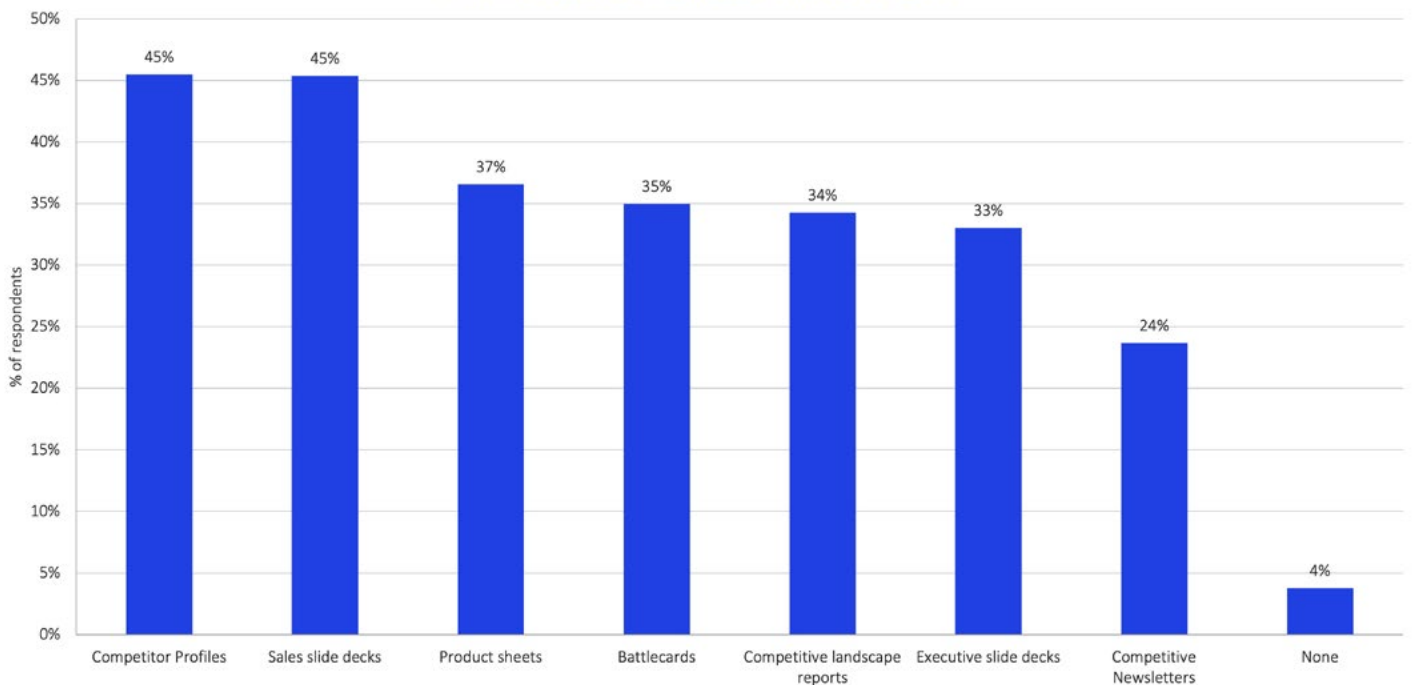


CI OUTPUTS

Now that we know which communication methods CI professionals tend to use — as well as how often they use them — another question emerges: In which formats do CI professionals tend to share their insights?

The competitor profile and the sales slide deck are the most popular CI outputs in 2021 — each of these is currently used by nearly half (45%) of businesses. Product sheets (37%), battlecards (35%), and competitive landscape reports (34%) are also popular amongst CI professionals.

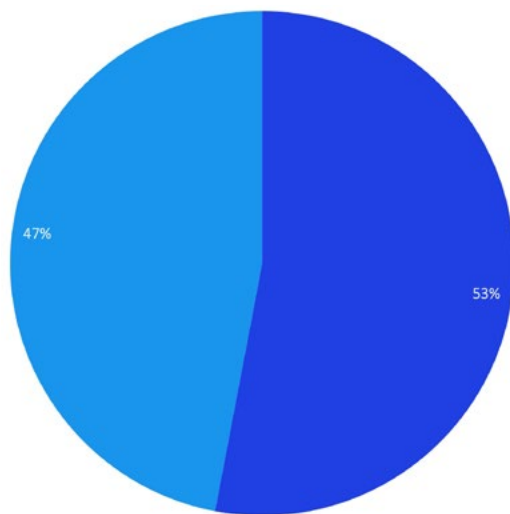
Which types of CI outputs do you produce?



Let’s focus specifically on battlecards for a moment. Businesses that maintain battlecards tend to go all in — and they’re rewarded as a result: 47% of respondents from this group say they’re currently maintaining more than 50 battlecards, and 71% say their battlecards have contributed to an increase in win rate.

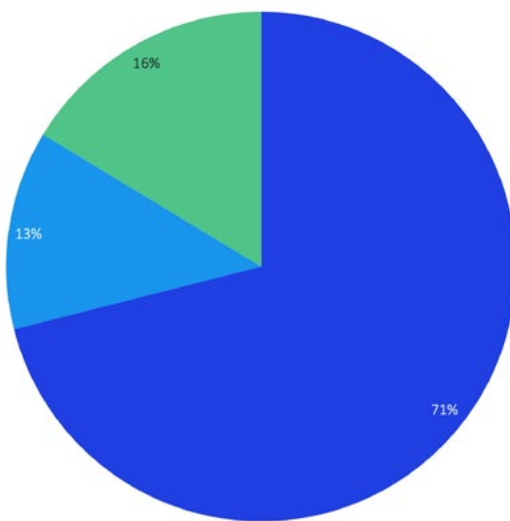
How many battlecards do you maintain? (amongst businesses that maintain battlecards)

■ Less than 50 ■ More than 50



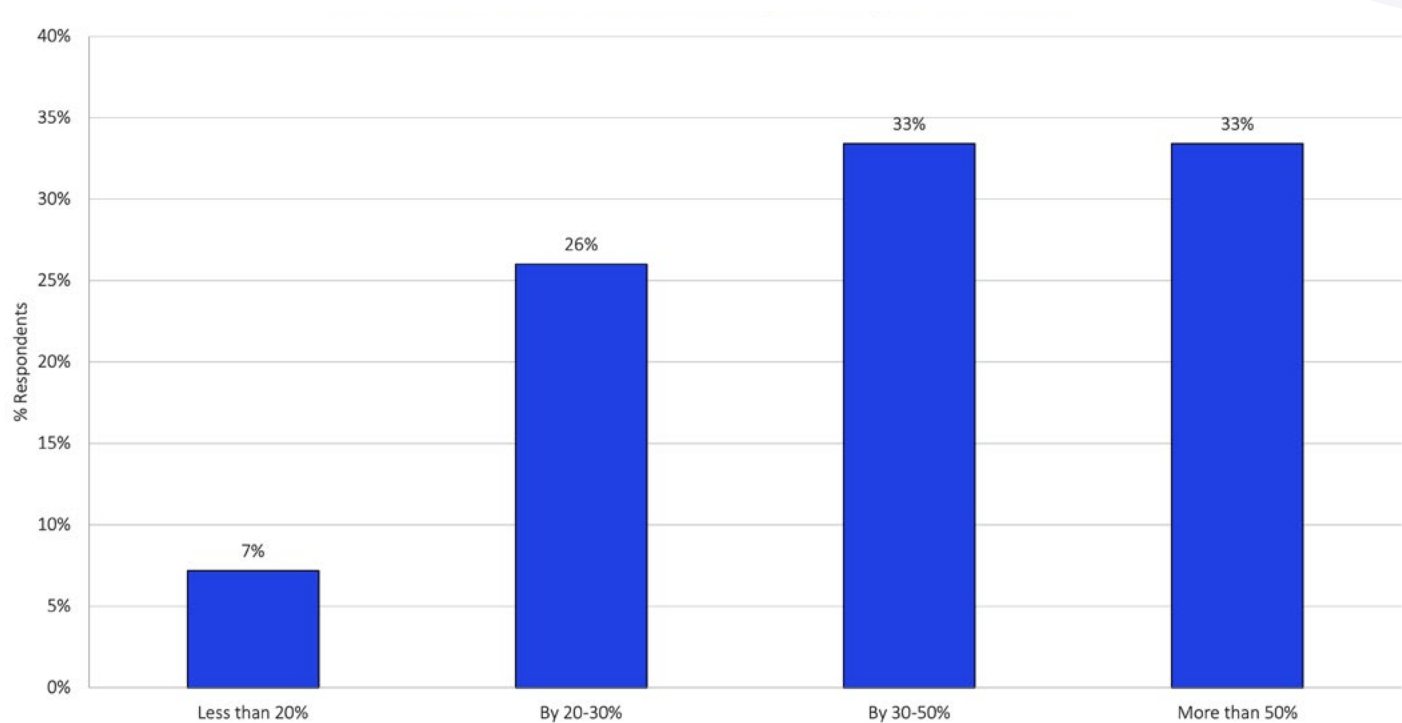
Have battlecards improved your win rate?

■ Yes ■ No ■ I don’t know



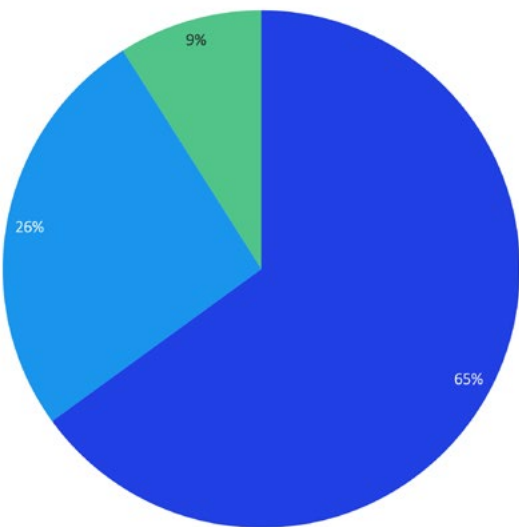
We’re not talking about a marginal increase, either: Amongst businesses that say battlecards have helped to improve their win rate, 93% say the increase exceeds 20%, and 33% say the increase exceeds 50%. Remarkably, there’s still room for improvement: Amongst businesses that maintain battlecards, 26% say they’re unhappy with current levels of adoption.

How much have battlecards improved your win rate?



Are you happy with current levels of battlecard adoption?

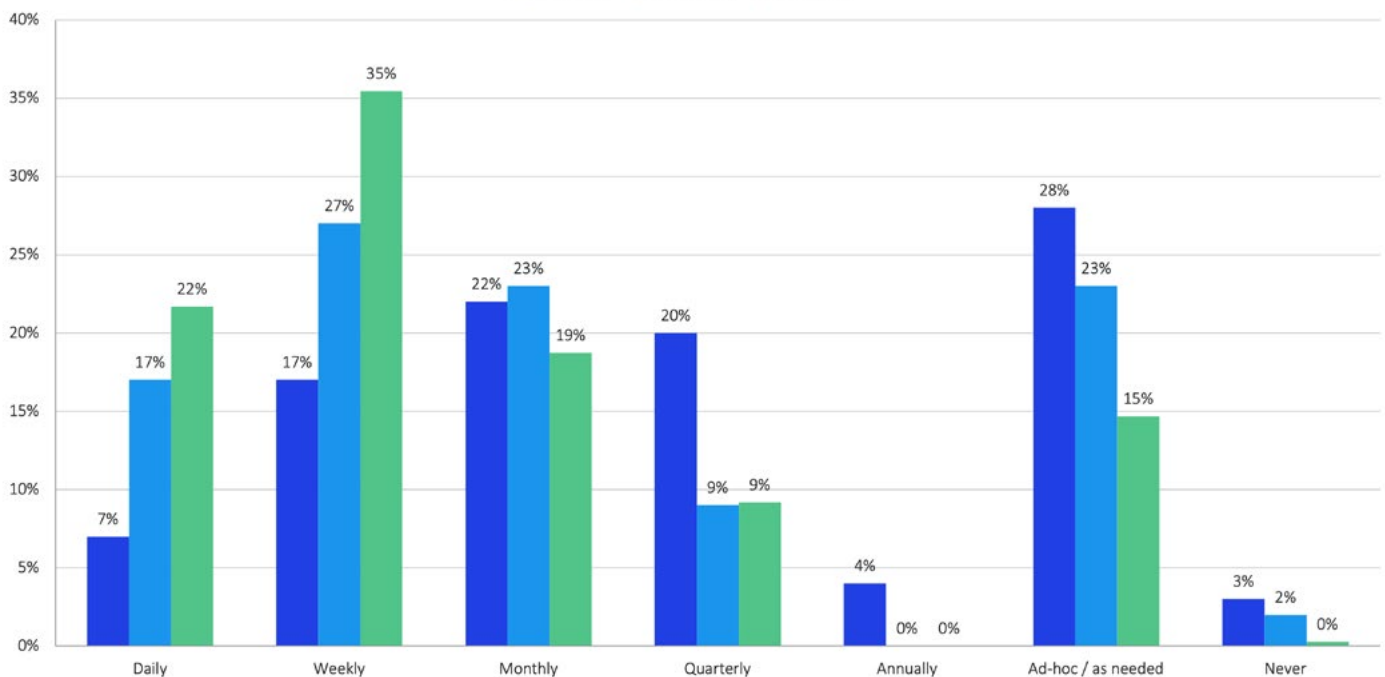
■ Yes ■ No ■ I don't know



Before we wrap up this chapter with a few words on stakeholder audiences, one last note about CI outputs: It's important to keep them as fresh as possible. 22% of CI professionals update their outputs on a daily basis, and 35% update them on a weekly basis. In 2020, these figures were 17% and 27%, respectively. And whereas 23% of CI professionals said they updated their outputs on an ad-hoc basis in 2020, this figure has now been cut to 15%.

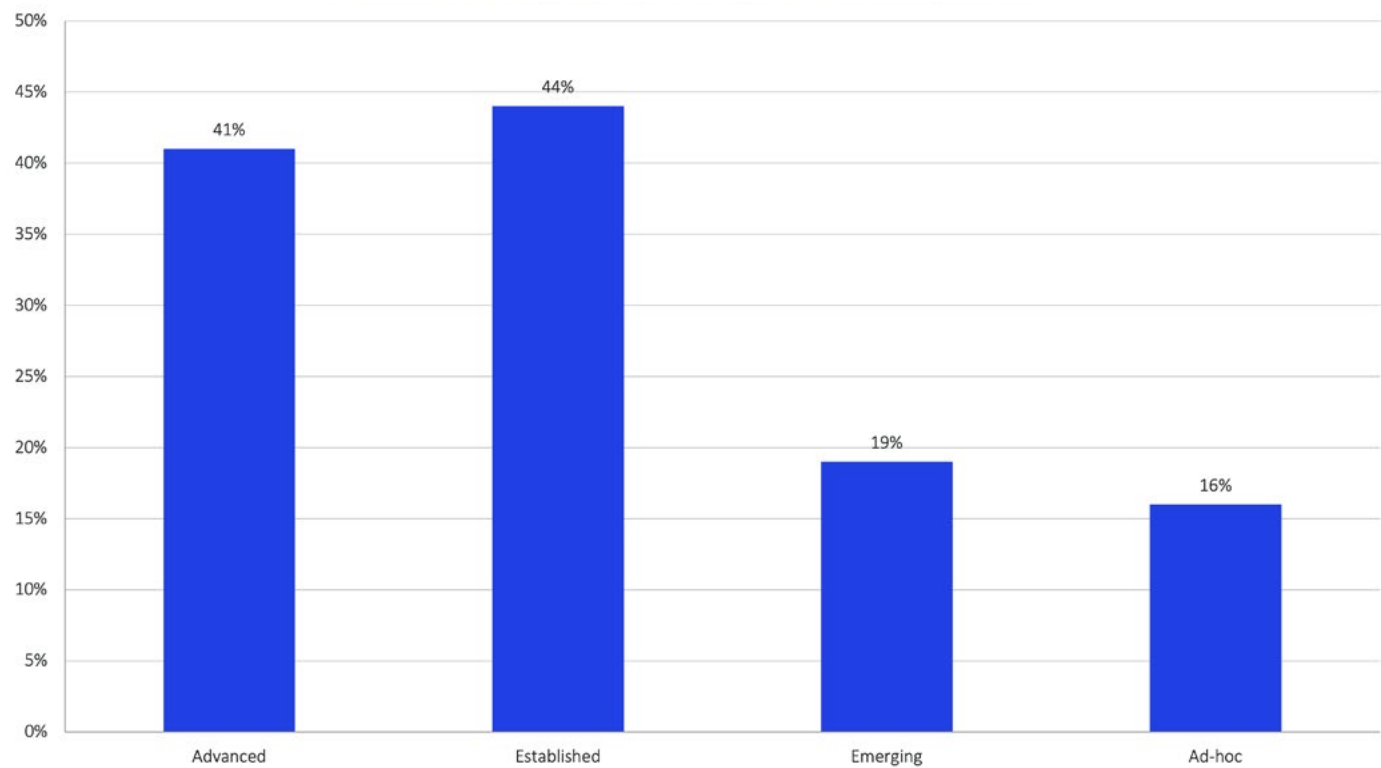
How often are your CI resources updated? (Year-over-Year)

■ 2019 Survey ■ 2020 Survey ■ 2021 Survey



As you might expect, there's a correlation between CI program maturity and the frequency with which outputs are updated. Whereas 41% of businesses with advanced programs update their outputs on a weekly basis, only 16% of businesses with ad-hoc programs do the same.

Percentage of businesses updating CI outputs on a weekly basis

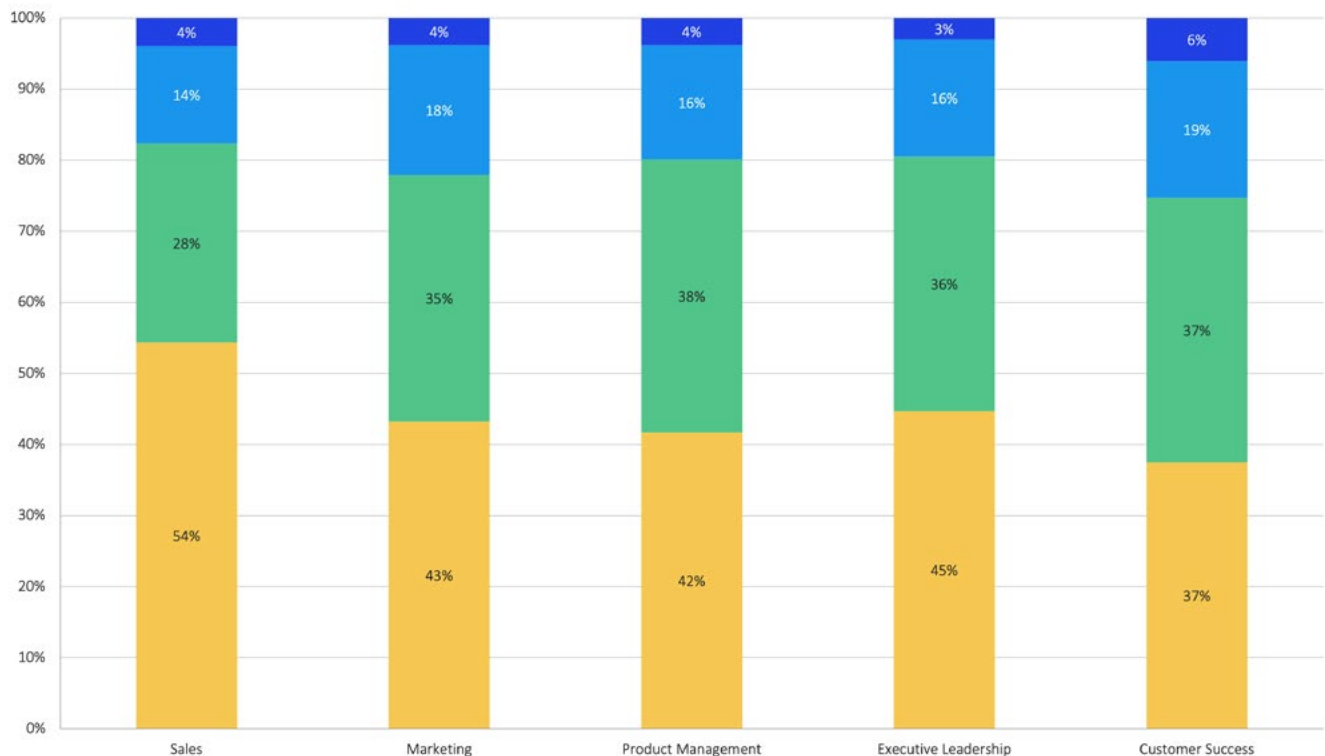


CI STAKEHOLDERS

When a CI professional creates or refreshes an output, who do they share it with? Although the answer to this question depends, in large part, on the type of output in question, we can make some generalizations as to which stakeholder audiences are considered more or less important.

According to CI professionals, Sales and Executive Leadership are the most important audiences. The majority (54%) of respondents say Sales is a very important audience, and 45% say the same about Executive Leadership. This does not come as a surprise, as sales reps need CI to close deals and executive leaders need it to make long-term strategic decisions.

Importance of stakeholder audiences for CI professionals



This is not to say, however, that other stakeholder audiences are unimportant. Marketers need CI to craft compelling messaging, and they're considered very important by 43% of CI professionals. Product managers need CI to build differentiated roadmaps, and they're considered very important by 42% of CI professionals. Last but not least, customer success reps need CI to retain customers, and they're considered very important by 37% of CI professionals.



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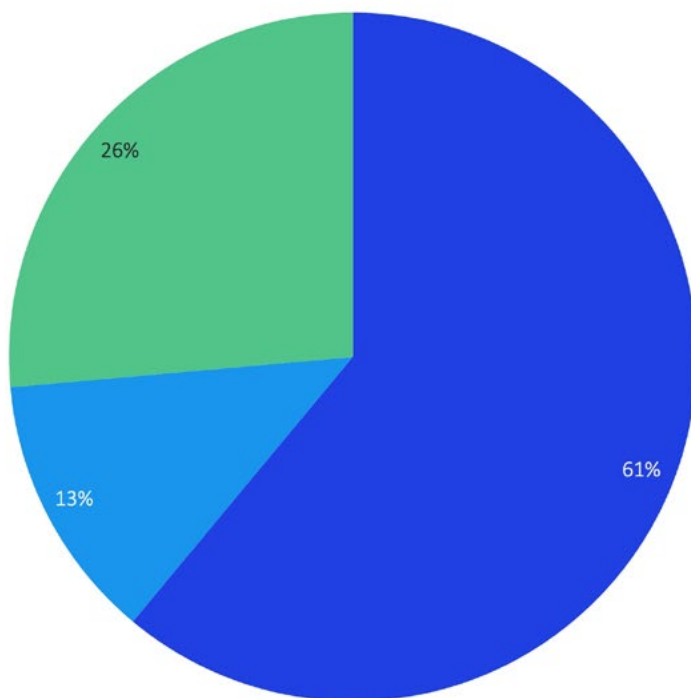
CI IMPACT ON REVENUE

We opened the previous chapter with a bold claim: Competitive intelligence is, without a shadow of a doubt, a critical investment. With this chapter, we will substantiate (and expand upon) that claim by exploring the relationship between CI and revenue.

61% of businesses say CI has directly contributed to an increase in revenue — that's 17% higher than last year's figure of 52%. 13% of businesses say CI has not contributed to an increase in revenue, and 26% say they're uncertain. In 2020, those figures were 10% and 38%, respectively. Clearly, businesses are getting better at tying their CI programs to revenue.

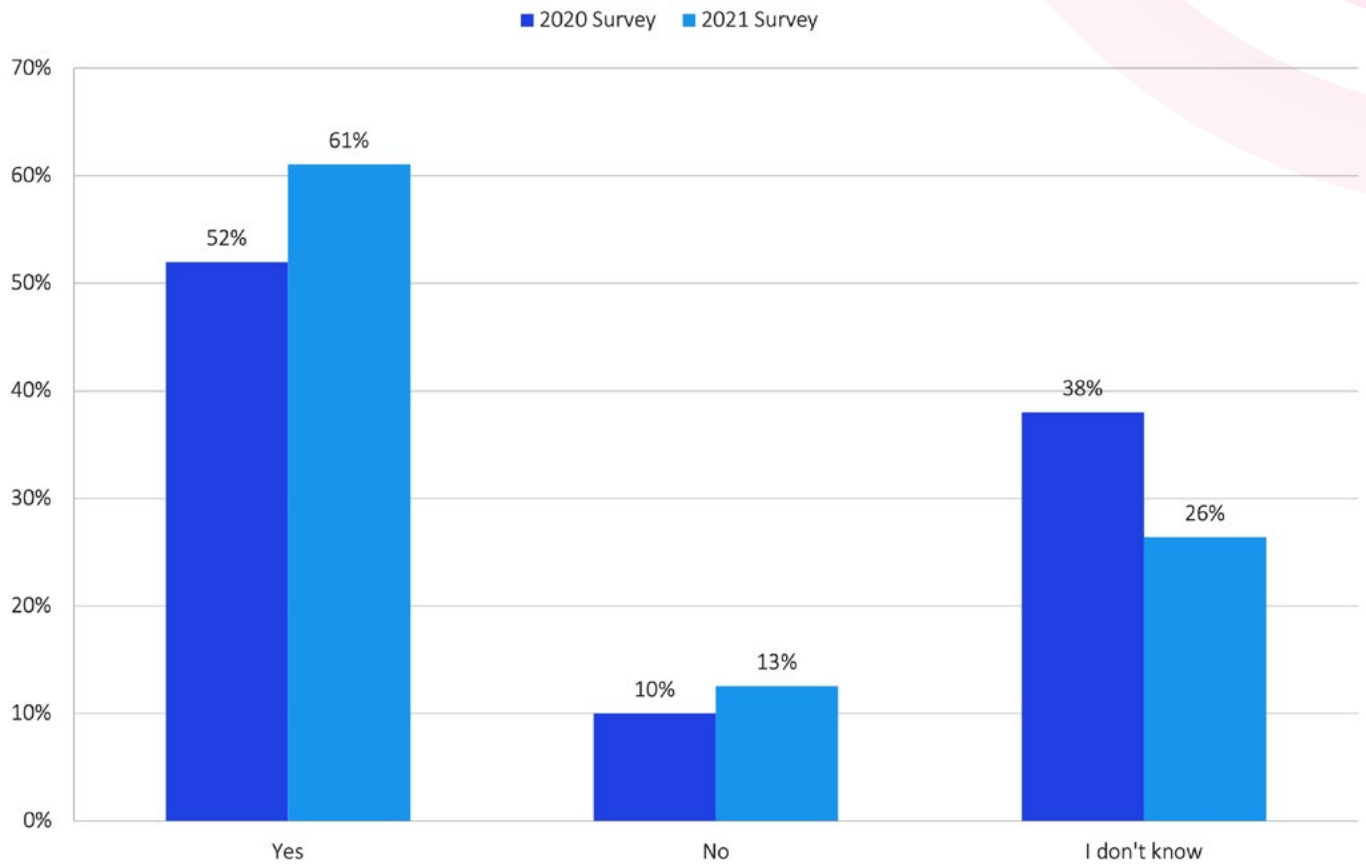
Have you seen revenue impact as a result of CI?

■ Yes ■ No ■ I don't know

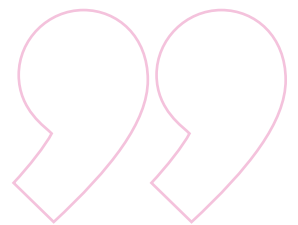


61% of businesses say CI has directly contributed to an increase in revenue

Have you seen revenue impact as a result of CI? (Year-over-Year)

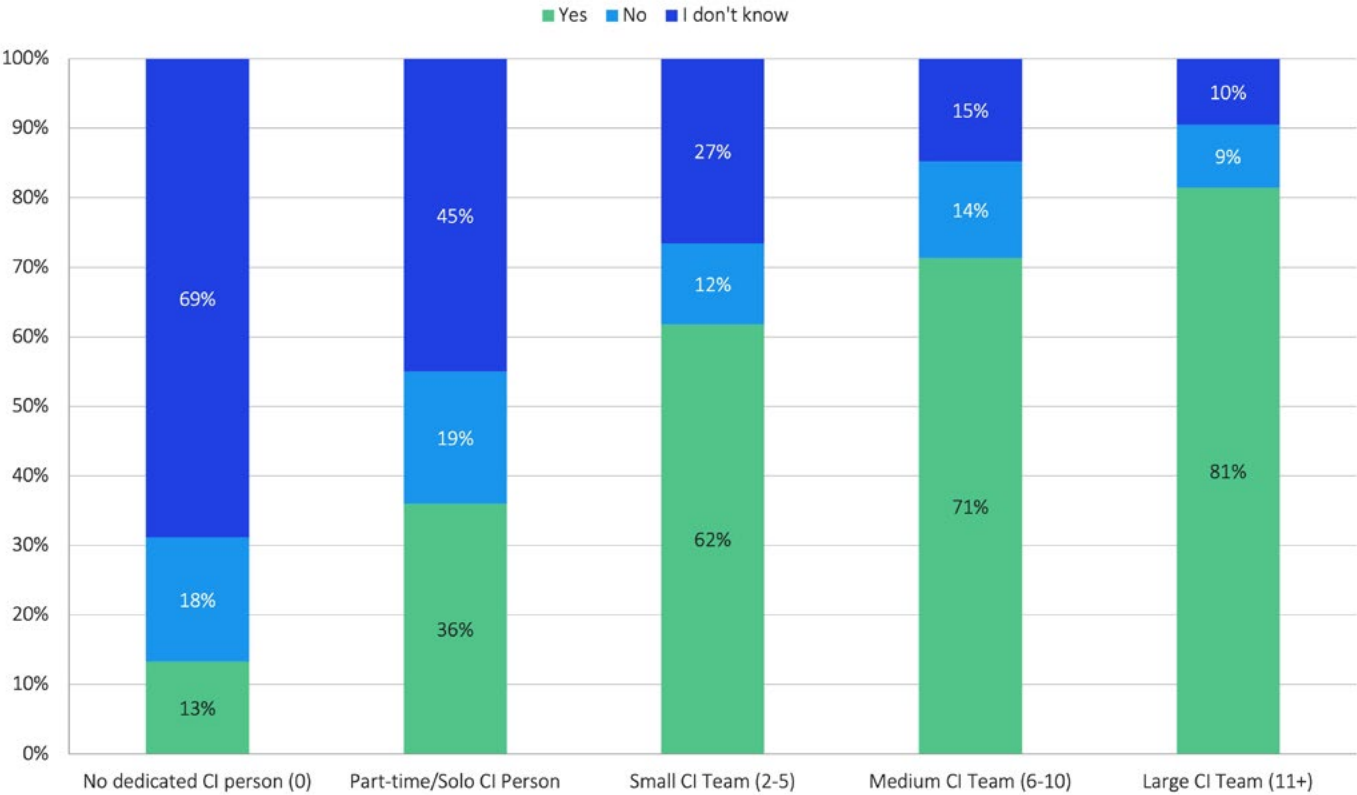


BUSINESSES WITH LARGER CI TEAMS ARE MORE LIKELY TO REPORT THAT CI HAS MADE A DIRECT IMPACT ON REVENUE



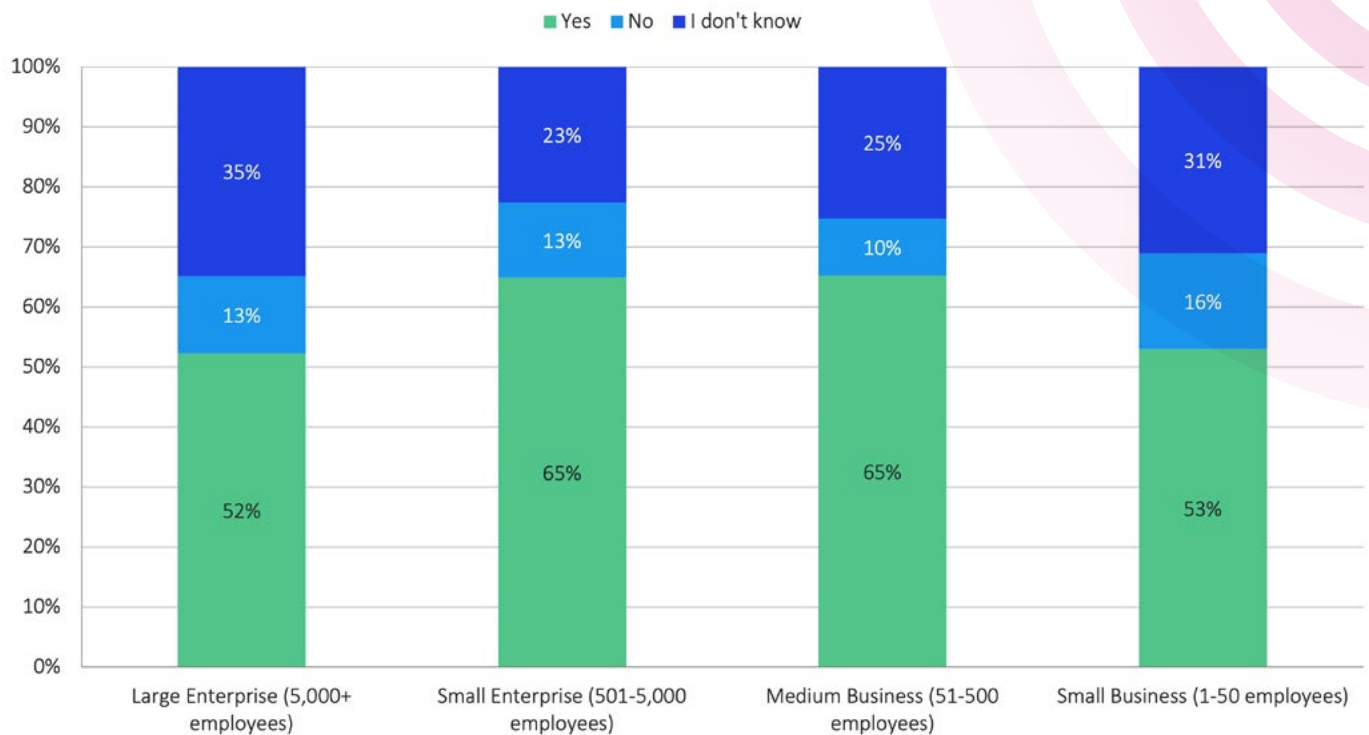
Unsurprisingly, the likelihood that a given business will report a clear positive relationship between CI and revenue depends on a number of factors. For example, businesses with larger CI teams are more likely to report that CI has made a direct impact on revenue:

Have you seen revenue impact as a result of CI? (by team size)



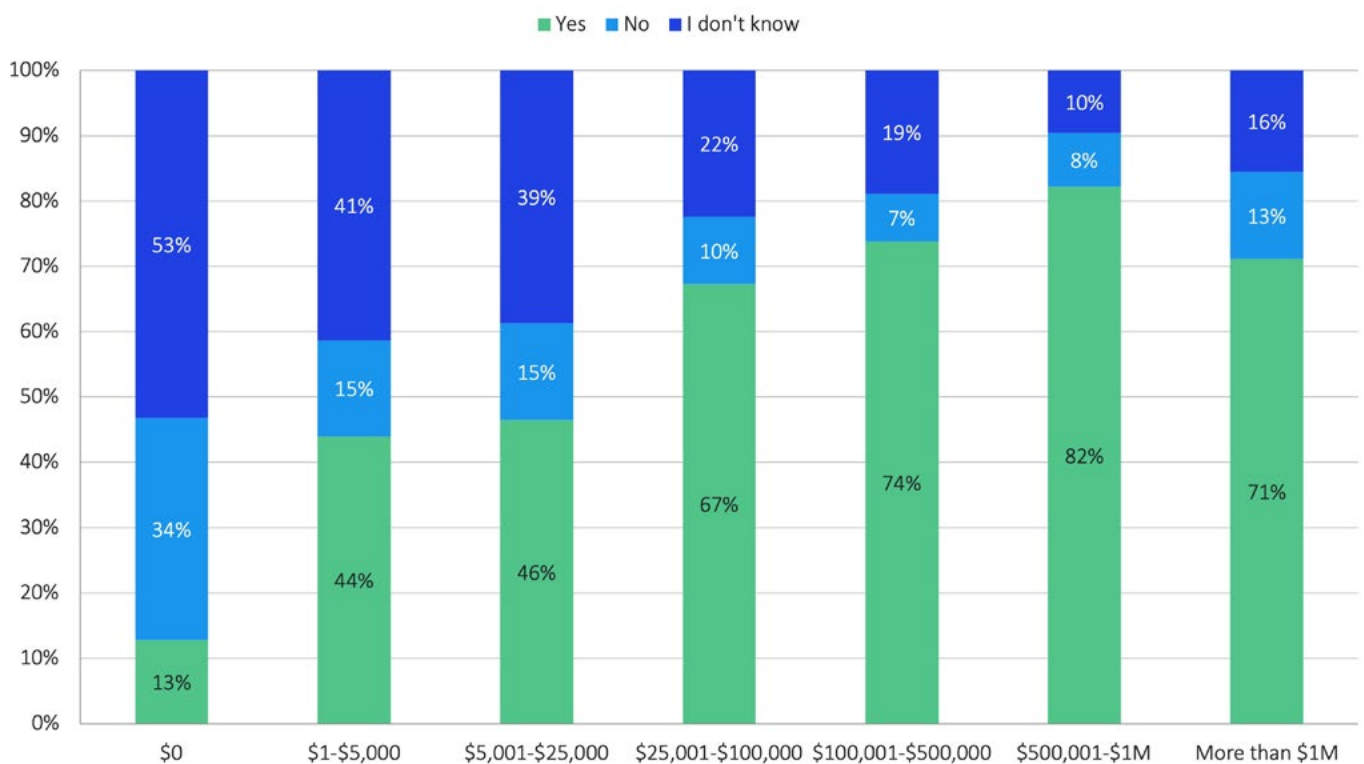
A larger company in general is not necessarily more likely to report revenue impact. In fact, large enterprises are the least likely to say that CI has contributed to revenue growth — likely because the complexity of these businesses makes it difficult to implement new processes.

Have you seen revenue impact as a result of CI? (by company size)



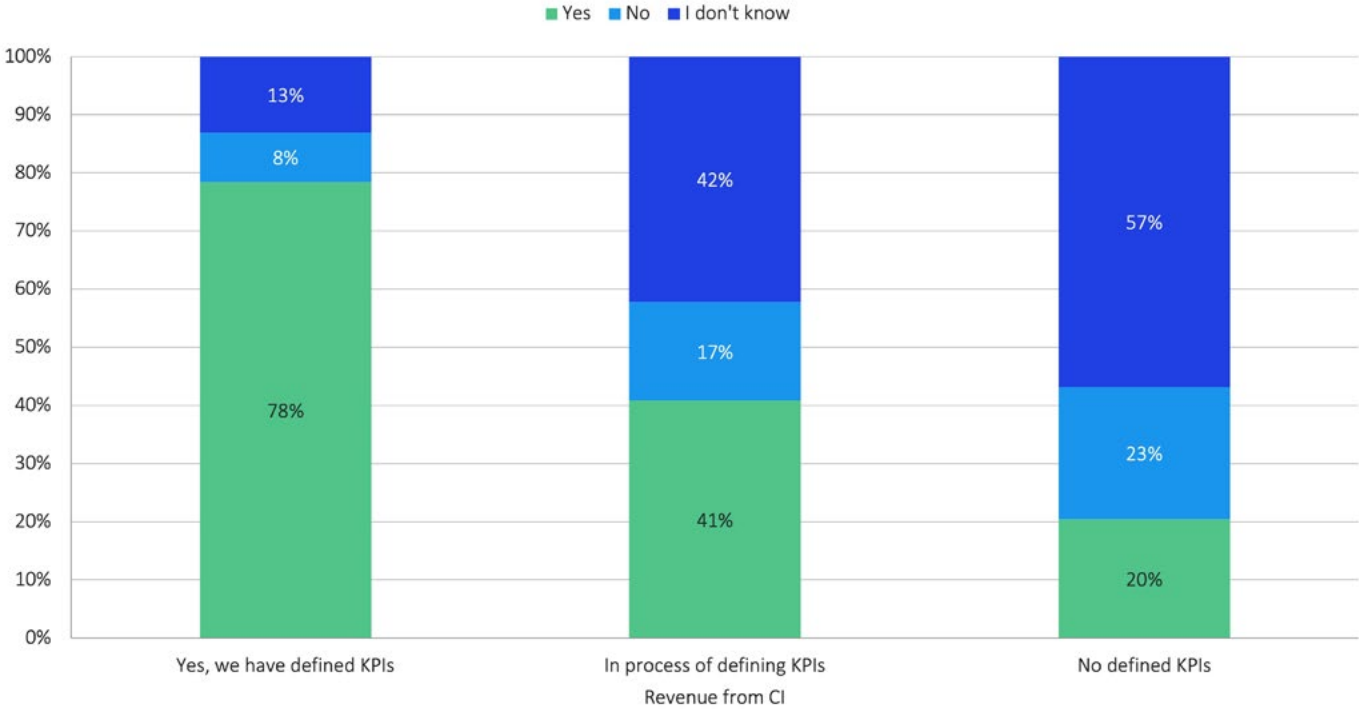
Annual CI budget (not including employee headcount) is a much stronger determinant than company size. In general, teams with bigger budgets are more likely to report that CI makes a positive impact on revenue:

Have you seen revenue impact as a result of CI? (by budget)



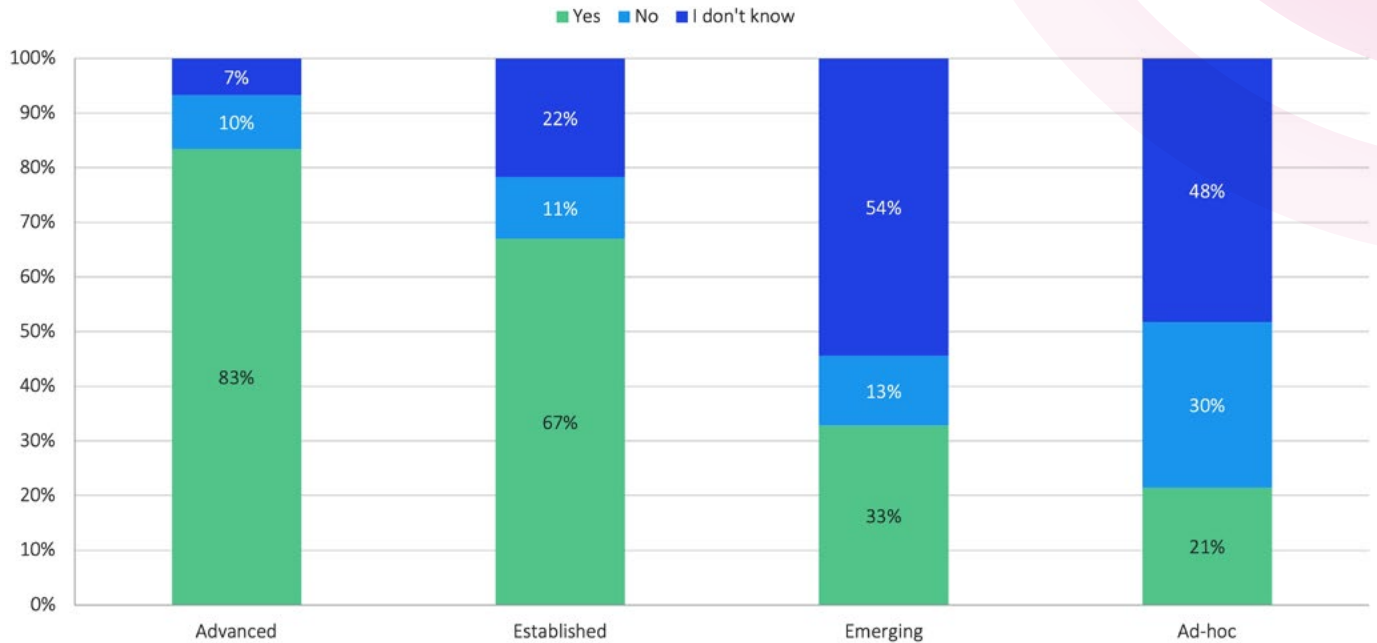
Perhaps the two strongest determinants of CI revenue impact are KPIs and program maturity. (Of course, these two determinants are correlated themselves: The definition of KPIs is a tell-tale sign of a mature CI program). Teams with defined KPIs are four times more likely to report direct revenue impact when compared to teams without defined KPIs:

Have you seen revenue impact as a result of CI? (by KPI status)



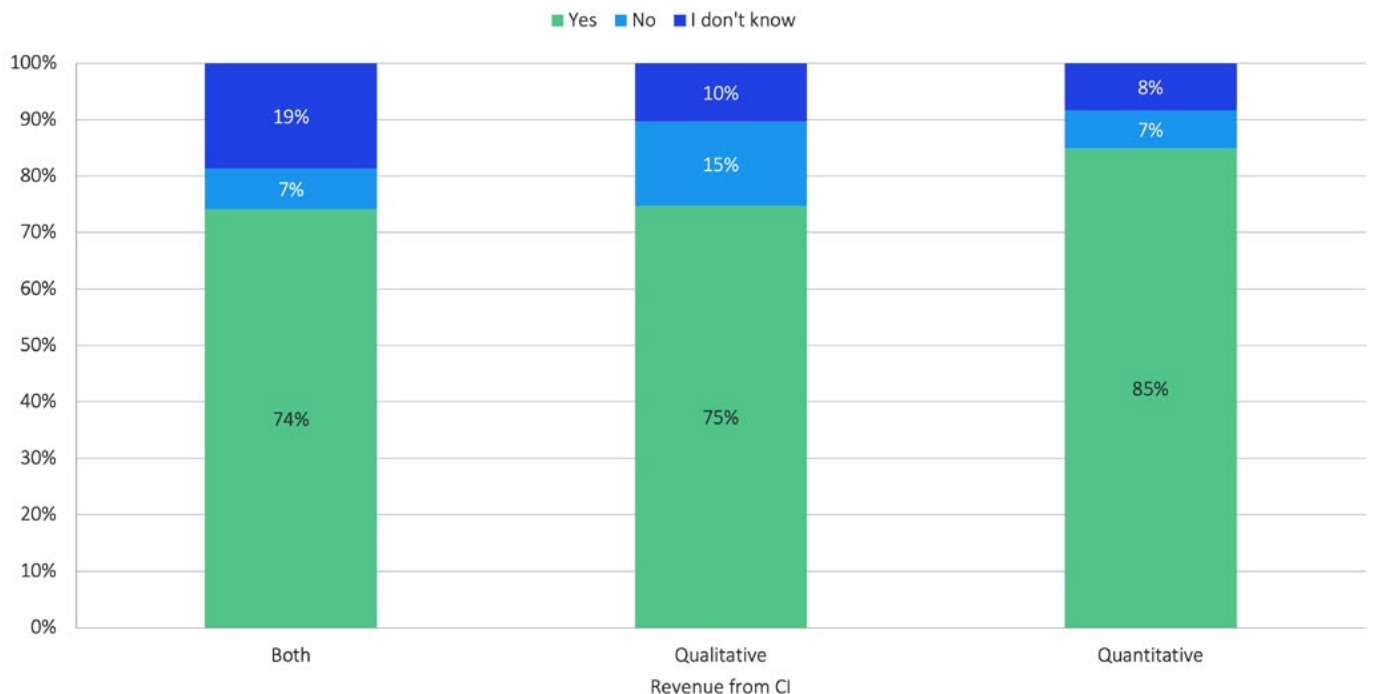
The story is the same when we look at CI program maturity: Advanced teams are four times more likely to report direct revenue impact when compared to ad-hoc teams:

Have you seen revenue impact as a result of CI? (by program maturity level)



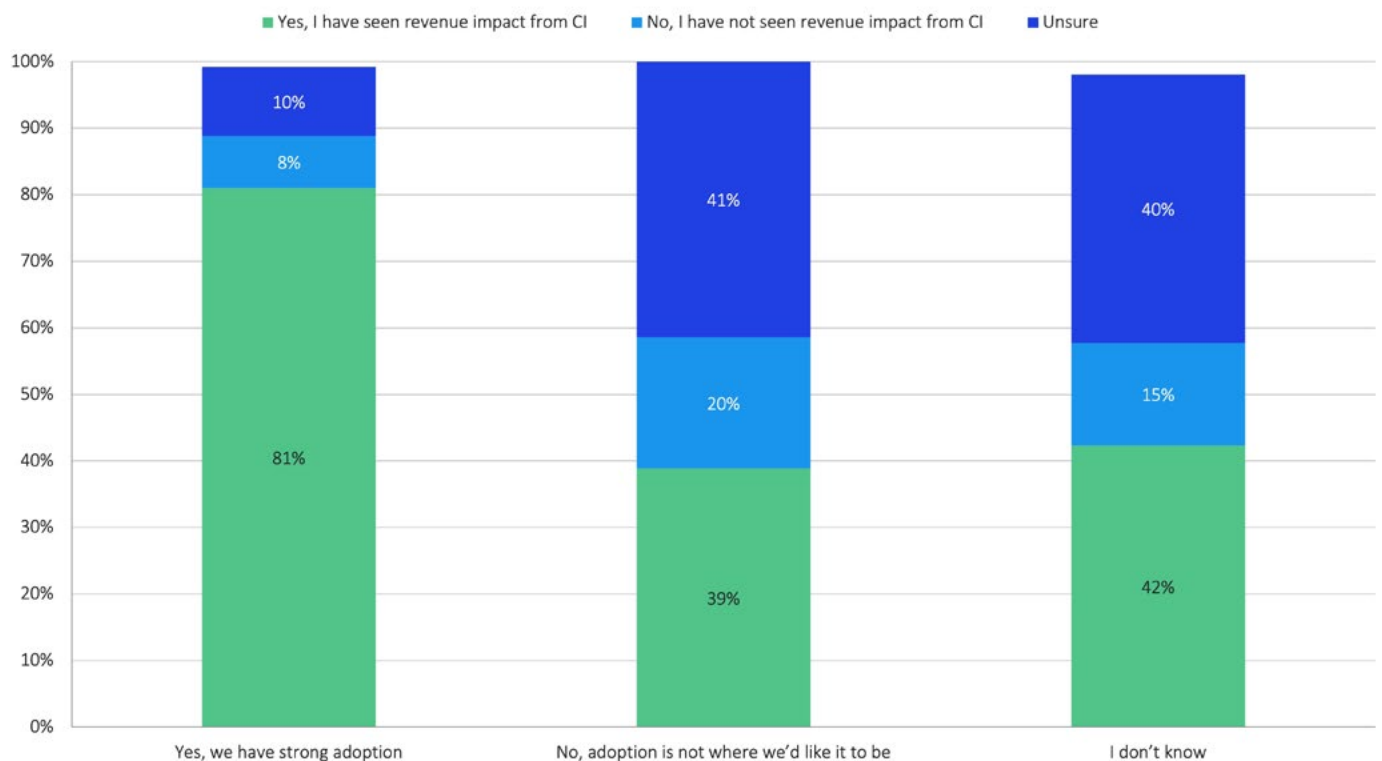
We should recall that advanced CI programs are defined, in large part, by quantitative KPIs — not just KPIs in general. With that in mind, it's unsurprising to see that respondents who use quantitative KPIs are 13% more likely to report direct revenue impact when compared to respondents who use qualitative KPIs:

Have you seen revenue impact as a result of CI? (by types of KPIs used)

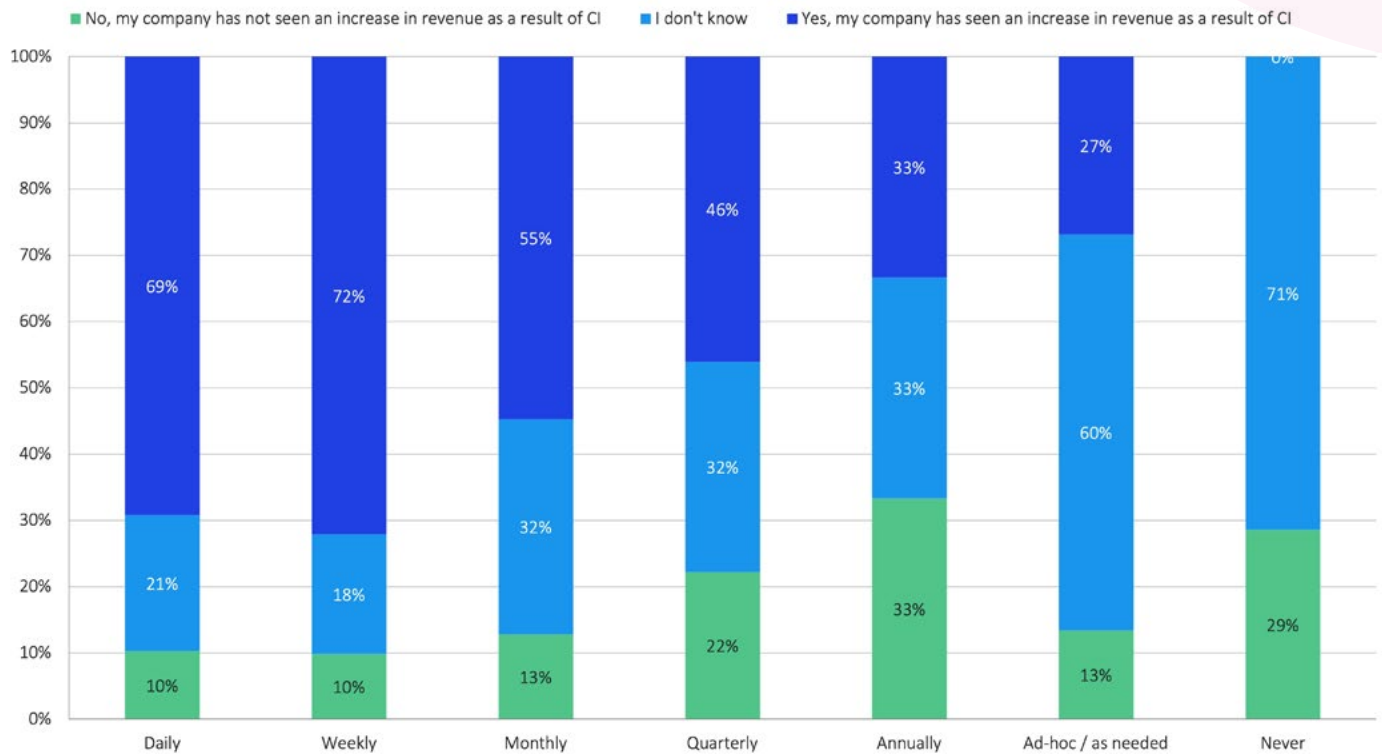


Finally, to connect our focus on revenue back to the subject of our previous chapter — outputs and communication — note that businesses that embrace battlecards and frequently share CI are more likely to report revenue impact. And, on a related note, recall that CI professionals are now spending more time on communication than they are on research. Clearly, taking strategic action has become a top priority for many businesses — and it's paying off via revenue growth.

Have you seen revenue impact as a result of CI? (by battlecard adoption status)



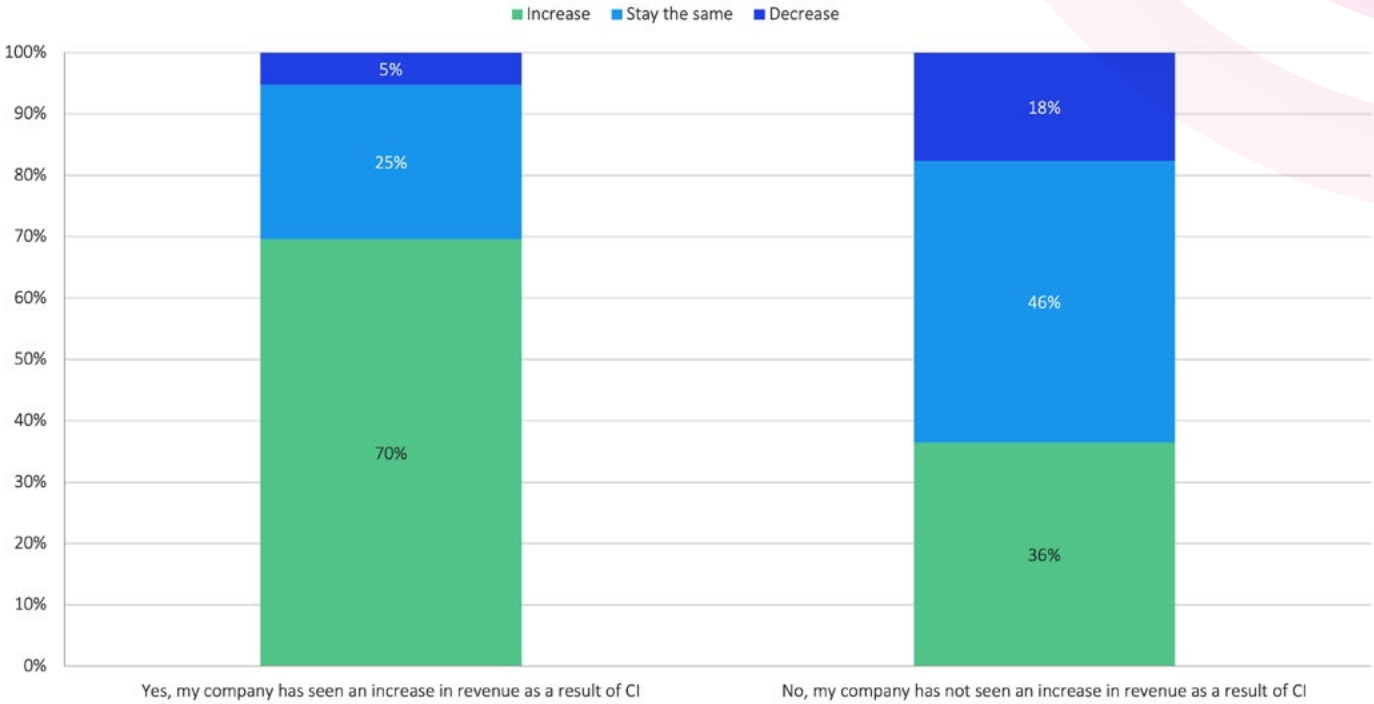
Have you seen revenue impact as a result of CI? (by CI distribution frequency)



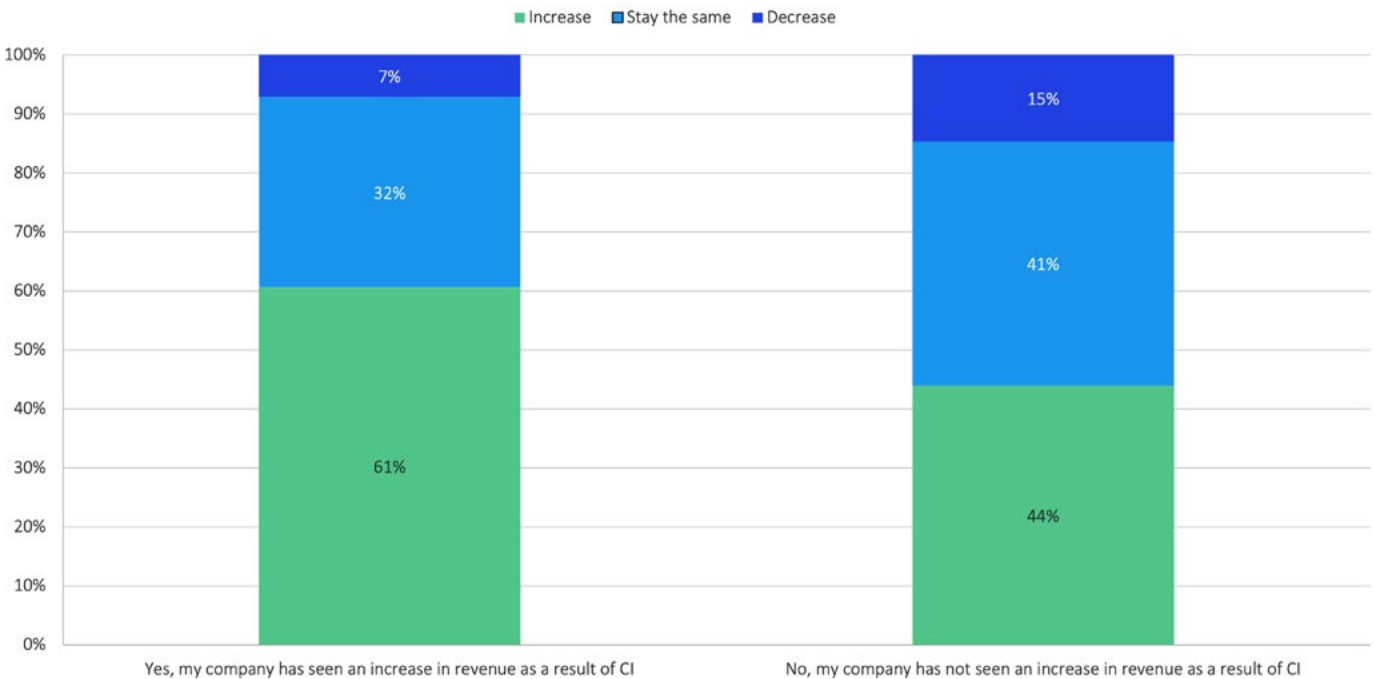
Before we move on, we'd be remiss if we didn't address one final question on the subject of revenue: When a business grows revenue as a direct result of CI, what do they do with the additional revenue? The answer to this question varies from organization to organization, but in general, businesses that grow revenue through CI tend to reinvest to some degree.

Amongst businesses that report direct revenue impact, 70% expect their CI headcount to increase and 61% expect their CI budget to do the same:

How do you expect your CI headcount to change in the coming year?



How do you expect your CI budget to change in the coming year?





7

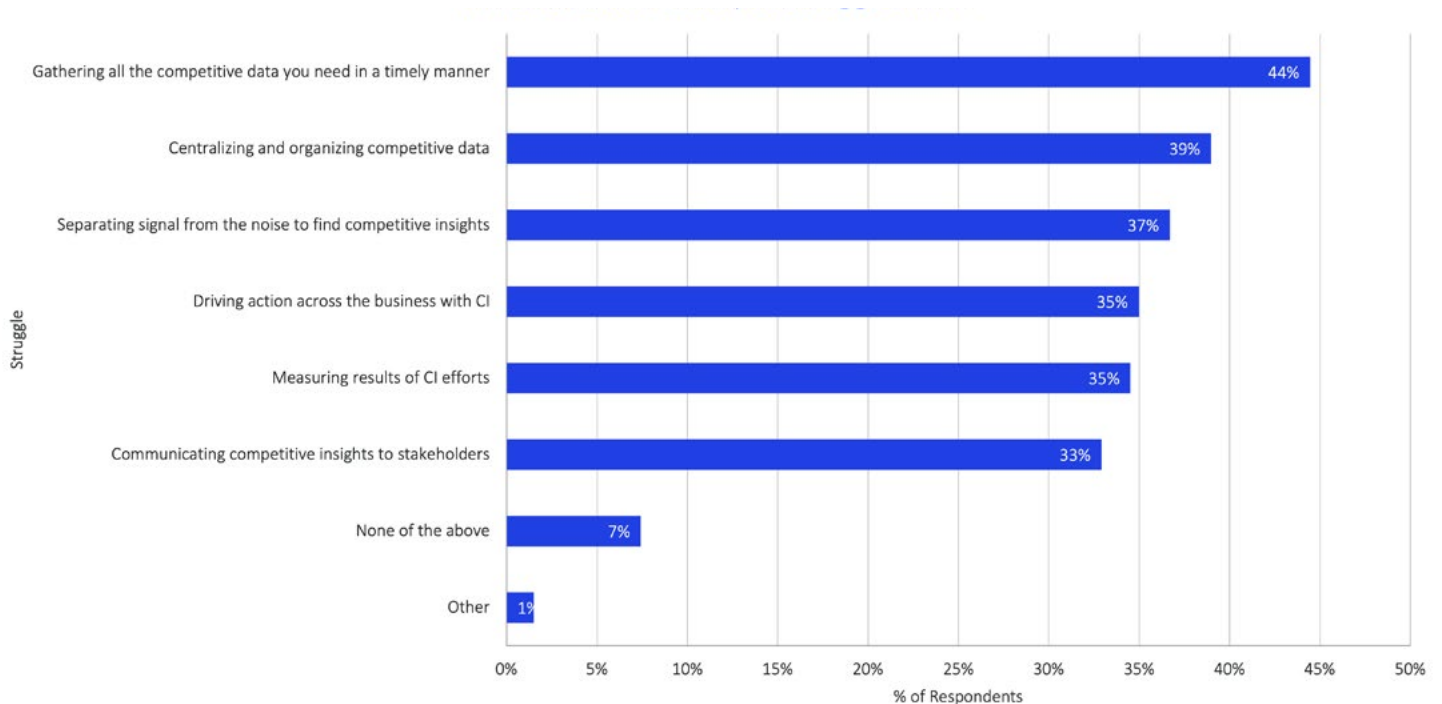
CI STRUGGLES

Businesses are getting better at tracking, analyzing, and acting on their competitors' movements. In general, across organizations of different sizes and programs of different maturity levels, competitive intelligence is being taken more seriously and practiced more effectively than ever before.

But that doesn't mean the life of a CI professional is a walk in the park — far from it, actually. On a day-to-day basis, there's a number of obstacles that make it difficult to gather information and disseminate it in a way that yields organization-wide action.

The chart below specifies the six most common CI struggles, each of which afflicts at least one-third of CI professionals:

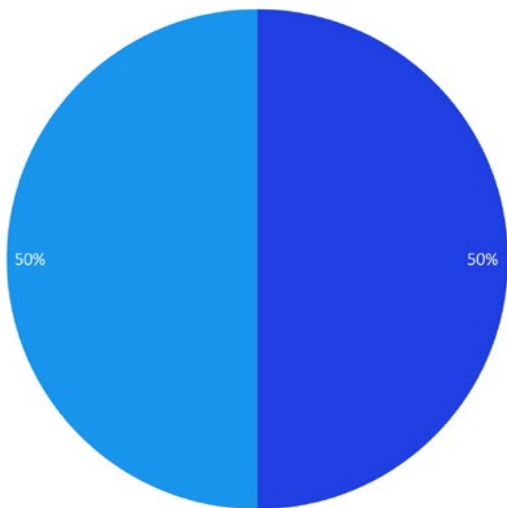
Which areas of CI do you struggle with?



Recall that (1) 62% of businesses expect to increase their use of paid CI solutions and (2) 50% of businesses that do not currently have a CI platform plan to purchase one in the future. We can reasonably assume that the growing role of technology and automation in the CI process is a direct response to the ongoing challenge of gathering, organizing, and analyzing competitive intel in an efficient manner.

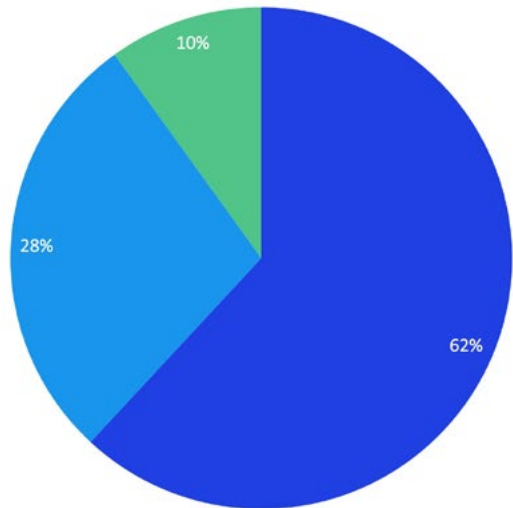
If you don't have a CI platform, do you plan to get one?

■ Yes ■ No



How do you expect your use of paid CI tools to change in 2021?

■ Increase ■ Stay the same ■ Decrease



8

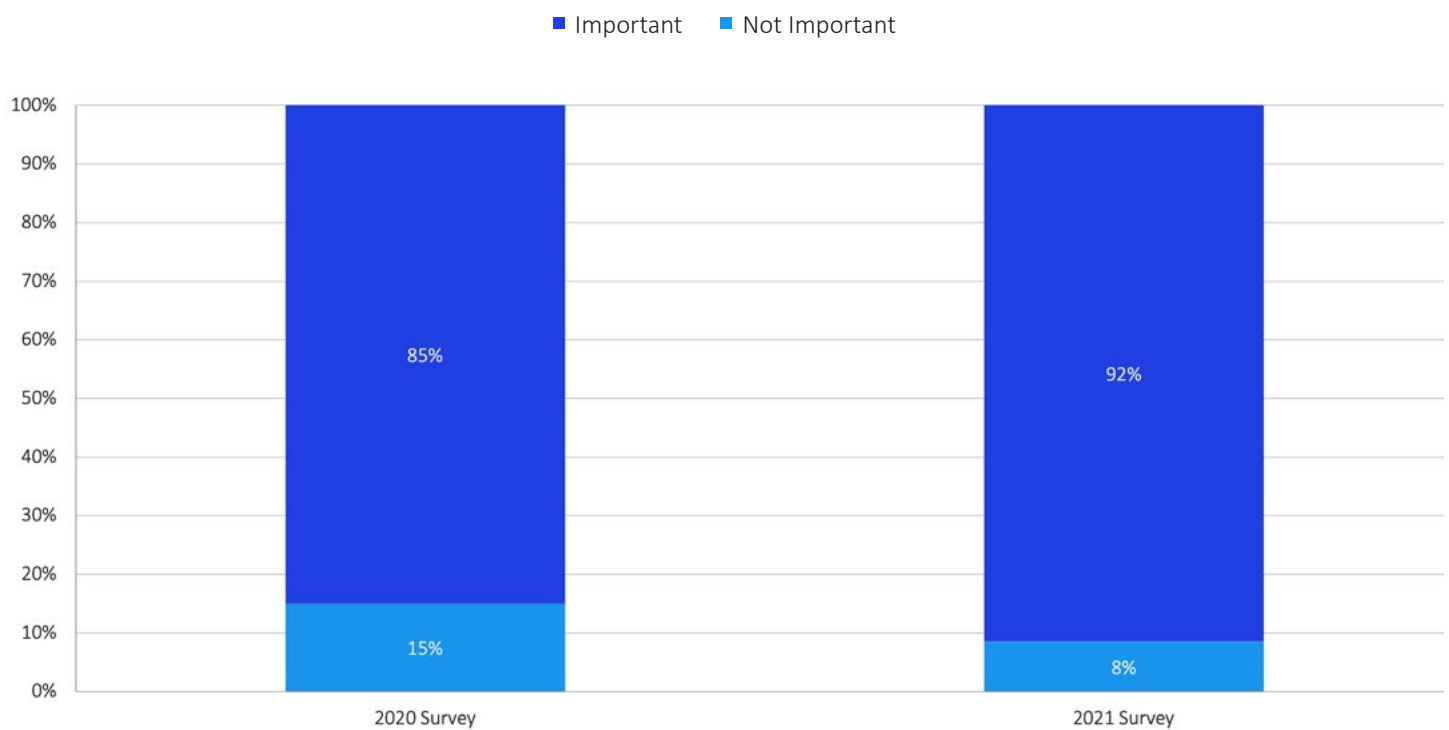
CI STAKEHOLDERS' PERSPECTIVES

Up until now, this report has primarily been from the perspectives of CI professionals — the folks responsible for conducting competitive intelligence on behalf of their organizations. This makes sense, as those who conduct CI are the ones who have the most to say about it.

But they're not the only ones who have something to say. After all, if you were to roam through the headquarters of a successful enterprise, you'd find hundreds of people — if not thousands of people — using CI to their advantage. These people, as we discussed at the end of Chapter 5, are called CI stakeholders — and their perspectives have changed since last year.

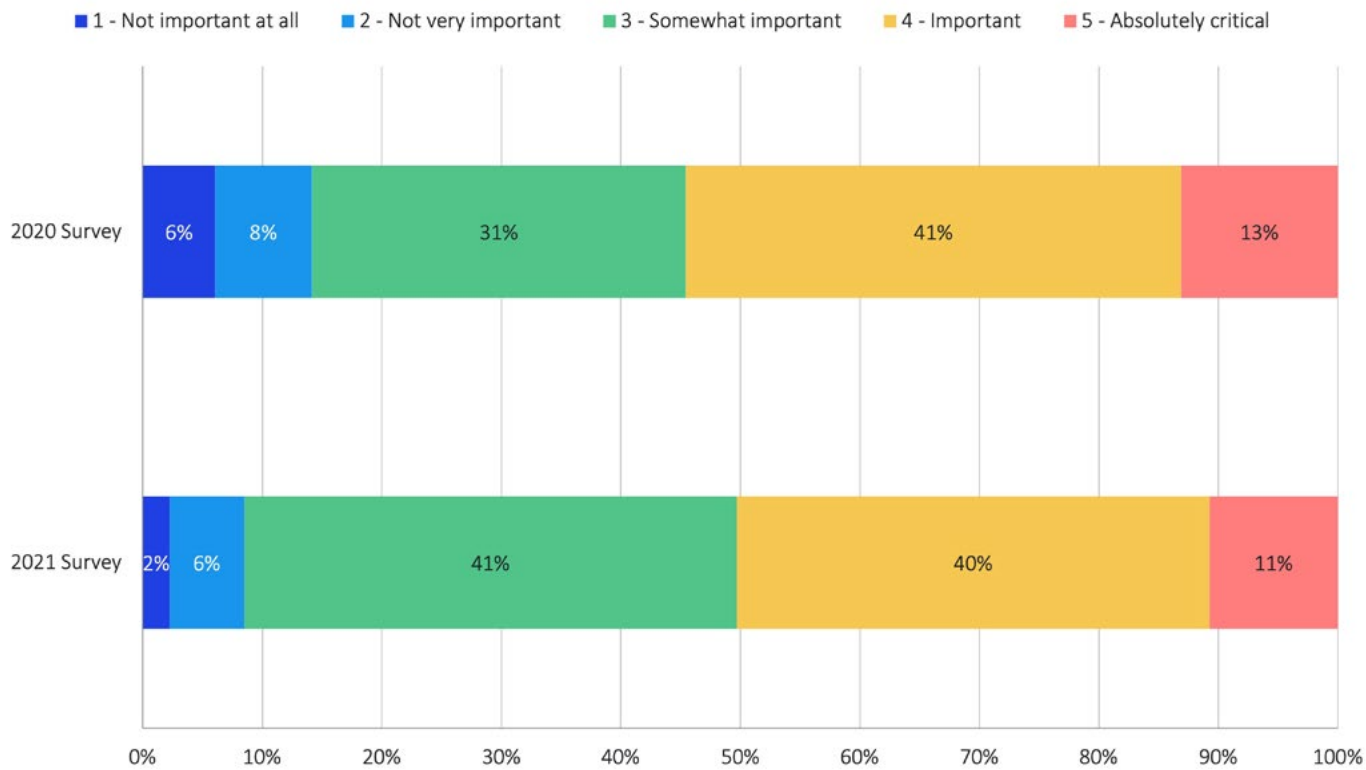
First and foremost, stakeholders now see more value in CI than they did in 2020: 92% say CI is important to their overall success, compared to 85% last year.

How important is CI to your success?



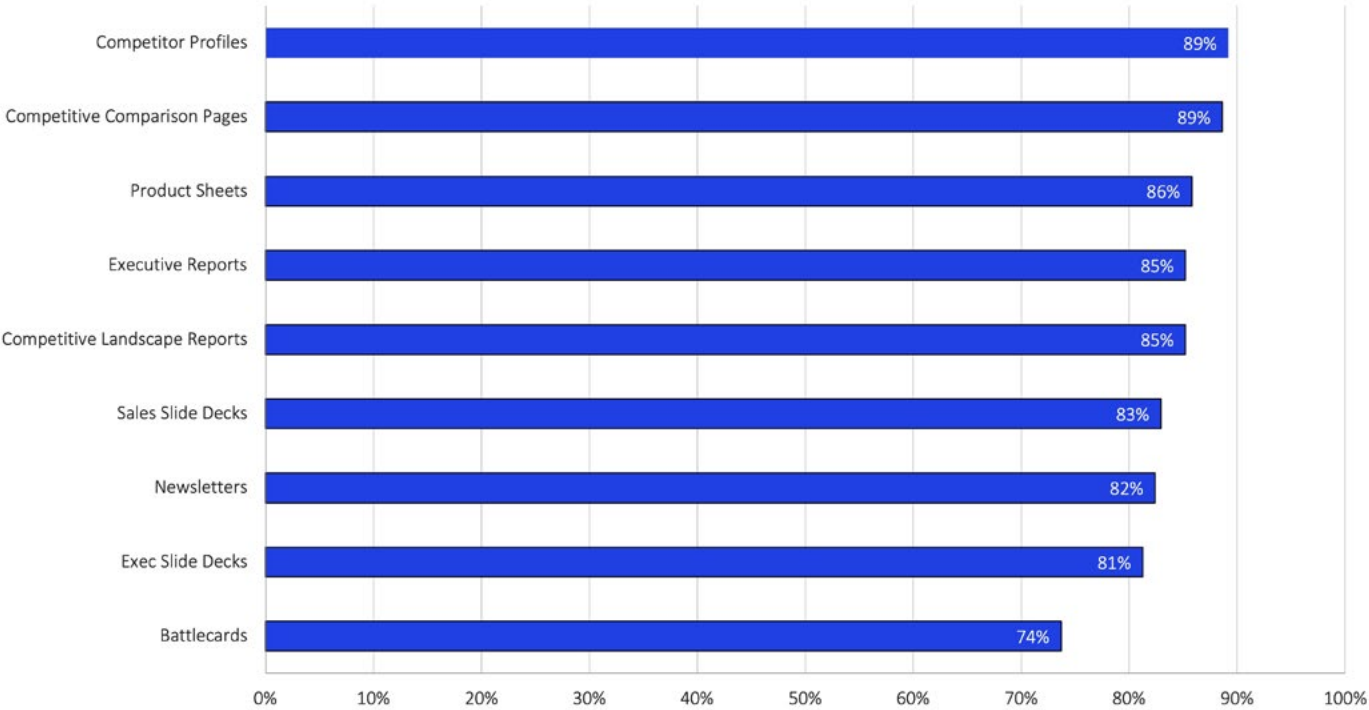
The primary driver of this change is a 32% increase in the number of stakeholders who say CI is somewhat important to their overall success. We can also see that stakeholders are now 66% less likely to say CI is not important at all:

How important is CI to your success?



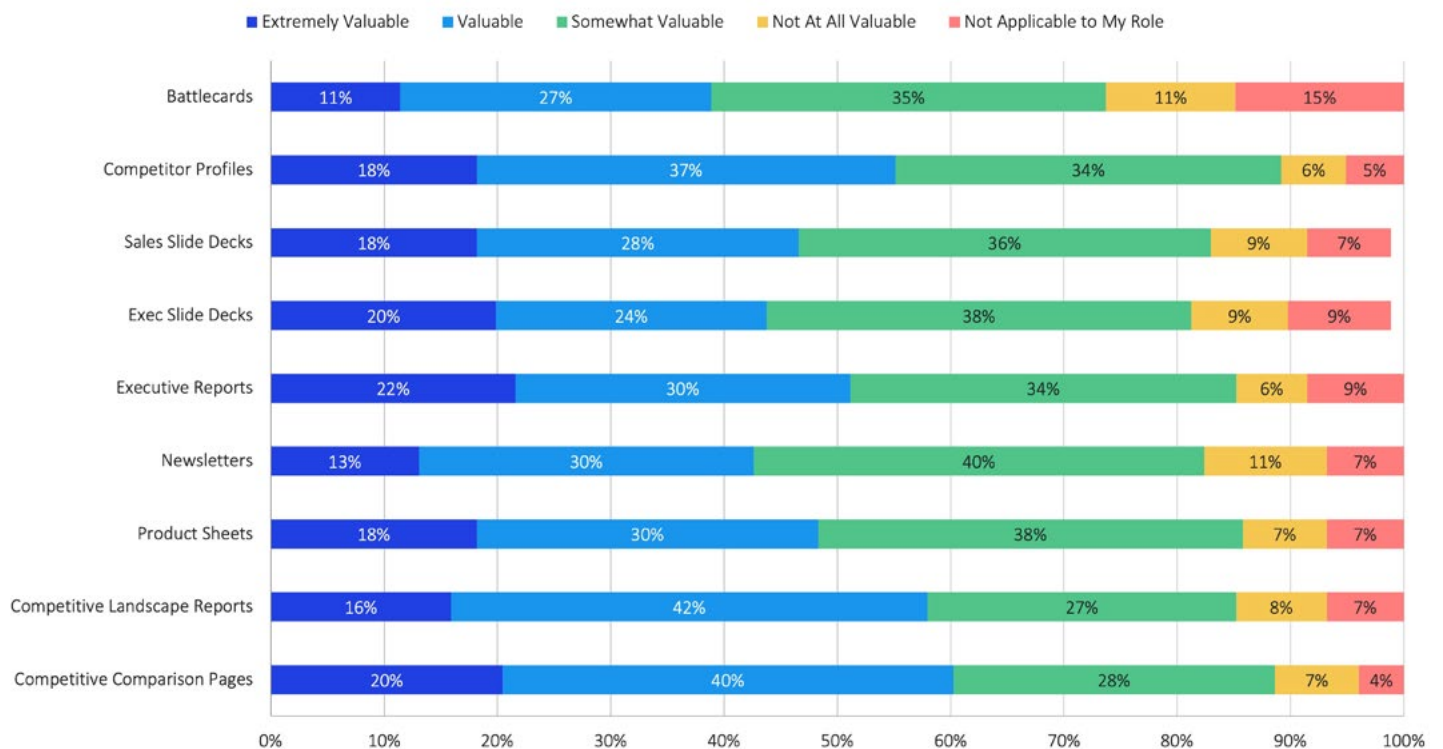
In the same way that not all sources of intel are equal in the eyes of CI professionals, not all outputs are equal in the eyes of CI stakeholders. Considered valuable by 89% of stakeholders, competitor profiles and competitive comparison sheets are the most highly coveted CI outputs:

Percentage of stakeholders who value certain CI outputs



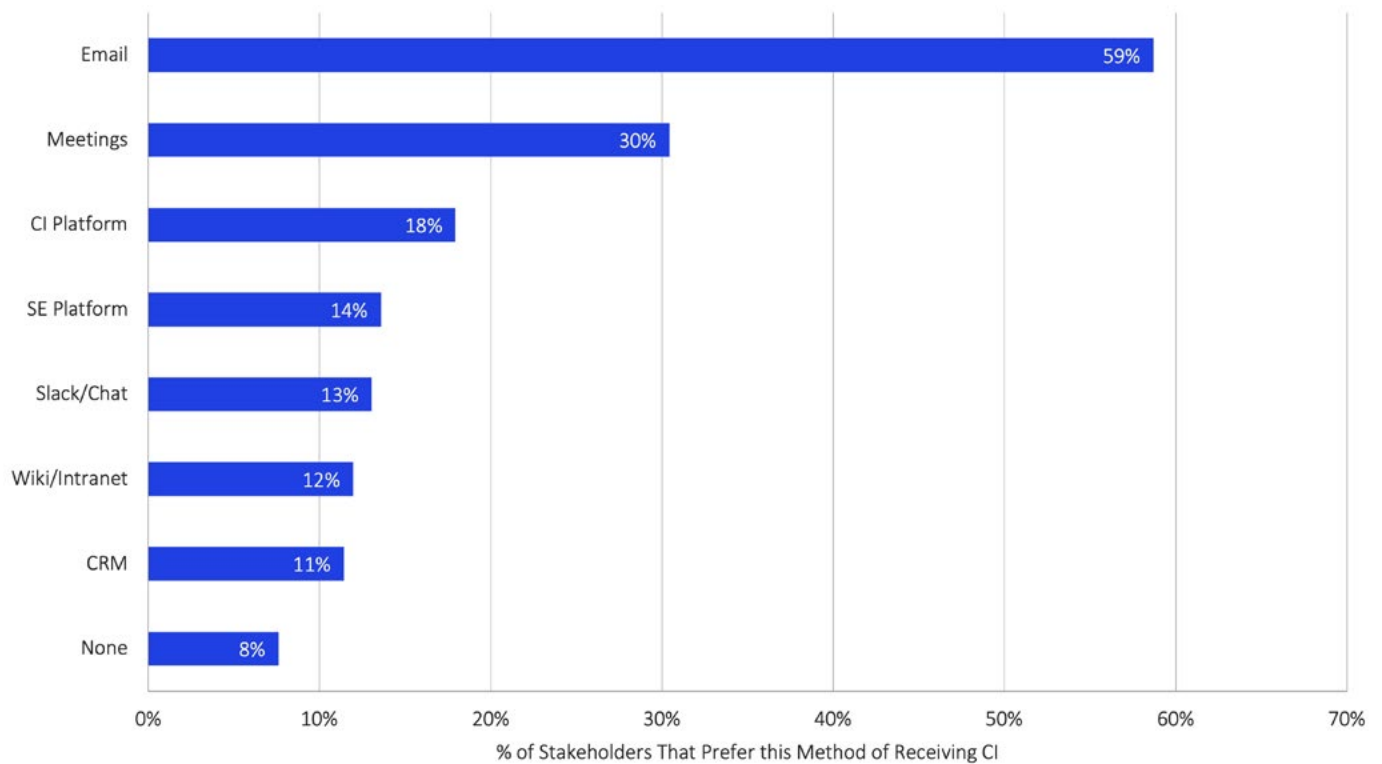
Some of you may be surprised to learn that 26% of CI stakeholders do not see value in battlecards. This is largely due to the fact that battlecards are useful primarily for sales reps, whereas something like a competitor profile has broad appeal across an entire organization. As you can see, battlecards are three times more likely to be described as “not applicable” when compared to competitor profiles and competitive comparison pages.

How valuable do you consider each of these CI outputs?



No matter what types of outputs you're sharing with your CI stakeholders, odds are they'd like to receive them via email: The majority (59%) of stakeholders say email is their preferred method of consuming competitive intel. Face-to-face meetings (30%) are in a distant second place:

How do you prefer to receive CI outputs?



If you recall Chapter 5, when we asked CI professionals which communication methods they use to share competitive insights, CI Platform was tied for last place in a list of seven options (the same list you see here). From the perspective of a stakeholder, however, a CI platform is one of the more preferable ways to consume information. Evidently, businesses have room to improve when it comes to communication between CI professionals and their stakeholders.

9

CONCLUSION & METHODOLOGY

CONCLUSION

CI is a need-to-have—not a nice-to-have.

The COVID-19 pandemic has forced businesses of all sizes to distinguish the nice-to-haves from the need-to-haves. For many, even as we've surpassed the first anniversary of the U.S. outbreak, it's still extraordinarily difficult to justify expenses that are not essential to success.

According to more than 1,000 competitive intelligence professionals and stakeholders, the vast majority of businesses consider CI essential — no matter what, it's a need-to-have.

Evidence to support this claim is abundant. This year, more than 90% of businesses will, at the very least, keep their CI budget as is. 52% will increase their CI budget, and 56% will increase their CI headcount. 62% will increase their use of CI-related tools.

In the context of ongoing economic hardship, these numbers are staggering — but they're not surprising. We say that for two reasons. One, with each passing year, abstaining from CI makes less and less sense: Nearly every business feels an increasing level of competition in their industry. Two, businesses are increasingly aware that investing in CI will yield returns: Even amongst businesses with small CI teams (2-5 employees), nearly two-thirds say they've seen direct revenue impact as a result of their CI investment.

CI is yielding more revenue impact than ever before.

With more headcount and more budget comes greater revenue impact, but as we've seen, these aren't the only variables at play. Defining KPIs, driving strong battlecard adoption, sharing insights frequently across the organization — each of these best practices is strongly correlated with the overall success of a business' CI program.

CI software will play a bigger role as time goes on.

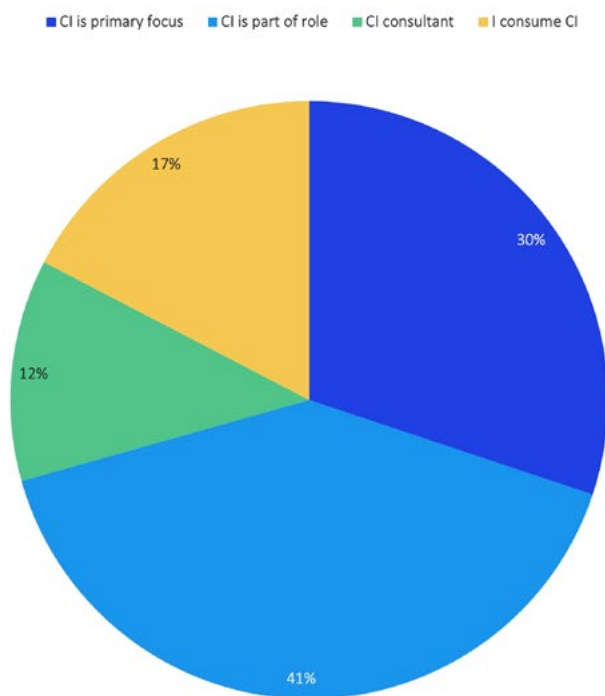
Success also depends, in part, on the willingness and ability of the business to enable its CI team. As we've seen, CI professionals are still spending 10+ hours per week on competitive research. Gathering intel in a timely manner is their #1 challenge, and organizing/centralizing that intel is a close second. Considering the growing enthusiasm for CI-related tools, software will play an even larger role in the CI process as time goes on.

No matter which way you look at it, competitive intelligence is enabling businesses of all sizes to make informed decisions, increase revenue, and grow market share in the face of intensifying competition. And those who make it possible continue to come together, willing and eager to share the lessons they've learned, helping to accelerate the growth of this essential discipline.

SURVEY METHODOLOGY

The 2021 State of Competitive Intelligence Survey was open from December 2020 to February 2021. During this time period, more than 1,000 individuals submitted responses. Of those respondents, 83% were CI professionals and 17% were CI stakeholders. Amongst CI professionals who responded, 36% conduct CI as their full-time job, 49% conduct CI as part of their full-time job, and 15% conduct CI as consultants at agencies. The majority of respondents are based in North America.

Breakdown by role



ABOUT CRAYON

Crayon's market and competitive intelligence software platform enables businesses to capture, analyze, and act on market movements from their competitors, customers, and partners. Tens of thousands of teams use Crayon's software to automatically track and analyze complete competitive intelligence: external messaging and positioning, product and pricing changes, hiring plans, go-to-market strategies, and more pulling from hundreds of millions of sources.

Crayon customers have seen competitive win rates improve more than 50% by enabling their sales teams with dynamic battlecards, efficiency savings of 20% or more by automating their competitive research, and strategic and tactical wins across marketing, product, and executive leadership teams. Forrester Research named Crayon a Leader in the New Wave report on Market & Competitive Intelligence Platforms, and cited that Crayon leads the pack with a focus on measuring the platform's impact on sales and is differentiated in catching and annotating changes to the complete domain of a company website, including a company's deep website pages.

To learn more about Crayon, visit www.crayon.co

ABOUT SCIP

SCIP is the world's largest community of Intelligence Strategists: leaders who leverage insights and best practices to enable smart strategic choices and transformational growth. We increase members' impact and capabilities through advancing ethical best practices, developing professional standards, curating innovative and disruptive ideas, and cultivating a powerful community. As a non-profit, we collaborate with partner organizations to promote the value of strategic choices driven by insights rather than by gut feeling, conventional wisdom, or the loudest voice in the room.

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