

# 10 REASONS

## why newly established firms need Competitive Intelligence<sup>1</sup>

Until recent, a simple marketing analysis was sufficient for a company to find their place in the market, especially in a newly capitalist economy, such as Romanian one.

However, as competition has become increasingly fierce, the need to find new competitive advantages has grown exponentially. Therefore, in order for a newly established company to take the right decisions and to successfully enter a crowded market, it is necessary for the top management to know, primarily, all the details about the market and the competitors.

# 1

## **In order to protect the IDEEA underlying a start-up**

**Often, the idea or ideas underlying the creation of a new firm are not adequately protected. Details provided to some partners or investors may void the initiative in front of a skillful and resourceful competitor. An already functional company can assimilate and implement an interesting idea faster. Protecting the idea is not referring only to information itself, but also to own actions that can reveal it.**



# 2

## **In order to be at least one step ahead**

**Companies that thrive are generally those which show that they can react quickly to the constantly changing consumers needs. Mobile communications, cars or gadgets markets are just a few examples that support that idea. Therefore, for a newly established company, to be one step ahead of competitors regarding the knowledge about their market can be the ticket to success. Through Competitive Intelligence, we permanently analyze trends and provide estimates.**

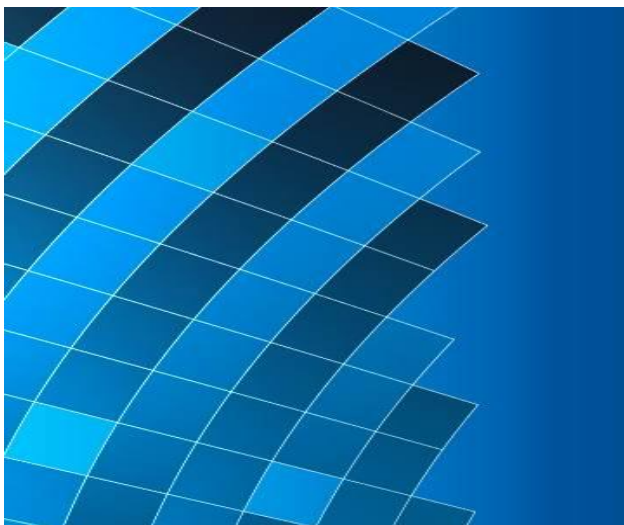


# 3

## **In order to know their work environment**

**Political changes lead, at least in Romania, to important changes in the economic environment. Although denied by politicians, the political dependence of the economy is real.**

**Anticipating any draft legislative amendments framework allows the intelligence beneficiary to design scenarios and develop contingency plans that will protect him from unexpected shocks.**



# 4

## **In order to understand technological trends**

**The systematic study of competitors' actions can show new market trends, innovation possibilities or new directions the technology is heading towards. All this can help a newly established company to concentrate its activities on high potential technologies.**

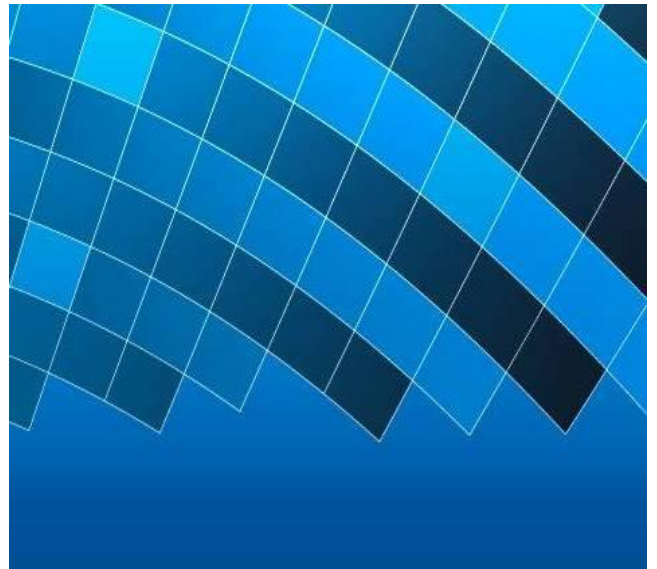
**Technology selection and their appropriate application create competitive advantages.**

# 5

## **In order to learn from others' mistakes on others' money**

**A newly established firm has to choose between learning from others' mistakes or from their mistakes. Own mistakes cost a lot. Always.**

**Lessons learned from others' success and especially from others' losses can relieve a firm of high risks. Competitive Intelligence draws upon the reasons of success or of failure, and the possession of such information can significantly boost the company.**

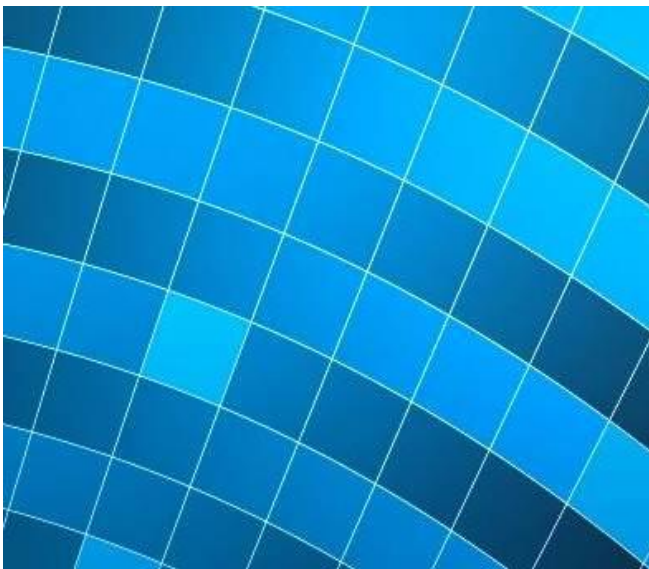


# 6

## **In order to attract investors**

**Investors are cautious.**

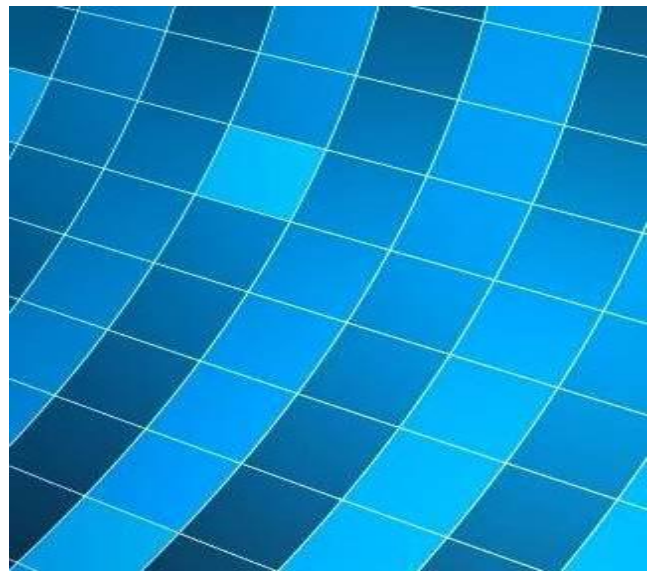
**In particular, when entering a relatively unstable market, such as the Romanian one, they will be skeptical regarding any doubt of the business plan they finance. Therefore, valuable information that can be obtained from Competitive Intelligence represents the key towards gaining those investors trust, especially if they want to fully know the company and market they decide to invest into.**



# 7

## **In order to protect innovative technology that can be held by a start-up**

It often happens that those who invent/innovate prefer to enjoy their work in their own firm. Protection of intangible heritage – knowledge, know-how, manufacturing methods – is proving more difficult than it first seems. Company's work philosophy based on intelligence and information culture can, at minimal cost, remove potential disasters.



# 8

## **In order to have, from the outset, the intelligence culture as part of the organizational culture**

A newly established company has the advantage of introducing rules and procedures through which they can protect their interests in relation to third parties. Intelligence culture, as part of the organizational culture, is a competitive advantage that can be placed and stored from the first day of operation, the costs being insignificant.

Corporations spend significant amounts on this type of cultural assimilation in their organizational culture.

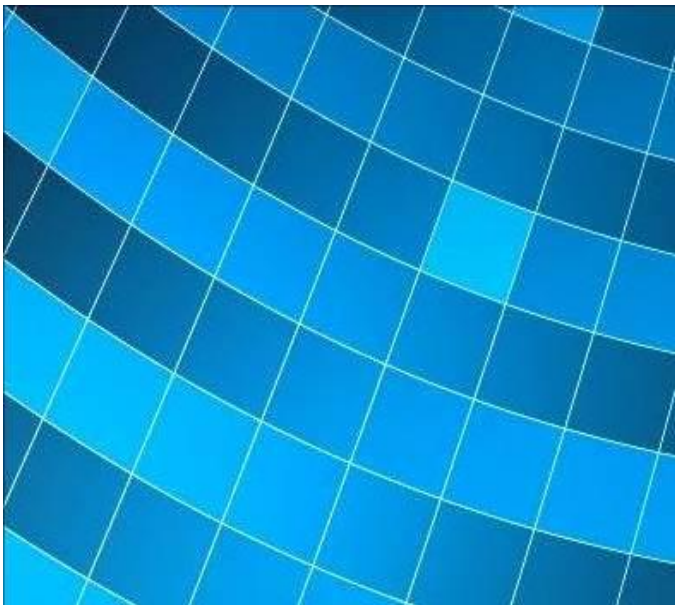
# 9

## In order to survive

Despite the enormous potential for economic development, the survival of new firms in Romania is a challenge.

Therefore, not only the information about the market leaders is important, but especially those about the other start-ups.

They pursue the same goals, meet the same conditions and can be equally aggressive, so it may prove to be even more dangerous than the market leaders.



# 10

## Because it is possible

If until recently the collection of data and information was very expensive, with the evolution of technology, collecting and storing information which will be transformed into intelligence has become much easier.

Therefore, the cost-benefit of Competitive Intelligence will always be favorable.

Even simple methods, systematically and professionally applied, can bring unexpected benefits.

**<sup>1</sup>Competitive Intelligence means identifying the top-management information requirements, collecting, planning, data and information analysis, intelligence production and dissemination, within the law and the professional ethics, as well as own information protection, in order to increase the competitiveness of a company or of other type of organizations.**

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