

10 Tips for Selecting a CI Research Vendor

Monique Eddleton

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Selecting a competitive intelligence research vendor can be a daunting task. CI vendors come in all shapes and flavors, from small outfits to large firms with offices in multiple cities around the world. Selecting the wrong vendor could have a significant negative impact on your company's business.

We have all heard the stories of companies that used unethical tactics to collect information on a competitor. However, there are many highly reputable CI research providers that provide insightful, actionable information while protecting their clients' interests and reputations.

Outward Insights has helped dozens of clients outsource CI research to reputable vendors as part of our CI system support services. Here are 10 tips to ensure that you are working with a reputable CI research firm:

1. **Ensure that they have a stated ethics policy.** At a minimum, the vendor's ethics policy should adhere to SCIP's guidelines. The firm should not allow staff or subcontractors to mis-represent themselves when collecting information. And, it goes without saying that eavesdropping, setting up "front" companies, and other similar means are strictly prohibited.

2. **Ensure that you have a confidentiality agreement.** CI research is sensitive work, so be sure to require that the CI firm sign a confidentiality or non-disclosure agreement before you share any information with the vendor.

3. **Know how the vendor handles conflicts of interest.** It is possible that the vendor will be working with other companies in your industry, or even your direct competitors. Ask vendors to disclose whether they are also providing services to competitors (though they may not be able to disclose client names). If they are, ask how they will handle conflicts of interest.

4. **Determine how your information will be protected.** Does the vendor use secure servers? How many people have access to project files? Are files password-protected? You will want to be sure that the vendor's practices match your information protection standards.

5. **Determine whether information is re-used.** Sometimes, companies within similar industries ask for similar information, and vendors may recycle information for your project. Leveraging industry knowledge is one thing, but re-using research from an old project is not acceptable.

6. **Understand the subcontractor policy.** Ask the vendor whether and when they use subs. Using subs to gain technical or industry knowledge, or to add to capacity, can be legitimate. If the vendor plans on using subs, ask for bios and for the right to disqualify any sub from your project you find unacceptable.

7. **Know the research methodologies being used.** If the vendor is conducting primary research, ask what kinds of sources will be called and how they will be identified. Understanding the research methodology will give you comfort that the firm is collecting the right level of information.

8. **If possible, request blind copies of past projects.** References may be hard to obtain as vendors are sometimes required to keep client names confidential. However, vendors should be able to provide sample reports or sanitized copies of past project reports that illustrate their strengths.

9. **Insist on regular status updates.** Doing so ensures that the project stays on track and gives you an opportunity to provide input along the way.

10. **Set expectations for deliverables at the onset of the project.** Understanding what you will be receiving helps avoid unwelcome surprises. Will you receive a summary of collected information, or insights and implications as well?

With some careful pre-planning and thorough evaluation of vendors, most companies can successfully outsource CI projects with excellent results.

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