Standardization: a major tool for competitive intelligence

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Overview

- In the contemporary business environment, the growing number of companies are treating business like an economic war.
- Competitive intelligence has become the “latest weapon in the world of economics.”
- We argue, standardization is akin to competitive intelligence, and standardization can be better conceptualized as a “weapon” in economic and strategic battles of firms.

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Standardization and competitive intelligence (CI)

- Intelligence system is a communication facility serving the conduct of business.
- CI process consists of series of business activities for identifying, gathering, developing, analyzing, and disseminating publicly available information on direct and indirect competitors in a range of fields: general business activity, business development, strategy and tactics, markets, IPRs...
- Standardization is a process of making a standard. A standard is a document that establishes a uniform specifications, criteria, methods, processes...
- Standardization is akin to CI, as standardizers have to gather information, deliberate of feasible design solutions, and devise strategy for establishing the standard...

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Standardization as a tool of CI

• Companies deploy CI to win the economic battle:
  – Create or increase their market share
  – Push their technology as the dominant design / IPR
  – Block the technology / IPR of the others
  – Etc.

• Standardization becomes one of the tools a firm uses in CI process

• To win a battle, it is **essential** to have:
  – good weapons (tools),
  – well prepared soldiers (people),
  – a good knowledge of the battlefield (the org. landscape),
  – a good knowledge of the enemies strengths and weaknesses
  – a good strategy

• To win a **standards development battle** all the above applies!

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Initiating the process

• Choosing an involvement strategy:
  – Develop a de-facto standard alone (MS Windows, iPod)
  – Develop an anticipatory standard through SDO or consortia
  – Become an observer

• Get familiar with the standardization environment

• Set up a team of people to become the “ambassadors” of the firm and its “weapon” at the same time

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Entering the field

- How to participate?
- Match the organizational requirements and setup of different available SDO with firms potential to influence though a variety of channels:
  - Lobby, training, secretariat, service to members
- At which level of SDO to act?
  - Country level representation (ISO, IEC)
  - Representation through industry association/workshop
  - Single person representation (IETF)
- In which SDO is the “future”?
  - Joining one SDO may be forcing the others to do the same
- How much money the firm has for supporting the involvement?
  - Membership fee/ participation expenses vs. influence opportunity
Play by the rules, play with the rules

- Know the voting rights of the different SDOs
  - per-country vote (ISO/IEC)
  - membership fee based vote (ETSI)
  - Representation through professional organization (BSI)

- Gather information
  - Sources: the attendee list, the agenda, the contributions (their number and origin), the new proposals (NPs), etc…
  - Intelligence on: stakeholders interests, trends, commitments, the expected level of consensus, etc.

- Evaluate the information, report, link systematically as a part of firm’s CI process

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Influencing standards development

• Standardization arena is one of the best places to influence the choice of the future technologies and practices, as long as the standardizers …
  – Know the process (rules and procedures)
  – Have necessary qualities of lobbyists and diplomats
  – Have understood the linguistic and cultural differences of the stakeholders
  – And are fully aware of the strategy of their company

• The firm can use the “intelligence” from the standardizer to become the master of the game:
  – Delay or block the choices of others, promote own choices, etc.

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Optimizing firms strategy

• Through participation in the process, the firm obtains a better sense of the **timing of technology development**:
  – Know when the standard will be published
  – Know when voting at different stages takes place
  – Know when comments are prepared and consolidated
  – Anticipate the reactions of different stakeholders
  – Have a foresight on the future market

• Through participation in the process, standardizer can meet the competitor, to talk and discuss with the competitor:
  – obtain confidential information in legitimate way!
Challenges in setting up firm’s CI and standardization units

• Firm’s CI and standardizations units should work in close collaboration
• For successful work certain skills and knowledge are needed:
  – Charisma, recognition by peers, among other…
• Difficult to convince the management on the utility of CI or standardization, on the possibility of influencing and foreseeing the market development
• Both CI and standardization are both of the long-term nature – ROI is difficult to prove
CI and standardization in education

- International Cooperation for Education about Standardization (ICES)
- European Academy of Standardization (EURAS)
- EITSI – chair in Standardization & CI
Thank you!

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