International Business
Master Thesis No 2002:10

Creating an Information Exchange Network
- Improving the Marketing Intelligence Process

A case study of Volvo CE in Australia

Maria Wickberg & Ausra Zaksaite

Graduate Business School
School of Economics and Commercial Law
Göteborg University
ISSN 1403-851X
Printed by Elanders Novum

Abstract

Marketing intelligence is a contemporary concept within MNCs. Its interpretation and extent is not entirely clear, which makes it complex to utilize. In research, it is evident that marketing intelligence as an entity is not profoundly discussed. Intelligence exists in various concepts where researchers' are not clearly distinguishing between the differences. This thesis starts with bringing marketing intelligence in its entity considering information exchange, which is a base for intelligence.

Evidently, there were no existing theories in this topic. It was therefore necessary to identify a number of features connected to the marketing intelligence process (MIP). Theories for each feature were put into a context, and a theoretical framework was conceptualized. The theoretical framework creates a foundation for how to structure the MIP in order to efficiently utilize intelligence in the decision-making process for an MNC.

In order to examine how MIP should be exploited in an MNC, Volvo CE International AB is the chosen case company. Volvo CE International AB's marketing intelligence process has been examined in order to identify crucial factors for organizing and improving it. The study is conducted on a local level, where Volvo CE's regional hub in Australia is an important unit in the process.

Key Words: Marketing Intelligence, Intelligence Network, Relationships, Information Exchange, Marketing Intelligence Process

Acknowledgements

First of all, we would like to give our gratitude to Lars Haglund for giving us the opportunity to study a very interesting and unique topic, marketing intelligence at Volvo CE International AB and the opportunity to experience Australia. We would also like to thank Göran Karlström and Anders Johansson for all support in order to complete the study. Furthermore, we would like to thank Sean Taylor at Volvo CE International AB's regional hub in Australia, Alan Barnett at CJD and all other interviewees who helped us collect the information necessary for the thesis to be finalized.

We would also like to thank our tutors Professor Hans Jansson and Professor Sten Söderman for their valuable guidance and insights on many aspects of the thesis.

Finally, we would like to thank our families and friends, especially Ida Paulsson and Linda Pekonen, for encouragement during the study.

Gothenburg 9 of December 2002

Maria Wickberg   Ausra Zaksaite

Table of Contents

1 Introduction

The introduction chapter begins with presenting the subject background in order to familiarise the reader with the initial setting of marketing intelligence. This is followed by a conceptual discussion, where crucial terms are defined in order to avoid misinterpretations. Moreover, the introduction chapter includes problem statement, outline of the research process, the purpose of the thesis, delimitations and outline of the thesis.

1.1 Background

The fierce global competition compels multinational companies (MNC's) to consistently obtain accurate information for decision-making in order to sustain competitive. (Marketing Intelligence & Planning, 2000) It is crucial for an MNC to be proactive i.e., it must act before its competitors by having a constantly updated picture of market development. Information processing is gradually becoming the platform when enhancing competitive advantage. Therefore, pertinent and accurate information from relevant and reliable sources entails to be successfully processed into and throughout an MNC. This implies that an MNC needs to be confident it has the right information, at the right time, and dissembled to right people. (Palmer & Hartley, 2000) However, the framework of satisfying information needs for decision-making is rather complex and features different activities to be exploited.

The Marketing Information System is an information management approach consisting of four interdependent elements; internal data, marketing research, marketing decision support system, and marketing intelligence. Internal data is applied for planning and control functions. Marketing research provides information about marketing effectiveness, and is exploited as a tool when responding to an apparent market threat or opportunity by conducting studies on ad-hoc basis. Marketing decision support system consists of numerous models applied when making forecasts. Finally, marketing intelligence (MI) is based on continuous assembling of substantial information, which is used by marketing managers. (Palmer & Hartley, 2000) At present the latter is exceedingly gaining in importance for MNCs. MI is pertained to be an indispensable feature when achieving and maintaining sustainable competitive advantage. This further implies MI's importance as an underlying base for decision-making. What actually is Marketing Intelligence? Above all, what is *intelligence*?

1.2 Conceptual Discussion

1.2.1 Intelligence

Before being acquainted with different concepts of *intelligence*, it is essential to attain an understanding of disparity between information and *intelligence* (Kahaner, 1997), but firstly between data and information (Baker, 1994). The dissimilarity between data and information is minor, although crucial. Data are unrelated pieces of information, which takes the form of, for example, sales Figures. However, Zikmund (2002) describes data as "*simply the facts or recorded measures of certain phenomena*". Blankenship (1999) et al. defines data as "*news, facts and Figures that have not been organised in any manner*".

Information is facts; it is numbers and statistics, but also information about people and MNC's actions. Information alone is not a good base for decision-making, no matter how accurate or comprehensive it is. (Kahaner, 1997) However, Zikmund (2002) argues about information as a support to decision making, and defines it as "*a body of facts in a format suitable to support decision making or to define the relationship between two pieces of data*". Blankenship et al. (1999) defines information as "*a body of facts organised around some specific topic or subject*". The extemt tp which information can be a base for decision-making differs between various authors. Most authors argue that information in itself, does not supporting the decision-making, it has to be analysed. The analysing and integrating process of information turns it into *intelligence*.

Blankenship et al. (1999) defines *intelligence* as "*the factual accumulation of the information that is organised and presented to help solve the problem or develop a plan or program*". *Intelligence* is a collection of information pieces that have been filtered, distilled, and analysed. Therefore, managers apply *intelligence* as the base for decision-making. Solely, the information will not give any MNC a competitive advantage. It is the analytical function that is the focal point, not the information in itself. The process of how an MNC turns information into *intelligence* is what distinguishes a successful MNC from an unsuccessful one. (Kahaner, 1997) According to Kahaner (1997) *intelligence* is another term for knowledge, however contradictory opinions occur between different authors. Cook and Cook (2000) also distinguish between knowledge and *intelligence*, where knowledge is defined as analysed information and *intelligence* is defined as a collection of knowledge that has been verified, analysed and applied. Moreover, *intelligence* concerns forecasting or predicting future actions or events.

1.2.2 Marketing Intelligence

Both in journals and literature there are different concepts of *intelligence* presented; business intelligence, competitive intelligence, competitor intelligence, market intelligence, and marketing intelligence. Different authors and scholars often combine these terms for the same contents and function, and even marketing research is often used as a related term.

Business Intelligence is defined by Kahaner (1997) as it is based on historical trends. Pagels-Fick (1999) describes the same term as a framework of activities; gathering of information, analysis, distinction of a successful direction, assessment of risk, and formulation of decision basis.

Competitive Intelligence "*is organised, structured information gathering, analysis and processing to enhance strategic decision-making*" (Cook&Cook, 2000). It can also be defined as "*a systematic program for gathering and analysing information about your competitors' activities and general business trends to further your own company's goals*". (Kahaner, 1997) Dutka (2000) presents a narrower perspective of the same concept and states that competitive intelligence is "*a process that involves collecting, analysing, and acting on information about competitors and the competitive environment*".

Competitor Intelligence is used by Pollard (1999) and defined as "*the output of a systematic and legal process for the gathering and analysing of information about the current and potential competitors of a business*". The similar definition is introduced by Hussey and Jenster (1999), who refer to competitor intelligence as "*an assessment of competitors [...] to describe market phenomena and produce decision-relevant information for managers at different levels in organisations*." Wright et al. (Marketing Intelligence & Planning, 2002) provides a comparison between two intelligence concepts as follows; *"*competitor *intelligence is not competitive intelligence but only a part of it. The focus of competitor intelligence tends to be on problems associated with the daily profitable marketing of a company's products or services. The scope of c*ompetitive *intelligence is a value-added concept that associates competitor intelligence and strategic planning.*"

Market Intelligence is defined as "*a set of procedures and sources used by managers to obtain their everyday information about pertinent developments in the marketing environment*". (Kotler and Armstrong, 1997) A distinct definition is provided by Tsu Wee Tan and Ahmed (1999): "*market intelligence is a process of knowing what the competitors are up to and staying one step ahead of them, by gathering actionable information about the competitors and ideally, applying it to short and long-term strategic planning.*"

Marketing Intelligence is defined as "*a continuing and interacting structure of people, equipment, and procedures to gather, sort, analyse and distribute pertinent, timely and accurate information for use by marketing decision makers to improve their marketing planning, implementation and control*". (Kotler and Armstrong, 1997)

Marketing Research is defined as "*the systematic and objective identification, collection, analysis and dissemination of information for the purpose of assisting management in decision making related to the identification and solution of problems and opportunities in marketing*". (Malhotra, 1996) Dutka (2000), on the contrary, state that "*marketing research involves an inductive process, where information about a specific sample is generalised to a larger population*."

It is evident that concepts of intelligence are confusing when intending to clearly define them. Some definitions encompass different actors of the market while some partly cover the same area of interest when defining the identical concept of intelligence. However, the extent of information gathering and analysis as well as its objectives differ to a rather large extent. Therefore, the substantial challenge concerning marketing intelligence (MI) is its unambiguous and clear delineation. In order to get a comprehensive perception of MI in this thesis, the following definition has been developed and is exploited throughout the study:

"*Marketing Intelligence is an approach used to gain valuable insight into the markets MNCs operate in, by obtaining the pertinent information about developments in their marketing environment, including stakeholders, competitors, customers and dealers, in order to be pro-active*."

1.3 Problem Statement

A constructive tool such as MI is indispensable in order to assist managers with intelligence about competitors, customers, stakeholders as well as other relevant aspects of the market. MI, when successfully organised, enhances and provides MNCs with structured information collection, its analysis and intelligence dissemination. By the fact that MNC's are confronting markets, which are difficult to manage and where the development might change dramatically both positively and negatively, the importance of intelligence is implied. Accurate intelligence about the market is an important tool when predicting the future and enhancing the base for decision-making. Increasingly, companies are using this technology to enhance decisions on issues such as whether to enter new markets, how to manage customer relationships and how to promote products (Financial Times, 1998).

It prevails that valuable marketing information often is ignored without paying thorough attention to it. This occurs since the majority of achieved information is of qualitative character, which is the focal problem when structuring, evaluating and analysing incoming data. Therefore, the process of MI's organization, Marketing Intelligence Process (MIP), due to its complexity is rather difficult to manage. The MIP, when correctly implemented, enhances the capability of the company to gather, sort, analyse and distribute accurate information to the decision makers. Therefore, this process is a responsibility for MNCs to implement in order to achieve pertinent MI.

After an extensive pre-research within the topic it was concluded that no previous research concerning the MIP as an entity have been conducted. Therefore, this thesis is a unique case study, which develops a platform for MNCs when implementing and improving the MIP. Since MIP is a complex approach, both to exploit and to organise, it is particularly important to find a structured way of dealing with the information i.e., its management process. It is crucial to obtain MI on the right time into the decision-making process. It is also essential that the right person has access to information during the whole collection and analysing process in order to provide feedback of what intelligence is necessary. It is, therefore, vital to know where the information should be collected from and how should it be organized? This leads to the formulation of following problem statements that will assist in solving the problem that MNCs have with improving the MIP.

Main Problem

> How can Marketing Intelligence Process within a multinational company be organized in a systematic way in order to improve the operational decision-making process?

In order to solve the main problem, four independent research problems have been defined. The first research problem is focusing on how communication is related to the marketing intelligence process. Intelligence is the fundamental element when making decisions. Information, which is the input for intelligence, must firstly be communicated between different actors. Communication is therefore a crucial element that will impact how well the MIP will function.

Research Problem 1

> How can communication be exploited for mutual information exchange in order to implement a well functioning MIP?

Communication will impact the internal and external activities concerning information input. The second research problem will focus on the internal activities. It is crucial to organize the information and intelligence flow within the MNC in order to enhance the decision-making. A well-functioning communication between the different actors will impact the management of marketing intelligence internally.

Research Problem 2

> In what way should marketing intelligence be managed and organized internally?

As stated above, information is the fundamental input for intelligence. A major source of information is the dealer, which should be exploited when improving the MIP. Therefore, the MNC and its dealer have to establish mutually beneficial relationships that would lead to develop the dealer as a supportive contributor to the MIP in terms of information exchange.

Research Problem 3

> How can the relationships between the dealer and the MNC be aligned and enhanced in order to exploit the dealer as a supportive contributor to the MIP?

The dealer together with the regional hub performs as direct links from the market to the MNC. They have relationships with customers, competitors and stakeholders that are present on the market. These actors possess much valuable information that needs to be achieved by establishing contacts with them and developing relationships. Therefore, customers, competitors and stakeholders, as sources of information, can also contribute to the MIP.

Research Problem 4

> How can customers, competitors and stakeholders, as sources of information, contribute to MIP?

1.4 Outline of the Research Process

Figure 1, illustrates how the research problems are connected to the main problem, where the empirical data comes in and the analysis is carried out.

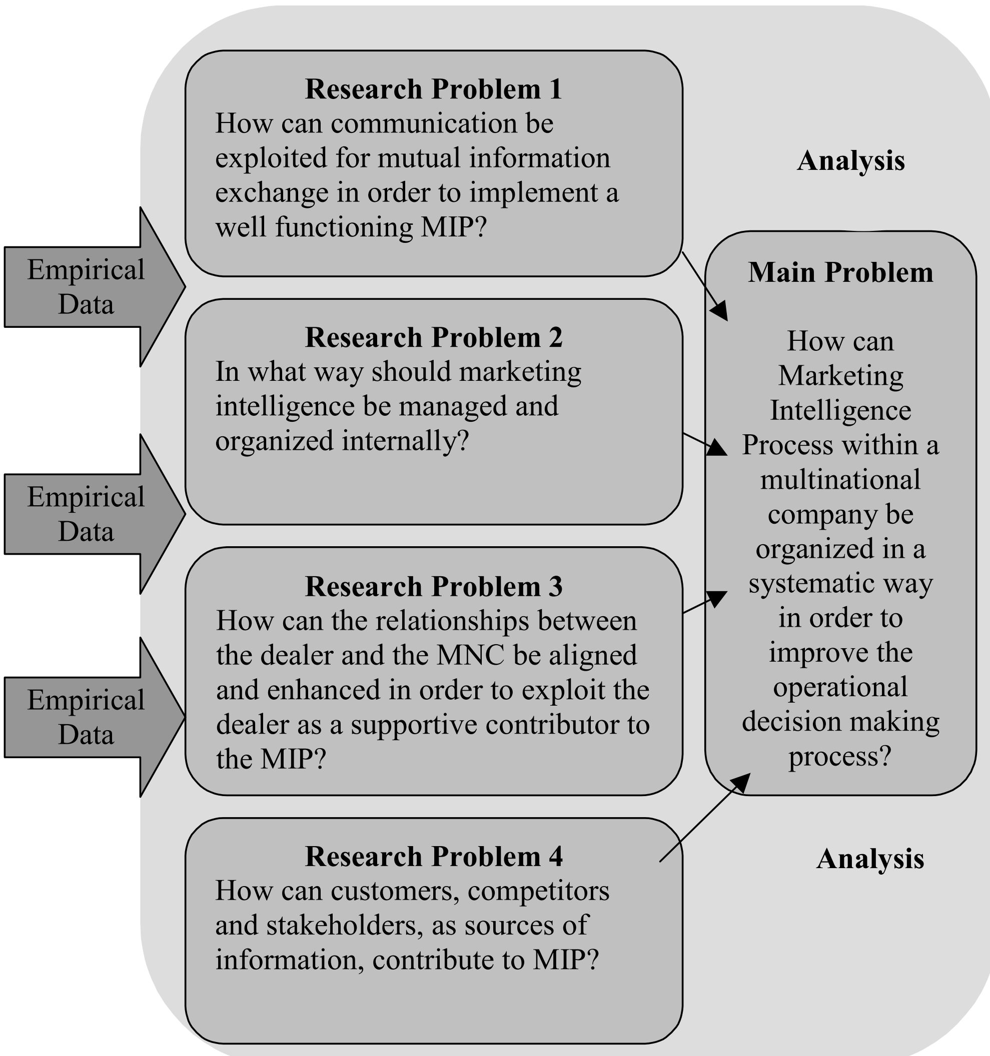


Figure 1: Thesis Research Process
Source: Own

The research process demonstrates that the research problems will be solved separately, i.e., they are not interdependent. However, in order to have a rational flow and a logical structure of the Master Thesis, the problems numbering will be followed by first answering the research problem 1 and, in accordance, the rest. This process will be based on the gathered empirical data and its continuous analysis leading to the answer of research problems. This, subsequently, provides the solution of the main problem.

1.5 Purpose

The aim of the thesis is to present a framework for a well-functioning MIP. The suggested outline will assist an MNC to collect information and disseminate MI in a systematic way, making sure all necessary intelligence is collected. Therefore:

- The intention of the thesis is to *evaluate, structure* and *improve* the Marketing Intelligence Process in order to enhance the short-term decision making for a multinational manufacturing company.

1.6 Delimitations

The thesis will only concern the local perspective i.e., the framework will be based on operational decision-making. This means that the strategic perspective will not be taken into consideration, where the global perspective involves the corporate headquarters and suppliers. The emphasis will be on the chain of interactions among stakeholders, competitors, dealer of distribution, and customers versus an MNC operating on a specific market. It is also delimited that the MNC is not directly interacting with its customers but through the dealer of distribution.

Although MI is mentioned as a source to competitive and sustainable advantage, the thesis will not focus on this issue. The aim is to illustrate a framework for MIP and its impact on operational decision-making rather than describe its application when enhancing competitive advantage.

There will be no concentration on what indicators should be used in order to gather relevant information and how the information should be analysed. Neither is the thorough description of suitable database provided due to internal dissimilarities within different MNC when applying the technology-based devices.

1.7 Outline of the Thesis

The thesis is following the sequence illustrated in the Figure 2.

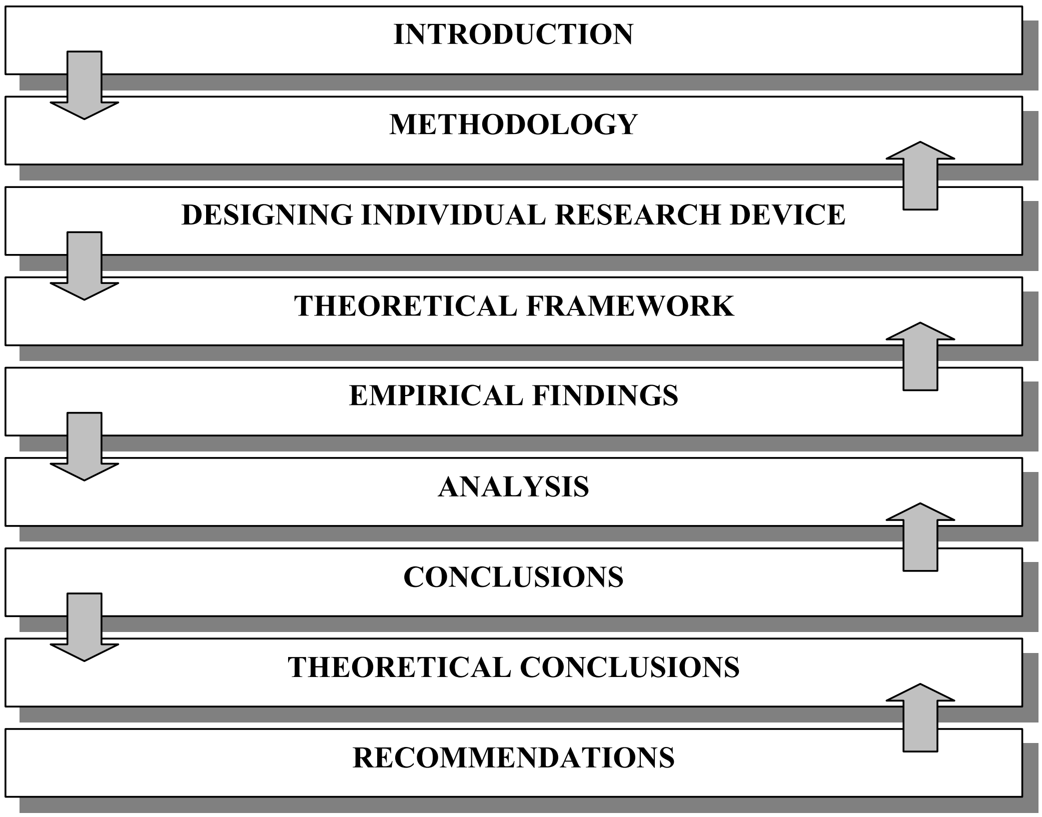


Figure 2: Thesis Outline
Source: Own

The starting point was the Introduction chapter where, firstly, a general context of the thesis topic was presented. Secondly, in order to evade possible confusions of different concepts exploited throughout the study, the conceptual discussion was included. It was further followed by problem definition stating the main and supportive research problems. Finally, thesis purpose and delimitations have been presented. The thesis methodology is the second chapter of the thesis, which entails the techniques and approach that have been applied during the whole process of conducting this study. Chapter three discusses own thoughts of how the theoretical framework was conceptualised and how the different theories are linked to each other. Within chapter four the theoretical framework is presented which outlines the basis for factual findings described in the following chapter of empirical study and analysed in the analysis chapter. Thereafter, conclusions and theoretical contributions to the science are presented. It is followed by practical recommendations for the case company. Finally, suggestions for future research are presented.

2 Methodology

Methodology forms the bridge between the theoretical framework and empirical study in the research and plays an important role in determining the reliability and validity of the case study. The relevant prerequisites and their actual implementation when conducting the case study are presented. Additionally, the choice of Volvo Construction Equipment as a case company is explained. Lastly, there is a discussion of having an "impeccable" case study, where possible errors and discrepancies are unveiled.

2.1 Research Strategy

According to Yin (1994), there are five research strategies to be exploited; survey, experiment, archival analysis, history, and case study. The choice of research strategy depends on three circumstances. The first aspect to consider is what type of research question is posed. The choice of research strategy is also dependent on the extent of the investigator's control over and access to actual behavioural events. Another aspect that should be taken into consideration is if the focus of the analysis is on contemporary or historical events.

Merriam (1998) describes a case study as which provides an in-depth understanding of a situation. Focus is rather to understand a context than focus on a specific variable. A case study differentiates itself from other types of qualitative research since it provides intensive descriptions and analyses of specific units.

The case study strategy comprises certain inadequacies. Yin (1994) describes three common prejudices against case studies. *Firstly*, the gathered information should be reported impartially. While conducting the research, all aspects should be demonstrated objectively in order to avoid biased views, i.e., personal preferences. *Secondly*, there is a concern about case study's appropriateness when generalising the results of the research. One can argue that a single case study does not provide enough evidence to make a scientific generalisation. However, the chosen research strategy is conducted on a theoretical basis, therefore, it is possible to conduct generalisations to theoretical applications. The case study does not embody an illustration of any theory, but implements the purpose of the investigation to extend and take a broader view of the theories. This is called an analytic generalisation, which is opposite to a statistical generalisation applied to itemise the frequencies. *Thirdly*, the case study strategy is rather time consuming since the common method of data collection, such as field studies, requires much time collecting and compiling the information.

Considering the way the main problem and the research problems are formalised, the case study approach has been chosen when executing this particular thesis investigation. Firstly, the so-called *how* questions are predominant in the problem definition. One can argue that this formulation of the problems is also applicable when conducting experiment or history as a research strategy. However, the experiment requires control over the existing behavioural episodes. Although this master thesis research involves the current set of events, they are very hard or even impossible to control. Therefore, the experiment as a research strategy is not relevant in this situation, an advantage for the case study approach. On the other hand, the history focuses on contemporary practices and by this argument could be chosen as a research strategy, but it demands control over the behavioural events. Thus, history is not a suitable for this master thesis research either. Instead, this discussion verifies the rectitude for the choice of case study as a research strategy. (Yin, 1994)

Furthermore, the undertaken investigation of Volvo CE International AB can be defined as a case study since the focus is on one particular company. Additionally, the research is concentrated on a specific organisational process, Marketing Intelligence Process, aiming to have its profound understanding in the context of the contemporary events. Finally, the case study research strategy allows validating the chosen theoretical approach with the empirical example of Volvo CE International AB.

2.1.1 Choosing Case Company

The interest in Volvo CE International AB aroused during previous projects at the Master Program, were market analyses of Volvo CE International AB and its dealer were conducted. At the end of the summer 2002, contacts with Volvo CE International AB were initiated. A mutual interest in marketing intelligence resulted in a thesis topic concerning how to improve the marketing intelligence process in order to be proactive. Since the markets, controlled by Volvo CE International AB, are difficult to predict, the marketing intelligence process has an operational focus. Australia was chosen as the case-market where the field study was conducted. The Australian market is a rather developed market for Volvo CE and would therefore function as a good base for investigating the marketing intelligence process (MIP) in practice. A well-developed market, with well-established dealership will much easier provide a full understanding of the MIP.

2.1.2 Case Study Design

When identifying the research strategy the next step is to design the case study. Yin (1994) describes a research design as ”*an action plan for getting from here to there”*. Four types of research designs exist, where the first distinction between single-case or multiple-case studies should be made. Since there are no previous studies concerning marketing intelligence process, this is considered to be a unique research, which is a characteristic for conducting a single-case design. Being that the nature of the marketing intelligence process will be studied, the type of single-case design will be of an holistic approach. The holistic approach describes the nature of a program or organization. The nature of the study tends to shift during the study, since different evidence discovered during the research process might address different questions.

2.2 Research Approach

The research strategy can, according to Yin (1994), take three different approaches; exploratory, descriptive or explanatory. The main purpose is to create a new theory on how the marketing intelligence process should look like in an MNC operating within the construction equipment industry, therefore an exploratory approach will be exploited. There are no theories particularly concerned with the marketing intelligence process and its practical implementation. Therefore, the theoretical framework has been built by integrating different models and concepts, which will result in an own theory for the process. Furthermore, the intention is also to describe as how an MNC should utilise the marketing intelligence process, therefore, a descriptive approach will be exploited.

2.3 Research Method

According to Holme and Solvang (1991), the fundamental problem when researching is to first choose what kind of research method will be used. Choice of research method should be based on how the main problem and research problems are defined. If the research method is chosen beforehand, constraints regarding the choice of problem statement will be diminished. The research approach is another decisive factor when deciding research method.

A research can take the form of *quantitative or qualitative* method. The significant difference lies in that the quantitative method converts the information to numbers and quantities, from which statistical analyses are being made. Conversely, the qualitative approach is characterised by the researcher's perception or interpretation of the collected information. This method should not be converted to numbers but rather be interpreted by motives, frame of references, social processes and social settings. (Holme, Solvang, 1991) The aim of the thesis is to get an understanding of how the marketing intelligence process should be organised. Therefore, a qualitative method will be conducted for the study.

Merriam (1998) discusses that the *qualitative* research is based on the philosophy that the reality is constructed from observations and understandings obtained in the field. The qualitative method is used when a research encounters issues, which can nor be categorised in numbers. Therefore, a qualitative research is appropriate for explorative researches. It is a way of interpretation, which is used to get a deeper understanding for how a specific group of people think, feels, resonates and reacts. Characteristics for a qualitative research are its flexibility and developing nature, i.e., the ability to respond to changing conditions during the study.

2.4 Quality of Research

When designing a case study, four aspects, emphasised by Yin (1994), need to be taken into account. Each of them have certain strategies in order to improve the trustworthiness and quality of the research study.

2.4.1 Construct Validity

The characteristic for *construct validity* is that, during the research process, the researcher develops a set of operational measures for the studied objectives. Various scholars define the term marketing intelligence rather differently. Therefore, it was necessary to formulate an own definition, which is to be seen in chapter 1. This was mainly accomplished to increase the construct validity of the case study, but to clarify a definition also facilitates the efforts to minimise the possible confusion for the reader. This was especially relevant and beneficial when operating within the data collection phase of the research.

2.4.2 Internal Validity

Internal validity relates to how research findings match reality. The focal point is to measure the right entity or have the right focus when researching. To increase the internal validity, cross-referencing and multiple sources are used. During the field study, it was possible to ask the same questions to different kinds of people from different types of companies, which most likely enhance the internal validity of the case study. However, being that mainly Volvo CE International AB, the regional hub in Australia and Volvo CE's national dealer CJD (Chamberlain John Deere) were interviewed, the internal validity might not be as high as it should be. Therefore, additional interviews were made with SKF, Volvo Group and Volvo Penta, which most likely increases the internal validity of the case study. Also, the close contact with Volvo CE International AB generates a rather high level of the internal validity since the analysed data can easily be verified both by managers at the sales company in Eskilstuna, and the regional manager at the Australian hub.

2.4.3 External Validity

Another aspect of the quality of research is the *external validity*. It relates to if the findings from the study are possible to be generalised to other cases. First, it has to be internally valid otherwise it is no point to generalise the information. Moreover, according to Merriam (1998), generalising qualitative research is often a difficult issue. Therefore, the research needs to be based on assumptions of equivalency between the sample and the population. Yin (1994) further states that the replication of similar studies can evidently increase the external validity of the case study. However, being that the marketing intelligence is a rather new concern MNC's are encountering, not many studies are conducted within this area. Therefore, this research is concerned with the analytical rather than statistical generalisation. This means that the study can be applied to other markets, where the marketing intelligence process needs to be improved. However, it is important to be aware of that other markets might have different ways of interacting but also take other aspects into consideration, such as business culture. This study provides a high external validity concerning generalisations, which is based on the fact that other MNCs were interviewed. Those interviews provided a profound insight of the marketing intelligence process (MIP), which showed that MIP was conducted on similar ways in the different companies.

2.4.4 Reliability

Merriam (1998) refers to reliability as the extent to which research findings can be replicated. If a study will be repeated, will it have the same results? A common problem is that the qualitative study often has a changing character, the phenomenon that is measured is not static. Therefore, repeated studies in the area will often have changing results. A qualitative research is often based on assumptions that there is a single reality and studying it repeatedly will therefore probably generate same results. Moreover, the interpretations are often based on how the world understands it. The researcher carefully needs to evaluate the information since even though several people have experienced the same phenomenon; it does not make the observations more reliable. To increase the reliability a few factors were considered. Before every interview it was always explained who we were and a short introduction of what the study was all about was presented. Questionnaires were always sent out in advance. It was perceived that if the respondent had the chance to prepare for the interview, more reliable answers could be obtained. In addition, the interviews were always compiled together with the belief that discussing the perceptions and observations from the interview would provide most reliable information. Critical thinking when collecting information, as well as analysing it, were a crucial factor that was taken into account. Therefore, multiple sources were used to a wide extent, it is therefore believed that the study is of high reliability.

A major concern in this case study is its validity and reliability. The analytical generalisation of the results of this Master Thesis is made. The new theories, regarding the subject of the cases study, are created by compiling diverse theories in combination with empirical evidence. Within the chapter of Theoretical Implementation, the outline of overall Marketing Intelligence Process is developed and introduced. In order to increase the trustworthiness of the research it is important to be aware of how to improve the quality. During this case study, an utmost awareness of how the data were collected, analysed and interpreted, and presented, had major priority. It was always a concern to ensure that the data were used and analysed as accurately as possible.

2.5 Scientific Reasoning

When conducting a case study applying both theoretical framework and empirical evidence, Dubois and Gadde (1999) state that there are three different approaches, deductive, inductive and abductive, concerning scientific reasoning. The motivation behind the choice of scientific reasoning approach lies either within the starting point of conducting a case study, which is the empirical evidence or the theoretical framework, or within the combination of two. Arrows shown in Figure 3 illustrate the process of the thesis exploiting the theoretical and empirical world.

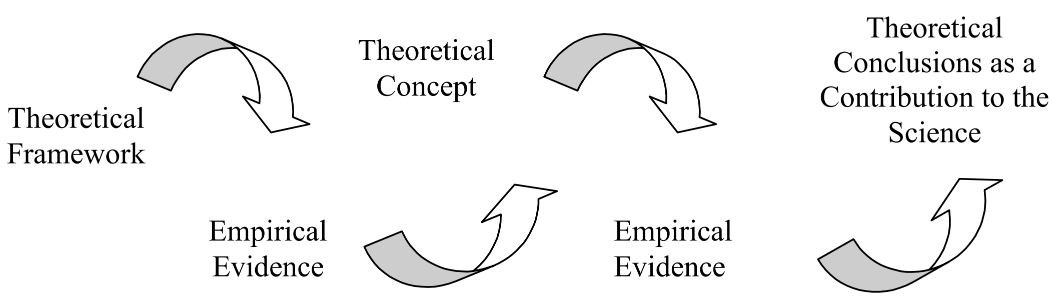


Figure 3: Abductive approach of the Master Thesis
Source: Own

The deductive approach has the theoretical framework as a starting point of a research where presumptions are based on the existing theory. The empirical evidence is gathered for sampling or confirming a theory. Thereafter it is put together with previously formulated assumptions to evaluate if the empirical world matches the theoretical world. On the contrary, when using the inductive approach the empirical evidence is gathered first without basing it on any existing theory. The latter is generated from the findings where the collected data is used. Thirdly, there is an abductive scientific reasoning approach, which is a combination of the previous ones. The research is conducted by moving back and forth from the theoretical framework to empirical evidence, which develops a new conceptual framework. (Dubois & Gadde, 1999)

The case study takes an abductive approach, which means that the starting point of the thesis was the creation of a theoretical framework before implementing empirical evidence. By conducting a pre-study, where interviews with Volvo CE International AB and SKF was performed, empirical evidence created the base for the theoretical concept. The theoretical concept became the foundation of the empirical chapter, where a field-study in Australia based on in-depth interviews was performed. The interviews involved the Volvo CE's regional hub in Australia as well as its dealer CJD. Additionally, Volvo Group AB and Volvo Penta were interviewed in order to get a profound insight in how other MNCs are operating concerning marketing intelligence. When implementing the empirical evidence, theoretical conclusions as a contribution to the science were conducted were the MIP was put into a holistic context.

2.6 Data Collection

Gathering data includes two types of techniques, primary and secondary data. They will be described below followed by a discussion of how the data collection will be used. Moreover, the value of these data gathering techniques depends on if the investigation follows three principles; to use more than one source, to build a research record catalogue and to sustain the sequence of evidence. (Yin, 1994)

2.6.1 Primary

Primary data constitutes of data collected for the specific research. The data can be collected in different ways. Different forms of interviews are a common method when collecting data. For the qualitative research method, focus groups and in-depth interviews are dominant. (Merriam, 1998) When collecting information for the research, a field study was conducted. Several in-depth interviews were performed, which were taped. The purpose to tape the interviews was to be more involved in the discussion. Another purpose was that when compiling the information, it was always possible to listen to the tapes several times in order to interpret everything as correct as possible. Additionally, a telephone interview and email questionnaires were sent out.

2.6.2 Secondary

Secondary data is data that already exists and is collected for another purpose than the specific research, but is applicable and good sources for the research project. Secondary data is mainly of publicized form, for example articles, literature and reports. Moreover, a dynamic and continuous process of collecting data during the research process is fundamental. (Merriam, 1998) A wide extent of literature was used, mainly for creating the theoretical framework. In addition, journals were widely used in order to be acquainted with the current debate about the topic, which usually supplies the most recent findings. Reports, templates and other company material were used as a fundamental base when creating the structure of the thesis, as well as the empirical findings. A contributory source for creating the fundamental base of the thesis was also previous theses.

2.6.3 Principles of Data Collection

Use more than one source

Yin, (1994) describes the principle of the data collection. It demonstrates the strength of the case study when multiple sources of empirical analysis have been employed. The underlying rule for using more than one source is called *triangulation*. It allows the investigators to tackle a broader extent of different issues, such as behavioural, attitudinal and historical. The process of triangulation involves the convergence of various sources. More importantly, the case study that follows the principle of triangulation is more convincing and is judged to be more accurate. This is due to the fact that it is based on several sources proving the same or similar data about the particular facts. (Yin, 1994)

According to Yin (1994), triangulation can be of four different types depending on what factors the gathered data will be used for. Firstly, there is a so called *data triangulation,* which means the utilisation of different data sources. This kind of triangulation is broadly exploited in this master thesis research since various data gathering techniques i.e., primary and secondary are used. Secondly, the *investigator triangulation* is relevant when there is more than one set of the investigators. However, this is not relevant for this particular case study since there is no other investigators involved except the ones who actully conduct the research. The third *triangulation* is the one *of the theory* where the various aspects of the same data set are taken into consideration and evaluated. This is applied throughout this case study to a broad extent. Considering the fact that the common theory for marketing intelligence is missing, the theory triangulation is noteworthy. Therefore, the gathered data is used within various aspects of the theoretical framework. Finally, the *methodological triangulation,* the usage of various methods, can be employed when making the evaluation of the data. However, this is not particularly applicable in this case study since the research is conducted by using only the qualitative method.

Build a research record catalogue

This principle is concerned with how the gathered data for the case study is managed and documented. If the data and information assembled during the research is stored in a structured database, the reliability of the case study increases significantly. This is due to the fact that these records can be easily utilised for other researches. Moreover, other investigators do not need to be solely dependent on the written reports. (Yin, 1994)

However, there is no formal database created for this particular case study. The information that facilitates the understanding of the problem as well as its solvation, when drawing conclusions, is presented in the chapter about empirical evidence. There, the gathered data is recorded and described for the reader. This is performed under premise that the collected data is adequate when answering the main problem, and there is no explicit need for more information.

Sustain the sequence of evidence

The additional principle of data collection is to sustain the chain of evidence. This implies that the outline of the research should be easy to follow for the external reader. The flow of the report needs to have such a sequence that enables the reader to comprehend, how the empirical data expresses the correlation between the initial problem formulation and proposed solutions and recommendations. Besides, this flow has to be feasible to be followed in the opposite direction. This means that the reader should be able to understand the sequence of the case study even if he or she starts reading the conclusions first, and thereafter continuing with the empirical evidence the analysis is based on. Nevertheless, this principle of data collection demands the accurate and sufficient citation to the relevant sources. Even the circumstances concerning the data collection need to be indicated. More importantly, the whole process of data collection should be consistent with the purpose of empirical evidence and its objectives for the successful solution of the main case study problem. (Yin, 1994)

This principle of data collection is accurately followed. The empirical study has been made complying with the theoretical framework. The data has been gathered and thereafter managed in a way that, we believe, is easy to follow for the reader. Moreover, the interconnection between the empirical facts and conclusions is clearly presented. It is feasible for the external reader to start reading conclusions, and even backwards follow the sequence of the analysis. All sources are identified for the reader in the body text of the master thesis report. Additionally, the more extensive name of each source is provided in the reference list. Here, even the place and date of all held interviews is presented.

2.7 Data Analysis

Merriam (1998) presents different levels of data analysis. The data must firstly be organized in chronological or topical order, which is to be presented in a descriptive manner. The next level of analysis is to construct categories or themes. For example, the analysis should be structured according to certain patterns that might occur. The categories derive from data while working through the transcripts and documents rather than from the data itself. The last level of analysis involves inferences, developing models and generating a theory. The outcome of the analysis is lift up onto the conceptualising level, where the theoretical propositions are presented before conducting the study are further developed and complemented with new theoretical implications generated during the analysing process.

When analysing case study evidence, a general analytic strategy needs to be chosen in order to discern priorities of what to analyse and for what purpose. Yin (1994) presents two analytic strategies, where the first strategy refers to relying on theoretical propositions which case study objectives are based on, and the second strategy argues for developing a case description. The latter is more extensively used when the theoretical propositions are nonexistent and/or the case study is of descriptive character. Concerning this master thesis, the conducted case study is of exploratory character. The theoretical propositions have been defined before collecting empirical evidence and have determined what data to gather. Therefore, the focus of relying on theoretical propositions as a general analytic strategy was adopted.

The first step of organizing the data was to categorize it into different topics, which were based on the theoretical framework. The data was then described and presented according to the chosen structure. Certain patterns was occurring when compiling the empirical evidence, the analysis was therefore categorized among those. Lastly, a model was constructed, which illustrates the marketing intelligence process and its components. The model was constructed based on theory and empirical evidence and will be the foundation of the theoretical implications, which can be seen in Chapter 9 *Theoretical Implications*.

2.8 Ethics in Research

In any type of research situation, there is always some bias that results in some ethical problems. Research in general is not unbiased and free from preconceived notions as discussed before. The respect for people is a cornerstone in all types of societal research. This means that people cannot be made into means to obtain certain ends or goals. It also means protecting the integrity, mentally and physically, of the people who contribute with information. (Holme & Solvang, 1996) In qualitative research, ethical dilemmas are likely to emerge with the collection of data and the dissemination of findings. Since interacting with many individuals, one is obliged to respect them as well as protect their anonymity. Specifically, the respect and anonymity before, during and after the interviews must especially be safe guarded in our opinion. All respondents should have the right to privacy and remain anonymous if desired, and we will not make any of them answer questions that they either do not want to answer, or whose answers potentially could directly or indirectly be self incriminating. When disseminating findings it is of great importance to take into account all relevant information and not filter out information that is contradictory to the findings the researcher has done. (Merriam, 1998) In this thesis, it is tried to adhere to the absolute highest ethical standards, specifically when it comes to reliability, but also when drawing conclusions, and when finding, selecting and referencing literature.

2.9 Critiques of Literature and Respondents

What characterizes the search for literature and other relevant material is the difficulty of establishing within what subject area that relevant literature exists. Therefore, the search for literature and other relevant material has been conducted in many subject areas. Since there are no existing theories about the marketing intelligence process, it was necessary to identify key areas, i.e., key features, which directly had an impact on it. The emphasis was to select the most relevant literature and journals for the topic. Since the topic is pretty new and undiscussed by scholars, the newest journals were the base for conducting the theoretical framework. Also, the respondents must be very credible in order to get accurate information. The emphasis was to always find key persons, directly involved with marketing intelligence.

In order for a journal or literature to be relevant, there must be a clear connection between the content of it and the purpose and the core of the thesis. Topics concerning marketing intelligence and the decision-making process were a crucial focus when selecting relevant journals and literature. It was always the intention to make sure that the theory chosen was considered current and widely accepted.

2.10 An Impeccable Case Study

By conducting this case study, the aim is to make it impeccable, i.e., as accurate and relevant as possible. Even when aiming to follow chosen and previously introduced case study approach, a number of errors might occur. Wiedersheim-Paul and Eriksson (1991) describes possible errors that can occur when conducting a case study. This is compiled into the Figure 4.

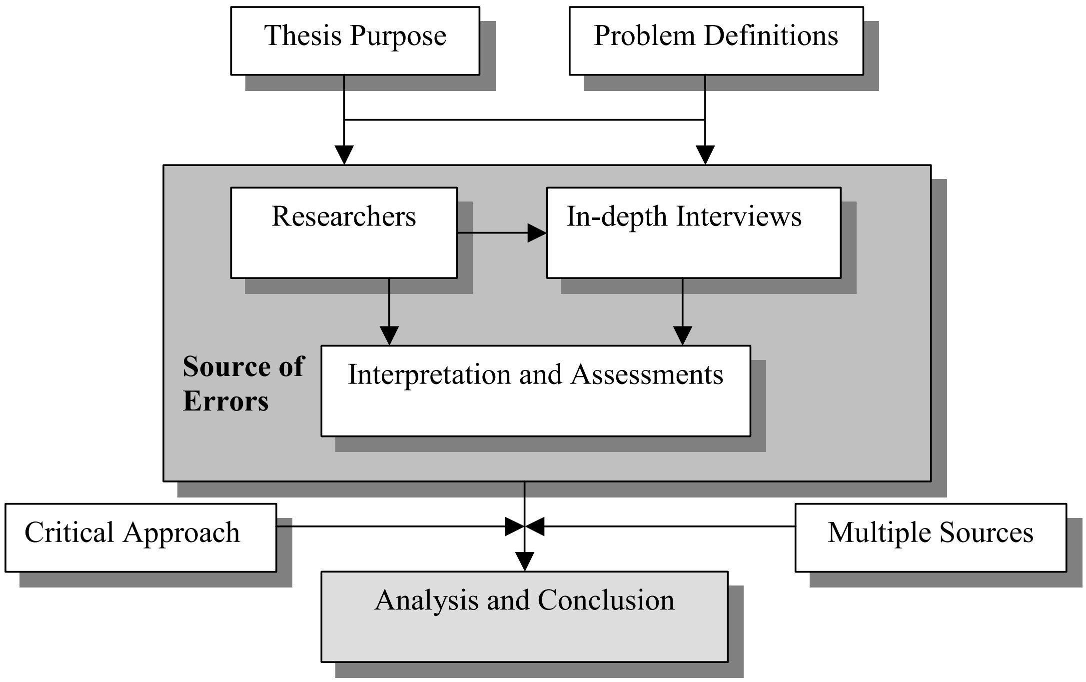


Figure 4: Possible Sources of Errors
Source: Own

A type of error that might occur is that the problem definitions or purpose are incorrect. Incorrect problem definitions and purpose will not take the actual problem into consideration and the risk of answering wrong questions will increase. By having other students at master level that studied the problem definitions as well as the purpose the risk of this type of error will diminish. Another source of error is the inaccuracy of interpretation. When compiling collected data and information listening to tapes, there is a risk of interpreting information wrong. In order to reduce the errors, the interviews were always typed with both authors listening to the tapes. Additionally, multiple sources are used to a great extent. This will most likely diminish the risk of errors of interpretation. A third source of error might be how the result is assessed. If not critically assessing and evaluating the results wrong assessments will be made. In order to reduce the risk of conducting wrong assments a critical approach was taken during the research process. Also, by discussing the assessments with Volvo CE International AB it is believed that the errors of assessing the information will be reduced.

3. Designing Individual Research Device

Following chapter discusses how the theoretical framework is conceptualized. It entails a discussion how relevant theories are related to create an entity of the MIP. In existing theories, it is not clearly evident what different features that are impacting the MIP. Therefore, a number of features, which is directly interrelated to the MIP, were identified. A Figure was constructed in order to visualize the research framework.

The purpose of the thesis is to *evaluate, structure* and *improve* the Marketing Intelligence Process in order to enhance the short-term decision making for a multinational manufacturing company. While the diversity of marketing intelligence definitions has been discussed in the Introduction chapter, the concept of Marketing Intelligence Process (MIP) as a whole has not yet been explained. Thus, what is actually MIP about?

Before starting to conceive the possible outline for this Master Thesis, the challenge that occurred was to find suitable theories. However, no theories that discuss the whole MIP in particular have been found. This gave confidence for designing an individual research device in order to accomplish the purpose of the thesis. Moreover, during the extensive study of diverse theories on information flows within multinational companies and its turning into intelligence, some general aspects and factors must be mentioned. Namely, it was distinguished that the pattern of establishing and developing a range of relationships between the actors on a market is essential, where the information interchange was particularly emphasised.

Due to Volvo CE International AB's operational goal, a functioning internal and external network should be integrated in the marketing intelligence process by 2003. In line with guidelines and delimitations provided by Volvo CE International AB and from the discussions between the tutors and authors of the thesis, the main information and intelligence providers have been identified and resolved. Since the focus of the thesis is on short-term decision-making, the main and apparent actors, which were inevitably included, these were Volvo CE International AB, its dealer in Australia, CJD, and customers. Another actor to involve was competitors since they are inevitable actors on the market. It was also fundamental to include national stakeholders since they have interest in MNC's activities and performs the status of market regulatory bodies. Therefore, it was decided to focus on information interchange between the multinational manufacturing company, Volvo CE International AB, its dealer, CJD, customers, competitors and national stakeholders.

By studying theories, it was further observed that information interchange is facilitated and enhanced if the parties involved in this activity have established relationships. The diversity of relationships stimulated creation of various networks where intelligence flowed amongst concerned contributors. Therefore, when further designing individual research device, the contemplation of exploiting intelligence networks was assimilated. The considered intelligence networks were about to comprise dealer of distribution, customers, competitors and stakeholders. The focus on information and intelligence interchange was still retained in terms of either the Australian regional hub or CJD actively participating within these intelligence networks.

On the other hand, the intelligence networks had no extensively developed theoretical basis and this led to design the individual perception of cultivating the outline for it. Thus, the relationships based on information and intelligence interchange were employed as a focal point when building and maintaining intelligence networks. Concluding, the approach of four intelligence networks within MIP was decided to exploit throughout the Master Thesis: Dealer Intelligence Network, Customer Intelligence Network, Competitor Intelligence Network and Stakeholder Intelligence Network.

Having the information and intelligence barely flowing into the company is apparently not enough for decision-making. By that stage it was already acknowledged that it is intelligence and not information itself that forms the basis to make accurate decisions. It was distinguished that in order to turn information into intelligence it is necessary to implement a set of procedures. Therefore, the individual design of intelligence networks have been developed simultaneously with Marketing Intelligence Cycle. Intelligence networks are the main providers of information, which is the base for creating intelligence.

The overall picture of the outline of the research framework is illustrated in Figure 5.

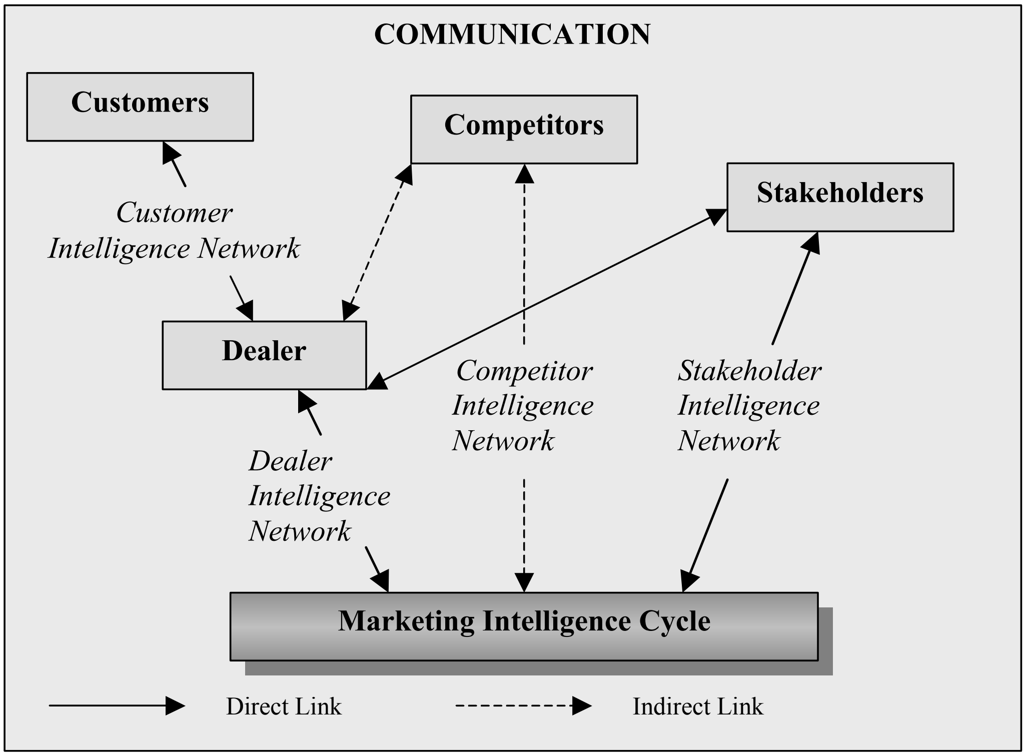


Figure 5: Research Framework
Source: Own

To summarise it, the initial structure of MIP was constructed to encompass the marketing intelligence cycle and a range of previously introduced intelligence networks. It was decided to introduce the network concept as an all-embracing approach in order to align the diverse intelligence networks according to network dimensions: vertical, horizontal and diagonal. However, during further investigation, both theoretical and practical, additional concern was aroused. It was distinguished that in order to implement successful information and intelligence interchange it was crucial to practice interactive communication. Since the latter was an all-embracing feature pervading both MIC and intelligence network approach, it was decided to have it as a first part within the Theoretical Framework of the thesis. The following section of MIC was a logical sequence when starting with the overall approach and continuing with the narrower ones where intelligence networks proceed as of the latter characteristics.

4. Theoretical Framework

The theoretical framework serves as the fundamental base for the model that will be created as a solution for how the Marketing Intelligence Process will be structured. Factors that influences the intelligence management process are relations an MNC has with dealers, customers, competitors and stakeholders relevant for collecting the information where the network of these relationships is a indispensable and decisive base. Interactive communication is the fundamental element for how relations, networks and companies interrelate. This needs to be managed in line with Marketing Intelligence Cycle, which is the procedure of turning data and information into intelligence to be further disseminated to respective decision-makers.

In today's complex business environment, no company can operate in isolation. All organisations are involved in different multipart networks of relationships with their customers, competitors and various external stakeholders as well as other business partners. As a rule, the successful management of these relationships is the critical task, which the performance of the company mainly depends on. (Ford, 1998)

Ford (1998) discusses that everyday companies participate in numerous interactions in different ways; whether by phone, e-mail or in person. The initiators of these interactions might also vary from production or sales personnel to consumers. Since the different interactions, as a rule, involve many different people, the managers have a task of making sure that there is a common idea behind all of them. Although each contact is of importance, it might be rather complicated to discern their general purpose. However, behind all interactions that companies are involved in, there are managers who endeavour to get the overall picture and manage the relations in a particular direction.

4.1 Communication

Communication is the overall feature that affects the performance of the Marketing Intelligence Process (MIP) and it is essential that the technique of communicating is structured and organized. Therefore, the communication *process is a crucial approach that directly concerns the successful mutual information exchange in order to implement a well functioning MIP.*

4.1.1 Communication Process

In order to successfully execute marketing intelligence (MI), communication is an essential tool. Different scholars describe how communication works. Kotler (2000) and O'Rourke (2001) focuses on how messages are delivered to the customer through advertising and commercials, which also is described by Schultz and Kitchen (2000). However, a general description of how different parties might act when interacting will be presented.

O'Rourke (2001) describes how managers have to understand the fundamental elements of communication to facilitate it effectively. Communication should be expressed in an interactive approach i.e., a dialogue should be performed between the company and its stakeholders.

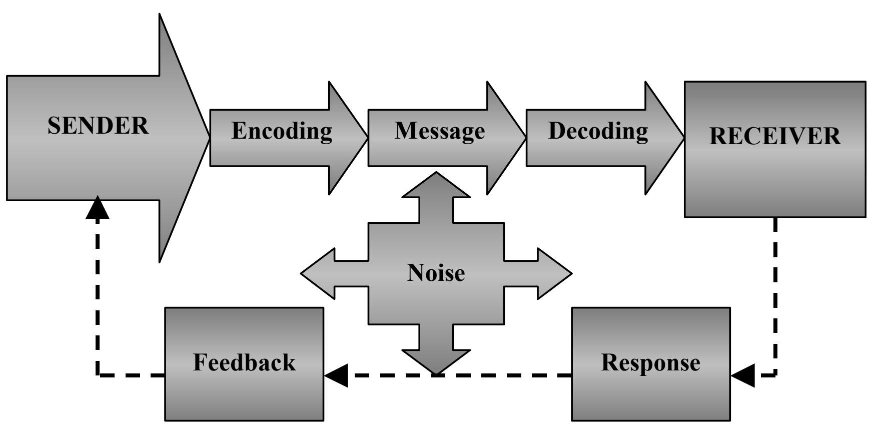


Figure 6: Elements in the Communication Process
Source: Kotler, Marketing Management, 2000

Furthermore, it is argued that successful communication needs to be planed. Therefore, it is important to consider what influences the message will have on the outcome as well as what the communication goals are. To develop a successful communication framework, the company should consider eight elements of communication. In Figure 6, Kotler (2000) illustrates crucial elements in the communication process. The major parties in the process are the receiver and the sender. The interaction between them is crucial in order for the information to be utilized and interpreted in the right way. It is essential to know who should communicate the message and to whom it should be communicated. The message must be precise and clearly deliver pertinent information.

In the Marketing Intelligence Process, communication must be performed externally as well as internally, where the external communication process involves the stakeholders and the internal communication process involves the management process. Information must first be collected from the external environment and then be processed internally in order to make accurate decisions. (O'Rourke, 2001)

According to O'Rourke (2001), the communication process has several principles that should be understood in order to realize how important communication is. Firstly, it is dynamic, i.e., one message builds on another. Secondly, it is continuous since communication never stops. Thirdly, communication is circular since it is an interactive process. Fourthly, communication is unrepeatable; the same message cannot be delivered twice. Fifthly, communication is irreversible, it can only be repeated and it can never be taken back. If once communicated the experience will not be the same when repeating it. Lastly, communication is complex since it involves human beings. People will interpret and react differently to words. Following definition will summarize what communication means; "*Communication is the transfer of meaning*". (O'Rourke, 2001)

There are different reasons why a message between two parties might be misinterpreted. Figure 7 below illustrates that noise will affect the message in both directions, i.e., the message is sent from the sender to receiver or the opposite, as is also stressed by Kotler (2000) and O'Rourke (2001). However, according to Schultz and Kitchen (2000) the main understanding of why a message might be interpreted wrongly is the different experiences each person possesses. The sum of all experiences is unique and consists of knowledge, emotions, feelings, signs, symbols, gestures and mathematical notations.

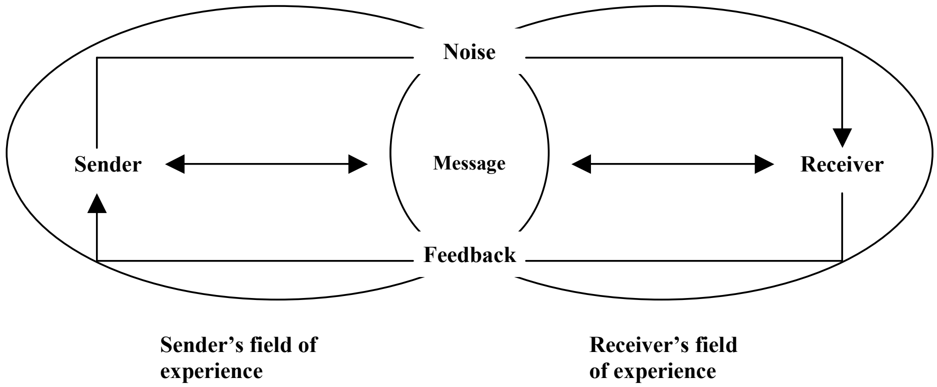


Figure 7: Fields of Experience
Source: Schutz and Kitchen, Communication Globally, 2000

It is not simply to place a message within a field of experience; it is also due to the mind of the receiver. The greater overlap between a sender's field of experience and the receiver's field of experience, the greater the probability that messages encoded by the sender will be decoded appropriately by the receiver. Likewise, the smaller the overlap between the sender's and receiver's fields of experience the greater the probability of messages being seen as irrelevant and not worthy of attention.

4.1.2 Communication and Information Exchange

When the relationships are well developed both communication and information exchange is necessary to be open and truthful throughout all the levels in the companies as well as across the functional areas. Anderson and Naurus (2001) define communication as "*formal and informal sharing of meaningful and timely information between firms*". The communication can be a link to relationships also from a broader perspective. Biong and Selnes (2001) define it as "*two way exchange of strategic and operational information necessary to enhance mutual learning and efficiency of transactions within the relationship*".

The communications between both parties needs to be consistent in order to avoid the problems caused by misinterpretations. Moreover, the information that the partners share has to be both strategic and technical to facilitate the planning process in order to achieve mutual goals. More importantly, the sharing of information through the successful communication enables both parties to decrease the level of uncertainty when making decisions and encourages using joint problem solving methods. Additionally, the consistent communication facilitates the building of mutual trust and profound understanding of the business of each party involved. The sharing of information supports the co-operative and collaborative activities through the mutual communication the leads to the development of the relationships. Since the latter is maintained between human beings, personal interactions also have to be taken into consideration. (Seppälä, 2001)

Key Words
Information Exchange, Interaction, Interpretation,

Communication is an overall element within the MIP that characterises the way the interaction is executed. It is necessary be systematic and well organised in order to facilitate information flows between the parties involved within the MIP. The mutual communication is fundamental when achieved pertinent information is turned into intelligence for the decision-making. This transformation process is called Marketing Intelligence Cycle and is introduced subsequently.

4.2 Marketing Intelligence

The following section describes the Marketing Intelligence Cycle (MIC), which is a crucial element within the Marketing Intelligence Process. MIC involves the set of procedures where requested data and information, that is gathered and validated, turns into intelligence and needs to be successfully disseminated.

4.2.1 Marketing Intelligence Concept

Hutt and Speh (1998) describes marketing intelligence (MI) as an activity that supports marketing strategy development. Decisions will be based on information about for example market potential, customers, industry trends and competitors. Furthermore, MI is described as a systematic process that generates information for decision-making. The manager for MI are responsible for designing and implementing the system in terms of gathering, storing, analysing and interpreting all pertinent marketing information.

Different theories describe the Marketing Intelligence Cycle (MIC). Hutt and Speh (1998) describe the Business Marketing Intelligence System, which is referred to as a MIC. This system has a major focus on the database function DSS (Decision Support System). Accordingly, this function is fundamental in the MIC, which efficiently turns information into intelligence. However, Kahaner (1994) and Tsu Wee Tan and Ahmed (1999) describe the MIC with focus on how the information flows in the process and how it should be managed. Since this is the purpose of the thesis focus will be on describing how the MIC is composed.

4.2.2 Marketing Intelligence Cycle

In order to organize the Marketing Intelligence Process, MIC is the fundamental element. There, data and information are turned into intelligence. The difference between information and intelligence is the analytical process that intelligence comprises. (Marketing Intelligence & Planning, 1999)

Figure 8 describes the structure of the MIC and is created based both on practical evidence, which was conducted as a pre-study, together with journals, which discussed marketing intelligence in practice. It illustrates five interdependent stages of how the data is collected, organized and utilized in the company and has therefore been constructed as an ongoing process. Focal in the process is the exchange of information, where solid communication and coorporation between different parties are crucial. MIC is not a set of independent steps, but rather a spiral-looking process where the activities are continuously circling around the organisation. The five phases are Directing, Collecting, Validating and Confirming, Evaluation and Interpretation, and Dissemination.

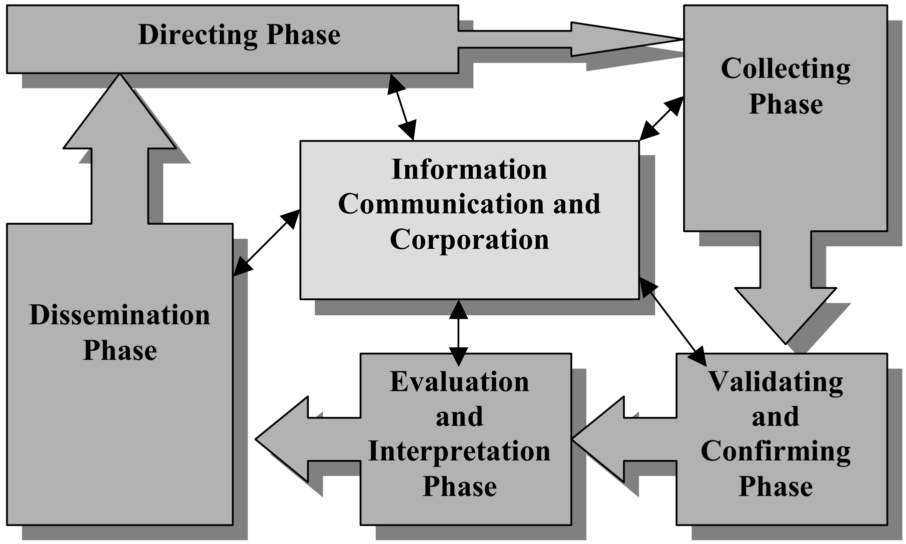


Figure 8: Marketing Intelligence Cycle
Source: Own

Directing Phase

The Directing Phase is the first step in the Marketing Intelligence Process. It is mainly focusing on defining the companies marketing intelligence needs, i.e., the fundamental issue is not the data collection process, but what data to collect and for what purpose it should be used. (Tsu Wee Tan Thomas; Ahmed U. Zafar; Marketing Intelligence & Planning; June 17, 1999) According to Kahaner (1997), this is the most important step in the process since the plans and directions for the whole process are settled. A well-planned process will keep a company in the right direction and prevent it from collecting irrelevant information in an early stage. The focus-oriented approach will save time and the chances of successful intelligence will be enhanced.

According to Herring (Competitive Intelligence Review, 1999), it is the purpose of identifying intelligence needs to enable the company to be *proactive*. The manager of the intelligence unit should continuously meet the top managers in order to identify intelligence requirements.

Kahaner (1997) describes three phases, which is to consider in the direction phase. *Firstly*, a clear understanding of the manager's needs and the time constraints is vital. To understand exactly what the intelligence will be used for and which people will use it will facilitate the planning and direction phase. If the analysts do not know what the manager wants, the intelligence will be of no use. One way of knowing what elements to focus on is to interview or hand out surveys to the management. Focal point should be the involvement of management in the Marketing Intelligence Process from the beginning. They must be involved in different decisions that might occur during the process. For example, if the analysts need to find other solutions when collecting information, decisions must come from the managers. *Secondly*, an establishment of a collection and analysis plan is necessary, i.e., a time plan, which is outlining what information that should be collected considering the time constraints as well as intelligence requested. *Thirdly*, keeping the user informed is an advantage for the analyst since it will help focus the efforts. If the user can study the intelligence, they can quickly respond to further needs or change the focus if it is not what was first needed. The advantage is the guarantee this process provides, since the managers obtain exactly what is needed. (Kahaner, 1997)

Early warnings are emphasised by Herring (Competitive Intelligence Review, 1999) as a key for management. The early warning factors stress activities and subjects by which management find particularly important. The early warning factors are mainly weighted toward threats. Although, they should be a weight toward good intelligence factors as well since enables to predict business opportunities.

The directing phase might also be seen as the sixth step within the Marketing Intelligence Process, since this phase will identify new requirements and needs, based on new actions taken from previous decision-making. Once the intelligence is implemented in an action plan, the company formulates new intelligence demands to accomplish new action plans. (Kahaner, 1997)

Two important questions the managers should consider before start collecting information are: What to collect, i.e., what kind of data do we need? For what purpose, i.e. why do we need this kind of data? (Marketing Intelligence & Planning; 1999)

Collecting Phase

There are many different ways to collect information, both from primary and secondary sources. According to Cook and Cook (2000), a combination of published data and field research will provide a good understanding of the environment and the topic. Mochtar and Arditi (Journal of Management in Engineering, 2001) describes various sources form which marketing managers carry out marketing intelligence. Common sources are books, newspapers, trade publications, talking to customers, suppliers, distributors as well as with managers and employers. Notably, if the marketing intelligence process is too informal, valuable information might be lost or arrive too late.

Kahaner (1997) highlights the importance of being aware of how biased and unbiased the sources are when collecting information. Furthermore, he argues that different countries have different ways of writing in, for example, newspapers where some countries are more subjective in the writing whereas some countries are more objective. When using secondary sources it is often necessary to check it against a primary source whenever possible to get as accurate and relevant information as possible. Moreover, the secondary sources is often biased, depending on where it is published, it is therefore necessary to evaluate the source carefully. Finally, when collecting the data it is crucial that the process is not only systematic and persistent, but it should also be flexible in terms of new data input. (Marketing Intelligence & Planning, 1999)

Although collecting data is the primary task in this phase, but it is also crucial to organize the data in order to facilitate the analysing process. The fundamental question is though how to organize the information? Since many companies are having problem with organizing the information (Journal of Marketing and Planning, 1999), this will be the primary focus. Filing or storing the information is crucial, otherwise the information will be lost if an analyst leaves the company. Moreover, the information should be accessible to anyone with a need for it. In order for the process to work, the information should be shared, since the users will have the opportunity to discover new needs and requirements in terms of information. (Kahaner, 1996)

Two important questions the managers should consider before they begin validating and confirming the information are: From where should the information be collected? What kind of data is of importance and should be obtained from a particular source? (Marketing Intelligence & Planning; 1999)

Validating and Confirming Phase

Different authors describe the validating and confirming phase of the Marketing Intelligence Process differently. Tsu Wee (Marketing Intelligence & Planning; 1999) emphasises this phase as very important since it focuses on the validity and confirmation of data and information. It can be seen as the feedback phase that the users will provide to the researchers during the Intelligence Process. However, Cook and Cook (2000) emphasis the involvement of determining gaps. Many companies are having difficulties in determining whether they have adequate and pertinent information or not, which is often due to inexperience. Furthermore, the mentality of focusing on quantity rather than quality is another factor that must be undertaken in order to find the valid and relevant information. The focal point is to determine what information is lacking, i.e., any information gap should be considered to be able to collect relevant data.

According to Tsu Wee Tan (Marketing Intelligence & Planning, 1999) there are two main factors to consider when evaluating and confirming the information; assessment of the sources of the data and the data themselves. When assessing the sources of the data, there are different features to consider:

- The quality of the information that has been provided.
- The reasons the source might have for providing you with the information.
- Whether or not the source is likely to possess the information claimed.
- The credibility of the source established by testing it through the asking of pertinent questions, the answers to which you might already know.

When assessing the data, printed as well as personal sources might be validated through cross-referencing of multiple sources. However, it is necessary to be aware that a single source might be as valid as multiple sources. Furthermore, if data is not confirmed when cross-referencing, it is often thought that the data might not be accurate. However, a single source might be as valid as several sources, it all depends on from where the source comes from. (Marketing Intelligence & Planning; 1999)

According to Mochtar and Arditi (Journal of Management in Engineering, 2001), the marketing intelligence function is complex and broad and its effectiveness will significantly affect the quality of marketing decisions. Four steps are described to improve the quality and quantity of marketing intelligence. Firstly, the sales force must be trained and motivated to spot and report new developments. They are the eyes and ears of the company that possess an excellent position to collect pertinent information. Secondly, the distributors, retailers and other intermediaries should be motivated to deliver pertinent information. Thirdly, purchase information from outside sources such as consultant companies, which possess the advantage of gather data at a lower cost that a company can do. Fourthly, an internal marketing intelligence center should be established, were marketing intelligence can be collected and circulated.

According to Cook and Cook (2000) assessing the validity of the information is especially important when international research is made, since it is performed in areas where the researcher might possess lack of knowledge. Therefore, the information might be uncertain and questionable.

Two important issues the managers should consider before start evaluating and interpreting information is: Assessing the data's resources as well as assessing the actual data. (Marketing Intelligence & Planning; 1999)

Evaluation and Interpretation Phase

The evaluation and interpretation phase is the most time consuming. The analysts must record and file the information, which takes much more time than analysing the information. (Marketing Intelligence & Planning; 1999) To sort out, select and analyse pertinent information is crucial since it will be the base of the decision-making. According to Cook and Cook (2000) many companies are not spending as much time as needed when analysing the information, which is because companies do not know how to analyse the information. This implies the importance of this phase. Many companies might have the ability to improve their intelligence process by spending more time on this area.

Moreover, this phase is about analysing and assessing different scenarios that potentially will affect the company. The analyst will not be able to know with certainty what will happen, but with different scenarios and possible courses of action, they will be able to make advanced assessments. Assessments always contain uncertainties and to avoid too many inaccuracies, the company can do a reality check, i.e., test a scenario by watching how another company acts on certain activities. Furthermore, it is also important to look how it acted in the past to your or another company's actions. Predicting the future is a difficult task, especially since information is based on historical facts. However, when analysing historical activities and/or current numbers, companies have the possibility to set up possible scenarios which upon they can act. (Kahaner, 1997)

As part of the analysis stage it is usually necessary to study trends and extrapolate them, as it is the future impact of the factors that must be assessed. The few areas of greatest importance can then be explored by the gathering of relevant facts. However, the problem with many audits is that they tend to be very mechanical and seem to demand a listing of the collected data. Raw data is not sufficient; data must be developed into useful marketing information, which can then be utilised in the marketing decision process. (Adcock, 2000)

The analysing process that determines which data should be considered operates by means of three filters. Understanding these filters can help appreciation of some of the pitfalls that reduce the level of objectivity in many audits. The first, the surveillance filter, determines the width and strength of the scanning as it controls what is actually passed on to the decision makers. A second is the mentality filter, which is applied by those managers who receive the data, which sequentially need to be turned into useful information. There will be considerable variation in the interpretative frameworks used and the way subjective opinions are introduced into any analysis of relevance. The third restriction comes from the power filter since there is a gap between the analyses itself and the power to convince the decision makers to consider the information in their future strategies. (Adcock, 2000)

According to Kahaner (1997), soft information is a crucial kind of information when predicting the future. Facts and statistics are based on historical data, but not on future events. Soft information can consist of rumours, opinions, anecdotes and customer feedback. A deeper knowledge in those areas would be beneficial when understanding trends and what might occur in the future. Usually, soft information is rated lower for its utility. Managers are often not paying any attention to it since it cannot be quantified, and is therefore difficult to handle. They usually feel more comfortable with quantified information such as charts, graphs and numbers. Soft information should be a part of every marketing intelligence analysis report because it forces the managers to think in new ways, although the information seems unreasonable or wrong. Soft information is more dispersed in its sources compared to hard information and should be stored where managers easily obtain access to it. Storing the information and making it easy to access is crucial since managers need an understanding of the whole picture before making decisions. With this discussion as a background, the following quotation highlights the importance of soft information; "*If we're not looking at soft information, we're not looking at all the information*". (Kahaner, 1997)

One important question the managers should consider before they begin disseminating the intelligence is: Where and who will record the information? (Marketing Intelligence & Planning; 1999)

Dissemination Phase

The final phase of the MIC is the Dissemination Phase. Here, the gathered and analysed data, which has been turned into intelligence during the previous four steps in the process, will be presented to the managers. The Intelligence is a crucial tool in the decision making process, and it is really important that the right information is dissembled to the right individual at the right time. (Marketing Intelligence & Planning, 1999) Moreover, Cook and Cook (2000) also emphasize the way of presenting the intelligence to the managers, who have to understand the consequences of not acting upon the intelligence. If not presented correctly and competently, the managers might ignore its importance.

The intelligence should finally be dissembled to the users i.e., the employees, which brings you back to the first phase, the direction phase. The employees use and put the information into practice, and therefore see new requirements and needs. This process is ongoing, since the company's action will change according to new actions. Therefore, the MIC continuously has to be prosecuted in order to enhance the flexibility of managing new information and requirements flowing into the company. (Kahaner, 1996)

The respective department and level of the company must have the right information, at the right time, in order for them to identify requirements of necessary intelligence, which makes this a crucial responsibility. One important question for the managers to consider before the MIC recommence with directing phase is: How the intelligence should be communicated and to whom? (Marketing Intelligence & Planning; 1999)

4.2.3 Organizing MIC

To successfully organize the MIC, five criteria should be fulfilled. *Firstly*, the analysis must be responsive to management's needs, i.e., you must answer to what the managers' want. It is valuable if the analysis is simple, clear and to the point since it assists the managers in the decision-making process. *Secondly*, the analysis must be focused, not general. Commonly, analysts make the scenarios and analysis to general. When generalizing the scenarios too much, the information is hard to use in making decisions. Preferably, the analysts should be able to make a decision for the most likely choice, i.e., the most potential outcome, and also advocate it. *Thirdly*, the analysis must be timely. During the time of analysing the information, new data might be available that will have a crucial impact on the decision-making. Thus, the analysis must be updated. *Fourthly*, the managers must have a high trust level of the Intelligence. Many managers have second thoughts about the information presented from the analysts. A reason for this might be that the system is new and untried. The analysts are most successful when the management trusts their work, and must therefore put lots of effort in selling their ideas to the managers. The managers want to feel comfortable and secure, since the intelligence is the base for their decision-making process. *Lastly*, the results must be in the best form for management. There are different forms of reports and it is crucial to know how the managers prefer them. (Kahaner, 1997) The format where the analyses are presented needs a structured system in order to dissemble accurate and logical data. The information could be dissembled in certain formats of reports and presentations, which should cover all aspects of Intelligence necessary for the decision-making process. (Marketing Intelligence & Planning, 1999)

Key Words
Systematic Process, Timely, Proactive, Information transformation into intelligence

In order to effectively execute the Marketing Intelligence Cycle (MIC), it is necessary that all phases be performed. This is achievable if all the companies involved in the MIP understand its importance and work on the same premises. Since information is concerned in predominantly all of the phases, and it is the focal base for intelligence, the information input is necessary to be timely and constant. Neither the network or relationships that companies have established can be applied in terms of information exchange. Therefore, the following chapter presents the overall network concept.

4.3 Network Concept

Information collection is concerned with the relationships MNCs have with different actors on the market. Numerous relationships together compose a network, which is an additional crucial element in the Marketing Intelligence Process. A well functioning and developed network extends the cooperation between different actors on the market. This, in turn, enhances and facilitates mutual information flow between the parties involved in the communication process. Therefore, the following infrastructural and intelligence network concept is introduced in order to present its crucial role in Marketing Intelligence Process.

The ability to develop, sustain and organize relationships internally and externally will enable the company to increase the possibility of success. Building networks of relationships has according to Baker (1994) always been an important part of the manager's job, and today it has become the most crucial factor for success. Ford (1997, p.99) is defining a network "*as sets of connected relationships*".

Baker (1994) is describing the world as a network, companies appear as networks of relations. Networking smart is a term which is characterized by making connections and building relations. It is about building and managing networks in intelligent, resourceful and ethical ways. Networking smart is the key to personal and organizational success.

Ford (1998) describes how a network can be compared to neither a hierarchy nor an organisational structure since the links among the actors within a network are neither fixed nor controlled or ownership obliged. The companies are not even forced to participating in or have a business network. No one is able to manage a network as a whole, but it is vital to manage within it. Hence, a network is presented as a "*peculiar organisational form because it does not have a centre or any clear boundaries*". The network is characterised by the development of the relationships that it entails.

Conversely, Proctor (2000) emphasizes the importance of having a centre in the network and distinguishing three types of centred networks that are important from a marketing perspective. Vertical market networks reflect vertical dealer relationships with suppliers and distributors. Inter-market or concentric networks are characterized by alliances among firms. Moreover, opportunity networks comprise a set of firms specializing in various products, technologies or services. At the centre of the network the marketing organization collects and disseminates market information. Often, opportunity networks are used for temporary projects, which is based on different levels of relationships.

4.3.1 Network Mapping

According to Jansson (2002), mapping the network is a prerequisite to be able to know what marketing efforts to focus on. It is crucial to identify what stakeholders are in direct and indirect linkage to an MNC. There are three network dimensions to consider: the vertical dimension, the horizontal dimension and the diagonal dimension.

The vertical dimension

The vertical dimension involves customers, consultants and suppliers and because they are directly connected to the value added product chain, it is crucial to establish long-term relationships with each of those external parties. (Jansson, 2002)

The horizontal dimension

The horizontal dimension involves competitors that are indirectly linked to the MNC. It is crucial to establish relationships with them, due to the fact that the MNC must relate itself to the competitors when competing on the market,. (Jansson, 2002)

The diagonal dimension

The diagonal dimension involves financial parties and governmental parties, who are directly linked to the MNC. Establishing relations with these external parties is crucial since they are directly or indirectly regulatory bodies in the market. (Jansson, 2002) Additionally, having this kind of relationships, MNCs might, to a certain extent, influence the legislation and get access to regulated markets or its segments. (Industrial Marketing Management, 1999)

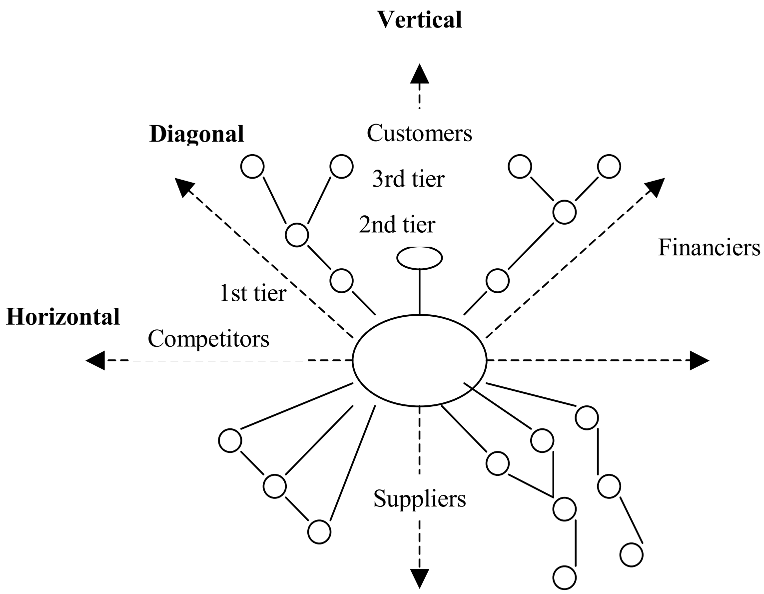


Figure 9: Web Strategy
Source: Janson, H., 2002

4.3.2 The Web Strategy

Jansson (2002) describes the linkage between the web strategy and the network mapping. A network is a set of actors, directly and indirectly linked to the MNC, whereas a web is a set of parties within a certain party. The web strategy describes how the MNC should utilize the mapped network in its marketing activities. It concerns which parties to influence or include in a certain network. A major aspect to consider is how many parties to concentrate on in the web. Another concern is how much of the network should be included.

4.3.3 Infrastructural Network

The major function of the infrastructural network is, according to Ford (1997), to provide contacts to be used when required. Moreover, the purpose with the network, which is not directly related to business, is to handle information flows to and from the company concerning unforeseen matters. The degree to which this can be utilized depends on the extent of connections as well as how many relevant contacts are connected to the company's network.

For a well-functioning infrastructural network to provide such unforeseen matters, certain requirements need to be fulfilled. *Firstly*, the network should be diverse. When incorporating many different contacts, the network will most likely provide usable information. *Secondly*, characteristic for an infrastructural network should be weak ties, which further links to other contacts. Usually, companies are building their network on strong ties, which have many advantages, for example, by providing the security required for technical collaboration or efficient handling of the product exchange. However, the risk is that the parties might be insulted from new ideas and impressions. *Thirdly*, a network should be able to provide bridges between different contacts, which are the significance of weak ties. The bridges that weak ties in infrastructural networks provide are crucial for securing long-term relationships for companies. (Ford, 1997)

According to McLoughlin and Horan (Industrial Marketing Management, 2000), there are a wide variety of resources that can be exchanged in business relationships. These are financial and economic exchange, technological exchange, knowledge exchange, legal exchange and informational exchange. With the purpose of researching marketing intelligence, focus will be on knowledge and informational exchange. *Knowledge exchange* is a significant issue for academics and practioniers, which can be understand as the ability of an actor to carry out tasks which the actor is concentrated to do, but also the knowledge that arises between actors as how to do business with others. Knowledge exchange also relates to the ability of contributing to the knowledge base. The *informational exchange* relates to the information flow in context of technological, legal, social as well as other relations that might exist. The exchange of information is emphasised as being particularly predominant in such relations. It can be either of formal or informal character. How should the marketing intelligence be collected using the networks? Baker (1994) discusses the intelligence network approach and how it is functioning in the collection process.

4.3.4 Intelligence Network

The increase of data forces a manager to sort and process data to get anything useful out of it. It is therefore important to find the right information rather than trying to get more data. Too much data might obstruct good decision-making because it makes the decision makers feel too confident. Managing information well is an essential part of managing relationships and networks in all business areas. This increases the need for an intelligence network. Intelligence network helps the company to monitor ongoing activities and to spot incipient problems and opportunities. (Baker, 1994)

Internal Intelligence Network

Baker (1994) discusses the importance of developing intelligence networks within the company in order to stay informed about decisions, activities, people and events. The personal network facilitates the monitoring of ongoing activities and the prediction of problems and opportunities. Personal contacts are the direct links for communication with various parts of a company. Especially important is to keep contacts when moving around the company since it is a great opportunity in developing information contacts. Moreover, diverse contacts are better than similar redundant contacts, i.e., a large diverse contact network provides the best access to information and will be able to quickly discover new opportunities.

According to Baker (1994) horizontal networks provide a broader intelligence network than a vertical network since the contacts in a horizontal network will be links to different departments, and different kinds of people, instead of same departments and same kind of people as is characteristic for vertical networks. The horizontal network will provide the company with a broad area of information such as gossip, rumours and data, which can be valuable information for decision-making. Crucial is to balance the information and the actions since if you wait too long for information it might be too late to act. However, if the decision makers do not get enough information, bad decisions might be made.

Managing information relationships involves some responsibilities. It might be necessary to go around people to get information. However, it is important that those people are taken into account when explaining why you go directly to an information source. The founded information should then be shared even though it might be confidential information. By sharing information, other people can get their jobs done. The ability to perform the job depends on the access to information. If information is never or seldom shared, the network will diminish. In order for the intelligence network to be maintained, the supplier of information should act tactfully, trustworthy and responsibly. (Baker, 1994)

External Intelligence Network

External intelligence networks are built on internal intelligence networks, i.e., personal contacts. It enables the company to stay informed about the market; changing customer preferences, competitor's activities, social and economic trends and technology development. Moreover, the external network helps the company to manage the information problem, the problem of too much data and not enough real information. Most pertinent information seems to derive from the field, i.e., be active on the market to talk to competitors, customers as well as governmental functions. As Baker (1994) describes it, "*external contacts are reality checks*". However, being aware of that information might not be entirely accurate, it is favourable when coming from competitors or other stakeholders that might have own interests. Although, when finding information about competitors combined with information delivered from dealers or customers gives a good experience of what is true or not.

It is important to be acquainted with the connection a company has to the outside world. There are many stakeholders who can deliver valuable information. Often the marketing information departments have a good insight in what competitors are doing and the financial department has contact throughout the financial world. Also, the sales people meet the competitors as well as the customers every day, which makes the sales people a really valuable source. Moreover, the dealers have a good insight in the industry since they meet the customers in sales and trade shows, where they hear about competitors' activities but also about the industry. Customers are crucial contacts in the external intelligence network. They have contact with competitors daily and usually the customers know before the company does what the competitors activities are. The customers and dealers are some of the company's best contacts since their networks reach other corners of the business world with different perspectives of the market. Another important department in the company is that of the scientists and engineers. They are up-to-date with new technologies and product developments and should definitely be tied to the intelligence network. (Baker, 1994)

External stakeholders such as banks, lawyers, consultants and accountants comprise significant information about developments, events and business trends, which often comprise valuable information that a company cannot collect. Professional intelligence suppliers are also stakeholders that could be incorporated into the external intelligence network. Usually they have close contacts with government, industry associations, trade associations and media. By including professional intelligence suppliers, who usually are specialized in building information networks, one´s own intelligence network will most likely be enhanced. (Baker, 1994)

It is crucial to continuously work on the intelligence network. The best time to build your intelligence network is before it really is needed. It is critical to know where to build contacts, not just how. Before establishing an intelligence network, the company first has to define what critical information is needed and where it is produced. A first step is to look at the internal information needs before defining information needs externally. When it is defined from what sources the information should be delivered, the company must start to build the intelligence network. (Baker, 1994)

Key Words
Relationships, Network, Cooperation, Information flow

The network concept introduced the overall picture of information exchange relationships that occur on the market. Numerous interaction with different information sources creates intelligence networks, where mutual communication enables the parties involved achieve pertinent information. One of these networks is the dealer intelligence network. It is applied when integrating the dealer as a supportive contributor into the MIP. In order to successfully execute the integration the relationships between the MNC and its dealer needs to be one of partnership. This issue is further discussed in the following chapter.

4.4 Dealer Intelligence Network

Following section will describe the relationship and interaction between the MNC and dealer as well as between the customer and the dealer. The intelligence flow is facilitated when having well functioning relationships and communication that are based on mutual trust and benefits. These relationships, in turn, form a dealer intelligence network.

Ford (1998) suggests a view of dealers as companies that join the already established networks of two companies together. This provokes the challenge of monitoring the new complex network and managing the variety of different relationships. Other scholars Hutt and Speh (2001) refer to dealers of distribution as a bridge to the market creating the basis for how customers and business interact, taking the responsibility of ensuring the development of ongoing relationships with customers.

The global competition impedes manufacturers' direct access to end customers. This enables the dealers of distribution, acting as a direct link between manufacturers and customers, organise themselves into compelling chains. Therefore, in order to possess access to the information about end customers, manufacturers need to assure the partnership based relationships with its dealers of distribution. (Industrial Marketing Management, 1999) Anderson and Kerr (2002) emphasises the internal organization where the front-line personnel perform as the fundamental connection within the management of the customer information. They are regularly collecting customer information and working as a customer interface, therefore it is crucial for a company to determine what is necessary for employees to know in order to facilitate the information collection.

The top managers of the distribution dealer have to make a clear distinction between what kind and how much of the information about current company strategy the front-line personnel have to know. Otherwise, there is a risk that pertinent information might be disclosed for other actors in the market. The details need not necessary be presented. On the contrary, it is essential to give a reason to the employees in order to satisfy their curiosity and answer the questions. Therefore, a balance of how much information the front-line personnel should be provided with must be determined. This enhances personnel's motivation in information gathering. Moreover, this will facilitate the situation for the employees in their direct contact with the customers when answering their questions. In that way, the customers are more motivated providing the information when they are aware of how it will be used. (Anderson&Kerr, 2002)

4.4.1 Relationships between Dealers and the MNC

The relationships and interaction between the company and its distribution dealers has to be performed in a similar way as that of the customers. These dealers bring company's products to the market and therefore the well functioning mutual relationships are vital for the company to maintain. There are a number of reasons presented by Gordon (1998) supporting the relationship approach. Firstly, the personnel from the distribution dealers' organisation are on the market and win the customers against the competitors. Secondly, the intermediaries, as a rule, add value to the products that manufacturing company is unable to provide or it is not beneficial. Additionally, the distribution dealers take costs for the current value adding system as well as ensuring the basis for its continuous maintenance.

The main challenge that many of the companies face is the creation of the substantial relationships with the distribution dealers. The crucial factor is that the company perceives and treats the intermediaries as partners having the same mutual interests, as well as allowing them to have some individual control over the areas of indifference. Therefore, the creation of common value evolves the free communication between the manufacturing company and the intermediary. The information stored both in databases and disseminated orally, has to be to a relevant extent available to both companies through mutual interaction and understanding of its crucial importance. This, in turn, also enhances the value created for the final customer served by the distribution dealer. (Gordon, 1998)

According to Sudharsan (1995) interaction between the producer and a dealer member will affect how stable the relationships are. Long-term relationships will evolve over time and will remain through open dialogues and cooperative planning. Furthermore, the cornerstone of relationships is mutual trust. Trust will be fulfilled when the parties achieve mutual benefits from actions undertaken with at least one of the parties. Trust is a critical factor since short-term inequities are inevitable in all relationships. Generally, the relationship must be based on equal trust and rely on each other. Another party's actions must be satisfied or committed through the other party. Moreover, through trust, the producer and dealer member develop confidence that will improve unforeseen problems that might arise. The goal is to achieve a long-term relationship and a high level of mutual benefit.

When developing effective and efficient relationships between the manufacturer and the dealer, mutually coordinated management and reciprocal communication of information are crucial. These activities need to be organised in the way that information flows would move both between companies involved in direct relationship and within each company itself. The data is gathered from all levels of organisation. To be useful, it has to be converted into information and, consequently, to intelligence, which is the background for decision-making process. Therefore, the mutual understanding of interchange of information and intelligence has to be established between the cooperating companies. (Stern&al., 1996)

Terpstra and Sarathy (2000) consider the importance of communication between the distributor and the manufacturer. In order for the distributor to be an effective member of a firm's international network, communications has to be executed. Both telephone contacts as well as e-mails are powerful tools and ensure timely response to eventual problems and opportunities. In addition, meetings where the distributor and manufacturer can meet face-to-face improve the, often, long-distance relationship. Furthermore, establishing local offices allows closer contacts and support of all the distributors in a region. This will also enhance the possibility to have regional meetings more often. To have face-to-face contacts will gain better insights into the marketing problems.

Terpstra and Sarathy (2000) imply that company newsletters might increase the company spirit, which should include news about the distributors as well as the company. The newsletter should be sent to the distributors as well, all to create a corporate spirit among the "family" of distributors. Also, a computer link with distributors would enhance the interaction between the company and the distributor. Information would also be easier to get access to when required.

4.4.2 Partnership Relations

The relationships between a manufacturer and its intermediary that are based on in-depth collaboration are called *partnership.* It entails communication, cooperation, trust and commitment between dealers and manufacturer. This kind of relationships takes place through wide range of social, economic, service and technical ties that have been developed over time. (Stern et al., 1996) Both parties are together in the same business and any kind of assistance in terms of material resources involved and interactive communication for information exchange improves the overall commercial performance. Therefore, joint planning and coordination of different activities and policies focusing on cooperative efforts are required from both partners. (Hutt&Speh, 2001)

On the other hand, the partnership and interdependence between the manufacturer and its distribution dealer may provoke conflicts. Even though both parties understand the importance of cooperation, each partnership member aspire to sustain their independence and, of course, profitability. Therefore, conflicts occur when one of the partners perceives that the other one keeps on obstructing them from achieving their goals where the lack of communication or insufficient information flows hinder the effective cooperation between the partners. The conflict situation arises due to diverse reasons when partners differently understand each other's efforts and methods of conducting business. The members of a partnership might have dissimilar objectives or they can also evaluate their areas of interest in different ways. Such conflicts influence the successful development of partnership and can even damage dealer performance. Thus, it is vital for the managers of the manufacturing company to understand the need for mutual interaction with the dealer of distribution and build the relationships on partnership basis using relationship management approaches. This enables the manufacturer to coordinate those already established relationships between both companies as well as to concentrate on establishing the long-term and mutually beneficial interactions. (Hutt&Speh, 2001)

Equally, without any conflicts even partnership relations between manufacturer and its dealer may become too passive and lacking of innovation. Conflicts can also be perceived as positive since they might motivate both partners to adapt and exploit new opportunities. In turn, conflict situations can support better performance, particularly if both partners understand that contradictory views might have synergy effects in generating better ideas when the criticism is constructive. (Stern&al., 1996)

However, the negative conflict situation can be controlled by cooperatively setting up the goals and objectives where both companies are involved through mutual collaboration. In today's competitive environment companies need to have effectively functioning network of organisations, the dealer. Successful cooperation derives from those relationships where both partners are involved with strong ties in terms of commitment and trust. This, in turn, facilitates the mutual sharing of valuable information about different prospects, markets and performance. (Hutt&Speh, 2001)

According to Adcock (2000) to succeed as partners, both companies have to be able to trust each other in the belief that they operate on the same premises and mutual benefits. A two-way communication i.e., interacting and exchanging views is the best way to achieve this. In order to put everything into a context, a model was created.

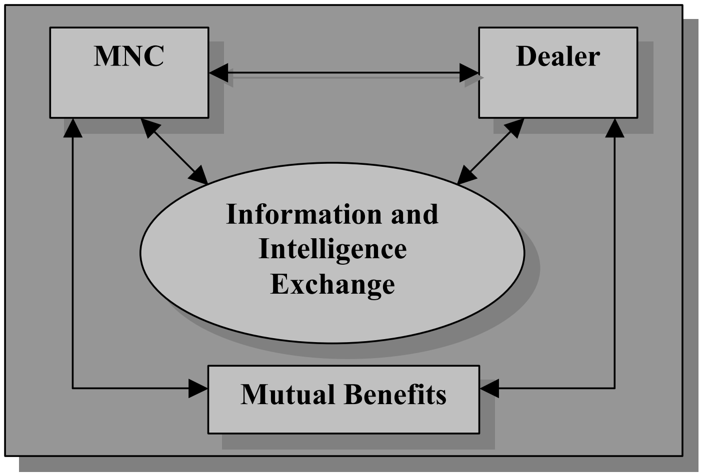


Figure 10: Partnership Relations
Source: Own

Figure 10 illustrates the relation between the manufacturer and the dealer, i.e., a partnership. The partnership relation is mainly affected by interaction, information and knowledge exchange. A successful implementation of those factors will result in mutual benefits. The fundamental objective is that the partnership is based on trust, which will impact the ability of establishing short-term as well as long-term interactions.

Key Words
Partnership Relations, Mutual Trust and Benefits, Two-way Communication

Dealer intelligence network can be exploited when having partnership relations established between the MNC and the dealer. This feature is also applicable when making the customers to contribute to the MIP. This is also achievable through exploiting customer intelligence network. The latter is accessed through customer relationship management approach focusing on facilitating mutual information exchange and communication. Therefore, this is the next issue discussed within the outline of the theoretical framework.

4.5 Customer Intelligence Network

Creating relationships and integrating customers into an MNC's intelligence network is another crucial issue when dealing with intelligence. The satisfied customers who have well developed relationships with sales representatives are comfortable to provide different kind of information they possess. The relationships and information flows are interdependent and, therefore, the customer relationship management is a direct element when managing customer intelligence network.

4.5.1 Customer Interaction

Ford (1998) argues that the direct contact between a company and its customers happens when carrying out a sale. However, it cannot be seen as an isolated event but rather put into context of a chain of interactions that create the relationships between the parties involved. Thus, a sales event is seen as an outcome of combined actions and intentions from customer, selling company and other actors that are involved in the surrounding network.

Jansson (2002) states that interaction with the customer provides the company with valuable information about products, needs as well as competitors. The achieved information is usually on the early stage of development and is possible to influence if timely possessed and perceived. Aaker (2001) describes how essential it is to develop a relationship where the customer is an active partner. By integrating them into the network, the company can get access to many new ideas and important information. The dialogue must be performed on a mutual basis and must be active, in order to create strong relationships. Moreover, Adcock (2000) discusses that the two-way communication is useful in helping to facilitate the sharing and exchanging of information between the parties. This implies a real indication of the existence of commitment and trust in a relationship. Once received, all information must be treated with respect, and of course mutual respect is a prerequisite for a successful partnership.

Communication should be performed with the key people within a customer business or in person with an individual key consumer. In business-to-business marketing, the key people are those who provide information and influence colleagues. They are also the decision makers and influencers found in any industrial buying centre. (Adcock, 2000)

The customers that provide the information about them voluntarily need to understand and evaluate the benefits of such the performance. Establishing the relationships with the new customers begins with defining customer expectations. The development of interaction continues when the company constantly comes up to those expectations which are based on the confidence and understanding established from the beginning. (Customer Interaction Solutions, 2001)

4.5.2 Sources of Customers' Information

The company needs to be sure that the achieved information is consistently accurate. This is vital for the benefits of both the customers and the company itself. The organisation has to take the responsibility to maintain correctness of the data while customers are supposed to be familiar in what way the information is used. Finally, the process of data gathering from the customers should be just as consistent as the need for information to be reliable. (Customer Interaction Solutions, 2001)

Storbacka and Lehtinen (2000) state that the information about the customers can be generated from two main sources; internal records and external records. *Firstly*, data about buying behaviour is generated from internal records. Here is the register about each customer purchases employed. The technical information about the sold products and frequency of buying for each customer can be easily accessed from the database. However, this is not enough for decision-making process. The opinions from the direct observation of the customers need to be taken into consideration too.

Secondly, another source of customers' information is data that has been gathered externally by making interviews with the customers. This kind of information is as important as the one of the previous kind. Here, customer relationship management is of special importance. When establishing and maintaining good relationships, a company may efficiently utilise this information source. It compiles the data about customers' behaviour, attitudes and perceptions, customers' possible interrelations and connections to different members within the network. Moreover, customers' own perception about their future behaviour and different projects needs to be recorded. (Storbacka & Lehtinen, 2000) However, other scholars, Anderson and Kerr (2002) include some additional sources that may vary from being more general or, on contrary, tailor made. These sources include government reports where the population trends over past years are described. Furthermore, trade associations provide companies with the recent development of the industry where the general information about the customers might also be included. Various surveys present customers opinions about different issues and are considered as another information source.

Finally, the majority of the valuable “passive” data, i.e., data that the customer does not realize he/she is supplying, is gathered by the employees and, in particular, sales people. They become as “eyes and ears” of the company in their regular and close communication with the customers. (Anderson&Kerr, 2002) Additionally, Ford (1998) highlights the importance of mutual trust and personal relationships in the information exchange process. These allow the dealer more easily assess not only the general but even the confidential information that the customers might possess.
In order to successfully achieve the most accurate data, the people who are in direct contact with the customers have to have an extensive experience of working in the field. This facilitates the ability of creating strong relationships. On the other hand, rotation can be useful in terms of providing the opportunities of obtaining different experience and make it possible to enlarge the network of contacts. However, this cannot be too excessive in order to maintain the already existing relationships and not break it up. (Baker, 1995)

4.5.3 Customers’ Information and Relationships

The growing importance of building tight relationships with customers has been one of the primary aims for many companies. Moreover, the mutual understanding and embeddedness in business networks assists the companies not only in serving their customers but also in getting the various kind of information. (Baker, 1995)

The relation between type and evolvement of relationship and information content is presented by Jansson (2002). It is based on the dyadic linkages evolving in industrial markets, where five stages of relationships development are distinguished. *Firstly*, at the pre-relationship stage customers are not committed to the company and, therefore, the information is difficult to acquire. The *second*, early, stage of relationships development involves the initial mutual learning activities. Both parties gain knowledge of each other although the uncertainty is still high and the acquired information is of modest content. *Thirdly*, at the development stage, when experience of conducting interactions between the customers and the company increases, the linkages intensifies. Therefore, customers are more confident providing more extensive information relevant for the company. *Fourthly*, there is a long-term stage, which is identified as rather stable since the distance between the customers and the company is modest and the information content is considerably explicit. *Lastly*, the final stage evolves from the consistent customers' commitment to the company, where the substantial information exchange prevails. On the other hand, the relationship can be taken for granted and not further developed, which will impact the information exchange between the parties.

Customer information can be defined as "*the frame in the relationship between a company and a customer*". Any firm seeks to achieve as much information as possible which facilitates choosing the way of dealing with and serving its customers. (Anderson&Kerr, 2002) Therefore, the aim of gathering, storing and efficiently disseminating the customer information within the MIP is to provide a company with the supporting tool for the operational and strategic decision-making process. It helps the company to offer the right product to the right customer at the right time. Moreover, the customer information database manages the stream of customer service data to be provided in a timely, familiar, valuable and satisfying manner. (Customer Interaction Solutions, 2001)

The best way of customer intelligence management is to have this information reported as often, and in a similar manner as managers get internal reports about units' performance. In that manner, the managers can be confident that the reported information is of rather high quality, as precise as possible and up-to-date. This, in turn, decreases or even eliminates the degree of assumptions in the decision-making. (Storbacka & Lehtinen, 2000)

4.5.4 Challenges within Management of Customer Information

The company needs to have the registered data from all the relationship meetings and other related activities including the assessed information. The maintaining of customer relationships needs to be systematic and structured in order to integrate the records into the management system. Moreover, it is very important that the company's employees that held the meetings even record the perceptions and impressions from each meeting. This has to be available throughout the whole organisation. One of main problems when gathering and storing the customer information lies within the easy loss of it. It happens when the employee who was directly involved in customer relationships leaves the company. The information is lost with the individual and is both time and cost consuming to retrieve. On the other hand, the records cannot be moved within the organisation due to its undeveloped internal network or some gaps within. Therefore, the well functioning integration of all units of the company is vital for the successful information transfer. (Storbacka & Lehtinen, 2000)

The flow of the customer information has not to be hindered when transferring it between different units inside the organisation. The company should not take for granted that all information that is stored in its database is enough and correctly assembled. If the various business units are linked so that the information system compiles all customer related data, e.g., visits to the Internet page or calls to Customer Support, should be taken into consideration as well. (Customer Interaction Solutions, 2001)

Key Words *Satisfactory Relationships, Information exchange*

While customers can contribute to the MIP through their intelligence network, the access to the competitors' information can be considered in a similar manner. The competitor intelligence network is another element within the MIP. The relationships between different rivals in terms of possibilities to access the information can be exploited when using competitor intelligence network, as an information source, to contribute for the MIP. This is the concern that the following chapter discusses more explicitly.

4.6 Competitor Intelligence Network

Following section will describe the importance of creating and maintaining relationships and networks with the competitors in order to achieve pertinent business information to be turned into intelligence. It can also be generated from different information sources where competitors' activities are assessed. The competitor intelligence is not enough to possess but it is equally important to effectively manage it within the company.

Dutka (2000) defines competitive intelligence as "a process comprising the gathering, analysis and taking actions on information about competitors and the competitive environment". However, Paley (2002) calls it competitor intelligence and characterizes as a source of accurate information on the competitors' strengths and weaknesses. Pollard (1999) makes a clear distinction between both of these terms. He states that the competitive intelligence comprises competitors, markets, customers and suppliers while competitor intelligence focuses only on competitors. This ultimate characterization will be further followed throughout the theoretical framework.

It is very important to stress the difference between the industrial espionage and the methods used for achieving the competitor intelligence. The illegal techniques and practices are not applied when gathering the information for intelligence. (Dutka, 2000) The achieving of competitor intelligence can be defined as an investigative journalism rather than spying. If the legal methods of information gathering are not followed, it means that a company has failed in successfully implementing the competitor intelligence. (Cook&Cook, 2000)

4.6.1 Relationships between Competitors

Regarding whether the information exchange is possible, Bengtsson and Kock (The Journal of Business & Industrial Marketing, 1999) states that there are different kinds of relationships between the competitors within the business networks. These relationships can be divided into four types; coexistence, cooperation, competition and co-opetition.

Firstly, there is the coexistence relationships between the competitors where barely information and social enhances are performed between different actors. Additionally, the ties between the latter are absent since the competitors, as a rule, are aware of each other's presence but no interaction is performed. However, the power within the coexistence originates from the dominating position or strength that an actor possesses. This means that dependence between the competitors exists where the smaller actors are under control of the larger one. Moreover, the distance between the competitors is based on the emotional factors. It implies that trust has to be regarded as high but informal. This is due to the fact that one actor depends on the other one even is there is direct interaction in between. Furthermore, in case of coexistence the competitors' goals are determined independently. (The Journal of Business & Industrial Marketing, 1999)

Secondly, relationships between competitors within the business networks are cooperation. This situation in the market is dominated by frequent business, information and social exchanges. Although different types of ties between the actors can arise, the most common ones are social, knowledge and legal/economic bonds. Through cooperation relationships companies can achieve competence, market intelligence, reputation, access to other products as well as other resources that are important for its business. Despite the fact that the competitors cooperate, it does not mean that there is no competition or even distrust between the actors. The existing informal and formal agreements regulate the power and dependence distribution between the competitors. This leads to the situation in the market where the conflicts arise rarely and competitors have common goals. (The Journal of Business & Industrial Marketing, 1999)

Thirdly, action-reaction pattern characterises the competition among the actors. This refers to the outcome of the companies' activities to follow and imitate each other's activities, which results in simple and direct interaction. Therefore, the power disposition among the actors is rather equal and depends on their positions in the network. Moreover, although competitors set their own goals, the structure of these is similar. This means that the competition relationships are a zero-game for the actors on the market. (The Journal of Business & Industrial Marketing, 1999)

Finally, the relationships between the actors on the market, characterised by co-opetition, can include both economic and non-economic exchanges. In this situation, the dependence among the competitors depends on two features, cooperation and competition. In case of cooperation, trust or formal agreements define the power distribution among the actors. On the contrary, in competition, each company's position in the network characterises their dependence on each other and influences the power distribution between the actors. Furthermore, having long-term co-opetition relationships, actors learn about each other and different companies' capabilities in both analysing the other actor's patents and products, and by taking part in common developmental projects. (The Journal of Business & Industrial Marketing, 1999)

The external environment shapes the type of relationships that occurs among the actors. Therefore, each company usually needs and, as a rule, has different relationships with particular competitors. Moreover, the content of interactions is feasible to change over a period of time from one to another previously described types. However, there is no clear model or pattern for the future development of different kind and content of relationships. On the other hand, the content is conducted by the competitors' various relationships with different stakeholders and other actors in the external environment. (The Journal of Business & Industrial Marketing, 1999)

4.6.2 Information Sources

Different scholars describe competitor information sources. Hussey and Jenster (1999) focus on competitor activities while Drummond and Ensor (2001) are focusing on information itself. The latter facilitates the explanation of accessing the accurate data and it will, therefore, be further explicated. Thus, Drummond and Ensor (2001) divide the competitor information sources:

1. Public domain information
2. Internal information
3. Third party information

Firstly, the information that is available for everyone is called by public domain. This makes particular competitive information available for all the companies active on a market. (Drummond & Ensor, 2001) There are legal requirements as well as participation in different associations that entails to convey some kind of information. (Cook & Cook, 2000)

Different industry and trade associations are good sources of general information about a specific sector but not a particular company. However, if several large companies dominate any of the associations, the accumulated information mainly refers to these largest players. (Kahaner, 1998)

Moreover, under this type of the public domain information classification there are diverse promotional materials, annual reports and recruitment activities included. (Drummond & Ensor, 2001) However, it needs to be estimated taking into consideration the fact that this is provided by the competitor itself and might be too subjective or deceptive. (Hussey & Jenster, 1999) Additionally, the recruitment announcements can be a source of information too. The demand for specific personnel or within a particular area can provide the company with the intentions of the competitor about its future plans. (Pollard, 1999)

The second category, internal information, comprises the records about the competitors that each company already possesses. It can be the bid analysis since the won and lost offers are sources of information. (Hussey & Jenster, 1999) Another example is the trade shows that are of special importance in achieving the information about the competitors. Both observations and direct interactions in such forms are necessary to implement. There, not only the data on existing competitors can be gathered, but the new players might be discovered too. Moreover, the most valuable information might be achieved during the "post-event" time, i.e., workshops or seminars. The speaker can be more willing to uncover additional data in the informal atmosphere. (Cook & Cook, 2000)

It can be rather surprising that an extensive amount of various data, information or intelligence already exists within the organisation. The problem usually lies within its inappropriate or ineffective analysis and dissemination. In this category the sales force and customer service personnel are the primary generators of competitor information. This is due to their every day proximity to the customers and different industry contacts within a market. Therefore, it is necessary for the companies to establish internal networks in order to facilitate the information gathering process. (Drummond & Ensor, 2001)

Finally, the third party information involves the particular sources that are not directly linked to a competitor. Here Internet is a helpful tool since it provides both free and paid information on various issues. However, it can be rather challenging to cope with the overwhelming volume of the available information. On the other hand, various market research agencies, mass media workers, credit rating organisations or customer groups can be used as the third party information providers. (Drummond & Ensor, 2001)

Another source of competitors' information are the case studies made by the students from the universities where the disclosure of the company's information is unavoidable. Although this might not provide the strategic intentions of the competitors, but the assessment of insight in its behavior can be accessed. (Cook & Cook, 2000) Moreover, these case studies most often present the possible problems and difficulties that appear within the competitor's organisation and its market activities. (Hussey & Jenster, 1999)

Key Words
Information Exchange, Coexistence, Cooperation, Competition, Coopetition

Competitors are not the only actors on the market whose activities are necessary to be constantly monitored in order to be proactive. It is equally important to establish relationships with the stakeholder, which is relevant for a particular business that the manufacturing company is active in. This creates stakeholder intelligence network, where accessed information can be applied when proactively achieving intelligence. Therefore, the following chapter more extensively contemplates stakeholder intelligence network.

4.7 Stakeholders Intelligence Network

This part of theoretical framework is focusing on how various stakeholders are related to an MNC through their intelligence network where either a manufacturing company of its dealer of distribution is directly involved. This intelligence network is also a part intelligence generation framework where the relationships and contacts a company has with the stakeholders determines how much of intelligence is passed through to decision-makers in order to proactively operate within changing conditions or influence it in a preferable manner.

Any company knows the crucial need of being aware of the external business environment. It is one of the features influencing company's operations and therefore its decisions. However, there is a distinction between different levels of need and demand for the external information depending on different organisational functions. Each company has to know how much of the external intelligence is used for the strategic or operational decision-making. Decisions that are made on operational level are more rarely dependent on or influenced by external factors. Though, when such the information is necessary, the need is rather simple and unproblematic to satisfy with a definite answer. (Lowe, 1999) However, the company has to understand the need for the external data and monitor a number of macro-environmental factors. Without such the activity the standard and usual information, e.g., the company's market share over the past year, can become rather complicated to be interpreted significantly. (Palmer&Hartley, 2000)

4.7.1 Definition and Purpose

The information about and from the external environment can be achieved through various activities, the definition of which varies when looking at a number of scholars. While Palmer and Hartley (2000) describe the external stakeholders as the macro environment, Tayeb (2000), on the other hand, call it the external challenges that need to be constantly monitored. The similar definition is provided by Drummond and Ensor (2001) where the purpose of macro-environmental analysis is "*to identify the critical issues in the external environment that may affect the organisation before moving on to judge the impact they may have on the organisation*". Baker (4th ed. 2000) names such the activities as environmental scanning. Zikmund (2002) identifies them as "*information gathering and fact-finding that is designed to detect indications of environmental changes in their initial stages of development*". Lastly, Svendsen (2002) refers to stakeholders, who are identified as "*individuals or groups who can affect or are affected by a corporation's activities*."

4.7.2 Relationships between Stakeholders and the MNC

Varey (2002) states that business environment can be described as a network of people who have various interests and stakes. The system that stakeholders create is concerned as a settled environment where relationships are necessary to be prudently managed in order to ensure mutually beneficial interaction. The conditions of these relationships with customers, regulators, communities and professional groups can strongly affect the performance of a company. Additionally, it is necessary to contemplate the possibility that some stakeholder groups might build or already has relationships with each other.

A well-established set of relationships with numerous stakeholders is of importance in order to timely obtain significant information. A variety of organisations perform as stakeholders in each country, and by encompassing them the manufacturer is able to create its stakeholder intelligence network. The main idea of such kind of networks is to identify and cover the relevant organisations that are directly concerned with industry and general market regulation and establish relationships with them. The network should embrace different information clusters, where both general country regulatory bodies as well as local stakeholders are included. (Jansson, 2002)

In order to enhance the information flow from stakeholder, the continuous relationship maintenance needs to be assured. This is achieved through effective surveillance within the intelligence network where regular visits to different stakeholders as well as manufacturer's receiving their representatives is a fundamental issue. Such activities are managed either by a company and its dealers, or by exploiting external sources, such as consultants or trade offices. (Jansson, 2002) On the other hand, Svendsen (2002) argues that there are two approaches when dealing with stakeholders: through management or collaboration, as illustrated in Table 1 Characteristics of Stakeholder Approaches.

Stakeholder Management	**Stakeholder Collaboration**
Fragmented	Integrated
Focus on managing relationships	Focus on building relationships
Emphasis on buffering the organisation	Emphasis on creating opportunities and mutual benefits
Linked to short-term business goals	Linked to long-term business goals
Idiosyncratic implementation dependent on division interests and personal style of manager	Coherent approach driven by business goals, mission, values, and corporate strategies

Table 1: Characteristics of Stakeholder Approaches
Source: Svendsen, 2002

The stakeholder management concentrates on the techniques of how companies can understand and counteract to the demands expressed by stakeholders. Therefore, the main task of such approach is to ensure a buffer for a company in order to alleviate the possible negative impacts of stakeholders' undertakings. Companies need to be sure they have a sophisticated defence system towards the requests from stakeholders. This makes the managers to act as diplomats in means that they have to persist to mediate between stakeholders' demands and maintain company's desired position. (Svendsen, 2002)

Conversely, the collaborative approach towards relationship building with stakeholders involves reciprocal and mutually defined position. Since the stakeholders are currently more involved in the management of large corporations, their influential power is also increasing. Therefore, managers need their support, which is primarily achieved through collaboration. (Varey, 2002) Here, stakeholder relationships are perceived as a possible source of opportunity where companies can increase its power over changing circumstances and can increase its stability in a tumultuous environment. Even more, when establishing relationships with one group of stakeholders, this might also have a positive effect on other stakeholders. (Svendsen, 2002)

Key Words
Information exchange, Stakeholder Management, Stakeholder Collaboration

4.8 Summary

Organizing the Marketing Intelligence Process (MIP) is the focal issue in this thesis. Before approaching the empirical evidence, a profound understanding of the theoretical background is fundamental. There are no existing reliable theories that embrace all elements of the MIP. On the other hand, the particular constituents of the MIP can theoretically be based on the already developed concepts. After an extensive literature research, six features have been identified as essential for executing the MIP.

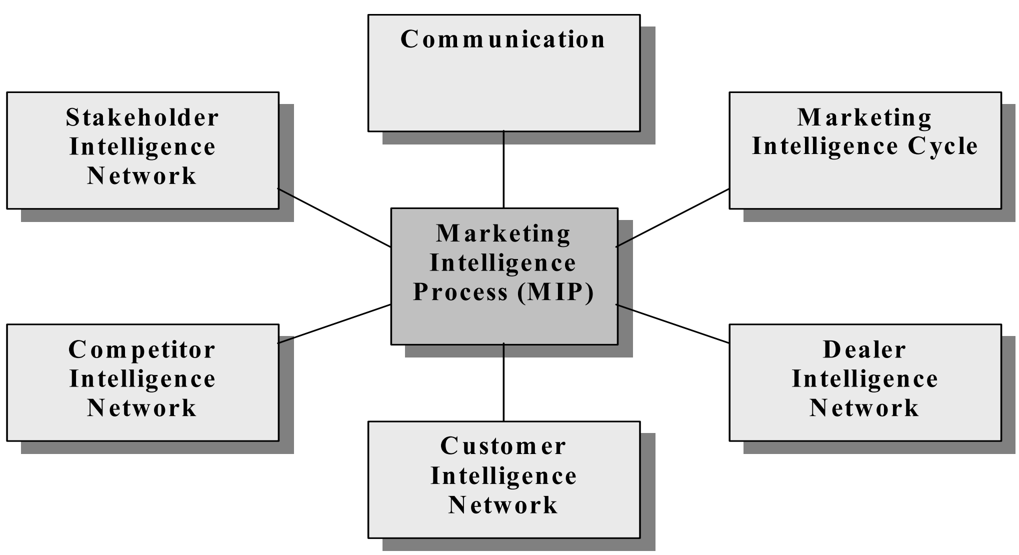


Figure 11: Key features of the MIP
Source: Own

Communication is a comprehensive element within the MIP. Consistent communication facilitates the interpretation of the message sent. When the communication is well organized, the sender of the message and its receiver perceive the transferred information correspondingly. Mutual interaction enables successful information exchange, which must be consistent. The latter is necessary to be executed both internally and externally in order to ensure constant information input as well as exploit efficient information flows.

MIC is an in-depth process, which is functioning as a tool for transforming data and information into intelligence for decision-making. MIC is a fundamental outline considering intelligence, although it is complicated to conduct in practice. The major challenge is within the information input to the MIC, which consists of soft and hard information. While the hard information is rather uncomplicated to organize, the soft information is evidently more intricate to manage. Five phases of the MIC creates an outline when establishing a basis for decision-making.

The intelligence network facilitates the information flow, which is to be used in the MIC. When involving dealer, customers, competitors and stakeholders in the relationship, an intelligence network is established where information exchange is the focal point. Mutually beneficial relationships advocate a relationship-oriented concept, which conceives interaction. This stimulates timely access to pertinent information.

The case of Volvo CE International AB investigates how a marketing intelligence process is applied within a multinational manufacturing company. It is examined how relationships within intelligence networks are linked to information exchange. Its interdependency on MIC is practically assessed, where the context of communication is crucial. The theoretical framework is the foundation of the empirical study, where practical experience of the case company’s current execution of MIP is described.

5 Empirical Findings

The Empirical findings start with the presentations of Volvo CE International AB, its regional hub in Australia and CJD, that are directly involved in Marketing Intelligence Process (MIP). When referring both to Volvo CE International AB and its regional hub in Australia as an entity, the contraction of Volvo CE is used. The short introduction assessing the previous research is made in order to give the reader the background of this particular case study. It is followed by current MIP at Volvo CE International AB, how it is perceived by the company itself. The following sections are structured in line with the theoretical framework, where the empirical evidence is organised by the theories that have been previously introduced. In order to avoid duplications of the same facts, empirical evidence for the overall network concept will not be separately illustrated. The practical information is included within each of the intelligence networks described. Lastly, MIP experience within supplementary companies is also taken into consideration in order to provide the practical illustrations how MIP is actually implemented within other manufacturing companies.

5.1 Company Presentations

5.1.1 Volvo CE International AB

The case company investigated in the thesis is Volvo International AB, a part of Volvo Construction Equipment (Volvo CE). Volvo CE is one of Volvo Group business areas and is one of world's leading manufacturers of construction equipment. They employ about 7 782 and gross sales were 2 046 MUSD in 2001. Volvo CE consists of marketing and sales companies, product and components companies and a support company. Production plants are located on four continents and sales companies are established in more than 100 countries. Regional hubs are located all over the world. Volvo CE has a network of independent dealers in line with its own marketing organisations.

Marketing and sales companies are responsible for sales and support in particular geographic regions where Volvo CE International AB is one of them. Its headquarters are located in Eskilstuna, Sweden. The management team consists of managers for customer/marketing support, marketing sales, business control, project sales and business development, IS/IT. Marketing sales division, in turn, comprises four regional teams: Turkey, Africa/Israel, Middle East and Oceania. There are regional hubs established locally to serve each region. Regional managers for each hub function as a contact link to Volvo CE International AB.

5.1.2 The Regional Hub in Australia

The Australian regional hub is a new regional hub that was restructured at the beginning of the year 2002, as a result of Volvo CE International AB strategy to dedicate the wholesaler activities to a national dealer. After the restructuring four managers are presently working for Volvo CE Australia, and they have the office in Sydney together with Volvo Trucks Australia. The regional hub consists of four managers active in Product Service Support, Parts Supporting Marketing and Product Marketing. Regional Manager Oceania is responsible for both Australian and New Zealand markets, where the latter is about to be linked up with the Australian regional hub.

5.1.3 CJD Equipment

CJD is one of the largest dealer in Australia for construction equipment. The head office is located in Perth, Australia. CJD is a privately owned company and during 26 years of company history CJD has maintained the same ownership. They employ about 250 people nationally. Figure 12 illustrates the eleven branch offices covering five states: Western Australia, Queensland, New South Wales, Victoria and Tasmania. In all five branches, CJD is the dealer for Volvo CE, Timberjack, and Peterson Pacific. In Western Australia and Tasmania CJD is the dealer for Kenworth Truck, John Deere, Grounds Care and Power Systems and Volvo Truck.

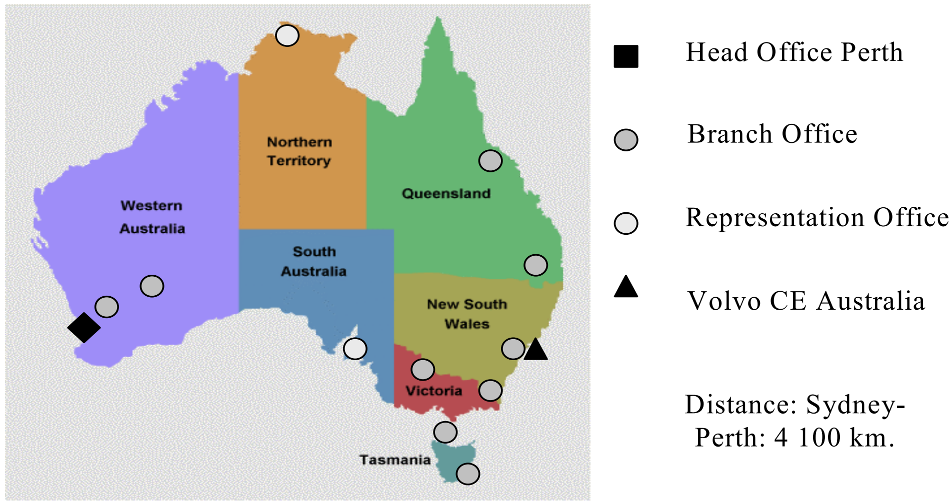


Figure 12: National Coverage
Source: CJD Transcripts 2002-10-30

In October 2001, CJD Equipment took over all importing responsibilities for Volvo CE. As a result they manage ordering and sales directly with Volvo CE International AB, and support service to their customers.

5.1.4 Interrelations between Volvo CE International AB, the Australian regional hub and CJD

CJD is an independent dealer, which has full responsibility regarding purchasing and selling Volvo CE's products. CJD has close contact with both Volvo CE International AB and its regional hub. The main contacts are between the Australian regional hub and CJD, which are constantly meeting with each other in different meetings such as putting up strategies and exchanging information about the market. This implies the fact that the regional hub is a direct link between Volvo CE International AB and CJD. The aim for Volvo CE International AB is to fully involve CJD into the marketing intelligence process since it is perceived as the major source of information.

5.2 Assessing Previous Research

5.2.1 Predicting the Future

Previous research has been focusing on marketing intelligence on a general level, were predictions of the future by identifying indicators is part of it. The identification process of indicators, presented by Ramström and Söderlund (2000), is a first step in the directing phase of the marketing intelligence cycle described in Chapter 3 *Marketing Intelligence*. When required indicators and supportive information are identified, the five phases of the cycle are taking a second round, thus the indicators should constantly be evaluated and the intelligence cycle must be used in order to turn information into intelligence. Moreover, to enhance the quality of the forecasts, improved, analysed and organized communication should be utilized.

5.2.2 Regional Organisations in Emerging Markets

For companies active in distant, as well as emerging, markets, it is important to be acquainted with the structure and organisation of the markets and in what way it is possible to compare and analyse them. It is also vital to know how to establish and maintain relationships with diverse actors on each market. Therefore, as presented by Engström and Johansson (2000), the regional hubs supports and assist the companies in collecting, organising and reporting marketing intelligence. This, in turn, enables the regional hubs to operate as marketing intelligence units and devote certain decisions to be made on the local level and performing as a direct support division for the dealers. In addition, the authors state that although the information is rather difficult to assess, this process can be facilitated by establishing and exploiting connections with different stakeholders, customers and competitors. Dealers are defined as a well positioned information-gathering organisation.

Regarding Volvo CE the activities concerned with marketing intelligence are assessed as the function of necessity to be improved. The authors have created a framework for systematic prerequisites when managing marketing intelligence. The importance to first identify the relevant factors has also been emphasised in order to assure that all indispensable intelligence is collected.

5.3 Marketing Intelligence at Volvo CE International AB

5.3.1 Marketing Intelligence and Forecasting

Within Volvo CE International AB's local management process market intelligence is used as a simultaneous input with customer needs as well as business line and headquarters strategy, directives and initiatives. Volvo CE

International AB intersects the definitions *marketing intelligence, market intelligence* and *business intelligence*. At present, Volvo CE International AB has no clear distinction between marketing intelligence and market intelligence. However, a definition of marketing intelligence is "*total external environment and all aspects of a company's operation*".

Timeframe Perspectives

There are two perspectives within Volvo CE International AB that marketing intelligence (MI) serves as a basis for, as is illustrated in Figure 13.

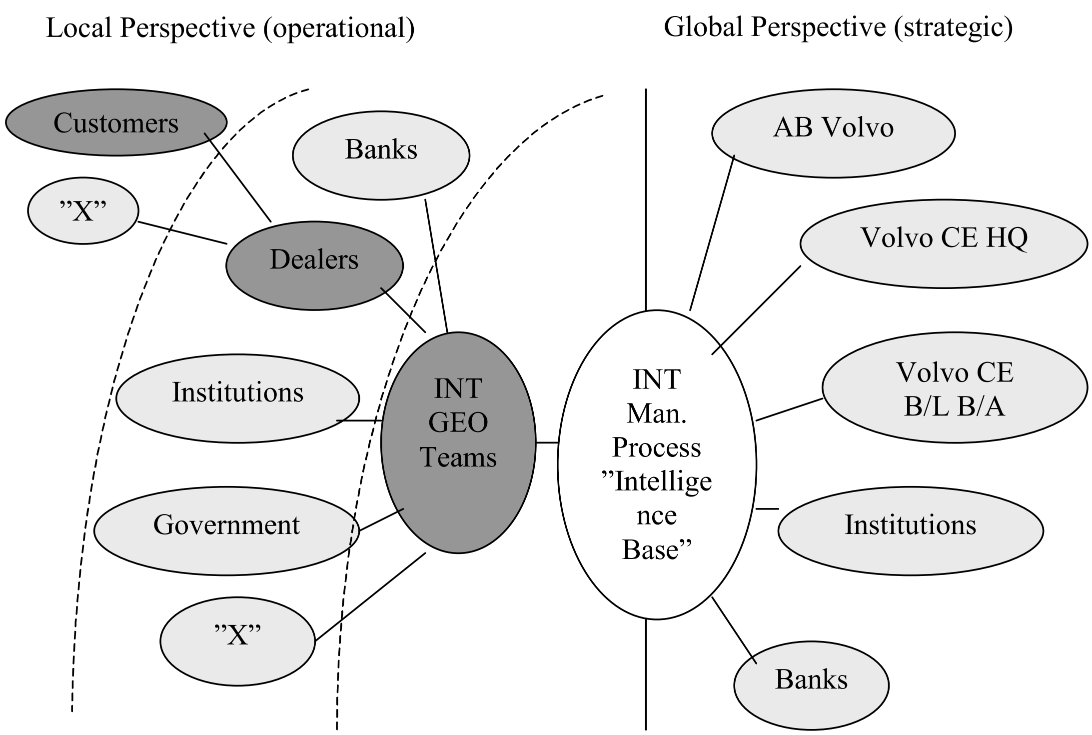


Figure 13: Local and Global Perspectives
Source: Volvo CE International AB

Volvo CE International AB's management process serves as a base were intelligence is conducted, which is exploited both for local and global perspectives. Starting with the strategic global perspective, a network of relationships is identified. Volvo CE International AB has direct relationships with AB Volvo, Volvo CE Headquarters in Brussels, Belgium, Volvo CE business lines and business areas as well as diverse institutions and banks concerning the global level. Within local perspective, Volvo CE International AB's management process is directly linked with each of the geographical teams (GEO TEAMS), which are responsible of a particular market or a region. These teams, in turn, establish and maintain relationships with banks, government bodies and other stakeholders. However, the main link is the dealer, which enables further relation with customers and other actors on the market. Therefore, these fields of main interest are shaded in dark to reveal particular attention.

Marketing Intelligence Funnel

When organising the information input from both dealer and Volvo organisations a so-called marketing intelligence (MI) funnel, is constructed and applied within Volvo CE International AB. As illustrated in Figure 14 the information input is "filtered" by numerous analysts at Volvo CE International AB, Volvo CE International Region as well as at respective business lines and business areas.

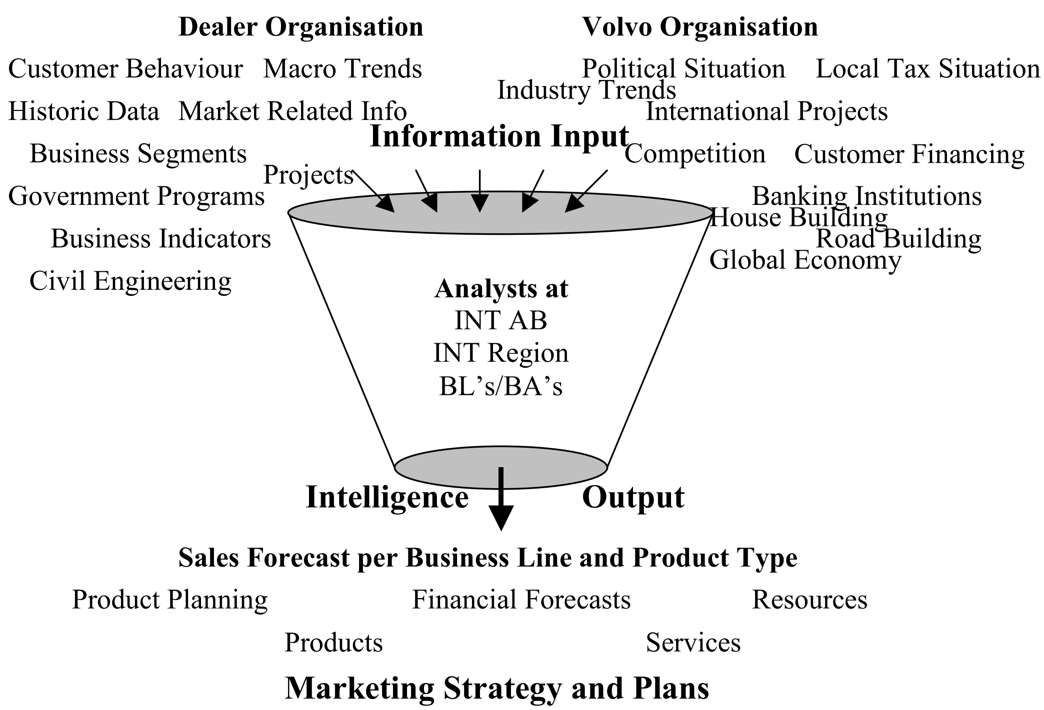


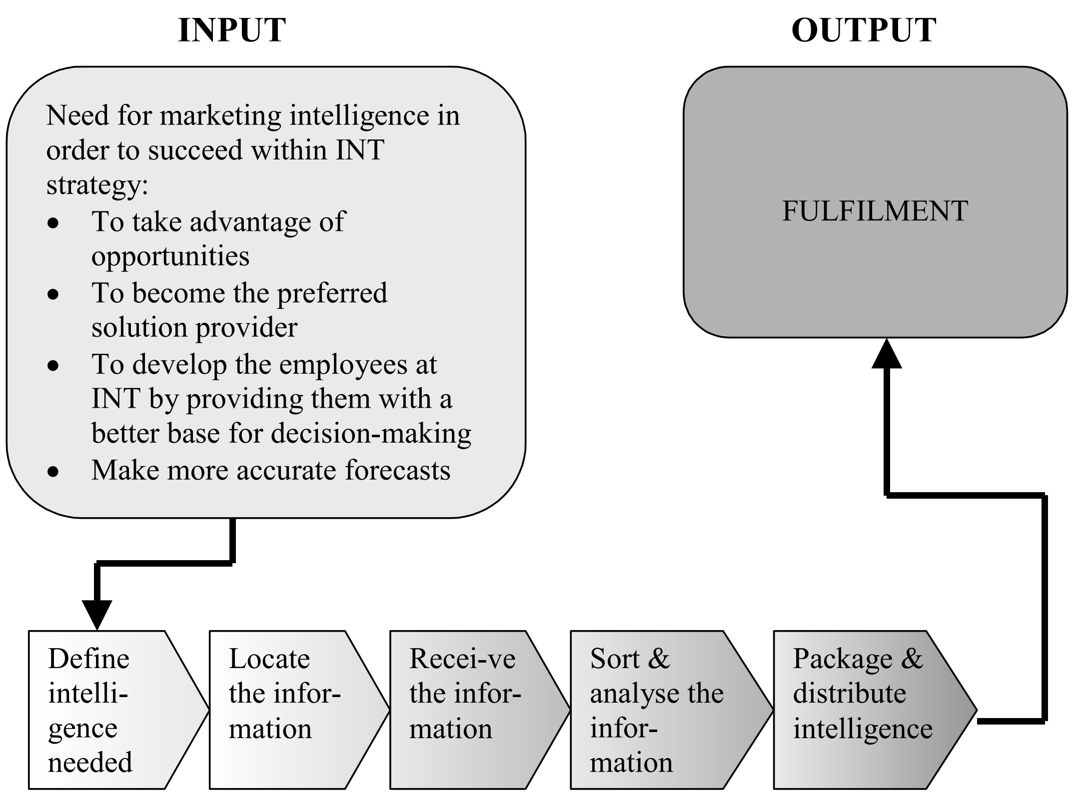
Figure 14: Marketing Intelligence and Forecasting
Source: Volvo CE International AB

Information input comprises diverse factors that are monitored by the dealer and Volvo CE International AB. This embraces stakeholders, competitors and customers. The "funnel" is exploited as a filter where analysts manage information. This comes out as an information output in form of sales forecasts per business line and product type in relation to marketing strategy and plans. The quality of information upshot is dependent on the information input and the sources it is collected from. Moreover, it is necessary to follow and control how information input is compiled, presented and evaluated.

5.3.2 Marketing Intelligence Process

Volvo CE International AB's Marketing Intelligence Process (MIP), where numerous steps concerning marketing intelligence (MI) are put in a particular sequence, is under development. Current version is illustrated in Figure 15.

Figure 15: Marketing Intelligence Process at Volvo CE International AB



Source: Volvo CE International AB

The input of the MIP starts by presenting the purpose of MI in order to succeed with the Volvo CE International AB's strategy. The first step is to define what kind of intelligence is necessary for decision-making. There are general guidelines defined where particular areas within external environment are indispensable to follow. These comprise political, economical and social situation in the markets that are under Volvo CE International AB responsibility. The construction equipment market's development is discerned as a distinct issue to be followed separately. Additionally, competitors, dealers and customers are to be monitored.

To locate necessary information is the second step that has to be accomplished. The ascertained sources are diverse stakeholders, such as Swedish Trade, banks, and subscribed information sources. Volvo CE International AB's internal sources, e.g., various reports, and internal computer systems also serve as suppliers of diverse information. Additionally, information can be achieved through direct daily interactions both in the head office and with different actors on each local market. Finally, Volvo CE International AB perceives the necessity to make a so-called gap analysis, where it would be designated what information sources are crucial to possess, which are not yet identified.

Thirdly, within the MIP at Volvo CE International AB, the methods of receiving the necessary information are distinguished. Currently the information is received in different forms. It is received from a number of business plans and diverse reports. Additionally, the internal and external networks and direct daily interactions are considered as methods of receiving the necessary information. However, there is a consideration to initiate a well functioning process for receiving the information. It would comprise clearly defined links within the MIP, which would illustrate how and where information is retrieved, categorized, stored, upgraded and applied as a base for decision-making.

When the information is received, a set of actions is performed for information processing. This constitutes the fourth step of the MIP and starts with sorting of the information, where it is categorized. Thereafter the information is analyzed. The analysis entails three steps. Firstly, the acquired information is validated considering its usefulness. Secondly, it is aimed that the trends of the market would be possible to follow from the received information. Thirdly, the information that considers the global perspective is to be confirmed by the local information that is directly acquired on each market.

The fifth phase within the MIP is to package and distribute the intelligence, i.e., make it available. Since the MIP is still under progress and hardly implemented in practice, this step is also on the initial phase of development. However, the preliminary outline is defined, where three main questions create the basis for the further structure of the last step within the MIP. Thus, firstly, it is perceived necessary to identify who should have access to the intelligence. Secondly, it is essential to define where the intelligence should be published. The third question considers the frequency of intelligence's distribution. Conclusively, this step finalizes the MIP, where the fulfillment of the goals is achieved.

5.3.3 The Geo Team Commercial Interface Process

The geo team commercial interface process is an outline illustrating the meetings between Volvo CE and CJD, which is divided into two processes; preparing stage and execution stage. The geo team commercial interface process in Appendix 1 illustrates the two stages of business operations and the management process. The basic idea with the meetings is to involve the dealer, in terms of commonly creating an action plan as well as to ensure that the dealer is a part of the process. Other aspects considered for the business operations are to make strategic goals market specific, improve the business plan as well as creating forecasts. The main objective with the business operations is that the dealer business meetings are a key factor for succeeding with the set out goals. Also, reporting is based on discrepancies to the approved plan.

The management process is fundamental when preparing for business operations. It is crucial that the results from the geo team commercial interface process and the management process are in line with the strategic goals.

5.4 Communication

5.4.1 Communication as an Interactive Approach

Volvo CE and CJD are aware of the importance of mutual interaction when acting in a partnership relation with each other. The awareness of the benefits that an interactive approach provides is clear in all three companies, which therefore encourages them to constantly work on maintaining and improving the relationships.

5.4.2 Internal Communication

The internal communication on management level between Volvo CE and CJD is systematic and organised. There are numerous organised meetings, which facilitates the cooperation and the information exchange.

Volvo CE International AB quarterly holds the so-called 4M meetings, where all regional managers as well as the managers from Volvo CE International AB participate. In connection with the meeting, all managers from the Australian regional hub meet the managers at CJD in Perth, three times a year in Business Review Meetings (BRM), which were recently formalised. The meetings are arranged to discuss strategic issues for forecasting and budgeting, such as volumes, expected sales, parts, and machines. The Australian regional hub is compiling the discussed information according to the template before the meeting with Volvo CE International AB.

There are three additional yearly meetings held between CJD and Volvo CE's regional hub, the so-called Dealer Development Meetings (DDM), where predominantly high levels of the business, such as strategies more than operational issues, are discussed. The meetings are focusing on information concerning forecasting sales, budget, market activities and advertising. DDM is mainly concentrated on the local business, i.e., between the regional hub and CJD. The managing director, general manager and the commercial manager are the main people from CJD involved in the DDM's. However, other managers can also participate depending on the issues discussed. Additionally, different managers from Volvo CE's regional hub are meeting CJD almost every month to discuss operational issues. They are visiting different branches in the country to meet CJD people to educate and train them in different areas such as parts and service. The regional hub more often meets with CJD in New South Wales, about two times a month, because of the nearby location.

The managers from the CJD head office in Perth also meeting with the Australian regional hub in their head office. Volvo CE's regional hub together with CJD attend the dealer conferences arranged by Volvo International AB, as well as major trade shows, which are usually located abroad. Both the Australian regional hub and CJD appreciate those meetings since it gives them the opportunity to meet Volvo International AB under different circumstances.

The sales managers at CJD discuss with their sale representatives about sales volumes, and the forecasting decisions are based on those compiled reports. The head office in Perth evaluates and analyses the reports. Thereafter, the branches are contacted if the budget needs to be revised. The last stage is to send the forecasting to the Australian regional hub.

5.4.3 External Communication

The external communication process is rather developed. The macro environmental factors are delivered to Volvo International AB from Brussels on regular basis. External information is collected irregularly and on ad-hoc basis by the Australian regional hub and CJD. The regional manager in Australia gathers some general market information, which is filed at the office in Sydney. The information is mainly used for the local operational decision-making. Very little of this information is probably delivered to Volvo International AB. This is explained by the fact that current regional hub in Australia is a rather new organisation, and is not yet used to having close contact with Volvo International AB. However, the regional manager does not know how much, and what kind, of information is delivered from other regional hubs within Volvo International AB. The regional hub in Australia has minor communication with stakeholders. Customers and numerous branch organisations are the major external contacts. The information from those is usually obtained on ad hoc basis, and is not systematic or organised.

5.4.4 Information Exchange

The relationship between Volvo CE and CJD is mutually beneficial in terms of information exchange as well as upholding the contact. The companies have an open dialogue towards each other and it is perceived that they are most willing to share the information they possess. The contacts are held quite often depending on what issue or problem that might occur. Most of the contacts are by phone or email due to the distance between Australia and Sweden as well as within Australia. Often emails are sent first, followed by a phone call. Phone calls are often made proactively in order to both get immediate response but also to maintain the personal relationships.

There is a combination of economists, marketers, engineers and sales people on different levels in the companies. Information exchange is influenced by the different experiences that the employees possess.

5.4.5 Formal and Informal Information Sharing

Both formal and informal sharing of information exists between Volvo CE and CJD. The formal information sharing seems to be rather structured, although the majority of the information is of hard character. On the other hand, soft information seems to be of an unstructured nature, which means that it is often not written down, analysed or reported in a wide extent. When soft information occurs, it is usually kept in mind or informally shared to a certain person that might have use of the information.

5.5 Marketing Intelligence Cycle

There is an awareness of the importance of marketing intelligence among the managers at Volvo CE and CJD. It is discussed that decisions must be made quicker to stay ahead of competitors. "*Decisions must be made quicker than the competition, so the intelligence network will provide you with good information for quick decision-making*". A sound intelligence network is believed to provide the companies with relevant information for quick decision-making and is a tool for a company to be ahead of the competitors. Following five phases of MIC will illustrate how marketing intelligence is outlined within Volvo CE.

5.5.1 Directing Phase

The regional manager is responsible for the marketing intelligence for each region. Volvo CE International AB provides each local office with templates, where the required information is exposed. This information will serve as a base for the overall operational decisions. The templates are prepared by the managers at Volvo CE International AB. Occasionally, other crucial information achieved by the regional managers might also be added. The template is new and still under development, which enables the managers to be flexible in providing the information. Primarily, decisions about what information to collect for operational decisions are made by regional managers; i.e. Volvo CE's regional hub constructs the template for the weekly reports from CJD.

Partially, the template made by Volvo International AB for the regional hub and CJD consists of an outline for required information, which is the base for decision making. The regional manager decides by himself what information is necessary to collect. "*The Australian market is rather stable and the general economics of the country is easy to predict. It is seen as a Western Economic and is therefore a simple country to deal with*."

All information to Volvo CE International AB is delivered by the regional hubs (market factors) and the head quarter in Brussels (macroeconomic factors). The company is aware of the fact that there is a need for an organized system for filtering and sorting the information.

CJD is structured when identifying information needs. The templates provided to the sales managers as well as the sales representatives are standardised. However, the focus is rather on hard information, i.e. numbers and Figures, than soft information, i.e. rumours, opinions.

The top management of CJD has their own indicators that they perceive being of crucial importance. However, this is rather informal and not that structured because it is used only among the top managers. These indicators are used for forecasting by looking back in time. The reports are usually made verbally and on ad hoc basis to save time. The need for taking the conditions of different states into account is not crucial since these are perceived as similar. Although it is admitted that some states have minor differences in legislation.

The sales managers within CJD have no guidelines provided for what information to report. The sales managers filter external data and information and report only, from a managers' point of view, important information to the head office in Perth. The majority of the information reported to Perth is raw data, which is presented in written reports. No analysis of this data is made. The soft information is mostly reported verbally.

Before the M4 meetings the template is filled in with predominantly hard information while soft information is presented verbally. In connection the M4 meetings, the reports are delivered to Volvo CE International AB. People that are putting up the forecasts of sales are verbally discussing why they think a certain amount of machines will be sold. When following up the forecasting and the actual sales, no reports are written down about the reasons behind the forecasting and reality. However, reporting is made on lost sales.

No particular timeline for collecting information is defined. The four yearly meetings Volvo International AB arrange with its regional hubs as well as the meetings between the Australian regional hub and CJD can be seen as a deadline for collecting the information. However, if pertinent market information is obtained, the regional manager would most likely contact top managers of Volvo CE International AB.

5.5.2 Collecting Phase

Reliability of sources is crucial when collecting information. To double-check a source is rather time-consuming. By experience of working in the business for a long time, managers are confident about what sources that are more reliable than others. Published data is a rather common source. In Australia, reports from a consulting company, Equipment Research Group (ERG), are the most frequently used source in the industry. There are both monthly and yearly reports, which includes general market information such as market trends, forecasts and competitor description. Additionally, numerous industry magazines are used as a source of information as well as economic reviews about the general trends and market development. Other sources of information are customers, trade shows and stakeholders such as government and branch organizations.

Concerning information storing at Volvo CE's regional hub and CJD, the common database is still under development and all employees do not easily access information. However, the awareness of its importance is apparent; *"all* *about marketing intelligence is to share the information that some function gets from the market. All have to be aware of what is happening on the market place".*

Concerning the standardised reports that the sales managers at CJD are delivering from the field, numbers and Figures dominate. Weekly, the managers are provided with reports from the sales representatives. These weekly reports are compiled monthly into a prospect report, which each sales manager provides to the head office in Perth.

The flexibility of new data input at CJD is rather high since information is delivered to the top managers monthly. The sales representatives also have the possibility to provide the sales manager with additional information that is perceived to be important. However, almost no information except from the standardised reports is delivered to the managers.

5.5.3 Validating and Confirming Phase

To validate different sources and the specific data is very time consuming and often there is not enough or sufficient amount of time available for such a process. The management is verbally providing feedback about the information sent from the sales manager when necessary. The Australian regional hub is carefully evaluating the information coming from competitors or dealer since it might be an advantage or ulterior motive for them to deliver specific information. "*You have to work out what is the motivation of why the dealer are telling you something. However, you have to trust the dealer, since it is a partner relationship".*

5.5.4 Evaluation and Interpretation Phase

No comprehensive process in analysing and sorting out information is utilised at Volvo CE International AB. Each manager makes their own analysis of the provided information, which is compiled from the templates, which each regional manager deliver. However, some of the local information is analysed at Volvo CE's regional hub, but it is not executed extensively. The regional manager makes some analysis based on compiled market information.

However, it is not put into the wider context, where soft and hard information together are contributing factors.

Sorting out and selecting information is to some extent accomplished, especially when weekly reports are sent between the CJD branch offices and the head office in Perth. The information collected is stored at the managers' offices. However, almost no soft information seems to be collected. Opinions and rumours are poorly stored in written format. It is usually kept in mind, but also shared verbally.

When predicting and planning the future, CJD is utilising different scenarios. Scenario analyses is a supportive technique for the company, which enables CJD to be prepared if something unpredictable would happen.

5.5.5 Disseminating Phase

Disseminating information and intelligence is mainly made in connection to the M4 meetings. Information is provided from the dealer to the Australian regional hub, where the information is compiled according to the preferences of the templates. The information is presented at the M4 meeting. Additionally, crucial information about the market are analysed by the regional manager. The output is intelligence, which is only presented verbally. The managers at Volvo CE International AB are summarizing the information and intelligence from the meeting, which in turn is disseminated to the regional managers. In general, no written intelligence is disseminated, since an analysing process is not entirely conducted. There is also no common place to disseminate the intelligence. Several of the managers at the regional hub and Volvo CE International AB have suggested that a database be created where the intelligence could be disseminated. "*It would be more efficient to put the information in a database directly*".

5.6 Dealer Intelligence Network

CJD perceives that before exposing the new crucial information about coming products or recent developments, Volvo CE or any other responsible unit within the organisation should contact dealer organisations first. It is rather difficult to motivate the sales people to sell the old products when the qualifications of new coming products are present on the Internet. Too much information for the sales representatives impedes the dealer's performance. The best way should be if the new crucial information reaches managers at CJD first, who could subsequently decide how much and when this information should be disseminated to the sales representatives.

5.6.1 Relationships between CJD and Volvo CE

The information flows and communication is mainly coordinated in line with each management level. Moreover, the employees from all three companies are free to contact any manager at any level, although the policy is that communication should be primarily executed between the managers on relevant level within the companies. On the other hand, although CJD perceives Volvo International AB as being open and easy to contact, more direct attention from the top management level in Volvo CE International AB would be appreciated.

Volvo CE International AB perceives CJD as a direct relation between the manufacturing company and the customers. The regional hub in Australia shows interest in developing and maintaining current relationships with CJD in the way it involves CJD in forecasting, planning of market activities and advertising. The regional hub also performs as the primary support to all branches of CJD all over Australia. Volvo CE International AB's regional hub together with CJD arranges different training activities for all branches, where the managers from the regional hub are directly involved. CJD considers that the Australian regional hub makes sufficient efforts in interacting with CJD.

CJD perceives that the usage of necessary information is always explained because both Volvo CE International AB's regional hub and CJD are acting as partners. CJD together with the regional hub are involved in planning activities. However, the results of planning and forecasting are always approved by Volvo CE International AB. Thereafter, CJD is informed about the outcomes from the meetings between Volvo CE International AB and its regional hub. This is accomplished to keep the dealer involved and to maintain the partnership relations. The special support in financing and different issues concerning products is also made in cooperation with the regional hub. At the same time, CJD has their own responsibility for developing and maintaining the relationships with the customers.

5.7 Customer Intelligence Network

5.7.1 Customer Interaction

Each sales representative has a territory to be responsible for. The direct contact between the dealer and customer does not necessary happen through an actual sales activity. Each sale, as a rule, has its own sequence of different kind of interactions between a particular sales representative and the customer. Customers are categorised into the prospects, i.e. how often they buy. The customers are treated differently depending on the amount of money each particular customer actually spends on buying from CJD. The sales representatives more frequently contact those customers that are buying more than customers that do not buy that often. Customers that are buying for example within six months are contacted once a month or every second month to keep the contact.

During busy periods for sales representatives, it is a risk that some customers are slightly neglected. In those periods, face-to-face contacts are not being made as frequent as usually. As a result, phone and email is the main approach to keep up the contact. The most usual way of contacting customers is by phone and email since the territories are so vast. Moreover, customers are not only contacted by the sales representatives but also by employees from the product support area.

Within the purchasing company, where a number of people are involved in the purchasing process, there is always a contact person that is available for contacts with the sales representatives from CJD. The contacts may also be made with some different persons to make sure that the sales representative covers all necessary aspects of the business. The sales representative always has the intention to talk to people on different levels of the company. Usually, the interaction is achieved by phone, but it is also common that they meet the customers in person to have the possibility to meet different people and talk to them. It builds a basket of relationships. If a customer is involved in several industry areas, the respective area manager is responsible to have the contact with CJD. This person is free to contact sales representatives whenever he wishes. However, the interaction is more intense when it is close to an actual purchase. The amount of interaction is enough, but if there is an additional request, the customer can always contact the sales representative by email.

The customers appreciate the benefits that they receive from CJD. They perceive it as a part and also as a result of successful relationship development. The sales representatives are willing to act fast when the customers need help, anytime of the day. Customers feel that CJD is also quickly providing information and service. It is the main factor when buying a machine and, if not fulfilling it, the customer finds another company to buy from. Additionally, a good relation between the customer and the sales representative is a requirement when buying a machine. "*It is not only the product that is important in the buying process but more the relations and the extent to which the dealer is willing to interact and help the customer*". Relations are perceived as a part of total solution when buying the machine. The interaction is always based on mutual benefits.

Within all levels in CJD, employees are aware of the importance of building tight relationships with customers. Customer relationship marketing approach is dispersed throughout the company. There is a category of loyal customers that are committed to Volvo products or CJD as a dealer for a long time. These customers are also more willing to provide various kind of market information since they have strong ties with the sales representatives that serve them. There is only a rather small amount of customers that sales representatives have not developed long-term relationships with.

In case of lost sales, sales representatives make reports, which in turn are discussed with the respective sales manager. The reasons why a sale has been lost are written down by filling in a formalised report. On the other hand, no active searching for new potential customers or their targeting is made.

5.7.2 Sources of Customer Information

The process of data gathering from the customers is in line with the contacts made by each sales representative who are the only who actively gather the information about them.

There is no common database where customer information is stored. There is an awareness of its importance, which at present is under development. The information about customers is mainly generated from internal records within the database that each sales representative has, where both soft and hard information is recorded and stored. Hard information is the numbers of purchases, bought items, deliveries, orders, etc., whereas soft information is reflections made by the sales representative from observations, customers' comments regarding possible future projects, their attitudes, perceptions as well as wishes, and diverse rumours. Customers' considerations and remarks towards various issues concerned with both services and technical problems are also taken into consideration.

CJD's sales representatives gather and store diverse information about each of their customers. The information is classified into three main categories. Firstly, there is a catalogue of what customers possess. The products that are registered are not only the ones that a particular sales representative has sold but also products that a customer already holds. The sales representatives continuously follow the range and age of the machines in order to be aware of when a machine is about to be replaced with a new one. Secondly, customers are classified by industry type, such as mining, civil contractor, forestry, etc. Thirdly, sales representatives also record when they had the contact with the customer and what kind of contact it was, i.e. telephone call, e-mail or personal meeting, in order to know when a particular customer was lastly contacted. The issues that have been discussed are also recorded since this data is necessary to be communicated in the weekly reports that the sales representatives hand in to the sales managers.

Usually CJD is not asking the customer to deliver certain information about the market, but they usually ask about the performance of the machines. CJD openly explains why specific information is needed, and the customer experiences that it is for mutual benefit. Customers feel that they have a good relationship with the sales representative as a person and CJD. On the other hand, customers perceive that there is no general information about the market that they are constantly able to provide for CJD. Occasionally, information about the market might be delivered to the dealer if a particular event occurs.

5.7.3 Customer Information and Relationships

CJD perceives that the stronger the relationship between the customer and the dealer of distribution are, the more information the customer is willing to provide. This is practised through the experience of working in the construction equipment industry. It is mainly the sales representatives who have established and maintains direct relationships with the customers, "*we have to form strong relationships in order to attain repeat business*". In quite a few instances other employees have the initial contact with a particular customer, but each customer has their own sales representative.

The majority of sales representatives have been working within the construction equipment industry for a long time, and the network of relationships with different customers has, to a large extent, been maintained over time.

5.7.4 Challenges within Management of Customer Information

The sales managers do not have formalised guidelines what sort of soft information about and from customers that is necessary to collect. CJD has defined guidelines for what hard information has to be collected and reported. The company does not actively question if these requirements are still acceptable, and if the information that they provide is sufficient for the successful decision-making. The soft information is achieved on ad-hoc basis and mainly, either by the sales representatives or if the customer voluntary provides any kind of soft information.

The information about customers is stored in each sales representative's database, where access to each other's databases is disallowed. "*Primarily it is the database in the laptop for storing of the information*". These databases are not structured according to what information the sales representative should collect from the customers.

The report layout in form of templates defines what information the sales representatives have to deliver. When necessary, the managers contact sales representatives to supplement them with additional information. The information that sales representatives hold in their databases is reported in weekly reports to sales managers together with weekly planning reports about whom sales representatives plan to visit and what issues will be discussed. Not all of the achieved information is further reported. The sales representatives decide what information, both soft and hard, is the most relevant to report. The majority of the information is of hard character. The reports consist of information about what customers CJD is interested in, and feedback from customers about Volvo and competitors product performance. However, the soft information is usually shared verbally.

At the end of the month, sales representatives make a monthly summary report about what activities have taken place in the respective area. Additionally, the monthly prospect reports are conducted. The sales manager compiles those reports into one report, which entails mainly hard information in form of number about sales, retails and other similar issues. However, there is a separate report of the customers about customers' holdings, used equipment, and other issues, but no specific requirements of soft information about customers are provided. Moreover, there is a standard call report. If there is any additional or specific information it is attached to the monthly reports but is not obligatory to hand in. No reports of customers from CJD to Volvo CE's regional hub are made. The regional hub and CJD talk verbally about the customers needs because, based on experience, the regional hub feels confident to know a lot of the customers anyway.

The sales representatives perceive the information flow from the managers to the sales representatives as satisfactory since they know the flow and usage of the reports they make. The interaction between different managers and sales representatives is also adequate, and the process is seen as comprehensive. It is also easy to get requested information from the managers.

5.8 Competitor Intelligence Network

There are no employees within Volvo CE or CJD whose only responsibility is to monitor and analyze competitor's business activities. All three companies use legal methods for information gathering about competitors.

5.8.1 Relationships between Competitors

Managers within Volvo CE's regional hub and CJD consider Australia as being a very competitive market, especially since all manufacturers are present here. All three companies know who the competitors are and monitor their performance on the market. Additionally, once a year together with CJD top managers, the Australian regional hub participates in managerial meetings with competitors. Managerial meetings among competitors are arranged by ERG, and are held once a year for the information sharing between the competitors. Achieved information is of general nature, i.e. about the industry, different opinions, rumours, although some confident information can also leak out. During the informal meetings some information sharing exists about industry issues and legislation as well as other issues that affects the industry as a whole. The purpose of informal meetings is mainly for the maintenance of the industrial network and relationships not for the direct information sharing. However, soft information usually leaks anyway.

There are no formalised guidelines for what factors are necessary to follow for Volvo CE's regional hub and CJD. Price is believed to be the key factor when distinguishing between different competitors. The technical comparison aspects can be easily achieved from the brochures and Internet. The marketing activities are directly observed or show up in the industrial magazines.

5.8.2 Information Sources

Volvo CE's regional hub in Australia follows competitors marketing activities by reading industry magazines and annual reports as well as participating in trade shows. Trade magazines are perceived as a supportive information source to get to know the competitors. The trade shows and exhibitions are a source of external information where CJD meets both competitors and customers and information is obtained. This is done through observations, brochures and discussions. The ERG meetings are an additional source for general competitor information.

The competitor performances are followed monthly and occasionally weekly. From the ERG report, Volvo CE's regional hub and CJD is provided with information about sales volumes from the different competitors operations on the market. These reports are ordered from the ERG and provided on a monthly basis. Certain information is also delivered from the managers of Volvo CE's regional hub's personal network.

The majority of competitor information that the Australian regional hub possess is provided by CJD since the greater part of information about competitors is achieved from the customers. If the relationships between the sales people and the customers are well developed and strong, the customers are willing to provide the information about the competitors. The information about the competitors can also be achieved when visiting the customers since they normally also are running competitors machines. Also, sales representatives make observations during travelling as well as talking to the people and the competitors on the field.

5.9 Stakeholder Intelligence Network

Volvo CE and CJD monitor external business environment. The achieved information and data concerning stakeholders activities is gathered together for strategic and operational decisions.

5.9.1 Relationships between Stakeholders and Volvo CE vs. CJD

The Australian regional hub has its office together with Volvo Truck in Sydney, but is not cooperating with them in terms of sharing information about the business environment, but only in finance and accounting. The managers at Volvo CE's regional hub are of the opinion that this is something that should be worked on since it would enable the two companies to work more efficient.

The Australian regional hub is lacking in contacts with the government and, therefore, feels that they are rather reactive towards adapting to new rules and legislations. If the regional hub could have had the information in advance, when the regulation was first discussed, they might have had the chance, together with other manufacturers to lobby or to make settlements with the government and maybe avoid a regulation to be settled. The major problem is seen when a regulation concerns only a particular state, which makes the business more difficult. Additionally, CJD has some contacts with the Australian government. A part of the government is an agency that collects information about the companies such as their performance during the last six or twelve months, inventory holdings, sales, employment. These reports come each three months and must be purchased. There is also a possibility to get other information from the government such as estimated building approvals, which could be an additional base for making the forecasts. This is currently not used. Branch managers within CJD have relationships with state councils that are government bodies, called tenders that look after particular areas of the state. The state councils are responsible for different products, i.e. business lines. This co-operation provides CJD with information about legislation in the state about different products.

There are some organisations that both Volvo CE's regional hub and CJD belong to. One of these is Australian Associated Equipment Distributors (AAED). This comprises all manufacturer representatives and dealers. However, the organisation still has loosely associated state networks, but after a recent merger with the manufacturer association it is believed to be strong enough to lobby the government.

The external meetings Volvo CE's regional hub and CJD head office have with Equipment Research Group (ERG) are contributing to the extended market report delivered by ERG. "*A good understanding of the business, the industry, products, and people, such as customers and the staff, are crucial*". At the meetings competitors are discussing the business in general. The meetings also contributes to establishing contacts in the industry.

The Australian regional hub is also sponsoring some industry associations, for example Civil Contractors Federation. To build relationships with them gives the regional hub a chance to get access to information about them and the market they operate on. CJD also belongs to Civil Contractors Federation where the networking with customers is done through visiting their meetings.

Currently, Volvo Finance is the major player when financing customers. Volvo CE's regional hub has no direct contacts with banks or other financial stakeholders. Developing contacts with, for example, banks should be top priority, especially since Volvo Finance is about to leave the market. The top managers at the head office for CJD also have contacts with banks and financial companies for financing the retail for the customers. The biggest direct contact is the contacts with the local bank. Most of CJD's customers have their own broker, which CJD have constant contact with. Therefore, they get information about credit approvals for different customers.

The sales representatives also have particular relationships with external stakeholders directly connected to the customers. These are suppliers, finance people, the local tire dealer, and local service agents. The sales representatives understand the necessity to have strong relationships with them and talk to them about what is happening in the area.

5.10 MIP Experience within Supplementary Companies

SKF, Volvo Group and Volvo Penta were interviewed in order to get a comprehensive and profound understanding of how marketing intelligence process is practically organized in different MNC's. The interviews were mainly focused on the marketing intelligence process.

5.10.1 SKF

The SKF Group was founded in Sweden in 1907, and operates on 24 markets, where about 40 000 are employed. The revenue 2001 amounted 43 370 MSEK. SKF is the leading global supplier of products, solutions and services in the rolling bearing and seals industry.

SKF headquarters in Gothenburg, Sweden, has a function called business intelligence (BI). "*Actually, the right word for it should be competitive intelligence* (CI)". It is a term, which is not known for everyone; therefore, business intelligence is used. The difference between the definitions is subtle.

The major difference is that BI involves the macro economical perspective, which includes economical prognosis about GDP, currencies and so on. BI is the broadest term of intelligence, while CI involves factors concerning a specific market such as regulations. Another term is market intelligence (MI), which involves specific product lines. MI concerns the market and its impact of respective product line.

The BI function collects information about competitors as well as business environment, which is compiled and analyzed. Together with the manager for BI, ten colleagues worldwide provide the head office with information regionally, which is sent to the manager through the Internet. The Internet is the main tool for interaction between the regional offices and the head office concerning dissemination and sharing of information. When the information is analyzed, the key issues are dissembled. The manager perceives that the employees are not interested in reading lots of material, since it is very time consuming. Therefore, to provide them with intelligence that enables the employees to quickly be updated is crucial.

As a complement to the intelligence provided on the Internet, division managers and top managers also obtain specific information that is called “early warnings”. That information is not available for other employees since it usually deals with strategic and operational issues for decision-making.

The BI manager also provides colleagues with different articles, which are relevant and important for being updated about competitors, new products and market information. Everything is to be found on the Internet, which is constantly updated.

It is primarily, the web page that informs about competitor profiles such as financial data, managers for respective company, where they are located, what they are producing, what business they are in, what their strategies, goal and objectives are, how they are competing. Another important aspect to find on the web page is market profiles, which provides information about where the warehouses are located and the size of them. This mapping includes SKF and its competitors and the different warehouses are then graded based on the size of the warehouse. The BI manager divides the process into four different steps, which are described below.

Identification Stage

In order to know what information to collect, a list of key intelligence factors are prepared. The business intelligence manager together with a marketing team and top managers are defining problems and information need. The intelligence manager has a long experience in the company and has, therefore, a profound knowledge what information that is important to collect. For example, it is crucial to know if any mergers & acquisitions are underway in the industry and how the technology is developing? *Crucial to ask yourself before collecting data is to know what is critical to monitor and what am I looking for?*

Validating and Collecting Stage

It is crucial to validate the sources to see how reliable they are. Additionally, it is crucial to validate what information that should be collected, which is decided on its impact on the decision-making. Information is collected from certain sources, which are valuated as being trustworthy. Consultant reports are often used, although the information is usually very broad. Therefore, the manager is evaluating the information in the report in order to get the most specific and important information, concerning their business, as possible. "*Only, the most important facts are necessary*".

Filing Stage

Both soft information and hard information is filed. What information that is put into the web page depends on its actuality. Some information is put on the home page almost immediately. Other information that is used for strategic issues is stored at the managers' office, while being processed. When it is worked out thoroughly and analyzed, the information has turned into intelligence, which is put on the Internet page.

Intelligence Producing Stage

The business intelligence manager is producing intelligence in terms of analysing the material. A group called strategic decision support is presenting scenarios of what might happen on the market. It is important to make up different scenarios in order to be prepared if something unpredictable will happen. A supportive function for the business intelligence manager at SKF in Gothenburg is an analyst positioned at the headquarters in Brussels. The analyst only focuses on economical issues. This is a very demanding and critical responsibility, which emphasizes the importance of having a highly educated analyst only devoted to that assignment.

5.10.2 Volvo Group

Volvo Group was founded 1927 and operates on 185 markets, were about 72 000 people are employed. The groups total sales amounted to 181 MSEK in 2001. Volvo Group is one of the largest manufacturer of trucks, buses and construction equipment, were construction equipment stands for 12% of the sales in 2002. Other areas are marine, industrial power systems and aircraft engine components were Volvo Group holds a leading position. Since 1999 the focus is mainly on transport equipment for commercial use.

Within Volvo Group there is a function of business intelligence (BI). Business Intelligence Director is participating when defining strategies as well as in other board meetings. There is a distinction made among various intelligence concepts. The term *business* intelligence is defined as the overall intelligence about the world and all the business that Volvo Group is about. *Market* intelligence is more concerned about the local, i.e. particular market, its business environment conditions and market trends. *Marketing* intelligence is even narrower and mainly comprises marketing issues.

Volvo Group has developed a specific process of using BI, as illustrated in Figure 16, where the external and internal analysis is a starting point.

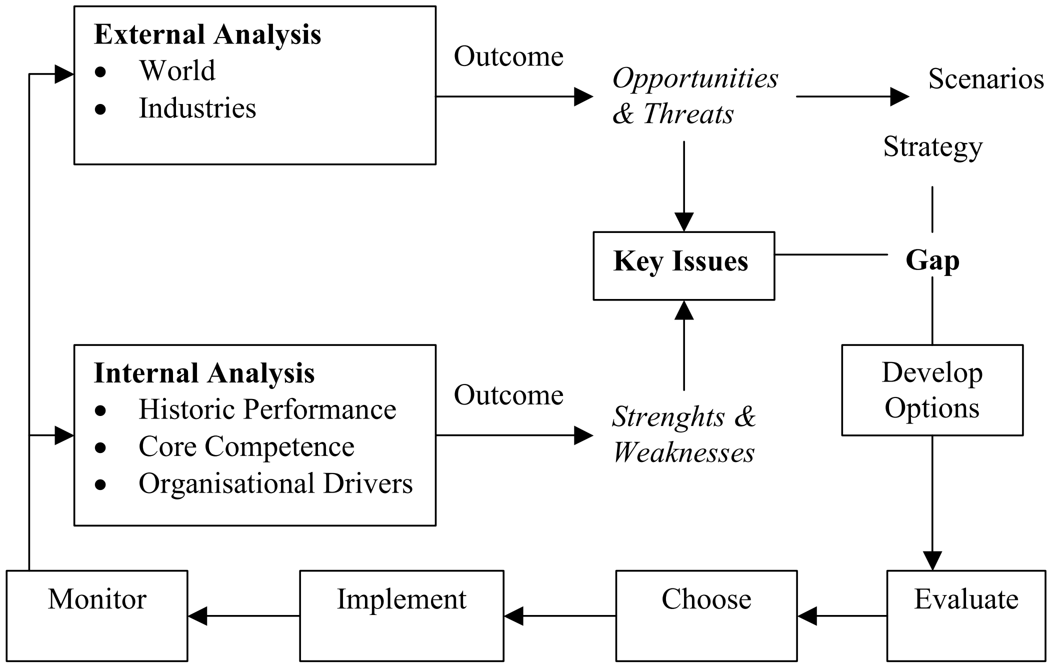


Figure 16: Business Intelligence Process
Source: AB Volvo Group

This business intelligence process (BIP) is executed on annual basis and is exploited in each of the companies within Volvo Group. Regarding external analysis, although there are no specific indicators that are obligatory to follow for all business areas within Volvo Group. A model of PESTEL is to a certain extent applied for monitoring the external environment where appraised categories, political, economical, social, technology, environmental, and legal, are entitled as *world drivers*. However, there is no common checklist for all business areas since they operate within different industries. Each business area is responsible for creating its own detailed checklist of relevant indicators for its industry to monitor. Concerning, following competitors activities, the difficulties arise when comparing them since their organisational structures differ. Each business area has to distinguish how its own business activities are organised within competitors companies and follow them. Each business area also makes the internal analysis individually.

The reports from different agencies and external stakeholders are not exploited to a wide extent. The Business Intelligence Director prefers to make analysis herself because the external analysis is not perceived as significantly reliable.

Additionally, there is a risk that some, for Volvo Group important information, might be missed. On the other hand, collecting relevant information constantly follows daily newspapers, e.g., The Financial Times, and various Internet sources.

The hard information dominates over the soft when the business areas report to top management. The rumours and opinions that are not yet validated are reported both in written and verbally. However, it is always emphasized that it is still a rumour and requires future confirmation.

The outcomes from both external and internal analysis are compiled by each business area applying the SWOT model where the *key issues* are identified. Concerning opportunities and threats arising from external environment, different scenarios are created in order to predict their future development. The *key issues* are further analysed in order to discern the gap occurring between the external threats and opportunities as well as between internal strengths and weaknesses. The strategy formulation is considered and options for fulfilling the existing gap are developed. Diverse alternatives of further actions are evaluated and, thereafter, it is decided what has to be done. This is followed by the implementation stage where the actual activities are accomplished in practice. This is further monitored in line with external and internal features, which make BIP work constantly and uninterruptedly.

5.10.3 Volvo Penta

Volvo Penta was founded 1868. In year 2001, the sales amounted to 7 400 MSEK. Volvo Penta manufacturs power units for customers mainly for leisure boats, workboats, power generating equipment and forklifts, were 95% of the products are exported.

The marketing intelligence manager at Volvo Penta has the main responsibility of dealing with intelligence. The main areas are market development, competitor development, development of the business cycle as well as market research toward customers.

The manager allocates what information to collect to other employees worldwide, who are supporting him in collecting the information. Those employees are not only working with intelligence, but it is one of their responsibilities. Mainly, the information from respective area is sent to the manager, who analyses and concludes the information. The information is put in a database, accessible to employees all over the world. "*It is very important to be selective when putting information on the web page and also to thoroughly evaluate the sources that are used, especially since there is a huge amount of information available*". A newsletter is sent out weekly to colleagues, where the most important information is documented. An advantage with the newsletter is that it is has a search function, which enables the colleagues to find a specific topic in the documents when necessary. The indicators are also put online in order for colleagues to always have access to them while working.

When analysing the hard factors, the written material is mainly distributed to the top managers. It is very important to write down what is happening and why certain factors are changing, "*I write very much*". The marketing intelligence manager works very close with the top managers and is present at meetings and presentations. Scenario techniques are used to a very wide extent and are an important issue when analysing the information. It is important to be prepared mentally if something unpredictable occurs.

Customer surveys are made yearly, in order to get to know the market and customer preferences. The same questions are asked every year, but the customers asked, varies from year to year. The reason for that is mainly to get a general trend of the customers. It is very important to segment the customers into different categories in order to know the different preferences of the customers. A great deal of the compiled information is how the business cycle fluctuates worldwide. "*It is very important to identify indicators for early warnings, which also are really difficult to identify*". The trends are illustrated in graphs, which are made for each country. When an early warning is identified each dealer obtain that information in form of reports in order to have the possibility to act as quickly as possible.

6 Analysis

The analytical part of the Master Thesis functions is a section where the empirical evidence is investigated by exploring the theoretical framework. The theories that have been introduced are applied when making analysis. This chapter is organised in a similar way as the previous empirical study, in order to be coherent and reasonable. Communication and marketing intelligence cycle are analysed first. This is followed by dealer, customers, competitors and stakeholders intelligence networks, which are summarised by an overall network concept.

6.1 Communication

6.1.1 Communication as an Interactive Approach

The relationship between Volvo International AB, Volvo CE Australia and CJD is based on a partnership relation. The companies are all aware of the mutual benefits that solid communication, i.e. interaction provides.

The key issue is that the information sent is perceived in the same way by the receiver, which indicates that all interacting parties have rather low communication constraints. This solid communication is therefore a rather developed element within MIP at Volvo CE International AB that enhances the information exchange.

6.1.2 Internal Communication

All meetings between Volvo CE International AB and Volvo CE Australia are planed. Top managers together with regional managers hold the meetings between Volvo CE International AB and Volvo CE Australia. The internal communication is fairly developed and efficient. However, the relations among different levels are not entirely satisfactory and lack minor integration for the decision-making.

6.1.3 External Communication

The communication between stakeholders and the Volvo CE International AB, Volvo CE Australia and CJD are not fully developed. External information is gathered on ad-hoc basis by Volvo CE Australia and is mainly used locally.

External communication is not planed, which impedes successful development of the relationships. Additionally, it hinders to obtain necessary information since the goals of the communication are not defined. Finally, the external communication with stakeholders is perceived as crucial, although efforts to develop it are not adequate.

It is mainly managers from respective company who participate in the meetings that CJD and Volvo CE Australia have. Depending on the issues, also other colleagues will attend the meetings. Between the meetings the internal communication is on ad hoc basis.

Planed meetings between the three companies indicate a successful interaction. In many cases, the meetings are mainly for the managers since management issues are often discussed. Inviting sales representatives to discuss about customers and the market is beneficial for further and more profound discussions on management level. However, the communication between those meetings is not planed to any great extent. Therefore, information is communicated on a random basis. Finally, by involving not only managers at the meetings, they are provided with other views of the business. However, since communication is performed among individuals with different experience, the interpretation of the message sent is different.

6.1.4 Information exchange

The information exchange between Volvo CE International AB, Volvo CE Australia and CJD is quite developed. The interaction, informal as formal, takes place several times a week. The informal sharing of information is difficult to structure. Usually, it is performed by phone when accidentally talking about the business in general. On the other hand, the formal information sharing between Volvo CE International AB, Volvo CE Australia and CJD is rather structured and is executed in form of standardized templates.

A consistent interaction enables all three companies to get a profound understanding of the business. Also, by sharing information the companies avoid uncertainties when making decisions as well as an increased encouragement solves joint problems. Informal and formal information exchanges is satisfactory and build mutual trust. Because the standardized templates that Volvo CE International AB provides are fairly new, it is difficult to evaluate its impact on formal information sharing. Conclusively, a well functioning information sharing mechanism supports the development of partnership relations.

6.2 Marketing Intelligence Cycle

In order to analyse the current situation of marketing intelligence process at Volvo CE, the marketing intelligence cycle (MIC) is necessary to assess. The MIC is a comprehensive tool, which is rather complicated and time consuming to conduct. If applied correctly, the MIC provides the company with valuable intelligence, which is crucial for obtaining as reliable decisions as possible. The applied framework for the MIC involves, directing phase, collecting phase, valuating phase, evaluating and interpretation phase as well as dissemination phase (see theoretical framework)

Marketing Intelligence at Volvo CE is not entirely emphasised. There is no distinction between what information is and what intelligence is. Also, there is no clear definition of market intelligence and marketing intelligence. These two terms are applied simultaneously. Marketing intelligence at Volvo CE is not a cyclical process but rather a function where the stages are followed accordingly.

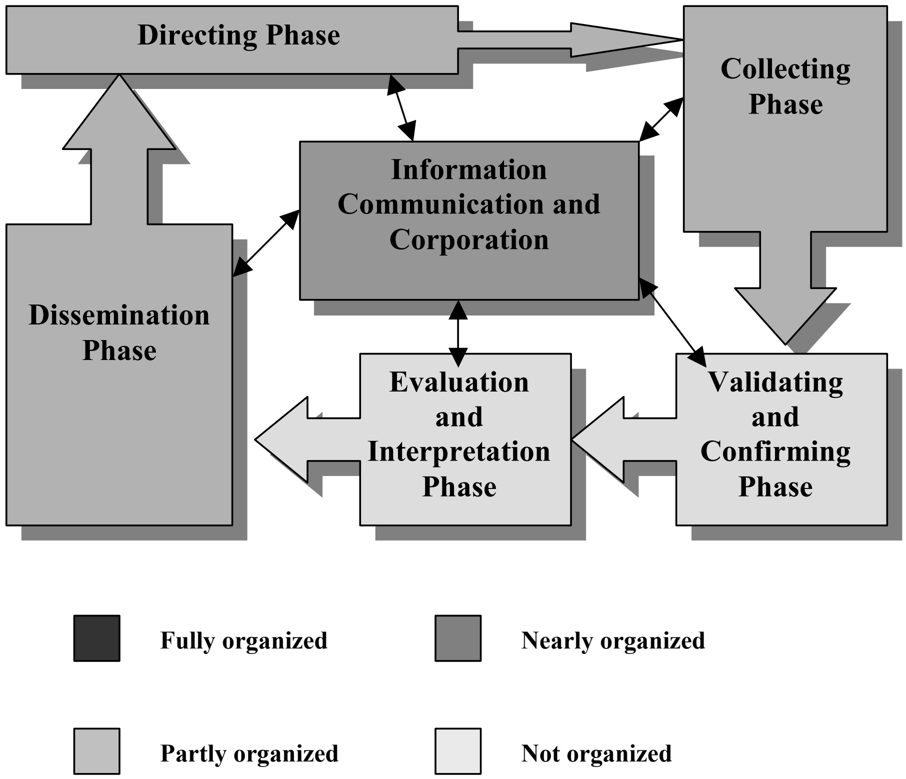


Figure 17: Marketing Intelligence Cycle at Volvo CE
Source: Own

6.2.1 Directing Phase

The directing phase is identified as partly organized. Volvo CE and CJD are aware of the importance of defining problems and necessary information to collect. More importantly, a rather low amount of needed information is of soft character.

In order to obtain a complete understanding of what information is needed, the regional managers and the colleagues get together continuously. However, it is not clearly defined what specific information is collected and further provided to what person. This impedes the efficiency of the collection phase since the analysts do not exactly know what information to collect.

A time plan is not revised in order to collect the information on time. However, the templates handed in for each 4M meeting are a deadline for the information gathering. It is questionable whether those four meetings function as too broad deadlines for certain information.

The user is not always informed about what information the analyst is focusing on to collect. It is a process where not everybody who needs the information is involved in. Another risk by not sharing information during the process is that information might be lost, the person that actually would need the information might not receive it especially if the information is not written down in reports, which also affects the persons ability to perform its responsibilities.

The risk of spending too much time collecting information, affects the proactive approach Volvo CE International AB executes by using the intelligence. Pertinent information about market fluctuations, changing regulations or new customer preferences is not delivered timely in order for Volvo CE International AB to be proactive. Additionally, there is a risk of double work when the users of the information and the analyst do not cooperate.

6.2.2 Collecting Phase

The collecting phase is identified as partly organized. Volvo CE and CJD are collecting information actively from different sources, although the companies directly collect a low amount of the information. Mostly, information is purchased from consultant companies. Buying such reports increases the risk for emphasising a too general view of the market. When collecting information, major focus is on published data. However, the advantage of buying such an analysis from consultants is because they possess the advantage of gathering data at a lower cost than a company can do.

The majority of the collected information is of hard character. Soft information is not collected extensively. It is difficult to handle in terms of knowing what is important to collect as well as analysing it. Therefore, soft information is not a major focus when collecting information, which managers at multinational companies such as SKF, Volvo Group and Volvo Penta stated during the interviews. However, Volvo CE and CJD are well aware of the importance of having a knowledge about the business environment. This kind of information is mostly generated by collecting soft information, which furthermore highlights its importance.

Although, the information gathering process is systematic and persistent, it is complex to implement soft information in it. However, the majority of the information is numbers and Figures, which is easier to implement into such a process. On the other hand, it does not provide the managers with a comprehensive picture of the business environment, which is crucial for decision-making.

6.2.3 Validating and Confirming Phase

The validating and confirming phase is identified as not organized. Usually, the managers trust the sources they use, which also was the experience with other multinational manufacturing companies such as SKF, Volvo Group and Volvo Penta. They were arguing that the experience from working in the company has provided them with an insight about which sources are more reliable than others. However, an objective view of the used sources is hardly applied. The possibility to increase the reliability of information sources by crosschecking them is not executed. Double-checking an information source is rather time consuming and often, only one source is enough for certain information. Often, the sources are biased depending on where it comes from. Therefore, double checking a source increases the reliability.

Volvo CE has during the geo team commercial interface process a systematic procedure, were feedback is carried out. However, this systematic procedure has a primary focus on strategic issues. A continuous feedback during the collecting and analysing process is not performed regularly.

A problem that many companies are struggling with is to know if the collected information is adequate and pertinent. Companies usually have low involvement in determining and identifying information gaps. Often, the reason for the lacking involvement of determining gaps is inexperience. Especially important is to distinguish between lack of hard information and soft information.

Being that soft information is difficult to collect as well as time consuming, Volvo CE as well as CJD have the main focus on collecting hard information. The companies are aware of collecting quality information rather than a quantity. Still managers sort and collect only the necessary data in order to get anything useful out of it.

The companies are carefully assessing sources and data from competitors and dealers that might have interest in delivering certain information. They are highly aware of the fact that assessing sources and data is crucial since it might impact their decisions if interpreted incorrectly. There are different features when assessing sources, which is to be seen in 3.2.2 *Marketing Intelligence Cycle*.

6.2.4 Evaluation and Interpretation Phase

The evaluation and interpretation phase is identified as not organized. Volvo CE is not highly emphasising on sorting out and analysing the information. Being that intelligence evolves from the analysed information, this process is decisive in terms of creating the basis for decision-making.

Each manager at Volvo CE's regional hub and CJD makes recording and filing information. A fairly small amount of information is analysed, which impedes the understanding of pertinent information about the market and the business environment. Recording and filing the information is the most time consuming function of the MIC process, but is not entirely executed. More importantly, Volvo CE and CJD do not store all soft information, i.e. the unrecorded information is easily lost when an employee leaves the company.

The soft information about customers is collected and reported in a rather small extent to CJD's managers at the head office in Perth. The sales representatives in their weekly flash reports deliver this data to their sales managers who compile these reports to a state report. A problem might arise since the soft information is not emphasised from the managers in Perth, and therefore the state sales managers do not see the purpose of gathering it. Occasionally, the information might not always be accurate, since much of it might be rumours or opinions, but it gives the managers new insights into the business, which also stimulates new ideas. As was quoted in 4.2.2, "*if you are not looking at soft information, you are not looking at all information*", clearly highlights the importance of it. On the other hand, the hard information is more extensively compiled and analysed. The hard information is easier to structure since the common features are easily recognised. This might be a reason why the hard information is prioritised in favour of the soft information.

When reporting, the hard information also dominates in the templates. It is not to a large extent combined with soft information, which is perceived as more time consuming to provide managers with. However, soft information contributes with ideas about the business and enables the managers to think in new ways.

The analysing process is indistinct. The information collected is hardly deeper analyzed and therefore scarcely turned into intelligence. The companies are aware of the importance of the analytical process however, it is not practically implemented. Since Volvo CE International AB does not spend adequate time on analysing the information, the execution of the whole marketing intelligence cycle is limited. Lastly, analysing and assessing different scenarios are not executed at Volvo CE International AB. This impedes the company to make advanced assessments of possible courses of action.

To summarize the evaluation and interpretation phase, Volvo CE International AB is deficient in collecting and storing soft information. Nevertheless, the analysing procedure is indistinct; therefore, information is not transformed into intelligence.

6.2.5 Dissemination Phase

The dissemination phase is identified as partly organized since mainly information is disseminated throughout the companies. However, intelligence is barely disseminated. Information is flowing between the different companies, and information is shared regarding summits from the meetings. Volvo CE and CJD are having structured meetings, where the information is presented to the managers. However, it is hardly questioned if the information is disseminated to the right person at the right time. Volvo CE International AB is providing the managers at the regional hub with summaries from the 4M meetings, which is further delivered to the managers at CJD. Since only a small amount of the intelligence is disseminated it is difficult for decision-makers to define new requirements on necessary intelligence.

6.2.6 Organising MIC

In order to evaluate if MIC is successfully organised within a company, there is a range of criteria to be followed. As stated before, information is turned into intelligence through analysis. This phase of MIC is not organised and this disparity influences the outline of the whole process. In order to create a solid base for decision-making, intelligence is necessary to be provided and managers must trust in it. However, this is hardly applicable for MIC at Volvo CE International AB, since MIC is not entirely organised and managers have to rely on the provided information when making decisions.

Finally, there is no common marketing intelligence unit within the company. The reports provided to the managers after the meetings are of the same outline. This complicates their efficiency in decision-making process since managers have to make own analysis and achieve intelligence to base their decisions on. If a common marketing intelligence unit would be established, managers' own preferences of format when achieving intelligence would be taken into consideration. This automatically starts the MIC all over again.

6.3 Dealer Intelligence Network

When analysing the CJD's possibility to deliver information, relationships with Volvo CE International AB as well as Volvo CE's Australian regional hub are assessed. The theories of relationships between these parties are applied when making the analysis of the empirical evidence.

The relationships between CJD on one side and Volvo CE on the other are of vertical dimension. CJD has a direct link to them, which emphasises the fact that they are all aware of maintaining a solid relationship. The geo team commercial process is a good example of involving the dealer in the relation. However, the Australian hub has generally more frequent and direct contact with CJD than Volvo CE International AB has. The emphasis will therefore be applied on the relationships between Volvo CE's Australian regional hub and CJD.

The pronouncements about new products coming into the market are not openly discussed between Volvo CE and CJD. The latter perceives a distant relationship in that matter. Volvo CE International AB and its regional hub in Australia do not share information about such issues with CJD in order to coordinate common procedures and information flows. As a result, the front-line personnel perceive that the information sharing about new products is not mutual. They state that it is difficult to meet the customers, when not knowing all details about new products coming into the market. However, there is a lack of distinction about how much information to share between the top managers and the front line personnel. That is due to the risk that important information might leak out to other actors on the market.

6.3.1 Relationships between CJD and Volvo CE

Volvo CE and CJD have similar views on information gathering and its dissemination, which results in their mutual cooperation. On the other hand, it is not enough with reciprocal information sharing. It is not further evaluated how beneficial this process is when creating the basis for decision-making process. This question is discussed in previous chapter when analysing the MIC.

The Australian regional hub enables a close contact between Volvo CE and CJD and performs as a link between the manufacturer and its dealer to the market. The managers from the regional hub participate above all in training to ensure that the Australian regional hub and CJD are together in the same business, and are mutually dependent. The regional hub, through diverse meetings and training activities, achieves mutual benefits for both itself and CJD. This keeps CJD directly involved in Volvo's business and feel as a partner.

CJD's involvement in joint planning together with the regional hub is a good base for maintaining, and further developing, relationships between the manufacturer and the dealer. Since individuals from all managerial levels are involved in the decision-making process, it enhances the mutual trust and commitment. The open communication and acceptance of contacting different individuals from various management levels facilitates and enhances the relationship development between Volvo CE and CJD.

Volvo CE is totally dependent on CJD's activities since it is the only national dealer of distribution of Volvo Construction Equipment production. The relationships between CJD as Volvo CE's national dealer for Australia is still rather new but their initial stage is based on mutual trust and support. The regional hub, in line with Volvo CE International AB, involves CJD as partners in their own business. An interactive approach towards each other improves the overall commercial performance. Both parties have the same focus on the business, which enables them to frequently plan and coordinate activities.

The partnership relations between Volvo CE through its Australian regional hub and CJD are illustrated in Figure 18.

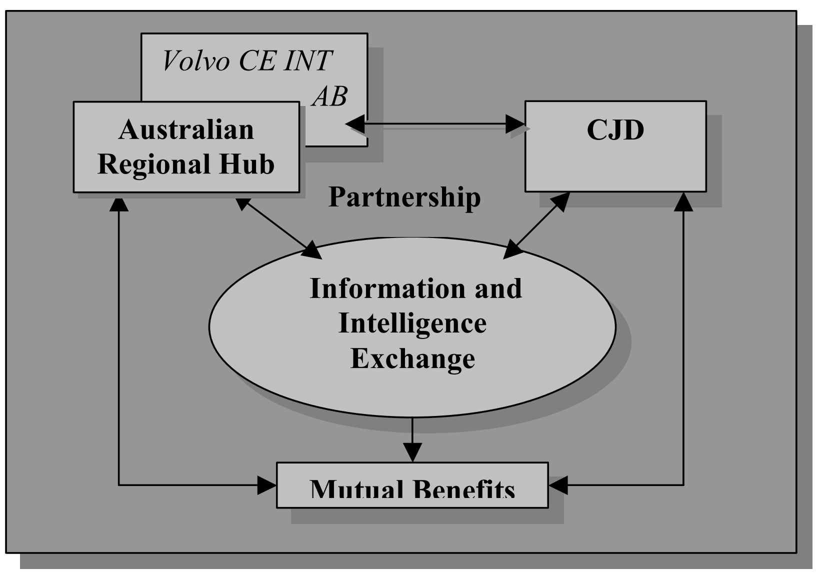


Figure 18: Partnership Relations
Source: Own, based on interviews

Information exchange is the factors that profile partnership relations between CJD and Volvo CE. As perceived from the empirical evidence, mutual interaction and information exchange dominate the relationships between the parties involved. It is perceptible that intelligence is barely created and, therefore, its exchange is unfeasible. Although not all factors are present when developing partnership, the companies involved in this type of relationships still achieve mutual benefits. This is primarily due to the fact that the relationships are based on mutual trust, which results in enduring and abundant interaction.

6.4 Customer Intelligence Network

In order to analyse customers as a source of information, different theories of relationship management are applied when conducting the analysis. Customer interaction and information exchange dominate within the theoretical framework of customer intelligence network.

Australian regional hub has no direct contacts with any of the customers. This responsibility is totally dedicated to CJD that maintains and develops relationships with the customers. Therefore, within the customer intelligence network, there are two main actors, namely, CJD and customers. It is mainly sales representatives from CJD who have direct contacts and sustain the relationships with the customers. Hence, the information exchange through the relationships within the customer intelligence network is predominantly executed between the sales representatives, and the customers that are committed to them.

6.4.1 Customer Interaction

The relationships between CJD and customer are of vertical dimension, which emerges on the second tier from Volvo CE's perspective. Vertical relationships are directly connected to CJD and its activities. When CJD responds fast to customer requirements, these customers feel that they are active partners within CJD's and Volvo's business. Moreover, the two-way communication facilitates the relationship building since the customer feels that interaction with the sales representative is based on partnership.

CJD has a rather structured way of dealing with customers; it is usually a spontaneous approach when contacting the customers. Having the dedicated person for contacts with CJD facilitates the relationship building and sales representatives extensively use this opportunity if they perceive that customers are willing to build relationships. Additionally, this means that communication flow is smooth since both parties know each other through a number of previous interactions, where the mutual trust is developed.

The mutual cooperation between CJD and its customers is achieved by keeping them satisfied with the products and services offered, as well as the intense interaction with the sales representative. The customers perceive relationships as a vital element when making purchasing decisions as well as providing information. Therefore, the interaction between sales representatives and customers is adequate for providing information. The current customers appreciate the relationships they have with CJD's sales representatives. Evidently, CJD totally relies on the amount of relationships and contacts each sales representative currently has. Therefore, new customers are acquired spontaneously or through references from old customers.

CJD perceives that the majority of its customers, small companies, are relationship-oriented because they are easy to build relationships with. On the contrary, large companies are regarded as deal-oriented due to the longer decision-making process involving numerous individuals from various management levels. Deal-oriented customers predominantly provide information that is concerned with a particular deal and almost no general information, while relationship-oriented customers are more explicit in information sharing process. However, there is no clear and formalised classification of customers into deal and relationship oriented ones. The sales representatives have their own perceptions and they act upon their previous experience when interacting with a particular customer.

6.4.2 The Sources of Customers' Information

There are internal and external sources of customers' information. Although both facts about customers' purchases and their buying behaviour are recorded, there is no common internal customer information database within CJD. However, it is under development. Each sales representative has, at present, its own database where the information about the customers is recorded and stored. These databases comprise a rather extensive different customers' information. It comprises of just about all-possible information, both hard and soft, provided by customers. On the other hand, the monthly reports from sales representatives that are compiled by sales managers can be defined as a kind of overall CJD's customer information catalogue.

The fact that customers and sales representatives possess mutual trust enables the easier information exchange. However, CJD does not use customers as a permanent source for market information. Primarily this is due to the fact that customers themselves do not perceive that they are able to provide much valuable information. On the other hand, the sales representatives do not actively search for additional market information, since it is not required for them to be reported. This indicates the managers' lack of awareness how valuable sales representatives are for collecting customer information.

6.4.3 Customers' Information and Relationships

From the theoretical framework, it is stated that the information relationships between the dealer and the customers are directly related to their willingness to provide the dealer with the information they possess. The gathered empirical evidence also confirms this issue. Consequentially, to illustrate this, Figure 19 was created, where different levels of information flow have been distinguished.

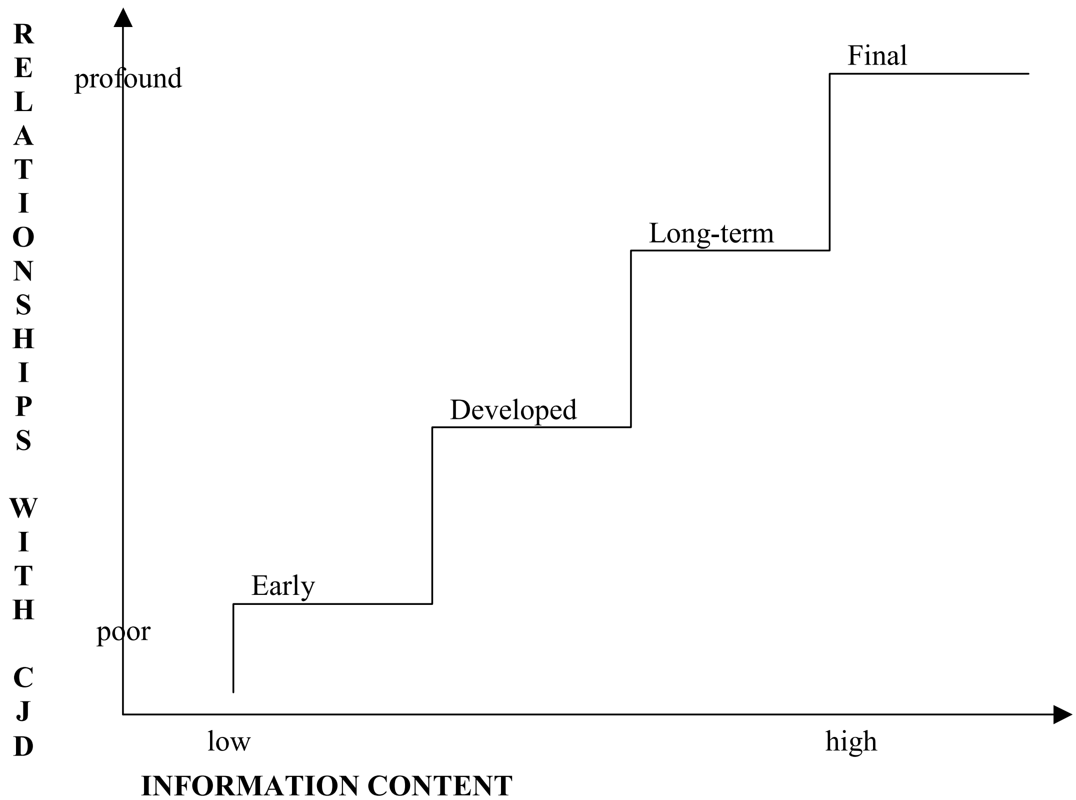


Figure 19: Customers' Evolvement of Relationships with CJD in Connection to Information Content
Source: Own

The Figure is based on two main dimensions, i.e. customers' evolvement of relationships with CJD in connection to information content. Regarding whether the relationships are poor or profound and the information content is modest or explicit, five stages are identified. When customers' relationships with CJD are on the initial level, their willingness to provide the information is low, which results in *pre-relational* stage of interdependence. This signifies that interaction between the customers and CJD is barely based on short-term transactions, and the information, that is shared is predominantly concerned with accomplishing a deal. When the customers possess a more developed relationship with CJD, they are also providing more information. Thus, the next stage of interdependence is defined as *early***.** Although customers are involved in mutual learning activities together with CJD, relationships are still on their early level and, therefore, the information that CJD achieves is still moderate. On the other hand, when further developing interaction between the dealer and the customers, the stronger relationship ties are built between the parties. This, in turn, enhances customers' willingness to provide information and this stage of interdependence is entitled as *developed*, when both contributors share information with the mutual assistance intention. When the relationships between CJD and its customers are elaborated to an extent that both parties perceive mutual benefits of the provided information, the stage of interdependence is stable and is identified as *long-term.* The *final* stage evolves considerable information exchange between the customers and CJD. In this situation the relationships are profound and, in turn, customers' willingness to provide information is high.

The loyal and satisfied customers who have durable relationships with the sales representatives are substantial information providers. CJD clearly understands the direct interdependence between the relationships and the amount of information that is possible to achieve from customers. Due to the fact that it is the sales representatives that keep the relationships, it is the front-line personnel that primarily achieve the information about and from customers.

6.4.4 Challenges within Management of Customer Information

The customers are categorized based on the frequency of purchasing. Accordingly, the maintenance of customer relationships is systematic and structured in the way the customers are categorized. However, there are no guidelines what kind of contacts, i.e. telephone calls, e-mails, personal contacts, that is to be used when interacting with customers from each of the categories. The type of interaction depends on the preferences of each sales representative.

The customers' information databases are not structured according to what information the sales representative collects from the customers. Therefore, both the meetings and the collection of information with the customers are made on an ad-hoc basis. On the other hand, since both soft and hard information from each contact with customers is recorded in the sales representatives' database, the information is hardly lost if the employee leaves CJD.

Soft information about customers is reported to a lesser extent to the managers at the head office in Perth. The sales representatives deliver this data in their weekly flash reports to their sales managers who compile them into a state report. The sales managers do not have any restrictions or guidelines on what kind of soft information that has to be passed on to the top managers at CJD. The problem might be that soft information is not requested from the managers in Perth and, therefore, the state sales managers do not see the purpose in reporting it. This denotes that the information transfer is not entirely accurate. Mainly hard information is reported in writing while soft information is either reported verbally or even lost within the information dissemination path. Predominantly sales representatives report soft information, where the further process stops within the sales managers' function, which compels the decision-makers at CJD to rely a large extent on the hard information.

Since there is no all-embracing customer information database, the managers of CJD have to mainly rely on different sales representatives' reports when making decisions. The cross checking or complimenting the reported facts is rather complicated and time consuming since different people within the company possess and store different kind and amount of information. This means that information is widely spread within the organisation and not all the employees know where particular information can be accessed or even if it is gathered within CJD, which in turn implicates the execution of MIC.

6.5 Competitor Intelligence Network

Competitor intelligence network involves different kind of relationships and approaches when relating with competitors. When analysing competitors as a source of information, different relationship approaches must be considered i.e. coexistence, cooperation, competition and coopetition.

When using only legal methods for achieving information about competitors, Volvo CE and CJD, have established a solid basis for implementing competitor intelligence.

6.5.1 Relationships between competitors

Competitors are indirectly linked to Volvo CE's regional hub in Australia as well as CJD. Therefore, relations between competitors and the two companies are characterized as horizontal. The regional hub and CJD relates to the competitors when acting on the market.

When analysing the relationships between competitors within intelligence network, focus is on information exchange. Regarding the links between Volvo CE's regional hub and CJD and the competitors, the current situation is identified as predominantly the one of *coexistence.* The actors on the market have mainly information and social exchanges between each other. The competitors are aware of each other's presence but no direct interaction is made in form of shared activities, e.g. lobbying. Competitors define their goals and objectives independently, which characterizes the coexistence relationship. Additionally, the trust is rather high since the competitors rely on the numbers provided to ERG, where the country reports are compiled. In case of some discrepancies, the competitors are also aware of what kind and where the misleading information occurs.

On the other hand, some characteristics of *cooperation* in terms of information exchange are also identified. The information about industry and market trends is to a certain extent shared between the competitors. During the trade shows and annual managerial meetings among competitors, different kinds of information are partially shared. This makes the rivals involved in some kind of cooperation but it is not developed to any great extent. Therefore, information exchange is possible to further increase, especially since the competitors in the market are rather closely related to each other.

6.5.2 Information Sources

Within the theoretical framework, different kinds of competitor information sources have been classified into three categories; public domain, internal and third party information sources. The particular sources exploited by Volvo CE's regional hub and CJD are compiled and illustrated in Figure 20.

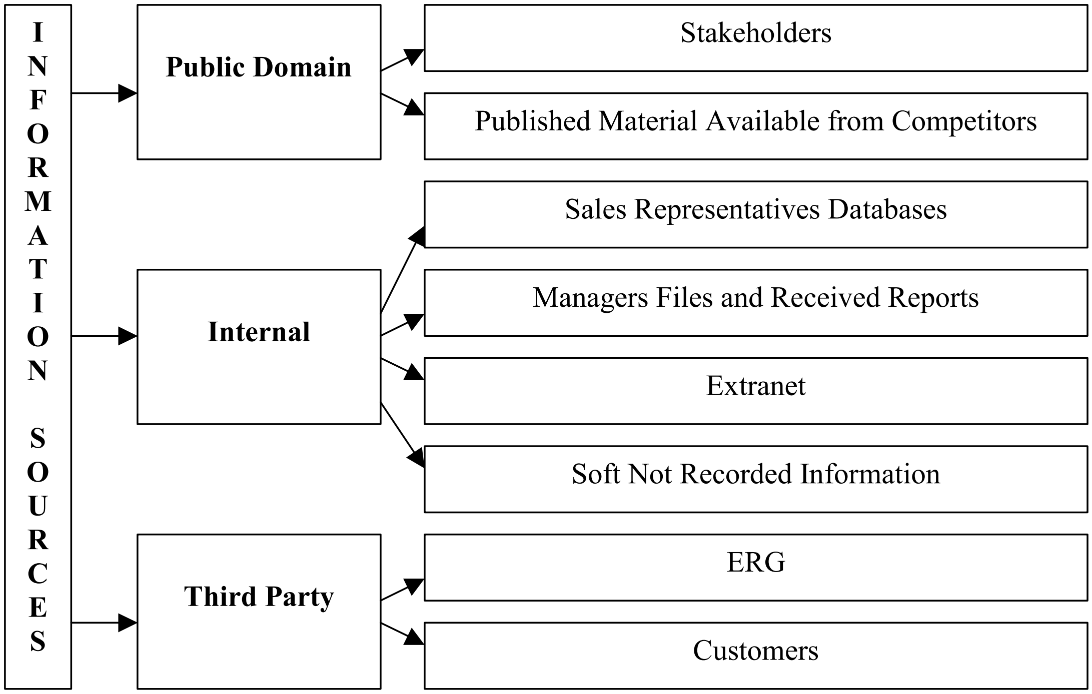


Figure 20: Competitor Information Sources
Source: Own, based on interviews

Firstly, under the public domain category various associations and federations that Volvo CE's regional hub and CJD participate in are classified. However, these information sources are not identified as crucial by the companies, and are therefore, not classified as competitor information's source. Moreover, annual reports and brochures acquired during trade shows are also classified under the public domain information sources.

Secondly, there is a category of internal information where internal records about competitors are stored. This is partially the sales representatives' individual databases, and different files that each manager keeps in their offices. However, there is still no all-embracing database for keeping all competitor information that any of the companies possess and have access to. Therefore, it is complicated to get an overall picture of what information is already possessed and what is actually necessary to collect. Only the technical information with the comparisons of different Volvo CE and competitors' machines are available for all three companies. It is executed within Volvo CE International AB and both regional hubs and dealers have access to this database. However, no soft information is similarly organized. Additionally, internal information comprises the reports of lost sales where competitors' information prevails to a certain extent. This is predominantly the reasons why a competitor won the deal and the sales representatives own reflections.

Moreover, the observations and verbal information that is achieved during the trade shows is also classified as internal information. Since different competitors usually talk to each other, a certain extent of soft information is assembled. The disadvantage is that it is hardly recorded and further reported within and among Volvo CE International AB, its regional hub in Australia and CJD. The individuals that attend trade shows possess this information and share it only verbally. Therefore, the soft information is easily lost, forgotten and neglected.

Finally, within third party information sources, the ERG reports are placed. The information about the competitors, as well as different market trends and country overview, is presented in the form of both hard and soft information. However, the competitors themselves provide sales numbers and other kinds of hard information. Even if the managers are aware of possible discrepancies, there is still a risk of being too reliable on one source. Additionally, the customers are classified as third party information sources from VCE's perspective. Information gathering from customers is completely dependent on the relationships the sales representatives have with each customer. On the other hand, the sales representatives do not actively ask for any information from the customers unless it is specially required from the managers to be reported.

The information is collected on different levels at Volvo CE and CJD, which indicates the importance of a structured way of organizing it. This impedes the integration of the competitor information into the decision-making.

6.6 Stakeholders Intelligence Network

When analysing Volvo CE's and CJD's possibility to obtain information from stakeholders, a developed intelligence network is necessary to be assessed. The intelligence network with stakeholders, from Australian regional hub's perspective, is not developed in a wide extent. However, CJD has a rather developed intelligence network with its stakeholders.

As exposed in the empirical study, information received from stakeholders is applied both for strategic and operational decision-making purposes. However, there is no clear distinction between what sorts of information about stakeholders' activities is used for operational and strategic decision-making processes. Volvo CE's regional hub and CJD are confident in the quantity and quality of information they already possess. The need for additional information is not perceived as urgent since business environment is seen as moderately stable as Australia is regarded as a mature market.

6.6.1 Relationships between Stakeholders and Volvo CE vs. CJD

The relation between Australian regional hub and CJD on the one hand, and the stakeholders on the other, is of diagonal dimension. There are no mutually identified particular stakeholders, which performance necessitates to be constantly followed. Therefore, the regional hub and CJD gather diverse information partially and periodically, but it is up to the managers to decide how and what macro environmental factors and market trends are necessary to follow. It also results in the fact that a rather moderate quantity of this stored information is further reported to Volvo CE International AB. Additionally, the lack of clearly defined guidelines and factors to follow makes the process rather irregular. Both Volvo CE's regional hub and CJD are confident about what factors that is sufficient to follow and the frequency of monitoring them. This is also based on the fact that Australia is perceived as a stable market.

Volvo CE International AB dedicates the responsibility of defining relevant stakeholders to its regional hub in Australia, which in turn is in charge of creating the relationships. The regional hub together with CJD has not identified what stakeholders are crucial to approach.

Different stakeholders (see Figure 21) that CJD and Volvo CE's regional hub have relationships with influence the decision-making process. The relationships with state councils are the only existing direct contact with government and political bodies. This facilitates to obtain information but the current extent of relationships is not enough since early warnings about coming legislations are still overlooked.

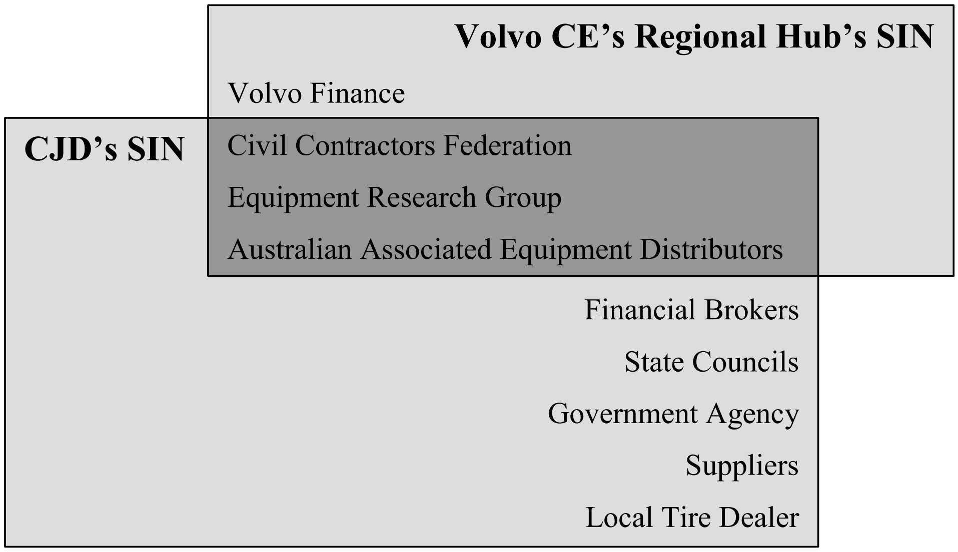


Figure 21: Stakeholder Intelligence Network (SIN)
Source: Interviews

It is also important to accentuate that CJD's managers and sales representatives have the majority of stakeholder intelligence network relationships. The latter is also of wider range varying from financial stakeholders, industry associations and government bodies to local level actors. This makes Volvo CE's regional hub and, consequently, Volvo International AB to be reliant on mutually beneficial information flows from CJD and the opposite. On the other hand, there are also particular stakeholders that both CJD and the regional hub have established relationships with. In Figure 21 these are marked in the darker colour. This emphasises the fact that Volvo CE's regional hub and CJD has a concentrated, rather than a wide, i.e. broad intelligence network.

Volvo CE's regional hub is situated at Volvo Truck's office building in Sydney. Evidently, there is low cooperation between the two companies. Both companies are within the AB Volvo Group and their individual and independent intelligence networks do not provide any mutual assistance when assembling stakeholder intelligence. However, the Australian regional hub cooperates with Volvo Trucks within financial issues such as accounting. The instance of not collaborating with Volvo Truck organisation, although located in the same building as Volvo CE's regional hub, signifies deficiency in comprehension of mutually sharing information and intelligence.

The overall relationships that both Volvo CE's regional hub in Australia and CJD have with the stakeholders are assessed as of stakeholders' management. This is based on short-term goals since the focus of relationships with stakeholders is rather on managing the relations than building them. Since the current range of relationships is rather modest, the managers to some extent monitor particular stakeholder undertakings and generate techniques in order to diminish their possible effect on Volvo CE International AB's activities. Therefore, the relationships with stakeholders are based on the protective and fragmented approach. Finally, stakeholder intelligence network is rather dependent on CJD's and the Australian regional hub's managers' personal style and divisions' interests.

7 Conclusions

Following chapter concludes the major findings from the empirical study and analysis. To solve the main problem, conclusions are based on the four research problems. Therefore, this chapter is structured according to the outline of the research process. To visualize how the MIP within a multinational company can be organized in a systematic way in order to improve the decision-making process, a model was created. The model will be described in two stages and is first visualized below in order to get a comprehensive overview of its totality.

7.1 Holistic view of the MIP in practice

Figure 22 visualizes the MIP for Volvo CE International AB. It illustrates how the information exchange flows between the units in order to acquire an organized process. The arrows expose the information exchange, which prevails through communication. The box describes the interrelation between Volvo CE International AB and its regional hub. CJD is illustrated as a funnel, where information is filtered.

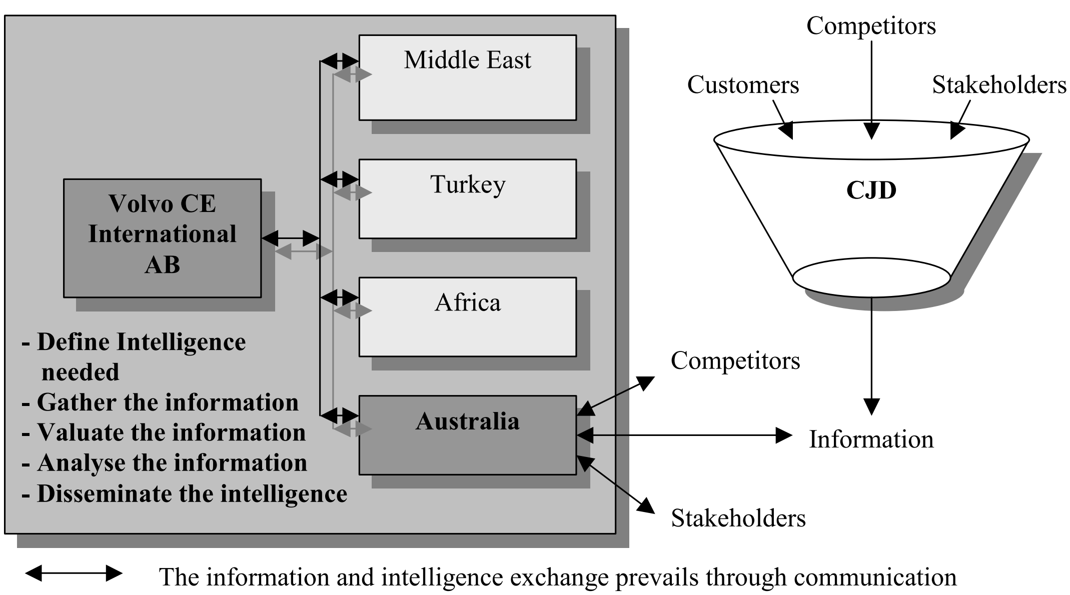


Figure 22: Marketing Intelligence Process in practice
Source: Own

When analyzing the marketing intelligence process, the intelligence network characterizes the comprehensive information flow. Both internal and external intelligence networks are necessary to assess in order to identify the relevant elements in effective information exchange.

7.2 Internal Intelligence Network within the MIP

As Figure 23 illustrates, the internal intelligence network is a vital element when conducting marketing intelligence. The regional hub is the unit that transforms information, coming in from the market, e.g. CJD, into intelligence. The intelligence is further provided to Volvo CE International AB for decision-making. The process is illustrated in Figure 23.

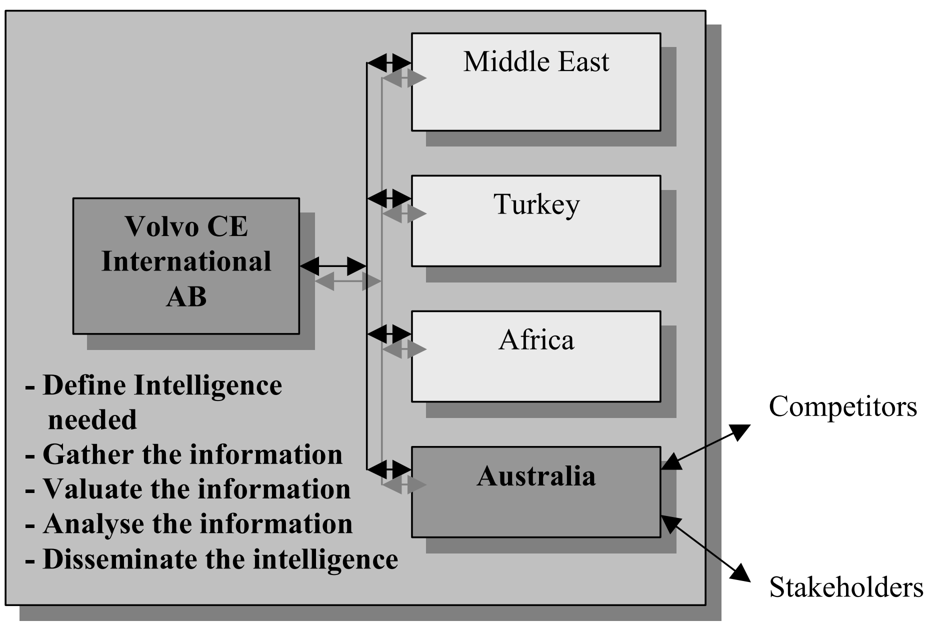


Figure 23: Internal Intelligence Network within Marketing Intelligence Process
Source: Own

7.2.1 Communication as a Tool for Information Exchange

As found in this study, communication is a fundamental prerequisite when conducting marketing intelligence, since it creates the possibility to undertake efficient decision-making. Consistent communication makes the managers as well as other employees interact successfully with each other, preventing misinterpretations and uncertainties when exchanging information. Moreover, it also builds mutual trust and gives the managers a profound understanding of the business as well as increases the encouragement of solving problems together.

Volvo CE International AB, its regional hub and CJD are highly aware of the mutual benefits that interaction provides. However, gaps of shared information occur since the receiver of the message interprets it differently than was the intention for the sender. This is especially the case when the receiver and the sender have different experiences and backgrounds. In Volvo CE International AB, regional hub and CJD deals with people from different backgrounds and is rather aware of the discrepancies that occur when exchanging information.

In order to execute a successful interaction externally as well as internally, the communication is structured and planed. When collecting and sharing information, Volvo CE International AB, its regional hub and CJD are planning what is communicated in order to get accurate and precise intelligence. More importantly, the planning facilitates the marketing intelligence management within Volvo CE International AB, the regional hub and CJD.

The internal communication is relatively developed. Several times a week communication between Volvo International AB and its regional hub are conducted, mostly between the managers, but also between other levels. The majority of the internal contacts are of vertical character, which facilitates communication among managers of different hierarchical levels.

7.2.2 Managing and Organizing MIC Internally

The utilization of the marketing intelligence cycle is vital when conducting marketing intelligence management. The marketing intelligence process that Volvo CE International AB manages is a comprehensive process that includes a number of phases to successfully exploit marketing intelligence. There are five phases, which are identified as crucial when transforming information into intelligence.

The directing phase is partly organized within Volvo CE International AB and partly within its regional hub. The templates, which were recently constructed, work as a fundamental base for collecting information for decision-making.

They are under development; noticeably the focus is on hard information i.e. Figures and numbers. Soft information provides the managers with a total understanding of the business, but only a small amount of soft information is considered when collecting information. The decision maker does not obtain information during the MIC process, and is therefore not informed about what information that is identified and collected. A time plan for the marketing intelligence process is not clearly defined and is therefore difficult to follow.

The collecting phase is partly organized within Volvo CE, where it is shared between Volvo CE International AB and its regional hub. Information is collected from different sources although the majority of the information is bought from the consultant company ERG, which compiles market reports. The main focus is on hard information, which gives a solid view of the own business related to competitors. However, it does not provide any information about customer preferences, competitor activities or governmental decisions concerning the market, which is the so-called soft information. Majority of the soft information is collected on ad hoc basis, which brings the collecting phase an unstructured design.

The validating and confirming phase is not organized at Volvo CE. A common dilemma among managers concerning collected data is the level of validation of sources. Generally, the sources are not crosschecked, which is due to the managers' highly perceived experience of the business. Although, the managers are aware that certain parties might deliver information of own interests, which forces them to double check the sources. The main focus when validating and confirming information is to determining gaps, which is not entirely utilized.

The evaluation and interpretation phase, i.e. the analysing process, is not organized at Volvo CE. The analysing function within the marketing intelligence process is not entirely accomplished, although a low level of analysis is made by the regional hub together with CJD in connection to the M4 meetings. However, this intelligence is shared verbally, mainly the data and information is shared in writing.

The dissemination phase is partly organized at Volvo CE. Intelligence and information are shared on different managerial levels between the two units. However these are hardly further distributed laterally, i.e. across functions. Often, intelligence and information are withheld locally and are not fully disseminated to the top managers at Volvo CE. The reason is that the local manager does not have any specified requirements of what intelligence to deliver. However, the templates provided by Volvo CE are specifying certain information that is needed for decision-making. Volvo CE International AB and its regional hub constitute an internal intelligence network. Information about decisions, activities and people are exchanged between the units during different meetings. Personal contacts between the units create a solid base for interaction. The communication and relation are highly established. The atmosphere is positive and the contacts are characterised as personal as well as professional.

Conclusively, since no common marketing unit is established within Volvo CE and its regional hub, the MIC cannot be organized entirely. This is due to its complexity, which requires full attention. Particularly, functions as analysis and sharing of intelligence are not fully developed.

7.3 External Intelligence Network within MIP

As illustrated in Figure 24, CJD is a fundamental element in the MIP and performs as a filter. Before delivering information to the regional hub, CJD filters it and further passes a certain extent and profile of information. Figure 24 demonstrates CJD’s involvement into the MIP.

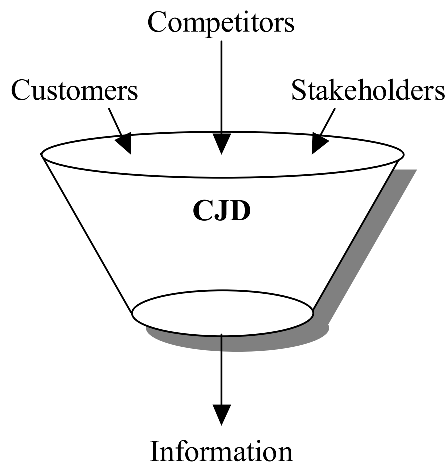


Figure 24: External Intelligence Network within Marketing Intelligence Process
Source: Own

7.3.1 Dealer as a Supportive Contributor to the MIP

CJD's role as a supportive contributor to the MIP is performed through its proximity to actors on the market. This allows CJD to be a direct link between the regional hub and the information sources. This creates the external intelligence network. CJD has the closest contacts with the customers, which in turn have contacts with the competitors. Thus, CJD is the major link in the external networks that Volvo CE has with the customers. CJD also possess a network, which includes different stakeholders providing different kinds of information. The acquired information performs as an essential input in the Volvo CE International AB's marketing intelligence cycle, where it is turned into intelligence to base decisions on.

CJD is linked with Volvo CE through its regional hub, where the necessity of establishing and maintaining substantial interaction is understood. Volvo CE, its regional hub and CJD perceive the interaction in the same manner and the ties are identified as strong and stable. Both parties are involved in the same business and are dependent on each other's activities where mutual trust is developed to a solid extent. However, the contacts are not established on all levels and additional attention to CJD from top management at Volvo CE is expected and appreciated.

Volvo CE together with its regional hub on the one hand and CJD on the other, are perceived working under the same principles. The relationships are aligned in the way that they are of partnership characteristics. The partnership relation also enhances mutual trust and CJD's commitment to Volvo CE. In turn, Volvo CE exploits CJD as a supportive contributor to the MIP since CJD is the direct link to the market.

7.3.2 Customers, Competitors and Stakeholders as Sources of Information

The network, which Volvo CE's regional hub and CJD have, comprises a set of actors. In the network, the regional hub and CJD is the focal parties, which have their own links to certain actors. The regional hub's and CJD's external intelligence network is fairly undeveloped, which directly impedes the information flow into the MIP. A small network does not mean that only a small amount of information flows into the regional hub and CJD. However, it is noticeable that the external intelligence network is not efficiently utilized since the relevant customers, competitors and stakeholders are not entirely identified. Although there are certain parties that are acknowledged as being more important to include in the network. There is no clear distinction made which parties that is the best information providers.

Customers have relationships with different actors on the market, which creates the essential part of the external intelligence network. This makes customers a valuable source of diverse information that contributes to the MIP. The customers perceive relationships as an essencial element when providing information. The loyal and satisfied customers who have durable relationships with CJD's sales representatives are substantial information providers. The fact that customers and CJD's sales representatives have mutual trust facilitates information exchange. The communication flow is rather efficient since both parties are familiar with each other through a number of previous interactions.

Competitors are a contributing actor to the MIP, the information about the competitors can be acquired exploiting a number of activities, such as observations and direct dialogues with customers and stakeholders. CJD, together with the Australian regional hub, acquires information about competitors formally as well as informally. Having predominantly co-existence relationships with the competitors, information is exchanged, but it is not of the proactive characteristics.

The regional hub has not a lot of contacts with stakeholders. It mainly has strong direct links with industry associations and consultants. On the other hand, CJD has lot of contacts with stakeholders. CJD has strong direct links with local governmental authorities and industry associations. The regional hub and CJD acknowledge that stakeholders are important to have contacts with. However, not all important stakeholders are directly linked either to the regional hub or CJD. This is based on the fact that certain legislations have been overlooked, which makes Volvo CE be reactive rather than proactive. Therefore, some of the pertinent information is not consistently flowing in to either the regional hub or CJD. Additionally, pertinent information is not obtained promptly. This indicates that the division of the relationships with different stakeholders between the regional hub and CJD is rather uneven.

8 Theoretical Conclusions as Contribution to the Science

After the presented theoretical framework was applied when conducting the case study, some theoretical conclusions have been drawn. The purpose is to present a theory in its entirety that is particularly concerned with the marketing intelligence process as a tool for MNC to be proactive. Therefore, this chapter presents the theoretical conclusions, which are compiled as a contribution to the science.

8.1 Introduction

Before practically implementing the Marketing Intelligence Process, it is necessary that it be clearly understood. As introduced in the theoretical framework, after an explicit literature research it was realised that there is no recognized theory that describes the MIP as an entity. However, six cornerstones that create the fundamental for the MIP have been distinguished. These are communication, the MIC, dealer intelligence network, customer intelligence network, competitor intelligence network and stakeholder intelligence network. These, in turn, are used as the focal point when drawing own theoretical conclusions. Its outcome is the creation of an overall MIP theory that entails not only the previously specified elements, but also illustrates the ties in-between, which makes the MIP's theory as an entity.

A holistic approach of how different elements relate to each other is illustrated in the Figure 25. The relationships and interdependences are taken into consideration in order to connect various aspects of the MIP as a tool for MNCs to be proactive. These are fundamental features when defining the interaction between different elements and its satisfactory contribution to the overall performance.

After the complete MIP model is introduced, the practical implementation steps are also necessary to be described. The purpose is that in order to demonstrate how the theoretical conclusions are applicable in reality; its concrete execution phases are consequently presented. The practical implementation steps are aligned in a particular sequence of their execution in order to effectively exploit the MIP. This is illustrated in the Figure 26 *MIP* to make it more comprehensive for the reader to follow the outline of the MIP when applying it for an MNC to implement.

8.2 Holistic View of the MIP

The here developed model gives a holistic view of the MIP and an understanding of how the different features are connected. The different intelligence networks are related to the MNC on various dimensions.

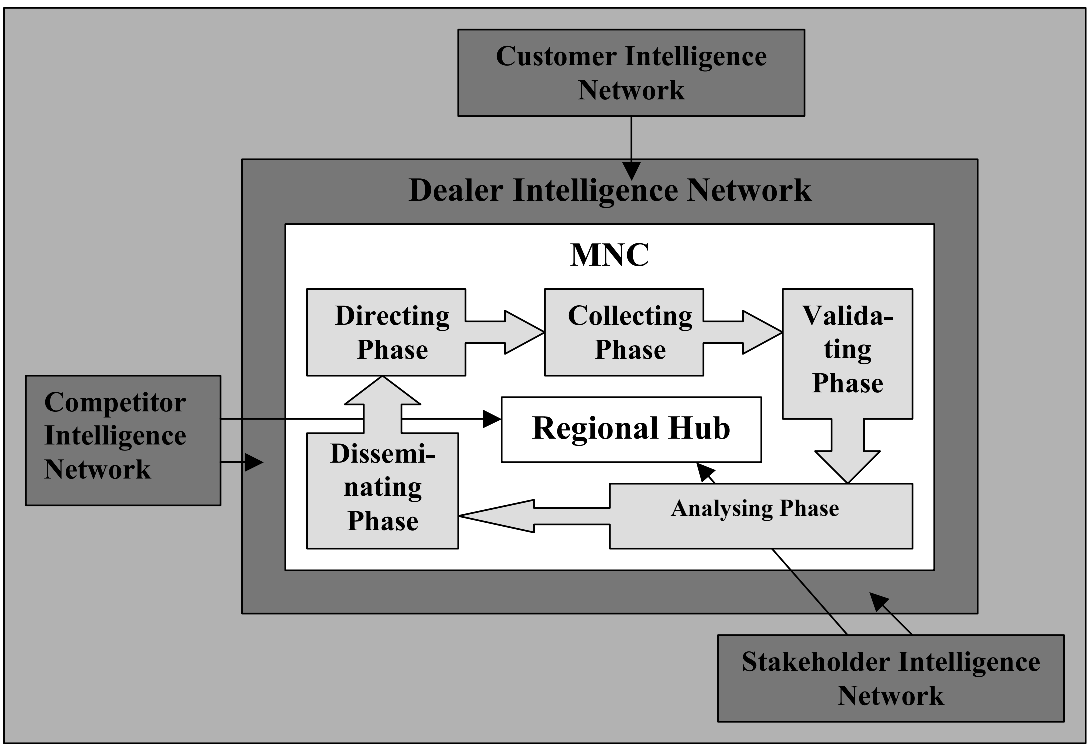


Figure 25: Holistic View of the MIP
Source: Own

Interaction is an essential feature, which evolves as an overall context in the MIP. Interaction is a two-way communication, where parties involved comprehends the importance of mutual benefits. All activities in the MIP are dependent on the adequacy of interaction. When interaction is satisfactory, information exchange is conducted.

The *External Intelligence Network*, consisting of the dealer, customers, competitors and stakeholders are the main sources of information. Involving those actors in the intelligence network provides the MNC with the possibility of collecting pertinent market information. Establishing long-term relationships is a prerequisite in order to exchange information. The ability to collect the information depends on how well established the relationships are with respective actor. Relationships with different actors exist on different levels. Five levels are identified, where the willingness to provide information depends on what level the relationship exists. Relationships take long time to establish and it is not common that relationships develop through all five stages.

The *dealer intelligence network* is the strongest tie towards an MNC. Strong ties is another factor that facilitates the information exchange. The ties to the dealer are usually strong and based on relations characterized by partnership, which enhances the cooperation in terms of information exchange. The relation an MNC has with its dealer is on vertical dimension, which emphasises a direct contact. Direct contacts are normally of open character and is therefore more willing to interact. The dealer is a crucial source of information since it is directly related to the market. On the partnership level, the dealer is willing to deliver information to the MNC, which in turn exploits the advantage of the dealer as a source of information. The dealer is the biggest provider of customer information.

Customer intelligence network is of vertical dimension to an MNC, and is directly related to it. However, the customers have a stronger tie towards the dealer and therefore the customers are identified as acting on the second tier in relaton to the MNC. Customers are a crucial source of information, which is necessary to involve in the external intelligence network.

Competitor intelligence network is of horizontal dimension. The MNC is indirectly related to the competitors, of whom it is difficult to obtain extensive information about. Relationships with competitors exists on different premises, which are coexistence, cooperation, competition and coopetition. Coexistence exists when the actors are aware of each others presence on the market. A rather low information exchange is performed. Cooperation is characterized by formal and informal agreements where they usually cooperate considering both interests. This enables some information exchange. Competition is a action reaction pattern, where no information is exchanged. Coopetition is characterized by learning from each other, where a low level of information exchange is exploited. The kind of relationships that an MNC possesses towards a competitor depends on how strong the relationship is, i.e. it normally differs among different competitors.

Stakeholder intelligence network is of diagonal dimension. Depending on how strong the contacts are with different stakeholders, the MNC usually has a direct contact with them. Establishing intelligence networks with different stakeholders, which are also a crucial source of information since they are usually of regulatory nature and impacts the market.

The *internal intelligence network* is important in order to stay informed about decisions and events within the company. It is crucial to organize the internal flow of information and intelligence in order to efficiently utilize information and intelligence. Intelligence must be promptly disseminated to the managers in order for them to act upon it. The MNC has the regional hub operating on specific markets as a supportive function when collecting information and transforming it into intelligence. A close relation between the two actors is crucial in order to successfully exploit the MIC. The MNC should create a MI function, which takes the overall responsibility for the MIP. However, the regional hub should take major responsibility of the MIC since they are present on the market and will have a greater opportunity of involving the different features connected to the MIP.

8.3 Implementing the MIP in Practice

After describing the MIP as a holistic approach, it is necessary to introduce its practical implementation. In order to succeed when implementing the MIP as a tool for MNCs to be proactive, a set of steps is defined. These are arranged in a particular sequence, which facilitates a clear comprehension of how the MIP should actually be put into practice. This is illustrated in Figure 26.

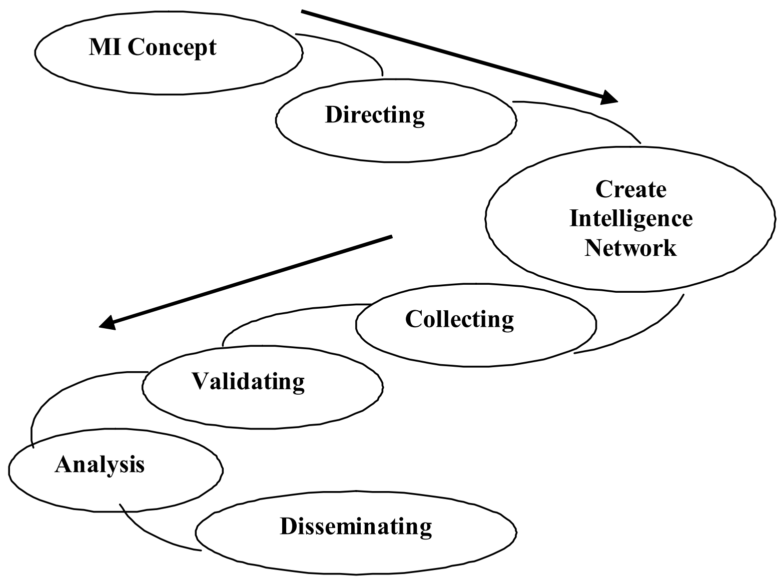
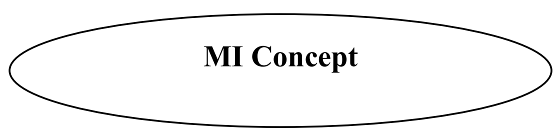
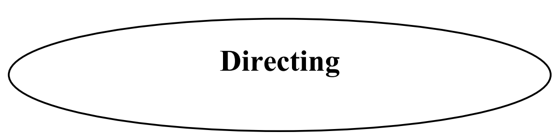


Figure 26: Prerequisites for Implementing the MIP
Source: Own

There are seven interdependent steps to be executed when implementing the MIP. It starts with the definition of the *Marketing Intelligence Concept*, since it is the focal point of the whole MIP.



However, equally important is to make a clear distinction between information and intelligence. As observed during the empirical study, it is rather common that different managers use these two terms for the same purpose. This creates confusion and impedes the successful MIP implementation, since it is intelligence and not information that are the basis for the decision-making. When these terms are defined, an MNC has created a solid background for further executing the MIP in practice.



The second step within the practical MIP's implementation is *directing*. This involves a set of procedures where the need of intelligence is assessed. There are a number of diverse decisions that are made within MNCs, which are based on intelligence. Since the overall purpose of the MIP is to create a solid base for the decision-making, the identification of intelligence needs is crucial. Within the directing step, different decisions are assessed taking the essential intelligence into consideration. Since information is fundamental when generating intelligence, it is crucial for MNCs to ensure its continuous input into the marketing intelligence cycle.

Create Intelligence Network

Information input is ensured when *creating the intelligence network*. It is of two dimensions, internal and external. Internal intelligence network comprises the internal organisational settings, which involves both individuals as well as diverse material information storing devises. The necessity of creating the internal intelligence network is based on the fact that it is common that some extent of crucial information is already possessed within MNCs.

However, internal intelligence network facilitates access to it since the participants are aware of the network outline and the purpose of it. On the other hand, external intelligence network enables MNCs to broaden its proximity to other actors on the market in terms that create relationships with them. This is applied for dealer, customers, customers and stakeholders. However, in order to create efficient intelligence networks, it is fundamental to define what actors are crucial for accessing the pertinent information. Thereafter, the already existing intelligence networks are modified or expanded or new intelligence networks are created. In this way, MNCs creates a direct access to the information sources in order to promptly acquire the pertinent information and ensure being proactive.

Collecting

When the intelligence networks are created, the next move is to exploit them in terms of acquiring information. Therefore, the following step within MIP's practical implementation is defined as *collecting*. Information gathering, when performed promptly and consistently, is a decisive prerequisite for implementing the MIP. Moreover, it has to be clarified who is responsible for particular information gathering in order to ensure that all relevant information sources are approached in time. In order to be proactive, MNCs need to have a clear system what kind of information and for what purpose is necessary to be acquired. This has to be applied both for soft and hard information; where none of them should be prioritised as being less complicated to structure. Therefore, a formalised outline is necessary to implement in order to organize the information, which is acquired under the collecting step.

Validating

Since different information is acquired from various sources, it is necessary for an MNC to be aware of possible discrepancies that can possibly to occur due to a number of reasons. Therefore, the next step, when executing the MIP in practise, is *validating*. It entails assessing the validity of information sources as well as the acquired information. When applying a crosschecking method, the validity can be increased. These results enhances MNC's confidence in the possessed information. Since it is exploited as an input when generating the necessary intelligence, the validity is necessary to examine. When the information is confirmed, it is transformed into intelligence applying analysis methods.

Analysis

Analysis step is the following procedure to be executing when exploiting the MIP. The perception of analysis' term can be defined as a function where the information is assessed by relating its potential impact to the MNC. This is the step where the acquired and structured information is transformed into intelligence. Since there are two kinds of information, soft and hard, possessed both are necessary to be exploited simultaneously. Therefore, MNCs have to apply those methods of analys, where all information can be exploited. The *analysis* step is crucial to execute accurately since its outcome has direct impact on the decisions to be made. Therefore, the analysis function is necessary to be designated to the competent and experienced individuals, who are able to assess what kind of impact on an MNC the asessed information indicates. By putting information in relation to an MNC intelligence is generated and needs to be disseminated to the relative decision-makers.

Disseminating

The final step within MIP's practical execution is to *disseminate* the generated intelligence. This is directly connected to the first step, directing, where by defining the necessary intelligence, the end users intelligence have been recognized. In order to be proactive, managers have to be timely provided with the relevant intelligence. Moreover, the prefered format when reporting the intelligence is also important to take into consideration since it influences the effective decision-making. When managers obtain intelligence in a prefered outline, it facilitates them making decisions as the solid background is provided in its entirety.

9 Recommendations

Improving the marketing intelligence process at Volvo CE International AB has been introduced as a main problem for this thesis. The specified recommendations concern a strategic implementation, which stepwise will describe how the MIP should be executed in practice. Therefore, the recommendations are structured according to the phases that constitute MIC.

9.1 Define the Terms used in the MIP

It is crucial for all employees involved in the MIP to have a profound understanding of what the difference between *information* and *intelligence* is. Furthermore, Volvo CE International AB needs to specify a definition of *marketing intelligence* (MI). These terms have to be clearly perceived first in order to effectively execute the MIP.

9.2 Establish a MI Function

In order to execute the MIP it is necessary to establish a MI function within Volvo CE International AB. The background for MI responsibility is the systematic exploitation of competence, contacts, knowledge about the sources and analysis methods, i.e. all activities in the MIC. All this is necessary for reaching the desired quality and speed for generating marketing intelligence to base decisions on. Therefore, an individual who is directly related to the decision-makers should lead a MI function. It is also important to identify whom should be responsible at the regional hub for MI comprising all activities in the MIC.

9.3 Define Intelligence Needed

Volvo CE International AB and the regional hub should together define the intelligence needed. Volvo CE International AB must perform clear restrictions of what intelligence that is needed for certain decisions i.e. budgeting, marketing activities and strategies. Vital to define is who will use the intelligence. The user of the intelligence should also be involved in the process of defining intelligence needed since that person will most likely know the prerequisites for decision-making. The users of the intelligence are mainly managers from Volvo CE International AB and its regional hub. Therefore, the advantage of identifying intelligence together with the regional hub is that it makes possible the acuiring of opinions of what information is most relevant to collect for certain problems, since they are more familiar with the market. When clearly defining intelligence needed, key issues for early warnings should be identified.

It is crucial to provide information and intelligence at the right time for the right person. Therefore, a time plan should be created in order for the analysts to live up to that. If information and intelligence is delivered on time, Volvo CE International AB can perform a proactive approach rather than a reactive.

9.4 Define Information Sources: Intelligence Network

Based on the intelligence needed a clear definition of information sources should be conducted. Defining the information sources that will be used facilitates the information gathering process. Since the intelligence network, internal and external, comprises different sources of information, they are crucial elements within the MIP. The MI function, when established, is directly dependent on the collaborators within and outside Volvo CE International AB. These networks are to be maintained based on mutual benefits.

Internally, there is a necessity to make a clear outline of what kind of information is possessed by different individuals in order to make a comprehensive view of what internal information sources can be utilised for the MIP. Volvo CE International AB should integrate its internal intelligence network into the MIP. Individuals from different levels and departments of the company assess different experiences and knowledge that should be considered when defining intelligence needed as well as collecting information. Involving colleagues as a source of information forms a fundamental base of information exchange, which is crucial when executing marketing intelligence. Nevertheless, the understanding of mutual sharing of information is also important since pertinent information is fundamental when generating accurate intelligence. Since information is currently shared by filling in the templates in connection to the M4 meetings, the intelligence sharing should be performed in a similar manner. Therefore, it is recommended that the regional managers have a complementary executive report where key intelligence is emphasised.

Establishing an external intelligence network enables Volvo CE International AB to acquire information from a broad set of actors, where information exchange is fundamental. Therefore, by actively searching for information by establishing networks with various stakeholders will facilitate the quality of the information. When assessing the external intelligence networks, it is crucial for the regional hub and CJD to identify what crucial customers, competitors and stakeholders to focus on in order to utilize the network efficiently. Establishing the relationships with actors on the market is of a proactive nature and can be used as a background for discerning the early warnings on national as well as on state level. Certain parties are more important information providers than others to include in the external intelligence network. In order to provide best access to information, contacts should be made from individuals at all managerial levels. Moreover, it is necessary to maintain the balance between the type of relationships that the regional hub and CJD need. It is of equal importance that both the regional hub and CJD has a well-developed network of the most important actors. This makes to avoid the situation where both parties have an overlapping external intelligence network, where some of important contributors are overlooked.

9.5 Organize Soft and Hard Information

While hard information is gathered and reported to a great extent, the soft information is often neglected. Volvo CE International AB needs to acknowledge the necessity of soft information of analogous importance to be gathered. Soft information creates a solid base for identifying early warnings. A more organized approach of collecting soft information would enhance the quality and validity of intelligence provided for decision-making. The importance of gathering soft information also needs to be communicated to the regional hub and to CJD.

Although soft information is rather complicated to structure, a systematic approach should be implemented within Volvo CE International AB. Soft and hard information should be organised in line with the purpose of its usage, i.e. budgeting, sales forecasting and commercial decisions. During analysis when turning relevant information into intelligence both kinds of information are equally important and, therefore, are necessary to be equally gathered. The adequate intelligence cannot be generated neither barely from hard nor soft information. Therefore, when organising the acquired information, the soft and hard information should not be separated. Hard information should be supported by the relevant soft information and vice versa. Conclusively, a recommended outline for organising soft and hard information has been created (see Appendix 2). To begin with, after intelligence needed is defined, it is necessary to identify what information is crucial to gather in order to generate intelligence. It can be related with customers, competitors or stakeholders. After information requirements are determined, the information location is the next step, where it is necessary to identify whether the relevant information can be accessed from internal or external sources. The information format is also an important feature since it specifies if the information is already stored in the database or in paper format, or it is not filed but kept in mind of particular individuals. Finally, in order to easily access the necessary information it has to be clarified how the information can be acquired. There are a number of possible approaches, i.e. to retrieve, ask sales representatives or to make an interview with the customers.

9.6 Improve the Analysis Function

Evidently, soft information is either not collected or analysed extensively. It is crucial to have a total understanding of the business environment when making decisions. Therefore, improving the analysis function with emphasis on soft information is necessary. Although it is time consuming, this phase is crucial since it concerns the transformation of information into intelligence. A significant element when analysing information is to compose different scenarios, enabling Volvo CE International AB to act proactively. Composing different scenarios based on various perspectives enables Volvo CE International AB to be prepared for unforeseen events.

9.7 Make Intelligence Easy to Access

An important aspect of the MIP is storing intelligence in order for the managers to easily get access to it while working. Another reason, which highlights the importance of storing intelligence within Volvo CE International AB, is if a manager decides to leave the organization, the intelligence will not be lost. To create a common database, which all managers have access to is an efficient way of sharing intelligence especially since regional hubs are located far away. This would keep the managers up-to-date as well as assist them in the decision-making process.

When having a MI function, it is important to clearly define *what* and *how* intelligence should be communicated from MI function to respective decision-makers. One of the methods is to get to know about the receivers' preferences and personal working methods. For example, the receiver might prefer to receive either only *changes* within the external business environment or its *overall description*. In this case it is good to have information structured in two ways: a description of current situation and a separate description of the changes that are about to happen. This can be applied for all the areas of information, i.e. customers, competitors and stakeholders.

10 Suggestions for Future Research

During the case study execution and after it has been accomplished, some suggestions for possible future research are identified. One option can be to broaden the extent of this case study. On the other hand, by including more delimitation, a focus can be more concentrated achieving a more profound insight into particular research areas. The further presented suggestions concern both of previously identified options.

Investigate the interdependence between providing value added for the customers and developing long-term relationships

The correlation between type and evolvement of relationship and information content has been taken into consideration within theoretical conclusions. When the relationships develop over time and intensity of interactions, the content of information is directly related to that development. Since it has been recognized that the customers who have solid relationships with CJD are more valuable information providers, the development of long-term relationships is fundamental. It would be constructive to investigate how the long-term relationships can be enhanced by providing value added for the customers. When customers are satisfied and obtain value for money, their commitment to the company also increases. This has the direct impact on the extent of information that the company is able to acquire.

Identify key indicators

In order to be proactive, it is vital to timely acquire the accurate information. Since there is a rather extensive amount of diverse information that flows into Volvo CE, a systematic approach is necessary to implement. In order to be efficient in information structuring and accurate gathering, it is necessary to identify what early warnings are relevant on regional as well as on state level. Therefore, a case study concerning identification of early warnings' key indicators would be beneficial to conduct. This would facilitate the information gathering process for Volvo CE when taking the construction equipment industry into consideration. This is necessary in order to provide Volvo CE with a set of practically applicable key indicators, where the industry setting within external environment is taken into consideration.

Discern the appropriate analysis methods

During the case study it has been realised that Volvo CE International AB has a rather unstructured and dispersed analysis function. Therefore, it is suggested to perform a more profound research where the appropriate analysis methods would be identified. This would enhance the quality of the intelligence since analysis is the stage when information is transformed into intelligence. The analysis methods could be investigated considering their possible input into the MIP. Furthermore, the soft information is often neglected although it is acknowledged as important element when making analysis. Therefore, the analysis methods should include both soft and hard information as an entity in order to achieve enhanced intelligence.

Knowledge Management

Knowledge Management is a tool, which supports the marketing intelligence process for effective decision-making. It is of unstructured nature and is event driven and focused on people, collaboration and integration of disparate information sources. They enhance and support the marketing intelligence in decision-making, thus they are separate processes. While marketing intelligence creates insights and understanding of the business, knowledge management adds the human dimension and integrates the partners for collaboration and distribution of information.

Competitive Advantage

The issue whether competitive advantage can be achieved and sustained when improving the marketing intelligence process is not a focus in this case study, although it might be advantageous for an MNC to consider. There are several factors that are impacting a MNC's competitive advantage; evidently the marketing intelligence process is one of them. It is therefore suggested to conduct a profound research in that area, thus focus on how and why a well-functioning marketing intelligence process enhances the competitive advantage.

References

Articles

Bengtsson, M., Kock, S., Cooperation and Competition in Relationships between Competitors in Business Networks, *The Journal of Business & Industrial Marketing*, Number 3 1999

Herring, J., Key Intelligence Topics: A Process to Identify and Define Intelligence Needs, *Competitive Intelligence Review,* 1999

Kehoe L., IBM to expand in Business Intelligence, *Financial Times,* 1998, Feb. 27

Kotler and Armstrong, 1997, sourced from Tsu Wee Tan, T.; Ahmed, U., Z.; "Managing market intelligence: an Asian marketing research perspective", *Marketing Intelligence & Planning*, 1999

Lackman, C.; Saban, K.; Lanasa, J.; "The Contribution of Market Intelligence to Tactical and Strategic Business Decisions"; *Marketing Intelligence & Planning*, 18 of January, 2000

Malhotra, 1996; sourced from Tsu Wee Tan, T., Ahmed, U., Z., "Managing market intelligence: an Asian marketing research perspective", *Marketing Intelligence & Planning*, 1999

Marsden, R., Managing Customer Iinformation from Cradle to Grave, *Customer Interaction Solutions*, Sept 2001

McGonagle, J. J., Vella, C. M., A Case for Competitive Intelligence, *Information Management Journal*, July-August 2002

McLoughlin, D., Horan, C., "Business Marketing: Perspectives from the Markets-as-Networks Approach", *Industrial Marketing Management*, 2000

Mochtar, K., Arditi, D., "Role of Marketing Intellligence in Making Pricing Policy in Construction", *Journal of Management in Engineering*, July, 2001

Möller, K., Halinen, A.,"Business Relationsships and Networks: Managerial Challenge of Network Era", *Industrial Marketing Managment*, 1999

Tsu Wee Tan, T.; Ahmed U. Z.;; "Managing Market Intelligence: an Asian Marketing Research Perspective"; *Marketing Intelligence & Planning*; 17 of June,1999

Wright, S., Pickton, D.W., Callow, J., Competitive intelligence in UK firms: a typology, *Marketing Intelligence and Planning*, Number 6 2002

Books

Aaker, D., (2001), *Strategic Market Management*, John Wiley & Sons Inc., New York, USA

Adcock, D., (2000), *Marketing Strategies for Competitive Advantage*, John Wiley & Sons Inc., New York, USA

Anderson, K., and Kerr, C., (2002), *Customer Relationship Management*, McGraw-Hill, Inc., USA

Anderson and Naurus, sourced in Seppälä T., (2001), *Buyer-supplier Relationships and Sourcing of Strategic Components*, Publications of the Turku School of Economics and Business Administration, Finland

Baker, W., (1994), *Networking Smart: how to build relationships for personal and orgaizational success*, McGraw-Hill, Inc., USA

Baker, M. J., (2000), *Marketing Strategy and Management*, 3rd edition, McMillan Press Ltd., London, UK

Baker, M. J., (2000), *The Marketing Book*, 4th edition, Butterworth Heinemann, Oxford, USA

Biong and Selnes, sourced in Seppälä T., (2001), *Buyer-supplier Relationships and Sourcing of Strategic Components*, Publications of the Turku School of Economics and Business Administration, Finland

Blankenship, A.B., Breen, G.E., and Dutka, A., (1999), *State of the Art: Marketing Research*, NTC Business Books, Chicago, USA

Cook, M., Cook, C., (2000), *Competitive Intelligence – Create an Intelligent Organization and Compete to Win*, Bell & Bain Ltd, Glasgow, UK

Curry, J., and Curry, A., (2000), *The Customer Marketing Method*, The Free Press, NY, USA

Customer Relationship Management, (2002), SCN Education B.V., Vieweg, Germany

Drummond, G., and Ensor, J., (2001), *Strategic Marketing*, Butterworth Heinemann, Oxford, USA

Dubois, A., and Gadde, L.-E., (1999), Case Studies in Business Marketing Research, in: Lindberg-Repo, K., (2001), *Customer Relationship Communication*, Publications of the Swedish School of Economics and Business Administration, Helsingfors, 2001

Dutka, A., (2000), *Competitive Intelligence for the Competitive Edge*, NTC Business Books, Chicago, USA

Engström, J., and Johansson, A., (2000), *Regional Organisations in Emerging Markets*, Master Thesis, Integrated Masters Programs, Graduate Business School, School of Economics and Commercial Law, Göteborg University, Sweden

Ford, D., (1997), *Understanding Business* Markets: interaction, relationships and networks, 2nd ed., Dryden, London, UK

Ford, D., (1998), *Managing Business Relationships*, John Wiley&Sons, England

Gordon, I. H., (1998), *Relationship Marketing*, John Wiley&Sons, Ontario, Canada

Harper, M., quoted from Baker, W., (1994), *Networking Smart: how to build* *relationships for personal and orgaizational success*, McGraw-Hill, Inc., USA

Holme, I., Solvang, B., (1991), *Forskningsmetodik – om kvalitativa och kvantitativa metoder*, Studentlitteratur, Lund

Hussey, D., and Jenster, P., (1999), *Competitor Intelligence*, John Wiley&Sons, England

Hutt, M. D., Speh, T. W., (1998), *Business Marketing Management – a strategic view of industrial and organizational markets*, The Dryden Press, Orlando, Florida, USA

Hutt, M. D., and Speh, T. W., (2001), *Business Marketing Management*, South-Western Thompson Learning, USA

Jansson, H., (2000), *International Strategic Management in Emerging Markets*, Book manuscript, Centre for International Business Studies, Department of Business Administration: School of Economics and Commercial Law, Göteborg University

Kahaner, L.; (1996), *Competitive Intelligence – How to gather, analyze and use information to move your business to the top*; Kane Associates International Inc.; New York, USA

Kotler, P., (2000), *Marketing Management*, Prentice Hall, Inc. Upper Saddle River, New Jersey, USA

Lowe, M., (1999), *Business Information at Work*, Aslib/IMI, London, UK

Merriam, S.B., (1998), *Qualitative Research and Case Study Application in Education*, Jossey-Bass Inc., San Francisco, USA

O'Rourke, J., (2001), *Management Communication – A Case-Analysis Approach*, Prentice-Hall Inc., Upper Saddle River, New Jersey, USA

Paley, N.; (1999), *Competitive Marketing Strategies*, CRC Press LLC, Florida, USA

Pagels-Fick, G., (1999), *Business Intelligence*, Industrilitteratur/BUSAD, Katrineholm, Sweden

Palmer, A., and Hartley, B., (2000), *The Business and Marketing Environment*, 3rd edition, McGraw-Hill, London, UK

Ramström, J., Söderlund, M., (2000), *Predicting the future – A case study of Volvo CE's forecasting process*, Master Thesis, Integrated Masters Programs, Graduate Business School, School of Economics and Commercial Law, Göteborg University, Sweden

Schultz, D., Kitchen, P., (2000), *Communicating Globally – An Integrated Marketing Approach*, MacMillian Press Ltd., London, UK

Seppälä T., (2001), *Buyer-supplier Relationships and Sourcing of Strategic Components*, Publications of the Turku School of Economics and Business Administration, Finland

Stern, L.W., El-Ansary, A.I., and Coughlan, A.T., (1996), *Marketing Channels*, 5th edition, Prentice Hall-International, Inc., USA

Storbacka, K., and Lehtinen J. R., (2000), *CRM-Customer Relationship Management*, Kristianstads Boktryckeri AB, Sweden

Sudharsan, D., (1995), *Marketing Strategy – Relationships, Offerings, Timing & Resource Allocation*, Prentice-Hall, Inc., Englewood Cliffs, New Jersey, USA

Svendsen, A., (2002), *The Stakeholder Strategy: profiting from collaborative business relationships*, Berrett-Koehler Publishers, Inc., San Francisco, USA

Terpstra, V., Sarathy, R., (2000), *International Marketing*, The Dryden Press, Fort Worth

Varey, R. D., (2002), *Managing Communication*, Routledge, UK

Yin, R., K., (1994), *Case Study Research: design and methods*, SAGE Publications Inc.

Zikmund, W.G, (2002), *Exploring Marketing Research*, 7th ed., The Dryden Press, Orlando, USA

Company Material

Company Presentation Volvo CE

Marketing Intelligence Process at Volvo CE International AB, Power Point Presentation

Internet Sources

www.volvo.com

www.cjd.com.au

Interviews

Volvo CE International AB, Sweden

Anders Johansson, Business Line Analyst, Eskilstuna, 2002-10-03

Göran Karlström, Business Development, Eskilstuna, 2002-10-03

Kjell Karlsson, Sales Manager, Eskilstuna, 2002-10-03

Patrik Achtman, Finance Director, Eskilstuna, 2002-10-03

Rita Haglund, Marketing Support, Eskilstuna, 2002-10-03

Volvo CE Australia, Sydney, Australia

Sean Taylor, Regional Manager, Sydney, 2002-10-28

CJD Head Office, Perth, Australia

Alan Barnett, Commercial Manager, Perth, 2002-10-30

Bill Arts, National Parts Manager, Perth, 2002-10-30

Brad Fowler, Financial Controller, Perth, 2002-10-30

David Collins, Marketing Services Manager, Perth, 2002-10-30

Nick Clayton, Sales Manager, E-mail Questionaire, 2002-11-14

Lindsay Daniels, Regional Sales Manager, Perth, 2002-10-30

CJD Branch Office, Sydney, Australia

Maureen Clarke, Sales and Marketing Manager, Sydney, 2002-10-29

Graham Gordon, Company Demonstrator, Sydney, 2002-10-29

Customer: Benedict, Sydney, Australia

Brett Javis, Mining Manager, Sydney, 2002-10-29

National Industry Office, Construction & General Division, Sydney, Australia

Stuart Maxwell, National Industry Officer, Sydney, 2002-10-30

SKF, Gothenburg, Sweden

Anders Thörnqvist, Business Intelligence Manager, Telephone Interview, 2002-10-18

Volvo Group AB, Gothenburg, Sweden

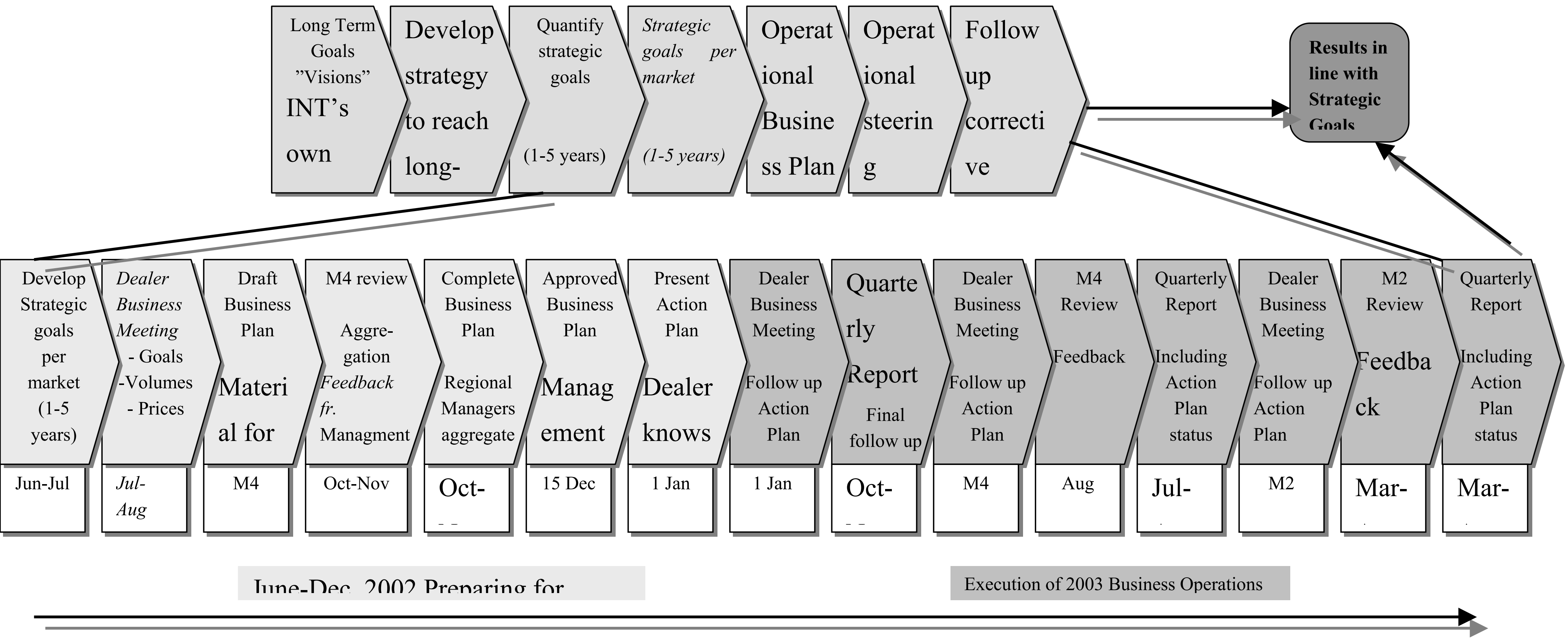
Katarina Häggström, Business Intelligence Director, Gothenburg, 2002-11-07

Volvo Penta AB, Gothenburg, Sweden

Rolf Andersson, Business Intelligence Manager, Gothenburg, 2002-11-13

Appendix 1

Management Process



Appendix 2

Recommended Outline for Organising Soft and Hard Information

Information Requirement	**Where Information is Located**		**Information Format**			**How to Get Information**
	Internal	External	Database	Paper	Kept in Mind	
Customers Information						
•						
•						
•						
Competitors Information						
•						
•						
•						
Stakeholders Information						
•						
•						
•						

Source: Modified from Curry and Curry, 2000

Template of Questions for Volvo CE International AB

Marketing Intelligence

1. Why is MI important?
2. Who is responsible for the MI process?
3. What kind of responsibility does the regional hub has?
4. Are there any indicators identified that can be used when collecting information?
5. How are the information, requested from the regional hub organized?
6. How often is the information updated?
7. How is the information communicated and to whom?
8. Who reports to the regional managers and whom do they report to?
9. Where is the information analysed?
10. Who are analysing the data?
11. Are scenarios used when analysing?
12. Where is the information stored?
13. How is the information dissembled through the process?
14. How are the decisions communicated?

Appendix 4

Template for Questions – Regional Hub in Australia

Interaction with CJD

1. How often do you have contact with the representatives from CJD?
2. What are the most usual ways of making the contacts: phone, fax, e-mail, personal visit?
3. Do you think it is enough with the amount of interaction you have?
4. If no, how often would you like to have the contacts? What kind of contacts do you prefer?
5. Is it the same person you usually contact or different ones?
6. Who decides what kind of information is necessary to collect?
7. Is it by written reports or verbally and how often?
8. Does Volvo CE A have any formalised factors to CJD when collecting information that is crucial for operational issues?
9. In what way are you collecting the formalised factors from CJD?
10. Does CJD report spontaneously to Volvo CE Australia? How is this information reported?
11. Whom do CJD report to?
12. Do you feel that you miss any kind of information that could be delivered from CJD?

Internal Intelligence Network

13. How often do you have the contact with the representatives from Volvo CE in Eskilstuna?
14. What are the most usual ways of making the contacts: phone, fax, e-mail, personal visit?
15. Would you prefer to meet more often and how?
16. If yes, how often would you like to have the contacts?
17. Is it the same person you usually contact or different ones?
18. Who decides what kind of information is necessary to collect?
19. How do you decide what information you have to report to Volvo CE in Eskilstuna? Are there any preferences?
20. Does Volvo CE in Eskilstuna explain why they need the information they

request?
21. How is information provided from Volvo CE Australia to Volvo CE in Eskilstuna?
22. Do you report spontaneously to Eskilstuna between these four M4 meetings?
23. How would you prefer to share the information with Volvo International AB and the other Regional Hubs?
24. Do you feel that the information sharing between Volvo International and Volvo CE A is mutual?

External Intelligence Network

25. Do you have any contacts with the stakeholders; such as banks, branch organisations, trade associations, government etc.?
26. Is it the same person you usually contact or different ones?
27. Is the network person or organisation based?
28. Which stakeholders do you perceive having strong or weak ties with?
29. Do you approach any stakeholder spontaneously, even if you have never had any contact before?
30. What other sources of information than the external stakeholders do you use when collecting data and information?
31. Do you have any standardised factors that you need to follow continuously?
32. What kind of external information is important?
33. Is it provided by Volvo CE in Eskilstuna?
34. What kind of information about business environment is collected irregularly, periodically and continuously?
35. Do you use any of this information for short-term decisions here, in Australia, or do you just report it to Volvo CE in Eskilstuna?

Competitor Intelligence

36. How often do you follow competitors' performance?
37. How much of this kind of information is provided by CJD?
38. How does CJD know what kind of information is necessary to be reported?
39. What kind of information is important to know about competitors?
40. Do you have any connections/coopetition with the competitors to share the information?
41. If you share information, in what way and what kind of information is

shared?

Marketing Intelligence

42. What purpose is Marketing Intelligence needed for?
43. Who is responsible for the Marketing Intelligence Process?
44. How is information and intelligence shared between the units within the organisation?
45. How does Volvo CE Australia store the collected information?
46. Do you provide raw data or information to Volvo CE in Eskilstuna?
47. Do you record soft information: opinions, rumours, etc.?
48. How much of the soft information compared to the amount of hard information do you report to Volvo CE in Eskilstuna?
49. What information sources do you evaluate as irrelevant or unreliable?

Appendix 5

Template of Questions to Branch Manger at CJD

Customer Relationship

1. What approach do you have towards the customers: deal or relationship oriented?
2.How do you approach customers?
3.Do you make any reports on meetings with the sales representatives?
4. What are the most usual ways of making the contacts: phone, fax, e-mail, personal visit?
5. Is it the same person that contacts a particular customer?
6. Do you have any permanent contact person in the purchasing company?
7. What kind of information is exchanged between the customer and the dealer?
8. What kind of information about the customers do you possess?
9. Is any information of the customers' product usage stored?
10. Where is customer information stored?
11. What customer information is reported to Perth?
12. Is there any information missing in the information exchange with your stakeholders?

Relaionships with Stakeholders

13. Which external stakeholders have you contacts with, e.g. banks, branch organisations, trade associations, government etc.?
14. What kind of contacts is it? Person or organisation based?
15. What information is reported to Volvo CE Australia?
16. What kind of information does Volvo CE Australia ask from you?
17. Are any explanations given why the particular information is requested?
18. Are you actively searching for other information about the external stakeholders that you find important?
19. What kind of information are you able to provide about the competitors?
20. How do you get this information?
21. Do you have any information exchange with the competitors?
22. How do you store information both from the external stakeholders and about the customers?

Marketing Intelligence

23. How do you follow market trends?
24. Are there any guidelines for what information to report?
25. Do you make any analyses of the information reported?
26. What kind of information is reported, raw data (numbers) or soft information (opinions, rumours) and to whom?
27. How do you share information in the local subsidiary?
28. What is the most beneficial way of sharing information?

Appendix 6

Template of Questions for Commercial Manager at CJD

Volvo CE Australia

1. How often do you have contact with the representatives from Volvo CE Australia and Volvo CE International AB?
2. How are you interacting with Volvo CE Australia and Volvo CE International AB: phone, fax, e-mail, or personal visit?
3. What information is exchanged during the meetings with Volvo CE Australia?
4. Do you think it is enough with the amount of meetings you have?
5. Does Volvo CE Australia provide you with templates for the meetings?
6. Do you feel that the overall interaction with Volvo CE Australia is enough?
7. Is it the same person you usually contact or different ones?
8. Does Volvo CE Australia explain why they need the information they request?
9. Do you feel that the information sharing is mutually beneficial?
10. How is the information about the outcome of the four meetings between Volvo CE Australia and Volvo International AB communicated to CJD?

Relationship with Customers

11. Are you actively searching for information about the customers?
12. What kind of information is exchanged between the customer and the dealer?

Relationships with Stakeholders

13. Which external stakeholders have you contacts with, e.g. banks, branch organisations, trade associations, government etc.?
14. What kind of contacts is it? Person or organisation based?
15. What are the most usual ways of making the contacts: phone, fax, e-mail, personal visit?

Marketing Intelligence

16. Who is responsible for scanning and observing the business environment?

17. How do you collect information about the market?
18. What kind of reports do sales representatives make?

19. Are there any guidelines for what information to report?
20. What kind of information is reported, raw data (numbers) or soft information (opinions, rumours) and to whom?
21. Do you make any analyses of the information reported?
22. How much of the soft information compared to the amount of hard information do you report to Volvo CE Australia?
23. How do you share information in the local subsidiary?
24. What is the most beneficial way of sharing information?
25. What key success factors are crucial in the CE business?

Appendix 7

Template of Questions for Financial Controller at CJD

1. What kind of information do you provide to Volvo CE Australia?
2. Do you have any list of indicators that you have to report to Volvo CE Australia?
3. Do you have any contact with Volvo Finance?
4. What external stakeholders do you have contact with?
5. Is it personal or organization based contacts?
6. Do you have any contact with Volvo International AB?
7. What are the most usual ways of communicating?
8. What kind of information is reported soft vs. hard?
9. Whom do you report to within the organization and how (writing, verbally)?
10. Who decides what key indicators to follow?
11. What are the indicators used for?
12. Do you report these indicators to Volvo CE Australia?
13. Is it financial indicators?
14. Are the branches reporting to you?
15. Are the branch managers providing you with any regional information?
16. Are Volvo CE Australia and Volvo International AB easy to approach and to communicate with?
17. Are Volvo CE Australia and Volvo International AB willing to provide the information?

Appendix 8

Template of Questions for Sales Representatives at CJD

Customer Relationship

1. How often do you have contact with customers?
2. What approach do you have towards the customers: deal or relationship oriented?
3. What are the most usual ways of making the contacts: phone, fax, e-mail, or personal visit?
4. Do you have any permanent contact person in the purchasing company?
5. Do you use personal or CJD based contacts?
6. Are there any guidelines for what information to collect?
7. How is it structured, e.g. under categories as contacts, events, product holdings, product usage?
8. How do you store the information about the customers?
9. How is this information further reported within the organisation, CJD?
10. Are there any templates for these reports?
11. Do you feel that the information flow from the mangers to you is satisfactory?
12. What other information sources, except the customer, do you use?
13. Where do you get the information about the competitors?
14. What kind of information is reported, raw data (numbers) or soft information (opinions, rumours) and to whom?

Template of Questions to the Customers

Contacts with the Dealer

1. Is CJD easy to contact?
2. How are you interacting with CJD? Phone, fax, e-mail, personal visit?
3. How often do you have contact with CJD?
4. Do you think it is enough with the amount of interaction you have?
5. Do you feel that the interaction with the dealer is mutually beneficial?
6. Is it the same person you usually contact or different ones?
7. Is there any person within your company that has the responsibility to be a contact person for the relationships with CJD?
8. Do you perceive that the dealer is more deal or relationship oriented?
9. How should you describe yourself in the relationship with CJD: do you prefer a deal or a relationship oriented approach? Why?
10. Is CJD fast to provide information that you request?
11. What kind of information does CJD ask from you?
12. Does CJD explain why he needs that information?
13. What kind of information are you able to provide to CJD?
14. In what way/form is the feedback delivered?
15. What kind of network do you have?

Appendix 10

Template of Questions to Industry Association, Sydney

1. Do you have direct relations with construction equipment companies? In what way?
2. How do you communicate with the companies and vice versa? (face-to-face contacts, reports, telephone, email)?
3. What kind of information is communicated? (Market information; market trends, industry information, other information relevant for the industry as governmental regulations and decisions)
4. What essential factors have to be identified and followed for a construction equipment company in order to succeed in the Australian market?
5. Do you approach the companies when you have the information that might be of use for the construction equipment companies?
6. Are the companies approaching you in the "hunt" for information and for what purpose? How often do they contact National Industrial Office?
7. What institutions might be relevant for a construction equipment company to have contact with when collecting information?
8. Does NIO have any direct contact with other institutions?
9. How important are the different regions when collecting information? Do the regions differ much in terms of information needed in the construction equipment industry?

Appendix 11

Template of Questions for Supplementary Companies

Marketing Intelligence

1. Why is MI important?
2. Who is responsible for the MI process?
3. What kind of responsibility does the regional hub has?
4. Are there any indicators identified that can be used when collecting information?
5. How are the information, requested from the regional hub organized?
6. How often is the information updated?
7. How is the information communicated and to whom?
8. Who reports to the regional managers and whom do they report to?
9. Where is the information analysed?
10. Who are analysing the data?
11. Are scenarios used when analysing?
12. Where is the information stored?
13. How is the information dissembled through the process?
14. How are the decisions communicated?