Case Study 3
Establishing a Competitor’s Capabilities

What our client needed?
Our client wanted to know the number of delivery loading bays for a particular warehouse owned by a competitor, and if possible, the names of companies using the warehouse to hold stock and products held.

How did we get it?
A rule of thumb for finding information is to try to understand why information may be available. Knowing why information may be available leads to knowing where or from whom it can be obtained. (In some cases, this will also mean that we will refuse to take on a contract, as the only source for the information will require us to breach ethical or legal constraints to obtain it).

Following this rule we realised that a number of potential sources were available. One way to get the information required would have been to go to the competitor’s address – and observe the numbers of lorries visiting the building, and their companies. Obviously this would be highly time-consuming and not be a particularly cost-effective way of collecting such open information.

A preferable route was to find somebody who would know the information, and be able to let us know it. Such people included employees involved in the warehouse logistics areas, as well as some management (for example operations management). However such staff tend not to hold desk jobs – and so can be difficult to contact without knowing names. In addition, it was unlikely that they would have wanted to talk directly to an unknown contact – they would have referred us to the marketing or publicity people who were less likely to have the information. In addition, we would have had to explain to the marketing or publicity staff why we needed the information – which could have resulted in a refusal to provide it. (If asked, we will always say that we are independent consultants who have been hired by a client to do research – in accordance with ethical guidelines. We will never divulge our client’s identity without our client’s permission, however).

With further thought, however, we realised that there was another potential source for the information. Such warehouses employ security guards to patrol the warehouse out of hours. Security will do regular patrols of the warehouse and have a good knowledge of the overall layout, and contents. So, security could be a source for the required information.

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Out-of-hours security is a boring and tedious job. It involves hours watching close-circuit monitors in an empty building, with occasional patrols to break up the monotony. Furthermore, the night-shift and weekend shifts are frequently very long – 12 hour shifts throughout the night and over the weekend are not unusual. During the weekend shift, few people call or deliver goods, so any phone call is a welcome distraction. We called the warehouse at 11.30pm on a Sunday Evening. Our first question was

When does the warehouse open for deliveries?

We were given an answer without any questioning as to whom we were or why we wanted to know. We followed with –

Is it better to get there first thing to beat any queue, or are there enough loading bays to cope with demand?

We then followed up with

How many bays are there?

By now, the security person was feeling chatty, so we continued with other questions such as

Out of curiosity, who else delivers to the warehouse?

and so on.

How was the information used?

Our client gained valuable information that helped calculate the warehouse throughput – and also information on who needed warehouse facilities in the area. Our client knew that there was a demand for more warehouse space in the area – but needed to know if the demand would result in enough business to justify building an extension to their own facilities. They thus needed to obtain an idea as to how much the competitor could actually handle.

Lessons to be learned

1. Even the most menial workers often have knowledge that can be useful for a competitor. Security personnel see themselves with a responsibility for ensuring the physical security of their premises. However it is just as important to protect the informational security.

2. Lateral thinking and an ability to think about where information could be held are prime requisites for all good intelligence collection.

3. There are often many ways to obtain public information. In this case, we obtained the information with a single phone call. However alternative approaches would have given us the same result. The warehouse layout, for example, may have come from a search at the local town-planning department.

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