COMPETITIVE INTELLIGENCE IN PROFESSIONAL SPORTS

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ABSTRACT

According to the Society of Competitive Intelligence Professionals (SCIP), competitive intelligence (CI) is the "process of ethically collecting, analyzing and disseminating actionable intelligence regarding the implications of the business environment, competitors, and the organization itself." Despite its growing influence in the world of business, most research about the field of competitive intelligence has focused on either anecdotal or prescriptive approaches. A number of studies have examined CI in specific industries (e.g. electronics and pharmaceutical), however, none have looked at the use of CI in the sports environment. This oversight exists despite the fact that professional sports would seem to be an industry that would have a strong emphasis on CI activities.

This study analyzes competitive intelligence activities in professional sports. The survey instrument contained questions, generated from previous studies of CI, that explored an organization's CI activities, including the types of CI activities used, the frequency of usage, the perceived effectiveness of CI, sources of CI information, and level of experience with CI. The instrument was mailed to administrators from the NHL, NBA, MLS, NFL and major league baseball.

The results indicate that nearly two-thirds of all teams report that they maintain a competitive intelligence (CI) function. Most teams have engaged in CI activities for three years or more. The most effective CI activities provide intelligence that assists in player personnel decisions, the identification of market opportunities, the assessment of competitors' pricing strategy, and market plan development. The most popular sources of CI information are personal contacts, the company's salespeople, contacts with competitors and customers, the internet, and industry trade journals.

The study finds many CI activities are engaged in by the vast majority of teams, and they find these to be effective endeavors. These results suggest that despite the relative monopoly status of the leagues themselves, the individual teams are demonstrating actions more reminiscent of intense rivalry than cooperative existence. The study provides a starting point for the analysis of competitive intelligence activities in the professional sports environment by validating the existence of and use of various competitive intelligence activities.