

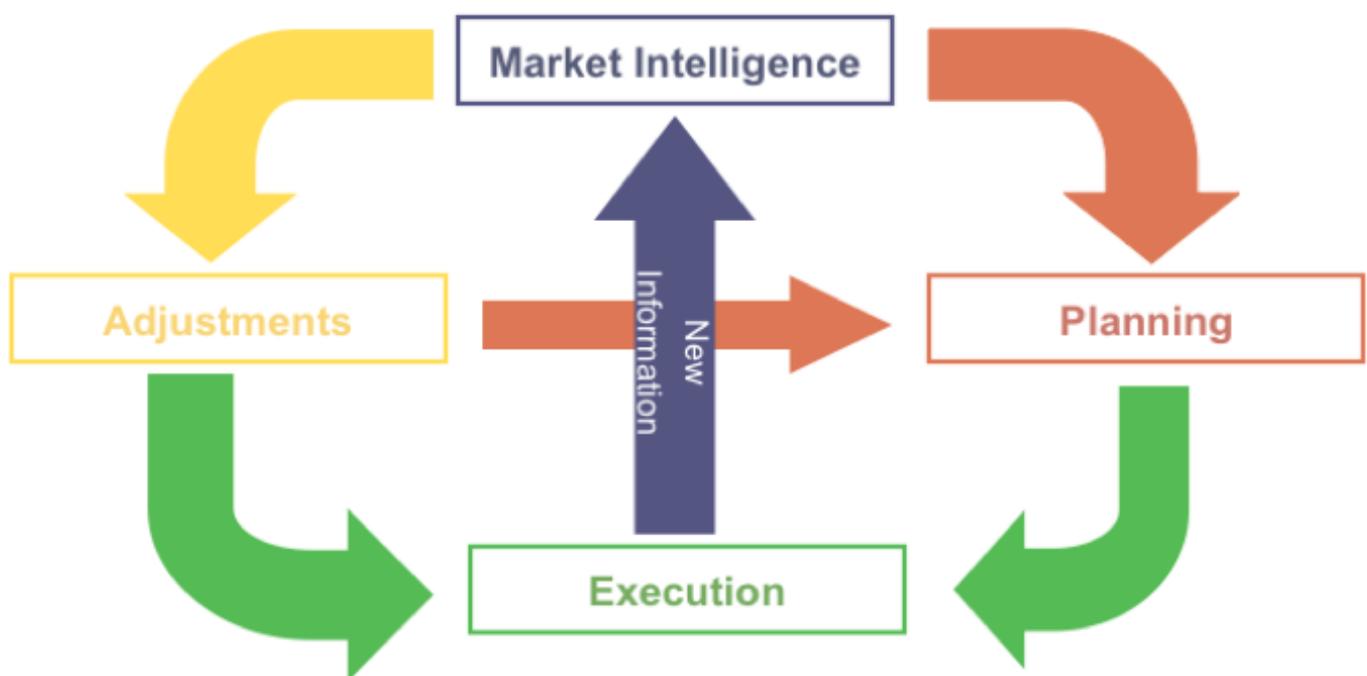
Preparing A Strategic Plan – How Well Do You Know Your Industry?

When it's time for that much needed vacation, most people won't jump in their car or head to the airport, without an idea of where they're going. The same holds true in business. For most of us moving our company into the future requires a strategic plan.

So, where do you start?

Creating a long-term plan happens through a process that involves gathering information, using that information to develop a plan and putting that plan into action. It can be broken down into four simple steps: **Market Intelligence**, **Planning**, **Execution** and **Adjustments**.

Strategy Process Wheel



The first step is to understand your markets.

Market Intelligence

Market intelligence is information about a company's industry that is converted into unique and useable knowledge. It includes data on such areas as industry trends, customer preferences, competitor plans and supplier strengths.

Information



What are the primary drivers of your business for the markets you are engaged in? There can be many different possibilities. Demographics, cost structure, [innovation](#), market accessibility, or technological capabilities are some examples of business drivers.

Other key information is critical in developing your market intelligence. Who are your competitors and how do they compete? What geographic markets are you able to cover? Are you technologically advanced or do you need to make significant investments in technology? Are there any significant industry barriers to you or new competitors? Is there a product that could make yours redundant?

Being able to answer these types of questions and staying on top of the latest activity in your industry or business is a key part of a strategic plan. When you understand how your company fits within the market, you can use that information to seek a competitive advantage and improve financial performance. That will ultimately lead to growth and improved profitability.

Sources

Finding this information is the next part of the process. You may be able to generate some of it internally, but there are a number of other great resources to help you develop your market intelligence:

- Industry associations and government agencies at both federal and state levels.
- Local economic development councils.
- Local chapters of national business groups, like Northwest High Performance Enterprise Consortium in the Portland, Oregon area.
- Bankers and industry analysts or private industry experts.
- Customers and suppliers are great resources for market intelligence.

When you have in-depth knowledge about your industry and how you fit within it, you're ready for the next step: converting your market intelligence to a plan. That step will be covered in next week's KRM column.