

Business Intelligence and Global Business

~How to utilize Business Intelligence to create and develop new business~

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Summary

The concept of Business Intelligence is said that it was introduced to Japan for the first time in September, 1990, when “Real World Intelligence“, by Herbert E. Meyer was translated into Japanese, (“CIA ryu Senryaku Joho Tokuhon” in Japanese) and was published by Diamond. The translation was made by the writer, Juro Nakagawa and Mr. Kenji Yoneda.

Upon publishing the book, some business corporations and self-governing bodies approached the writer to make lectures to introduce the new concept of Business Intelligence.

However, the interest and the reaction from the Japanese government, universities and corporations are not so much though the book was introduced by some major Japanese newspapers, journals and books. Hence, the study of business intelligence and competitive intelligence in Japan is far behind in comparison with the Europe, the USA, China and so on.

However, the writer is making his best to introduce the concept of business intelligence and practice of it in the past 30 years at Business Intelligence Society of Japan (BISJ) as the Chairperson and Director General of the Society.

Fortunately, Meiji University cooperates and assists us to introduce Business Intelligence in Japan through its Liberty Academy Course lectures for the past 13 years, for which the writer extends his utmost gratitude to Meiji University.

The 21st century is the Era of Information, Intelligence, IoT, AI, 5G, Big data, DX (Digital Transformation) and Data Economy.

Key words:

BI (Business Intelligence), CI (Competitive Intelligence), MI (Medical Intelligence),
IoT (Internet of Things), AI (Artificial Intelligence), 5G (5 generation),
DX (Digital Transformation), BISJ (Business Intelligence Society of Japan)

At this stage, the writer intends to make a brief report on the Japanese Business Intelligence in the past 30years, wishing the study of business intelligence in Japan shall be expedited in the 21st Century of Data Economy.

I. The brief history of Business Intelligence Society of Japan

Business Intelligence Society of Japan (BISJ) was established on February 12th, 1992 in Tokyo, and it has been active for over 30years. The society has bi-monthly study meetings, and had its 175th meeting with over 15,000 accumulated participants and 500 lecturers by November, 2021. The 200 members are quite active to strengthen and deepen the human relations. They exchange information amongst each other to utilize intelligence for their business, academic research and daily lives.

The opening international conference was held in ANA Hotel in Toranomom, Tokyo with some 300 participants including guests from abroad. Foreign guests included experts of business intelligence and competitive intelligence. The invited foreign guests were Chair Persons, Society of Competitive Intelligence Professionals, the USA, France, Australia and Sweden including scholars and researchers of intelligence of these countries.

The NIKKEI (The Japan Economic Journal) reported the conference as the first international conference on competitive intelligence in Japan. The Diamond also cooperated for the event, as the writer published the translation of “Real World Intelligence” by Herbert E. Meyer from Diamond in September 1990 as the first business intelligence book in Japan. Furthermore, IBM, Japan also helped us financially for the conference.

Since then, we had many international business intelligence conferences in Tokyo, inviting the experts of business and competitive intelligence all over the world not only from the USA and Europe, but also from China, India, Vietnam, Cuba and etc.

In some of these international conferences, Asia Club kindly sponsored us, offering World Trade Center in Tokyo for the conference, for which we appreciate so much.

The writer participated in many business and competitive intelligence conferences in New York, Washington, Miami, New Orleans, Chicago, Charlotte, Charleston, Minneapolis, Tampa, Santiago, Montreal and made speeches on BI(Business Intelligence), CI(Competitive Intelligence), including Hongkong, Beijing, Shanghai, Tianjing, Dalien, Harbin, Ulan Bator, Vladivostok, Nakhodka, Bangkok, Djakarta, Vientiane, Phnom Penh, Kathmandu, New Delhi, Colombo, Sydney, Paris, Nice, Mallorca, Stockholm, Lund, Zagreb including such universities

as Graduate School, New York University, Business School, Columbia University, Rochester University, Engineering School, Pennsylvania State University, Chile State University, Santiago, Lund University, Sweden and so on.

The foreign audience showed much interest in how worldly famous Japanese trading companies collect, gather, analyze global information and make the best use of business intelligence in creating and developing the global business.

In Japan, we also held the conferences not only in Tokyo, but also in Osaka and Nagoya.

In September 2001, to commemorate its 10th Anniversary, the Society sent 18 members mission to Cuba. It was since then that the Society has had close relationships with Cuba and the Embassy of the Republic of Cuba in Tokyo. The society have been studying traditional medicine of Cuba, India, Thailand, Sri Lanka, Nepal, China, North Macedonia including Germany, Switzerland, the USA and etc.

BISJ (Business Intelligence Society of Japan) has been studying not only business intelligence, but also health and medical intelligence for the past 20 years by the guidance and cooperation of Dr. Teruo Hirose, Former Professor, New York Medical School, for which we do appreciate so much.

In collaboration with the International Society of Traditional and Emerging Medicine Integration (ISTEMI), which Dr. Hirose established, the society has studied the traditional medicine of Cuba and other countries.

The International Conference of ISTEMI has been held once a year. We are planning to hold its 5th International Conference in Tokyo in July, 2022. Some 100 medical experts from all over the world will participate in on line conference.

BISJ will continue to study BI (Business Intelligence) and MI (Medical Intelligence), especially under the recent COVID-19 pandemic situation.

Up to now so far, the writer has published the following Business Intelligence and Competitive Intelligence related books in Japan to propagate BI and CI.

1. "Real World Intelligence", Herbert E. Meyer.
Japanese translation: by J. Nakagawa and other; Diamond, 1990
2. "Business Intelligence System", Benjamin Gilad and Tamar Gilad.

Japanese translation : Juro Nakagawa and others; ERUKO, 1996

3. "Information Technology Strategies" ~How Leading Firms Use IT to Gain An Advantage~, William Rapp.

Japanese translation: Juro Nakagawa and others; Nikkei BP, 2003

Main English Publications:

1. "Global Perspectives on Competitive Intelligence", John E. Prescott and Patrick T. Gibbons; Society of Competitive Intelligence Professionals, Alexandria, Virginia, USA, 1993
"Competitive Intelligence in Developed Countries",
"Intelligence in Japan", Juro Nakagawa
2. "The Intelligent Corporation" ~The Privatization of Intelligence~, Edited by Jon Sigurdson and Yael Tagerud~; Taylor Graham, London, 1992
"Intelligence, Trade and Industry" Juro Nakagawa
3. "An Introduction to Knowledge Information Strategy"
~ From Business Intelligence to Knowledge Sciences ~
Akira Ishikawa and Juro Nakagawa, editors and writers,
World Scientific, Singapore, 2013, which was published to commemorate BISJ's 20th Anniversary.

Main Business Intelligence Book in Japanese;

~Mienai Kachiwo Umu~

"Chisiki Joho Senryaku"

~Business Intelligence kara Knowledge Sciences e~,

Editors, Akira Ishikawa and Juro Nakagawa;

Zeimu Keiri Kyokai, Tokyo, 2008, which was published to commemorate BISJ's 20th anniversary.

Conferences and meetings:

1. 176 conference meetings; February 1992~November 2021, including 12 International Business and Competitive Intelligence Conferences in Tokyo.
2. 4 International Society of Traditional and Emerging Medicine Integration Conferences; 2018 ~2021

Main Collaborating Research Institutes:

1. Nagoya City University, 22nd Century Institute

2. Strategic Competitive Intelligence Professional Society, USA
3. Competitive Intelligence Society of China
4. Competitive Intelligence Society of Australia
5. Economic Intelligence Society of France
6. JETRO (Japan External Trade Organization)
7. International House of Japan
8. Japan Foreign Trade Academy
9. International Society of Asian Community
10. North East Asia Study Net Work
11. Sasakawa Foundation
12. Ministry of Economy, Trade and Industry
13. ASEAN Japan Center
14. World Bank Tokyo Office
15. Major Japanese Trading Companies
16. Academia, Nikkei News Papers and others
17. NHK and other media, etc.
18. Academy of Competitive Intelligence of Japan
19. Japan International Forum
20. Tokyo Foundation
21. Canon Global Research Institute, and etc.

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In the future, the study of Big Data, 5G, DX, and AI is much required for Data driven-Economy Era. BISJ will expand the study to the above areas.

II. Business Intelligence and Risk, Crisis Management

After the Cold War, the wall of Capitalism and Communism was broken down and the world became borderless. The global corporations started expansion of their business beyond the border.

Recently, such advanced IT and Data corporations as GAFAM (Google, Apple, Face Book, Amazon and Microsoft) have been rapidly expanding its big data business beyond border.

Under such business circumstances, big data and business intelligence expertise and data science knowledge are much required. At the same time, under the COVID-19 pandemic throughout the world and the recent Ukraine crisis, the intelligence, especially business intelligence plays an important role for risk and crisis management along with business development.

Under such circumstances, it is imperative to collect, analyze, and utilize the related information and intelligence.

According to the writer's experiences working for a major Japanese trading company for 33 years including 22 years abroad, the main objects of business intelligence are as follows;

- 1) Business Development
- 2) Maintaining Business Security
- 3) Risk and Crisis Management

The writer believes that the crucial point is management of security and risk. There is saying that "who controls information and intelligence will control the world".

There are various types of intelligence as follows, which we should make the best use of.

- 1) Competitive Intelligence, which CIA has developed and has been applied to business
- 2) Defensive Intelligence for counter espionage and prevention of espionage
- 3) Offensive Intelligence for tactic and strategic policy making
- 4) Strategic Intelligence for making comprehensive overall strategy
- 5) Tactic Intelligence for tactical move
- 6) Marketing Intelligence
- 7) Financial Intelligence
- 8) Technology and Patent Intelligence
- 9) Event Intelligence, which a Canadian professor has introduced

We must pay the close attention to the above intelligence to predict, estimate, and foresee the future trend of the world economy. Furthermore the ability of management of the risk and crisis is imperative for the global business in the 21st century.

III. Business Intelligence and Global Economic and Financial Competition

Severe global economic, financial and advanced technology competition including 5G, 6G, AI, Big Data, Data Science and the semi-conductor technology is expected throughout the world especially after COVID-19.

Under such circumstances, the ability to collect, gather, analyze and utilize the intelligence will become vital not only for the corporations but also for the government.

Japan should make the utmost efforts to strengthen and deepen the intelligence education not

only in Government, the Military, and Academia, but also in Industry to cope with the advanced countries in education of information and intelligence.

In the 21st Century when knowledge and information play the vital role, Japan, which is 30 years behind Europe and the USA, should educate the students in business intelligence, competitive intelligence and technology intelligence at the universities and the graduate schools.

IV. The Theory of Business Intelligence

~ Theory without Practice is vacant and of no use. Practice without Theory is dangerous~

How we should utilize Business Intelligence (advanced economic and management information) to create and develop new business.

The followings are some case studies.

It is important and imperative to collect, analyze and utilize the value added information, which is so called intelligence to develop business. For such a purpose, it is important to have the antenna to collect and gather business related information and intelligence through the reliable human network and to utilize such information immediately.

We should utilize the intelligence cycle below;

- ① Establish the strategy to gather and collect information
- ② Collect relevant information from the Government, Industry including advanced technology and competitors' information
- ③ Evaluate, process, and edit the obtained information
- ④ Thoroughly analyze such processed and value added intelligence
- ⑤ Deliver and distribute the value added information and Intelligence to the policy makers

There are three types of information and intelligence, namely;

- ① Open and Public Information (information from newspapers, TV, Internet, SNS, books etc.)
- ② Human and Private Intelligence (private and personal information)-HUMINT
- ③ Secret Information (secret and confidential information)

In business, we must utilize only ① and ②. We should never use the secret information in business. It is strictly prohibited to steal and utilize secret and confidential information from the stand point of corporate ethics and CSR (Social Corporate Responsibility).

V. Some Case Studies of Creating and Developing New Business, making the best use of Business Intelligence.

The followings are some case studies, in which the writer had created and developed new businesses abroad by utilizing the open, public information and human intelligence.

① Open and Public information

In New Delhi, India, the writer found the news in the local newspaper; “Hindustan Times” informing that India was suffering the shortage of supply of pharmaceutical materials from Soviet, which was causing much concerns from stand point of health in the country.

The writer immediately sent the above important information to the Chemicals Department in Tokyo Head Office. We were able to realize one of the biggest business of Japanese pharmaceutical materials, such as streptomycin, penicillin, and vitamin A in India, which had continued for many years.

The above case study shows that even the local newspapers’ open and public information much contributed to create and develop a big business through timely management of the information.

② Human Intelligence-HUMINT-

1. Case study in Chile:

When the writer was General Manager of Rio de Janeiro Office of a Japanese, trading company, an agent brought very important information that Chile was intending to lift the import ban of passenger cars. At that time, the agent added very important, precious and fatal information saying that the import duty for cars under 1000cc engine will be levied by 100%. In the meantime, the import duty for cars over 1000cc engine shall be levied by 200%. The above fatal information is called “critical information” in Business Intelligence.

We immediately sent this precious and valuable information to the Automotive Departments in Tokyo and Osaka. The Osaka Automotive Department offered 850 cc engine passenger cars from Japan.

Due to the above critical intelligence, we could monopolize the order of 40,000 passenger cars, which amounted to some US\$500 million.

As far as human intelligence is concerned, to get as detailed information as possible is a key to create and establish business. We can see the importance to

establish and build reliable human networks and to obtain valuable and fatal human intelligence through those human networks.

2. Case study in Panama Canal Railways Rehabilitation Project:

An agent of Panama office informed that The Panama Railways Authority has the project for the rehabilitation of the canal railways. We started to participate in this project together with Shinkansen-engineers' group. However, British group offered zero interest rate for the project. Hence we failed and missed the contract.

However, one day at a Japanese restaurant in Panama, the writer by chance met a Japanese engineer who was working for the Japanese ODA project on Educational TV station construction in Panama. The writer got some more detailed information from the engineer. After two years of hard work and effort, we could materialize US\$ 5 million business to export TV equipment from Japan.

In addition, we were able to further conclude the similar ODA business of anti-cancer hospital project amounting to US\$ 5 Million in Panama.

The above case studies show that human intelligence is quite imperative and important in order to create, develop and establish the new business.

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