

3 Benefits Of Frequent Competitive Analysis

To succeed in today's business environment, you need to gain a deep understanding of your competitors. With competitive analysis, you can study your competition, objectively judge their performance, and use the information to provide strategic benefits and direction. Following are three benefits of frequent competitive analysis that can help your business develop a strategy for success.

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1. Evaluate the viability of new products and services

If you want to improve your service and product offerings, you should be conducting competitive analysis regularly. Examining how your competitors have succeeded and failed will help you determine if your new product or service is already available in the marketplace and whether or not it's competitive when it comes to price, capability, or quality.

It also helps to look at products and services currently being developed by keeping up on the latest news about your competitors. By learning what your competitors are developing or improving for future product releases, you can judge the popularity of a product idea or create a new, innovative product or service using a different approach.

2. Rate the effectiveness of your marketing strategy

Staying on top of competitors' marketing strategies can provide the same advantages as analyzing their product development initiatives.

In today's evolving marketing landscape, it's helpful to look at your competition and see how their marketing has changed. Social media and mobile devices have overtaken marketing budgets; high quality, useful content has become necessary to online marketing; and data-driven marketing has become more refined than ever.

View your competitors' websites, social media accounts, and marketing materials and evaluate their positioning and strategies. Compare this against your business' marketing efforts and consider what you could learn from the competition.

3. Identify unserved or underserved gaps

In an established market, you and your competitors are likely to target the same audience, potentially leaving unserved or underserved consumers. Competitive analysis with maps and matrices allows you to identify these gaps in the market.

A competitor map lays out the unique service models of your competitors by identifying where they fit on a matrix with extremes ranging from high price to low price, high quality to low quality, and high customization to low customization. For example, this type of map may reveal that most competitors in the local area charge premium prices for

higher quality products, while the bargain segment of the market remains underserved.

Geographic competitor maps can also provide insights into market gaps for businesses like restaurants, retail stores, or other brick-and-mortar establishments. A geographic map of competitors may reveal that several square miles of the city do not have a competitor's establishment.

By identifying missed opportunities, you can expand or change the focus of your business in order to improve your market share.

Getting the most value from your competitor analysis

Does your business regularly review its competitors? An easy way to stay up to date on your competition is by performing an annual competitive analysis in detail with quarterly updates. Make sure to complete your analysis in a structured and systematic way in order to provide your team with real conclusions and get the most value. Reap the benefits of frequent competitive analysis and stay ahead of the competition in order to help your business succeed by speaking with one of our specialists today at 866-303-0557.