

Competitiveness analysis

LECTURE 6

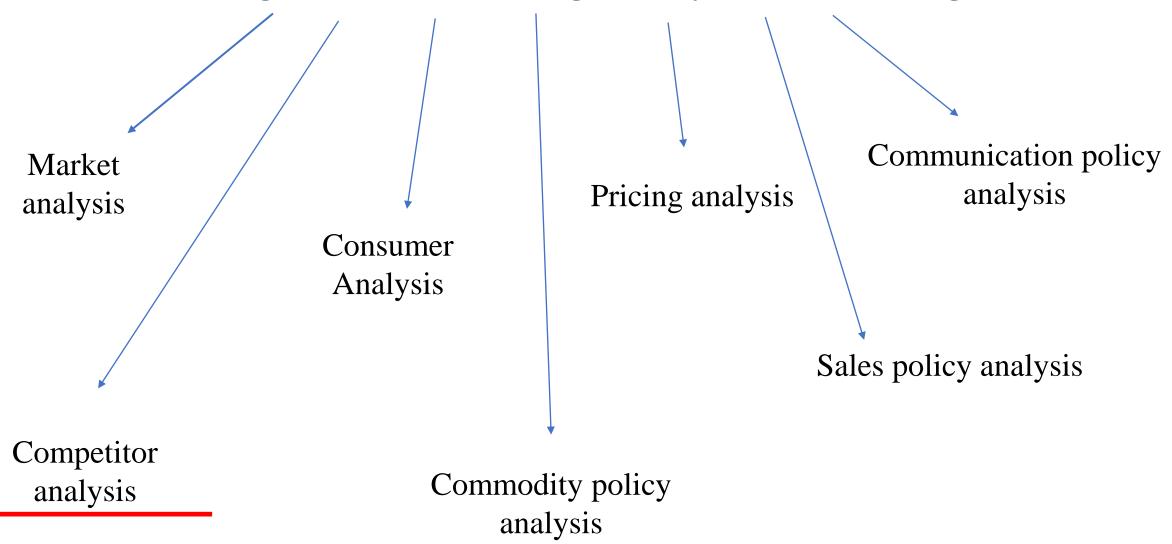
To study the theoretical and practical foundations for evaluating competitors



Agenda



Methodological base for strategic analysis in marketing



Definition

Competitor analysis is research intended to collect data on rival businesses. You're looking closely at what they're doing, how they're doing it, how it's working for them, and how big of a threat it is to your business.



Directions



definition of market leaders;



• studying the advantages and disadvantages of competitors;



• comparative analysis of the marketing mix and business processes of competitors;



• definition of economic drivers of the industry (size, market growth rates, profitability in the industry, number of competitors and consumers, ease of entry into the market)

Methods

- Porter's matrix;
- building a map of strategic groups;
- benchmarking;
- analysis of checks of competitors;
- method of comparative evaluation;
- SWOT-analysis of the main competitors;
- factor analysis of the competitiveness of goods and enterprises.

	Competitor 1	Competitor 2	Competitor 3	We :)
Product	Good	, but no so co		A great product, a product, of Lot of features!
Smth about company size	700 big	Too small	I don't	Three brilliant developers
Smth about price	700 expensive	too cheap	700 cheap	the best price ever
Smth about target audience	Not the same as	Not the same as	Not the same as ours	2M t potential
Smth else	•••	.••	,••	the better than competitions
				COM

	VersaTables.com	IKEA	HermanMiller	Office DEPOT	Steelcase	HAWORTH
Lifetime Warranty	0		SOME PRODUCTS	SOME PRODUCTS	SOME PRODUCTS	SOME PRODUCTS
Made in the USA	0		0	SOME PRODUCTS	SOME PRODUCTS	SOME PRODUCTS
Free Shipping	0		SOME PRODUCTS	SOME PRODUCTS	SOME PRODUCTS	SOME PRODUCTS
Green Manufacturing	0	0	0	SOME	0	0
Customer Service	EXCELLENT 合合合合合	BAD 合合合合合	GOOD 会会会会会	OKAY 合合合合	GOOD 公会会会会	GOOD 会会会会
Ease of Return	EXCELLENT	DIFFICULT 会会公公公	OKAY 食食食食食	BAD ☆☆☆☆☆	OKAY 会会会会会	OKAY 合合合合
Product Recalls	O NONE	YES	O NONE	YES	YES	O NONE

		Evaluation and ranking										
	= best = worst	1 Competitor D	2 Competitor H	3 Competitor I	Competitor E	5 Competitor B	6 Competitor F	7 Competitor C	8 Competitor G	9 Competitor A	10 Competitor J	
₩	Sales channel	1.17	1.20	1.15	1.17	1.13	1.20	1.00	0.30	0.05	0.03	
Ø	Target groups	0.64	0.56	0.64	0.64	0.80	0.80	0.72	0.84	0.40	0.24	
	Pricing strategy	1.32	1.05	1.05	1.05	0.70	0.70	0.70	0.00	0.55	0.00	
@	Digital visibility	0.68	0.59	0.35	0.19	0.18	0.15	0.45	0.44	0.15	0.18	
SOL	E-commerce framework	0.94	0.74	0.87	0.60	0.81	0.58	0.72	0.40	0.23	0.37	
ulÎ	Online maturity level	1.99	1.79	1.69	1.77	1.83	1.71	1.42	1.48	1.07	0.99	
	Online marketing activity	0.56	0.42	0.42	0.59	0.36	0.42	0.30	0.48	0.30	0.30	
	TOTAL	7.30	6.35	6.17	6.01	5.81	5.56	5.31	3.94	2.75	2.11	

A	В	C	D	E	F	G	Н	1
Competitor	Staff	Food	Efficiency	Price	Location	Quality	Service	Score
Competitor 1	3.5	3.7	4.3	4.0	4.0	3.9	3.5	3.8
Competitor 2	2.9	3.2	3.2	3.2	3.8	4.2	3.8	3.4
Competitor 3	1.8	2.7	2.8	4.0	2.5	2.7	2.9	2.9
Competitor 4	3.0	4.5	3.8	3.0	3.2	3.0	4.1	3.6
Competitor 5	2.8	3.9	4.2	3.7	2.5	2.2	3.0	3.3

Step-by-Step Guide to Running a Competitor Analysis



1. Find Your Top 10 Competitors.



2. Analyze Their Website.



3. Dive Into Their Content.



4. Analyze Their SEO.



5. Look Into Their Customer Feedback.

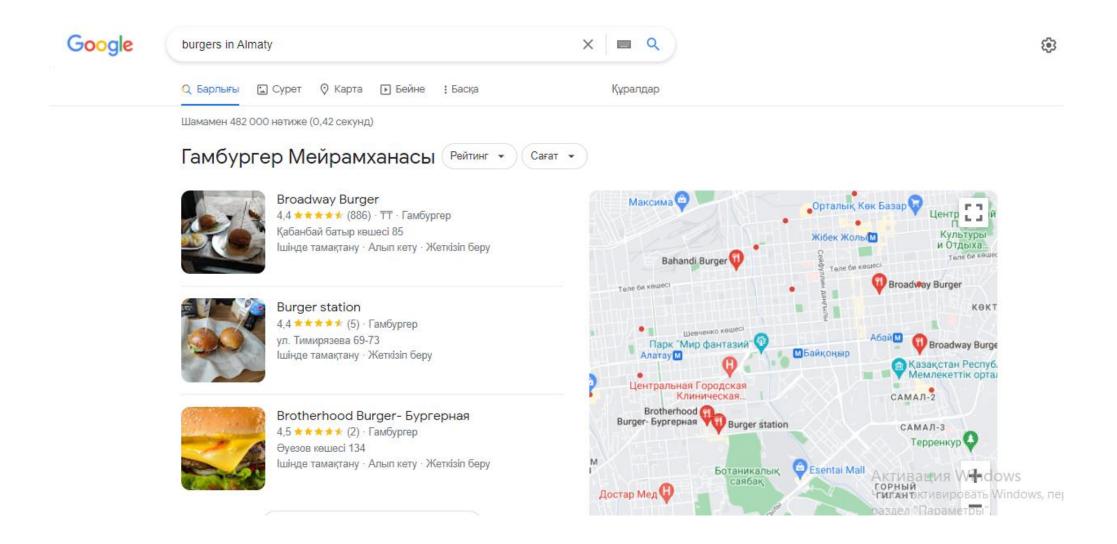


6. Identify Gaps In Your Own Business.

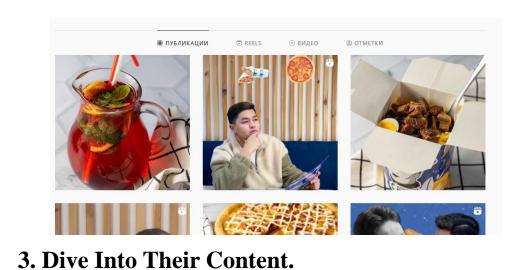


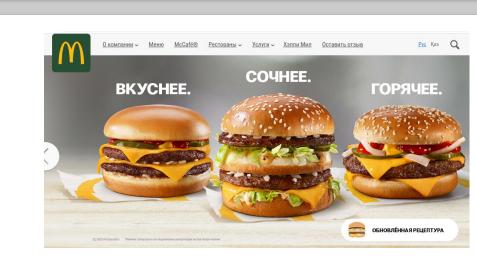
7. Adapt Your Strategies and Monitor Results.

1. Find Your Top 10 Competitors



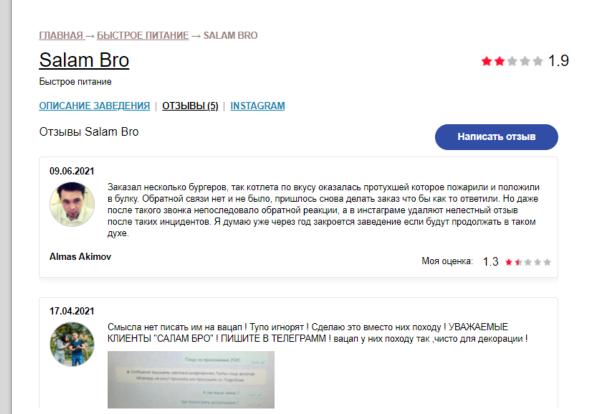


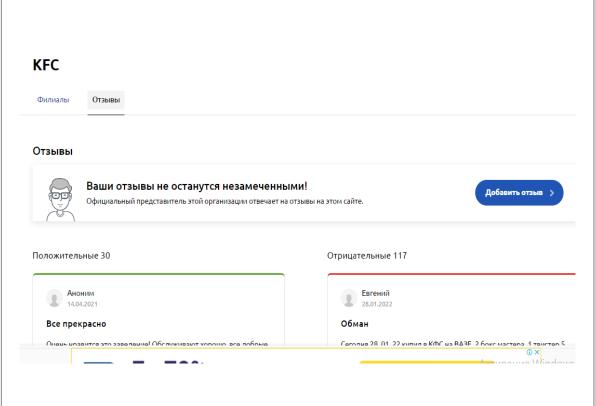






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5. Look Into Their Customer Feedback.

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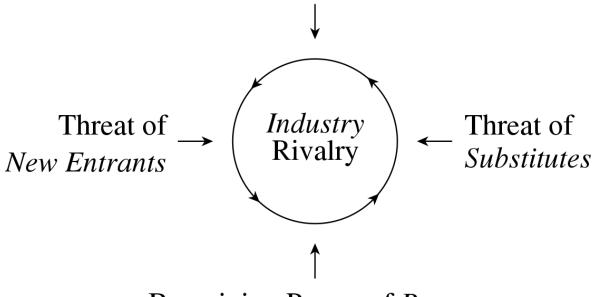
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What Are Porter's Five Forces?

Porter's Five Forces is a model that identifies and analyzes five competitive forces that shape every industry and helps determine an industry's weaknesses and strengths.

Bargaining Power of Suppliers



Bargaining Power of Buyers

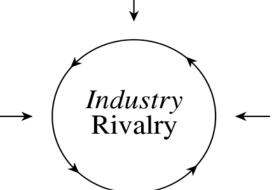


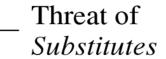




Bargaining Power of Suppliers























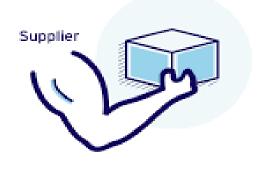






Porter's five forces







RIVALRY AMONG EXISTING COMPETITORS:

- Number of competitors
- Diversity of competitors
- Industry concentration
- Industry growth
- Quality differences
- Brand loyalty
- Barriers to exit
- Switching costs

POWER OF SUPPLIERS

BARGAINING POWER OF SUPPLIERS:

- Number and size of suppliers
- Uniqueness of each supplier's product
- Focal company's ability to substitute

THREAT OF SUBSTITUTE PRODUCTS:

- Number of substitute products available
- Buyer propensity to substitute
- Relative price performance of substitute
- Perceived level of product differentiation
- Switching costs

THREAT OF NEW ENTRANTS



RIVALRY
AMONG
EXISTING
COMPETITORS



THREAT OF NEW ENTRANTS:

- Barriers to entry
- Economies of scale
- Brand loyalty
- Capital requirements
- Cumulative experience
- Government policies
- Access to distribution channels
- Switching costs

POWER OF BUYERS

BARGAINING POWER OF BUYERS:

- Number of customers
- Size of each customer order
- Differences between competitors
- Price sensitivity
- Buyer's ability to substitute
- Buyer's information availability
- Switching costs