



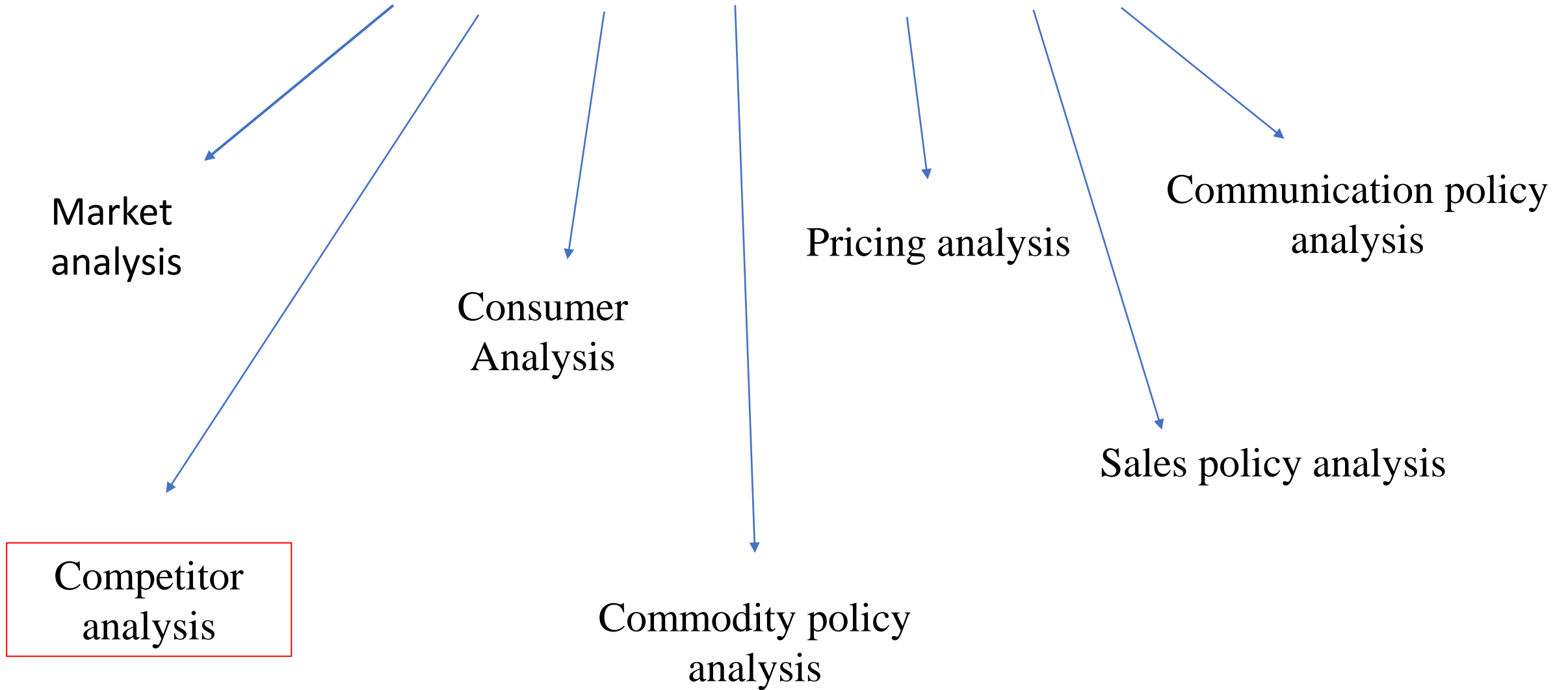
Competitiveness analysis

LECTURE 7

Agenda

- Meaning of CA
- Directions of CA
- Methods of CA
- PEST analysis

Methodological base for strategic analysis in marketing



Meaning

A competitive analysis is a strategy that involves researching major competitors to gain insight into their products, sales, and marketing tactics.

Competitive analysis can help you learn the ins and outs of how your competition works, and identify potential opportunities where you can out-perform them.



Every brand can benefit from regular competitor analysis. By performing a competitor analysis, you'll be able to:

1

Identify gaps in the market

2

Develop new products and services

3

Uncover market trends

4

Market and sell more effectively

Competitiveness analysis directions

- definition of market leaders;

- studying the advantages and disadvantages of competitors;

- comparative analysis of the marketing mix and competitors' business processes;

- 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 of CA

- 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.

How to do a Competitive Analysis

1. Determine who your competitors are.
2. Determine what products your competitors offer.
3. Research your competitors' sales tactics and results.
4. Take a look at your competitors' pricing, as well as any perks they offer.
5. Ensure you're meeting competitive shipping costs.
6. Analyze how your competitors market their products.
7. Take note of your competition's content strategy.
8. Learn what technology stack your competitors use.
9. Analyze the level of engagement on your competitors' content.
10. Observe how they promote marketing content.
11. Look at their social media presence, strategies, and go-to platforms.
12. Perform a SWOT Analysis to learn their strengths, weaknesses, opportunities, and threats.



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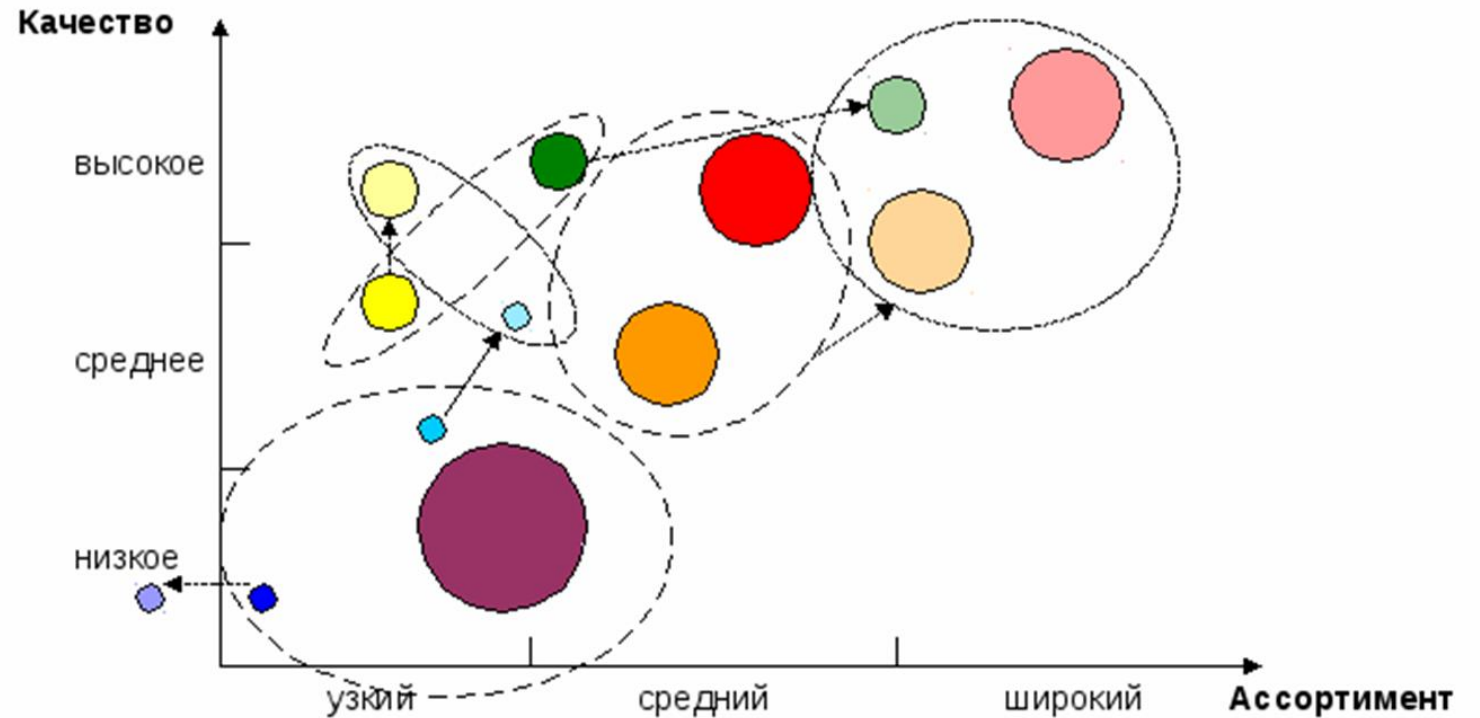


One method for comparing the competitive positions of companies is to develop a map of strategic groups.

This analytical technique allows you to compare the market positions of companies and group them into homogeneous groups if there are so many competitors in the industry that it is difficult to comprehensively study each of them.

Building a map of strategic groups

The strategic group includes competing companies with approximately the same competitive strategies and market position, or united by other common features; assortment, price/quality ratio, distribution channels, target audiences, applied technologies.



To map strategic groups

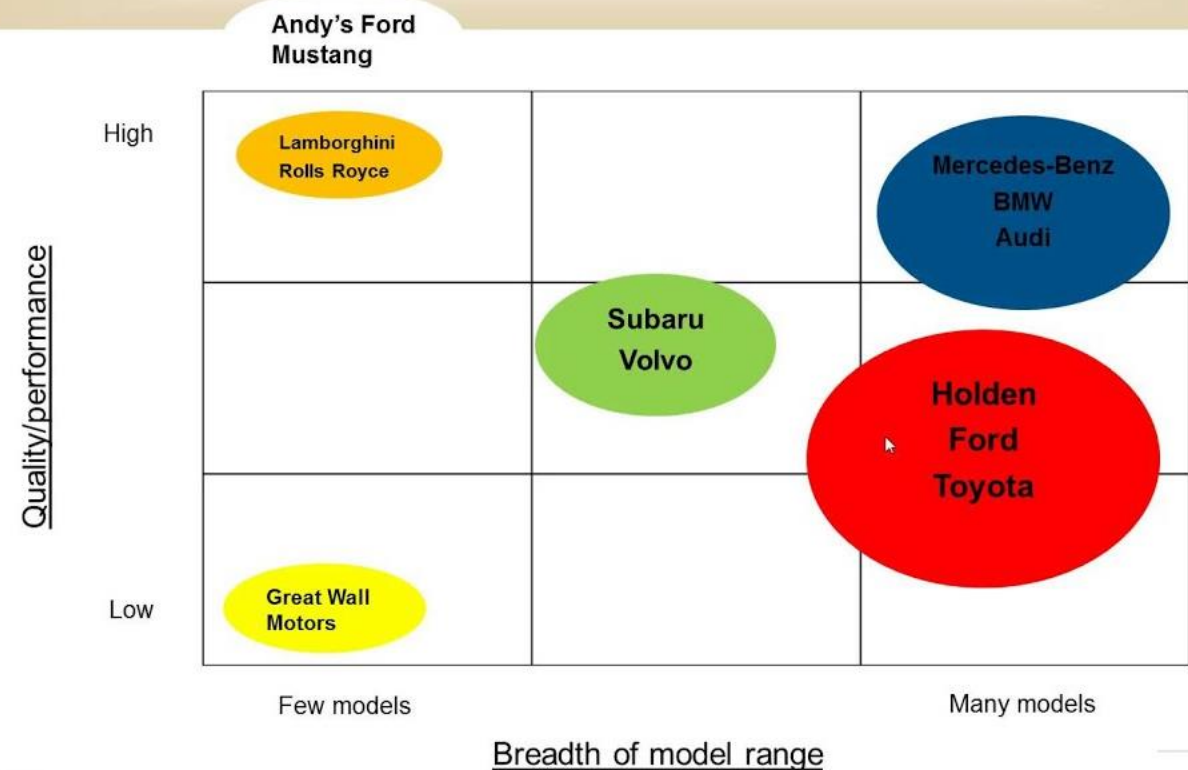
1. Set the parameters for differentiating companies in the industry, for example:
 - price / quality ratio (high, medium, low);
 - geographic scope of activities (local, regional, national, global);
 - product range (wide, narrow);
 - use of distribution channels (one, several, all);
 - set of services offered (none, limited, complete).

2. Make graphs for two selected parameters, draw dots indicating the location of each company.

3. Combine companies whose location on the graphs approximately coincided, in one strategic group.

4. Enclose each strategic group in a circle whose diameter would correspond to the group's share of total industry sales.

Example: Strategic Group Map of Selected Automobile Manufacturers



Exercise 1

Prepare the Strategic Group MAP for particular market