

DISCUSS THE NEED TO UNDERSTAND COMPETITORS AS WELL AS CUSTOMERS THROUGH COMPETITOR ANALYSIS

Discuss the need to understand competitors as well as customers through competitor analysis. Explain the fundamentals of competitive marketing.

This will give you an idea at which point a competitor will discount and at what volume. Major component costs 4. And even if you have, your competitor may be planning an improvement. For more information, consult IP for business. This can be done through an examination of your competitors' weaknesses and strengths. It should also indicate whether there is a saturation of suppliers in certain areas of your market, which might lead you to focus on less competitive areas. It's also likely you'll meet competitors at social and business events. Several basic competitive strategies are outlined in this chapter. You should consider seeking the advice of independent advisors, and should always check your decisions against your normal business methods and best practice in your field of business. Your current offerings may still need improving and your competitors may also be assessing you. The reasons behind successful as well as unsuccessful firms 2. Once you've established the key assets and skills necessary to succeed in this business and have defined your distinct competitive advantage, you need to communicate them in a strategic form that will attract market share as well as defend it. A competitive intelligence system helps the company to acquire and manage competitive information. Phone them to ask for a copy of their brochure or get one of your staff or a friend to drop by and pick up their marketing literature. Look at their stands and promotional activities. Four primary competitive positions are reviewed in the Lesson. If they are an online business, ask for a trial of their service. Two steps must be taken in order to deal effectively with competitors and their strategies: 1. Despite our best efforts it is possible that some information may be out of date. What other brands have adopted a similar strategy? The strategy chosen depends on the company's industry position and its objectives, opportunities, and resources. We cannot guarantee that the information applies to the individual circumstances of your business. Go online Look at competitors' websites. Print Need help? Two key trends in marketing for the twenty-first century are: a The trend towards the use of relationship marketing to improve customer satisfaction. Functional or generic "enables users to compare themselves to organizations that are recognized as the best, whether they are in the same industry or not. The first is that of the market leader which faces three challenges: expanding the total market, protecting market share, and expanding market share. Realize the need for balancing customer and competitor organizations in order to become a truly market-centered organization. These may be in their product range or service, marketing or distribution, even the way they recruit and retain employees. Aggressive leaders also try to expand their own market share. The third position is that of the market follower which is designated as a runner-up firm that chooses not to rock the boat usually out of fear that it stands to lose more than it might gain. Building profitable customer relationships and gaining competitive advantage requires delivering more value and satisfaction to target customers than competitors do. If your competitor is a public company, read a copy of their annual report. Microsoft's primary competitors, Apple and IBM, both have competing operating systems with a great deal of marketing to accompany them; however, both suffer from weaknesses that Microsoft has been able to exploit. Now you've got the idea, can you do it even better, add more value?