

The Value Competitive Analysis Can Have on Driving Sales Growth



If your company hasn't performed a competitive analysis, you might be wondering...just what *is* a competitive analysis anyway – and how can it help? Often misunderstood and chronically underutilized, a competitive analysis is a systematic process for identifying key aspects and attributes of your competitors. This empowers you to effectively position your company to compete, gain market share, and better serve your customers. While a competitive analysis often begins as a singular dedicated project, it can – and in many cases *should* – be a continuing process to keep your company in the know and ahead of your competition.

Read on to learn why a competitive analysis is so important, how to conduct one, and what to do with the data.

Importance and Advantages of a Competitive Analysis

A well-designed and effectively conducted competitive analysis can provide insights into the attributes and activities of your competitors, as well as the big-picture market landscape. But perhaps more important is using these insights to make strategic course corrections in the products you offer, the services you provide, and how you differentiate and market your offerings. Ultimately, a competitive analysis is useful as a linchpin to improve your strategies and processes.

Conducting a Competitive Analysis

While the comprehensiveness and format of a competitive analysis can vary from market to market and competitor to competitor, perhaps the simplest and most easily adaptable format is the SWOT analysis. A SWOT analysis identifies Strengths, Weaknesses, Opportunities, and Threats. Such an examination is often internal in scope, identifying factors within your own company. But for competitive purposes, the SWOT analysis can compare your SWOTs to those of your competitors. You could even assign rankings for each identified strength and weakness to get a good sense of your relative standing in the marketplace.

The SWOT-focused competitive analysis can drill down as a competitor *sales* analysis, zeroing in on sales processes, sales organization structure, and even sales territories. Likewise, you could do a detailed analysis for product or service mix, pricing, market reach, brand reputation, etc.

After You've Done Your Competitive Analysis, Now What?

Data is good and insights are better, but nothing beats carrying out strategic improvements based on these results. For example, depending on your competitive analysis findings, you might make these course corrections:

Adjust Your Marketing Strategy

Viewed from a high-level perspective, competitive analysis data can highlight where your marketing strategy is weak – and how to modify it for better customer engagement.

Refine Your Target Customer Profiles

If your marketing approach changes, it's possible your target customers should change, too. The completed competitive analysis should help you identify new targets and decide which low-probability prospect segments can be abandoned.

Change Your Product or Service Mix

The competitive analysis can also indicate strengths and weaknesses in what your company has to offer compared to your competitors. It can spotlight previously undetected opportunities to shore up your product or service mix and better serve the market.

Set New Goals and Adjust Your Sales Processes and CRM

After updating your marketing approach and realigning targets and product/service offerings, the competitive analysis can next be a guiding tool for setting new goals and implementing new processes to attain those goals.

Optimize Your Sales Team Structure

The competitive analysis can also highlight necessary organizational adjustments. From staffing levels to responsibilities to territory assignments, your old organizational mix deserves a fresh look.

The Bottom Line:

A competitive analysis can help you understand your marketplace, your customer base, and how your company stacks up against competitors. Making changes based on your findings can present new opportunities and empower you to leapfrog the competition. However, because internal leaders and managers may lack the necessary big-picture perspective to oversee the competitive analysis and subsequent course corrections, it is

often beneficial to engage the services of a consultant such as a licensed Sales Xceleration Outsourced VP of Sales.

[Click here](#) to download a competitor sales analysis checklist to help improve your competitive advantage or contact us at **(406) 600-7820**.

