Competitive Analysis Tool

Purpose

The purpose of this tool is to help you complete a competitive analysis, including: industry overview; direct and indirect competitor evaluations; competition map; competitive matrix.

Use this Competitive Analysis tool in conjunction with a [**STEP Analysis**](http://demandmetric.icentera.com/exLink.asp?5241772OC31W75I25540891) tool to highlight industry issues and opportunities, and a [**SWOT Analysis**](http://demandmetric.icentera.com/exLink.asp?5238727OX97X91I25550909) tool to evaluate your firm’s competitive advantages.

Industry Overview

* Provide a brief description of your industry, including history, value chain, market size, maturity, product lifecycles, key suppliers, trends, political/social issues, emerging technologies and economic conditions.

Direct & Indirect Competitor Evaluations

Evaluate industry position, competitive advantages, weaknesses, opportunities, etc.

|  |
| --- |
| Competitor #1 – [insert name] |
| **OVERVIEW:*** Who is this competitor?
* Is this competitor direct or indirect?
* Which overlapping products/services do we have with them?
* What is their current market share? Growing or declining?
 |
| **COMPETITIVE ADVANTAGE**: * How does this competitor differentiate their product/service?
* How is this competitor positioned in the customers’ mind?
* What advantages do we have over this competitor?
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| Competitor #2 – [insert name] |
| **OVERVIEW:*** Who is this competitor?
* Is this competitor direct or indirect?
* Which overlapping products/services do we have with them?
* What is their current market share? Growing or declining?
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| **COMPETITIVE ADVANTAGE**: * How does this competitor differentiate their product/service?
* How is this competitor positioned in the customers’ mind?
* What advantages do we have over this competitor?
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| Competitor #3 – [insert name] |
| **OVERVIEW:*** Who is this competitor?
* Is this competitor direct or indirect?
* Which overlapping products/services do we have with them?
* What is their current market share? Growing or declining?
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| **COMPETITIVE ADVANTAGE**: * How does this competitor differentiate their product/service?
* How is this competitor positioned in the customers’ mind?
* What advantages do we have over this competitor?
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| Competitor #4 – [insert name] |
| **OVERVIEW:*** Who is this competitor?
* Is this competitor direct or indirect?
* Which overlapping products/services do we have with them?
* What is their current market share? Growing or declining?
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| **COMPETITIVE ADVANTAGE**: * How does this competitor differentiate their product/service?
* How is this competitor positioned in the customers’ mind?
* What advantages do we have over this competitor?
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| Competitor #5 – [insert name] |
| **OVERVIEW:*** Who is this competitor?
* Is this competitor direct or indirect?
* Which overlapping products/services do we have with them?
* What is their current market share? Growing or declining?
 |
| **COMPETITIVE ADVANTAGE**: * How does this competitor differentiate their product/service?
* How is this competitor positioned in the customers’ mind?
* What advantages do we have over this competitor?
 |

Competition Map

Place each competitor in one of the four squares on the competition map. Use this framework to communicate market opportunities and position your firm internally.

**OPPORTUNITIES**

* Competitor 1
* Competitor 2
* Competitor 3

**MARKET LEADERS**

* Competitor 1
* Competitor 2
* Competitor 3

Market

Share

**EMERGING PLAYERS**

* Competitor 1
* Competitor 2
* Competitor 3

**LOW RISK FIRMS**

* Competitor 1
* Competitor 2
* Competitor 3

Ability to Execute

Competitive Matrix

Compare your company with each competitive firm based on key criteria. The following table is an example; be sure to insert relevant criteria for your industry.

Based on criteria, score each firm (1-poor, 2-fair, 3-average, 4-good, 5-excellent). Rework your key criterion until your company has the top total score.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Key Criterion | Our Co. | Co. 1 | Co. 2 | Co. 3 | Co. 4 | Co. 5 |
| Low Price | 4 | 3 | 2 | 5 | 4 | 4 |
| Quality Products | 5 | 4 | 4 | 2 | 4 | 3 |
| Customer Service | 4 | 2 | 4 | 4 | 3 | 2 |
| Innovation | 3 | 1 | 4 | 3 | 2 | 1 |
| Leadership Team | 4 | 2 | 5 | 3 | 3 | 5 |
|  |  |  |  |  |  |  |
| **Totals** | **20** | **12** | **19** | **17** | **16** | **15** |