

A publication of  
**Winning Ways**  
*Developing Goals, Focus and  
Leaders*

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Joan launched Winning Ways, Inc. in 2001 after owning her own business since 1987. Winning Ways works with clients on strategic planning, executive coaching, professional development in sales, leadership and communication. We know that setting the right goals and achieving them will get you to the place you need and want to be! Creating the successful environment for you to reach your potential is what we bring to our clients. Combining a great attitude with the right skills and developed goals will create the success you have only dreamed about! Joan's expertise is in helping you find the solution to your business challenges.

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## Knowing Yourself and Your Competition

A publication by joanfletcher Winningways, Inc.

Successful business owners and executive understand the importance of knowing their competition when determining strategic direction for the company. Without in-depth marketing knowledge, the field of competitive research can be a bit daunting. Following are some steps that you can take toward a better understanding of your competition.

Before studying your competitors, you must first identify who they are. Conceptually, it's helpful to think of your competitors as a series of concentric circles, like a target with your company as the bull's eye.

- First ring companies provide a product or service that your consumers consider to be comparable to yours and are often in the same geographic area. For example, a local garden center competes with other local garden centers.
- Second ring companies may not be in the same geographic area and/or provide a similar, but not equal service. For example, second-ring competitors to a local garden center could include a large discount store that sells garden supplies or a landscaping service.
- Third ring companies compete for "same-occasion" dollars. For instance, a local garden center would compete for "same-occasion" dollars with other suppliers of hobby equipment.

Can you think of one company in each of the three tiers that you would like to

know more about? By thinking of your competitors in relation to you on the target, you can adequately analyze all alternatives available to your customer and then measure how well your company meets customer needs in relation to the competition.

Once you've identified your competitors, it is to your advantage to know as much as you can about them. Studying advertisements and marketing pieces, talking to the competitors' customers, and conducting secondary research at the local library are all ethical ways of obtaining information. Information that should be known about every competitor in the first ring and some in the second ring include the following:

- Market share, in comparison with your own;
- Customer perception of the product or service;
- Financial strength, translated into ability to spend money on advertising, product development, and market research;
- Expectations for future sales; and
- New product possibilities and support for new product development and innovation.

Understanding your competitors leads to a deeper understanding of your own company and a stronger plan for the future. It will help you identify ways to move your company forward and clarify to your employees and customers what you do and don't do. If you keep your message simple and clear you will attract the right customers and keep them.