

Know thy Enemy

Competition is healthy. If you don't have a lot of competition it's probably because there isn't much call for what you do. Either that or you're an innovator and you will soon have lots of competition!

When speaking to potential customers, in the majority of instances, you are already in competition with one or more rival companies. This is because the customer either already has a provider for the products or services that you are discussing or is searching the market for the supplier/provider he or she wishes to work with.

I can't account here for the quality of your products, the competitiveness of your prices, how good a service you provide etc but regardless of all that you can win business from your competitors by getting to know them inside out.

First, there are two types of competitors you need to be aware of:

- 1) *Direct competition* – those who provide the same services to the same client base. Coca-cola is in direct competition with Pepsi the same as two financial recruitment agencies in Manchester are in direct competition.
- 2) *Indirect competition* – those who fit under the wider umbrella of what you do though with certain differences. In this case Coca-cola would have to consider Evian Water and Lucozade as competitors. i.e. same market, different angle.

You should get to know your competitors by doing plenty of research. Their website and other PR releases, feedback from your own customers etc. First create two lists, one of direct competition (who does what I do in the same area?) and one of indirect competition (what are the alternative options on the wider market for my customers and who provides these services?).

Now, for each company on these lists perform a SWOT analysis (strengths, weaknesses, opportunities, threats) as shown in the table below. You should have as many bullet point for each section as possible.

STRENGTHS <ul style="list-style-type: none"> • What are they good at? 	WEAKNESSES <ul style="list-style-type: none"> • What are they poor at?
OPPORTUNITIES <ul style="list-style-type: none"> • How can you outperform them? 	THREATS <ul style="list-style-type: none"> • How can they outperform you?

Compare this to a SWOT analysis you have done of your own company and then when you are speaking to a potential customer and they mention a competitor's name you are armed with the advantages of using your company. Never bad mouth other companies, it will only reflect poorly on you, however, never back down from competition and show that you know why you are the best option and thy enemy shall quake in their boots!