

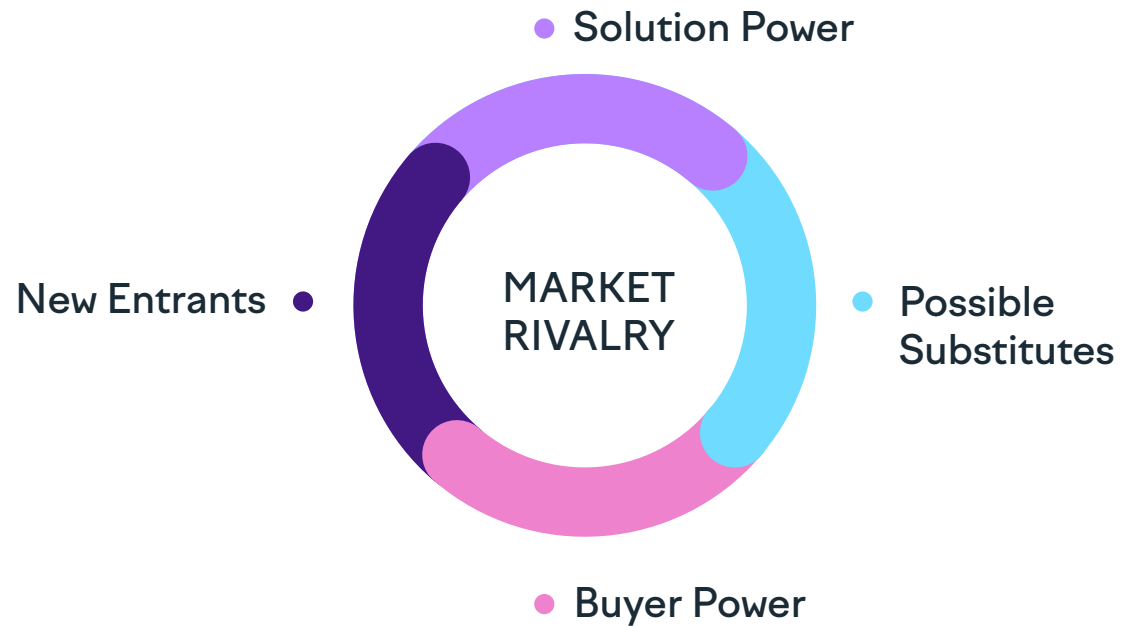
# Competitive Intelligence Playbook



# How to collect competitive intelligence & gain actionable insights

Most entrepreneurs and business owners know that one of the keys to establishing and growing a business is to have a competitive advantage. It's human nature to compete. The same is true in business. To grow, attract, and retain customers, competition is natural. However, why is the topic of competitive intelligence (CI) so important? We have to look at the market to answer.

# What is a competitive advantage?



Without a competitive advantage, a company's days are numbered. A competitive advantage is the ability to perform at a higher level than others in the same industry or market. However, finding and maintaining an edge is no easy feat.

According to leading research, companies need to strategically address several areas to build and sustain an advantage over existing or emerging competitors.

# 1 > Awareness of your competitive landscape

This means you have to be aware of not only possible substitutes in your market today but also new entrants. These entrants serve a similar economic need as your company does, which means they may threaten your profitability in the industry.

# 1 > A pulse on your buyers

This is buyer power, which encompasses your buyer's needs, preferences, desired experiences, and price sensitivity. Staying plugged into consumer behavior can make all the difference in today's competitive markets.

# 1 > Solution power

This is the strength of your product, solution, or service.

- a. Do you have superior technology?
- b. Is your solution flexible?
- c. Are you able to innovate quickly?
- d. Do you offer something no one else can?

Building a competitive advantage starts with understanding what other companies in your market are doing and how to stay one step ahead. Thus, becoming familiar with competitor developments is a crucial step to increasing your market share.

# Traditional competitive strategies

Depending on the industry, market, company maturity, and a few other factors, the "how-to" gain and sustain an advantage will be slightly different. However, at the core, there are strategic decisions needed to succeed. The more informed the team is, the better equipped they'll be to make decisions.

While there are a few methodologies out there, they all seem to rely on a premise of 2 fundamental strategies that businesses use to create and sustain an advantage: Cost Leadership & Differentiation.

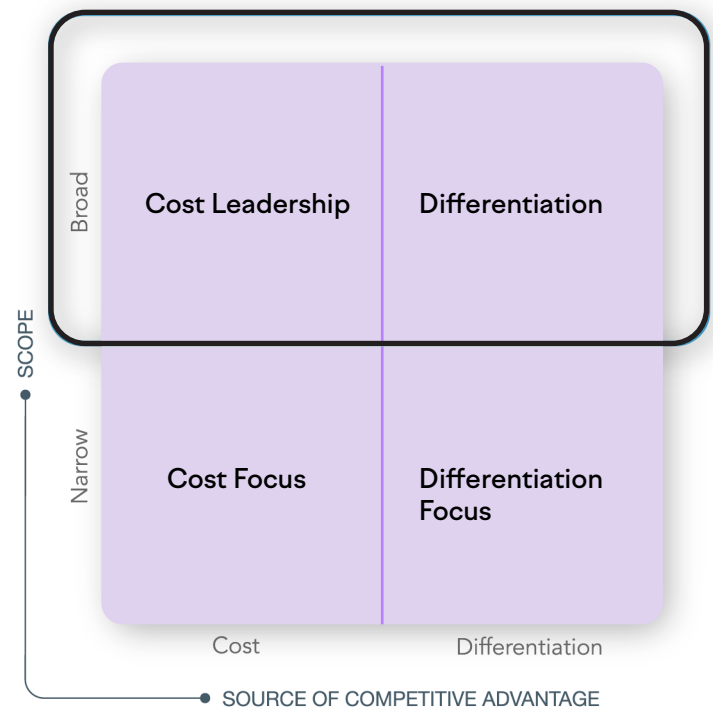
## Strategy 1

### Cost Leadership/Advantage

It is a comparative advantage whereby a company establishes leadership through increasing:

- Profits by reducing costs while charging industry-average prices
- Market share by charging lower rates and making a reasonable profit

Risk: While pursuing a cost leadership strategy is not unique to your business; other competitors can match or beat cost reduction strategies.



## Strategy 2

### Differentiation

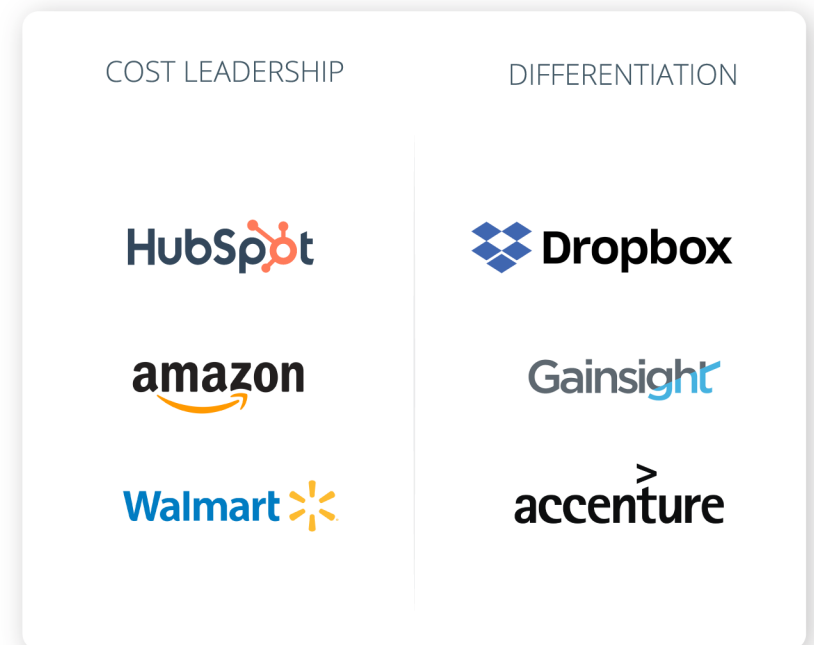
Differentiation involves continuously improving your products or services to build value that consumers can't find from your competitors. The key to succeeding with this strategy is to make your offering the most attractive option. Achieving this depends on the exact nature of the industry and the products and services delivered.

Differentiating involves special attention to features, support, functionality, durability, reliability, and flexibility. The decisions you make regarding your product or service must be specific to your customers' needs and desires.

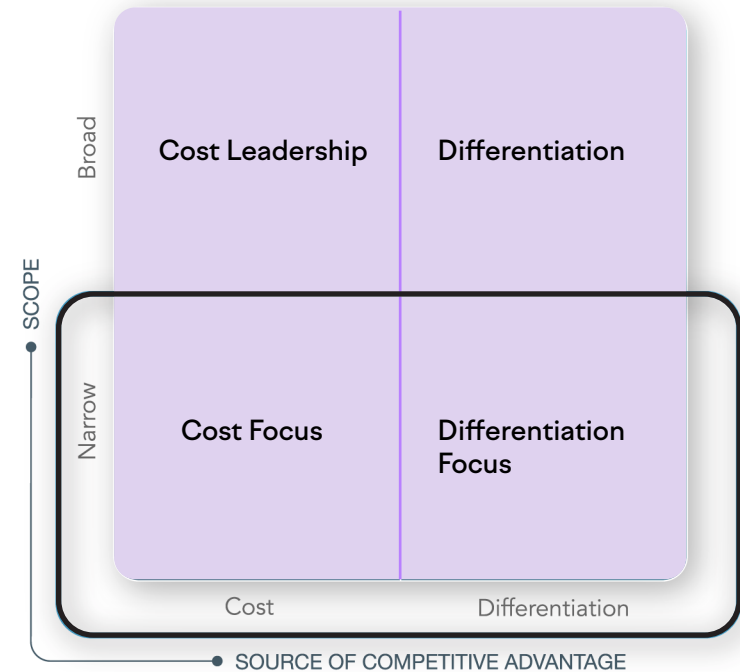
To succeed using a differentiation strategy, organizations need:

- Good intelligence on the markets they wish to serve  
High-quality products, services or solutions
- Exceptional ability to develop, iterate, and innovate their products/solutions
- Effective messaging and positioning, as well as sales and marketing strategy, so that the buyer understands the benefits offered by the differentiated products.

Risk: Using the differentiation strategy is dependent on your ability to execute. You must stay alert and ahead of the curve, or the risk of losing market share from competitors who focus on a



In addition to cost the standard leadership and differentiation strategies, companies use focus strategies: Cost Focus and Differentiation Focus. These strategies are a subset of the generic cost leadership and differential strategies. However, they concentrate on a particular niche market. By understanding the dynamics of that market and the unique needs of customers within it, they develop uniquely low-cost or well-specified products for their market. As a result, these companies tend to build strong brand loyalty amongst their customers.



## Competitive intelligence is a strategic imperative

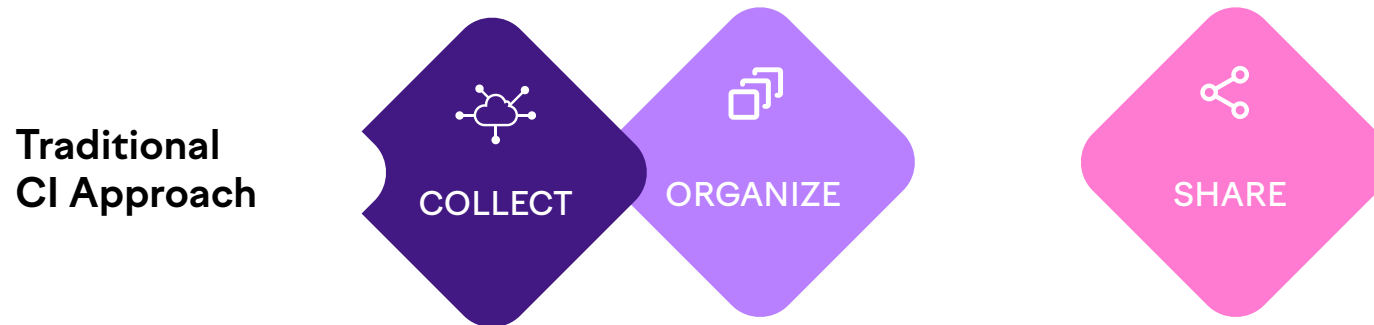
CI can be an organization's most valuable asset in guiding the development and direction of products and services.

It's necessary to understanding:

- Competitive landscape and where you currently fit
- Customer needs and desired experiences
- Industry and market dynamics
- How and where you should focus your go-to-market teams

However, after surveying product marketers, growth marketers, and sales enablement, 3% of respondents have a formal process or competitive intelligence program, but nearly 60% of the same respondents spend almost 5 hours a week manually researching competitors. So what's the disconnect. Becoming and staying informed on all these areas is a daunting task, but it is a strategic imperative for businesses to stay alive.

Competitive intelligence programs have typically looked like this: Collect organize, share, and sometimes, make strategic decisions. However, after speaking with our customers, we saw a big recurring problem. Companies would devote resources, but in the end-users lacked proof of the value of their competitive intelligence programs and initiatives. As we all know, if you can't prove the value of a program, then it's not seen as a business imperative.



## So why doesn't this work?

Collecting, organizing, and sharing isn't enough. Often teams will put 100% effort into these three steps, but this approach is fundamentally flawed. It's missing the part in which you use and measure the intel collected.

To gain a real competitive advantage, companies must take into account two more phases: Activate and Measure.



**Activate phase:** This to track the intelligence being collecting until the moment it is used (or activated).

**Measure phase:** Once intel is acted on in a structured way it can be used to directly tie to ROI.

We use this 5 step process to structure initiatives with the end goal of measuring and maximizing a specific KPI(s). Actions are customizable based on a variety of factors, particular to an industry or company goals.

## What is the competitive advantage framework?

To improve the traditional CI process, we've created a competitive advantage framework that, if applied, can help you improve the process of collecting, analyzing, and leveraging intelligence.

### COMPETITIVE ADVANTAGE Framework

#### COLLECT

Gather competitor messaging & positioning from across the web, social media, and search marketing.

#### ORGANIZE

Curate intel to make it easy for key players to find insight and inspire messaging tests they can prioritize.

#### SHARE

Make sure your go-to-market- teams have equal access to your real-time intelligence at it happens.

#### ACTIVATE

Test your messaging/positioning throughout all go-to-market channels - web content, conversion rate optimization, to advertisements, etc.

#### MEASURE

Monitor results and iterate.

# Phase 1

## COLLECT

Regardless of your company's maturity, market, and competitive landscape, it's always best to start your research with the competitor profile. Are these direct, indirect, or emerging competitors? It allows you to prioritize which competitors you are going to focus on more in-depth analysis.

Profiling your competitors /  
Firmographics

Competitive Benchmarking /  
Product & Pricing

Go-to-market strategies /  
Messaging, positioning  
& promotions

Once competitors are profiled, it's time to go deeper into their solutions and benefits. This fact-finding will allow a complete comparative analysis, a benchmark if you will, that will help identify opportunities to improve, or strategies to close any gaps.

So to start, you would want to visit every page of your competitor's website, help site, and demo videos:

- Make a list of features, value statements, and pricing.
- Identify critical case studies and outline why they won those customers?
- Understand if they have any intellectual property that makes them unique or holds a differential advantage
- Determine if you're finding the information you need - if not interview sales or secret shop.

Once competitors have been adequately profiled - meaning you've gathered product, feature, service, and pricing information - look at how they are going to market. Identify if their messaging and approach to the market help them differentiate.

# Phase 1

## COLLECT

Ask the following questions:

- What channels do they use?
- How does their content strategy look?
- Are there groups or associations they affiliate themselves with?
- What events do they sponsor versus attend?
- Where do they rank in search engine results?

Manual research takes an average product marketer up to 50 hours to complete the initial research on five competitors and, upwards of 16 hours, to maintain monthly.

# Phase 2

## ORGANIZE

Following phase 1 of collecting competitor research, you'll need to organize intel in a way that makes sense for audiences with responsibilities or oversight. Who consumes competitive intel will change your approach to organizing it.

Executive Audience

Market Audience

Sales Battlecards

If you are approaching your competitive initiative entirely on your own - having a centralized repository designed for competitive intelligence is essential. If not, your life could look like a hurricane of spreadsheets, power points, shared folders ran through your computer. Creating a central library will help with the governance, usability, and quality of your competitor, intel.

For example, if your priority internal audience is the executive team, start by creating an executive ready profile that includes:

1. Competitor overview, a competitor type, industry, market focus, perceived strategic direction, business model, funding, and critical intellectual property.
2. Strengths and weaknesses - Product, pricing, messaging comparison. Your companies key differentiators and gaps.
3. Opportunities and next steps - What hypothesis can you come up with the highest probability of making an impact? What immediate actions exist?

# Phase 2

## ORGANIZE

4. Write in your high-level goals and which teams within your business should be accountable. What steps should your team make? Key questions to consider:
  - a. Is your product at parity?
  - b. Does it lack vital features?
  - c. Do you see a gap in the solution that none of your competitors are addressing? In other words, does your product team need to prioritize a specific feature enhancement?

An executive ready competitive doc is also helpful to other functions. Corporate marketers, public relations, content, and growth marketers all benefit from a messaging and positioning analysis. It is critical that you speak in a way that resonates with your potential buyers and conveys the unique value that you hold in your space.

# Phase 3

## SHARE

Once you have these reports prepared, it is time to share, train, and solicit feedback. You want every team member with related responsibilities to have equal access to information and have a minimum level of knowledge.



Slack

Send tasks, ideas, insights or experiments directly to your Trello boards



Trello

Real-time competitive intelligence meets real-time communication



Salesforce

Give your sellers instant access to the knowledge they need to close deals



Microsoft teams & Google Drive

Coming soon!

The Share phase starts with introducing the concept of the competitive advantage, training specific teams based on their use, and the importance to your company. Once you've outlined the value of a CI advantage, shift focus to the landscape, core differentiators, and objectives for your organization. With this basic understanding, it's easier for your team to understand the strategic imperatives, and natural curiosity kicks in. Often teams within their respective disciplines, will brainstorm and prioritize a series of actions that can lead to a more substantial impact.

In traditional CI programs or initiatives, this is where companies stop. However, the most prominent question product marketers ask is, how do you use competitive intelligence to inform strategic decisions? Unlike the traditional process of competitive intelligence, the Kompyte Competitive Advantage Framework goes a step further.

# Phase 5

## ACTIVATE

Once you've collected competitive intel, you need to take action. Create a hypothesis, OKRs, & execute weekly. If you think back to your initial goals for launching a competitive intelligence initiative, it was likely to address one of the following objectives:

- Competitive win rate
- Attracting buyers in a crowded market
- Improving conversion rates either online or through your sellers
- Stay relevant

With the initial objectives in place, each respective discipline should prioritize what actions will improve the overall performance and reach the appropriate KPI.

### Sales Enablement Example

**Objective** | Stop losing deals to ACME corp

**KPI** | Competitive Win Rate

#### Prioritized Actions |

- Monthly trainings & revised onboarding materials
- Battle cards:
  - Competitor factsheet
  - Claims & counters
  - Objection handling
- Integrate into CRM to share weekly insights & feedback

### Content Marketing Example

**Objective** | Attract & engage more buyers

**KPI** | Unique visitors, followers/subscribers, content engagements, downloads

#### Prioritized Actions |

- Monitor competitors weekly for content produced and effectiveness
- Update editorial calendar to:
  - Copy topics that performed well for competitors
  - Develop topics that will differentiate your company
- Update content distribution strategy to include channels, target outlets and optimal frequency

### Growth Marketing Example

**Objective** | Attract & engage more buyers

**KPI** | Rankings, unique visitors, conversion rates, leads

#### Prioritized Actions |

- Monitor competitors weekly for new promotions, campaigns, topics, ads, events, etc.
  - Copy tactics that work (SEO, Website A/B tests, email marketing)
  - Deploy differentiation (New channels, industry/persona targeting, topics or themes)
  - Add relevant events or conferences to your strategy.
  - Determine competitors direction and beat them to market (help center, reviews & ratings, case studies, job postings)

# Phase 6

## MEASURE & ITERATE

Finally, once you've collected, organized, shared, and taken action, you have to prove the ROI of your competitive intel. Through hundreds of customers here at Kompyte, we've seen all types of competitive intelligence initiatives. From informal to very rigid, methodical approaches. We've found the most successful companies have a process in place to not only hold responsible parties accountable but to measure progress to that competitive advantage and ROI.

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- Attracting buyers in a crowded market
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Whatever the initial goal, the owners of those respective disciplines need to outline measurable KPIs and track them on a weekly, monthly, and quarterly basis. Each action taken should always have a KPI and a due date that ultimately contributes to the overall objective. For example, the KPIs for product marketing, sales enablement, content mar-



# Phase 6

## MEASURE & ITERATE

### Product Marketing

Win rate (pricing / messaging reasons), NPS score, adoption, retention

Any shared KPIs across sales enablement, content and growth marketing

### Sales Enablement


Sellers trained, battle card adoption & usage, competitive win rate, days to close, incumbents displaced

### Content Marketing

Website visitors, bounce rate, social media followers, engagement, coverage, search rankings, outlet pickup, inbound links, conversion rates

### Growth Marketing

Website visitors, on-site conversion rates, ad performance (CTR, CPC), campaign performance



Creating and sustaining an advantage over your competition is not a one and done game. Building a competitive intelligence program or driving CI initiatives takes commitment. Even with the help of templates, platforms, and communities to ask questions, investment in traditional CI approaches is time-consuming.

However, it doesn't have to be that way.

The competitive intelligence industry is continuing to evolve and rather than being a task maintained every quarter, and companies are using technology to act and realize benefits in real-time.

Don't miss out on how you can use the competitive advantage framework to collect and use insights when you need them.

# Automate your competitor tracking **now.**