Competitive Intelligence
Regularly collect information about your competition’s product offerings, new developments, sales tactics and pricing.

Why does competitive intelligence matter?

Regularly checking competitors’ product offerings, new developments, sales tactics and pricing helps you better understand their behaviors and prepare to compete in the market. Competitive intelligence allows you to anticipate moves that the competition is making and positions you to win against them. You can make informed strategic decisions to invest energy and funds towards strategies that can give you a sustainable competitive advantage and grow your customer base.

Key actions to take:

- **Start with internet and social media research**: Few companies can succeed without an internet presence to describe their products and services, business strategy, value provided and in many cases, pricing, for their potential customers. That means your competitors are already sharing much of what you want to know about them on their website. Further, more and more companies are using Facebook, LinkedIn and Twitter to market their products or services, because it reaches a large audience at a low cost. This information source provides you with an excellent way to check out your competition and see what they are saying and what people are saying about them.

- **Talk to your customers**: New and previous customers are a great source to learn about your competition. New customers can tell you about your competitors and their products. Some of the questions you might ask include:
  - Did you look at other competitors when choosing our product/service? How did we compare with each competitor on the factors that were most important to you?
  - (For former customers) Why did you switch to the competitor? What were the most attractive features of the competitor’s products or service?
  - How did the competitors’ prices compare to ours?
  - How did our sales experience compare to our competitors? How did they sell/market differently from us?
  - What could we do to continue to stay ahead of our competitors?

A top priority for small businesses:1
Handling competition from larger businesses

Monitoring competitive positioning:
How often does your business?2
  Frequency of review

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<th>monthly</th>
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<tbody>
<tr>
<td>Check prices against competition</td>
<td>36%</td>
<td>28%</td>
<td>15%</td>
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<tr>
<td>Evaluate the value you provide to your customers</td>
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<td>Keep an updated strategic marketing plan</td>
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3/4 of high-growth businesses perform a competitive price check at least once a quarter.2
Listen to industry experts: What are the experts saying about your industry? Industry experts regularly conduct studies and research the latest in your industry. Analysts identify trends and gaps in the industry as well as insight into your competitor’s behavior. Industry associations collect benchmarks and provide them to their members, often with valuable competitive clues.

Talk to competitors: Attend industry trade shows and conventions. Join industry groups to learn more about your competition and have an opportunity to interact in person with them and inquire about their businesses. Don’t expect to learn any trade secrets, but sometimes conversations with competitors can yield valuable insights into their interests, values and strategies that can show you competitive gaps for your company to fill.

Revisit your value, messaging and competitive positioning: Understand how your customers value your products relative to your competitors:

- What is your customer buying? Is your customer using your product to solve a problem, to incorporate into what they are selling, or to lower the cost of their own production?
- What are the alternatives your customer can turn to and solve the same problem? (called “substitute” solutions)
- Is your product key to your customer’s relationships with their own customers, or is it more “back office?”
- How easy would it be for someone else (or even your customer) to provide what you do?
- What do you want your price to communicate?

Higher prices sometimes connote higher quality.

These questions can help you as you evaluate your competitive findings and turn them into valuable updates to your business strategy, product positioning and sales messaging.

Click below for additional resources:

5 Questions to Ask When Focusing on Your Target Market
Find out what are your competitors doing.

From the Expert: Understanding Focus
Gather nuggets of wisdom by analyzing your competitors.

Let SunTrust know how we can help your business.

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