

Competitor Analysis Guide for PMMs Using The Plan-Do- Check-Act (PDCA) Framework.

* Fintech product example
included.



Introduction

Competitor analysis is a crucial aspect of product marketing that can provide valuable insights for making informed decisions. As a PMM, competitive analysis is your ticket to understanding market dynamics and crafting winning strategies. Here's a five-step guide with a working framework for mastering competitor analysis.

The PDCA Framework

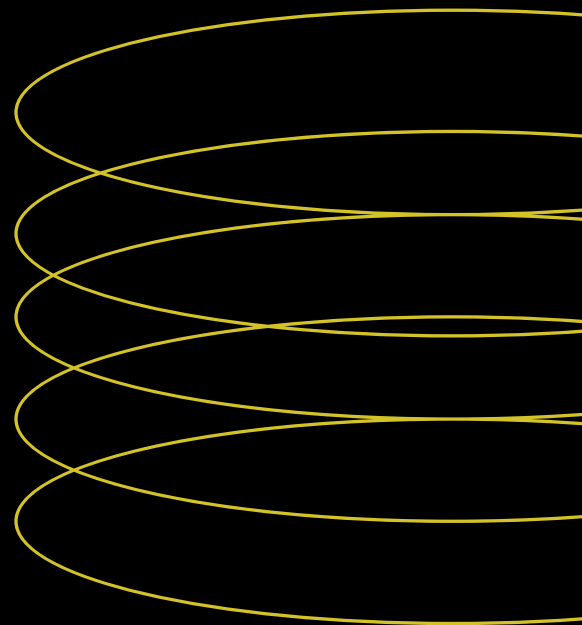
As defined by Wikipedia 😎:

“PDCA or plan–do–check–act is an iterative design and management method used in business for the control and continual improvement of processes and products.”

Consider adopting the PDCA (Plan-Do-Check-Act) cycle to enhance your analysis process:

- Plan: Define your objectives, set goals, and plan your competitor analysis approach.
- Do: Implement your plan by gathering data, analysing, and documenting findings.
- Check: Evaluate the results of your analysis and compare them with your initial goals.
- Act: Implement changes based on the insights gained, and repeat the cycle for ongoing improvement.

The 5 Step Analysis Process.



Step 1. Identify Your Competitors.

- Clearly define the scope of your industry and market. Identify direct and indirect competitors, considering both current and emerging players.
- Categorize competitors based on factors such as product/service offerings, target audience, and geographic presence.
- Market Segmentation: Break down your market into segments based on customer needs, demographics, and preferences. Identify competitors within each segment.
- Industry Analysis: Understand the overall industry structure, including potential new entrants, substitutes, and the bargaining power of suppliers and buyers.

Step 2. Gather Information.

- Product/Service Offerings: Understand the features, pricing, and positioning of competitors' products or services.
- Market Share and Growth: Analyze market share, growth rates, and any recent market trends affecting your industry.
- Target Audience: Identify and understand the demographics, psychographics, and behaviors of their target customers.
- Marketing and Positioning: Review competitors' marketing strategies, messaging, and brand positioning.

Step 3. Perform a SWOT Analysis. *(part 1)*

- Strengths:
 - Technology and Innovation: Assess if competitors are leveraging cutting-edge technologies or strongly focus on innovation.
 - Brand Recognition: Evaluate the strength of their brand in the market and customer loyalty.
- Weaknesses:
 - Operational Challenges: Identify any inefficiencies or challenges in their operations.
 - Product Limitations: Understand any gaps or limitations in their product offerings.

Step 3. Perform a SWOT Analysis *(part 2)*.

- Opportunities:
 - Explore potential new markets or segments that competitors may not fully capitalise on.
 - Partnerships and Alliances: Identify opportunities for strategic partnerships or collaborations that can provide a competitive advantage.
- Threats:
 - Regulatory Changes: Consider how changes in regulations could impact your industry and competitors.
 - Market Saturation: Assess if the market is becoming saturated and if there's a risk of intensified competition.

Step 4. Time To BenchMark.

- Performance Metrics: Compare your key performance metrics with those of your competitors, such as customer satisfaction, market share, and revenue growth.
- Innovations: Evaluate how innovative your competitors are and whether they are introducing new features or technologies.
- Operational Efficiency: Assess the efficiency of their operations, supply chain, and customer support.

Step 5. Draw Strategic Insight.

- Identify White Spaces: Find gaps or underserved areas in the market that your product could address.
- Differentiation Opportunities: Determine how your product can stand out by offering unique features, better pricing, or improved customer experience.
- Risk Mitigation: Anticipate potential threats and develop strategies to mitigate risks based on your analysis.
- Adaptation and Innovation: Formulate plans to adapt your marketing and product strategies based on the evolving landscape.



Fintech Product Example.



Product X



Competitive Analysis - Product X vs. Competitors

Category	Product X	Competitor A	Competitor B	Competitor C
1. Define the Competitive Landscape	Fintech Platform (Online Banking, Investments)	Digital Banking, Investment Services	Robo-Advisory, Mobile Banking	Peer-to-Peer Payments, Financial Tools
2. Collect Data on Competitors	<ul style="list-style-type: none"> - Comprehensive Online Banking Services - Robust Investment Options - User-Friendly Mobile App 	<ul style="list-style-type: none"> - Diverse Banking Services - Investment Options - Mobile App 	<ul style="list-style-type: none"> - Automated Investment Platform - Mobile Banking - Educational Content 	<ul style="list-style-type: none"> - Peer-to-Peer Payment Services - Budgeting and Financial Tools - Social Integration
3. SWOT Analysis	<p>Strengths:</p> <ul style="list-style-type: none"> - User-Friendly Interface - Comprehensive Services - Robust Security <p>Weaknesses:</p> <ul style="list-style-type: none"> - Smaller Customer Base - Limited Educational Content 	<p>Strengths:</p> <ul style="list-style-type: none"> - Established Brand - Diverse Services - Competitive Pricing <p>Weaknesses:</p> <ul style="list-style-type: none"> - Mobile App Navigation - Limited Investment Options 	<p>Strengths:</p> <ul style="list-style-type: none"> - Innovative Robo-Advisory - Educational Content - Automated Investing <p>Weaknesses:</p> <ul style="list-style-type: none"> - Limited Banking Services - Relatively New to Market 	<p>Strengths:</p> <ul style="list-style-type: none"> - Peer-to-Peer Payments - Social Integration - User Engagement <p>Weaknesses:</p> <ul style="list-style-type: none"> - Limited Banking Services - Smaller Service Portfolio
4. Benchmarking	<ul style="list-style-type: none"> - Higher Customer Satisfaction Scores - Lower Fees for Certain Transactions - Growing Market Share 	<ul style="list-style-type: none"> - Consistent Financial Performance - Strong Customer Loyalty - Extensive ATM Network 	<ul style="list-style-type: none"> - High Innovation Index - Regular Product Updates - Competitive Pricing 	<ul style="list-style-type: none"> - Leading in Peer-to-Peer Transactions - Strong Social Media Presence - Rapid User Acquisition
5. Strategic Insights	<ul style="list-style-type: none"> - Explore partnerships with educational platforms to enhance content - Focus on expanding banking services to address weaknesses - Leverage user-friendly interface as a key differentiator 	<ul style="list-style-type: none"> - Invest in mobile app improvements - Consider bundling services for better pricing - Explore partnerships for new customer acquisition 	<ul style="list-style-type: none"> - Enhance banking services to compete more directly - Consider partnerships with traditional banks - Emphasize innovation in marketing messages 	<ul style="list-style-type: none"> - Leverage social media for customer engagement - Expand budgeting and financial tools - Explore partnerships to enhance banking capabilities



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