

## Conducting a Competitive Audit

The top three reasons to conduct a competitive audit.

### 1. Identify your Market Position.

Understanding your competitors' strengths and weaknesses helps you identify where your business stands in the marketplace. This knowledge allows you to position yourself more effectively and capitalize on opportunities where competitors may be lacking.

### 2. Inform your Strategic Plan.

A competitive audit provides valuable insights that can inform your strategic planning. By knowing what your competitors are doing and how well they're performing, you can make informed decisions about your own business strategies, marketing efforts, and product development.

### 3. Enhance your Competitive Advantage.

Conducting a competitive audit helps you identify areas where you can differentiate yourself. Whether it's through unique features, superior customer service, or innovative marketing, leveraging these insights can give you a distinct edge in the market.

## 10-Step Competitive Audit Checklist

### 1. Identify Competitors

- Compile a list of your main competitors, both direct and indirect.
- Include businesses offering similar products/services and those targeting the same customer base.

### 2. Collect Information

- Gather information on competitors' offerings, pricing, marketing strategies, customer reviews, and overall market presence.
- Use various sources such as websites, social media, industry reports, and customer feedback.

### 3. Analyze Strengths and Weaknesses

- Evaluate the strengths and weaknesses of each competitor.
- Identify what they do well and where they fall short to understand their market position and potential vulnerabilities.

#### **4. Benchmark Performance**

- Compare your own performance metrics (such as sales, customer satisfaction, market share) with those of your competitors.
- Identify gaps and areas where you can improve.

#### **5. Identify Industry Trends**

- Look for industry trends and shifts that may impact your competitive position.
- Consider technological advancements, regulatory changes, and evolving customer preferences.

#### **6. Evaluate Marketing Strategies**

- Examine the marketing strategies of your competitors, including their branding, messaging, advertising channels, and promotional tactics.
- Assess what works for them and what doesn't.

#### **7. Assess Product/Service Offerings**

- Analyze the range and quality of products/services offered by your competitors.
- Identify unique features, benefits, and any gaps in their offerings that you can capitalize on.

#### **8. Customer Feedback Analysis**

- Review customer feedback for your competitors to understand their strengths and weaknesses from the customer's perspective.
- Look for common complaints and praise to identify areas for improvement.

#### **9. Document Findings**

- Compile your findings into a comprehensive report.
- Include insights, data analysis, and visual aids (charts, graphs) to clearly depict the competitive landscape.

#### **10. Develop Strategies**

- Use the insights gained from your audit to inform your business strategies.
- Develop action plans to leverage your strengths, address weaknesses, and seize opportunities in the market.