# COMPETITOR ANALYSIS:
## YOUR ROAD MAP TO WINNING THE
# WEB WAR

**WSI**

## Peter Jasniewski
### (WSI Consultant, Canada)

Peter has over 30 years of experience in IT, Business Consulting and Digital Marketing (DM) Solutions. An experienced mentor and a recognized public speaker Peter is passionate about helping businesses and organizations to gain full advantage of the Internet ecosystem. As a WSI franchise owner since 2000

Peter has been consistently ranked Top 25 among the network or WSI offices, and ranked #3 WSI Consultancy worldwide in 2010 and was a WSI Top Gun in 2014. Peter's office has completed over 1,000 web design and DM projects for clients in Canada, USA and the Europe.

Peter holds a Master's degree in Information Technologies from Technical University Chemnitz, Germany. Prior to WSI Peter's professional career included management positions at companies like NCR Canada, PERLE Systems and Copam Electronics / Germany.

As a WSI Certified Digital Marketing Professional he also holds multiple certifications in Advanced Search Engine Marketing Strategies from Search Engine Academy. He is a member of SEMPO (Search Engine Marketing Professionals Organization), WSI's Professional Services group, a founding member of the WSI AdaptiveSEO consortium and a recipient of multiple international Web Awards from the WMA (Web Marketing Association).

WSI

Imagine you are an Army General preparing your forces for a big battle. Where do you start? Do you know where all the enemy lines are? How strong are your opponents' forces? How many ground troops? Who supports them? There are many questions that need answers before you can develop a battle plan – and a winning strategy.

Today's web reminds me of a battlefield. The battles fought in the digital mine fields are real, the competitors are legitimate and the rewards of winning web wars are tangible.

The importance of a sound strategy and competitive research in the digital marketing world cannot be overestimated. Surprisingly, too many companies go into the battle without knowing anything about their competitors and, even worse, they sometimes commit to large budgets just to confront their assumptions with the real world, and end up flushing their hard earned dollars down the drain.

A much smarter approach is to analyze, prepare, and plan before the first marketing dollar is spent on a digital campaign. Preservation of marketing budgets, focus on return on investment (ROI), and the creation of predictable strategies based on a true competitor analysis, as well as a digital marketing plan leading to

web victories, are the purposes of this whitepaper. Digital marketing has revolutionized how businesses create and gain visibility, build and maintain their reputation, find new business opportunities, and cultivate long-term relationships with their audience. Digital marketing is recognized as the most cost-effective form of marketing with measurable ROI.

There are several reasons why a competitor analysis is crucial to a digital marketing strategy:

- Markets and competitive landscapes always change
- Players and people within specific industries change
- There is a clear shift to a younger generation of decision makers familiar with digital marketing
- Majority of purchasing decisions are based on previous online research
- It is easy to adapt to change by adjusting your digital strategy to ever-changing requirements
- Transparent tracking and measurement of marketing spend and results
- Ability to target specific geographies and buyer personas

Simply put, a competitor analysis is your road map to a digital marketing plan that will help you win the web war.

WSI

# WHAT IS A COMPETITOR ANALYSIS?

Companies of all sizes compete every day for business opportunities and new qualified leads. Brand awareness, online reputation, and the never ending desire to communicate and stay in touch with your audience require more and more refined approaches. The ongoing desire to get ahead of the competition and to uncover their strategies and tactics creates an urgent need for professional competitive research and analysis as the foundational intelligence for a digital marketing plan.

*A competitor analysis is an in-depth review of a wide range of web data and its interpretation that reveals your online competitors and their digital marketing strategies and tactics, as well as their strengths and weaknesses in comparison to your own products or services.*

The resulting digital marketing plan creates the most efficient path to compete on the web and to win. The competitor analysis allows you to gain the market and competitive information you need to make the right decisions and eclipse your web competition.

2

WSI

# HOW COMPETITIVE IS YOUR INDUSTRY?

In the many years of my digital marketing practice, I have yet to meet a business owner who did not claim to be in an extremely competitive industry. If you ask a realtor, a mortgage broker, a car dealer, a general contractor, a restaurant owner, a roofer, a plumber, a yoga trainer, a marketing consultant, a financial advisor, a printer, a promo material reseller, an IT specialist, a business coach, an insurance agent…you get the idea - they will all tell you that their industry is the most competitive business on the planet. And, strangely enough, they will all be right in a way. These days, it's difficult to find a unique niche with little or no competition.

What is left is to brace yourself for a good fight and to do whatever is necessary to outsmart your competition. To be better, more compelling, more relevant, more engaging, more persuasive, more trustworthy; this is what it means to be competitive in the digital realm. And what about the price of the product or service? I deeply believe that price is a selling feature only in absence of value. Every second somebody decides to give their business to someone, somewhere. And there is no second place; the winner takes it all! You better know exactly how your competitors are trying to be the winners.

WSI
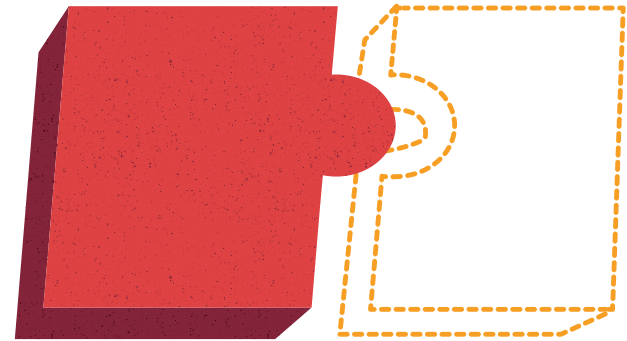
Humans conduct billions of searches every day and the online competition is getting stiffer each year.

| Year | Annual Number of Google Searches | Average Searches Per Day |
|---|---|---|
| 2014 | 2,095,100,000,000 | 5,740,000,000 |
| 2013 | 2,161,530,000,000 | 5,922,000,000 |
| 2012 | 1,873,910,000,000 | 5,134,000,000 |
| 2011 | 1,722,071,000,000 | 4,717,000,000 |
| 2010 | 1,324,670,000,000 | 3,627,000,000 |
| 2009 | 953,700,000,000 | 2,610,000,000 |
| 2008 | 637,200,000,000 | 1,745,000,000 |
| 2007 | 438,000,000,000 | 1,200,000,000 |
| 2000 | 22,000,000,000 | 60,000,000 |
| 1998 | 3,600,000 *Googles official first year | 9,800 |

The question of competitiveness in your industry is tricky to answer as many geographical and geo-political factors heavily influence the competitive landscape of your particular industry and region.

For the sake of illustration, I will provide some examples from our local Toronto, Ontario market. According to the Economic Dashboard Report, Toronto is currently the fourth-largest urban agglomeration in North America, surpassed only by Mexico City, New York City and Los Angeles. With that in mind, Toronto and the Greater Toronto Area (GTA) market are quite representative and suitable to illustrate some general concepts.

WSI

Let's take a look at a Mortgage Broker (call her Jane), who is trying to compete for Toronto home buyers' business:
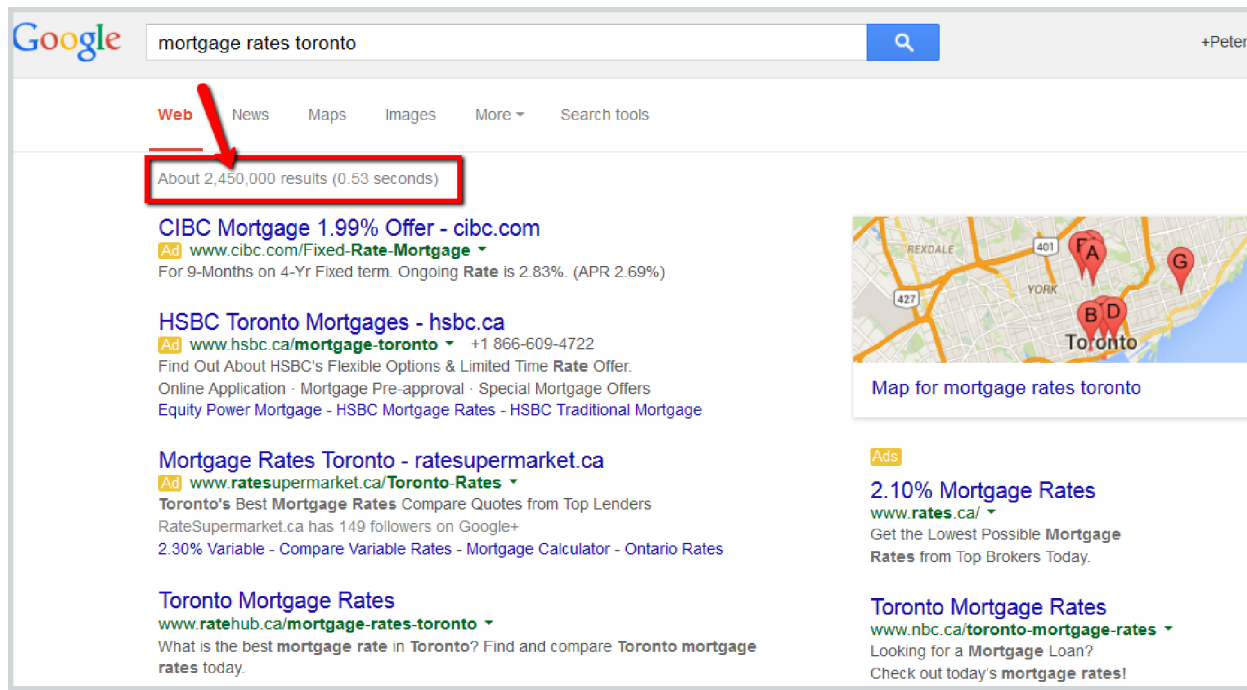


Do you see the highlighted number "2,450,000"? Don't worry, this is not the number of mortgage brokers in Toronto! However it does represent the approximate number of individual pages stored in Google's index, and which ones Google thinks are relevant to the search query "mortgage rates Toronto." One website can have multiple pages ranking for the same phrase. Google and other search engines rank individual pages! The higher the relevance, quality and reputation of your content in Google's eyes, the better the visibility or higher ranking your content earns on search engine result pages (SERPs).
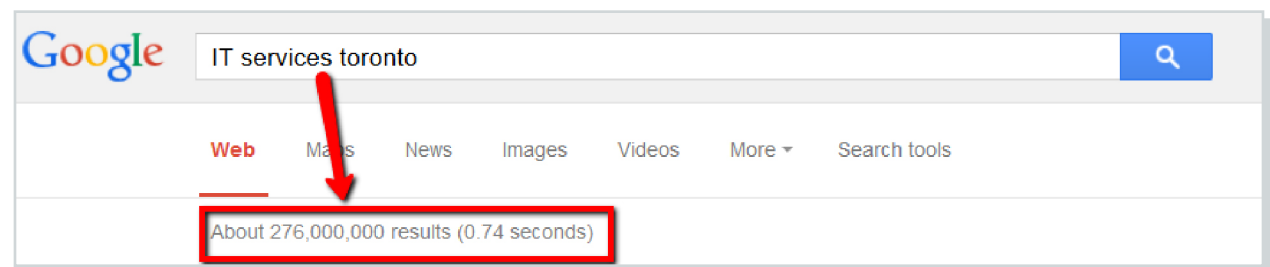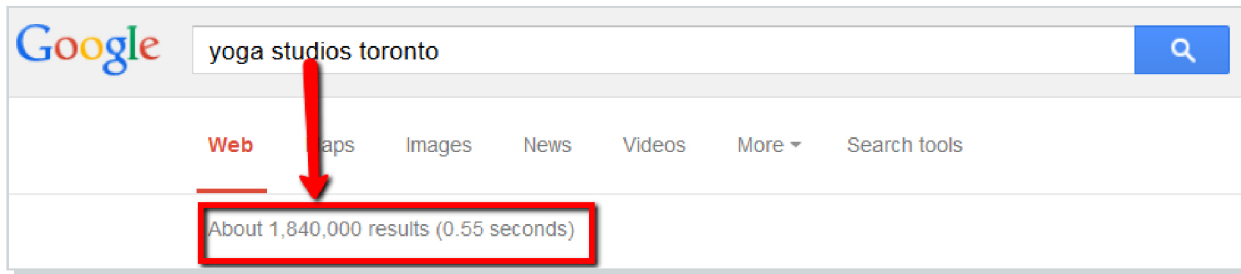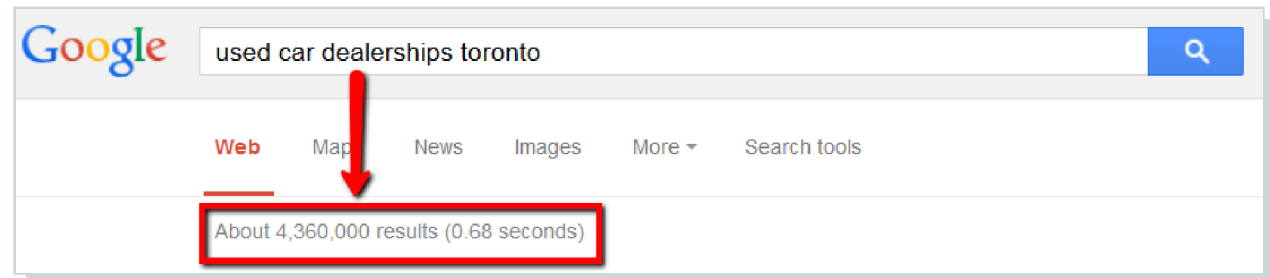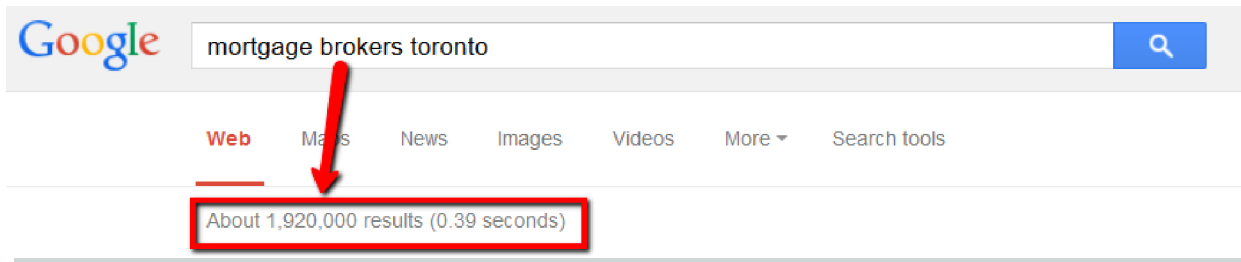
WSI
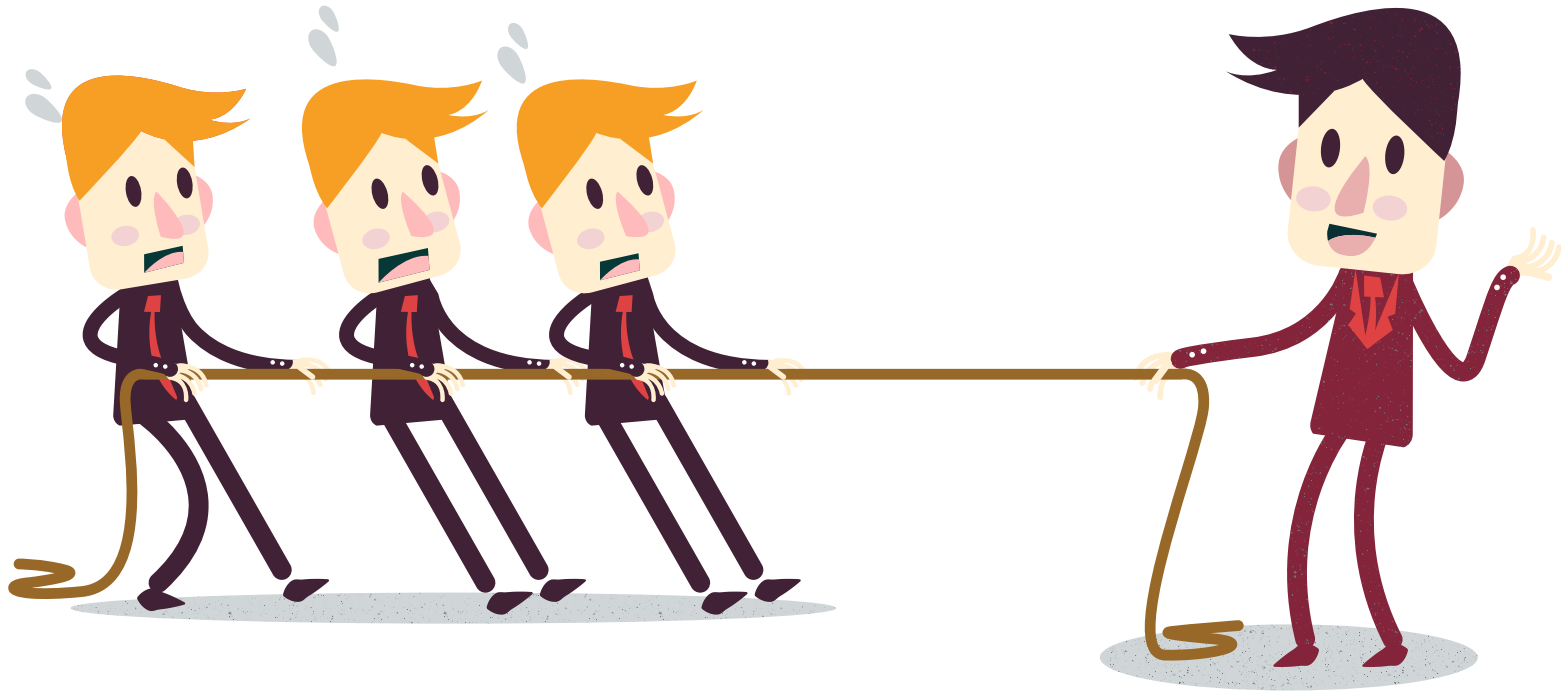
Now, would it not be important for our mortgage broker Jane to know why and how her competitors have earned the top visibility for either organic or paid search listings on Google? Would it not be intriguing to find out who her strongest online competitors are? What keyword phrases do Jane's competitors rank for to gain visibility and boost their relevant traffic? Why are Jane's competitors more visible than her own pages? What have they done differently?

Wouldn't it be great to see all the hidden landing pages her competitors created to generate support for very specific campaign messages? Campaigns which direct highly targeted traffic to pre-planned conversion points? Jane would probably kill, figuratively speaking, to find out how much her competitors are paying for specific competitive keywords.

If she knew all this, would it not be easier for her to come up with a plan of counterattack? This is exactly what a competitor analysis does and why it is priceless (and necessary) if you believe you are in a competitive industry.

WSI

Here are few additional numbers to illustrate the competitiveness of some selected industries.



Google | mortgage brokers toronto

Web | Maps | News | Images | Videos | More | Search tools

About 1,920,000 results (0.39 seconds)

Google | used car dealerships toronto

Web | Maps | News | Images | More | Search tools

About 4,360,000 results (0.68 seconds)

Google | yoga studios toronto

Web | Maps | Images | News | Videos | More | Search tools

About 1,840,000 results (0.55 seconds)

Google | IT services toronto

Web | Maps | News | Images | Videos | More | Search tools

About 276,000,000 results (0.74 seconds)

WSI

# ELIMINATE GUESSWORK

A professional competitor analysis gathers and evaluates deep data from search engines, websites, and social media platforms. The detail-rich results are presented in a series of comprehensive charts and graphs that clearly show your competitive landscape on the Internet.

## WHAT KIND OF DATA MATTERS?

### Websites:

- Domain age
- Domain reputation
- Web presence/web properties
- Quality and standards of coding
- Responsive design to accommodate mobile devices
- Site speed optimization
- Development platform
- Programming errors
- W3C standard compliance
- Navigation structure
- Content quality and depth
- Content sharing capabilities

### Organic Search (SEO):

- Top ranking keyword phrases
- Other organic keyword combinations and rankings
- Long-tail phrases
- Short-tail phrases
- Search positioning
- Search volume
- Depth of organic visibility
- Variety of organic rankings
- Back-link quality and reputation
- Content depth/number of indexed pages

*Note: Google uses over 200 ever-changing ranking factors to decide page rankings. Certain basic principles never change though, and this is what professional SEO campaigns must primarily focus on.*

WSI

**Paid Search (PPC and Re-Marketing):**

- Number of individual PPC campaigns
- Ad copy per campaign
- Targeted keyword phrases
- Search volume
- Click charges (CPC)
- Conversion strategies
- Messages in calls-to-action (CTA)
- Landing pages and their conversion strategies
- Conversion topics/offers
- Re-Marketing setup and coverage

**Social Media:**

- Social presence
- Social content positioning
- Content sharing capabilities
- Social impact
- Social visibility
- Social intensity
- User participation
- User engagement
- Social creativity
- Social conversion strategies

A professional competitor analysis will also include your cost of customer acquisition, so you can stop guessing and start competing.



9

# WHO DO YOU COMPETE WITH?

Almost every business owner has at least one well-known "across-the-street" competitor. This is okay if it is just a friendly competition, but once it turns into a life mission to beat the opponent at any cost, it may blind you and make you overlook the real digital competition.

There are significant differences in the B2B and B2C arenas, especially in retail, where mobile and location-based strategies can bring competitive advantages and become the winning approach. For all firms, especially those in B2B business, competitive research must focus on digital competition. Some brick-and-mortar competitors may have a poor or non-existent online presence, and if this is the case, they should be eliminated from the competitor analysis process, even if this is the most despised competitor from across the street.

In order for us to come up with a list of your real direct and indirect online competitors, we first must identify, in an unbiased way, the strongest online players who are 'stealing your rankings' and scooping 'your' opportunities.

Through many real–life competitor analysis cases, we have devised a simple yet effective way to identify the strongest players in a specific industry.

Without going into too much tactical detail, this process involves thorough initial keyword research to identify the most strategic keyword phrases, then obtaining real search results through pinging search engines, and a summary of rankings using an assigned point system (10 points for rank #1, 9 points for rank #2 etc…). The point tally across a multitude of targeted keyword phrases returns the true competitive ranking and a list of the top 10 competitors. For more competitive industries, a higher number of competitors should be investigated.

Once we have identified who is it we are competing against we can move on with the in-depth research of their strategies and tactics.

WSI

# WHAT DO YOU COMPETE FOR?

Ultimately everybody competes for leads and opportunities. But things are a little more complex online. Your digital presence and your competitive strategy must address the needs of your potential prospects or clients at various stages of their purchasing decision.

## YOU COMPETE FOR:

1)      Brand visibility
2)      Content discoverability
3)      Trust
4)      Relevancy
5)      Engagement
6)      Conversions/Leads

# COMPETITIVE BENCHMARKING

Benchmarking is an ongoing process of comparing your own digital performance against your identified main online competitors. There are multiple components of benchmarking, so the focus should be on the metrics most relevant to your industry and geography.

One of the reasons benchmarking is a critical component of every competitor analysis is an attempt to create an 'apples-to-apples' environment by defining measurable and meaningful metrics. Trying to identify best-of-breed reference points allows us to identify gaps between competitors and to come up with the most effective action plan.

Competitive benchmarking means ongoing monitoring. I recommend at least quarterly competitive analysis to satisfy the needs of reliable ongoing benchmarking.

Competitive benchmarking is one of the custom elements of each competitor analysis, but here are some general considerations as well:

## Website Benchmarking

There are many diagnostic tools on the market allowing you to check the health of your website. Some of these tools allow quick comparisons of the major web components. WSI's Webscan, for example, is a comprehensive diagnostic tool designed to assess on-page and off-page factors. It also allows for direct comparisons of various websites and checks web benchmark from various angles. A periodic Webscan report (or similar) allows you to quickly detect changes in your competitive landscape.

## Content Benchmarking

A good measure of content quality and depth is a periodic benchmarking check of your competitors' content changes. Some free tools, like Google alerts or Google site index check, can provide immediate insights into your competitor's content changes.

## Content Discoverability Benchmarking

Brand content discoverability is reflected in the ranking coverage for each particular domain. Due to ongoing content updates in your competitive surroundings, as well as search engine algorithmic updates, it is critical to periodically check and benchmark your rankings and those of your competitors. Being aware of your progress or decline is good, but knowing the competitor's development versus your own property is much more important.

WSI

## Paid Advertisement Benchmarking

For the purpose of competitive benchmarking, a constant review of your competitor's paid advertising activities can bring immediate return. Due to its nature, paid advertising is instant and much more dynamic than any other form of digital marketing. Be sure you are up-to-date with your competitor's Pay-Per-Click (PPC) activity as it can pay big dividends for your efforts. Neglect paid advertising benchmarking and your competitors will thank you for looking the other way!

## Social Presence and Activity Benchmarking

Social benchmarking could become your secret weapon, as many organizations still do not take full advantage of social communication and social technologies. Social benchmarking can be as simple as becoming a follower of your competitor's brands, or just monitoring their social activity. Ongoing monitoring is tremendously beneficial, as you may uncover a competitor's hidden weaknesses.

## Backlink Benchmarking

A site's backlink profile has been an important Google ranking factor from day one. The quality and reputation of links pointing back to your domain may be one of the deciding factors for your overall search engine visibility. Backlink benchmarking can help your efforts to improve your backlink profile and to uncover new potential referring domains to earn your new quality backlinks.

## Other General Considerations:

- Check overall changes in visual appearance of your competitors' web properties (web and social)
- Monitor changes in marketing messaging, which may indicate strategy, product, or service changes
- Constantly look for new products, new services, and new price announcements
- Be aware of any seasonal promotions
- Any business expansions or changes in your competitor's geo-target
- Any changes to key personnel executive team
- Any additions to their project/case study portfolio
- Any new inbound/outbound advertising and/or corporate communications

WSI

# THE INSIDE SCOOP ON YOUR COMPETITION

Strategic research means your competitor analysis must be more than just numbers. It has to clearly reveal strategies and tactics that your online competition is using to gain brand visibility, win trust, engage, and convert.

It has to be coupled with professional interpretation of the results to understand how your competitors try to win the hearts and minds of their potential clients. It also has to show which paths lead to the best conversions, the ultimate goal of any professional marketing plan.

One of the most exciting parts of the process is the analysis of your competitor's unique selling proposition (USP). Surprisingly, very few companies place enough attention on creating a compelling USP and communicating it effectively.

A USP is a critical part of your brand identity, summarizing the value proposition and the unique reason why consumers should choose you over your competition.

Get the USP right and you are half-way there to compelling your audience to discover your brand through search, social or mobile visibility. Ignore it and you will have to invest more effort to communicate your message and persuade your prospects to trust you and take action.

WSI

## Great examples of killer USP's:

Revlon never pitched makeup; instead they have always sold hope ("Love is on"), according to Revlon's founder Charles Revson. Walmart is known to sell bargains. FedEx positioned themselves to be the most reliable courier service ("When it absolutely, positively has to be there overnight."). AVIS – "We're number two. We try harder" – is a wonderful example of how to turn a seemingly negative fact into a compelling USP. TOM's SHOES came up with an ingenuous One-for-One USP which turned their business into one of the most recognizable and successful shoe brands among youth, their target audience.



With every product you purchase, TOMS will help a person in need. One for One.®

# CONVERSION STRATEGIES

The last, but certainly not the least, component of a professional competitor analysis is the conversion strategy applied by your competitors to deliver their messages and to compel their audience to take specific actions.

What are the key calls-to-action (CTA) on their Home page? What other CTA's are used on the inside pages? How long is the path to conversion? Maybe they request action right in the main Home Page banner?

## TYPICAL CALLS-TO-ACTION

- Request a Quote
- Request a Free Consultation
- Call us for a Free Estimate
- Emergency Calls: 24/7 Response
- Submit
- Try Risk-Free for 30 days
- Give a Gift
- Sponsor Our Noble Cause
- Join Our Community
- Talk To Us
- Let's Do It!
- Get a FREE Widget
- Give it a Try FREE for 60 Days!
- Be Awesome! Do it!
- Yes, Take Me There!
- Subscribe and Stay Informed!
- Be in the Know – Subscribe Now!
- Yes, I Want Your Daily Free Tips!

STRATEGY

WSI

The list of CTA variations is endless. Entire teams of digital marketers constantly test the effectiveness of various CTA versions in connection with other messages on landing pages.

Simple understanding of what messaging and conversion strategy your competitors are applying can become a treasure chest for your own marketing ideas. It can also help determine the research competitors have conducted. Smart marketers learn from each other. Smart marketers watch carefully to see what the other guys are doing and try to do it better. Marketing is all about ongoing testing, but testing can be accelerated through smart research, like a competitor analysis.

# CONCLUSIONS: YOUR ROAD MAP TO WINNING THE WEB WAR

The main reasons why a competitor analysis investment is worth every penny are the lessons learned from your competitors' strengths and weaknesses, and the tangible rewards you get from implementation of your resulting digital marketing plan.

A digital marketing plan built on competitor analysis findings will be tailored to your specific competitive landscape and situation, and all the guesswork will be taken out the equation.

You may have plenty of reasons why you want to conduct a competitor analysis. Maybe you just want know what your competition is doing; maybe you have plans to launch a brand new, state-of-the-art website; maybe you want to set benchmarking points and work toward the best-of-breed in your industry; maybe you want to become a trend-setter in your niche, and you need a sound marketing plan to increase your online visibility and lead generation.

Regardless of the reasons why you do it in the first place, a competitor analysis is only meaningful if you follow up with concrete and adequate actions. The digital space is a fascinating place to be and the battle for consumer attention is both challenging and exciting. No matter how you define victory, competitive research is a huge part of winning the web war.

WSI