

Modules > Scoping > The market > Competitor analysis

So far you will have identified a number of competitors during screening, now you need to really get to know your main competitors for your ideas and find out whether your proposed solution will offer something different and valuable to your chosen target market.

In particular, for each competitor, you will need to research:

- **Launch date** – When did they release their product, are they new or established in the market?
- **Customers** – Who is their product aimed at? Who is using it and how often?
- **Feedback/ social trends** – What are customers saying about the product? Are there any reviews?
- **Investment** – How much has been invested into the product/ the company behind the product? What is the company worth?

## Task 1 – Competitor profiles

Using the research tools list at the end of this document, investigate your main competitors and create a profile for each product/ company using the template below (Create as many profiles of key competitors as you can find). Don't worry if you can't find all the information, the aim of this exercise is to find out more about potential competitors fast.

Company name	
Product name	
Product launch date	
Target customers profile	
No. of downloads (if mobile/ tablet app)	
No. of unique monthly visitors (if web app)	
No. of Twitter followers	
No. of Facebook likes	
What are people saying about it online <ul style="list-style-type: none"><li>• Press &amp; reviews</li><li>• Social &amp; online media</li><li>• App store feedback</li></ul>	
Investment/ turnover	

## Task 2 – Traffic light

Match your competitor profiles against the traffic lighting system below:

- If red – **High risk**, perhaps a crowded market or with one or two main competitors who solve the problem really well.
- If amber – **Medium risk**, a few competitors who solve the problem well but there is scope for improvement based on customer feedback.
- If green – **Low risk**, no competitors or clear demand for a better solution.

Risk	The market	Next steps
<b>High</b>	<ul style="list-style-type: none"> <li>• Lots of competitors</li> <li>• Your target market is very happy with the solutions on offer</li> <li>• Established market with one or two products clearly dominating</li> </ul>	<ul style="list-style-type: none"> <li>• Drop idea and focus on another</li> <li>• Rethink how you could make your solution different (speak to your target users)</li> <li>• Carry on regardless and accept the risk</li> </ul>
<b>Medium</b>	<ul style="list-style-type: none"> <li>• A few successful competitors but no products are dominating the market</li> <li>• Plenty of scope to improve current solutions</li> </ul>	<ul style="list-style-type: none"> <li>• Speak to target users, find out what's wrong with current solutions and how you could improve them</li> </ul>
<b>Low</b>	<ul style="list-style-type: none"> <li>• No product is today solving the problem</li> <li>• Target users are very happy with the products on offer</li> </ul>	<ul style="list-style-type: none"> <li>• Speak to target users, find out how they are currently solving the problem.</li> </ul>

## Task 3 – Follow-up questions for User Interviews

While they are fresh in your head, note down any questions you haven't been able to answer during your research so far, so you can easily access them when preparing for your upcoming user interviews.

# Competitor analysis

## List of resources

(NOTE: some may not be accessible within our school, but try your best)

This information will help you collect data to create your Competitor Profiles for Task 1 of the Competitor analysis. Use the tips for effective web searching from the *search term activity* and the list of website resources below. Based on the data collected you will be able to decide how successful your competitors really are and how big a threat they may be to you.

A relevant piece of information is the **traffic analytics** of an app. This is a measure of how many unique users have visited a specific website, which is a clear indication of how successful and popular an app is. The sites [compete.com](http://www.compete.com) and [quantcast.com](http://www.quantcast.com) provide useful data for this.

In addition, Quantcast gives you a closer breakdown of the **user demographics** which will make it easier for you to visualise the users in terms of age, gender and social status.

The popularity of a site or app is also represented by the **number of subscriptions or downloads** of apps. For more information on this have a look on [www.appdata.com](http://www.appdata.com)

You can find examples of apps, which have recently become really successful on facebook on <http://hockeystickapps.com/>

The amount of money your competitor has raised is also important as it indicates how strong they are. You can find the **funding** a company has received on [www.crunchbase.com](http://www.crunchbase.com).

Look out for competitors, which you may not have come across of before on Crunchbase.com and Compete.com. Both website show a **ranking** of competitors.

## These resources will help you collect your data:

[www.crunchbase.com](http://www.crunchbase.com)

- Gives a close description of company's objectives
- List of main competitors
- Sums of money raised by company

[www.compete.com](http://www.compete.com)

- Traffic analytics
- Ranking amongst competitors

[www.quantcast.com](http://www.quantcast.com)

- Traffic analytics in terms of unique user visit and total number of individual sessions
- Differentiates between page views from a computer browser to those from a mobile device browser
- Classifies users according to how frequently they use that site
- Specifies user demographics such as gender, age, education level and household income
- A list of other sites, which users are also likely to visit
- All data is US specific only

[www.appdata.com](http://www.appdata.com)

- Provides Monthly Active User (MAU) and Daily Active User (DAU) estimates for Facebook apps and developers, allowing you to track your competitors' usage
- Google Play app rankings
- iOS (iPhone or iPad) free and paid app downloads

<http://hockeystickapps.com/>

- List recently successful apps on facebook

For inspiration, have a look at some trending start-ups:

- <https://angel.co/trending>
- <http://startupli.st>