

# Improving your competitiveness:

## Ways to remain competitive

The purpose of business is to gain and retain customers - not rocket science!

To be competitive you have to plan for this, remaining and improving your competitiveness will be very difficult to achieve without a marketing plan, and this does not have to be a long drawn out exercise.

A marketing plan provides you with direction. It tells you how to develop your products and services that will satisfy customer demands, communicate the benefits of your products and services to your potential and existing customers, and guarantee customer satisfaction .

Marketing must shape the future, as well as delivering today. By sensing the emerging opportunities, market, product and service innovation drive future revenue streams, and brands and relationships make them more certain.

Your plan should be such that it enables you to encourage people to want to do business with you.

## Marketing is everyone's job

Everyone in your business is involved one way or another in marketing your products and services. They may not be actively involved in the planning process, or be directly responsible in finding customers, but they will all in some way be in a position to contribute to the success of your business in gaining and retaining customers and maintaining your competitiveness. For this reason, you, and your

key staff, should have some understanding of what the process of marketing involves as it applies to your business.

## **Generate marketable products and services**

Do you have products, ideas, concepts, or services that you have screened and tested to ensure they will satisfy customer need and that are potentially profitable? Have you analysed your products life cycle in order to predict its sales pattern over a period of time?

Do you continue to search for new products and services? If you don't have a durable marketable product, you will not build up and more importantly retain a customer base.

## **Profile your competition**

How well do you know the other businesses that compete for your customers? Who exactly are the competitors? What are their strengths and weaknesses? You should gather as much information as you can on their marketing and communication strategies, types of advertising, their products and services, prices, markets and how they take advantage of changes in the industry. Identify any areas in the market that are not filled by your competitor's products and services, and that could be exploited by yours. Remember your competitors will be watching you also!

## Analyse market opportunities

Market research is essential. Assemble information about your business's current and potential markets, about the users (consumers) of your products and services, and about those areas where your business has the competitive advantage when it comes to introducing and improving and new products and services or entering new markets. This market profile should include your current and future market's size, growth potential, and barriers to entry, key players and the existence of particular niches.

*If your business is a small to medium business enterprise (SME), research tell us that almost 70 per cent of your customers will come from within a ten kilometre radius of your business.*

## Develop an appropriate marketing mix

Your preliminary research will now enable you to consider the 4P's of marketing. This is the set of controllable variables that all businesses attempt to blend into the right combination to achieve the dominant position in the market place.

### **The four key factors are:**

1. Price (what are the price points for your products/services?)
2. Product (how many types of products/services will you have?)
3. Promotion (how will you create a demand for your products/services?)
4. Place (where will the location of your business be? Shop, home, online?)

In the long run the success you have in addressing these four components will determine your ultimate in the marketplace. Only objective research will give realistic feedback on customer needs and values.

## Develop a strategy for publicising your product

If you have the products and services people want, and are prepared to pay for, then your next step is to bring these to people's attention. You will need to develop a strategy to address advertising and promotion of the products and services, new product launches, sales campaigns, and distribution policies.

How can you get value for your advertising dollar? Are there more cost-effective ways to promote your product? Should you be using more than one method? With the exception of new products, look to promote and advertise over the 'lean' periods of the year to supplement otherwise low sales periods.

## Review your performance regularly

Unless you monitor the progress of your marketing plan, you will run the risk of not finding out until it's too late that the plan is not working. Analyse and review sales results constantly to ensure targets are being achieved along with expectations. Amend your plan accordingly in the light of your findings and analysis.

Check our [Sales Run Rates Business Tool](#) to keep track of your sales and profit performance either on a weekly or monthly basis.

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