

It's Not Spying, It's Research! : How to Use Basic Competitor Analysis Techniques to Better Position Yourself in Your Market.

Every seller and service provider needs to have a USP--that detail or approach that helps set who she is and what she is selling apart from all of the other similar products, services, sellers and providers. This isn't revolutionary news or a secret tactic for success. It's Business 101. What makes you better than all of the other (incredibly similar) options out there?

The mistake that many new entrepreneurs make is trying to come up with something out of thin air. They treat their USPs like elevator pitches--something to be thought up and delivered quickly and on command. The truth is that, before you can tell someone what makes you unique and more worthy of a buyer's dollars than anybody else, you have to know who your competitors are, what they are selling, how they are positioning themselves in the market and the rate of success they are having with their approaches.

It's a lot of information to gather and there are a lot of ways to gather it. In this article, we'll give you a brief overview of some of the simple (and cost free!) places you can begin to gather this information.

Step One: The Hunt is On

Before we tell you how to track down your direct competitors, let's talk a little bit about [direct competition vs. indirect competition](#). Trust us, this will help you narrow your focus and make your research a lot easier.

Direct competition is the people who are selling (almost) the exact same thing you're selling. If you are a graphic designer, your competitors are other graphic designers. If you sell thrifted vintage clothes on Etsy, your competitors are other thrifted vintage Etsy shops.

Indirect competition is the people who are selling something similar to or directly related to the type of thing you're selling. For graphic designers, your indirect competition might be site builders, publishers, photographers, etc. These companies want to fill the same basic need you do: giving people something cool and well designed to look at, but they aren't competing with you directly.

So! Who are your competition? How do you find out whose market you're sharing? The easiest way to figure this out, believe it or not, is a simple Google search. Type in whatever it is you're hoping to sell or offer and see what comes up. If you are a brick and mortar business, make sure to type in your location to help narrow the results. Make a list of the top twenty or so results. This is your starting place.

Step Two: Emulation is the Sincerest Form of Flattery

What, exactly, are the companies on your list doing to endear themselves to your market or niche? Spend some time really digging in to each company's website. Pay close attention to the language they use in their content as well as the overall tone and structure. Study their SEO. One of the best ways to do this is to [look into their source code](#) to find out what tags and other meta data they're using to entice the Google spiders!

Next, check out the social media presences for these companies? Which networks are they focusing on? Obviously they'll have Twitter and Facebook accounts. Where else are they showing up? Do they have Pinterest boards? Snapchat accounts? Are they on Meerkat or Periscope? Do they have a YouTube Channel? How active are they on Instagram?

Pay attention to where these companies are focusing their energy. Then, as crass as it might sound, copy them...well, copy what's working for them anyway. Speaking of which...

Step Three: The Walls Have Your Ears

Eavesdropping on your competitor's audience is the best way to figure out what is working for them and what isn't. This is where Google is, once again, your best friend. [Run a reputation check](#) on your competitors to find out what people are saying about them. Look for reviews--no site is too small! Everybody checks out the Better Business Bureau, the Chamber of Commerce and Angie's List. These sites are great for formal information. What you want right now, though, is informal information. You want the no-holds-barred, not-trying-to-be-polite, just-talking-among-friends reactions to your competitors products, approaches, etc.

Spend some time not just finding your competitor's social media accounts, but reading through them. Pay attention to how followers respond to their postings (and how they respond to feedback). Track down independent reviews on sites like Yelp. Run their name through Glass Door to find out what employees think about working for them. Read their Amazon reviews. As scary as it is, read the comments section of any formal profiles that have been done on them. You don't have to contribute to any of these discussions. You just want to read. Pay attention to what people like, what people don't like, what people wish your competitors would do, etc.

Obviously, you can go as deep as you want to go with this. There are tons of free tools that will show you how to find out how many clicks a site gets, how long visitors stay there, etc. You can track down a company's profits and investor capital and, we promise, we'll get to all of those. For now, though, if you'll indulge us in a Maria Von Trapp quote, "start at the very beginning. It's a very good place to start."