

A Young Web Builder Publication



Introduction to Competitor Analysis

Today I'm going to explain just what competitor analysis is and more importantly, how you can use it to launch an online business and make some good money on-line.

Competitor Analysis is the process of identifying competitors and gathering information on them.

Before you can conduct C.A you,first need to understand your own position in the marketplace.

You need to consider, what niches your product fits in to, what size of operation you run and how your marketing is positioned to impact your marketplace. This last consideration, takes into account how you are promoting your brand on-line, through social media channels, through organic search and via paid on-line advertising.

Once you understand your own positioning, you are then in a position to try and identify those in competitive positions.

So here is an example of how I approach identifying my competitors.

John makes money as an insurance affiliate. He advertises UK Motor insurance policies on-line and collects commissions for any policies referred to the insurance underwriter.

So he has a website with tons of content about motor insurance and throughout that site he has placed insurance ads, which he hopes his visitors will click on sign up with the advertiser. This is how he gets paid.

So John is basically a one man band and his competitors are likely to be one man bands too.

So our first test of how John is positioned is known.

He a one man band.

Secondly, John advertises Motor Insurance products for Young Drivers. So we now have the second basis of his position.

He advertises UK Motor Insurance Products to Young Drivers.

Thirdly, John promotes his website via Google organic search.

So we know have the final basis for positioning.

He uses SEO to achieve the lions share of his traffic.

Now that we know these three things about John's business we can now try to identify his likely competitors.

We are looking for :-

Other one man bands, who advertise UK Motor Insurance Products to Young Drivers and who use organic search to grab most of their traffic.

Now to find these competitors, will be easy because all John needs to do is to go to google.com and type in keyword searches that his visitors use when they visit his website. He can find what keywords they are using by looking at Google Analytics or other site stats programs and looking for the referrers of traffic from Google.

So here is a list of what John found.

25 % traffic from Google using "Cheap Motor Insurance Young Drivers"

20% traffic from Google using "Insurance Young Drivers"

5% traffic from Google using "Young Driver Car Insurance"

The rest from about 100 different searches

So John goes to Google and types each of the main keyword searches in.

He looks at the top 10 websites for each of the keywords.

What he is looking for are websites that are from affiliates like him. He isn't interested in the big companies because they aren't really his competition. He is looking for guys like him, who are targeting the same products as him and are trying to use SEO to get top page rankings.

So John compiles a list of all the sites that he considers are like him.

He lists them by the keyword they are targeting like this.

Keyword = Cheap Motor Insurance Young Drivers

www.motor-insure-uk.com – Rank 3

www.young-driver-insure.co.uk – Rank 7

www.mikes-motor-insurance.net Rank 8

How to carry out competitive analysis

Once John has built a list of say 20 different keywords and which sites are targeting those keywords who are basically affiliates like him, he has a list of competitors he can now target for analysis.

To conduct competitive analysis, John decides which factors he should acquire data on from his competitors.

He draws up a competitive analysis matrix like this :-

Name of Competitors -----> Factors

Here is a sample of table to clarify what John does here..

1: Keyword = "Cheap Motor Insurance Young Drivers"

Site Name	Age Yrs	Page PR	Domain PR	Back links	SEO Factors	Product Ads	Blog or html	Incentives used
Site 1	10	3	5	200	H1, Desc	Direct line	Blog	10% cash back
Site 2	1	1	2	2	All Onpage SEO	Direct Line	Blog	None
Site 3	3	1	1	3	H1	Shelia	Html	Competition

Now John compares his site to those in the list. This gives him some idea of how competitive his website is for the "Cheap Motor Insurance Young Drivers" keyword.

He produces a table for all the other keywords he wishes to target.

Now, these are only a small set of factors, chosen to give you some idea of how competitive analysis works.

John also goes to Alexa.com and collects all the data on his competitors.

Here is the link to Alexa siteinfo.

<http://www.alexa.com/siteinfo>

He types in each of their domains into the site info search and records such information as

1. Where each of his competitors sites rank in the world
2. How much traffic their competitors get
3. Keywords that are searched to get to their website
4. Demographical information such as what age group, Gender, Education and location visitors are coming from.
5. Related links and where their traffic came from

This information is further compiled into a chart and used to analyse your competitors position.

Please note that all data collected is not entirely accurate for a number of different reasons that we won't be talking about here.

But the data is of sufficient quality to be indicative of each websites competitive position relative to yours.

Once you have collected all the data, you can sit back and consider how you can reposition your website to outrank your competitors.

You can of course increase the range of data collected, by collecting and analysing other factors about your competitors, such as are they using PPC advertising, media buy advertising, using social media etc.

Close

So in closing, I would say you should be very organised with your competitor analysis and collect as much data as is relevant to making an informed judgement about your competitors, to enable you make informed decisions which will serve to increase your own position, relative to theirs. If you do your competitive analysis at the start of your online venture, you are sure to be making much more informed decisions and that should turn into a more profitable venture for you.

Good luck

Stephen

Check out our forum at www.Youngwebbuilder.com/forum