

Define the competitive and market scenario 2nd lesson

Competitive and Market Analysis Tools,
Information sharing and dissemination,
Reporting

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LIUC

Castellanza, 24 October 2018

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Agenda

2nd lesson - 24 October 2018

- Competitive and Market Analysis Tools
 - Competitor Analysis
 - SWOT Analysis
 - Benchmarking
 - Industry Analysis
 - 4 Boxes
 - Scenario Building
- Methods for Sharing Information
 - Strategic Roadmapping
 - War Game
- Reporting the results of the intelligence activity



Competitive and Market Analysis Tools

Competitive and Market Analysis Tools

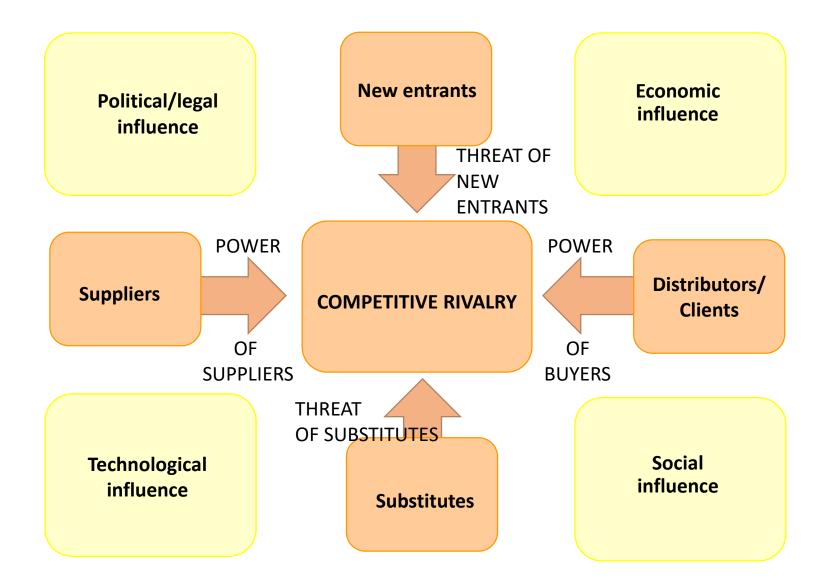
- Competitor Analysis
- SWOT Analysis
- Benchmarking
- Industry Analysis
- 4 Boxes
- Scenario Building

Porter's five forces

The Porter's five forces model is an analysis that shows the company's competitive position based on relations with competitors, suppliers, customers and the possible threats of new entrants and substitutes.

"Industry structure drives competition and profitability, not whether an industry is emerging or mature, high tech or low tech, regulated or unregulated".

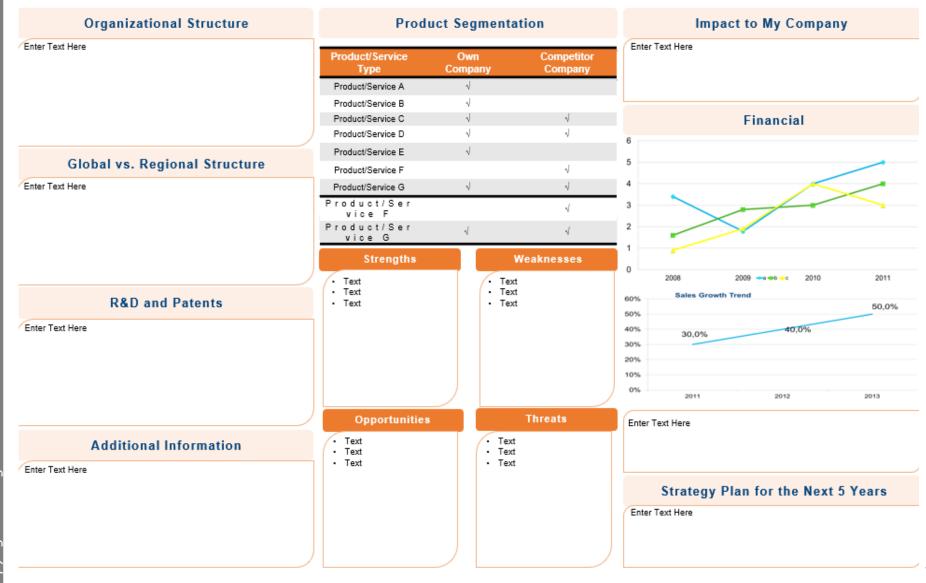
Porter's five forces model + PEST



Competitor analysis (1/2)

Summary of important aspects
concerning a competitor:
branches, turnover, employees, corporate website,
research / production centres,
products, commercial agreements, etc.

Competitor analysis (2/2)





Competitor analysis

The competitor's profile is, in theory, a static analysis...

We must make it dynamic with continuous information feed

The goal is to understand and (re) design its competitive trajectory

SWOT analysis

Analysis of market developments
seen as opportunities or threats
together with an analysis of the strengths
or weakness

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SWOT English test (Cambridge University)

Strengths

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- competitive prices
- brand reputation
- market leader

Weaknesses

- low flexibility in terms of session
- exam "pass or fail"

Opportunities

- more and more people work abroad
- more and more companies require the exam

Threats

TOEIC is doing some actions



Benchmarking (1/2)

The comparison between similar processes in different organizations, companies and sectors to identify "best practice" (both quantitative and qualitative)



Benchmarking (2/2)

	Α	В	С
TOTAL REVENUE	150	165	140
REVENUE MADE ON PROD. X	15	140	30
FORECAST 2019	+20%	+15%	+18%
DIRECT SALES	100%	50%	40%
SALES THROUGH DISTRIBUTORS	0%	50%	60%
BRANCHES	2	0	3
EMPLOYEES	12	18	9

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Competitive analysis: "4 Boxes"

TARGET AND FUTURE STRATEGIES **CURRENT STRATEGIES** What are the factors that influence the How does your competitor compete? management? **COMPETITOR'S REACTION** What is the real focus of the competitor (vs. declared)? What behaviours / changes will the competitor have? What are the competitor's wrong beliefs? What will be the likely reaction of the competitor to specific market initiatives? MANAGEMENT'S BELIEFS **CURRENT COMPETENCES** What does the management think of itself, What are strengths and weaknesses of its company and of the sector in which it of your competitor? competes?

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Scenario building

IDENTIFICATION OF UNCERTAINTIES THAT AFFECT THE INDUSTRY STRUCTURE

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SINGLING OUT OF THE FSD DRIVING THE UNCERTAINTIES



FORMULATE A RANGE OF OPTIONS FOR EACH RELEVANT CASUAL FACTOR



COMBINE THE HYPOTESIS, PREVIOUSLY MADE, IN THE SCENARIOS (INTERNALLY COHERENT)



ANALYZE THE STRUCTURE OF THE INDUSTRY THAT WOULD EMERGE IN EACH SCENARIO



DETERMINE THE SOURCES OF THE COMPETITIVE ADVANTAGE IN EACH SCENARIO



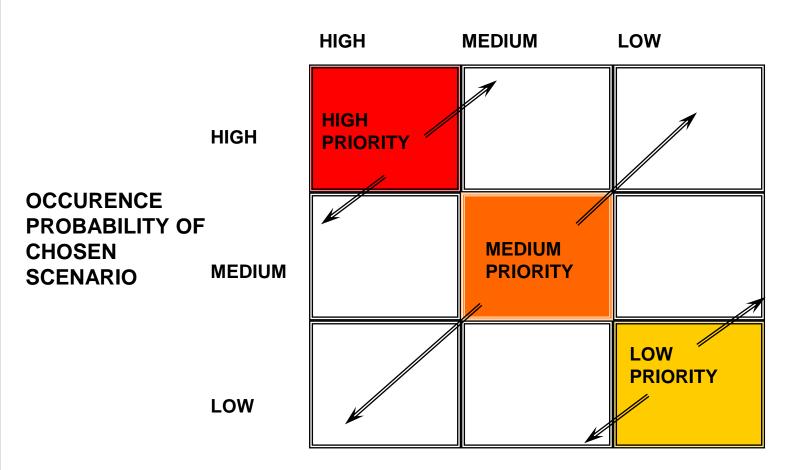
FORECAST THE COMPETITOTS' BEHAVIOUR IN EACH SCENARIO

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Impact Matrix: the impact of scenario on strategies

IMPACT ON THE COMPANY OF CHOSEN SCENARIO



Methods for Sharing Information





Methods for sharing information

The tools we will talk about are useful for:

- facilitating communication flows and knowledge sharing to support strategies and innovation
- implementing processes to identify risks and market opportunities

Strategic Roadmapping War Game



Market & Competitive Intelligence processes

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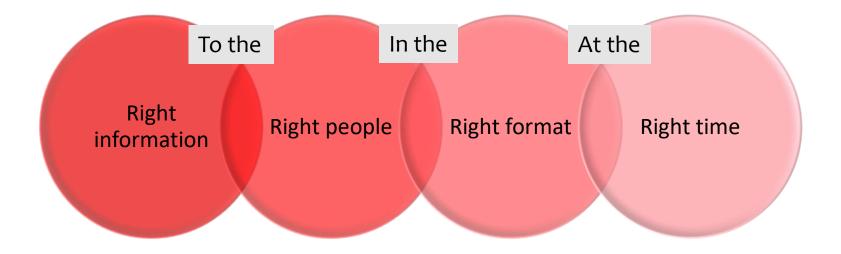
At the same time they are useful for:

- improve the ability to work in a team and reinforce team spirit
- develop strategic thinking at all levels

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Reporting the results of the intelligence activity

Critical success factor



Reporting results: which format shall we use?

- Who is your internal client? What are their preferences?
- Time at disposal (preparation and presentation)
- Cadence

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- Think about the implications of the results:
 - detailed report
 - executive summary (1-2 pages)
 - PowerPoint presentation
 - voice mail, one-to-one
 - email, newsletter, intranet posting

- Synthesis , briefness
- Direct message, neutral and simple
- Journalistic style, with colloquial tone, paragraphs and short sentences, a title that strikes attention
- Attractive reports but professional
- Using charts to present complex ideas and relationships
- Bullet points, subtitles, use of bold, white space, call-out boxes to stimulate the reader's attention
- Do not go into too much detail on the research carried out (it is advisable to keep a back-up with additional material, built trying to anticipate possible questions / requests)

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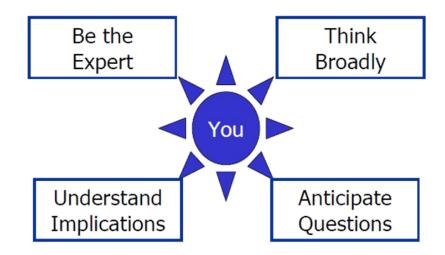
Present results face to face

Keep in mind that those who listen to you remember:

- what you say at the beginning
- what you say at the end

Use the same reporting techniques:

- synthesis,
- anticipation of the questions,
- use of graphs
- few slides



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Use of charts

Elements that make a chart clear and effective:

- simplicity (easy to read, not too many grids, no scales or complicated measures)
- impact

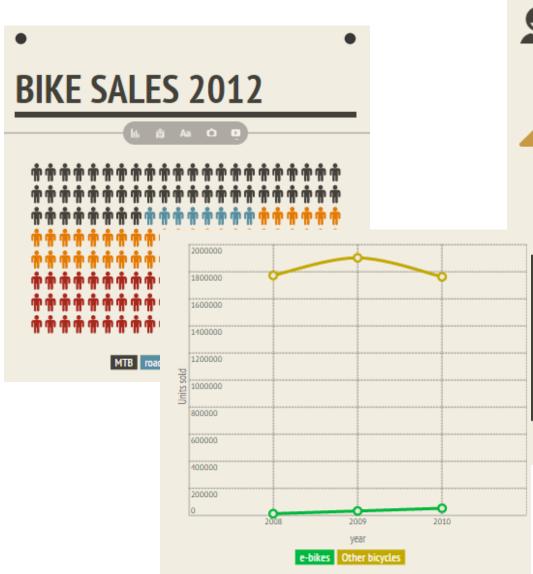
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story telling

Remember:

- avoid too many graphs on a single page, it is confusing
- do not mix concepts and ideas
- within the same presentation, use the same colour scheme and the same scale for different graphs
- think about how will look like printed on paper

Example





657

Bicycle manufacturers, mainly located in the north and north east of Italy.



2.489.000

Number of bicycles manufactured in Italy in 2010

Italy is the first European country for the production of bicycles, followed by Germany and The Netherlands.

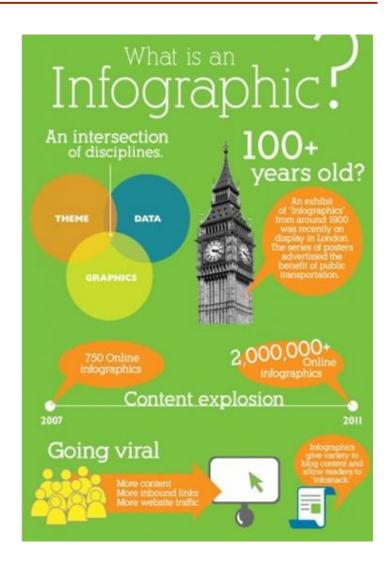
Source: ACMA

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Infographic: when and why?

- To transmit **information**, even complex, with diagrams and pictures, simple text but also inviting
- To quickly communicate several data and engage the reader to stimulate sharing
- An example: Bike City Copenaghen

http://www.icebike.org/bike-citycopenhagen-this-is-the-ultimate-bicyclefriendly-city/



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Some suggestions for using PowerPoint

"Don't use PowerPoint at all."

Seth Godin

http://sethgodin.typepad.com/

"Nine steps to PowerPoint magic"

"Really Bad PowerPoint"



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