

# MARKET AND COMPETITOR ANALYSIS

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Ingenuity19's skills  
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WHAT I DO.....

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John Lewis



fat face



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MARKET &  
COMPETITOR  
ANALYSIS

MY WORK

## RECENT CLIENTS – NEW PROPOSITIONS

- Jack Wills
- Boden
- Chinese jewellery factory – UK agent
- High Net wealth Education Service

GOT AN IDEA?

UNDERSTANDING  
THE MARKET IS KEY

- HOW ARE PEOPLE THINKING?
- WHAT ARE THEY BUYING NOW?
- WHAT WILL THEY WANT NEXT WEEK  
– NEXT MONTH?
- HOW MUCH WILL THEY PAY?.
- HOW DO THEY WANT TO PAY?

## UNDERSTAND THE MARKET

- WHO ARE THE KEY PLAYERS?
- HOW BIG IS THE MARKET?
- IS IT A GROWING SECTOR?
- HOW MANY OTHERS WILL BE THINKING THE SAME WAY AS YOU?
- IS THIS A NEW MARKET – ARE YOU TOO EARLY – TOO LATE?

# UNDERSTAND THE MARKET



- MARKET SIZE
- COMPETITON
- MARKET SHARE
- CONSUMER PROFILE(S)
- MARKET POTENTIAL
- SEGMENTATION

# MACRO ENVIRONMENT



**World events:** Acts of terrorism, environmental catastrophe, the Olympics




**Art movements:** Pop Art, Modernism



**Globalisation:** Trends now need to translate to a global audience



**Equality:** Fashion is available to the masses via value driven organisations



**Accidental events:** The banking crises



**Patriotism:** local-centric clothing brands, e.g. Ben Sherman, Jack Wills



**Multiculturalism:** Fashion draws on cultural influences from around the world



**Environmental:** Consumers are now informed of the environmental cost of fashion



# CHINA & ITS LUXURY CONSUMPTION

- 30 years ago - Chinese government passed regulations limiting families to **one child each**.
- Those born after 1980, called “balinghou” or the “Me generation” -showered with attention and luxuries resulting in what’s known as the “little emperor” or “little empress” syndrome.
- 600 million parents (almost twice the entire U.S. population) spend about **40 percent** of their income on their cherished child



# CHINA & ITS LUXURY CONSUMPTION

## GUCCI

Identified Chinese market at early stages. They came up with different promotion campaigns in collaboration with Chinese designers as well as celebrities

- Also, they created “Chinese edition” lines.
- Soon, other brands follow this path....



# UNDERSTANDING THE CUSTOMER



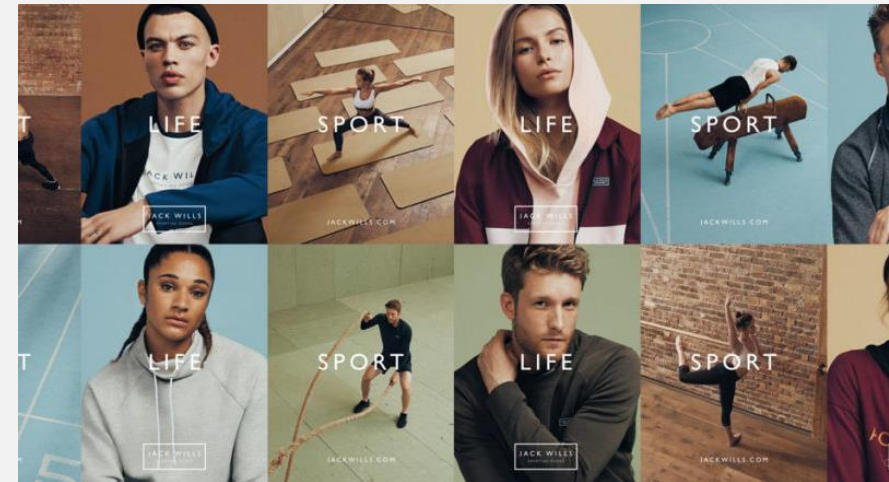
# WHO ARE YOUR CUSTOMERS? - SEGMENTATION

The most profitable?

The most attractive potential customers?

Do the customers fall into any logical groups based on needs, motivations, or characteristics?

How could the market be segmented into groups that would require a unique business strategy?



# UNMET NEEDS

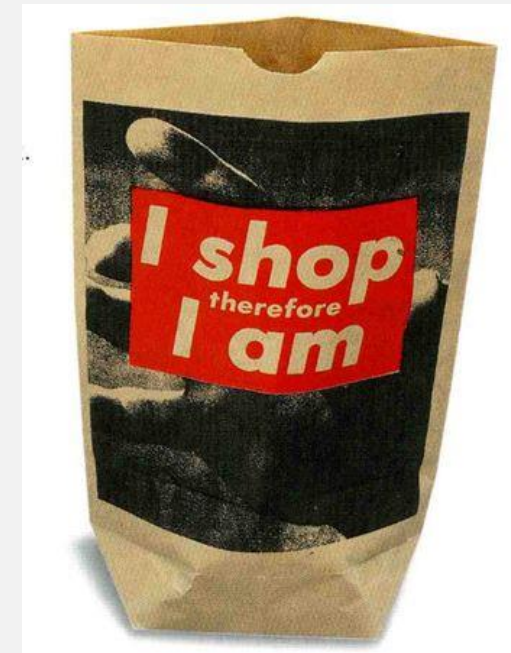
Why are some customers dissatisfied?

Why are some changing brands or suppliers?

What are the severity and incidence of consumer problems?

What are unmet needs that customers can identify? Are there some of which consumers are unaware?

Do these unmet needs represent leverage points for competitors or a new business model?



# SPORTS SHOES

The most useful segmentation variable would be benefits sought from a product, because the selection of benefits can determine a total business strategy.

- *serious athletes (small in number but influential),*
- *weekend warriors*
- *casual wearers using athletic shoes for street wear.*



# WHAT MOTIVATES THEM?

- Need
- Desire
- Peer pressure
- Reward
- Influenced by someone/something
- Improve their life
- Express or to create an improved lifestyle – 'live the dream'
- Boredom
- To express personality
- To replace something old and worn
- Gift
- Build an identity



# KEY FOR ANY BUSINESS

How will you reach them?

How will you influence them?

How will you win their trust and loyalty?

What will be the triggers to switch from other suppliers, brands or service providers?





# TYPES OF SHOPPERS - ONLINE

**Newbie shoppers**—need a simple interface, as well as a lot of hand-holding and reassurance.

**Frugal shoppers**—need to be convinced that the price is good and they don't have to search elsewhere.

**Reluctant shoppers**—need information, reassurance, and access to live customer support.



**Strategic shoppers**—need access to the opinions of peers or experts, and choices in configuring the products they buy.

**Convenience shoppers**—(the largest group) want efficient navigation, a lot of information from customers and experts, and superior customer service.

**Enthusiastic shoppers**—need community tools to share their experiences, as well as engaging tools to view the merchandise and personalized recommendations.

## COMPETITION IS GOOD!

- WHO ARE YOUR COMPETITORS?
- WHAT ARE THEY DOING?
- WHAT WILL THEY BE PLANNING

WHAT CAN YOU DO BETTER – FASTER – CHEAPER –  
CLEANER – MORE ENTERTAINING – MORE SUSTAINABLY -  
BROADER REACH?

COMPETITION IS  
GOOD!



ERIC  
ALLISON  
- UBER



- *"World trade means competition from anywhere; advancing technology encourages cross-industry competition. Consequently, strategic planning must consider who our future competitors will be, not only who is here today."*

## HENRY FORD



- *"Competition whose motive is merely to compete, to drive some other fellow out, never carries very far. The competitor to be feared is one who never bothers about you at all, but goes on making his own business better all the time."*

WISE WORDS.....

GEORGE  
MATTHEW ADAMS  
COLUMNIST

- *"There is a tendency among some businesses to criticize and belittle their competitors. This is a bad procedure. Praise them. Learn from them. There are times when you can co-operate with them to their advantage and to yours! Speak well of them and they will speak well of you. You can't destroy good ideas. Take advantage of them."*



## TOMMY HILFIGER

- "I looked at my competitors and I thought that, If they could do it, I could do it. And if, they are popular and doing well, I could compete with them."

## EVALUATE THE COMPETITION

- What are their objectives & strategies? Their level of commitment? Their exit barriers?
- What is their cost structure? Do they have a cost advantage or disadvantage?
- What is their image & positioning strategy?
- Which are the most successful/unsuccessful competitors over time? Why?
- What are the strengths & weaknesses of each competitor or strategic group?
- What leverage points could competitors exploit to enter the market or become more serious competitors?
- Evaluate the competitors with respect to their assets & competencies.



# POTENTIAL FUTURE COMPETITION

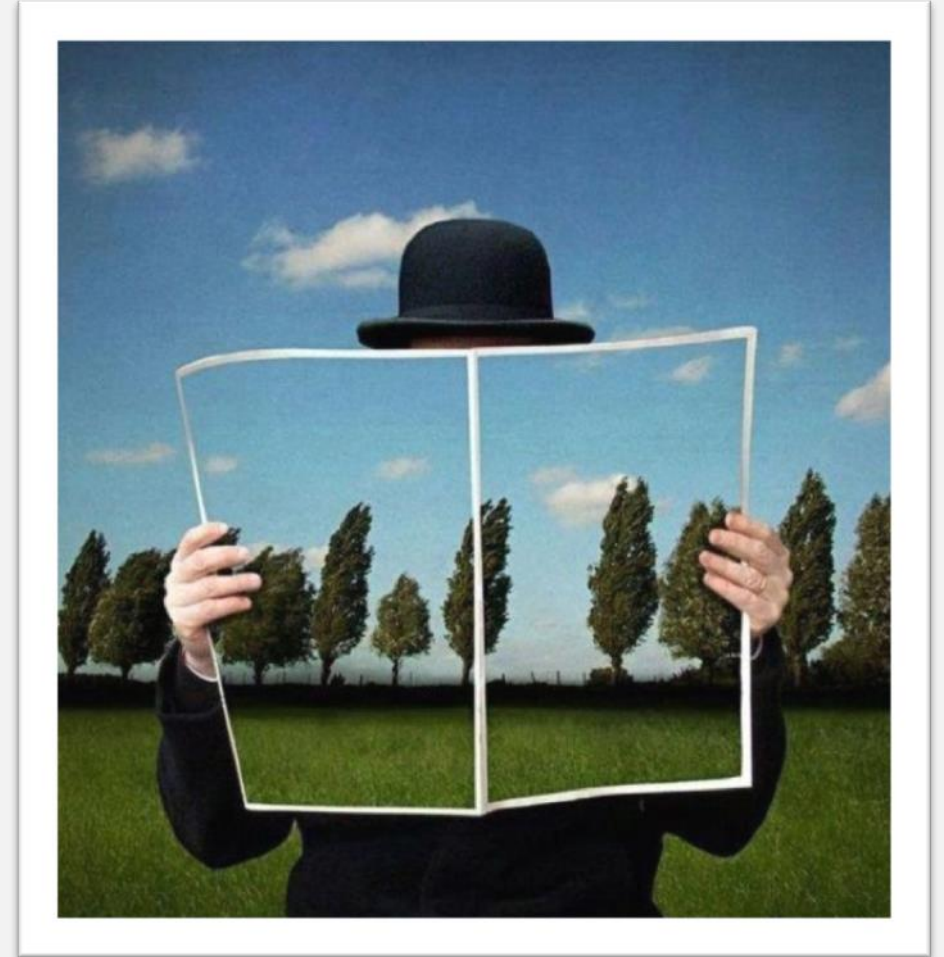
Market expansion

Product expansion

Backward integration

Forward integration

Export of assets or competencies



## CURRENT DRIVERS



Globalisation  
Digital Connectivity  
Personalisation  
Sustainability  
Health and Wellbeing  
Seasonal Disruption  
Gender Blur  
Casualisation  
Urbanisation  
The Me Factor

# MEGA TRENDS



Smart City

Gen Y

Rise of middle classes

Female empowerment

Reverse Brain Drain

“You can know what your customers are going to want next .....by looking at the innovations that they're lavishing attention on now.” Trendwatching

