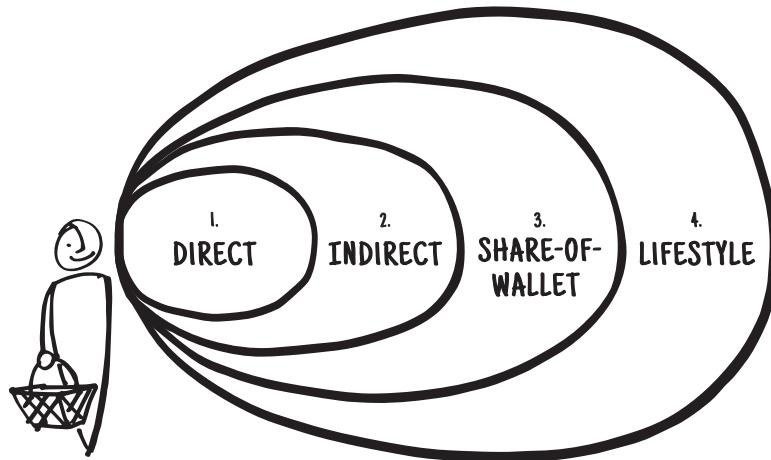


# Competitive Analysis

Create context for what's in the market from a consumer's point of view



## How It Works

1. **Direct Competition:** offerings that are very similar to the one at hand
  2. **Indirect Competitors:** offerings in the same category, but that differ in terms of quality, price, or other attributes
  3. **Share-Of-Wallet Competitors:** offerings that people may choose to spend their money on *instead* of what you're offering
  4. **Lifestyle Competitors:** offerings targeted at the same type of people but that aren't directly related to your offering
- \* 3 and 4 are the broadest, but still very important

## Using the Competitive Analysis Framework

### Example

When shopping for Greek yogurt at Whole Foods, users consider:

1. **Direct Competitors:** any similar types of Greek yogurt available at Whole Foods
2. **Indirect Competitors:** any kind of specialty yogurt, like kefir, at Whole Foods
3. **Share-Of-Wallet Competitors:** anything in the Whole Foods store that users might spend their money on
4. **Lifestyle Competitors:** other things that health-conscious people might buy, like a gym membership or workout clothes at a sporting goods store

### Descriptively To Analyze Current State

Look to the competition from an individual's perspective to understand how and where they're spending their money and what is alluring about the competition: who are the people the competition is focusing on and what are their needs, motivations, and behaviors; what's relevant now; which companies and brands are pushing forward and which are lagging behind; etc.

### Prescriptively To Identify Opportunities

Look at the competitive set to see what's happening in an industry and category and where are things trending. When your offering comes out, what will the competitive landscape be like? How will you differentiate so that your competitive set looks different from similar offerings?