

SMALL-BUSINESS MARKETING

To beat competing businesses, do an online competitive analysis



BY ERIC CAWLEY

I recently met with a local inventor who wanted to sell his product online. Its estimated online cost: \$50. His online competitors were already selling

comparable products for \$25.

In today's hypercompetitive environment, business owners make a huge mistake by not researching their competitors before they set prices for products or services.

Whether you've read Sun Tzu's "The Art of War" or not, one thing is certain: If you want to win a war or a customer, you need to know what you're up

against.

And what you're up against are a few facts:

- More than 80 percent of consumers do online research before they make a purchase.
- 60 percent start their shopping by searching online for desired products or services.
- 61 percent will consult product reviews before they make a purchase.
- The average con-

sumer visits three online merchants and two brick-and-mortar stores before making a purchase.

That's why any business, large or small, needs to conduct a thorough competitive analysis. You ignore, or make assumptions, about your competition and consumer purchasing habits at your own peril.

So how do you beat a competitor perched at

the top of Google?

First, disregard any telephone calls and emails you receive from so-called SEO experts who can get you to the top of Google today. Don't be scammed.

Second, do your own competitive analysis. Use Google Trends to tell you what the top — and rising — keywords are in your industry.

Third, search those top terms and see who's listed as the top advertisers on Google. An ad will have a small green box saying "Ad" next to the listing.

See who's listed next to a local map, and note the number of stars and ratings a company has. Check out the web-

sites of the top 10 businesses listed atop the organic (unpaid) search results. What are some of the common denominators among them? What is the range of costs for their products or services?

Finally, assemble all your data into an action plan. Consider crafting a website that leapfrogs your competition. Strategize how you'll get more stars and ratings. Seriously ponder how to adjust your pricing to beat the competition.

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