

# **Mentorship Workshop for Young Entrepreneurs Unemployed Youths Africa**

## **MODULE 7**

**December 26, 2020 to May 21, 2021**

**February 20, 2021**

**Competitors And Types Of Competition  
Strengths & Weaknesses  
Advantage & Differentiator**

Build your resilience with values & vision

Do the essential with mission & goals

Be competitive with timely targets

***Siddha Param***

**New Co. Inc.**

# **Business Plan**

**(SAMPLE)**

## **Prepared**

February 11, 2020

## **Contact information**

**(INSERT NAME HERE), (INSERT TITLE)**

Tel:

Email:

Website:

## **Business address**

**(INSERT FULL POSTAL ADDRESS)**

# **BUSINESS PLAN TEMPLATE FOR ENTREPRENEURS**

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# The competition

## Competitors and types of competition

### Include here:

- Who are your direct competitors?
- Who sells similar products or services in your market?
- Can you also identify indirect competitors?
- Are there companies disrupting or undermining your industry or selling a new product or service that may replace yours?

Write here...

## How will your business compete?

- Explain it well in your business plan's competitive analysis.

## The competitive analysis

- This is to establish your business strategy in relation to the competition
- A competitor is any business that sells the same or similar products or services
- Things to know about your competitors include, their **USP**, **price**, **quality**, **convenience**, **location**, **product range** and **customer service**.

## **Unique Selling Proposition**

- Having a USP is a strength for a business
- Create your own USP that rivals your competitors', or is completely different.

## **Price**

- How much a product or service costs to purchase

## **Quality**

- How well a product is made or how prestigious a service is

## **Convenience and location**

- How easy something is to purchase, reach or use
- Convenience may also include location

## **Product range**

- The number and types of products or services that are sold by a business

## **Customer service**

- Refers to service offered to customers before, during and after a transaction

# The competition

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### **New Co. Inc. (EXAMPLE)**

- Direct competitors include a handful of artisan door makers in Ontario that, along with New Co. Inc., represent 25% of overall door market in Canada.
- Indirect competitors are mass market door manufacturers.
- In the U.S., certain retail brands that manufacture in China or Eastern Europe can offer significantly reduced prices due to lower labour costs, cheaper inputs and mass production.

## **Determine the strengths and weaknesses of your competitors in the market**

- Identify the barriers that you can develop to prevent competitors entering your market
- First identify the current and potential competitors
  - Understand the market from the customer's point of view
  - Group competitors by how much of customer's money they deal with
  - Group competitors according to competitive strategies & motivations
- Analyse these groups for their strengths and weaknesses in relation to marketing assets and skills. Determine where your competitive advantage sit in these groups.

# Competitors' strengths and weaknesses

## Include here:

- Where are your competitors vulnerable?
- What are they doing successfully?

## New Co. Inc. (EXAMPLE)

- **Direct competitors** tend to have smaller manufacturing facilities with fewer employees, so they cannot meet increased demand in the market.
- **Indirect competitors** cannot offer the same level of customization, but they have invested in online tools that give end-customers a feeling of ownership over the design and modification process.
- Mass manufacturers often have more product warehoused, offering customers **less time delay** in manufacturing and delivery.

**To determine what constitutes a key asset or skill  
within an industry focus on 4 areas:**

1. What makes a competitor successful or unsuccessful?
2. What motivates customers to buy
  - superior product or no practical alternatives?
3. What are the component costs
  - strategic alliances that reduce cost?
4. What are the industry barriers to mobility for consumers
  - alternatives not compatible?”

## Competitive Advantage

- Create a marketing strategy that will generate
  - an asset or skill that competitors do not have
  - to give you a distinct and enduring competitive advantage.
- Once you've established your **distinct competitive advantage** communicate this in a form that will attract market share as well as defend it.
- Competitive advantage should address five areas:
  - Product
  - Distribution
  - Pricing
  - Promotion
  - Advertising
- Establish the point of entry in the product life cycle that results in an endurable competitive advantage.

# Competitive advantage and differentiator

## Include here:

- Why do customers choose your product/service over your competitors'?
- What makes your product or service different?
- What is the unique solution you are offering?
- is your means of distributing your product or service unique?
- Do you have competitive payment terms or guarantees for customers?

## **New Co. Inc. offers an extended warranty on most products. (EXAMPLE)**

### Differentiators

- Eco-friendly products for piece of mind.
- New designs annually (innovation) using customer feedback as part of R&D.
- Where doors are eligible for a homeowner tax rebate, we process and claim the eco-rebate on their behalf.
- Integrated technology between orders, supply and manufacture means swift manufacturing that enable new orders to be quickly processed.
- Competitive payment terms: Established clients have option to pay 50% of order up front (within 30 days of invoice) and the balance on delivery.