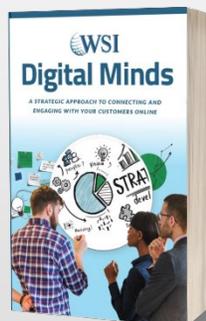




DIGITAL MINDS CHAPTER 1

ANALYZING YOUR MARKET, YOUR PRODUCTS OR SERVICES, AND YOUR COMPETITION

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The following is a chapter from WSI's 3rd book, *Digital Minds: A Strategic Approach to Connecting and Engaging with Your Customers Online*. If you'd like to read the book in its entirety you can purchase a copy on Amazon.com here:

<https://bit.ly/wsibook3>

The first step to creating a comprehensive digital marketing strategy is looking at the big picture. You need to know and understand your market, your products or services, your corporate objectives, and your competition first. Then you can determine what your plan of action should be and what metrics will define success for your company.

In this chapter, we'll discuss how to use competitive data and analysis of your current digital presence to help you plan or readjust your digital marketing strategy.

Your Strengths and Weaknesses

In all my years as a digital marketer, I still find conducting a SWOT analysis the most effective way to outline a company's overall strengths and weaknesses. It forces you to take a look at your internal structure (your strengths and weaknesses) and your external influences (opportunities and threats) at the same time.

Conducting a SWOT analysis of your business isn't a new concept and is an activity you've likely done before. However, you may be wondering why you need to do a SWOT as part of your digital marketing strategy.

In digital, a SWOT analysis helps you evaluate how well your business is doing online based on your current online presence (your strengths and weaknesses). It also makes sure that you take a look at how well your business is performing in comparison to your competitors (opportunities and threats). More often than not, the online challenges you will face will come from competitor websites that are outperforming yours for similar products or services.

It's easy to become despondent when you search for your products or services and find your competitors appearing on the first page of Google ahead of your website. So, you're probably wondering: What I can do about this and how I can change the situation?

Conducting a digital marketing SWOT analysis is one of the first things we recommend you do to help you take stock of your online presence. From this, you'll learn how you perform against your competition and can determine what strengths you should build upon and what weaknesses you need to address.

After you complete your digital SWOT, you will want to get more granular in the analysis of your online activities in the form of audits. Here are the types of audits we recommend every business to complete.

Digital Audit

Conducting a digital audit of your business can help you find many ways to improve your online performance. The results of this audit will quickly show you the stage at which you operate digitally. This objective review of your online presence will help you determine whether your website is at a novice, active, or advanced stage.

Novice Stage

Businesses at the novice stage have a website but don't update it regularly, so its primary function is to serve as an online brochure. The website has minimal elements for prospects to connect and engage with online. Site visitors are attracted through basic SEO, local directories, and the Google Maps location set up for the business.

If this sounds like your company, then you need to implement a digital strategy that can help you reach your business objectives and increase your competitiveness.

Active Stage

Businesses in the active stage either have an ecommerce website that can accept orders or a website that is generating some leads. They are engaging in search marketing mainly through the use of paid search advertising such as Google Ads, Facebook Ads, or other types of sponsored posts. Their website is well optimized, and it features well against competitors for similar product or service search terms within the region.

If this sounds like you, the good news is your site is bringing you a moderate amount of leads. However, your conversions aren't as strong as they could be and therefore, aren't producing the type of return you're expecting.

Advanced Stage

Companies in the advanced stage are at the top of their game when it comes to the digital readiness of their business. Their ecommerce website (if they have one) is providing customers with end-to-end delivery and fulfillment. They are making effective use of content marketing to attract prospects at all stages of the buyer's journey.

Digitally advanced businesses engage in marketing automation to nurture their contacts from initial introduction through to them becoming a qualified lead. From our experience, digitally advanced companies are conducting regular reviews of their online activities. They are using Google Analytics (plus other reporting

tools) to actively keep track of how visitors and customers are interacting with their brand across all of the digital properties.

If you are a digitally advanced business, your focus should be on continuously monitoring, measuring, and tweaking efforts to ensure you maintain your competitive advantage.

Website Audit

If you want to outrank your competitors, then the first place to start is with a website audit. Your website's condition sets the foundation for your SEO (search engine optimization) performance. Running your website through an audit tool will help to identify where your website is performing well and where there's room for improvement. The website audit tool will also highlight any warnings or errors on your site that you should be fixing. I have provided more detail on this below.

Finding All the Errors On Your Website

There are many tools out there that can audit your website for technical issues; a couple of our go-to tools are Ahrefs.com and SEMrush. Whichever tool you use, make sure you can detect the following:

- **Duplicate meta titles and descriptions:** make these unique for each page on your website to make Google happy and attract relevant search traffic to each of your web pages.
- **Multiple H1 headings:** each page on your website should have one, unique H1 title. Do not use numerous H1 headings on a single webpage.
- **Missing H1 tags:** your H1 heading tells your reader and Google what the main topic of the page is and will help with your web optimization as well as your conversions.

Page Speed

You should be monitoring your site's page speed continuously. It can change over time and can differ between the desktop and mobile versions of your website. Page speed is also something Google considers when ranking your website, and will impact how your visitors interact with your site and whether they stay or leave.

There are hundreds of other issues that the tool like SEMrush can identify. Your job will be to prioritize the problems that have been detected on your site and rectify them on an ongoing basis.

Get a Complete Inventory of Your Website

List all the pages on your website and determine whether the content is still relevant and up-to-date. Delete pages that are not needed. These take up space on your “Google crawl budget” as well as contribute to your bounce rate—which also affects the user experience of your website.

Check What Keywords Rank for Each Page

Once you have a list of your prioritized pages, you will need to do some keyword research to identify and map relevant keyword phrases for each page. Again, several tools that can help you do this; we like using SEMrush. It will list the current ranking keywords of each page and help you identify which pages rank for the same keywords quickly.

SEO Audit

The high-level objective of an SEO audit is to find out which keywords are sending you traffic and which web pages are attracting relevant search traffic to your site. You can do this quite easily by using a tool like Ahrefs or SEMrush to get a list of all the keywords that your website currently ranks for, on a page-by-page level. Once you have this, review the meta title, description, headings, and content for each webpage to identify opportunities for improvement.

Content Audit

Is your content set-up in such a way that it creates a marketing funnel for your potential clients?

Creating a marketing funnel enables you to have multiple touchpoints with your prospects as you move them from the awareness stage to the decision stage. You can achieve this through keyword research and categorizing your content in the three stages of the funnel:

1. Awareness
2. Consideration
3. Decision

Social Audit

Doing an audit of your social media presence will help you answer questions like:

- What channels are you using?
- What type of engagement are you getting?
- Are you interacting with followers and getting reviews?

Take stock of which social profiles are generating the most interactions and which ones are delivering minimal engagement. Use this data to help you determine which social media accounts you should invest most of your time and money.

Insights Audit

Ask yourself these two questions:

1. Do you measure how well your website is performing?
2. Do you act on this information each month?

The answers we generally hear can range from: “my IT guy takes care of that” or “my digital agency sends me a report.” However, most of the time, business owners and marketing executives don’t take the time to analyze and question the insights that they get.

There is no excuse for not knowing how your website is performing. Google Analytics is free, and the data they provide can help you make informed business decisions.

We recommend using Google Data Studio to generate on-demand dashboards of each digital marketing metric that you are tracking. Ask your agency or Marketing Department to set up a Google Data Studio dashboard for you. You will be surprised at how easy it is to drill down and get relevant information on how your digital marketing efforts are supporting your business objectives.

Competitive Analysis and Research

Through networking activities, we often meet other business owners and enjoy talking to them about how well they feature in the competitive space of online marketing. Occasionally, they may say they don’t want to focus on their competitors and instead concentrate on how well their business is doing.

Now, this may be true. But until you benchmark your business against others in your industry, you may not know how digitally advanced you are in all areas. Benchmarking will help you set goals to at least match or surpass your competitors in the digital space. It will also allow you to potentially pick up a few great ideas from the competition and execute them better.

In the next few pages, I will share with you the things to cover when doing a competitive analysis of your digital presence and how to benchmark yourself against the best in your industry.

Tools to Use

The tools in this section are the tools we use when researching competitors for our clients. Some of these tools are free. But some are paid tools that offer more in-depth insights on our clients' and their competitors' digital performance.

Free tools

Here is a listing of the free tools you should be using as part of your competitor research activities.

- Google Alerts: to pick up on keywords related to your business and competitors' names.
- Google Search: to search and find competitors, content, and information.
- Google Trends: to identify trends and events during the year.
- HubSpot's Website Grader: to get a score on how your website is performing on search traffic, mobile responsiveness, SEO performance, and security.

Paid tools

Sometimes you need to invest in a paid tool to help you gather more in-depth data on your competitors. Here are two we recommend.

- Ahrefs.com: is a robust tool with a massive amount of data on just about any website on the internet. It can give you many insights on keyword research, SEO analysis, and content marketing research.
- SEMrush.com: is another robust tool that has excellent features for SEO, keyword research, site audits, marketing insights, competitor analysis, and tracking.

Analyzing Your Market

If you service a business-to-consumer (B2C) market, then use Facebook to research the size of your digital audience. You can get a guesstimate of how many people are in a particular location by using Facebook

Audience targeting. If you are targeting people with a specific interest, narrow the audience down so you can spend your advertising budget on a smaller, more engaged audience.

If you service a business-to-business (B2B) market, then use LinkedIn to research the size of your digital audience. To find out how many businesses or business professionals there are in your area, you will need to subscribe to Sales Navigator. The free version of LinkedIn is restrictive, and you will quickly use up your free search allocations.

Online Communities in Your Area

The reason you want to find and join online communities in your area is that this can provide you with the best referral opportunities. People are always asking for advice or recommending suppliers on these platforms.

Analyzing Your Products or Services

Find search trends for your products or services by using the tool Google Trends. You can also use this tool to help you forecast the peak and breakout search periods for your services so you can prepare for and take advantage of them. Breakout searches indicate a sudden or more significant interest in specific keyword phrase searches. Being aware of this information can help plan for future campaigns.

Finding Your Competitors

Use Google to search for your products or services and make a list of competitor websites that show up on the first page of results. Be sure to identify your local competitors. Use Ahrefs or SEMrush to find your closest online competitors by searching for competing domains. These tools take all the guesswork out of the equation and make it easy to see how well you compare against your online competitors.

Competitor Strengths and Weaknesses

Once you have your list of online competitors, drill down further into their online presence, and review how their SEO has been performing. You can compare their information over the past 24 months to uncover:

- Their estimated ad spend on search advertising
- Specific months when they engage in search engine advertising
- The keywords they target and the ad copy they use to attract search engine visitors
- Their SEO traffic volume over time – this metric tells you whether they are active with SEO

Reviewing the above and other metrics will highlight your competitors' strengths and weaknesses, which is particularly helpful when you compare them against your website. It will also allow you to make the necessary adjustments in your efforts to ensure you outperform the competition.

Understand Your Competitors' Offering

To get a clearer understanding of what your competition is offering, research their prices, distribution channels, customer loyalty strategies, and media activities. You want to find out whatever you can about them.

Review Competitor Websites

Once you have a list of your biggest online competitors, study everything from their product photos to how long their product descriptions are. Look at whether they optimize their websites for mobile viewing and where the calls-to-action are in their copy.

Other questions to ask that will guide you on mapping out your digital marketing strategy include:

- What color palettes are they using on their site?
- Are they trying to get you to download free content or sign up for a newsletter?
- Do they have a blog, and how frequently do they post blogs? What topics do they cover?
- What information is on their contact page? Do they have a website chatbot offering round-the-clock support?
- How long does it take them to respond to inquiries from the website?
- What slogans and catchphrases do they use in their banners?

Experience Their Communications

You want to know what type of engagement your competitors have with your target audience. To get a sense for how they interact and connect with their customer-base, do the following:

- Subscribe to their newsletter to get an understanding of the type of news, promotions, and information they share with their leads and customers.
 - Subscribe to their blog to stay on top of the topics they cover.
 - Follow them on social media to get an idea of their tone, engagement rate, and the type of content they share on each platform.
 - Buy something from them online and check out their products as well as their shipping time and the communication they send you throughout the purchasing experience.

- Select an item and leave it in the shopping cart without paying for it. Wait to see if you receive a follow-up email about the abandoned shopping cart and what type of prompts they give you to complete the purchase.

Check Their Reviews

Having a look at what others are saying about your competitors is a no-brainer. Find out what comments are on their website, popular online reviews sites, their social media pages, Google business listing, and blog posts. Make a note of what the general sentiment is about their business.

Review Their Social Media

There are many reasons why you should look at your competitors' social media profiles. If they have a large following and their followers are actively engaged, it shows that there is an active online audience for your business. It can also give you an idea of what type of content works well on each platform, and it could help you come up with new ideas of engaging with your target market.

If your competitors don't have an active following on social media, it likely means they aren't leveraging social media successfully.

Check out every social media channel you can think of, including Snapchat, Instagram, Twitter, Facebook, Reddit, Pinterest, and LinkedIn. Find any alternative channels such as forums, news sites, and hobby groups as well.

Competitor Product Summaries

Product summaries are usually something that gets written once and left unchanged for years. Check out how your competitors describe their products and how they may or may not encourage a call-to-action. Take (and tweak!) the elements of their product descriptions that work and see how you can improve on them.

Strategies Used by Your Competitors

When we conduct a competitive analysis for the businesses we work with, we look at several things to understand their competitors' digital marketing strategy. Primarily we focus on reviewing whether they use all or any of the below tactics to generate website traffic.

Google Ads

The use of Google Ads can reveal that they are getting an ROI on their budget spend. Drill down further into their Ads to uncover which keywords are their best performers and use this information to plan your Google Ads campaign. This way, you can make sure your campaigns are running optimally right from the start.

Remarketing and Banner Advertising

Have they cookied you after visiting their website? Do you see their banner ads across the internet? Take screenshots of any banner ads you come across as part of your competitive research. Click through on the ads to see what their landing pages look like and what their messaging says. The use of banner ads is a great way to increase brand awareness and brand recall.

SEO

An increase in search traffic volume and traffic value (the price it would cost to buy the traffic using Google Ads) will indicate they are optimizing their SEO efforts consistently. You can confirm this by reviewing their monthly backlink acquisition using a tool like Ahrefs.com or SEMrush. Once you have a list of their backlinks, you can filter the links at a page level and reach out to the same websites for a link to your interesting content. That way, you can concentrate on one page at a time and work towards a continuous improvement program for your website.

Keywords

The keywords that a website ranks for can reveal a lot about a competitor's strategy. Download their top 100 Google ranking results, highlight which keywords your competitors rank for in the top 30 Google results, and filter and categorize them as follows:

- **Branded:** keywords that include the brand name. The traffic they generate will show you the strength of their brand.
- **Non-branded:** product or service or industry-specific keywords that don't include the brand name. The traffic they're generating for keywords related to their products or services will show you how well they are at optimizing their website for industry terms. These tend to be more competitive and therefore require more effort to rank for because most businesses in your industry are trying to appear in the search results for these similar keywords. Ranking high on a non-branded keyword shows you how your website's value is growing.
- **Information:** keyword phrases that include questions, such as: how to, how does, what does, can, will, and similar informational words. These show that the competitor is engaging in content marketing and

attracting top of the marketing funnel searches to educate the reader and getting them to build trust in their brand.

- **Research:** are keywords that include modifiers like, review, top 10, compare, presentation, ebook, video, etc. These keywords are used by searchers who are approaching the decision-making phase of the customer journey. Ranking for these types of keywords will show you how comprehensive a competitor's SEO strategy is and if they are actively engaging with searchers who are looking for more detailed information about your products or services.
- **Intention or commercial:** are keywords that include a modifier such as, bargain, best, buy, brand name, compare, coupon, discount, for men/women, guide to, low price/cost, on sale, buy online, and other similar modifiers. If a website ranks for these modifier keywords, then they are targeting the bottom of the marketing funnel.

Looking at your competitors' keywords is one of the best ways to identify which keywords you should optimize your web pages for. The goal is to find two or more of your direct competitors that rank for the same keywords that your website doesn't. Doing this will help you identify keywords that are important to rank for within your industry and use this information to improve the ranking of your web pages through on-page optimization.

Content Strategy

The best way to find out if a competitor is engaging in content marketing is to review their website and look at their blog or resources section. Check out when their last blog post was published and see if they are promoting their YouTube channel, downloadable content (such as ebooks), presentations, infographics, across their website. Companies use content marketing to build brand awareness and engage with their visitors. The main goal of content marketing is to move visitors through the buyer's journey; from getting to know you, to getting to like you, and ultimately getting them to trust and purchase from you.

By reviewing each competitor's top 20 best performing content pages, you can find where the low hanging opportunities are by identifying the pages with good search volume and a small number of inbound links. From this, you can quickly craft some of the best content topics for your marketing department or agency to start writing.

Social Media Strategy

The best way to find out how a competitor uses social media is to visit their social media pages/profiles. Browse through the content that they share on Facebook, Twitter, Instagram, and LinkedIn, to find out if they are consistent or haphazard in their publishing and engagement. Visit all their social networks and total up the number of followers to determine the type of reach they have. We usually find a good correlation between

the amount of content published and shared on social media to the level of engagement they have with their network.

Competitor Research Report

Conducting competitive research is one thing. But reviewing large amounts of data on one competitor at a time won't give you the high-level view of how you perform against your top three or four competitors.

What you need to do is filter and summarize the information you have pulled so you can easily see where you're positioned alongside each competitor. Break this data down by each main digital marketing tactic (e.g., SEO, paid search advertising, social media, etc.) to make it easier to glean insights. Then, plot this information in a comparison table to quickly reveal everyone's strengths and weaknesses. Most importantly, identify the opportunities for improvement which, when implemented, will help you take more significant market share online.

So, how do you produce a Competitive Analysis Report that can show you all of this detail summarized onto one page? Let me share with you my experience of writing more than one hundred Competitive Analysis Reports over the past ten years.

Identify and Analyze Your Top 3-4 Competitors

We recommend comparing four competitors against your web presence. The reason we suggest five websites in total is that all of the tools we have mentioned can compare up to a maximum of five sites for specific metrics.

Here is the high-level process that we go through to produce a detailed competitor report that will make sense to any business owner or marketing executive. To get a good grasp on a competitor's digital strategy, we research four things:

1. The website health score of each competitor's website, including yours across all competitor sites
2. Search traffic for all non-branded keywords related to similar top-level service or products offered; including any traffic that is generated from Google Ads.
3. The amount of content published either in blog posts, articles, news, or landing pages.
4. The size of all their social media following across all main networks and combined as well with the number of social shares from website visitors.

Create Your Competitor Positioning Chart

Using the information above, you can plot your Competitor Positioning Chart. This chart will provide you with a quick visual summary of how your current digital marketing strategy compares against your main online competitors, and equally how they compare against each other.

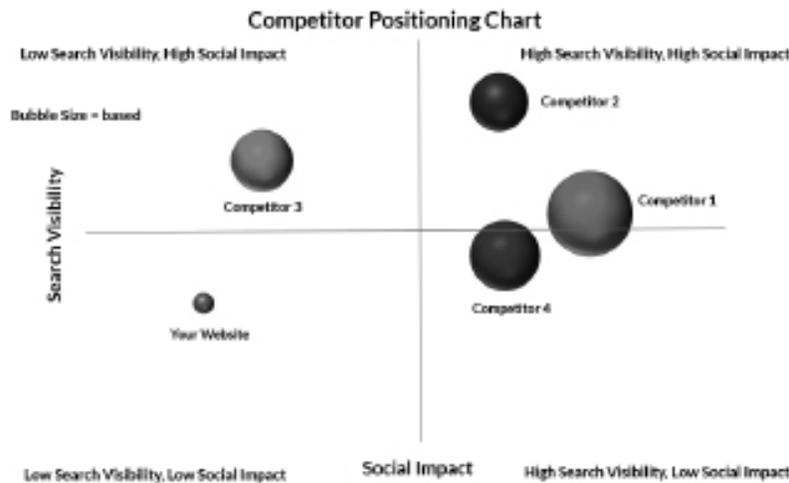


Figure 1: Example of a Competitor Positioning Chart

Let's breakdown the components of the chart above:

- **Search visibility (x-axis):** the x-axis represents the strength of a competitor's search visibility. The further across to the right, the more search traffic the competitor is getting in comparison to everyone else on the chart.
- **Social impact (y-axis):** the y-axis represents the strength of a competitor's social impact. The higher up a competitor appears on the chart, the stronger their social presence is compared to the others.
- **Content marketing (bubble size):** the size of the bubble represents the strength of a competitor's content marketing strategy. The larger the bubble, the more content the competitor has published/indexed in Google against the rest of the competition.

For demonstration purposes, let's say the example chart we have provided is your Competitor Positioning Chart. Here's a summary of the insights:

- **Competitor 1:** has the best search visibility based on the estimated search traffic they generate from non-branded product or service related keywords (including Google Ads traffic).
- **Competitor 2:** has the most substantial combined social media networks and uses YouTube videos to drive social media traffic and visitor conversions. They have the most extensive social media following and engagement.

- **Your website:** is lacking in content compared to the rest (shown by the size of the bubble) and is at a disadvantage. You have fewer keywords ranking to help generate traffic; specifically, traffic that is searching for information on or researching your products and services. Your website has a smaller social media following due to the minimal amount of content that you share.

Determine Your Competitive Position in the Marketplace

After you have created your Competitor Positioning Chart, it should be fairly clear if you are one of the market leaders or one of the followers. Now that you know where you stand amongst your competitors, you are ready to do the following:

- Discuss the key areas of your competitive advantage or disadvantage and using sound data analysis review each area to plan your strategy going forward.
- Address the marketing problems that are holding you back and brainstorm new opportunities that your business can action.

By conducting an analysis of your competition and using a visual like the Competitor Positioning Chart, you can begin to develop and implement a digital marketing strategy that will strengthen your position against your competition.

Ongoing Competitive Research

By completing and acting on the insights of your competitor research, you will be well on your way to making significant improvements with your online presence and gaining an advantage over your competitors.

BUT, you can't stop now that you have worked out what your competition is doing. You need to keep your ear to the ground and be constantly aware of your competitors' digital activities. The best way to do this continuously is to set real-time alerts in a tool like Ahrefs.com or SEMrush where you get notified whenever your competitors:

- Rank for a new keyword
- Improve their ranking for relevant keywords
- Gain new backlinks from trusted sources
- Add new content to their website

Review the above weekly, and you will become the competitor that everyone is trying to compete against.

In addition to monitoring your competitors consistently, you should be conducting an annual competitor review as well. Set an appointment to update your Competitor Positioning Chart every year to see how you are improving year over year.

Implementing Your Research and Insights

Once you have conducted your market research and have your completed Competitor Analysis Report in hand, use your newly gained insights to develop a digital marketing strategy that will drive results for your business. Your objective is to create a plan that has your customers and their experience with your brand at the center of your activities. By continually analyzing your results and refining your tactics, you will have a better chance of remaining relevant to your customers and retaining them as loyal fans of your products and services. How you do this effectively is what the rest of this book covers, so take the time to read each of the following eleven chapters and take notes along the way.

TIP: If you are looking to get started with a competitor analysis, visit www.wsiworld.com/book-resources for more information.

About the Author

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With 15 years of digital marketing experience, this baby boomer challenges himself every day. Francois is known for his ability to simplify complex digital marketing tactics, and he leads by example when consulting to his clients. He is an established professional speaker and avid blogger and holds a Master's Degree in Information Technology. As a speaker, trainer, and consultant, Francois endeavors to remain at the top of his game through continuous learning. He is a subject matter expert in SEO, Content Marketing, and social media. He enjoys fishing, caravanning, and spending time with his family.

About WSI

For 25 years, WSI has been providing digital marketing services and comprehensive marketing strategies to businesses of all sizes and across various industries. We are the largest network of digital marketing agencies around the world.

We are a full-service digital marketing agency that helps elevate your online brand, generate more leads and sales, and improve your overall marketing ROI. Our Digital Marketing Consultants use their knowledge and expertise to make a difference for businesses all around the world.

We don't believe in the "one-size-fits-all" approach to digital marketing. Instead, we take the time to understand your organization and customers so we can recommend a strategy based on your individual business needs. When you invest in any of WSI's digital marketing solutions, you'll have some of the top minds in the industry, contributing to your goals and vision.

You have a vision for your business. We can help make it happen. Reach out; we're happy to help.

