



Keeping up in a competitive world

How to tell whether your business is on track – and what to do if it's not

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Assessing your business against the competition

No business exists in a vacuum. Whatever your field or speciality, you're part of a network of businesses working in the same market – and competing for the same customer. That means, no matter how hard you work there's always the potential for another business to beat you on price, service or speed.

Thriving in a crowded marketplace means being adaptable – and understanding your competition. Any insight is valuable, helping you work out where your business fits in the field and clarifying your next steps as you work to grow your market share. If you're in the dark about what other businesses are doing, it can be difficult to identify gaps in your services or find out why customers are leaving.

Of course, monitoring the market is only the first step. Once you have the information you need, you can use it to make changes – whether that means expanding your services, changing your marketing strategy or implementing a new software system.

Monitoring the market

Evaluating the competition might sound like a complicated project, but it's a normal part of running a business. You'll get information about your competition – and the market in general – through industry events and publications, your professional network, industry associations and your research. Just looking at the websites of your main competitors can be a valuable way to collect information about the way they operate.

The more you know, the better you can understand how your business fits into your local market. Are your services cheaper, or are you at the higher end of the spectrum? Do you offer unique services or features, or are you missing some elements that other businesses offer? How does your online presence compare? Can you work out what kind of technology they're using to run their day-to-day operations?

Anything you learn can feed back into evaluating your own business and making strategy-led decisions for the future. If you find that some of your competitors are offering better services, lower prices or both, you need to know why. If you find that others have a greater market share while you're struggling to retain customers, you need to make changes.



Focus on technology

Although many elements combine to make a business pull ahead of the pack, these days, technology often emerges as a strong driver of success. The software you use to manage everyday operations can make a real difference when it comes to improving services and long-term business growth.

Here's how software could be helping your competitors get ahead:

Real insight, real responsiveness

Identifying and resolving issues before they become major headaches has clear benefits, whatever your business. If your competitors can respond immediately and solve problems with ease, it could be a result of their software. Many business management systems offer access to business data in real-time, so it's easier to spot issues – customer complaints, missed invoices, project delays – as soon as they arise. With this information, the business can create a strategy to resolve the issue promptly, rather than ignoring and exacerbating the problem.

Competitive pricing, accurate quoting

Pricing can make a real difference to customer satisfaction and retention. This doesn't mean that the lower price is always the best option – just that pricing needs to be fair, consistent and transparent.

Business management software could be helping your competitors score points in this area. It can boost efficiency, lowering price points for services overall. Sophisticated reporting functions can help make project costings more accurate, meaning fewer cost overruns – and fewer disgruntled customers.

Work anywhere, anytime Work no longer begins and ends at the office. Working remotely is far more common – in part thanks to the events of the past year – and site visits, business travel, international clients and other factors mean that work often

needs to be completed outside office hours and away from the physical office. This is where cloud business software comes into its own. It allows you and your staff to access work programs and up-to-date business data on any device, from anywhere.

If your competitors are using this type of software to manage their operations, it could result in improved productivity and better customer service. Because staff members don't have to waste time chasing up data or waiting for a response from a co-worker, client questions can be answered promptly, work can be completed quickly and downtime is minimal. If staff members are working in different locations or time zones, it's still possible for them to share work and collaborate in real-time.

Online access and improved service

With the right software, your competitors can improve their customer experience without adding to the workload, which automation can reduce. Features like online customer portals can make it easier for clients to do things like check the progress of a project, pay an invoice or request a new service. For the customer, this means instant answers and complete transparency, which can reduce frustration and improve customer satisfaction. For the business, it means less time answering queries and sending updates.

As more businesses use technology to automate services, expectations will rise – and if you can't provide the same level of service, you could struggle to retain customers.

Gaining a competitive edge

Once you understand how your competitors work, you can work out where your business fits. Are you at the front of the pack or trailing behind? Are you racing ahead in some areas, but losing ground in others? Knowing where you stand can help you work out what needs to change.

Every business will have areas that need work – here are four places to start:

1 Find your point of difference

Keeping up with the competition doesn't mean replicating their methods – you have to find your place in the market. Your selling point could be a service that only your business offers, lower price points, personalised customer service – it's about what makes you different from others in the market.

Focusing on what makes your business unique can help you develop a brand and create marketing messages that cut through. In a world of tough competition and rising customer expectations, anything that helps you stand out will help you stick in your clients' minds – and hopefully, keep them coming back.

2 Strategic thinking, long-term growth

Business growth isn't just about landing a big client today – it's about the strategy that helps you continue to win clients and retain them long-term. Any changes to your operation should be made with that strategy in mind.

That means introducing new services or implementing new procedures, not because others are doing it, but because it fits with your long-term business plan. For example, lowering prices may bring in a raft of new customers short-term, but if that lower price point cuts too far into your profitability, you won't be able to maintain it – and those new customers are likely to leave. Figuring out how to attract new customers without

3 Make service a priority

Whether you're managing an accounting or legal firm, providing IT, architectural services or almost anything else, high-quality service delivery is a must. The work is what keeps clients coming back, but this shouldn't mean neglecting the 'softer' elements of running a business – like customer service.

No matter how well you do the work, if customer service isn't a focus, you run the risk of customers leaving for a business that can do both. Transparent communication, frequent updates, coming in under budget and before the deadline – these things matter to your customers, so they should matter to you. If you find that your competitors retain more customers, even though you offer similar services, this could be the reason.

4 Upgrade your software systems

Upgrading your software systems can have a ripple effect, creating positive changes throughout your business for management, staff and customers. A cloud business management platform could help you automate processes and boost efficiency, improve accuracy and give you a bird's eye view of your business operations. For your clients, a new system could mean more accessible information, better service delivery and faster turnaround times.

Although investing in a brand new platform and going through the implementation process may seem like major steps, the long-term benefits are significant. And, if your competitors are already reaping the rewards of a sophisticated business management system, sticking with your old systems could mean being left in the dust.

Assess, upgrade, compete

Running a successful business means always being alert to changes in the market, your competition and your own organisation. If you don't make a point of keeping track of what's happening around you, it's difficult to stay competitive and continue to offer your customers what they need.

Learning about your competition is useful – but it's what you do with that information that counts. Depending on what your competition is doing, change could look like updating your marketing efforts, switching your focus to customer service or upgrading your software systems.

If your competition seems to be pulling ahead in several areas, software could be the culprit. A purpose-built business management platform could be helping them improve productivity, boost profitability and offer enhanced customer service. If that's the case, it could be time for an upgrade so your business can catch up.

MYOB Advanced can help. Our cloud business management platform is designed for businesses in Australia and New Zealand, with a range of features that can be tailored to your business. It gives you real-time access to all your data and tools from any device, for better communication and fewer manual-entry errors. Time-consuming processes can be automated, and your customers benefit from 24/7 access to their account information. With everything you need in one simple, streamlined platform, MYOB Advanced can help you not just catch up to your competition, but leave them in the dust.

Identified areas where your competitors are outperforming you? Get in touch to learn more about MYOB Advanced.

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