

Do You Know What Your Competitors and Clients Are Saying About You?

Using Competitive Intelligence to Uncover Vulnerabilities in Your Products and Services

In a recent study for a client within the Software as a Service (SaaS) sector, one issue of particular concern to the client company was the fact that they had been losing business to a specific competitor. This loss of business included both lost bids as well as the loss of long-term customers.

Vulnerability Exposed

During the course of the study, it became clear that the competitor had found, and was exploiting, a significant vulnerability in the client company's offering.

The vulnerability issue can be described as a "use it or lose it" condition in the service contract, whereby a client must use a pre-paid service within a specified time line or else lose whatever is not used.

The competitor consistently exploited this vulnerability during sales presentations.

Buyers of this service, including former customers of the client company's service, agreed that this vulnerability existed and that it cost them thousands of dollars in wasted expenditures.

Vulnerability Denied

At first, the client company reacted by denying the problem existed and that it was a "misinterpretation" of how their service works.

Misinterpretation or not, the vulnerability was a real issue to be exploited from the competitor's point of view, and it was a real issue (involving thousands of dollars of expenditures) for the companies using of this service – including the customers of the client company.

In this case, the client company had to act to either 1) modify their service to eliminate this vulnerability or 2) communicate with customers to correct their perceptions on how the service works.

Either way, the client company was forced to intervene quickly to correct the problem and staunch the losses in sales and clients.

Problem Resolution

In the study described above, the client company solved the problem by forcing itself to look at the issue through the eyes of the client and competitor, by looking at the issue not from the standpoint of defending their offering at all costs but rather by looking at it from a user's point of view and finding things that could go wrong and needed to be corrected.

In other words, the client company was forced to look at their service from the viewpoint of their customers, the companies and individuals who buy and use their service, and even from the point of view of their competitors. In other words, they put themselves in the position of the customer.

This creative re-interpretation of the issue opened the eyes of key decision-makers within the client company and led to vital changes in the structure and delivery of the service.

Conclusion

Competitive Intelligence provides the opportunity to not only to study the activities of your competitors but also to observe competing services from the perspective of customers, the companies and individuals who purchase your services.

The full value of Competitive Intelligence is often determined by the willingness of a client company to accept the findings of the research and to use it to develop creative interpretation and solutions to better serve their clients and remove a weakness exploited by their competitors.

Does your company have a vulnerability that causes customer dissatisfaction and is being exploited by your competitors?

Don't be the last to know.

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