

February 16, 2016

3 Simple Ways Product Managers Track Their Competitors

by Ellen Chisa

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As a neophyte Product Manager, I relied heavily on my design skills. I cared a ton about making a consistent product. It felt like solving a puzzle to make all of the requirements fit and feel nice together.

“All of my energy went into making the best product. After all, the best product should win in market...right?”

That's not an uncommon attitude amongst emerging Product Managers with an Engineering or Design background. Those disciplines train you to build the best possible thing — a worthy goal that we all should strive for.

But here's the problem with that train of thought. At many big companies, Product Managers are isolated from the competitive analysis and strategy. They spend more day-to-day time executing with Engineering and Design teams. And this can lead to a lack of awareness about what competitors are building.

I think I know why this happens. As Product Managers, we have laser focus on building products that delight our users. This focus can be so strong that we lose sight of everything else — including the thought that our competitors might be solving the same need more efficiently.

“We won't build what the competitor does,” we tell ourselves and our product teams. “We'll just keep building what the customer needs!” After all, you are building the best possible product with the most advanced solution. Isn't it a waste of time to care about your competition?

Nope. Because here's the truth: blindness to competition can be a death trap. As MBAs anywhere will gleefully tell you, **the best designed product doesn't always win; the product that scores market traction does.**

So, if you can't win with just the best product — and you don't want to copy competitors feature-by-feature — what *can* you do? Here are three easy ways to gain deep insight into your marketplace and competitors without constantly looking over your shoulder.

Think about the imaginary, best possible competitor

I spend little time thinking about any specific competitor. Instead, I think about what the best possible competitor would do. What would a Product Manager who is twice as good as me build? What would terrify me? If I wanted to beat myself, what would I do?

It doesn't even need to be something that's possible in the short term. Think about a technical innovation that would scare you if it came from a competitor. Is it feasible for you to build that innovation yourself?

If you can come up with something, you should address it. The worst scenario is when you are a Product Manager who worries that your competitor might come up with the "big secret" — because, eventually, they will.

If you don't have a personality that trends towards this analysis, look for someone who does. It could be someone who is great at futurism and thinking about how an entire space might change. Not all of their ideas will come to fruition, and that's okay. You can use your judgement to decide which ideas you want to consider.

Alternatively, you could find a pessimist who is good at seeing how your company could fail. Take the ideas they generate for how competitors could beat you (instead of how your own execution would hamstring you).

Keep a list of actual competitors (and alternative solutions) to review occasionally

You often don't need to do your own competitive research. If your product is in the market, for many offerings it's likely that helpful friends and family will send you competitive information. It comes in the form of emails that include lines like, "How is your product different from X?" and "Have you seen Y yet?"

Every time someone sends you one of those, put them in a list. It doesn't matter how many there are. Lots of big companies started in crowded markets — Facebook, Google, Kayak, etc. Do not be afraid of competition; if you are in a space with lots of players, that means there's probably something to uncover.

That said, don't stop to investigate immediately. It is too tempting to change your product plans in haste. Instead, I wait until I have a good set and then go through to look at the team backgrounds, funding level, and product state. This lets me think about who is competing directly vs. who might be looking at a different piece of the market.

Then, I review the list occasionally (once a month) to see if there have been any big changes. I do this for two reasons:

First, it is good to stay up to date in case someone internally or the press asks you about one of these competitors;

Secondly, I'm looking for big shifts that might indicate something more substantial. If a competitor *was* in the same space as me and suddenly shifted, they did it for a reason. Sometimes I stop to ask myself, "Is this really a space? Am I missing something?" But experience has taught me that more often than not, their team had strengths that were best suited for a different market.

Be confident in the value of your distinguishing features

Lastly, I try to think about how competitors would view my company. One of the traditional tools for evaluating a market is [Porter's Five Forces](#). Out of the five forces, I most often think about "[Barriers to Entry](#)."

Why? Because that's what I need to keep the "best" competitor I'm analyzing out of my space. **The higher the barriers to entry, the lower the competition and more likely users will stay with my product.** It might be the network effect of having users (Facebook). It might be having enough information about the user that it would be tough for them to retrain a new system (If I took everyone I follow on Twitter and tried to refollow them somewhere else, that would be a major headache.)

“My trick to keep competition from winning is to focus on the value my product provides.”

Product competition can be scary. But I have found through hard work that tracking — and beating — your competition comes down to the three simple tactics above. So, focus on your goal; be constantly curious about the space you are in; and own the features that make your product unique.

Building the best product right out of the gate does not mean you will win in market. Building the best product *and* staying ahead of your competition is your winning secret.

This is a guest post by Ellen Chisa. If you are looking to be a great product manager or owner, create brilliant strategy, and build visual product roadmaps — start a free trial of [Aha!](#)

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Joe Radwich
February 27, 2016 at 8:36 am

Another easy exercise to imagine yourself leaving your current company and taking a product manager position at a competitor. What strengths of your new company/product would you leverage and what weaknesses in your old company/product would you exploit.

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