

Analyzing the Competition

GOAL: Your goal is to analyze your competition and then devise a strategy to increase your market share.

YOUR SITUATION: In this lesson you control Pricing, Promotion, and Market Research.

1. Run the **Competitive Prices, Market Research, Financials, Market Share, Pricing, Promotion, Direct Mail, Billboards, Radio Advertising, and Storefront Ads** sections of the Tutorial.
2. Open the Analyzing the Competition lesson.
3. Your store is named Yours. Observe your competitors and fill in **Worksheet 1** below.
 - a. For the Price column, use **Reports->Competitive Prices**.
 - b. For Primary Customer Segment Served, use a **Survey** and the **Segment** option.
 - c. For Promotional Strategy, use **Reports->Financials** and click the **More Detail** button. To see competitor financial statements use the **View** menu to switch between stores.
 - d. For Current Market Share, use **Reports->Market Share**.

QUESTION 1: What is your current market share? Which stores do you think represent your most direct competition?

QUESTION 2: Write down a strategy to use pricing and promotional changes to increase your market share. Your goal is a 10% point increase in market share.

7. Implement your strategy and run the simulation forward 3 weeks.

QUESTION 3: What was your gain in market share? Which competitors lost share and by how much?

8. If you did not increase your share by 10%, revise your strategy and run the simulation forward 3 weeks. Repeat this process until you have achieved a 10% increase in market share.

QUESTION 4: What was the pricing and promotional strategy you used that increased your share by 10%?

WORKSHEET 1

Store	Price (higher, lower, same)	Proximity (closest, next closest, furthest)	Primary Customer Segment (students, office pros., retirees)	Promotional Strategy (radio, direct mail, billboards)	Served Current Market Share (% of revenue)
Kathy's					
Malcolm's					
Kenneth's					
Yours					