Early Warning
Gaps Analysis Process

Simple Steps to Identify, Monitor and Close Gaps With Competitors
“In all that we do, deliver valuable answers and insights in a timely manner to strategy leaders to help them make better decisions about the competitive environment.”

Focusing on regular value that makes a difference to strategy decisions and outcomes
“Anything about a product, service, technology, capability or market position that puts a company at a significant disadvantage versus one or more competitors.”

Examples

- Another company is about to introduce a faster, better, cheaper, etc., product
- The competitor’s technology capabilities are more efficiently supporting multiple product lines
- A firm is leveraging its intellectual property position to extract licensing revenue impacting pricing flexibility and margins
Awareness -> Understanding -> Prioritization -> Action
Important Questions About Competitive Gaps

1. What gaps are we sure that exist and are significant to us?

2. What actions do we have planned or underway to close the known competitive gaps?

3. What things might become gaps over time?

4. What specific events, activities, announcements, etc., would likely lead to a potential gap for us?

5. What broad trends are occurring that drive our competitors and us to alter or improve what we offer to the market?

Forces examination of business impacts over time
Competitive Gaps Information Stages

- **Trends**
  - Broad technology, market or demographic movements affecting all market players

- **Triggers**
  - Specific observable competitive events, actions, changes, etc., that would signal a possible gap

- **Potential Gaps**
  - Potential competitive gaps (possible gaps awaiting characterization)

- **Known Gaps**
  - Known gaps (validated as significant to organization and worthy of specific actions)

- **Actions**
  - Specific plans in place to close a known competitive gap
Competitive Gaps Processing

**Issues**
- Broad directions of technologies, markets, and products
- Specific events, activities and announcements
- Possible competitive gaps to be tracked and evaluated
- Known, significant gaps causing a competitive disadvantage

**Actions**
- Trends: Stimulate organization to identify and monitor
- Triggers: Regularly review to identify potential gaps
- Potential Gaps: Sort to identify most critical ones
- Known Gaps: Fully characterize each gap
- Closure: Mobilize organization to overcome gaps
Key Tracking Questions

- What is the gap?
- What is the information source?
- What is the importance?
- Who is better?
- Where is the impact to us?
- What is the scope of the impact?

- What is the trigger?
- What is the source?
- What is the likelihood over time?
- What type of trigger?
- Who is involved?
- Where is the impact?
- What is the evidence to look for?
- What is the trend?
- What is the source?
- What is the likelihood over time?
- What direction is the change?
- How is it measured?
- What is the scope of the impact?
- Who is influencing the trend?
Key Tracking Questions

- Who owns the action?
- What are the steps to complete the action?
- What are the success measures?
- What are the required investments?
- When and how will the status be reviewed?
- What are the possible countermoves by competitors?
Gaps Analysis
Practical Implementation Steps

1. Create 4 spreadsheets (known gaps, potential gaps, triggers, trends)
2. Canvas the marketing, business development, technology and product development teams for content
3. Rationalize ratings, impact over time and significance with business management
4. Facilitate the assignment of actions to people and organizations
5. Institutionalize periodic reviews of all stages in strategy meetings with management

Principles: Keep Simple, Involve Organization, Focus on Interpretation, Prioritize, Act
Gaps Analysis Tracking Tools

Gaps ranked by revenue impact over time

Assign owners and integrate in regular discussions

Triggers and Trends ranked by likelihood over time
## Contact Information

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