



Early Warning Gaps Analysis Process

**Simple Steps to Identify, Monitor and
Close Gaps With Competitors**

Competitive Intelligence Prime Directive

*“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**

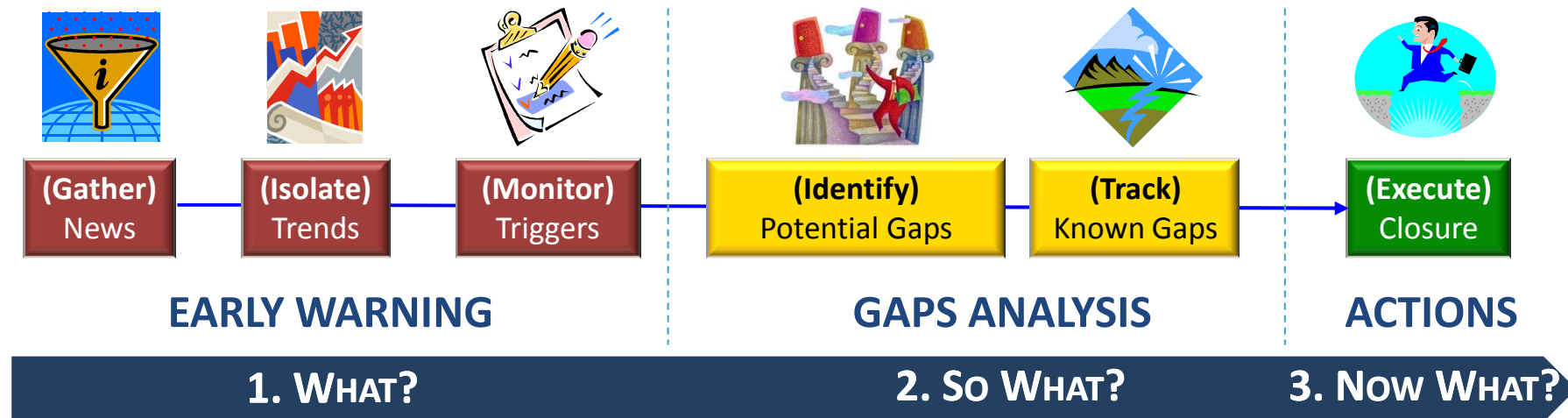
Competitive Gap Definition

“Anything about a product, service, technology, capability or market position that puts a company at a significant disadvantage versus one or more competitors.”

Examples

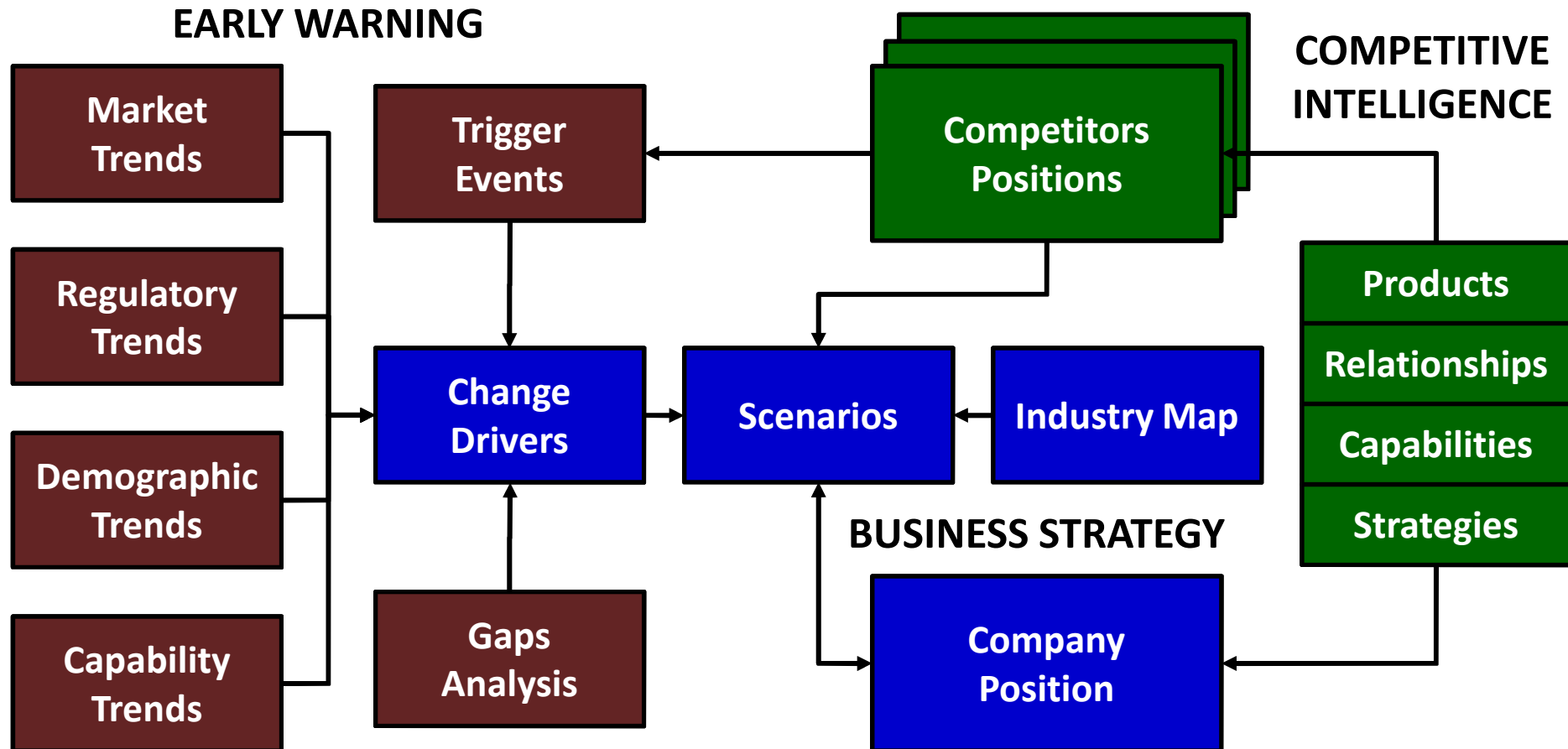
- Another company is about to introduce a faster, better, cheaper, etc., product
- The competitor's technology capabilities are more efficiently supporting multiple product lines
- A firm is leveraging its intellectual property position to extract licensing revenue impacting pricing flexibility and margins

Gaps Analysis Flow



**Awareness -> Understanding -> Prioritization ->
Action**

Simplified Relationships



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)

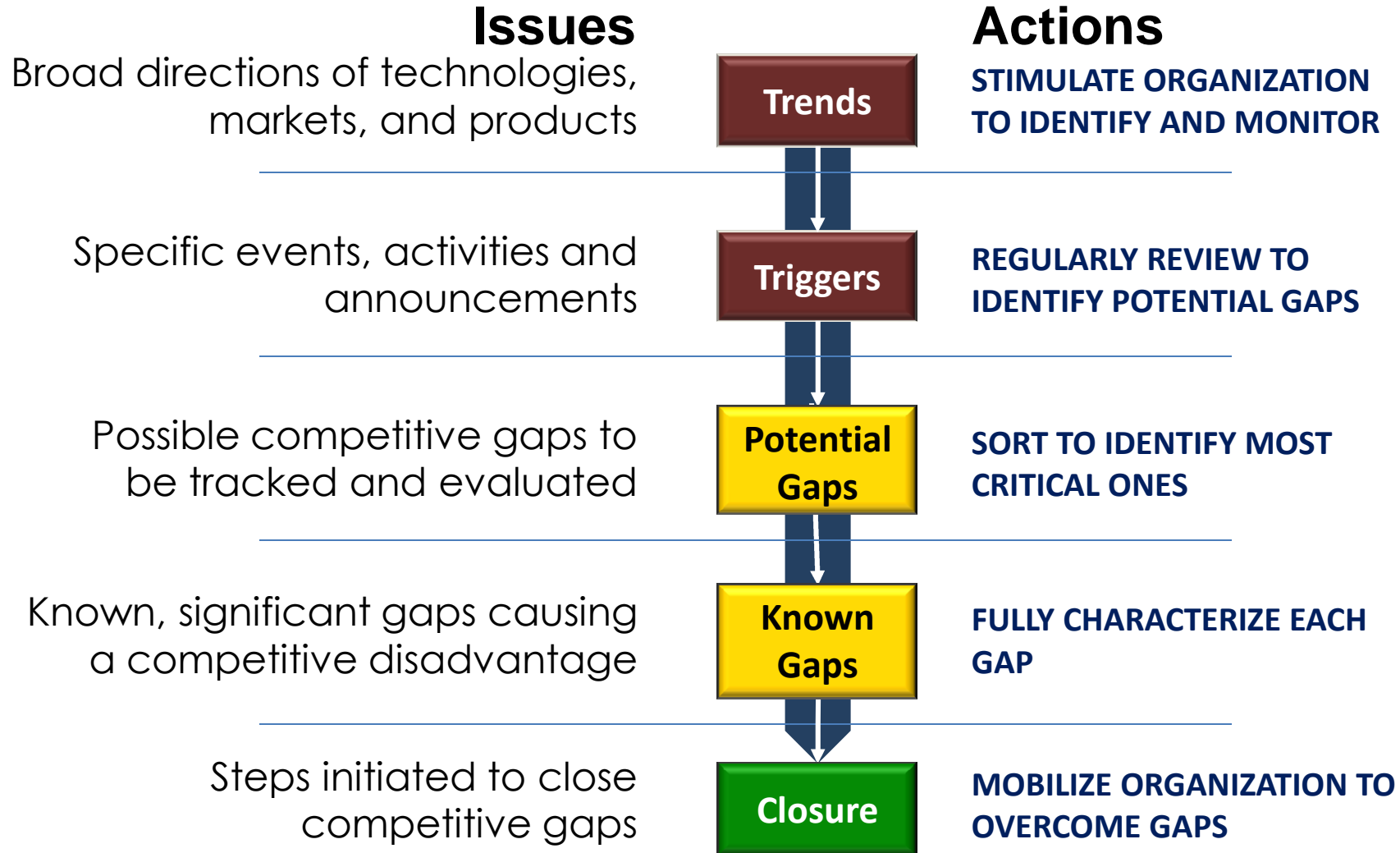
Known Gaps

- 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



Key Tracking Questions

Potential Gaps

Known Gaps

- 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?

Triggers

- 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?

Trends

Key Tracking Questions

Actions

- 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

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