

Help and advice



**Leo Aspden on getting to grips with your rivals (part 2)**

# Be a fly on the wall, then sting like a bee

LAST month we began to explore how businesses can benefit from understanding the competition and key questions to maximise your company's competitive advantage.

We identified five key questions:

- 1. Who are your competitors?**
- 2. What do they offer?**
- 3. What is their pricing policy?**
- 4. Who are their customers?**
- 5. How do they promote themselves?**

Below we examine the remaining five questions in our approach to getting to grips with the competition.

- 6. Who are their suppliers?** Do they use the same suppliers as you? If so, are they on the same terms financially and personally? If they use different suppliers, why? Are these other suppliers worth investigating?
- 7. How financially secure are they?** Company accounts provide much useful information and enable you to make direct

***'If you understand your competitors you will be able to predict decisions they may make in a given set of circumstances. From all the information you obtain, you can make intelligent deductions about their overall business strategy'***

comparisons.

A couple of words of caution:

■ When comparing company accounts, ensure you compare like with like. For example, do their sales come only from products or services like yours?

Are there differences in operation leading to lower or higher costs?

■ If collecting this information for the first time, try looking back over the past three years to identify trends. Then you can monitor this information in future years.

**8. What kind of organisations are they?** How your competitors

organise their operations can provide valuable information to your own advantage. How do their organisations differ from yours? How do they meet customers' needs?

Are there new ideas or better ways of operating you could use yourself? How many people do they employ?

How does the workforce split between production or operations and administration?

Have they attracted staff from you, and, if so, how? How do their premises compare with yours?

Do customers visit these premises, and, if so, what is their

impression? Are there aspects, such as location and décor, which give them an edge in serving customers' needs?

**9. What are their strengths and weaknesses?** You have potentially collected a lot of information about your competitors.

Listing their strengths and weaknesses helps summarise this in a meaningful form. What are they best at, and how does this compare with you?

Here you should focus on how they meet customer needs and benefits they deliver in doing so. Be alert to areas where competitors perform better than you.

Now, what are they less good at and how does this compare with you? Focus on where they fail to meet customers' needs, something you can exploit.

Equally, ensure you actively promote any products or services where you have a

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**Dr Eric Brown on the case of the anti-British bof fin**

# 'Ugly' carpet trips up expert witness

A COMPLAINT was made against a carpet manufacturer from a US government agency, that their carpet had 'uglied out' only three months after installation.

The carpet was an 80/20 wool/nylon Axminster laid on the 16th floor of an office block in Seattle. To prove that the carpet was faulty, the customer purchased a replacement carpet for the lift lobby in the same colour way and pattern but from a different manufacturer.

This replacement area performed as might be expected and therefore proved, in the mind of the customer, that the first carpet was indeed faulty.

Cleaning Research International was retained by the original manufacturer to investigate the reason for the premature failure.

At the same time the US government agency hired its own expert who, for the sake of

anonymity we will call Dr Britannica, because of his encyclopaedic knowledge.

Unfortunately, his knowledge was confined to cotton!

Dr Britannica had a down on the British. Some say this was because he was jilted by an English girl whilst studying at Manchester University, but I don't want to be party to such speculation.

Consequently, he threw the book at my client's carpet.

First he said it contained a high proportion of slipe wool (wool pulled from dead fleeces using chemical agents to soften the skin); next he said that our hexapod test results which gave a colour and structure change of three after 12000 revs, was merely 'average' against the five point scale, thereby demonstrating that his encyclopaedic knowledge fell short of carpet technology also.

Lawyers were hired. In the run up to the court case it was established that immediately after the carpet had been installed, some enterprising carpet cleaner had turned up on the doorstep (if a 16th floor office has a doorstep) and offered to 'protect' their new carpet with his silicone based protector.

Even more enterprising he suggested that since a lot of the carpet still had packing cases all over it he should come back in two or three weeks when they had moved in properly, and do it again!

Silicone based topical treatments are of course sticky. Normally they result in rapid soiling but as this was on the 16th floor the effect instead was to cause the tufts to stick together thereby destroying the carpet's natural recovery from compression.

Our case was considerably helped by their expert's bluster in the witness box.

At one point the judge told him he wanted a little less heat and a little more light (obviously a fan of Hamlet) and in the written summation he expressed the view that Dr Britannica for reasons best known only to him had taken it upon himself to fill the role of both judge and jury – a damning indictment no expert would want to have directed at them.

Of course, we won the case and there is a cautionary tale for manufacturer's here. Take care that your products are not condemned because of the incompetence of others. **CFJ**

**Eric Brown has written three manuals on the investigation of carpet complaints.**

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