

COMPETITIVE MARKET DYNAMICS

Preparing for a new competitive landscape

Knowing where, when, and how to overtake your competitors requires planning and a thorough understanding of their strengths and weaknesses.

Our series of insights can help businesses look at the external drivers and internal enablers that will underpin their strategy and programmes, whilst working in sync to boost performance. We share insights on preparing for a new competitive landscape.

Retuning Action Areas

- Check your mirrors for emerging competitors
- Use alternative data to understand your market position
- Start scanning for strategic opportunities
- Prepare to pivot your business quickly

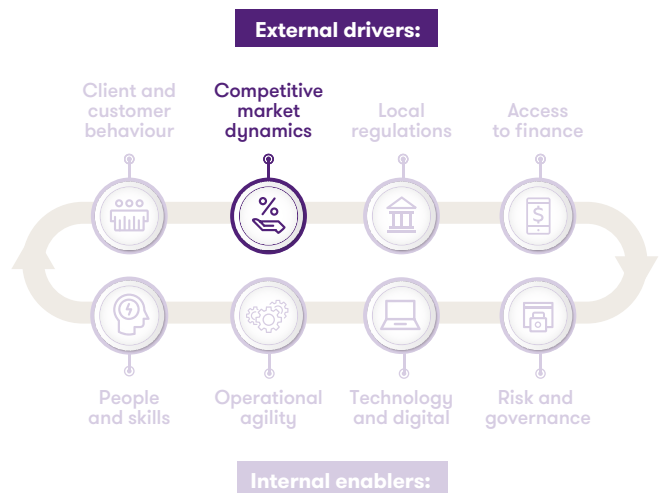
The COVID-19 pandemic presents extreme challenges to businesses and the competitive landscape will be a hot bed of innovation, quick pivots, divestments and acquisitions as businesses devise new models to recover growth.

Businesses need to understand where their products and services fit within the new marketplace, and emerging competitors can quickly usurp incumbents when their offering is better suited to the changing market demands.

Assess the emerging competitor landscape

As businesses consider embedding a hybrid working model, they have access to a pool of global talent who offer skills, insights, and competitive innovations. Having access to such resources will enable competitors to broaden their service and product offering, create compelling brand propositions and enable access to new markets. It is therefore essential to consider the adaptations which your current competitors are considering, along with assessing the new and emerging competitors on the horizon.

Maintaining your existing competitive edge requires businesses to exemplify their strengths and differences – whether it be price, quality, or customer service – and clearly articulate their superiority over other brands.



Any permanent innovations or enhancements made to product or service - such as free or faster delivery times - need to be communicated, so they cut through to customers as efficiently as possible.

Use alternative data to understand your market position

Businesses need to be on top of what their competitors, and their industry as a whole, are doing to inform management decisions – such as where to take advantage of customer attrition, where to find newly available talent or when to move defensively through divesting non-core operations. At the same time, they need to be mindful that their competitors will also be gathering competitive intelligence.

Smart businesses are increasingly looking to alternative data to build a more complete picture of their competitors. This might include monitoring intellectual property filings and job advertisements to understand product development and strategy.

Equally, conducting sentiment analysis on public statements and company communications or monitoring search trends or social interactions with customers can also help you glean business confidence and levels of customer

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Start scanning for strategic opportunities

The macro-economic challenges affected global M&A levels and, at the start of the pandemic, many planned transactions were stalled. But deal flow is beginning to pick up again with the new trading environment providing opportunities for acquisitive funds and businesses. During these difficult months, some direct competitors or suppliers may be under stress and struggling. Distressed assets and low valuations may provide suitable targets for acquisitions now or at a later date.

Being mindful of those potential targets and being prepared and poised for any possible transaction will allow you to move rapidly when the time is right. You will need a clear sense of how that acquisition supports your strategy,

and those targets align or complement your manufacturing or operating capabilities.

Prepare to pivot your business quickly

One encouraging aspect of the pandemic has been businesses' ability to pivot very quickly to where the demand is. That will only continue as global and regional economies recover.

Businesses will need to weigh up the short-term and long-term market scenarios and have plans in place which they can execute with speed. Part of that includes examining your and your competitors' customer base and assessing if you are addressing the right demand and the right customers that will put you ahead or protect you from the competition.

Businesses must plan for the opportunities to get ahead and seize the moments when they come around. They need to constantly survey the track ahead and be ready to move position and accelerate forwards when the time is right. To do that, businesses must develop a deep understanding of the market's dynamics and how their competitors are adapting to it.

Speak to our team across Saudi Arabia to help you understand the competitive market dynamics.

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