

IO3 – S2

MARKET ANALYSIS:  
COMPETITION ANALYSIS  
AND VALUE PROPOSITIONS



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# 2: Market Analysis

## Module Objectives

*By the end of this module:*

- *Participants will be able to identify at least four areas, related to their chosen business or social enterprise, to carry out detailed research during their market analysis.*
- *Participants will have formulated a business idea and be at a stage whereby they have a good understanding of their competitors.*
- *Participants will know how to write a value proposition (VP) able to identify the difference between a Unique Selling Point and a Value Proposition.*

# 2: Market Analysis

Module S1:1

**Pre-Assignment: 30 minutes**

*What is Market Analysis/Competition Analysis?*

*In pairs, or small groups discuss what this means.*

*When discussing, think of the different sectors and industries e.g. retail, service, hospitality within Social Enterprises.*

# 2. Competition Analysis

A market analysis is a **thorough assessment of a market within a specific industry**. With this analysis, you will study the dynamics of your market, such as volume and value, potential customer segments, buying patterns, competition, and other important factors.



# 2. Competition Analysis



*Watch the short video and make notes  
(8 minutes with advert in middle)*

<https://www.youtube.com/watch?v=xaleoPtHnuY>



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# 2. Competition Analysis

1. Who are my potential customers?

2. How large is my target market?

3. What are my customers' buying habits?

4. How much are customers willing to pay for my product/service?

5. Who are my main competitors?

6. What are my competitors' strengths and weaknesses?

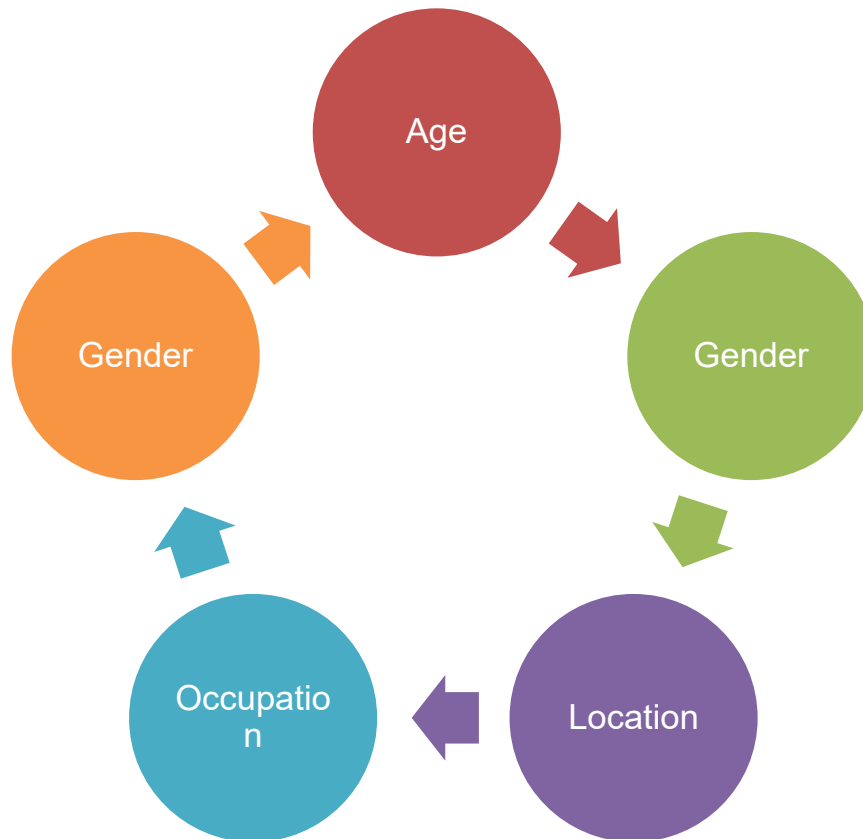
# 2. Competition Analysis

For a small-business owner, market analysis refers to the process of obtaining information about customers, competitors and the industry in which the company operates.

Market analysis is conducted to help entrepreneurs decide whether the market is large enough and timely enough to justify taking the risk of starting the business

# 2. Competition Analysis

Things to consider about your customers:





# 2. Competition Analysis

Populate the handout with your own research.

Customers

Large or small market?

Buying habits:  
weekly/yearly etc.

Price – lowest to highest

Competitors

Strengths and  
weaknesses

# 2. Value Propositions



# 2. Value Propositions

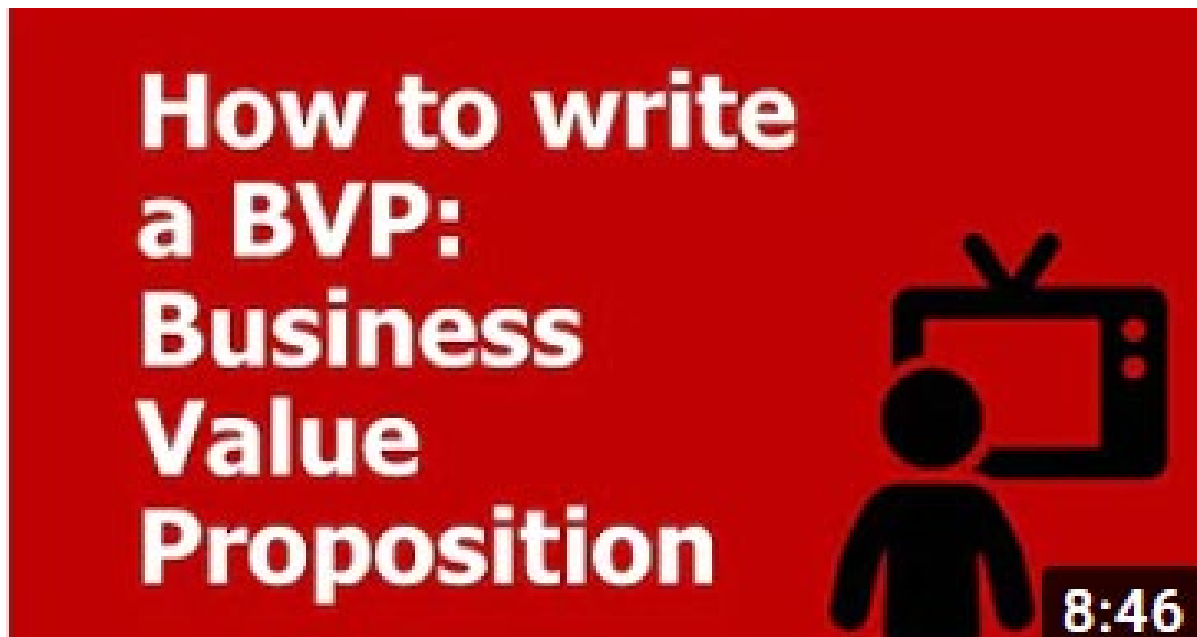
A value proposition is a written promise of what your business will deliver. It introduces your customers and clients and sets a clear understanding of **what you do, who for, and how you do it differently.**

An outstanding value proposition is:

- Easy to understand.
- Communicates specific results that the customer will get.
- Explains how you're different (and of course better).
- Can be read and understood in five seconds.

## 2. Value Propositions

What is Value Proposition? Watch the following video and then discuss examples.



<https://www.youtube.com/watch?v=DZ60M7f3hYA>

# 2. Value Propositions

A company's value proposition **tells a customer the number one reason why a product or service is best suited for that particular customer.**

A value proposition should be communicated to customers directly, either via the company's website or other marketing or advertising material.

# 2. Value Propositions

Don't confuse a Unique Selling Point (USP) with a Value Proposition

The USP situates a business in relation to its *competitors*, the Value Proposition focuses more on how customers' lives will be improved by working with the business

A value proposition is a PROMISE of value to be delivered.

It's the primary reason a customer should buy from you.

value  
competitors  
proposition  
Promise



## 2. Value Propositions

If you do your research thoroughly you will be able to identify the Value Propositions of many of the big names, this will help you to work out what the VP of your Social Enterprise is.

value  
competitors  
proposition  
Promise

## 2. Value Propositions

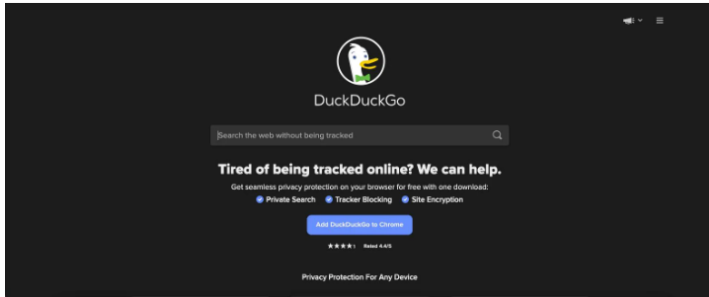


**Users have access to more than a billion videos.** Works as a stage for creators of original content to get their stuff out there and to be viewed by billions of people.

When you choose the **Vimeo platform** over YouTube, you're making a commitment to posting something "professional" and high-quality.



## 2. Value Propositions



"Tired of being tracked online?" If the answer is yes, they're here to help you. DuckDuckGo makes privacy a top priority, and as its key differentiator, it wants you to know that as soon as you arrive on its site.

Users get a free, seamless engine that helps them find an answer to anything. Google also provides a rich experience to users.

# 2. Value Propositions

## WHAT MAKES A GOOD VALUE PROPOSITION?



Clarity – it's easy to understand



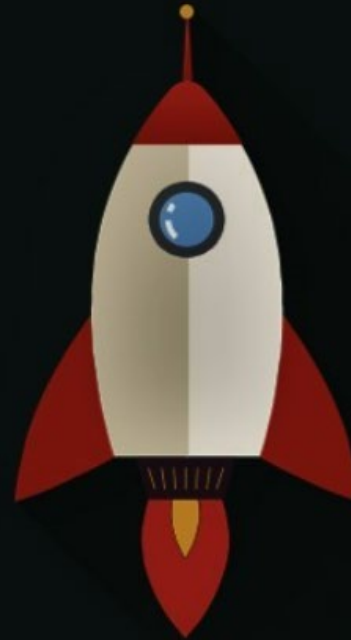
Communicates specific results the customer will get



Explains how it's different and better



Can be read and understood in 5 seconds



# 2. Value Propositions

## The value PROPOSITION EXPLAINS



How your products solves problems/improves situations



What specific benefits customers can expect



Why customers should buy from you over your competitors

**IMPORTANT!!!**

## The value PROPOSITION is NOT:



a SLOGAN:  
*"Think Different" (Apple)*



a POSITIONING STATEMENT  
*"The #1 retargeting platform" (AdRoll)*

# 2. Value Propositions

Now you can create your own Value Proposition for your Social Enterprise.

## 1. Identify customer benefits

Make a list of all benefits you offer to your customers

## 2. Link benefits to value offering

Identify what value your products bring to your customer

## 3. Differentiate and position yourself

Make it clear who the target customer is, what you offer to them, and how you are different.