

## How to Maintain a Competitive Advantage in a Local Marketplace

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Every small to medium sized business faces challenges building and maintaining marketshare in local markets. This is one of the greatest challenges facing small business owners; how to stay one step ahead of the competition? Whether you are a Chiropractor in Boise, an Electrician in Denver, or an Auto Mechanic in Dallas your business can benefit greatly from having a greater understanding of your competition. Who makes up their client base? Where do they advertise? What factors influence the decision-making process for their customers? More often than not, it is the little details that make a big difference.

The ideal starting point for understanding your place in your market is to gain a broad understanding of your local industry. This principle applies regardless of the business you are in. If you don't understand the type of competition you are up against, how can you develop strategies to capture market share? A good old-fashioned brainstorming session is in order at this point in your research and planning. Start by identifying the other businesses in your area that are providing services similar to yours, and write them down. After you have build up a meaningful list of competing businesses, pull together all of their vital information. This includes, but is not limited to, their business address, phone number, zip code, fax number, etc. The [local yellow pages](#) is a great place to do further research. Do they have a website? Are they members of the Better Business Bureau? Try to capture as much information as you can, and then compile it into a spreadsheet for future reference.

The next step is to try to understand where your competitor's customers come from. Do they have a well-established local brand that has the benefit of incumbency? What types of advertising do they perform? Does their physical location come into play? Is word-of-mouth a significant factor in their success? Now perform the same exercise, only this time in reverse. What opportunities are your competitors missing out on? Once you have identified what they are doing, you will have insight into what they are not. Don't forget to research these same companies on major search engines such as Google and Yahoo! While you are researching your competition online, try to determine whether or not your competition has a website. Increasingly, more and more consumers use the internet as a research tool.

If your competitors do not have a website, this is one way to differentiate your company from theirs. Once you have a website, start using Google Adwords to promote it! Create special offers and incentives to promote in your Adwords campaigns. Give something away! Extend a discount! Another way to promote your local business is to establish partnerships with companies that offer products and services that are complimentary to yours, but are not considered direct competitors. For instance, if you are in the business of repairing widgets, wouldn't it make sense to partner with a company that sells widgets but does not repair them. This concept lends itself well to word-of-mouth marketing, which is easily one of the most effective forms of marketing. The key to maintaining a competitive advantage in a local marketplace is differentiation! What makes your company different from your competitors? Where do you add value in your market? These are the things that you, as an entrepreneur, should be thinking about...and acting upon!

Jacob Davidson is interested in helping small business owners overcome the barriers to their success. When he is not trying to stay abreast of the latest internet marketing and advertising techniques, he spends his time exploring various [online yellow pages](#) looking for businesses that could truly benefit from his advice.

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