

COMPETITIVE ANALYSIS FOR ASSOCIATIONS

by Jane Logan

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Do you think your association has no competition because it's a non-profit or it's the only group that represents your target membership? Think again. Competition comes in many forms. It includes competition for members, Board members, convention sponsorships, funding, and volunteers as well as for the credibility to speak on behalf of a constituency or to influence a particular issue.

Competitive analysis allows an organization to do a better job of assessing the threats and opportunities that will shape its future. Here are some questions that will help to spot key trends.

What is the level of competition with similar organizations, and will it increase?

Organizations with a similar purpose may co-exist peacefully, or they may aggressively compete to expand membership, provide similar services, or attract funding. Where competitors have segmented the market (by geography, large vs. small industry members, type of service provided, etc) and work within these carved-out territories, there is often less competitive pressure. The Canadian Cable Television Association co-exists with the Canadian Cable Systems Alliance, a group specializing in small cable representation. But where boundaries are fuzzy or overlapping, competition can be intense. Groups that are segmented on a national vs. regional basis often compete for event sponsorships. Where roles and jurisdictions are not tightly defined, these groups may even compete to provide services to members or to act as industry spokesmen.

Are other stakeholders more influential, and why?

For many associations, the hottest area of competition is for the right to speak on an issue and influence government policy or public thinking. On broadcasting policy, the Canadian Association of Broadcasters and the Canadian Film and Television Producers' Association often provide opposing viewpoints to the CRTC. The Canadian Taxpayers' Federation and Mothers Against Poverty may speak on different sides of fiscal strategy. Factors such as branding, reputation,



track record and the size of membership influence an organization's effectiveness in advocacy.

Can new competitors start up easily?

When an association provides a unique or proprietary service, such as acting as the bargaining unit for a trade (Directors Guild of Canada) or providing professional credentials or insurance (Law Society of New Brunswick), it has created powerful barrier to new competition. Organizations offering services that are easily duplicated, such as networking, face a much higher threat of new competition. Barriers to new competition include product differentiation (strong branding and member loyalty); the specialized technology or know-how of incumbents; having the most cost effective means of service delivery; and capital requirements.

Is your competition coming from substitute products and services? Sometimes your biggest competition is not even in your field. Girl Guides face competition from the rise of figure skating and babysitting as after school activities. The Canadian Federation of University Women faces competition from the workplace in terms of providing social and intellectual opportunities for university graduates who a generation ago found themselves isolated at home or in the workforce. Organizations that depend on their annual convention as an important revenue stream may compete with other demands on travel and living budgets.

Learning from the exercise

Competitive analysis should be done in conjunction with other environmental scanning, especially trend analysis. Once you step back with a better overall view of the competitive landscape, your organization is ready to ask itself the following questions:

- What will competition look like in two years or five years?
- Do any competitors represent alliance or take-over opportunities?
- Will competition limit our potential to achieve our objectives?
- What can we do that our competitors cannot? What key member or funder needs do we meet better than the competition?
- Will our current strengths continue to make us successful?
- Can we gain a stronger competitive edge by providing unique services or developing specialized know-how? By improving an existing service?



- Should we become more focused in who we serve or what we do?
- Are we investing enough in making our brand and our unique strengths known?
- How can we prepare to face the future?

By identifying who is occupying your space, how they affect your ability to grow and succeed, competitive analysis can be a key factor in defining your organization's unique selling proposition both today and in the future.

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