

## 2.9: Obtaining Information on Competition

### Learning Objectives

- State the places retail managers should go to obtain information on their competition

*“A horse never runs so fast as when he has other horses to catch up and outpace.”*

—Ovid

Retail is a competitive business. Nowhere is this more true than in food retailing, where channel expansion, concentration of sales, e-commerce, and changing consumer behavior have converged to alter the industry dramatically. Moreover, change will continue, driven by many of these same forces. Thus, it's important for retail leaders to understand ways to assess their competition to ensure that they have a good understanding of the strategic strengths and weaknesses other retailers bring to the market. In doing so, they will ensure that they are able to pursue higher levels of performance.

Fortunately, there are many ways for one to collect information on the industry and its players:

- Industry
  - Government reports
  - White papers
  - Industry publications
- Specific competitors
  - Press releases / company websites
  - Financial reporting
  - Weekly circulars
  - Store visits

There are many sources of information specific to the grocery or food retailing industry. For instance, the US federal government publishes information on industry trends through the [U.S. Department of Agriculture](#). Users can type specific topics into the search box to find data and articles across all USDA sites. In addition, several consultancies such as Bain & Company, Boston Consulting Group, and McKinsey & Company, produce white papers on the state of the retail industry in the United States and beyond. These pieces may cover multiple sectors and regions, but some will focus on trends specific to food retailing or consumer trends. Publications like [Supermarket News](#) and [Progressive Grocer](#) require subscriptions, but produce stories on the industry and retailers across multiple formats.

If you're looking for information on specific retailers, you can set up Google Alerts to track their coverage and press releases. Furthermore, retailers' websites might provide information on their promotional activity, new store schedules, and other important topics. For additional information, consider reviewing the financial reports that publicly traded companies publish quarterly (10-Q) and annually (10-K and Annual Reports). These filings provide comprehensive information on the retailers operations, including sales revenue, operating expenses, profit, and other factors. In addition, the filings also include forward-looking statements from company leadership that reflect priorities. These documents provide a great deal of information about how firms operate.

If your focus is on specific retail operations in your market, a good place to begin is the weekly circulars published by your competitors, where they feature their specials and promoted items. In evaluating their items, you will learn what departments they prioritize, when their sales begin and end, and how they promote and discount specific items.

Incumbent with this, it's important to spend time visiting competitive retailers. This might provide insight on store layout, including how much space is dedicated to specific departments or categories, staffing levels, promotion and display activity, merchandising tactics, and pricing without promotion. Please note that the importance of store visits cannot be over-emphasized. They are critical in providing a hands-on experience of the competitive retail environment.

Regardless of whether you're interested in macro industry trends, the performance of rivals at the corporate level, or how well your local competition is pricing specific items, there are a number of ways to access information to support your competitive analysis.

## ? Practice Questions

<https://assessments.lumenlearning.co...sessments/9150>

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