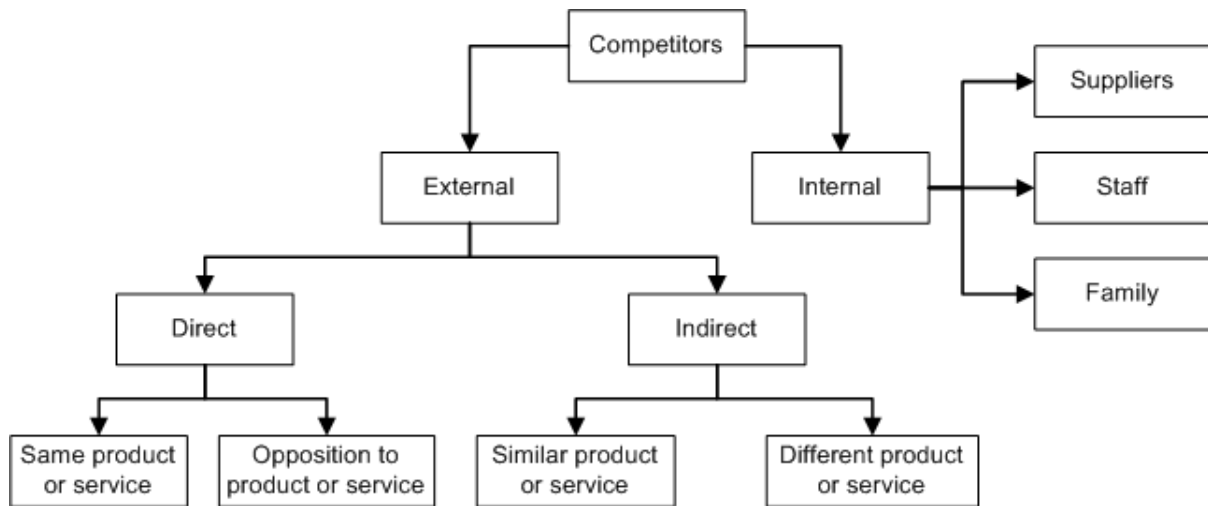


## Looking At Competitors

It is very easy to underestimate your competitors. A few entrepreneurs assume that they have no competitors because there is no one doing exactly the same as them. Yet that is not the nature of every competitor. If your customers had unlimited access to money and bought everything then the notion of competitors does not exist. However, that is not the case. Every business has a number of competitors. The diagram below shows the types of competitors.



Competitors can be divided into two main groups, internal and external. The external competitors can be divided further into direct and indirect competitors. It is the internal and indirect competitors that most small business owners miss as they do not realise the threat they present.

### Case Study

Jimmy wants to start a small business selling electric scooters. They have a top speed of 80 KPH and can travel up to 100 kilometres. Initially, Jimmy believed that there were no competitors he faced, as no one was selling the electric scooters. However as the chart below shows he actually had quite a number of competitors.

