

## 1. Develop Competitor Profiles

- a. Create descriptive profiles of the top three to four direct competitors.
- b. Consider both direct and indirect competitors.
  - i. Other MFSPs
  - ii. Companies that provide financial services through alternative channels
  - iii. Companies that do business through the same distribution channel. Since retail agents are also selling other, non-financial products, it is important to find ways to have retail agents develop a preference for the mobile money solution since the agent is the final link to customers.
  - iv. CASH

## 2. Evaluate Strengths and Weaknesses

- a. Evaluate each competitor's strengths and weaknesses. Be as accurate as possible, and be sure to fairly compare them to the MFSP's strengths and weaknesses. Having this step carried out by an independent consultant could result in more accurate assessments.

## 3. Anticipate Competitor's Future Strategies and Tactics

- a. This step is critically important to the future success of your venture. Considering the recent emergence of MFSPs, the market is expected to rapidly evolve. Therefore, it is important to update competitive analysis continually.

## 4. Differentiate Services

- a. Block or slow down competitors by differentiating services in a way that clearly shows customers the advantages of engaging with the MFSP.
  - i. Create a product that is simpler to obtain and simpler to use
  - ii. Build exclusive relationships with master agents and retail agents whenever possible.
  - iii. Ensure the quality, consistency, and efficiency of the agent network
  - iv. Forge business relationships with members of the distribution channel, that build long-term loyalty
  - v. Implement policies that make it easy for agents and customers to do business with the MFSP

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<sup>1</sup>Adapted from Rolnicki, K. *“Managing Channels of Distribution: The Marketing Executive’s Complete Guide.”* American Management Association. 1998.

### **1. Competitor's short-range objectives, strategies, and tactics**

Where do they want to be in one, three, and five years?

### **2. Long-range objectives, strategies, and tactics**

Where will the market go and how will all the players in the space interact in the future?

### **3. Strengths**

What is their management strength, customer perception, strength of brand, existing agent network, state of their technology, partnerships?

### **4. Weaknesses**

What areas are not boding well for their mobile money business?

### **5. Intentions toward MFSP**

Is the competitor attacking the MFSP, trying to sway regulations away from favoring the MFSP, acquiring MFSP agents, or using other tactics that are deeply impactful to the MFSP's chances of success?

### **6. Competitive product mix, price, promotion strategies, and market placement**

How does these elements compare to those offered by the MFSP?

### **7. Overall sales and marketing position in segments that the MFSP serves**

How is the competitor perceived by the customer, what will be required to get the customer to change their current behavior to adapt the products and services of the MFSP?

### **8. International market position**

Is this a regional, national, or global company, how will their reach impact the MFSP's chances at a domestic money transfer or international remittances business?

### **9. Overall market position in other company areas**

How do they stand regarding operations, finance, technology, agent network build-out, and customer training? It is important to evaluate competitors' market position in all aspects of their business, not just in sales and marketing.

### **10. Innovativeness and creativity**

Do they excel in developing new approaches to the way they do business; have they been able to learn from other mobile money businesses around the world?

### **11. Strategic intelligence and lack thereof**

Is the company stronger strategically or tactically, is it more of a customer-driven company or a technology driven company, is it backed by a bank or a mobile player?

### **12. Overall management capabilities**

What is the expertise of the operational, middle, and executive level management, how much experience does the team have in banking, in mobile, in technology, in consumer products, in distribution channel development?

**13. Their ethics**

Do they adhere to a professional set of standards?

**14. Bureaucratic or entrepreneurial spirit**

Is the company part of an establish corporation or is this a Greenfield entrepreneurial venture, how much freedom to innovate does the team have as a result?

**15. Customers' perceptions**

Why customers would choose the MFSP's products over the competitors?