



hitwise



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# Steps to Know Your Competitor's Audience **Better Than They Do**

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*Cutting-Edge Competitive Insights  
You Didn't Know Were Possible*



# Introduction

“Knowing your competition” is perhaps one of the most enduring strategies for business success. But advances in competitive intelligence have changed dramatically in the digital age.

Good companies still offer solid products, reliable service and perhaps competitive pricing. But great companies commit to truly understanding and connecting with people’s needs on a deeper level than their competitors do. This is the only way to capture consumer’s attention and loyalty amidst the chaos of a global, multi-channel market.

Luckily, lack of information is not the problem. Today, brands can access data that marketers a decade ago could never have dreamed of. Today, the key challenges are...

- Knowing what is possible to learn about your competitors, and
- Asking the right questions about your competitors and their audiences.

In this report, we will explain how to do both. Even the most savvy marketers struggle to stay up-to-date with the wealth of information available to them—and trust me, what you can actually find out about your competitors may surprise you.

**Read on to uncover the five most cutting-edge competitive insights available on the market today, and how the most forward thinking marketers and analysts can use this information to unlock incredible market opportunities, campaign strategies and hidden competitive advantages.**



# Table of Contents

In this report you will learn how to find a competitive edge in five fundamental areas...

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## Know Your Audience Best

Find out how to deeply understand your competitor's audience, your shared audiences, and untapped opportunities to engage with customers even better than they do.

2

## Smarter Channel Strategy

What channels are driving traffic to your competitors? Where do your audiences go before and after they visit your site—and how can you bring them back?

3

## Traffic Benchmarking (Evolved)

Benchmarking your traffic against competitors is important, but let's talk about how to accurately size up the closest competitors in your market and cut yourself a bigger piece of the most valuable traffic.

4

## Search & Keyword Deep-Dive

Most brands already track the keyword rankings of their competitors, but forward-thinking marketers can distinguish how different audiences search, and develop advanced profiles based on who is searching for what.

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## Master Mobile

Brands who master mobile will rule the future of their industry—how can you break down your competitor's mobile audiences, then make them your customers?



# To Thine Own **Audience Be True**

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*Learn how to deeply understand who is visiting your competitor, where your audiences overlap and where there are unexplored opportunities to engage with high-value audiences.*

To “know your audience” is a noble goal. But what about your competitor’s audience? Or the audiences you share? The advantage lies in knowing people better than anyone else.

Looking at the audiences that you share with a competitor enables you to identify a portion of your competitor’s audience who are more inclined to make the switch over to you. From there, you can learn what really makes them tick.

These insights can help you “conquest” audiences with whom you already have a connection.

Here’s a classic example: When McDonalds introduced their specialty McCafe coffee line, they began by closely analyzing people who ate at McDonalds *and* drank Starbucks coffee.

McDonalds mimicked some of Starbucks’ marketing messages, and even started adding wi-fi to some locations to encourage lounging, which was a key draw for Starbucks customers.



Latte	Small	\$2.39	\$2.70
	Large	\$3.29	\$3.55
Mocha	Small	\$2.39	\$3.00
	Large	\$3.29	\$3.85
Cappuccino	Small	\$2.39	\$2.70
	Large	\$3.29	\$3.55

A cup of McCafe coffee was strategically priced at a *slightly* lower rate than Starbucks (but not too much lower, so it wouldn’t be perceived as cheap donut-shop coffee)—note the chart.

Sure, many dedicated Starbucks customers were still willing to pay a premium for the café atmosphere.

However, the convenience of ordering a McCafe Mocha with their McMuffin was enough to pry a sizable market share away from their Starbucks Frappuccinos.

McDonalds vs. Starbucks Coffee prices collected in 2009, [Source](#).

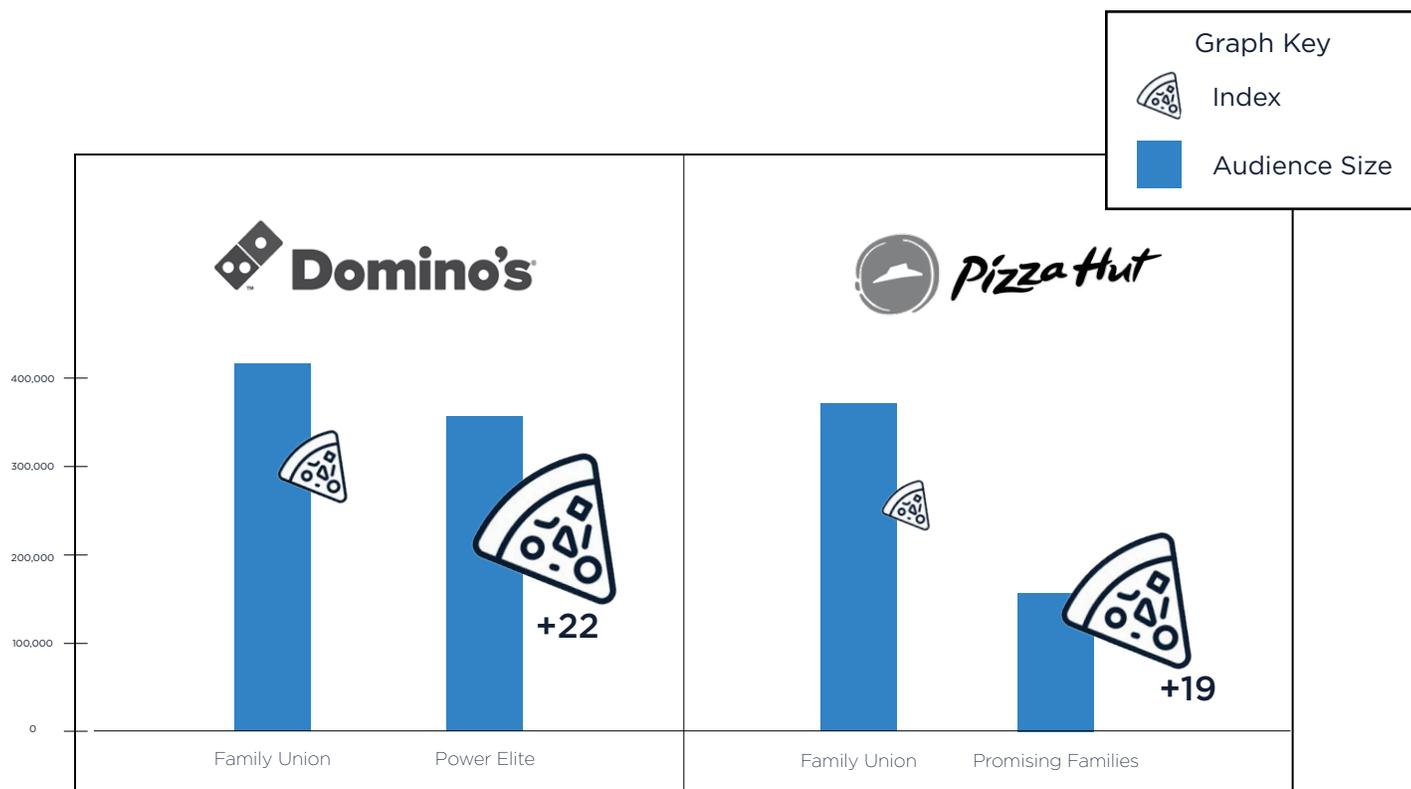
# Smaller Audience, Bigger Opportunity

The diagram below\* breaks down the largest and most over-indexed audience segments for Domino's and Pizza Hut. Both companies share the same largest audience: the traditional middle-class "Family Union" consumers who are presumably buying pizza for dinner.

However, only Domino's over-indexes for "Power Elites" — this group tends to be urban, unmarried and has a higher income relative to other segments. Although the "Power Elite" audience is *smaller* than Dominoes' core family base, these urbanites are 22% more likely to engage with Dominos' website. Rather than only competing with Pizza Hut for the attention of traditional families, perhaps Domino's should invest more resources attracting these wealthier city elites.

## AUDIENCE ATTITUDES

Domino's customers are 21% more likely to agree with the phrase "I try to eat gourmet food whenever I can" Perhaps Dominoes could release a 'gourmet pizza' line to better resonate with this customer attitude.



\* Pulled from Hitwise's [AudienceView tool](#), using the "mosaic" feature. More information on audience size and indexes [here](#).



# Channel and **Clickstream Insights**

*Where are your competitor's visitors coming from and going after their site? Which channels are funneling them the most traffic? Where can you step in and divert their customers to you?*

“Channel” and “clickstream” may come off as complex marketing jargon, but the essence behind them is simple: where are people coming from and going after visiting a given website?

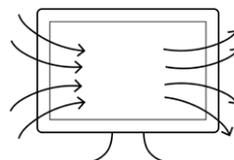
It can be extremely valuable to analyze both of these insights around your own website as well as your competitors’, so that you can identify key differences in behavior and pinpoint ideal moments to intercept consumers in their journey.

There are two ways of analyzing “before” and “after” website behavior:



## Channels:

Are there specific channels (social media, email, multimedia, websites, blogs etc.) that are driving a lot of traffic to this website?



## Clickstream:

If you look “upstream” (sites visited before the website in question) and “downstream” (sites visited after) do any notable patterns emerge?

Let’s see an example of what each insight can reveal about your competitors.

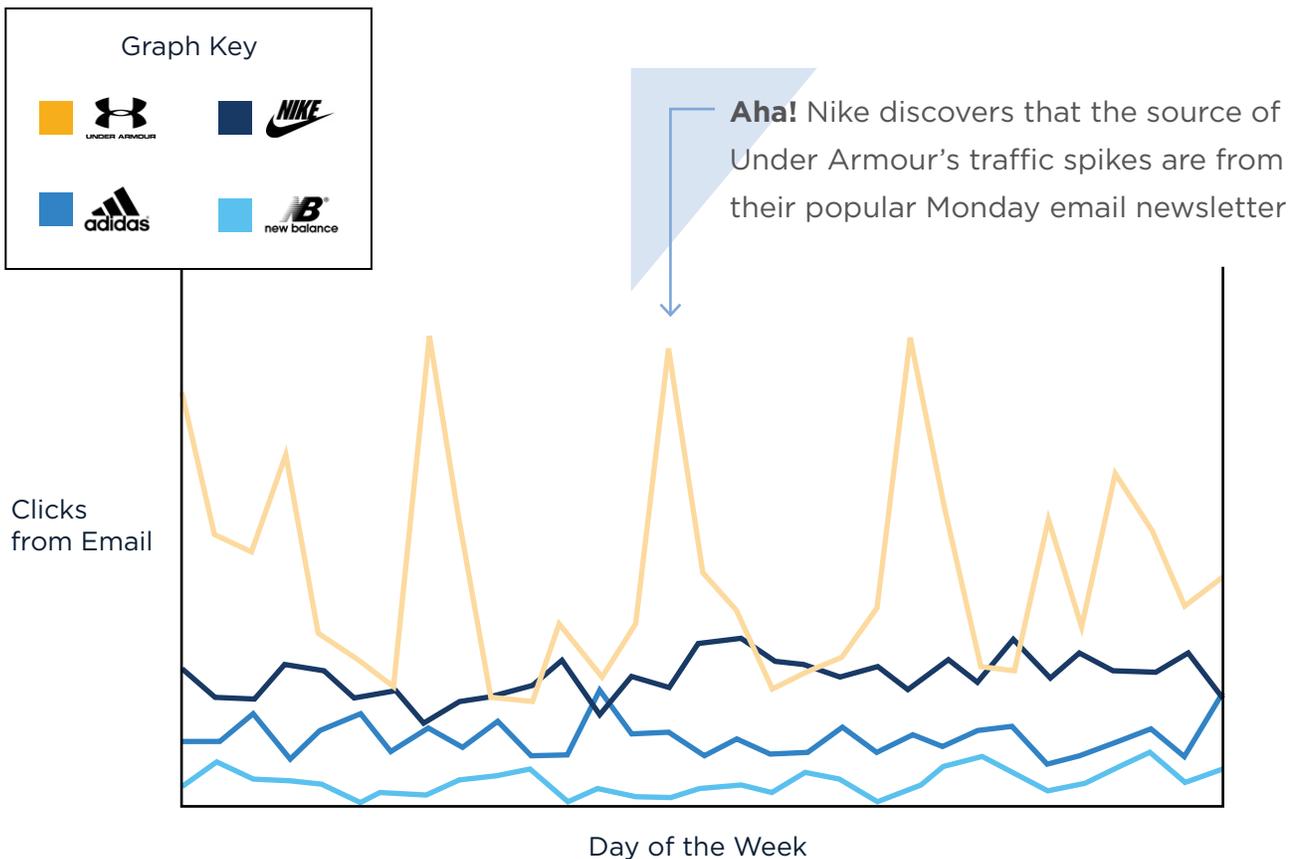
# Channels

Let's say Nike benchmarks their traffic against four major sports apparel brands, and notices that Under Armour gets traffic bumps in the beginning of each week.



Nike may decide to investigate whether particular channels are driving this fluctuation—in other words, what percentage of Under Armour's overall traffic is coming from social media, email, or search engines during these jumps?

As you see in the chart below (based on real email click data\*), the percentage of Under Armour's traffic coming from email shoots up every Monday, sometimes by over 350%. Under Armour sends very successful email blasts every Monday morning, where they often promote huge flash sales or highlight a single, exciting new product release. The Nike email marketing team can use this discovery to improve their own newsletters, which may be less successful because they promote too many products at once.



\* Data pulled from Hitwise's [online intelligence tool](#) during the month of July, 2016.

# Clickstream

Clickstream data identifies common places visitors go—and the top terms they search for—before and after hitting a website. Looking at your competitor’s clickstream behavior can help you intercept their customers earlier. Looking at your own “upstream” and “downstream” data can also help you devise ways to bring visitors back after they’ve left.

Here are some examples of how Nike could use clickstream data to their advantage:

## Partnerships

Looking “upstream” allows you to identify sites that drive more or less traffic to your website than your competitors. For example Nike may realize they get more traffic than any other sports apparel brands from an affiliate site like Foot Locker; this prompts them to double down on their investment in that partnership. Or perhaps they see that Adidas gets a lot of affiliate traffic from Lids, so they reach out to Lids about carrying more of their athletic hats.

## Advertising

Let’s say Nike notices that Under Armour drives a lot of traffic from Hulu.com. After investigating, they discover that Under Armour has launched a big ad campaign on Hulu, and (perhaps unknown to Under Armour) a high percentage of upstream traffic is coming from visitors who have watched the show “The League.” Nike may decide to invest in more advertising on Hulu to capture some of this market opportunity, and could even negotiate a contract where 50% of their advertisements will be served during “The League.”





There are plenty of analytics tools out there for measuring your basic marketing KPIs. Here are a few staples you may already be tracking:



### Total Visits

Total number of visitors hitting your site (includes repeat visits)



### Return Visitors

Total number of unique visitors who have returned (frequency)



### Uniques

Total number of unique, non-repeated visitors to your website



### Average Visit Time

Also known as "time on site," the average amount of time spent on-site

Tracking these core analytics can be helpful, but they are usually observed in a vacuum, which means they can be difficult to effectively interpret. Marketers may find themselves wondering things like...

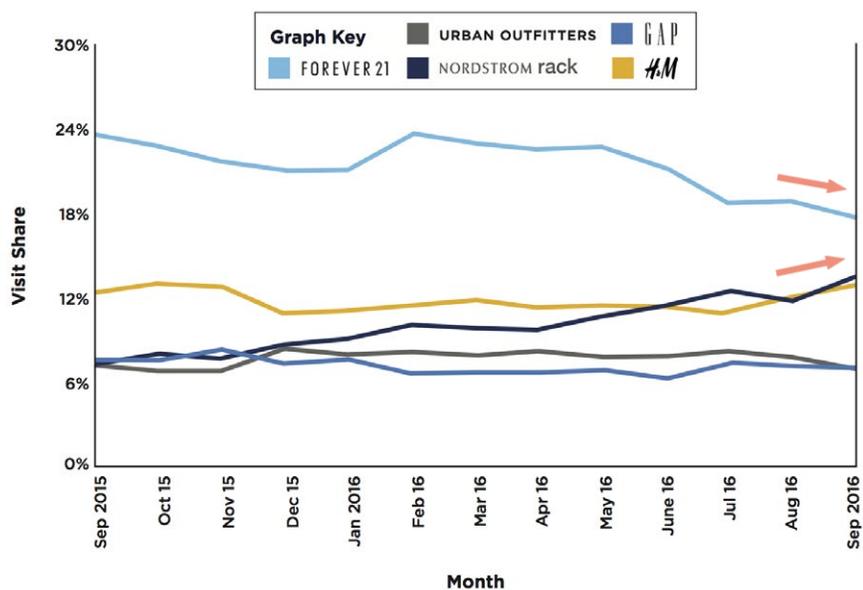


Clearer answers can be found when you narrow the focus of your benchmarking.

# More Relevant Insights With Visit Share

Rather than only measuring your traffic over time, you can create context by tracking visit share within your industry. For example, Forever 21 might benchmark the percentage of visits they are getting within the entire apparel industry, so they can better identify whether a traffic jump reflects gains in their relative standing, rather than overall apparel industry growth or seasonal fluctuations.

To get even more granular, Forever 21 can measure their visit share against a highly relevant set of similar women's apparel brands\*. Perhaps Forever 21 hasn't seen any decreases in their traffic, but in this context notices that H&M and Nordstrom Rack are gaining more visit share within this "top ten" competitive set, while Forever 21 is actually losing ground. What can they learn from these rising competitors?



\* Pulled from Hitwise's [online intelligence tool](#). Only 5 of 10 brands shown above—see full chart.

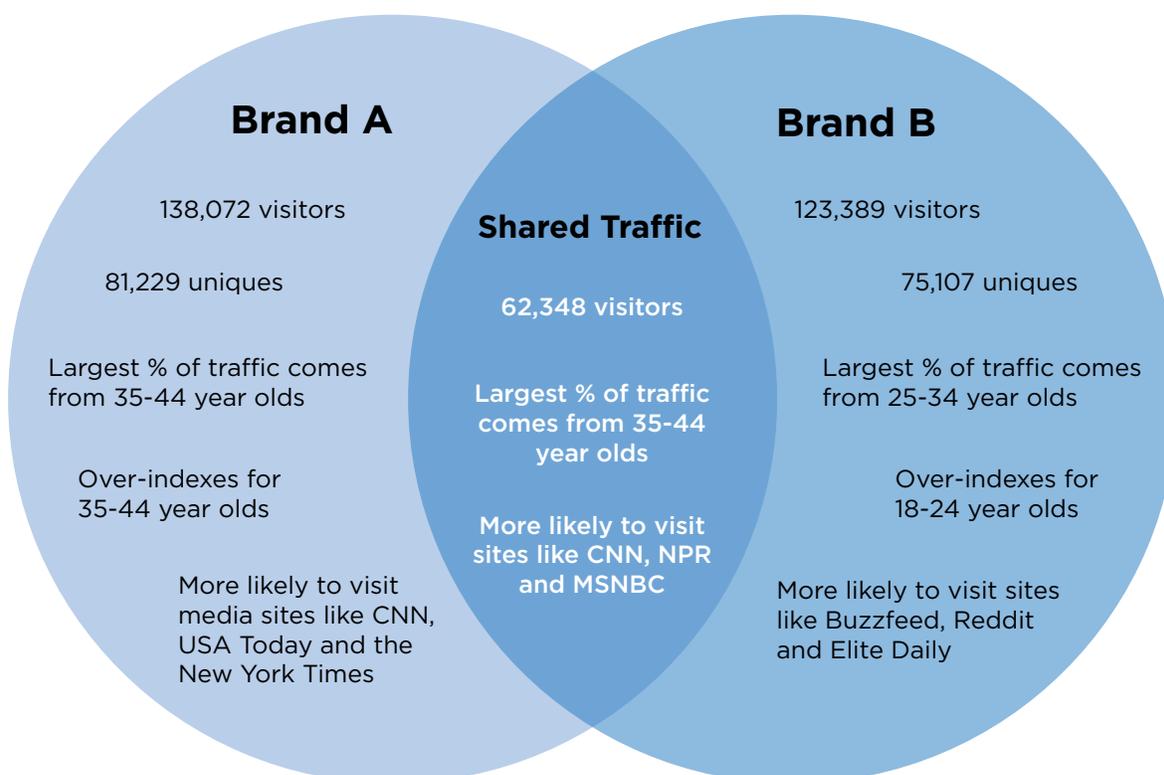
# Reaching the Right People

As we discussed in Chapter 1, engaging with the right audience is key to gaining an edge over your competitors. The same holds true for your traffic.

Let's say your company sets out to reach more high-income consumers, so you adjust your marketing strategy and website design to resonate with higher-end audiences. Perhaps your new brand messaging is less accessible to a broader audience, so your overall traffic drops in the following months. However, with an advanced insights tool, you see that your

percentage of visits from higher-income consumers has increased significantly. What would have appeared like a failed rebrand on the surface actually reflects a success in meeting your business goal.

Similar rules apply when comparing yourself to the competition. Understanding the composition of your competitor's traffic can provide an even more nuanced perspective of "success." Let's take a look at the types of visitors coming to two brands, as well as their shared traffic over the course of a month:





## So which brand is a bigger “success?”

Of course, it depends. Brand A gets more traffic. However, if Brand A is trying to connect with a younger audience, then Brand B has a serious leg up; they get more traffic *and* over-index for younger segments. Upon realizing this, Brand A has several options:

**Audience:** Look closely at Brand B’s audience. What are their demographics, their incomes, their locations and their attitudes? Who are they, and what do they care about?

**Channels:** What are the sources of Brand B’s traffic (see Chapter 2)? Perhaps Brand B gets a lot of referral traffic from YouTube, so Brand A decides to start investing more in video content.

**Media opportunities:** Where does Brand B’s audience consume content? Perhaps Brand A will try advertising on BuzzFeed, to see if they can reach this younger audience.

**Find middle ground:** Who is their shared audience? It may be easier to go after people who have engaged with *both* brands, rather than poaching an otherwise loyal audience from their competitor. Perhaps Brand A can sponsor NPR content, which their shared audience enjoys.

**Reconsider:** Brand A is already very successfully reaching Generation X and more middle-aged consumers. Maybe they reconsider and double down on their own bread-and-butter audience.

Another strategy, of course, is for Brand A to take a look behind the curtain of Brand B’s search strategy. What keywords are their audiences searching for? What about their younger audiences? Next, let’s explore advanced search strategies they might employ.



# 4 Super-Powered **Search**

*Search has evolved beyond keyword rankings. Today you can learn exactly what your target audience is searching for—even within your competitor's internal site. Search data can also be sliced and diced by demographics, organic, devices and more to build highly tailored strategies.*

Most marketers already use keyword tools to do several important things:

- Track their own keyword rankings
- Track the keyword rankings of their competitors
- Identify valuable keywords to improve performance on AdWords

The savviest marketers and analysts can also dig deeper into the nuances of ranking:

**Paid vs. Organic Keywords:** For each keyword driving traffic to your competitor, what percentage of that traffic is paid vs. organic? In other words, what keywords are they bidding on, and which terms are driving them free traffic, organically?

**Branded vs. Unbranded Keywords:** Besides ranking for their actual brand name and products, what “unbranded” terms do your competitors rank for? This can be especially useful in identifying content opportunities (for example, if a bank’s competitor ranks organically for “mortgage rate” the bank might create a free mortgage rate calculator).

## Who is Searching?

Analyzing keyword rankings and search behavior is extremely important for driving traffic, but the most cutting-edge way to gain an edge on your competition (who is inevitably using similar search-based tactics) is to understand exactly *who* is conducting what searches.

For example, a sports nutrition brand found that both men and women are equally as likely to search for protein-related products. By comparing male and female search behaviors, they were able to tailor their SEM strategy and messaging to better convert each audience. Keep reading to learn how.

### TIP:

It’s crucial to look at a *full year* of search performance for keywords so that you take account of seasonality (for example, sleeveless dresses rank higher from May through August) — only then can you see patterns more clearly from a birds-eye view.

# People-Driven Strategy

Once you identify your target audience and the keywords you want to go after, it helps to bundle relevant search terms. This way you can start slicing and dicing that “search bundle” in relation to the audience segment you’re going after.

For example, the nutrition company can look at a portfolio of protein-related search queries and identify which terms women versus men are more likely to search for, then use these insights to tailor unique messaging, content, mobile and keyword strategies for their male vs. female audiences.

## TIP:

Play with keyword string variations, and look for opportunities to rank for the queries your competitors fail to. A travel brand may see a competitor who flies similar routes is ranking well for “flights to dallas,” but not “flights from dallas” — look for these kinds of untapped variations.

	Search Query	Search Share	Organic Click Rate	Mobile Rate
 <b>Women</b>	protein	8%	94%	34%
	protein powder	7%	77%	72%
	foods high in protein	6%	83%	82%
	whey protein	6%	97%	67%
	high protein foods	5%	92%	61%
 <b>Men</b>	protein	10%	96%	43%
	protein shakes	8%	95%	40%
	best protein powder	8%	95%	66%
	protein powder	6%	81%	78%
	whey protein	5%	83%	48%

As you see in the chart above\* men and women have significantly different behavior in terms of how they search for protein products. Women show a strong interest in learning about foods that are high in protein. Past their “top five” terms, women also show greater interest in high-protein diets. Meanwhile, men seem highly interested in protein

powders and shakes. Further past their “top five” list, men are likely to search for bodybuilding terms, as well as protein pancakes, waffles and breakfast recipes. Both genders share several similar queries, such as “whey protein” but women are significantly more likely to click through this term organically, and to search for this phrase on mobile.

\* Pulled from Hitwise’s [AudienceView tool](#), August 28th - Sept 24th 2016. Numbers rebased from top 20 “protein” related searches, brand names removed.



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## Mobile **Insights**

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*When you look at these insights and competitive strategies from a mobile lens, how can you refine your strategy to get ahead?*



For all the buzz we hear about mobile, it's important to put it in context. Mobile strategy should never exist in a bubble—it should be integrated across your search, clickstream and traffic analytics. Mobile is simply another layer through which to understand how your audience is searching, arriving and engaging with your brand.

It's also important to remember that in most industries mobile represents the “doorway” into discovery, but clicks aren't often immediately profitable. In many cases, mobile engagement offers the opportunity to start a conversation. Especially with younger audiences, it's often where their customer journey begins.

### **TIP:**

Mobile consumers are often looking to support their path to purchase or ask a question—not necessarily to buy. Common mobile searches include:

- Coupons or discounts
- “How to” searches
- Reviews & returns policies
- Locational, “things to do” or “near me”
- Calculators, counters and tools
- Research on high-cost items (i.e. a car)

# Using Mobile to Engage Millennials

Let's say the make-up brand Arbonne is looking to increase engagement with Millennials. One approach is to connect with young consumers earlier in their customer journey, where most e-commerce searches begin: on mobile devices.

In their research, Arbonne discovers that Urban Decay has a similar traffic volume, but a larger percentage of Millennials in their audience. Although [Arbonne ranks higher for desktop visits and traffic](#), [Urban Decay ranks higher for mobile engagement](#). So Arbonne investigates the keyword terms that Urban Decay ranks for, analyzing several different angles:

**1) Millennial Behavior:** What beauty and make-up terms are Millennials searching for that drive traffic to Urban Decay?

**2) Organic Ranking:** What unpaid keywords is Urban Decay ranking for? These terms offer helpful clues for creating content or resources that answers consumer's questions, whether it's make-up tutorials or interactive experiences.

**3) Mobile:** Identifying the terms that drive traffic to Urban Decay via mobile provides insight into the topics consumers are curious about early in their discovery phase.

**4) By Channel:** Social media is one of the most powerful channels for engaging with younger consumers, and can drive proportionately more mobile traffic to brands who invest in networks like Instagram or Snapchat.

Perhaps Arbonne discovers that Urban Decay ranks very well for "eyeliner" amongst Millennial women — and the vast majority of these searches originate on mobile. So Arbonne decides to create a collection of eyeliner tutorials and how-to's that have been optimized for mobile, and boosts this content with paid promotion targeted specifically to mobile audiences.



All of the data and case studies in this report were created using Hitwise and its [AudienceView](#) tool. AudienceView is the first consumer insights solution that combines the search, clickstream and behavioral data of Hitwise with powerful audience and attitudinal insights.



*"Best Buy uses Hitwise to benchmark the competition... It provides us with powerful insight into customer trends and leading indicators that could have an impact to our business - online and offline."*

- Director of Digital Intelligence & Optimization, Best Buy



**8 M**

Online Behavior  
Panelists



**3.5 M**

Mobile  
Devices



**500 M**

Searches  
Every Month



**60,000**

Consumer  
Characteristics

## SIGN UP FOR YOUR **FREE COMPETITIVE** INSIGHTS SNAPSHOT. FIND OUT:

- What are your strengths and weaknesses compared to your top competitors?
- Who are their highest value customers?
- How can you improve your search or content strategy?
- How is your competition gaining market share?
- How can you compete on mobile?

**LET'S TALK**