

## **Differentiation/Competitive Advantage!!**

*By Roger Bostdorff*

Recently I was presenting to a National Association's Annual Conference near Las Vegas. The presentation was entitled, "Selling in a Tough Economy." This presentation discussed the status quo of our economy and then described why some marketing representatives (fancy word for salesman) and companies, in spite of the challenging times, are successful and others are not!

One of the focal points of the presentation was the need to differentiate. One of the points we discussed is that if your differentiation is only price then get ready to start losing margin. Unless you are Walmart and have the economies of scale to have the lowest costs for your products, you need to be able to differentiate your product or services from the competition by some other means than price.

I have talked to many customers and worked with them in regards to doing a SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis. When we discuss their strengths, many times I get things like Customer Service, Quality, and Responsiveness. These are all excellent qualities of a company's product or service. However, can you envision my client's competitors suggesting that they provide bad Customer Service, Quality and Responsiveness as compared to my client, of course not? The question is how do you differentiate? What are your competitive advantages? How do you substantiate your claims?

The ground rules for outlining these differentiators as I call them or your competitive advantages as defined by Jaynie Smith in her book "Creating Competitive Advantage" are as follows:

1. It needs to be objective not subjective
2. Quantifiable, not arbitrary-We have great customer service, 95% of our business comes from referrals.
3. Not already claimed by the competition
4. Not a cliché-Don't tell me you exceed customer expectations. How do you know what these expectations are?

How is your business? Are sales down? Do you have some new wrinkles in your sales message that is different than last year? If you do things the same way you will probably get the same or similar results. Is that what you are looking for in 2010?

Or, are you and your team able to enunciate your Differentiators/Competitive Advantages? Seems to me that no matter what industry you are in unless you run the Walmart of that industry, you might want to invest some time-first identifying your

competitive advantages and then figuring out a way to communicate these to your current customers as well as your prospective customers. The other alternative, assuming you have plenty of margin left is to continue to give it away!

Roger Bostdorff is the President of B2B Sales Boost. He spent over 30 years with IBM in sales and sales management. B2B Sales Boost is a consulting company helping organizations improve their sales and overall business processes. He is also available for business speaking engagements. You can find more regarding B2B Sales Boost on the web at [www.b2bsalesboost.com](http://www.b2bsalesboost.com) or calling 419-351-4347. If you would like to receive the B2B Sales Boost Newsletter please send an email to [sales@b2bsalesboost.com](mailto:sales@b2bsalesboost.com)