

How to determine and leverage the key differentiators in your business

Why is this important?

We all know of companies with products and services that achieve great results, even though their pricing is higher than competitors. But why is this so?

Clearly defined differentiators mean that your products and services are valued beyond just price. This is important because you no longer compete on a one dimensional level.

Is price king in your industry?

Are these scenarios relevant to your business?

Competitors keep winning business on price. Your business is constantly under attack from competition. Your marketing isn't working anymore. Your advertising doesn't work - you have the best products and services and your people are great but why do you need to discount to win the sale? Customers tell you you're too expensive.

Often businesses are very good at supplying their high quality products and have expert practitioners delivering their services. So why aren't they obtaining their rightful share of business and why are competitors winning so often? Why aren't they valued?

Essentially they have not communicated the true value of their product and services to their market i.e. their differentiation.

What to do

There's often no single simple solution as it's more complex than just running a different ad, cutting costs or hiring different people. A professional approach would look at a range of metrics that affect business success.

The reality is that the market place is dynamic, nothing stays the same for long and if you don't understand your market and its dynamics and what customers are saying, then your product may be considered antiquated or just a commodity.

Understand why customers buy from you or don't buy from you

With this knowledge you have the chance to do something about it.

- Develop, through research, professionally developed strategies that address customer needs and build value
- Look to other business models that may disrupt acceptance of the existing models
- Look at how your business interfaces with customers at all levels including people, processes and systems.
- Understand how best to communicate and what to communicate.

Why are some brands more valuable?

These companies understand that they need to communicate differentiated brand values that customers value. They:



Marketingheads

Specialists - Delivering Marketing Solutions

- develop and implement strategies that leverage these values and look to add value beyond what others do
- are responsive to market change and customer needs.

It's the intangible brand values or the reputation of that company and its brands that differentiates those products and services, and that's why they are more valuable and successful.

Some brands products/services are valued more because they:

- work better
- are better quality
- last longer
- produce a better result
- work faster and are more efficient
- offer personalised customer engagement
- use less energy
- are more relevant
- are responsive to customers.

These are some of the values customers are prepared to pay more for. *These differentiators are valued.*

Though this only reflects a few aspects of customer behavioural psychology in selecting one particular product or service over another, it does serve to make you think about what more you can do.

When you have a thorough understanding of the market from the customer's perspective you can develop clever strategic solutions from this knowledge. This is when you truly leverage your key differentiators.

With this information our clients strategies result in a greater depth of relationship and being more valued. *Are these metrics things that you should employ in your business?*

If your brand values are diminished or non-existent then all you have to trade on is price, and price is all your customers get to judge you on.

What are the steps to clearly differentiate and leverage?

1. Obtain market insights

- Learn about your customers
- What problems can you solve
- What's happening in your market
- Understand the transaction
- Understand what customers really value
- Understand what customers perceptions are for your business
- Understand who the stakeholders are
- What are competitors doing
- What market gaps exist
- Who are the key influencers?



Excellence in Business Ethics 2012, 2013, 2014

Marketingheads

Specialists - Delivering Marketing Solutions

2. Develop tangible, relevant strategies
3. Execute strategies.

Source: John Wakeling, Strategist and Market Researcher experienced, expert marketing professional, Marketingheads Australia. john.wakeling@marketingheads.com.au

Click here to go to a Case Study demonstrating results: <http://www.marketingheads.com.au/case-studies/holy-cross-college-ryde>



Excellence in Business Ethics 2012, 2013, 2014