



## Creating Competitive Advantage Helping Your Team Clarify Why You

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➤ Step 1	Background Concept – Do You Know Your Competitive Advantage?	Page 1
➤ Step 2	Putting It to Work – Exercises to Apply the Concept	Page 4
➤ Step 3	Following Through – Who Does What by When?	Page 8

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### Step 1      **Do You Know Your Competitive Advantage?** By Michael DeVenney

What do numbers have to do with sales and marketing?

Actually - pretty much everything. So why do most salespeople not use numbers in their prospecting? The answer is probably why only 16% of salespeople reach their sales quotas.

Don't blame it on the salespeople – a recent study revealed that only 2% of CEOs could name their company's competitive advantage.

Competitive advantage is why I should buy from you. It is vital to closing sales and building a sustainable business.

It is not a cliché or tagline – competitive advantage is a measurable reason that separates you from everyone else. It is what builds sustainable success and keeps your cash flow moving.

For most businesses, the answer to “why should I do business with you?” is about vague ideals and promises.

- Excellent client service
- Quality products
- Experience and expertise
- Great results
- Best reputation

How do those answers help me as a prospect make the decision to work with you? They are positive and sound good but how do they impact on your prospect's life?

They don't.

I worked with a group of salespeople to focus on how to increase their closing rate results. The team members were bright, motivated and suited for their roles yet results were slow, inconsistent and no where near their potential. The CEO of their company identified sales as the strategic focus for the next three years. The CEO wanted to see results and the direction was “just get out there more and ask for the business”.

Not so helpful. Putting pressure on people for results generally discourages performance.

We focused on competitive advantage – why clients bought from the business.

Where we started was looking at how clients worked with the products and services offered by the business. It always starts with the client! How did the clients use the company’s products and services? Follow a client through the full process of using your product or service and the relationship with your business.

Then, we stepped back and looked at what the business did that really helped the client. Competitive advantage is either about cost or differentiation. Unless you are Wal-Mart, cost is not really a reasonable choice for competitive advantage. Look at what differentiates you from your market.

Differentiation can be visible (things the clients clearly see about your product or service) or internal (the ways you do things in your relationship with the client).

After finding out how clients used their products and services, we put all the sales team in a room and just brainstormed what was different about their business that was of value to the clients.

- How does the product or service help them make more money, save time or reduce stress?
- How does the delivery make life easier for the client?
- How does the servicing help clients achieve results?
- How do you go beyond the basic service and how does it help clients?
- What are the strengths of your business or team and how does it help clients?
- What do clients use the products and services for and how do you help them do that?
- What does your company measure now and do these measures help clients?
- What are you not measuring today that if done right would create a positive impact for your clients?
- What is most important to the clients in using the products and services?

When we had written the answers out, then we looked at what was measurable and not claimed by competitors. Competitive advantages have to mean something positive to clients.

Rather than saying “we help you earn a higher margin on your sales” turn it around to say what clients experienced “our clients earn on average 20% higher margins on their sales using our service”. I can relate to that. “We invest in our clients” is interesting but “100% of all our employees are shareholders in our company – we invest in your success” sounds much more distinctive.

The end result for the group was the ability to quantify their advantage to clients. It is one thing to know what clients value in you. When you can quantify that value, you have the winning approach. As a prospect, numbers help me see how exactly you will help me.

Fast delivery may be important to me in considering working with you but when you say “all orders delivered next day” I know exactly what that means to me.

From our working session, the sales team identified five competitive advantages with clear and measurable terms. Their confidence soared. They knew what clients valued about their business, how their products and services actually impacted the client’s life and how to message their competitive advantage so they stood out from the market.

It is not surprising that the sales team were much more focused and motivated in their approach and a 30% increase in sales resulted. Their closing rate on new business tripled.

Whether you are in sales (and face it, we all are) or are a manager or executive in a large organization you need to be able to quantify your competitive advantage. Only then as a prospect, do I know how you will help me.

Using price as a differentiator is a loser’s game. Don’t play it. Start with your clients and clarify what they value most about your business. Be as specific as possible and use numbers to quantify how you help them. Be clear on your competitive advantage.

Staple yourself to a client order and see what it is like to go through working with your business. Look at all aspects of the client relationship and see what works.

If you don’t have a competitive advantage, create one fast.

The single most important thing you do in marketing is letting prospects know why you. The best way to do that is with measurements. Find out your core score – the key numbers that drive why your clients buy from you – and focus your team on the core score and your business will thrive. Your clients will keep coming back as you are focused on what is important to them.

Remember Jack Welch’s words, “If you don’t have a competitive advantage, don’t compete.”

- Staple yourself to an order and ask your clients what they value in your business
- Get your team in a room and find your critical 4 or 5 competitive advantages
- Quantify the results for your competitive advantages
- Create a culture focused on your measurements
- Market your competitive advantage
- Improve your results

Find your competitive advantage. Know why I should buy from you.

## Step 2      Putting It to Work – Exercises to Apply the Concept

“Creating Your Core Score – Why Prospects Should Work With You”

“If you don’t know your competitive advantage, don’t compete”

Jack Welch, former CEO of General Electric

Welch’s quote says it all. You have review Jaynie Smith’s book *Creating Competitive Advantage* and want to apply the concept to your business. You need to take the simple steps you need to take to increase your ability to close new business opportunities.

- Clarify how you stand out in your market
- Quantify your competitive advantage
- Create your core score – the bottom line as to why prospects should make the decision to work with you

The steps we encourage you to take are as follows:

1. Have a clear definition of your target market and understand their position (the challenges they face that bring them to you, the opportunities that you can help them achieve, and the capabilities they need from you to resolve the challenges and capture the opportunities and the results that matter most to them).
2. Go through the steps of your process – how you deliver your product or service to your clients. What do you provide for your clients at each step in terms of specific outcomes and benefits for them?
3. Highlight the four or five differentiators you provide for your clients – be specific, numerical and client-focused.
4. Create a one-page outline of your competitive advantage so you stand out clearly and confidently in your market.

You can use the exercises in the following pages to help you work through the process:

- Your Client Process exercises asks you to identify each step of your process to deliver your products and services to your clients and what they value in each step.
- Your Personal Brand exercise walks you through your prospect’s position
- Your Core Score exercise helps you put Why You? Into words.

Less than 2% of leaders can define the competitive advantage of their businesses and less than 16% of salespeople know why clients should work with them.

Be clear on your competitive advantage, share it within your company and stand out positively in your market.

## Your Client Process

Outline the steps that you take now in providing your client experience - what are the actions you take to bring your products and services to your clients?

Think about each step and what benefits your client takes away - what is most important as a value for them?

<i>Outline Your Process Steps</i>		<i>What is the benefit to your client at each step?</i>

## Your Personal Brand

**What do you do?**

### **Step One**

**Start with your audience - what is your target market looking for from you?**

**Write out your clients' greatest challenges (what gets in their way and what keeps them up at night) and how do they feel facing these challenges?**

**What is your ideal client looking for?**

### **Step Two**

**What is the unique advantage in working with you?**

**Write out your 10 best habits or actions that you always take in your work (ask yourself and ask your assistant, your colleagues, your clients and those who know you best) to solve problems and get results.**

**Circle your habits that define you the most.**

**What do you always do in your work?**

### **Step Three**

**How do clients feel working with you?**

**Think about how you work with clients and answer the question, "You get...?" for them. Write out everything they get from working with you. Write out how they feel working with you, (ask them).**

**Why you?**

**Now you know why clients work with you.**

## Why You?

- |        |                                                                       |
|--------|-----------------------------------------------------------------------|
| Part 1 | Name your target market.                                              |
| Part 2 | Describe how your target market feels about their greatest challenge. |
| Part 3 | What is your target market's greatest challenge.                      |
| Part 4 | How do you help clients solve their greatest challenge.               |
| Part 5 | Describe your unique advantage from your best habits and actions.     |
| Part 6 | Highlight the key result clients gain in working with you.            |
| Part 7 | Describe how your clients feel working with you.                      |

### Your Personal Brand

In conversation (put it into your own words) to answer the question, "What do you do?":

- A You know how [ Part 1 ] feels [Part 2] about [Part 3].
- B Well, I work with clients [Part 4] by [Part 5].
- C Clients gain [Part 6] working with me and feel [Part 7].

### Write out Your Personal Brand

### Your Client's Return on Investment

Now write out the key competitive advantages you provide for your clients.

### Write Out Your Competitive Advantages

**You know what you do for whom and why they should work with you.**

### **Step 3            Following Through – Who Does What By When?**

You have completed the exercises to clarify your own competitive advantage in team meetings and now you face the greatest challenge – following through!

Complete the Action Commitment exercise included on the next page as a group to be clear on who is doing what by when and moving your actions forward.

## Your Action Commitment

Meeting Date: \_\_\_\_\_

Follow-Up Date: \_\_\_\_\_

**1 ACTIONS - what are the three actions that are going to be taken from today's session?**

1

2

3

**2 ACCOUNTABILITIES - who is responsible for the actions and within what timelines?**

	Project	Who?	When?
1			
2			
3			

**3 COMMUNICATIONS - who do you need to speak or meet with to move these actions forward?**

	Project	Who & When
1		
2		
3		