

Who Are You? The Finer Points of Business Differentiation

by Wendy Baird, Insight 180

In this increasingly competitive, and seemingly sluggish marketplace, setting your organization apart from the rest is more important than ever. As a designer/marketer/brand building aficionado for more than 15 years, I have seen a few businesses that really know how to distinguish themselves from the rest of the pack. But those companies are the rare exceptions. Usually we see businesses with great products, strong staff and all the makings for success. . .stuck in the quagmire of unknown potential. The news isn't great. Whether you sell widgets or provide the latest and greatest service, there are certainly others out there claiming a better widget or greater service. But there is good news, too. . .and it begins with the concept of differentiation.

As an owner of a graphic design firm I could tell you about the importance of a well-designed logo, stationery package, web site and marketing materials that support a consistent advertising program. But you already know that. So why is it that so many organizations find it increasingly difficult to attract the volume or type of business they want in the marketplace? It all comes down to one thing: differentiation. Yes, a great graphic identity can go a long way, but your business uniqueness

needs to be an organization-wide mantra. It must be authentic and embraced. The owner's point of differentiation needs to be the same as the administrative assistant's, the sales reps', and the accounting manager's (and anyone else who represents the organization). It's all about "branding," and while it's today's marketing buzz word, by all accounts, it's not going away anytime soon.

Do you really know what sets your company apart? Do your employees know? And most importantly, do your potential customers know? Even if you don't know how you are different or if you doubt your uniqueness, every company IS different in some way. If you look closely, you will find a point of differentiation, and if you're not sure, you need to create one. It is the point from which everything else stems. Branding on one level is a way to define your company's unique business position. Many companies find a corporate retreat or arrange an afternoon-long meeting for management and key employees to discuss and define things like core values, brand benefits, current marketplace perceptions and strategic vision. Ideally, such discussions should result in identifying the best features with which to market your organization, the best strategy to appeal to a specific

[c o n t i n u e d]

customer base, and the best message with which to stimulate action.

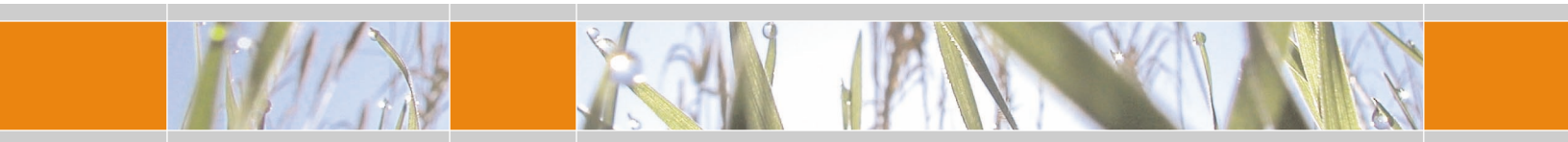
Here are some starters. Who are your greatest competitors and how are they doing business? What do you do better than them? What do you really do for your clients? What are the perceptions of your current customers? How clear is your firm's brand? How do you project that brand now? What benefits do your customers value most? Answering these questions may not be the easiest task. But if you can't do it, how will your customers make sense of what you offer them? Your employees need to be able to describe simply, succinctly and compellingly what your company does, sells, and will be known for. In fact, your organization's uniqueness should be easily articulated by everyone who has contact with clients and prospects.

When we work with start-up companies to create their all-important graphic identities, we collect a lot of information. But after the market research, the most important part of the process is having them define the top three adjectives that they use to describe themselves. It's often about the feeling they want to leave with a client or potential customer rather than the logo mark itself, which stems from an unspoken goal or visioning claim. From this exercise we find that they do have a very distinct

point of differentiation, they just hadn't yet defined it.

The process of defining your brand can begin simply. A collection of words or phrases that describes your business and another list that describes your clients will get you started. This is a creative exercise; no editing, censorship or judgment of others' words and phrases is allowed. Many business owners have never tried to categorize themselves in words or concepts. The result should be a great list of words, phrases or even a paragraph that describes who you are, characterizes your organization and describes the broad categories related to your organization. To go one step further, prioritize those characteristics. Then really set yourself apart. Pick one characteristic or claim – and make it what your business is all about.

Yes, it would be great to be the "first" in your market or industry, and have all others attempt to live up to your standards. But the next best thing you can do is differentiate. In 22 Immutable Laws of Branding, marketing strategist Al Ries describes how the best brands narrow their focus to one word or phrase and own it. Fed Ex is synonymous with overnight delivery, Mercedes with prestige, America On-line means ease of use, Kleenex is tissue, Nike is action



[c o n t i n u e d]

("Just Do It"), Volvo is safety, and the list goes on. Consider which ones you remember and why.

"So you can forget about the laundry list of wonderful attributes your product has," says Reis. "You can't possibly associate them all with your brand name in a human mind. To get into the consumer's mind you have to sacrifice. You have to reduce the essence of your brand to a single thought or attribute. An attribute that nobody else already owns in your category."

Our experience working with companies certainly backs that up. The best successes we've seen have been with those who dared to go for it and commit to a narrow focus. Fight the

urge to be everything to everybody, and think "differentiation." Sometimes less IS more.

*This article appeared in the
2004 **The Business Monthly**.*