



## PRODUCT DIFFERENTIATION

(Market Driver)

You started with a better idea - a concept of something missing in the marketplace - a niche to fill. You felt it was different, new and exciting.

Now prove it.



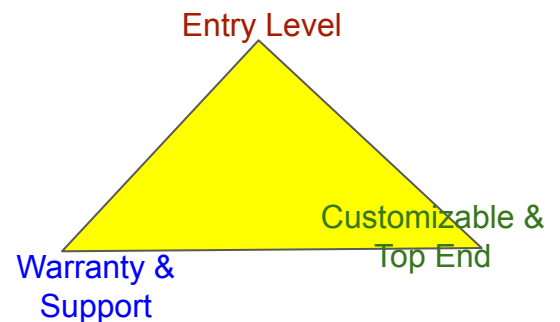
Your company has greater value if it has a product/service with unique characteristics that provide a competitive advantage - as long as the customer understands and values that differentiation. A unique product or service that customers prefer will keep them coming back to you instead of your competitors, and may provide higher margins.

Is your product or service special? What makes it different? Why do customers buy from you as opposed to the shop across the street?

Look at your own products or, if appropriate, your professional service as a whole. Can you fit within a corner of the market triangle and own it? EXAMPLE: Gaming Computers - which corner makes you special?

You can't be all things to all people. Which corner of the market triangle do you fit in? Which one can you stand out in? Which one can you own that makes it difficult for your competition to copy?

Your company's value increases when you are known as the prime source for something different. And remember, differentiation does not always have to be tangible. It can be intangible as long as customers value and recognize the difference.



**GOAL:** To determine the following three aspects of product differentiation, and then plant your unique flag in front of your target audience:

- *Proof of Differentiation:* You can quantify how the uniqueness of your company's products/services gives you a competitive advantage in a significant market or customer segment.
- *Product/Service Lifecycle:* You can articulate where the products/services are within its lifecycle, and show plans to keep, replace, or upgrade the products/services as the market continues to evolve.
- *Financial Differentiation:* You have quantitative proof of differentiation, by product or service, and can show a pricing and/or cost advantage over its competition.

