

## Easily Answer “Why Are You Better Than Your Competition?”

Tons of businesses boast about their years in the industry or their top-of-the-line customer service. These are both valuable, but if you’re promoting the same benefits as your competitors, those benefit statements become expectations of your product or service—not differentiators. So why should customers choose you over a competitor? Identifying your competitive advantage is one of the foundational steps you need to take to establish a strong marketing strategy.

### Why should customers choose you?

Understanding what sets you apart may seem obvious, but many business owners spend so much time focusing on the day-to-day of their business that they don’t step back to look at the big picture. This is understandable, but failing to look at your differentiators can make your marketing ineffective.

Why? Business owners have a tendency to promote what makes their product or company great—again, understandable—but that is not the best way to appeal to prospects. The most effective marketing connects to your potential customer on an emotional level. It speaks to their needs and challenges; your product should solve a problem for them. Focusing on your competitive advantage (i.e. what differentiates you from competitors) leads you to customer-focused marketing.

### What is your competitive advantage?

There are two key elements to consider when defining your competitive advantage:

1. How your product or service helps your customers.
2. How your product or service is unique from other offerings available on the market.

Note that both of these elements are essential. If you have a product that customers want, but everyone else in the market offers the same thing, it obviously does not differentiate you. On the other hand, if you have an innovative offering that is unique to your industry, but there is no customer demand for it, then you still don’t have a true competitive advantage.

When you identify your competitive advantage, it helps you promote your product or service in a way that specifically appeals to customers’ needs, and also shows why your offering is superior to your competitors’. This leads to the most effective marketing—and more business for you!

### How do you find your competitive advantage?

It’s not always easy to identify what your competitive advantage is. For example, you may want to say what makes your company special is “superior customer service,” but chances are, your competitor also thinks their customer service is fantastic. You’ll need a more compelling differentiator if you really want to stand out above the crowd.

To help you determine your company's competitive advantage, complete the following exercise:

1. Start with your target audience: your clients. What do they spend their days doing? What do they care about? What are their pains, their challenges? (Tip: create buyer personas if you haven't already!)
2. How does a product or service like yours help alleviate those pains and challenges? In other words, how does a product or service like yours benefit this target customer? List as many ideas as possible. (Hopefully, this is an exercise you've already done as part of your market research in developing your product or service.)
3. Look at your answers from step 2. Do all your competitors also solve the same challenges as you? Do you all solve the problem in the same way, or do you do something different? Perhaps you offer higher quality, a lower price, a superior set of features, or a completely unique offering.
4. Identify the strongest benefits of your product/service that you have but competitors don't, or that you do much better than competitors (higher quality, faster, lower cost, etc.). Remember, these have to be things your customers really care about.

### **Market your competitive advantages.**

Let's look at an industry-specific example. Many insurance agencies in the industry like to use their many years in business and their outstanding customer service as their value proposition. Each agency of them thinks that this differentiates them, but if everyone is saying the same thing, this is not a competitive advantage. Instead, the most successful insurance agencies look for unique ways to differentiate from their competitors, such as offering sophisticated technology solutions to clients that complement their insurance policies.

Once you've identified your competitive advantage, use it strategically to create compelling messaging in your inbound marketing efforts. Don't forget to incorporate your competitive advantage into your client retention marketing strategy too!

Source: Accelity