

# DIFFERENTIATE OR DIE

## Survival in Our Era of Killer Competition

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**MAIN IDEA**

To succeed, you have to stand out from the crowd. You need to offer something nobody else can match. In other words, you need to differentiate yourself.

The process of differentiation takes place in the mind of your prospect, where a game of mental association runs. When the prospect hears a brand name, they automatically think of whatever attribute they have come to associate with that brand. The most successful brands in history are differentiated by being linked to very basic, very essential attributes -- like "safety", "refreshment" or "performance". The process of differentiation is the technique by which those mental associations are formed and then reinforced in the mind of the prospect.

Any company's ultimate and sustainable competitive advantage is its ability to differentiate itself from all its competitors. Unless a company achieves this and sustains the effort, it's unlikely to survive, much less excel.

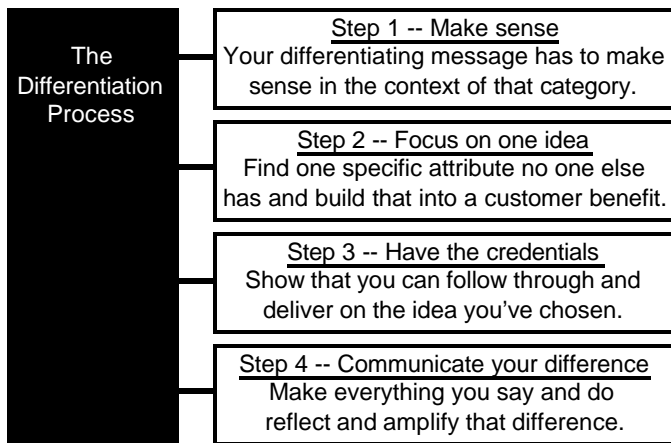
Section 1 -- The Business Case For Differentiation . . . . . Page 2

Today's marketplace is exceptionally crowded -- for every product or service, there are a number of direct and indirect competitors. In that sort of environment, the companies that succeed aren't those who try to be everything to everybody. Rather, those that do best are those which stand for something unique.

Differentiation is the process of identifying, amplifying and communicating what makes you different.

Section 2 -- The Mechanics Of Differentiation . . . . . Page 4

The process of differentiating successfully is simple and logical. It requires four essential steps for success:



Section 3 -- The 14 Differentiation Ideas . . . . . Page 6

There are at least 14 ideas around which a differentiation strategy can be built. These ideas logically fall into three broad groupings from the perspective of their suitability to differentiation:

<b>Differentiation Attributes</b> (Ranked by suitability for use in differentiation strategies)	
<b>Never</b>	<ul style="list-style-type: none"> <li>• Creativity</li> </ul>
<b>Possible, But Weak</b>	<ul style="list-style-type: none"> <li>• Quality</li> <li>• Customer Orientation</li> <li>• Price</li> <li>• Breadth Of Product Line</li> </ul>
<b>Strong</b>	<ul style="list-style-type: none"> <li>• Being First</li> <li>• Ownership of a Unique and Specific Attribute</li> <li>• Leadership</li> <li>• Heritage</li> <li>• Market Specialist</li> <li>• Most Popular Choice Among Consumers</li> <li>• How The Product Is Made</li> <li>• Being The Latest</li> <li>• Hotness</li> </ul>

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