

The game of clones: Differentiation for the modern business



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Strategic thinkers and marketers have been drilling the concept of a unique selling point or differentiator into our heads. Executives, we were told, need to carve out a unique marketing position by distinguishing themselves clearly from competitors.

Yet at the same time, businesses are becoming commoditised. An innovative market leader might pop up, but soon the crowd of "me-too" followers will duplicate the effort, with different levels of profitability and success.



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Offering something different

The problem with the philosophy of differentiation is that it comes from a strong economics viewpoint - suggesting that everyone has to offer something completely different so as to not get bogged down in competition. Yet we consistently see - particularly with technology providers, classifieds and e-tailers - that there are companies offering virtually the same functionality (at least on the surface), yet with a clear market leader heading up the race.

The modern marketplace is customer-orientated, and very much driven by social elements. For marketers and companies to be successful, they need to remove their economic hat and replace it with a firmer grasp of sociology. In short, why do people do business with you?

Virtually every business makes promises of efficiency, customer service and ease of use and those terms won't propel you to the top of the marketplace - unless those values truly reside in practise and execution, rather than as values on a mission statement poster on the wall.

Loyal customers

There is real beauty in doing something simple extremely well. Individuals in the ecommerce market are pragmatic - they are drawn by efficiencies. Whether it's connecting buyers and sellers, simplifying the shopping process or continually supporting your long-term community as you grow - if it works, it will result in the loyalty of your customers.

The gap between competitors in a largely undifferentiated market is not won by innovation, but perhaps by a combination of competence and customer service. To use the cliché - customer is king.

True innovators in these markets are the ones who aren't falling over themselves to add greater complexity to their service offering in a bid to be creative, but the ones who are keeping an eye on what customers want - and giving it to them.

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