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Seven Ways to Differentiate Your Firm From the Competition

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Because so much of what CPAs sell is perceived by clients as commodities, it becomes increasingly difficult—and all the more important—to position value over price.

Do any of these classic pushback lines sound familiar: "Is this your best deal?" ... "I've interviewed a couple of your competitors and they are willing to sell for less." ... "Thanks, but we want to shop around before we make a decision."

And despite your best efforts to hold the line on price, how often have you resorted to some poorly thought-out response like, "Well, let me see what I can do."

In today's marketplace, with its intense competition and constant margin pressure, these comments continue to be raised. That is, unless you can differentiate your offerings as uniquely valuable.

What is value?

The truth is, value, like beauty, is quite subjective. It is, indeed, in the eye of the beholder. It is incumbent upon every sales professional to find out exactly what the prospect values. Be sure to lead with your ears and ask the questions that reveal what your prospect actually values. The prospect's definition of value is more important than yours.

In tough markets we need to learn to sell value by differentiating all of our deliverables. The degree

to which we are perceived as different from—and, more importantly, better than—the competition is critical today.

To decision makers, salespeople often appear to offer just about the same products and services. Your prospective customers may be busy commoditizing your solution, in which case you must be busy differentiating it. The bottom line is this: Unless you can create a powerful and distinct difference to the customer, you are not going to stand out from the crowd.

So the question is: "How do I separate myself and our offerings from the competition?" The answer: You've just got to be different—really different. And it's not always about price!

Seven keys to differentiation

1. Product: Why is your audit work not just like another firm's? How is your product or offering different from or better than your competitor's? If you can't come up with some solidly unique components, you are in danger of being perceived as a commodity, and you will forever have to compete on price. Here's a strategy: Now that you know what your prospects value, perhaps you and others within your company can make product enhancements a major initiative. The collective intellect of this group might well be able to create something unique about your product or service and then creatively exploit every aspect of the difference and tie it into what the prospective customers told you

they wanted. Your goal is to come up with both UCAs (unique competitive advantages) and RAs (relative advantages).

2. Price: Unsophisticated marketing and sales people often think the best way to get business is by underpricing everybody else. Thin margins have put more companies out of business than any other single factor. If the boss chooses to go to market as the low-price provider, your company had better have every expense category cut to the bone, including sales commissions, or it will perish in short order! This might be your worst avenue of approach to building a viable long-term enterprise.

3. Relationship: Harness the power of relationships and lock out the competition, regardless of the marketplace. If there is a solid relationship between you and your clients based on trust, you have the inside track. Such an environment will make you the envy of your competitors, and your client may not even give your competitor a chance if the relationship is strong enough.

Build trust with a solid, high-integrity win-win approach, exceeding their expectations and being a valued resource in every conceivable way. Earning trust takes time, planning, and perseverance. Be impeccable with your work from the get-go, and implement a communication process that continues to keep you and your clients connected.

4. Process: Many companies don't attach enough significance to the processes that dictate the image of their business model. The "we've never done it that way" syndrome bites companies in the backside when they don't give innovative thought to their business practices. Get your best minds together and brainstorm better, more customer-friendly out-of-the-box ways to do business. Remember that how business is conducted changes every day due to globalization, e-commerce, the Internet, ever-changing buyer behavior, and new software and technology platforms. Capitalize on innovation rather than being a victim of it!

5. Technological: This age of modern technology affords many opportunities to advance our ways of operating and communicating. These new modes of communication encompass a wide variety of options. You can use podcasts to update customers or address customer-sensitive issues. You can create a blog that provides "voice" and interface to "hear" from your customers, helping your prospects better understand updates, changes, and timely buying opportunities. Cardinal rule: Make it easy for the customer to communicate and buy.

6. Experiential: Many people believe the country is in an "experience economy." Can you provide customers with knock-your-socks-off service and experiences that are so memorable that they start telling their friends and colleagues? Customer service miracles are anything you can do to make a customer say, "Wow!" Ask yourself, "How can I make doing business with me an irresistible experience?" Your goal should be to create not only a brand but a service experience that is terrific!

7. Marketing: Give careful thought to how you go to market. If you can outsell your competitors, you will be on your way to gaining market share. Determine ways to create a distinction in your sales and marketing approaches that support setting you apart in your marketplace. If your sales process is so compelling that your prospects see you and your offering as irresistible, it renders your competitors irrelevant!

Remember, people will always pay for expertise and do business with those individuals they know, like, and trust! When trust is high, stress levels go down, and vice versa, which is why high-pressure tactics really don't work anymore.

At the end of the day, your goal should be to transition your prospect from a discussion on price to a discussion on the differentiated deliverables you offer. When the prospect asks if that is your best price, you should be able to say, "Mr. Bradley, it is very easy to simply focus on apparent price rather

than actual cost. I would ask that you give me a few minutes to allow me to distinguish between our product offerings and those of our competitors. We have engineered some significant advantages for you that are unique to the marketplace." After getting permission to continue, you should go into your differentiated advantages, building the value of your solutions in light of the prospect's expressed needs. □

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