

DIFFERENTIATE OR DIE

Survival in Our Era of Killer Competition

JACK TROUT, STEVE RIVKIN

JACK TROUT is president of Trout & Partners, a marketing firm. He is the author of *Positioning: The Battle For Your Mind*, *The 22 Immutable Laws of Marketing* and *The Power of Simplicity*. A highly regarded speaker, Mr. Trout is widely acknowledged as one of marketing's most influential gurus and the "father" of the idea of positioning products and ideas in the minds of consumers. His Web site is at www.troutandpartners.com.

STEVE RIVKIN heads his own communications consulting firm. He is co-author of *The New Positioning* and *The Power of Simplicity*. Earlier in his career, Mr. Rivkin worked at International Utilities Corp., a Philadelphia-based conglomerate, in advertising, public relations and corporate identity. A journalism graduate from the University of Missouri, he began his career as an associate editor of *Iron Age* magazine, a weekly trade publication. Later, he was co-founder and editor of *Financial Marketing Abstracts*, a monthly newsletter.

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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.

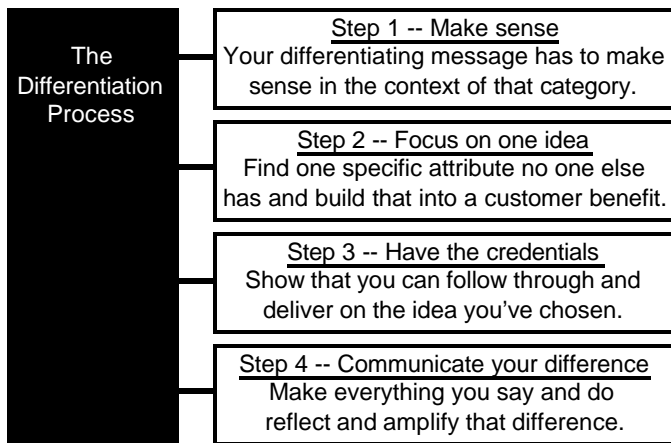
Section 1 -- The Business Case For Differentiation Page 2

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:

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