

Winning the Battle of Commoditization

By Jill Konrath

The other day I met with executives from two very different businesses. One firm sold products that cost a couple thousand dollars; the other sold services costing hundreds of thousands annually.

Yet both had one thing in common - in today's marketplace, their clients view them as commodities. Differentiation is difficult because truthfully everyone is offering pretty much the same thing.

So what can you do in this situation? It's a question most every organization is wrestling mightily with in today's rapidly changing sales paradigm.

Some tell their reps to stress the company's great service. Unfortunately, since that what everyone says these days, it's pretty ineffective. Others tout their technological superiority. But customers don't believe they'll be the industry leader for long. Product/service bundling is another option, but ultimately it drives prices down so much that only low-cost providers survive.

"Added value" is another strategy companies are using in their misguided attempts to keep ahead of competitors. They have free analysis, free delivery, free testing, free advertising or free anything. But pretty soon the "freebies" become the norm and profitability declines even further. You can only give away so much.

If you're like most sellers today, you're looking behind every little nook and cranny to find that one single area of competitive differentiation that will set you or your company apart.

You may be begging your product development for something that can't be immediately replicated by other firms. You may be screaming at your marketing for help in getting qualified leads in who are ready to buy your products.

Unfortunately, you're looking for salvation in all the wrong places.

You see, there is a way to consistently stand out from the crowd ... to become irresistible to prospective customers ... to command premium pricing.

And you don't have to wait for marketing or product development or anyone else to save you! Nor do you have to pray for the untimely demise of your biggest competitors.

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You see, the answer isn't "out there" somewhere. You can stop looking for the "missing link" that will eliminate the ongoing Battle of Commoditization.

Instead, go look in the mirror. The answer is YOU, the seller.

Absolutely no one can replicate you - your knowledge, your expertise, your problem-solving capability, your ability to create new options and solutions that didn't exist before.

Don't give me this baloney that you're really selling software or services or some sort of trinkets. That's old stuff! People can get that from anyone. They can go to e-lance and get a brochure or website designer for peanuts. They can go to e-bay to buy just about anything.

But they can't buy your brain!

Just ask Mark from a storage equipment firm in New Jersey. He recently emailed me to tell me that he was using my suggested approach to get into big companies - and it was working like a charm. He was setting up appointments like crazy.

Curious to learn what he was doing, I contacted Mark - and met a real pro! His company sells all sorts of different types of filing systems. Everything he selles is available hundreds of places online. But Mark's brain isn't!

Several years back he was selling into the flavor and fragrance industry. They have thousands of teeny containers that need to be kept track of at all times. Rather than just selling these customers "storage stuff" he worked with them to develop software and laser pointers to keep tabs of these tiny samples. He figured out a way for these clients to process their orders that literally revolutionized their industry.

You see, he doesn't think he's selling storage equipment. He sees himself helping customers run their operation better. He throws his brain into their business challenges to come up with unique solutions that are unreplicable.

He doesn't just add value - he creates it!

Another person who "gets it" is Tim from an experiential marketing firm in Austin, Texas. He realizes that it's all too easy for his services to become a commodity. So he focuses on the "experience" of working with him and his firm. And what does this entail?

- A laser-focus on who he wants to work with.
- An immersion in their business which may extend for months.
- An immersion in their competitors, marketplace trends and more.

Using what he's learned, he noodles over what his company can do to really make a difference. He thinks about it and plays with different concepts in his mind. When he finally meets with decision makers, he has an in-depth understanding of their problems and pains related to his offering. He has invaluable insights and ideas to offer which

totally set him apart from his competitors.

Your personal expertise is what sets you apart today. Your ability to think for your customer is what makes you irresistible. Your creative genius in finding new solutions makes you indispensable.

Instead, focus on YOURSELF! Become the person that everyone wants to work with because you know so much that can help their business grow.

Become a "value creator." When you do that, you'll never fight the Battle of Commoditization again. End of story!

Jill Konrath, author of *Selling to Big Companies*, helps sellers get their foot in the door of large corporations, create demand and win profitable contracts. Get a free *Sales Call Planning Guide* (\$19.95 value) when you sign up for the Selling to Big Companies e-newsletter. Just send an email with "subscribe" in the subject line to jill@sellingtobigcompanies.com . For more info, visit <http://www.SellingtoBigCompanies.com> .