

# Perception is reality

## People buy the *differences* they perceive



### What are people really looking for?

Imagine...you're hungry. You're walking down Collins Street in Melbourne. You see two delis.

The one on the left looks like your average deli—there are a few people in it; it looks reasonably clean; it appears to offer the average range of food you'd normally find in a deli: hot dogs, hamburgers perhaps, sandwiches, cold drinks, etc. The window displays the business name and year it was established.

As you step toward it, you notice the deli on the right. As you get even closer, the difference between the two is obvious in an instant...in fact, you notice a big sign on this window. Not your typical business name, date established type of sign, rather one that says:

#### **'Passionate about food'**

This sparks your curiosity. On the window, you see a huge burgundy diamond shape. And inside the diamond is the following:

'At PRET A MANGER we are passionate about food, the pleasure it brings, and the importance it plays in all our lives.

After years of practice and research, we have developed a range of sandwiches, salads, cakes, and puddings that are tasty, healthy, homemade, served quickly, and give you value for your money. The vast majority of our recipes are unique to PRET A MANGER and freshly prepared each morning in our shops. We use only free-range eggs and fresh herbs, and we bake our own pastries and bread. We insist on quality you can trust.'

Better yet, it's packed with people. You look to the shop on your left, look back at the shop on your right, pause, and step inside PRET A MANGER.

When you compare the two, you'd probably agree on that impression alone you'd have to step into the shop on the right.

You'd have to, because it was easy to see a difference. It was easy to see that the deli on the right offered something better. Something that clearly was more appealing. The PRET A MANGER owners have taken something essentially ordinary and made it unique.

How could you do that with your business?

**You see, it's the differences your potential customers *perceive* about your business that makes them want to buy from you rather than somebody else.**

It's these differences that make one business, product, or service more attractive than another in the customers' eyes.

Assuming your business offers better products or services than your competitors, highlighting the differences makes it easier for your customers to make the right decision and buy from you. Noting these differences makes a customer feel more confident about their decision as well.

And it's these differences that customers are really looking for. In fact, when people buy from you, they're actually buying the differences they *perceive* about your business.

**That means you must differentiate yourself (or at least give the perception that your business is different).**

For example, those differences could be that your business actually does offer a better, more unique product or service, or that the specific way you deliver the product or service brings better results for your customers.

It could be that your business offers better value for money or that the experience or knowledge within your business far outstrips your competitors. Maybe you offer a unique guarantee that your competitors can't match. Perhaps you offer customers a 24-hour service hotline, whereas your competitors don't.

# Perception is reality

## People buy the *differences* they perceive



Or it could be the 'little things' you do that really mean you 'go the extra mile' for your customers. Perhaps dealing with your business is more fun.

Or maybe you can't find anything that really makes your business different. In this instance, it's important to review the way you do business and create some differentiation.

Either way, the point is that you need to shout those differences from the mountain top, so to speak. That is, *promote* those differences.

**If your current marketing material does not actively do that, you have a huge opportunity to grow your business and increase sales.**



You see, most businesses have never articulated those differences. They expect people to buy from them simply because they're in the marketplace. Most simply say 'buy from us.' **But they don't give the potential customer a clear and compelling reason why they should do so.**

Business owners or managers make a common marketing mistake—they promote the features of their products and services or business (rather than the benefits clients would receive) and the price...*without* offering any other point of differentiation.

Marketing this way fails to educate your potential customers and clients about the real differences that your business offers. The differences that make yours the better business to deal with.

Whatever those differences may be, the key, then, is finding out how to state it so that your potential customers understand those differences in an instant. A Unique Core Differentiator is your tool.

**Unique Core Differentiators clearly articulate those things that make your business different—better—than your competitors.**

Your Unique Core Differentiator(s) are the things that really set you apart from your competition. It is the 'special-ness' about your product or service (or about your business as a whole) that compels people to buy from you instead of from your competitors.

That's because a well-formed differentiator targets the 'hot buttons,' real buying concerns, or 'key frustrations' of your clients. **In one statement, it tells potential customers exactly why they should buy from you and reminds current clients why they continue to deal with your business.**

It's a key point of differentiation between you and your competitors and helps the customers identify that they really do need to choose you over your competitors. The PRET A MANGER example you read about earlier is a perfect example.

This, then, creates something that is constantly unique.

Further, you'll notice the use of the word 'core.' And that's an important point. Your Unique Core Differentiators, those things that make you unique, must permeate your entire business: the way your team members present themselves, the way you deal with your customers or clients, the way your business itself is presented. Virtually every area of your business must fulfil that differentiation.

Because of that, Unique Core Differentiators are powerful in 2 ways: They articulate exactly what the customer wants, AND, just as importantly, provide a laser-like focus for you and everyone on your team.

This means that when you identify your Unique Core Differentiators, you'll have a much better chance of building an even better business. A business that stands out from the rest of your industry. A business that isn't caught in the trap of selling on price alone. A business that potential customers will *want* to deal with.

And finally, you must articulate your Unique Core Differentiators on *all* your marketing material, even your signage, if possible.

# Perception is reality People buy the *differences* they perceive



## Some examples for you

### A transport business and a promise that sells.

Federal Express has a great Unique Core Differentiator that says it all—Absolutely Positively Overnight!

It clearly says they're the people to call if you need something to get there without a doubt. By promoting this and offering a guarantee of overnight delivery, the company actually created a point of difference in the potential customers' minds, something unique to offer customers, something that made them stand out.

You'll appreciate, too, that Federal Express also had to improve the core of its operation. Only then could the company really deliver on that Unique Core Differentiator. This differentiator helped them grow a small start-up business into a very successful worldwide company.

### A dental practice makes it fun.

Another example comes from a successful dental practice. When you think about going to the



dentist, it's an unpleasant thought, isn't it? Given that, the Unique Core Differentiator of this business becomes all the more powerful. The first line of the practice's booklet gives the real essence of the difference—'Our aim is to make you enjoy coming to see us.'

Not too many dentists say that. And the differences go further, so much so that this dentist has essentially created a 'dental restaurant.' When you enter the practice (and you can only do that if you've been referred by another client), you're met by a person called a 'Director of Wonderful' (rather than a receptionist or dental nurse), who hands you a menu! In fact, the dental practice is so different that its Unique Core

Differentiators are clearly articulated in a 12-page booklet given to every client!

So, once again, the Unique Core Differentiator does make this practice stand out AND has invaded the way the entire business operates.



**A builder takes the lead in a price-competitive market.**

The most frustrating issue for most building clientele is that the deadline is hardly ever met. One good way to really stand out in a crowd is to promise to finish on time. But that promise must be powerful to be believable. This particular builder advertised that he would actually pay \$100 for every day he went over the targeted completion date.

**Interestingly, that's what you have to do to get a builder's license in that particular region. However, nobody else was promoting it this way!**

Probably because, unlike this builder, the other businesses weren't structured in a way that meant they'd never go over the deadline. So if the other builders *had* promoted that fact, it probably would have cost them a fortune!

### Retailer outsells competitor thanks to a strong Unique Core Differentiator.

Many supermarkets have in-store delicatessen, bakery, fruit and vegetable, and butcher sections. In the past, business was lost in these areas because customers preferred to buy those specific goods from specialist retailers, who tended to offer better quality products.

One of the greatest issues for customers is freshness of product. Many tended to think the smaller stores had fresher product because they bought in smaller quantities. And that was often true.

# Perception is reality

## People buy the *differences* they perceive



Given all of that, one large supermarket chain decided to promote itself as 'the fresh food people' AND improve the quality and freshness of the products offered. The retailer promoted its Unique Core Differentiator through all advertising and marketing material and by creating systems to ensure that the products lived up to the promise of being 'the fresh food people.' This huge positioning shift helped the business generate higher overall sales than its closest competitor.

### 3 types of UCDs

1. An **'Actual' Unique Core Differentiator**. That is, there's something genuinely unique about your business, the products, or services you provide or the way in which you provide these products and services.

Creating your Unique Core Differentiators will revolve around expressing that actual uniqueness in a way that's meaningful to your potential customers and clients.

2. The second is a **'Created' Unique Core Differentiator**. That is, you create a point of differentiation between your business and your competitors.

For example, you may create a guarantee unlike any offered in your industry, one that your competitors are too scared to make. You may offer a level of after-sales service that surpasses all others. You may have the only delivery or installation process of its kind. You may do something smarter or faster than your competitors. You may offer an 1800 telephone number as a service hotline.

A powerful concept, isn't it? Think about your customers' frustrations. How could you make dealing with your business easier and more beneficial than dealing with your competitors? And then how could you build your business to promote a Unique Core Differentiator to articulate it clearly?

3. The third kind of Unique Core Differentiator, the **'Perceived Unique Core Differentiator,'** is also critically important—your Unique Core Differentiator does not (in fact) have to be unique.

You may not have anything in your business that's totally unique. But if you're the first one to articulate a difference (even though others do the same), you'll stand out in the marketplace *as if* you are unique. Simply because you've been the first to articulate it.

Coming back to PRET A MANGER, do you think they are the only business in the world that's passionate about food, uses free-range eggs, fresh ingredients, and so on? Of course not. But it was the first to articulate it and make it part of its very core.

So with this kind of Unique Core Differentiator, the customers perceive there's a difference when in fact there may not be any real difference. In this instance, you may simply articulate what you do better than your competitors, like the suggestions just outlined above.

So now you have ideas, examples and options – is it time to get started on articulating what makes your business unique?

### The Hendrie Group

1st Floor  
23 Lacey Street  
Croydon, VIC 3136  
T: (03) 9725-2533 E: support@hendrie.com.au  
www.hendrie.com.au

**WINNER** Madison Financial Planning Practice of the Year;  
**WINNER** Grosvenor Securities Adviser of the Year;  
**WINNER** Count Financial Planning Practice of the Year;  
**7th Place IFA National** Best Practice (of more than 300 firms).