

Competitive advantage

1. Who are your top three competitors?

2. What do they do really well?

3. What are they missing?

4. Do you have any intellectual property that makes your business unique?

5. Identify any intellectual assets that make your business stand out.

6. What is your competitive advantage?

7. How will you communicate your advantage?

8. How will you protect your advantage?



Competitive advantage

Your competitive advantage is the secret sauce that sets your business apart from the rest. It's the magic ingredient that entices people to choose you over your competitors. To truly grasp your competitive advantage, you must recognize what makes you stand out in the market compared to other similar businesses. Embracing, communicating, and protecting this uniqueness is what will make your business an irresistible choice for your valued customers.

Here are some things to consider.

1. Your top three competitors

Ideally, these are businesses that are substantially similar to yours in terms of the goods or services they offer, the demographic they market to, and their specialization. Having a few successful competitors in an industry is a good thing because it shows there's already a market. Too many competitors may indicate oversaturation or may simply be a sign you have to differentiate yourself more. Determine who your three main competitors are. You may already know who your main competitors are, or you may have to do some digging. Social media, local searches, online searches, and market research will all give you valuable clues as to your top three competitors.

2. What your competitors do well

You want to know what your competitors do well so you can follow their lead or differentiate yourself. Look at their website, talk to industry insiders, and even reach out to clients to find out what your competitors do well.

You can ask about their:

- › Customer service.
- › Products or services.
- › Pricing.
- › Knowledgeability.
- › Expertise.

And anything else that might be an important factor in their success.

3. What your competitors are missing

This is where you determine what could set you apart. Based on your research, explore where there are gaps in their business model. This is where online and social media reviews can shed some insights. You can use those reviews to see what people have complained about and how the company has responded.

Getting to know gaps in your competitors' model can direct your marketing.

4. Any intellectual property you have that makes your business unique

Intellectual property includes patents, licenses, copyrights, trademarks, and any designs owned by your company. You may have patented a new product or process that makes your business different from another. Or you may own copyrights or trademarks that enable your business's success. Find out more at the [US Patent and Trademark Office](#).



Competitive advantage

5. Identify any intellectual assets that make your business stand out

Your knowledge, skills, and expertise, as well as the knowledge, skills, and expertise of your staff are all part of your competitive advantage. Areas that make you stand out could revolve around hiring, such as only hiring people with a certain level of education or experience in your field. Other intellectual assets include exclusive partnerships, customer relationships, first-mover advantage, market exclusivity, and brand reputation.

Those intellectual assets differentiate you from your competitors and make you more enticing to customers.

6. State your competitive advantage

This is where you go into what makes your business different from others, and what would make people want to buy from you. Among the areas of competitive advantage are:

- › Pricing.
- › Specialization.
- › Differentiation.
- › Knowledgeable staff.
- › Location.
- › Unique products.
- › Outstanding online user experience.
- › Your expertise.

Anything you do or have that the competition doesn't do or have makes you different and could potentially make your business appealing to customers.

Note. This is a guide only and should neither replace competent advice, nor be taken or relied upon as financial or professional advice. Seek professional advice before making any decision that could affect your business.

