

Dick Maggiore: To succeed in business, find your playground

By [Dick Maggiore Special](#) to The Canton Repository

Posted at 7:48 AM

Does your business have a clear and well-articulated statement of strategy?

If not, you are at a disadvantage. You might have heard it said, “If you don’t know where you’re going, any road will get you there.” To find out where to go, you need a competitive strategy — a road map — that spells out your competitive advantage. When found, it must be communicated inside and outside of your company.

Gaining a complete grasp on the competitive strategy is not as easy as it might seem. Companies are quick to tell you all about their organizational competencies and processes. But many are likely to struggle if asked to talk about the competitive business strategy that should be dictating their daily operations.

Your competitive strategy must be specific, measurable and with milestones. Think of it as your business’ playground. It’s as much about where you’re going to play as it is about where you’re not going to play.

Finding our playground starts with segmenting customers or prospects into groups in the industry (or industries) you serve.

Create a matrix by listing your customer groups vertically on the left. Across the top, list your company’s product and/or service offerings. Put check marks in all the boxes where offerings match up with customer groups. Consider using a numbering system, with 1 meaning “very little” and 5 meaning “very much.”

The matrix exercise will help you see what offerings really matter to each customer segment.

To better understand your differentiator or competitive advantage, we need another matrix. Keep that same listing of your company’s offerings across the top. On the left, vertically list the players in your industry, including your own company along with your competitors. Then, fill in the matrix with check marks or use the numbering system.

By comparing the two matrices, you should begin to see a picture of what the customer groups want most and if there are any gaps where few or no competitors are meeting the wants of that customer group.

Pay attention to those gaps. One of them might be the strategic brand [position](#) you long have sought.

The objective is to find what your organization does that has the potential to be the most meaningful to your customers and most differentiated from your competition.

Understand your company

We've talked about the customer. We've talked about the competition. The third "C" is your own company. Your competitive strategy must be true to your company. It must connect with your company's DNA.

Several basic company DNA structures drive decision-making throughout an organization. Let's look at a few.

Your company might be product-driven. Goodyear is a product-driven company. Its focus is on tire innovation. Mid's is a product-driven company focused on its Sicilian pasta sauces.

You might be customer-driven by focusing on the special and common needs of a particular customer group or end user. Adobe Systems is a software company that focuses on creative people, such as those who work at ad agencies. Domino's Pizza focuses on pizza-eating consumers who value reliable delivery.

You might have decided to focus on a vertical market or category. McKesson Corp. is a distributor focusing on the medical supplies market. Sysco Corp. is a distributor focusing on food products serving restaurants and related food-service companies.

You might have developed a unique technology or production capability. Google has built its business around a search algorithm that keeps getting better every time someone performs a search. The Dow Chemical Co. develops products that can be used across industries.

Some companies are marketing centered. Many put Apple in the marketing category rather than the product category. Amazon is a marketing-driven company. Most car dealerships are marketing-driven.

Other companies are focused on a distribution model. Fred Smith founded and built FedEx around the hub-and-spokes method he developed for delivering packages. Avon went door to door. Dell sold direct to the end user, eliminating the middleman.

After selecting from possible gaps, alignment with the company's DNA should be the final piece to the puzzle. Your competitive strategy must be aligned with all three Cs: the customer, the competition and your company.

If you want to play to win, you must find your playground. Winning is much easier when you're playing in the right playground. The choice of where to play is a strategic decision that already positions your company for competitive advantage.

We hope this helps you find your playground. When you do, that's really just the beginning. Then you get to play the game. It's about execution with focus, smarts and the willingness to adapt when necessary.

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