

REPLACING
- THE -
RAINMAKER

WORKSHOPS

COMPETITIVE ADVANTAGE

This workbook accompanies the audio workshop. It includes speaker's notes, which summarize the content covered in the workshop. It also includes activities, which you'll complete during the workshop, and a continuing education assignment, which you'll complete after the workshop. The continuing education assignment gives you a chance to apply the theory you learned in a practical setting. At the end, there's a quiz to test what you've learned as well as space to make notes and information on where to go to learn more.

SPEAKER'S NOTES

Learning outcomes

- You'll learn how to match your core competencies with market opportunities.
- You'll learn about the benefits of knowing your competitive advantage.
- You'll learn a step-by-step process for figuring out your own competitive advantage.

Competitive advantage

- Your competitive advantage is what you do better than the rest.
- You have a competitive advantage in areas where you provide your clients with a greater value, even at a higher price.
- You have a competitive advantage in areas where you provide your clients with the same value at a lower price.

Develop your messaging

- Your messaging explains what you do, for whom you do it and why you're different.
- Your goal is to develop messaging that resonates with your target audience.
- You want your ideal client to read your messaging and think: "That's for me!"

Stand out from the competition

- Your competitive advantage tells your clients what's unique about you.
- It builds on what you learned by analyzing the competition to make a case for why clients should choose you.
- Having a well-defined competitive advantage is a key tool in winning new clients.

Find a match

- To find your competitive advantage, match your core competencies with opportunities in the marketplace.
- For example, one of your core competencies may be that you always reply to clients promptly.
- But if other firms also reply quickly, you can't claim responsiveness as part of your competitive advantage.

Bingo

- Crafting your competitive advantage depends on knowing two things.
- First, you need to know your own strengths.
- Second, you need to have a clear understanding of the opportunities at hand.

A sea of uniformity

- Having a competitive advantage helps your prospective clients know why they should choose you over the competition.
- When prospective clients look at the accounting firm marketplace, they see often encounter a sea of uniformity.
- Every firm claims to be more responsive, more service oriented and more service deep than the competition.

Avoid the commodity label

- You don't want price to be the determining factor for your clients.
- If your clients are deciding on price alone, you'll have to be the lowest-cost provider to win work.
- If you can articulate how you provide value that your competitors don't provide, then you can charge higher prices.

Keep your eye on your clients

- As you craft your competitive advantage, focus on the things that clients care about.
- Those are the factors on which prospective clients are going to base their decisions.
- If you show your prospective clients that you can help them with the things they care about, you'll win more work.

A powerful tool

- Your competitive advantage will become a powerful tool in your arsenal.
- You'll be able to succinctly describe why you're the best at what you do.
- That sounds like a simple thing to do, but the truth is that a lot of firms can't do that.

Consider your advantage

- To craft your competitive advantage, gather your firm's key decision-makers together.
- Ask everyone to answer the question: What can we claim to be the best at?
- Your answers will usually fall within three general categories: people, process and performance.

The first P: people

- Answer the question: How are our people better?
- Almost any accountant is going to be proficient at accounting, tax and compliance work.
- Look for areas where your staff members offer something that other firms can't match.

Experience talks

- Your people may stand out because they're more experienced.
- For example, maybe your accountants have more credentials than the competition.
- Or maybe they've been with your firm for a long time.

A people person

- Your people may stand out because of the way they interact with their clients.
- For example, maybe your accountants take a proactive approach to their client relationships.
- Or maybe your accountants pride themselves on their ability to clearly explain complex issues.

The best of the best

- Your people may stand out because they stay up to date on the latest industry news.
- Accountants can't rely on what they knew 10 years ago.
- The field is changing and it takes work to keep up.

Always on call

- Your people may stand out because they're committed to responding promptly to client concerns.
- Your competitive analysis will come in handy because nearly every firm will claim they're responsive.
- To claim you're responsive, you'll have to demonstrate that you deliver more than the competition.

The second P: process

- Answer the question: How are our processes better?
- Focus on processes that benefit your clients.
- If it doesn't impact your clients, it shouldn't be part of your competitive advantage.

Welcome to the family

- Your processes may stand out because you have an extensive client welcome process.
- A client welcome process is one way to demonstrate that your firm actually practices great client service.
- If this is something you offer that your competitors don't, you've hit the sweet spot.

Plan for the future

- Your processes may stand out because you offer planning services.
- If you offer tax planning to all your clients, you're offering something that the competition is not.
- Or maybe you use tax planning as a way to help clients seize opportunities or minimize liabilities.

Put tech to work for you

- Your processes may stand out because you make better use of technology than your competitors.
- Many clients don't think their accounting firm uses state-of-the-art technology.
- If you do, you've found a possible point of differentiation.

Remember the benefits

- Make it clear how your use of technology benefits your clients.
- If you're claiming that your online client portal is a competitive advantage, explain why.
- Maybe it allows clients to access their account anytime, anywhere.

The third P: performance

- Answer the question: How do we perform better?
- Your performance may stand out because you offer faster turnaround.
- You still have to deliver top-quality work; doing shoddy work quickly isn't a competitive advantage.

Value for the money

- Your performance may stand out because you offer a particularly good value.
- You can be the lowest-cost provider, or you can offer the most value at your price point.
- If you offer value-added services, you may be able to claim that you're delivering the best results at your price point.

Show real gains

- To identify areas where you perform better than your competitors, consult the client feedback you've gathered.
- Ideally you should always be gathering information from your clients about how they're doing.
- If your clients' gains exceed the gains of your competitors' clients, you have a competitive advantage.

Rule of three

- So far you've come up with multiple claims for how you outperform the competition.
- Choose your three strongest claims.
- Those three claims will make up your competitive advantage.

Offer numbers

- Substantiate each claim with measures and metrics.
- For example, if you claim that your staff are more qualified, explain how so.
- Avoid making hollow claims that can't be substantiated with proof.

Be specific

- Use precise numbers and don't round or exaggerate.
- Using an exact number suggests your stat is accurate.
- If it was worth measuring, it must be important.

The end result

- You should have identified your three claims.
- You should know what category each claim falls under.
- You should have validation for each claim.

A recipe for success

- Create a summary document that lists your claims.
- As a result of going through this process, you'll stand out where others blend in.
- Connecting the needs of your clients to the things your firm does best is a recipe for business development success.

The big picture

- You have a summary document that lists your three claims, which you'll use to craft your elevator pitch.
- An elevator pitch quickly explains what you do, for whom you do it and why you're different.
- An elevator pitch brings together all the research you've done on your clients, your competition and your own strengths.

Summary

- The ultimate goal is to stand out from the competition.
- Separate yourself by making uncommon claims that are substantiated by measures and metrics.
- Focus on the areas where you excel.

ACTIVITIES

If you're completing these activities on your own, please write down your answers in your workbook. If you're completing these activities in a group, please write down your answers individually. Then share your responses with up to two other people. Look for commonalities among everyone's responses and discuss any differences.

Activity 1

What do you think your firm's competitive advantage is and why?

Activity 2

Craft an answer to each of the following questions: How are our people better? How are our processes better? How do we perform better?

CONTINUING EDUCATION

Within the framework of your firm's competitive advantage, craft your own personal competitive advantage statement. Your statement should underscore, "Why you?" Add measures and metrics to substantiate your claims. Then take it for a test drive with prospective clients. See if your competitive advantage resonates with them.

QUIZ

1. Your messaging should define who you are, what you do, for whom you do it and why you're different.
2. If you want to know how you're different than the competition, you need to start by studying them. You need to judge their strengths and weaknesses and understand the landscape as a whole.
3. The simplest reason for crafting your competitive advantage is that it helps your prospective clients know why they should choose you over the competition.
4. If you're offering the same exact service as your competitors, price is rarely the determining factor in who wins the work.
5. Before arriving at your competitive advantage, you must first understand what your clients want and perform a competitive analysis.
6. The three P's of competitive advantage are people, practice and perspective.
7. Value can take two forms: You can be the lowest-cost provider or you can offer the most value at your price point.
8. Substantiating your claims with measures and metrics is a "nice to have" not a "need to have."
9. Connecting the needs of your clients to the things that your firm does best is a recipe for business development success.
10. You want to separate yourself by making uncommon claims that are substantiated by measures and metrics. And you want to focus on the areas where you excel. If you can match up your core competencies with market opportunities, you'll win more work.

NOTES

FOR MORE INFORMATION

For more information about additional workshops, or other Replacing the Rainmaker products and services, please visit ReplacingTheRainmaker.com.