



NATIONAL ASSOCIATION OF
ELECTRICAL DISTRIBUTORS

Smart Tools for Smart Distribution.

2010 National Electrical Leadership Summit

Competitive Advantage: Is Yours a Hit or a Myth?

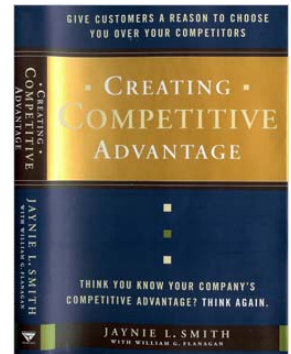
Presenter: Jaynie Smith

**Monday, May 17
1:00 – 2:30 pm**

Note: The information and suggestions presented should serve only as a foundation for further analysis. The National Association of Electrical Distributors hereby disclaim any and all responsibility or liability which may be asserted or claimed arising from or claimed to have arisen from reliance upon the information or utilization of the information contained in this packet of materials.

Creating Competitive Advantage

Doubleday, 2006



- “Smith’s elegant little book should be mandatory reading for all entrepreneurs.” – Miami Herald, December 2006
- Foreign rights to book sold in Korea, China, Croatia, UK, India, & Turkey
- Hit Amazon’s **100 Top Sellers List** in the 2nd month of book’s release
- Ranks in the **top 1% of books** on Barnes and Noble.com and Amazon.com
- Ranked **#11 in sales** on 800CEOREAD website in 2nd month of release
- In it’s **9th printing**
- Hit AOL’s **Top 20 Book List** in December 2006 and 2007
- Selected as **#2 Best Business Book of 2006** by Dan Bergevin of Catfield Business Concierge
- Labeled as “**presently one of the most influential books in the business world**” by BookJive.com
- Selected as cover story for *The American Management Association Journal*, **MWorld**
- Now available on **Audio CD**



Jaynie L. Smith

Jaynie L. Smith is the President of Smart Advantage, Inc., a marketing/management consultancy whose clients range from mid-sized companies to Fortune 500 companies. She consults nationally and internationally with many CEO’s and high level executives in helping businesses define their competitive advantages. She has served as a keynote speaker for numerous associations. She resides in Hollywood, Florida.

- Author of the best selling **Creating Competitive Advantage**, published by Doubleday Currency (2006)
- **35,000 plus hours experience** consulting CEO’s & **15 Top Performer Awards** for CEO coaching
- Featured in **Entrepreneur, Industry Week, Investors Business Daily & Business Strategies Magazine** among many other magazines and newspapers
- **20 years experience** working with Fortune 500 companies
- Appeared on several TV business shows including **ABC World News This Morning & MSNBC**
- Selected by TEC/Vistage, an organization of 14,000 CEOs worldwide, as one of the **50 most influential people of their first 50 years**
- Her Competitive Advantage proprietary workshop was selected as one of the leading new courses for the 2007 curriculum for the **American Management Association**
- Selected to deliver **Microsoft Office Live Seminars 2007** with speakers such as Michael Gerber, Stephen Covey, Marshall Goldsmith, Jack Canfield & Jim Kouzes
- Guest on **Bloomberg Radio, WABC Radio “Brinker Show,” & NPR affiliate WLRN** among scores of other radio shows
- Cover story on November, 2008 edition of **Profit Magazine**
- Undergraduate and Masters degrees from the **New York Institute of Technology**

Competitive Advantage: Is Yours a Hit or a Myth?

Your Profit Depends on it
Your Sales People Rely on it

What is Your **Number One** Competitive Advantage...

From your perspective?

From your employee's perspective?

From your customer's perspective?

Guerilla Marketing Excellence by Jay Levinson:

"...a company should concentrate solely upon your competitive advantages and nothing else."
"... investments in competitive advantage are frequently the wisest investment a business can make."

**"Build Confidence and Remove Risk to
Minimize Price as an Issue."**

Jaynie L. Smith

Costly Flaw of Most Companies

- They **don't have** a competitive advantage(s).
- They have competitive advantages, but **don't know** them.
- They know them, but **don't tell** them.

What is Competitive Advantage, and what it is NOT?

A competitive advantage differentiates, it is not a strength.

A good strategic session or marketing plan includes a SWOT analysis:

- Strengths
- Weaknesses
- Opportunities
- Threats

Strengths are required just to be in the game. They are expectations, “givens.” Your customer will only do business with you if you have the most common of strengths: quality, knowledgeable people, good customer service.

Strengths are required: strong army, up-to-date guns, the ammo...

Competitive advantages: target seeking missiles, stealth bombers

What are your target seeking missiles?

Competitive Advantages Must Be:

Objective, not subjective

Quantifiable, not arbitrary

Not claimed by the competition

Not a given or a “cliché”

True

Important to the customer

Competitive Advantage- Differentiates us for a time but can be duplicated

Competitive positioning – May not be unique but can “position” us as leaders or stronger than our competition

A Competitive Advantage Statement Must Be:

- Objective, not subjective
- Quantifiable, not arbitrary
- Not claimed by the competition
- Not a given or cliché
- Past tense
- TRUE

EXAMPLE

Deliverable: Reputation

Statement: In 2009, more than 80% of our business was from repeat clients (twice the industry average), who retained us for more than 350 transactions.

Deliverable: _____

Competitive Advantage statement: _____

Deliverable: _____

Competitive Advantage statement: _____

Deliverable: _____

Competitive Advantage statement: _____

Deliverable: _____

Competitive Advantage statement: _____

Value \equiv (Benefit X Confidence) / Price

Benefit \equiv Deliverable X Relevance X Importance

Relevance - "Where on hierarchy?"

Importance - "How bad do you want it?"

Competitive Advantage is a moving target

How often should you review it in your company?
(At least quarterly)

***"If you don't have a Competitive Advantage,
don't compete."***

Jack Welch

**Competitive Advantage is the Foundation of Strategic Planning.
It must include:**

- Measurements
- Alignment
- Behavioral Changes/Actions
- Accountability
- Culture

Your Company?

- How might your culture support your competitive advantages?
- What disciplines will you need to measure?
- How often do you/will you review Competitive Advantages?
- How often do you do true market research to "hear" what your customers are saying

Common Mistakes

- Trying to do internally, cannot see forest, too familiar with the trees
- Hiring a long standing consultant, who knows your trees too well – hire someone who is familiar with this concept and who does not know your organization
- Doesn't follow through and implement, relies on staff who have too many other responsibilities
- Doesn't engage enough of the company's staff
- Has preconceived ideas about what is
- Doesn't revisit often enough