

Challenges facing B2B enterprises



By [Mark Eardley](#)

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Differentiation: why it pays to be different...

No two B2B companies are the same. So why can't customers tell the difference?

We are all different. And just as no two individuals are the same, no two companies are the same. But if you look at a selection of B2B companies competing in the same market, they all seem pretty much identical. Like clones of one another.

For companies that want to win new business and reinforce margins, looking like a clone is a real problem. If all the offerings appear the same, how are customers supposed to decide which one to buy? And the problem gets worse when the suppliers all wear matching jargon.

Gobbledegook

Take the world of corporate IT as an example. Tech companies typically sell innovative, world-class solutions that combine best-of-breed products with best practices to deliver bespoke synergies through holistic partnerships that mitigate risk and add comprehensive benefits across converged value-chains.

It's a sector where core competencies are harnessed to address key imperatives for all stakeholders. Where thought leadership is leveraged to deploy next-generation solutions via cutting-edge methodologies.

Competitive advantage and continuous improvement are achieved end-to-end with seamlessly integrated turnkey projects that are dynamic, flexible, adaptable, scalable, modular, and future-proof.

See? An entire sector has been infected by meaningless buzz phrases and identical-sounding gobbledegook.

The right price is a low price

More importantly, when everything seems to come from the same world-class mould, how can customers spot the differences? Mostly, they use price as the differentiator. What else are they supposed to do?

And when price is all that sets a B2B company apart from its competitors, there is only one rule: it must be low.

It's the evidence of difference that generates sales and protects profits

Now, to the matter of your customers...

How can a B2B company differentiate itself - beyond offering low prices? Despite appearances to the contrary, all companies are different.

They are different in the way they answer these simple questions: who are you, what do you do, how do you do it, and why does any of this matter to me - the customer.

For customers, the answers must prove how you contribute to their success. Why you matter to them.

Differentiate or die

If you've been in business for a hundred years, so what? What's the relevance of your manufacturing facilities and systems? Why does your skills-base and sector experience matter? What's the significance of your stockholding? Where's the value in your processes?

Unless you can show *how* it will improve their success, customers don't give two hoots if you were founded in the year dot, have ultra-modern factories, hire the top talent, operate extensively in their sector, hold the most stock, run Kanban systems or apply Agile methodologies.

If they can't see how any of this helps them, it's irrelevant. Which means you're paying for it and they won't.

The American marketing consultant, Jack Trout, wasn't being glib when he said, "Differentiate or die." If customers can't tell the difference between you and the competition, then you'd better have a low price.

Because that's all they think you're giving them.

ABOUT MARK EARDLEY

In a 30-year career, Mark Eardley has assisted business-to-business enterprises to increase sales and margins by applying the key principles of B2B marketing. Based in Johannesburg, he can be found on LinkedIn or contacted on +27 (0)11 646 5183

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