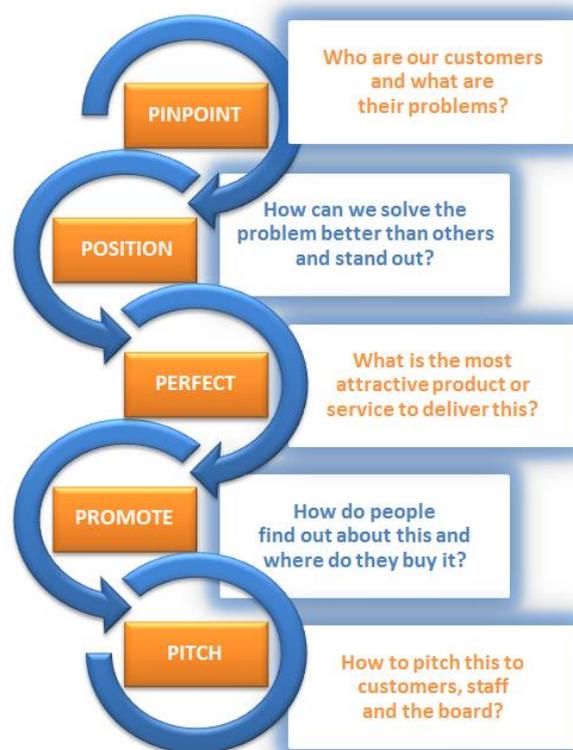




DIFFERENTIATE

Effective Growth Leaders



Effective growth leaders

Introduction

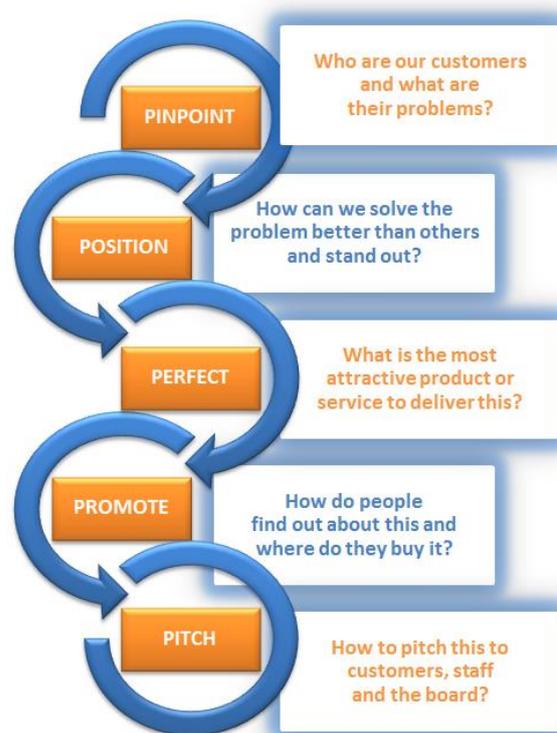
Effective Growth Leaders (EGL's) know they will get growth if they make their products and services more attractive to customers. EGL's do this by focusing on adding value to attract customers rather than extracting short term profit from them.

EGL's avoid phrases like "capture customers" or "extract profit". They are not thinking about how to "extract" the maximum revenue from customers. Instead they work out how to attract rather than how to trap customers and to add value.

The most Effective Growth Leaders that we have met have either figured out how to address these 5 issues or are busy working on them.

Some EGL's are entrepreneurs who work this stuff out intuitively. After all spotting opportunities in the market and designing a product or service to address them is what entrepreneurs do. It is how the entrepreneur brain works.

Some EGL's are corporate business leaders who engage internal teams and external support to work this out. This typically uses more formal market research workshops and market analysis.



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It is a truism that people only spend money when they see something that helps them solve a problem. But precisely because this is so obvious, it can be easy to forget how important this is to designing products and services that customers want to buy.

Solving a problem is the only reason you ever get your credit card out, put your hand in your pocket or authorise a purchase order. Funnily enough, your customers are the same.

What we mean by problem, means different things in different markets

- In food and drink. the problem is an occasion, event or time of day when you need something
- In business services, it is to get something done you cannot do yourself either for reasons of time or skill
- All the gardening products we have worked solved problems in the garden, green, weeds, growth
- In technology products it is about enabling you to do more things at once, or more often or in more locations; the problems are time pressure and the desire not to be tied to location

So if you focus on who the customer is and what their problems are, this provides the start point for getting your products and services right.

Of course, first of all you have to identify who your customers are, or who they could be, especially if you are a business seeking to enter new markets or new segments of existing markets. A helpful question is 'Who might I send invoices to?'

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When you know who your customers are and what their problem is, the question is how do you solve that problem better than the alternatives. You have to be seen to do it better than your competitors. This is about standout. But getting the right answer for your business and delivering it every day is hard work.

In the industry jargon this is called 'positioning strategy' and there is a lot of stuff written and talked about it. EGL's look at this in a particular way.

EGL's want to know "How do I solve this problem better than my competitors?" "What are the alternatives the customer can consider?" and "How can we stand out?"

The starting point for this positioning standout is how to solve the problem better. This is not always about being different or differentiation, it is about standout. So for example

- You could be available in more places than anyone else e.g. Coca Cola
- Some people try to be cheaper (this is very tough to sustain)
- It can be through design and beauty e.g. Apple
- In food it has a lot to do with taste and health and quality
- It could be about service standards – delivering faster than anyone else eg Amazon Prime

But the right answer starts with understanding the customers' problem and then you identify the sustainable means by which you can be better than others at solving it. It needs to be sustainable because otherwise it would lead to enduring profitable growth for you.

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PERFECT brings the positioning alive. When you create the products and services that deliver the standout positioning, then you prove your standout to customers.

With real products and practical proof the growth energy gets going in your business.

Your positioning provides the platform for developing the products and services that solve real customer problems and address real customer needs.

EGL's know that to develop the best specific product ideas they have to get the whole business team excited about it. After all it is operations, sales, marketing and finance who will work together to make it happen.

For this to happen everyone needs to understand the positioning. Words alone are rarely enough to communicate this and to create a common understanding of it. Words alone are not enough to get everyone excited.

The step and this question is all about proving the promise in the positioning. You move into action. This step is all about making it real. Here are some real examples in the market today where we had some input.

- Celebrations - everyone likes all the brands, there are no sweets left over
- Miracle Gro moisture control compost - does not matter if you forget to water the plants
- Galaxy Jewels - creamier more indulgent chocolates to share but you can still afford them
- Mars Milk - keeps your energy levels going for longer (and tastes great)
- Link Oil and Gas professionals - we don't just get you the right job, we will look after you and get you the next one as well
- Fridaysmove - we are proactive and will get the house transaction done when you need it because timing is everything.

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When you have a great product or service, then 2 things need to happen for you to make sales.

1. The prospective customer needs to know about it and understand what it is.
2. Then it must be easy for them to transact and make the purchase.

What EGL's do is identify which of these they must address and how much they should spend on it to stimulate growth. In the corporate world this is sometimes called channel strategy. There are two types of channels

Pull - ways that people find out about the product and understand what it has to offer

- Advertising,
- Word of mouth,
- social media,
- PR

Push - ways that stimulate people to buy

- Retail display
- Web advertising/web shop
- Promotion activity/price reductions
- Direct mail/email

Knowing where you should prioritise is essential to be efficient and effective with marketing spend and sales resources.

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EGL's know that ideas are worth nothing on their own. It is the implementation that creates the value. This needs the whole business to be inspired to get behind the plan. All this thinking, strategy and brilliant ideas come to nothing if the wider business team does not get excited about and get behind it.

Examples of who needs to be inspired and what needs to happen include

- The board - need to approve investment and resource allocation
- R&D - have to develop products and technical solutions
- Operations - need to make it happen
- Sales - need to communicate with customers

In the PERFECT step we discussed how EGL's must have real ideas and great visual tools to communicate the products and services. But EGL's also know that having a great pitch is deeper and more profound than this. Having a great PITCH makes the whole plan more likely to succeed as this embraces a number of elements

- A pitch story that is easy to follow (can be explained in under 2 minutes)
- Evidence about why it will work based the business capability and customer insight
- Robust financial assessment
- Samples, visuals and video that get the idea across
- Internal supporters throughout the business

Business leaders who know this and practice this are much more successful growth leaders than those who don't.

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We hope you have found this stimulated some thinking about how you can turn insights about your customers in products and services they will love. And how this can help you be a more Effective Growth Leader in your business.

If you want to discuss this further we offer a number of different follow ups where you can learn more

- Webinars – recorded and live <http://www.differentiate.co/pinpoint-workshop.html>
- 90 minute strategy sessions – examine your situation and where you are going, identify some opportunities (£50 donation to our chosen charity)
- [Multiclient workshop EGL programme](#) – get better value and a community of support by working alongside other business leaders in a similar situation
- [Customised EGL consultancy for your business](#)

Please contact us for details about any of these steps. If you are not sure which is right, then watch [the webinar here](#)

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