

# STRADOF – Look Beyond Features To Find Differentiators | OVERVIEW

It is imperative to have differentiators in all product categories, more so in crowded ones.

However, finding differentiators in a crowded product category is difficult. After all, if there are so many companies offering the same product with virtually the same features and characteristics, how does a marketer find a differentiator?

To resolve this apparent paradox, the marketer should first have a clear understanding of what a differentiator really means. Having done that, s/he should look beyond the features and characteristics of the product or service in order to develop differentiators.

A differentiator is an attribute that is *perceived by your customer as unique* in your offering. It is not necessarily an attribute that is absent in your competitors’ offerings.

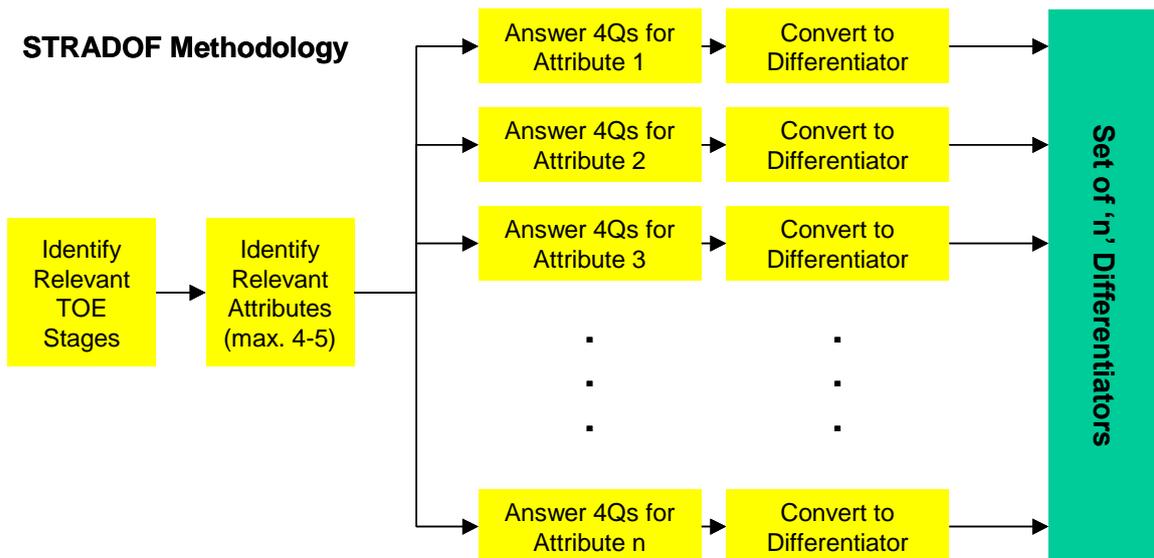
*A differentiator need not necessarily be related to a feature of the product or service.*

In this document, we present a structured framework called STRADOF to develop differentiators.

## The STRADOF Framework

STRADOF stands for **ST**ructured Methodology for **RA**pid **D**evelopment **OF** Differentiators. STRADOF can be used to generate a set of differentiators by following a structured and repeatable process. It focuses on the market, unlike most approaches that tend to look inwards into the company. It can be used in “high tech” product categories like computers and software that are intended for use by a business.

The STRADOF methodology is illustrated by the following diagram.

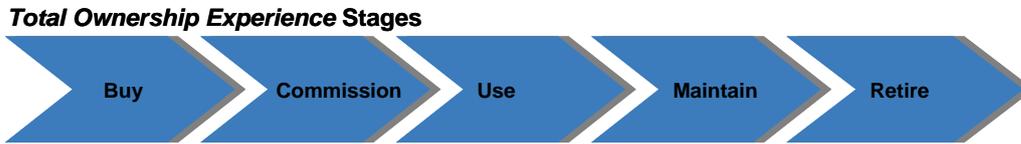


Now let us describe the various steps of STRADOF in a generic context of a high-tech product or service.

## TOE Stages

*Total Ownership Experience* refers to the experience of the user of a product or service through its entire ownership lifecycle.

The stages in the total ownership experience are shown in the following diagram.



Not all items go through all five stages. Most services and products of the nature of ‘consumables’ and ‘perishables’ do not have the ‘Maintain’ or ‘Retire’ stages.

## TOE Attributes

Each stage of the TOE framework has its own attributes. Some attributes are common to more than one stage. Not all attributes are relevant for all items. A few examples of generic attributes are shown in the table below.

| STAGE of TOE      | ATTRIBUTE   |
|-------------------|---|
| <b>BUY</b>        | Features and functionality<br>Purchase cost / Total cost of ownership<br>Pricing model (fixed, time-and-material, pay-per-use, ...)<br>Range of vendor expertise across current and future needs<br>Vendor credibility and track-record |
| <b>COMMISSION</b> | Delivery model<br>Internal resource requirement<br>Completion time<br>Infrastructure requirement  |
| <b>USE</b>        | Features and functionality<br>Usability<br>Speed / Response time<br>Reliability / Uptime  |
| <b>MAINTAIN</b>   | After-sales service<br>Ease of making ongoing changes<br>Ability to retrofit add-ons  |
| <b>RETIRE</b>     | Convenience<br>Resale value   |

Not all attributes are relevant in all situations. We suggest that a maximum of 4-5 attributes be selected per offering.

## The Four Questions

The four questions that need to be answered against each attribute are:

1. What is the buyer’s ideal expectation on this attribute?
2. What do your competitors offer?
3. What are the gaps perceived by the buyer in your competitors’ offers?

#### 4. What can you do differently to fill these gaps?

The 'doing differently' is converted into a credible differentiator.

### **Packaging Differentiators**

Differentiators may need to be packaged differently to suit different market situations. First and foremost, the differentiator should be in line with the local business culture. Second, it should address a real customer pain point and deliver a tangible business benefit. Last but not the least, avoid the temptation to over-differentiate!

### **Conclusion**

It is important to differentiate your offering to achieve success regardless of what product or service you are offering or in which market you are operating. Restricting yourself to product features and characteristics might not provide enough areas for differentiating yourself, especially in a crowded product category. The STRADOF framework presented in this document helps the marketer look beyond features and develop differentiators by focusing on the various attributes in the total ownership experience. For a more detailed exposition of STRADOF, please email [info@sketharaman.com](mailto:info@sketharaman.com).