



Competing vs. Competitive Advantage

Thinking about when the Olympics were in Japan. Lots of competitors arriving, all with the same basic talent and skills, albeit wide range of desire, training, motivation etc. All have one goal, to beat the other guys, or at least to get on the podium.

Business is not the same! In the Olympic arena, the competition is done in a few short days. In business, it is daily, unending, always needing to outcompete the other guy - continuously. To succeed in business, you want a distinct competitive advantage. The definition of competitive advantage is a capability that delights customers, while exceeding the capabilities of your competitors, one that is not easily replicated or sustained. If you don't have competitive advantage, you are at best - average....Average is not profitable or sustainable.



Netflix had a competitive advantage over Blockbuster. Timex had a competitive advantage over Swiss watchmakers. WalMart had a competitive advantage over KMart. Online retailer Amazon has a competitive advantage over Sears.

What is your competitive advantage? What??? You are not clear about your competitive advantage? Maybe you are one of the average performers, and your motto is something like, "we are cheap!" Good luck with that. Your lead time to customers is not shorter than your competition? Reliability is not higher than of your competition? Service level is not more pleasing than your competition? We need to talk....

One firm I worked with started out with a competitive product, but a long lead time averaging 12 weeks. As the patents began to expire, competition was fierce. Over the years this firm invested in LEAN thinking, driving continuous improvement, working ON the business, not just working IN the business. Eventually they improved their order fulfillment cycle time from 12 weeks to 4 hours. That is competitive advantage!

Every firm needs to be focused on how they succeed, how they win. (A USA airline carrier I know cannot claim to outperform their competition when they cannot reliably manage routine service support. I don't want to be on hold to talk to a customer service rep for over 90 mins only to get dropped from the call) while trying to make international travel plans).

I help my clients discover ways to deliver more VALUE. And it generally doesn't cost a lot to get started. Finding the waste in any process can take you a long way towards reducing lead time, improving quality, both of which customers are more than willing to pay for. And getting rid of waste in your processes often is more productive than a mere cost reduction project to make your suppliers charge you less. It generally has an impressive ROI within a short time . Assess your customers' satisfaction. Assess your capabilities and drive specific strategic initiatives to create the value! Time to invest in working ON your business to create YOUR competitive advantage. Let me know if you would like help on your journey.

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