

## EPIISODE 44: HOW TO DIFFERENTIATE YOURSELF FROM YOUR COMPETITORS

with Scott McKain

Marketing for Creatives Show  
at [IntNetworkPlus.com](http://IntNetworkPlus.com)

**Announcer:**

Turn your hobby and freelance work into a profitable business! Make your marketing easier by applying the strategies of experienced entrepreneurs and have more time to do the work you love. You are listening to the Marketing for Creatives show with your host Marina Barayeva.

**Marina Barayeva:**

Hi everyone. This is Marina Barayeva. Welcome to another episode of Marketing for Creatives show. In this episode, we gonna talk about how to differentiate yourself from your competitors.

Saying that you're great in your service or your product is the best isn't enough for people to make a decision to deal with you.

You need to have a clear statement how you are different and this should go through all of your business processes.

Today with our special guest Scott McKain we will help you to find and express why and how you are different from your competitors.

Scott is an internationally known authority who helps organizations create distinction in every phase of business and teaches how to deliver an "Ultimate Customer Experience®."

Scott McKain's presentations benefit from three decades of experience, combined with his innate talent for articulating successful ideas. McKain has spoken before and consulted for the world's most influential corporations.

Hi Scott. It's so great to have you here. Welcome to the show.

**Scott McKain:**

Marina, I can't thank you enough. It's a privilege and a pleasure to be with you. Thank you.

**Marina Barayeva:**

Fantastic. Scott, please share with us your entrepreneurial story.

### **Scott McKain:**

You know, I grew up in an entrepreneurial family. My folks had a very small grocery store in the rural town in Indiana where I grew up.

I grew up in an entrepreneurial family and I certainly think that influenced me throughout my entire life. I've just got that in my blood. I got it in my jeans. I just think that's the way to do things.

I started my own business very young, while I was in college: speaking, learning and lecturing. But also, I kind of viewed myself more as a transmitter. I would be out and entrepreneurs gives me a good idea that was working in their business. Then I would start using that in my speeches.

One of two things would happen. Either people would write it down and go, "Man, that's a good idea. Write it down."

Or they'd go, "Hey Scott, I've got a better idea." And they would improve the quality of the ideas.

It was almost like a learning laboratory for me: talking with great entrepreneurs, learning from them, learning from what my parents did and their business to fight away the big and difficult competition.

The combination of all those, I'm very fortunate, gave me a unique perspective on what does it take for an entrepreneur to drive their business to the highest levels.

### **Marina Barayeva:**

What do you specialize in now?

### **Scott McKain:**

I went through a personal tragedy in my own life. It took me out of the business for a little bit. Then what happened I was getting back in the business, trying to book speeches in and programs and seminars.

I started calling the speaker's bureaus. The speaker's bureaus are kind of like travel agencies used to be. They were places where business could call and get information about speakers that wasn't biased and then the bureau would recommend.

I said at these bureaus in case, so when you recommend me, what are you saying? And they said, "Oh, a really good speaker on a really nice guy." I want to be a really good speaker and I choose to be a really nice guy. I hope to be anyway. But no professional is saying, "You know, what we needed at this year's meeting, we need a really nice guy," right?

That's not, what would you say. You say, "We want someone that teaches us about this or we need to improve our business."

I started looking for ways I could stand out in the marketplace. As silly as it sounds a little bit into the research for my own business, I realized everybody needs this, not just me. You know what I mean?

Everybody knows more about how to stand out in the marketplace and what does it take to move to the front. The research I was doing literally for my own businesses as an entrepreneur is what turned into the book **Create Distinction**. It's what's turned into literally hundreds of speeches all over the world. It's really been a great ride. I've been very, very fortunate.

### **Marina Barayeva:**

That's fantastic. As you said, people wrote down sometimes what you say, and I wrote down your quote. One time you said, "If your customers cannot clearly determine how you are distinctive from your competition... why wouldn't they choose them instead of you?"

### **Scott McKain:**

Right. And that's the thing. We are as entrepreneurs, it's natural, we're so proud of what we do and rightfully so. We work so hard at what we do. Then we assume that the customer is going to know that or the customer's going to see that.

What we often overlook is our competition is working as hard as we do. Sometimes they're working harder.

The competition is just as proud of their product or service as we are of ours. We tend to put our blinders on many times. We tend to be very myopic in our focus, and we don't really comprehend what the customer is going through in terms of the decision-making process.

The only way that someone moves from being a prospect to a customer is they make a choice. They choose.

If you don't give me any compelling reason to choose you, and what I think if you're pretty much the same as your competition, then the only determining factor that I can use is the price.

Nondistinctive competitors begin this race to the bottom who can sell of the cheapest. That's not a good long-term strategy. That's not a way. Then you don't have any loyalty. Customers aren't loyal to you. They're loyal to the low price. And you've got to find a way to break out of that

### **Marina Barayeva:**

How to do it? Because usually what happened, I talked to people and they say, "Oh, I offer these. I offer that."

And what's so special about you? "Oh, we can give you the best service" And that's it. That's the end of the conversation.

### **Scott McKain:**

Right. The part that strikes me... That's kind of funny about that too, and you're making a great point really is that you're exactly right. That used to be the fallback position.

We can give you great service. It's like we're assuming the competition is saying, "Well, we're pretty rotten at service. We're pretty bad at." (Laughter)

Nobody's saying they're bad at service. Everybody's saying, "Oh, our service is fantastic. It's great." It's one of those like when people on the street say, "Good morning," and you "Good morning." We don't even connect. We just do it.

"We are great service," is kind of like a good morning. It's just one of those things we just say, but we don't put any meat on the bones. We don't really describe what makes it great and superior and differentiated from the service that they could get from somebody else.

### **Marina Barayeva:**

Exactly. Can you help us please, give us an advice? How can we show the difference in each part of our business? Whether it's customer experience, sales, marketing, how can we differentiate ourselves?

### **Scott McKain:**

It begins with clarity. There are four cornerstones of the distinction that I found in the research.

The first of the four cornerstones of distinction is clarity. It's being absolutely crystal clear about what your advantages are.

I know that sounds easy. It's the hardest to the fore. It is the hardest thing to get really precise about what you do. Because when you're really precise about who and what you are, it's hard for entrepreneurs because it also means you have to be just as precise about what you were not. There's very few of us want to say, "Oh no, that's not what I do." Internal way business.

Particularly in the beginning of our careers, we want to take everything. I'm sure with you Marina, when you were building a photography business, anybody that needed pictures taken, you didn't want to say, no, you want to be out there doing it. You want to be out there.

But then there comes a point where you have to say, "I charge this." And you stick with it or "I do this" and you stick with it.

### **Marina Barayeva:**

That was hard.

### **Scott McKain:**

It's hard. It's really tough. But as long as you're willing to do everything, you won't be known for anything. And that's the real challenge for entrepreneurs is the strength and the fortitude to say "This is what we do."

I remember, I got a call from a speaker's bureau and a person that I respected very much [inaudible] and we were on the phone and he was saying, "Scott, no one is calling us asking for speeches about the distinction. Please, please, pick another topic." And that was a real turning point for me because I had to say, "No, this is what I do. This is who I am. This is what I do."

And we talk and laugh about it now because people started asking for it when I got it out there in the marketplace. But I know how hard it is because I remember sitting in there on the phone thinking, "Well, maybe he's right. Well maybe..."

But then I thought if I say yes to this, then I'm violating what I teach. I'm violating the very thing that I'm asking other people to do. So I had to walk the talk. But it gave me a perspective on how tough it is to be clear.

The other thing that's interesting that the Department of Education at Yale University says that you have six seconds to grab someone's attention. Just six.

Once you grab their attention, you have it for a longer period of time, of course, but to break through the clutter and to capture attention, you've got about six seconds.

Basically, what you've got to do is to come up with something that is so clear about what makes you stand out or so intriguing that a customer prospect wants to know more. You've gotta be able to see it at six seconds.

Quick example, Steve Jobs walks onto the stage in California and he's about to announce the first apple product that's not really mackintosh related. Reaches in his pants, pulls out the first iPod and simply says a thousand songs in your pocket. And as customers. We went, "Wow, that's what we want."

But the competitors at that moment were in the room and many MP3 players that were already on the marketplace. None of which really that we remember. But what did they say? "Oh, but we have a radio. We have more buttons and features. We can do..." That's not what we wanted. We wanted the simplicity of a thousand songs in your pocket.

So, from the customer's perspective, that was his brilliance. He described something that we as customers went Wow. And it only took him a few seconds to do it. That's what we have to do in our respective businesses.

### **Marina Barayeva:**

Do you have any tips on how people can find out these things? Because a lot of time you hear that you need to clarify, you have a few seconds to give the first impression, but in the end people again, "I will give the best service," for example, in photography or "I'm the best makeup artist". Or "I'll do the best speech about this topic" and the topic can be quite wide.

### **Scott McKain:**

One of the points is how easy is it replicated? Does it tie with you? For example, I was doing a program for the sort of financial agents, representatives, insurance sales professionals, and this guy comes up and shakes my hand and he says, "OK, here's my clarity statement. I'll build your financial future."

I acted like I was going to sleep. Everybody in the room could have said that. And it was the same thing. Then we come to find out he was an air force pilot that had retired and was beginning of the second career. So now he says, when someone says, "What do you do?" or when he promotes his business, he says, "I fly people through financial turbulence." Wow.

So what do we do? We go, "What do you mean by that? Tell me more." OK? So once the prospect, once the customer starts going, "Wow, that's interesting. Tell me more," now you've got them.

Now you have cracked into their thinking. Mindshare proceeds market share. Every business I work with, once somebody to help them grow their market share, and I always thought that's the wrong place to start.

If people aren't thinking about you, they're not doing business with you. You've got to get people thinking about you.

OK, so how do you do that? You begin with a clear message. You can't create clarity with a muddled message. It's gotta be very clear and very precise. So instead of saying we have great service, I might say... Yeah, there's a plumbing company in the Midwest of the United States. And on all the trucks it says "We'll be on time and smell good." (Laughter)

### **Marina Barayeva:**

Good point. (Laughter)

### **Scott McKain:**

First of all, we've all dealt with service professionals that they come in our homes or we were around them and they've been working hard and they don't smell really good.

And we've also dealt with folks who say, "Oh, we'll be there to install your cable television or will be there to repair." They're late or they don't even tell you what time they're coming. So you lose your whole day waiting for somebody to show up.

your point, it's not just great service. I know what this company, they will be on time, it'll smell good.

It's done a great deal of help for them. Because it's not just saying we have great service, it's showing specifically what makes their services.

The other thing is kind of interesting is the mind game that it plays because it also implies our competition may not be on time and those stinks. (Laughter)

It's finding a way to communicate that.

### **Marina Barayeva:**

(Laughter) It's funny. OK, if we clarify this first statement and people come to us and they interested in our service or product, whatever we offer, how can we differentiate ourselves?

### **Scott McKain:**

It constantly begins with the clarity. And that's the first cornerstone.

Then the second cornerstone is creativity. But the interesting thing is a lot of times in business and for entrepreneurs, two things happen.

First thing is the typical entrepreneur says, "Well, I'm not creative." You know, I am a photographer. I repair cars or I do this or that. And creativity is a novelist, or a songwriter or something like that.

In fact, the opposite is true. We all have to be creative. And creativity is one of the very few things that once you say you're not, you're right. Because once you say I'm not creative, at that moment, you stop searching for new answers.

So the first key is just to keep telling yourself and believing in your own ability to be creative.

The second thing is fascinating. If you look at the business, you only have to be creative in one specific area, you don't have to be wildly creative in everything. Just find a single thing that can make a difference.

I'm working on my next book now. I'm writing about the steakhouse. This restaurant that sells steaks in Indianapolis, Indiana, which was my home for many years. It's called St. Elmo.

St. Elmo is a steakhouse. Within a few blocks, there are 18 major steakhouses. Seen almost is far and away the highest revenue, highest profitability, hardest to get in. How does this one restaurant draw all these customers?

They created an amazing cocktail sauce for shrimp. It's so incredible. Now you could buy it on Amazon. It shipped all over the world. But it is so incredible and it's so filled with horseradish and make you cry. It's so hot, but they created this. It's part of the experience of being there. And by doing that one thing creatively, it attracts customers.

Customers you attract are infinitely more valuable over the long term than the customers you had to pursue.

If I attract customers because of something unique I do like cool cocktail sauce or only one button that you have to figure it out on the iPhone, whatever it might be.

If you attract customers, those customers always tend to be more loyal and everything than the customers that you've had to sell and twist their arm and hammer them and try to get them to surrender to do business with you.

Not that we don't have to promote, of course, we do, but those customers that are attracted to you always end up being more valuable.

So how do you become more attractive? You do something that's creative. You do something that's unique.

Enterprise rental car is the biggest rental car agency in the world. They became that way because they did one thing differently. They brought the car to the customer rather than making the customer come to the counter to get the car.

The Ford is the same. No matter where in the world you rent it and no matter which agency you run it from.

By being creative at just one thing. How does the customer access our product? You create this amazing thing.

What's one thing? Harvard says, only 16% of businesses have the list of every single point of contact they have with customers.

That's the first thing I encourage entrepreneurs to do. Make the list of every single point of contact that you have. It might be your website. It might be phone calls. It might be mailings that you do. It might be organizations that you belong to and your community.

Whatever it might be, write it down and think, what could I do creatively? Just one thing creatively at just one of those points that could make me stand out?

### **Marina Barayeva:**

When you talk about how they contact you, you mean how people find your service, how people find you or how people get in touch with you? Or all of this?

### **Scott McKain:**

All of the above. It could be in any one of those areas, but most of us... We get so busy doing what we do. We don't have time to think about what we do.

That's why Marina, you're providing such a great service. This programs that you do give entrepreneurs a chance to hear from a number of different people and gets them to think for a little bit.

That's what we all need to be doing about our own businesses is thinking, "OK, how can I serve?" Part of what I'm writing my new book is that we've heard the things start with WHY. I disagree. I don't think customers buy you WHY they buy your HOW.

If it, for example, I hire you to be my photographer, I'm more concerned about how you do what you do than why you do what you do.

Because what I'm buying is your performance. What I'm buying is your ability to produce what you've promised.

Most companies and most entrepreneurs are saying:

- How do we make more money?
- How do we cut expenses?
- How do we build this cheaper?
- How do we deliver?

Instead of saying:

- How do we make a better impression on customers?
- How do we eliminate what customers are upset about doing business with us?
- How do we...



Those are the HOWs that we need to be asking because customers buy your HOW. How you deliver it, not why you do it.

I think why is a great question for our own motivation in our own personal approach to what we're doing, but that's the old customers buy. They buy how you do what do. Being creative in that gives you an incredible leg up over your competition.

One thing you gotta be ready for is your competition will copy it. They will they. They just will. That's why it's important for you to be known, to be so clear when you communicated that when your customer imitates the perception of the marketplace is, "Oh, those guys are copying Marina because that's what she does."

You become so known for what you do then when your competition starts doing it they go, "Ah, well..." they're ripping them off.

### **Marina Barayeva:**

How to do it? How to let everyone know that we are so good in this one thing or several things which particularly related to our business?

### **Scott McKain:**

The magic is in the mix. There's not the ability to say, the world has changed and we can't say today, "Oh, OK, so here's what you need to do: get a Twitter account, tweet eight times a day and it's going to be great." Because that's not the case. The magic is in the mix.

Some customers you're going to reach on social media. Some customers are going to reach with phone calls. Some customers you are going to reach by encouraging referrals from your current clients.

All of those things. It's comprehensively being in the marketplace so that you're raising the mindshare. Because what tends to happen, it is this combination of all these things that make a difference.

For example, I may see you tweet about something, then I hear a recommendation from a friend and I put those two together in my head and go, "Oh, she's who I have to call."

It's not anyone is that combination. We've gotta be out there in the marketplace. That's why the clarity and the creativity of the messages are so important because the magic is in the mix.

### **Marina Barayeva:**

Somewhere on your website, I saw that you put the difference between customer experience and customer service. Is this what you mean by selling HOW like selling the experience instead of selling the service? Can you tell us more a little bit?

### **Scott McKain:**

There are three levels at which we interact with our customers.

Level number one is processing. Processing is what the customer has a right to expect because they're doing business with you.

If you don't mind, I'll use the photography business as an example.

**Marina Barayeva:**

Sure.

**Scott McKain:**

If I hire you to be a photographer, there are certain things I have a right to expect. What we have to do as a business and as an entrepreneur to say, "OK, what does my customer have a right to expect?"

Whether they have a right to expect that I'm going to be on time, I'm going to be sober, I'm going to be in good shape, helpline, that I'm going to have the equipment that it takes to deliver what they want, I'm going to deliver the photographs in a timely manner, and they have a right to expect that what I've promised is what I will deliver.

Those are the non-negotiables. It is not customer service to do your job. It just doing your job. It's processing.

Make the list of what those things are. Because very few entrepreneurs make the list. They just assume everybody knows. When you start adding employees, the employees might not know that. Have literally write it down. Have the list.

Then the second thing is customer service is how efficiently and being friendly as we execute those things that customer has a right to expect. It's processing. Then services the next level.

As a customer service if you're going to smile when you're there, you're going to be friendly when you're there, and you're gonna make it work it in a very timely, efficient manner. That's great.

If I'm flying to Beijing and the flight attendant asked what I'd like to drink, smiles, and asked me how my trips going, that's customer service.

If the plane is crashing in the ocean. I don't care how hot the coffee is. If you don't get processing right service does not really matter. But everybody's selling their service before they proven they can do the job.

But once you have service, now I want you to take it to the highest level. The highest level of the three is the experience. And what separates the experience from service is the experience adds personalization and emotion.

I'm only loyal to something I have feelings toward. If I don't have feelings toward it, why would I be loyal?

All of us that are wanting to create loyal customers have to understand that we are in the emotion business. You have to connect emotionally. So you find a way as you deliver the photograph. You find a way as you have that experience to really tie it in to create some kind of emotional connection with the customer that will bond them with what they've had.

That's what it makes that. That's the difference between service and experience.

Service is efficient. Service is friendly. But the emotion that's what I tell... I spoke to some folks who repair cars, "You're not just fixing a car from the customer's perspective. You're fixing MY car." My.

**Marina Barayeva:**

That's a good point. (Laughter)

**Scott McKain:**

I've given my car. And that is MY car. If you have that same emotion about my car that I do, now all of a sudden, you're fantastic.

But when you start talking about it, like it's nothing just one of eight that you've repaired the day. It might have been good service, but it doesn't make me a loyal customer because they haven't had an experience.

**Marina Barayeva:**

That's interesting. Thank you. For example, we made list all of the special things about our business, services, and experience, how can we show it to our employees, clients, partners, everyone? How can we express it in our business?

**Scott McKain:**

I think part of it is we do have to write it down. We've got to formalize it. We have to be able to tell our employees "This is what the experience is. This is as much a part of your job as anything else you do."

I mean if you do the job right, but the customer hates us, then you're out of a job. It's as much a part of the job as the technical skills.

But the second aspect is I think we have to model that. We have internal customers, our employees and external customers, those who buy from us.

In many organizations, they customer service only applies to the people outside. If we're not treating our own people well, then why would we expect that they're going to treat our customers great?

I hear all these business people that say our people are our greatest asset. Then they treat them like an expense. If people are your greatest asset, what do you do with an asset? You nurture it to grow. You want to grow your assets. You want them to expand their value.

You need to do that with your employees, with your internal customers, with your team to make certain that everything goes OK.

**Marina Barayeva:**

What do you think are the common mistakes that people make when they try to differentiate themselves from competitors?

### **Scott McKain:**

They don't understand what the customer is seeking. They focus inwardly and outwardly. They say things like what you said before, "Well, we have great service!" thinking that customers go, "Oh wow, that's it. That's what I need!" not realizing that every other competitor is saying the same thing.

What you have to do is not just say "You have great service." You say "We'll show up on time. We'll smell good."

Or you set, you give them specific examples of what sets your service apart. "We're going to call you in a week and make certain that you're happy and if you're not happy, we're going to make it right. Our goal is customer success."

It's saying things like that rather than "We've got great service."

### **Marina Barayeva:**

So the more you explain them the better results you get.

### **Scott McKain:**

It's important to leave behind a trail of tangibles. Think about what you want your customer to say to their friends after you've performed your product or they bought your service.

Jeff Bezos of Amazon says "Your brand..." Everybody talks about what branding is. You've probably heard the quote, "Your brand is what people say about you when you're not there."

What do you want your customers to say about? Obviously, for that plumbing company, they know what they want their customers to say. They did show up on time. They did smell good. It was a great experience.

If I say that to my friends, what's the likelihood when they need the plumber they're going to call the ones that show up on time and smelled good.

That's what we're looking for. It was not just great service. That's generic. What's something specific about what you do that will make a difference in the future?

### **Marina Barayeva:**

Can you give us please a little strategy, Scott, how our listeners can implement all of there? Maybe you could give us a few steps that they can take within next two-three weeks, how can they differentiate themselves from their competitors?

### **Scott McKain:**

First, begin with clarity. Come up with that six-second statement. When someone says, "What do you do?" What you say in six seconds, that would make them go, "Oh, that's interesting. Tell me more about that" or would engage them.

It might be something you use in your advertising. While the customer may not be able to ask you personally, indirectly, "How would you do that?" you at least get them thinking. You're trying to create that mindshare.

Second thing is, look at your business. What's one thing that you could do differently?

Maybe it's showing up on time and smelling good. Maybe it's... there's something that you could do that would be unique and different.

You don't have to do everything, but we can all pick one thing. From now on one of the things we're going to say is we're going to call you and make certain you're happy. Many businesses do that, but they don't say that they do that. They just assume the customer is going to know.

Third thing is, think of how you communicated. Are you communicating it not based on "Here's what we do?" Customers don't seek products or services. They seek solutions to their challenges, their solutions to their time crunch, so finding ways to do that is critically important.

And then fourth and finally the fourth cornerstone is the customer experience focus. How are you bonding emotionally with your customers? What are you doing that will make them feel like "I know them, they care about me as much as my car" or "as much as my pictures" or "as much as whatever it might be."

So when you start there, make the list of the points of contact that you have with customers. Think about how do we communicate that more clearly and what's one thing that we could do that would be different that would make us stand out. We could do that in two weeks and that's a good place to start.

**Marina Barayeva:**

Thank you so much, Scott. Please share with us how can we know more about you? What are you working on? How can we find you out?

**Scott McKain:**

Yeah, you bet. My book that's out now, that's the one that's done so well is called the Create Distinction: What to Do When "Great" Isn't Good Enough to Grow Your Business is the subtitle and that's an important aspect of it.

You could find that on Amazon or wherever books are sold anywhere in the world. My website is just [ScottMcKain.com](http://ScottMcKain.com). It's M-C-K-A-I-N.

And if people would like more resources, more information, all you need to do is to go to [DistinctionNation.com](http://DistinctionNation.com). There are free videos for you to watch and information for you to download. Everything is right there for you.

**Marina Barayeva:**

That's great. All the links I'll put under the blog post.

### Scott McKain:

I appreciate it. It's been great talking to you today, Marina. I truly appreciate the chance to be on the program. You're terrific. It's great being with you.

### Marina Barayeva:

Aw, you are amazing, Scott. Thank you so much for being here.

### Scott McKain:

Great to be with you. Thank you.

### Marina Barayeva:

All right. I hope you got new insights that you're ready to try in your business. If you missed something or would like to go back to some parts of this interview just go to [intnetworkplus.com](http://intnetworkplus.com) where you will find the show notes and the full transcript of the episode.

And if you have the questions or topics that you would like to hear about on the show just email me to [marina@intnetworkplus.com](mailto:marina@intnetworkplus.com).

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### Resources from this interview:

- Learn more about Scott McKain on [ScottMcKain.com](http://ScottMcKain.com)
- Read Scott's book [Create Distinction](#)
- Get more information about how to differentiate yourself from your competitors on [DistinctionNation.com](http://DistinctionNation.com)
- Follow Scott on [Twitter](#), [Facebook](#)