

## Regional Micro-Enterprise Credential: Differentiation Student Exercise

(Updated: June 12, 2017)

### The Match Game

<i>Match the differentiating claim on the left with the statement on the right that best describes that claim.</i>			
1	<i>"The lowest price, always the lowest price."</i>	A	A highly defensible differentiation, based on a unique benefit loyal customers will likely find valuable (even at a higher price)
2	<i>"We will never leave you alone."</i>	B	An easy promise to make, but one that is probably expensive and a differentiation that competitors can easily copy.
3	<i>"The only company offering the non-breakable submersible cellphone."</i>	C	An attempt to create a defensible emotional bond with customers, but effective only if the company has a distinctive, appealing style.
4	<i>"We guarantee full satisfaction – if anything is wrong we'll make it right."</i>	D	Sort of creepy, and not a differentiating promise likely to appeal to customers.
5	<i>"Our customers are our family. Live our style, love our community."</i>	E	A strong promise, but one that competitors can try to match if they have the same dedication and are willing to invest in great service.

### Ranking Effective Differentiation: Case One

<i>You have opened a unisex salon that focuses on offering the latest styles. Rank the differentiating factors you intend to offer to your target market customers.</i>			
Differentiating Factor	Highly Effective	Effective	Not Effective
1) Your salon is located in a popular strip mall with lots of convenient parking			
2) Your salon hosts fashion shows once a month featuring local celebrities who are also your customers/mentors			
3) Your salon promises to be the lowest cost salon anywhere in the city			
4) Your salon offers free salad dressing after the first three appointments			

### Ranking Effective Differentiation: Case Two

<i>You have opened an auto parts store that focuses on pick-up trucks. Rank the differentiating factors you intend to offer to your target market customers.</i>			
Differentiating Factor	Highly Effective	Effective	Not Effective
1) Weekly "best truck" competitions with prizes in your parking lot			
2) \$25 gift card when you refer 5 new customers from a local plant			
3) Your store is painted bright blue			
4) Your store lets customers order online with store pick-up			