

Lesson 11: Developing a competitive mindset

 By [Alon Raiz](#)

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I remember clearly the first day I realised someone hated me - not for my personality (or not that I know of), not for something I had done to them, but simply because I competed with them. I had become someone's enemy simply because I competed.



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When you start your business, hopefully you're obsessed with creating a valuable product or service and with solving problems and delivering value to your clients. In that obsession, you miss the fact that every time you win over a new client, you are in turn displacing someone else in one way or another.

Then the day comes, the question from your client, "What makes you better than Competitor X?" The right way to answer this question is to speak about what's good about your organisation, your product, your service. But, often, clients force us into making a statement of categorical difference, "We are better than them because..."

In an instant, you psychologically and subtly move from creating a solution to competing. It then dawns on you that you are someone else's competitor, that these people are sitting in boardrooms doing competitor analyses and spending day in and day out trying to crush you, to outsmart you, to beat you, so you may disappear from the marketplace.

For some reading this, this may seem quite obvious but, in my time working with entrepreneurs, I have encountered an alarming percentage of small businesses that are afraid to compete. Once you realise you are in a competitive market, you must design your products and services in a way that obviously and intuitively highlights their unique selling propositions, their differentiators and all the reasons clients should choose you over your competitors.

The moment you are in a sales context, your clients or potential clients will almost always be forcing you to compare your product or service on an apples-for-apples basis. You will certainly be competing on a cost-per-quality, a cost-per-output or a cost-per-something-else basis. In each one of these “cost-pers” you will undoubtedly be compared with a competitor’s cost-per equivalent.

If you don’t take the time and effort to understand your cost-per metrics in relation to your competitors, you will find yourself with a mouth full of teeth when you are asked the inevitable question, “What makes you better than Competitor X?” Most often, this will result in the loss of the sale.

Now, I’m not saying that there is no space for cooperation, collaboration or cooptation. There most certainly is. But, by its very nature, business is competitive. Not building a competitive mindset early in your business journey will most certainly impact your ability to grow and thrive.

You should see the first person who hates you just because you compete well with them and often beat them as a badge of honour, and get yourself used to collecting many of these badges.

ABOUT ALLON RAIZ

Allon Raiz is the CEO of Raizcorp. In 2008, Raiz was selected as a Young Global Leader by the World Economic Forum, and in 2011 he was appointed for the first time as a member of the Global Agenda Council on Fostering Entrepreneurship. Following a series of entrepreneurship master classes delivered at Oxford University in 2014, 2015 and 2016, Raiz has been recognised as the Entrepreneur-in-Residence at the University of Oxford’s Saïd Business School.

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