

Differentiation strategy: an easy way to make your business stand out in the market

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Article Info	ABSTRACT
<p>Keywords: Differentiation Strategy, Product Innovation, Quality, Honest Offers, Consumer Perception</p>	<p>In the context of increasingly fierce competition, companies are faced with the challenge of differentiating themselves from similar competitors. Differentiation strategy is considered an approach that can increase business attractiveness and create added value for customers. This research aims to investigate and analyze differentiation strategies as an effective method for making a business stand out in the market. This research uses a qualitative approach with descriptive methods. The results of this research show that a differentiation strategy, with a focus on product innovation, maintained quality, honest offers, and understanding consumer perceptions, is able to create significant added value. Innovation not only creates differences, but also provides solutions that are relevant to consumer needs, while product quality and honest offers are the basis for consumer trust. Deep understanding of consumer perceptions through smart promotions forms a strong emotional bond between consumers and products. Overall, differentiation strategy is the key to success in making a business stand out in a competitive market.</p>
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INTRODUCTION

Building and running a business does not only depend on product availability and location, but also requires a mature strategy (Teece, 2010). The importance of this strategy especially arises in the face of intense competition, where many manufacturers offer similar products (Sanchez, 1995). In a market full of new product choices every day, consumers often face confusion in choosing. Therefore, strategy is the key to making your product stand out and be considered unique by consumers compared to similar products from competitors (Dawar, 2013)

One strategic approach that can be taken is product differentiation. Differentiation is an effort to differentiate a product from products offered by competitors (Sharp & dawes, 2001). Differentiation can be done through various aspects, such as shape, style, packaging, quality, durability, features, and product performance quality (Zedkk, 2018). By differentiating, producers can create added value that makes their products more attractive to consumers. This not only creates uniqueness, but also gives consumers a reason to choose the product over other options on the market (Baron, 2020).

It is important for manufacturers to continue to develop and adapt their differentiation strategies to market dynamics. By understanding consumer needs and preferences, manufacturers can continuously improve their product differentiation to remain relevant and competitive in an ever-changing marketplace (Porter, 1991). Successful differentiation not only creates a strong identity for the product, but also builds consumer loyalty which has the potential to have a positive impact on long-term business growth (Fisher, 1991).

Differentiation strategy is of key importance in this context. In an effort to provide solutions to these problems, manufacturers must be able to present products that not only meet consumers' basic needs, but also have unique qualities that can differentiate them from similar products on the market (Semual et al., 2017). By understanding that differentiation is not just about the product itself, but also involves aspects such as packaging, features, and performance quality, companies can create added value that provides more attraction to consumers (Mudambi et al., 1997). Thus, it is necessary to carry out further research and analysis to understand the effectiveness of differentiation strategies as a way to differentiate a business amidst this intense competition (Zaichkoswky, 2010).

This research aims to explore the implementation and impact of differentiation strategies in increasing a company's competitiveness in a competitive market. Through a deeper understanding of this strategy, it is hoped that it can provide useful insights for companies seeking to win the competition and maintain their market share. By focusing research on the concept of product differentiation, it is hoped that innovative strategies can be found that can become a pillar of the company's success in creating competitive advantages in an ever-changing global market.

Literature Review

Differentiation strategy summarizes the various efforts and actions taken by manufacturers to create significant differences in the products and services they offer. The main focus of this strategy is to create added value that can be accepted and appreciated by consumers (Spencer et al., 2009). Through various methods such as product innovation, unique designs, special features, or superior quality, manufacturers strive to provide something more than just the basics. This not only creates uniqueness in the product, but also implies a higher level of service and quality (Spitzeck & Champman, 2012).

By implementing a differentiation strategy, manufacturers hope to create a distinctive and meaningful perception in the minds of consumers. The resulting difference can be a strong brand image, an exceptional user experience, or a reputation as an innovation leader in a particular industry (Carpenter et al., 1994). Through a differentiation strategy, manufacturers not only create appeal for their products, but also build long-term relationships with consumers (Kapferer, 2008). Consumer loyalty is a positive outcome, because consumers feel that they get higher value and ongoing satisfaction from differentiated products compared to other options on the market (Dobnio et al., 2006). Top of Form

According to Kotler (1993), differentiation is a way to design meaningful differences with the aim of differentiating a manufacturer's offerings from those of its competitors.

According to Samuel et al. (2017), differentiation is a strategy that can produce consumer value, give rise to perceptions of unique and good value and appear as a different form that is difficult to imitate. Meanwhile, Valipour et al. (2012), differentiation is the action of a producer to establish a set of meaningful differences in its products with the aim of differentiating the producer's offerings from those of its competitors, so that target consumers can be seen (perceived) as having significant value advantages.

The differentiation dimension plays a crucial role in determining "what" value a manufacturer offers to consumers. Focusing on tangible elements, this dimension includes content differentiation as the main product offering to consumers (Ulaga & Reinartz, 2011). This means that manufacturers try to provide real added value through differences in the shape, style, quality and features of their products. By presenting differentiated content, manufacturers not only create a unique product, but also direct consumers' attention to specific aspects that differentiate the product from competitors (Gebauer, 2008).

Apart from that, content differentiation is not the only thing to focus on in a differentiation strategy. There is another dimension that is no less important, namely content differentiation which emphasizes the "way" producers offer value to consumers. This includes infrastructure that involves crucial factors such as technology, HR capabilities, and facilities that support the creation of content and context differentiation. Manufacturers seek to differentiate themselves from competitors through the unique ways they offer value to consumers, including the use of the latest technology, the development of competent human resources, and investment in facilities that support product and service innovation. Thus, through these two dimensions of differentiation, producers can create a comprehensive value ecosystem to attract and retain consumers.

METHOD

This research is included in the type of qualitative research with an approach using descriptive methods. The descriptive method is a research approach that aims to observe problems in a systematic and accurate way related to the facts and characteristics of a particular object. This approach is focused on mapping and explaining facts based on a certain framework or perspective (Yulianah, 2022). This descriptive method aims to explain, describe and map a phenomenon, which can be conditions, relationships, opinions that are developing, processes that are taking place, effects or consequences that are occurring, or trends that are developing. In the context of this research, a descriptive approach is used to describe and interpret the phenomenon surrounding Differentiation Strategy: An Easy Way to Make Your Business Stand Out in the Market.

RESULTS AND DISCUSSION

In the business world, every step taken must be considered carefully, including when wanting to differentiate products. No action should be taken carelessly or without deep consideration. There needs to be a special strategy so that the product produced is not only unique, but also easily accepted by consumers. The product differentiation process must involve a deep understanding of the market, consumer trends, and unmet needs. Only with

a careful and structured approach can a product build significant added value, differentiate itself from competitors, and ultimately succeed in attracting the attention and trust of consumers. Awareness of the importance of differentiation strategy is key in creating products that are not only different, but also relevant and desired by the market.

The following are several strategies that must be implemented so that differentiated products are successful in the market:

1. Knowing consumer needs

In a product differentiation strategy, a deep understanding of consumer needs is a very crucial first step. Knowing what consumers want and need is the main foundation for designing products that can meet their expectations. By understanding consumer needs, companies can create products that are more relevant and in line with market demands. Understanding these needs is not only limited to functional aspects, but also involves understanding consumer values, preferences and lifestyles. Thus, implementing product differentiation is not just about creating differences, but rather about developing solutions that concretely solve problems or fulfill consumer desires.

Through this understanding, companies can show concern for their consumers. Providing solutions that are easily accessible and relevant to consumer needs can create an emotional bond between the product and the consumer. This is not just a commercial transaction, but also creates a long-term relationship based on trust and deep understanding.

When a product succeeds in answering consumer needs well, then in the consumer's mind, the product will become the main choice. In a competitive market perspective , the positive differences that a product has compared to similar products from competitors are the key to attractiveness. Consumers are more likely to choose products that are considered to have added value and positive differences that match their expectations. Therefore, knowing and responding wisely to consumer needs is the basis for forming a successful product differentiation strategy.

2. Maintain product quality

Product quality plays an important role in shaping consumer perceptions and the success of a business. Consumers tend to look for products that not only meet functional needs, but also have high quality standards. Therefore, manufacturers must maintain and ensure that the quality of their products is well maintained. A product that has good quality can provide significant added value, create consumer trust, and build a positive reputation for the company.

It is important for manufacturers to understand that product quality does not only come from the production process, but is also influenced by the raw materials used. Therefore, selecting quality raw materials is the first step in producing superior products. Manufacturers need to collaborate with trusted suppliers to ensure the availability of raw materials that meet the desired quality standards.

Apart from that, polishing the product so that it looks attractive in the eyes of consumers is also an important aspect. Good visual presentation can increase the attractiveness of a product, make it more competitive in the market, and give a positive

impression to consumers. In this way, developing products that are not only of high quality but also have an attractive appearance can be a strong combination to increase competitiveness and win the hearts of consumers. In an era where quality and aesthetics play a big role, this strategy can become a key pillar in product differentiation.

3. Carrying out Product Innovation

Innovation plays a central role in differentiation strategy, paving the way for manufacturers to create products that are not only unique, but also capable of providing new and exciting experiences for consumers. By bringing innovation, a product can be a pioneer in introducing new features or technology that did not previously exist on the market. This provides a great opportunity for manufacturers to carve out a strong identity and build a competitive advantage.

Through innovation, products can be continuously updated and improved, making them relevant to developing market trends and changing consumer needs. Thus, innovation not only creates differences, but also creates sustainable added value for consumers. Manufacturers who successfully integrate innovation into their business strategy tend to be more adaptive to market changes and are able to maintain the competitiveness of their products.

Innovation can also create a dynamic and modern brand image. Products that always feature new and interesting things can create the impression that the brand is not only following trends, but also creating them. In a rapidly changing business environment, the ability to continuously innovate is not only a differentiator, but also a key element in building long-term consumer loyalty. Therefore, manufacturers need to make innovation one of the main focuses in their differentiation strategy to maintain the attractiveness of their products in a competitive market.

4. Be honest in your offers

Offers are an important element in product differentiation strategies, and honesty in conveying information about products can be a prominent aspect in creating strong relationships with consumers. A transparent offer, by honestly explaining the advantages and disadvantages of the products offered, gives consumers confidence that they are getting accurate and complete information. In an era where consumers are increasingly smart and knowledgeable, integrity in offerings can be a value that attracts attention.

Honest offers not only create trust, but are also a form of good service for consumers. When consumers feel they are treated honestly and receive transparent information, this can increase consumer satisfaction and build long-term relationships between producers and consumers. Even though the product does not always bring great innovation, an honest offering can add significant value.

In situations where consumer trust is valuable, especially in product or service purchasing decisions, an honest offering can be a powerful differentiator. Consumers tend to choose products or brands that provide transparent information and do not hide shortcomings. Therefore, building an honest offering is not just about selling products, but also creating a relationship of mutual trust that supports business sustainability in a competitive market.

5. Inviting consumers' perceptions

Consumer perceptions play a central role in purchasing decisions, and to achieve a good understanding of a product, product offers, promotions, and invitations are key in shaping and influencing those perceptions. The psychological aspect of consumers appears as a process in which information about a product is filtered and processed by the consumer's mind to form an assessment or view.

Product offers are the first step in building positive perceptions. When a product is offered in an attractive way, according to consumers' needs and desires, it is likely that the product will be well received. Promotion also has an important role in shaping consumer perceptions. Promotional messages that emphasize the benefits and value of a product can strengthen positive perceptions of the product.

In addition, the invitation conveyed to consumers can shape perceptions about the usefulness of the product in everyday life. Invitations that communicate the added value and uniqueness of the product can increase the product's attractiveness in the eyes of consumers. By designing smart product offers, promotions and invitations, manufacturers can direct and shape consumer perceptions so that they are more likely to choose and use the product. In this context, efforts to form perceptions are not only about providing information but also involve psychological elements, such as emotions and personal preferences. By understanding consumer psychology, manufacturers can direct their product offering strategies to be more effective and meet consumer expectations and needs.

Changing consumer decisions is indeed not an easy task, and the right strategy is the key to achieving this goal. Through intelligently designed promotions and offers, manufacturers can exploit consumers' emotional aspects to shape and persuade favorable perceptions.

Promotions carried out with a focus on added value and product benefits can create positive experiences in consumers' minds. For example, delivering promotional messages that emphasize the advantages and uniqueness of a product can evoke a sense of emotional involvement in consumers. These emotional moments can form a bond between consumers and products, making purchasing decisions more likely to be changed.

Offers, whether in the form of discounts, bundling packages, or special pricing policies, can also play an important role in driving consumer decisions. Offers that feel economically advantageous or provide more value than expected can create a positive emotional boost. Consumers tend to feel like they are being treated special or getting a unique opportunity, which can increase their attachment to the product.

This strategy effectively appeals to consumer perceptions, because it has a direct impact on their experience and feelings towards the product. By understanding that consumer decisions are often influenced by emotional aspects, manufacturers can design promotions and offers that not only emphasize product features, but also create an engaging shopping experience and memorable memories.

CONCLUSION

Product differentiation is an essential strategy in the competitive business world. Through innovation, honest offerings, a focus on quality, and understanding consumer perceptions, manufacturers can create significant added value and differentiate their products from competitors. Innovation is not only about creating a difference, but also providing solutions that are relevant to consumer needs and desires. Product quality is the main foundation in building consumer trust, while honest offers can form a strong relationship and mutual trust between producers and consumers. Consumer perception also plays a crucial role, and smart promotional strategies and emotionally engaging offers can form a strong bond between consumers and products. In this context, the main conclusion is that the success of product differentiation lies not only in the physical uniqueness of the product, but also in the way the product is presented, explained and felt by consumers. A deep understanding of the market and changes in consumer behavior is the key to designing an effective differentiation strategy to make a business stand out in a dynamic and competitive market.

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