

**THINK SIMPLE - A KNOWLEDGE FROM THE DESK OF MUSTANSIR**

**FOUR CENTRAL CONCEPTS IN STRATEGIC PLANNING**

**Quote:** *"Planning is bringing the future into the present so that you can do something about it now."* – Alan Lakein -

What is the most important work that you do? The answer is "thinking." Your ability to think clearly about who you are, what you want, and how to create a wonderful future for you and your business is more important than anything else you can do.

There are four strategic planning principles in business that are timeless. Success or failure in any one of these four area can lead to dramatic changes in business results, for better or for worse.

**KNOW WHERE TO SPECIALIZE**

The first is specialization. Today, we live in a world where we have to specialize and do a few things exceptionally well. Your chosen area of specialization largely determines the future of your business.

You can specialize in a product or service, a customer segment, or a market area. When you specialize in a product or service area, your specialization is easy to describe. Choose your market, another possible area of specialization has to do with your market. You can specialize in a particular type of customer.

**BE DIFFERENT FROM YOUR COMPETITORS**

The second concept in strategic planning is differentiation. All marketing and selling is differentiation. All business requires that you differentiate your product or service so that it appears superior to that of your competitors and is viewed a better choice.

Peter Drucker once said, "the purpose of marketing is to make selling unnecessary." Apple is a perfect example. When Apple announces a new product or service, people line up around the block and sleep on the street to be the first purchasers. They do not need to be sold. Because Apple's quality reputation is so excellent, people are "sold" by the very announcement of a new product.

Another term for differentiation is “competitive advantage.” To develop a source of “unique added value” that offers your customers something that they value and are willing to pay for, and that no other competitor can offer.

## **SELECT YOUR IDEAL CUSTOMER**

The third principle of marketing strategy is segmentation. This is the development of absolute clarity about those specific customers who most appreciate the qualities of your product or service in your area of specialization. Who exactly is your perfect customer? Your ideal customer is the one who will buy the fastest and has the least price resistance.

If you are not selling as much as you want to your current customers, is to *change your customer*.

Find or develop a new customer who will better appreciate the special qualities of your product or service offerings. The greater clarity you have in describing the ideal customer for your business, the easier it is for you to organize all of your advertising and promotion so that it is aimed at precisely the customer you want to attract and who will most appreciate what you offer.

## **FOCUS AND CONCENTRATE**

The fourth strategic principle of marketing is concentration. Once you specialize, differentiate, and segment, you can then dedicate 100 percent of your resources to focusing and concentration on the best and most profitable potential customers for your business. One of the biggest weaknesses that we have in business today is the tendency to “scatter our forces.” As Jack Trout said in *The power of Simplicity*, “One of our biggest business problems is that we offer too many products and services at too many different price points, to too many different customers in too many different market.”

Focus and concentration on your greatest opportunities and areas of highest profit potential have always been the keys to financial success in business.

**“IT IS ALWAYS THE SIMPLE THAT PRODUCES THE MARVELOUS”**