

Build Your Moat

3 Paths to Competitive Advantage



Cost Leadership

Offer the same product/service but at a lower price. You must have highly efficient procurement, production, and operational capabilities.

This is often done via proprietary technology and processes.

Differentiation

This requires the creation of unique products and services.

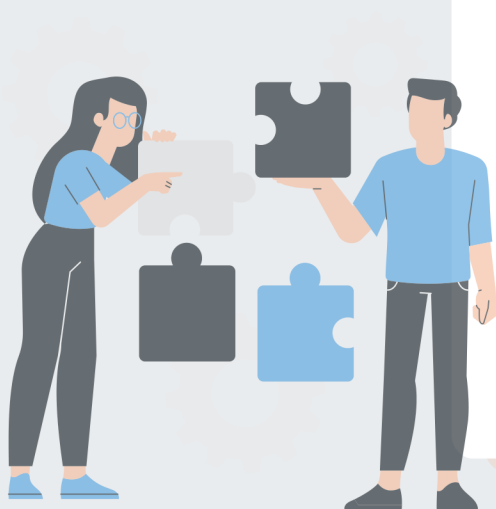
Don't forget that your efforts to differentiate should result in solving your customer's problems better than the competitor.



Strategic Partnership

Can you deliver significant value to your customer by partnering with an outside person or firm? Often used to introduce new technology or gain entry into new markets.

These relationships often are very hard to replicate.



“The key to investing is determined by the competitive advantage of any given company and, above all, the durability of that advantage.”

- Warren Buffet