

Score's PARTNERS IN SUCCESS Newsletter

Dedicated to helping businesses thrive and prosper

Free Business Counseling

Confidential

Long Term Mentoring

Welcome to SCORE's monthly *Partners In Success* Newsletter

Dear Reader:

SCORE's **Partners In Success** is a monthly newsletter dedicated to business owners in any industry and market sector. Its purpose is to provide insight to business owners/managers looking for a practical, innovative and a bottom line approach on how to better manage their finances, access SBA loans, leverage social media marketing, better manage human resources and access a variety of digital resources. Each issue of the newsletter will address a different topic. **This issue will follow up on the branding webinar we had few weeks ago. It will focus on the core aspect of branding: YOUR VALUE PROPOSITION. What is it; and how we develop one.** As always, your feedback and input are welcome and encouraged.

How to Write a Great Value Proposition

Your brand is arguably one of your organization's most important assets. It gives your organization an identity, makes your business memorable, encourages consumers to buy from you, supports your marketing and advertising, and brings your employees pride.

As I repeatedly emphasized during the March 2nd webinar, branding is all about messaging and effective communications. and it starts with your value proposition.

Why the value proposition? Because to write a great value proposition you must know your audience; their demographics; their likes and dislikes, etc. This knowledge will drive your brand: from the colors/fonts of your website, to product design to messaging, and so on.

A value proposition is a short statement that communicates why buyers should choose your products or services. It's more than just a product or service description — it's the specific solution that your business provides and the promise of value that a customer can expect you to deliver.

Value propositions are one of the most important conversion factors. A great value proposition could be the difference between losing a sale — and closing it.

For that reason, it's important to create a value proposition that accurately represents your products and services and makes it clear why you're the best choice. However, writing it from scratch is hard.

So, how do you get started?

Remember, Its all about messaging and communication

First, find out who your customers are, what are their pain points and how your product addresses (i.e. solves) their pains/wants/desires

Second, Identify all the benefits your product offers. Be concise and make sure each benefit is focused on the single customer need.

Third, describe what makes these benefits valuable, and connect this value to your customer problem/pain/want/desire

Inside this issue

How to write a great value proposition

Value prop vs. mission statement, vs. slogan, vs. tagline

Structure of a value prop

Value Proposition Map

To get a free and confidential advice for your business, contact SCORE SE Mass. at www.sema.score.org



Fourth —Differentiation! differentiate yourself as the preferred provider of these value:

- ◆ Polish your value proposition to make it unique
- ◆ Is there a specific customer service offering your business provides that others don't?
- ◆ Do you offer any additional services that other companies charge for?

These elements can help differentiate your value proposition from competitors while keeping the focus on the buyer's needs.

Once you understand the first steps, you can easily implement them into value proposition template. **Consider the following methods:**

Steve Blank Method

Instead of focusing on the features themselves, Blank saw the need to emphasize the benefits derived from the features in a simple sentence. By following this formula you'll connect the target market and their pain points to the solution:

"We help (X) do (Y) by doing (Z)"

Geoff Moore Method

Moore provides a template that's more specific in identifying the industry categories alongside the benefits customers value. This makes a more clear value proposition formula as follows:

"For [target customer] who [needs or wants X], our [product/service] is [category of industry] that [benefits]"

Harvard Business School Method

According to HBS a value proposition is executed best when it answers the following questions:

- ◆ "What is my brand offering?"
- ◆ "What job does the customer hire my brand to do?"
- ◆ "What companies and products compete with my brand to do this job for the customer?"
- ◆ "What sets my brand apart from competitors?"

The Structure of a value proposition

Your value proposition will most often appear on your website. It should also be included in your marketing campaigns and brochures. The most visible place is your home page and, if you'd like, your product pages.

There are three main elements of a value proposition: the headline, the paragraph (aka sub-headline,) and a visual element.

Headline

The headline of your value proposition describes the benefit the customer will receive. The headline can be creative and catchy, but it should be clear and concise.

Paragraph (actual text of the value proposition)

The paragraph should explain in detail what your business offers, who it serves, and why. In this section, you can elaborate on the information in the headline

Value Prop vs. Mission Statement, vs. Slogan, vs. Tagline

Your value proposition details what you offer customers and why they should choose you, while a mission statement details your objective as an organization. While the two can have points in common, a value prop is more product- and service-oriented while a mission statement is more goal-oriented.

Value Proposition: "An easy-to-use CRM."

Mission Statement: "To help businesses grow better."

Value Prop vs. Slogan

A slogan is a short, catchy statement that brands use in marketing campaigns to sell a specific product. While your value proposition wouldn't necessarily go in an ad (at least, not usually), a slogan would. The most important thing to note is that a company can have different slogans for different campaigns or products.

Value Proposition: "Exquisite diamonds, world-class designs, breathtaking jewelry."

Slogan: "A diamond is forever."

Value Prop vs Tagline

A tagline is a short statement that embodies a certain aspect of your brand. While a value proposition is more concrete. A tagline can represent a concept or idea that your business stands for. Most businesses have only one tagline that is instantly recognizable and connected to their brand.

Value Proposition: "The best experiences. Only on Apple."

Tagline: "Think Different."

Visual Element

In some cases, a video, infographic, or image may convey your value proposition better than words alone can. Enhance your message with these visual elements to capture your audience's attention.

Ok then, lets create a customer profile for your target buyer.

It consists of three areas:

Customer Jobs

What is the task your customer needs to complete or the problem they're trying to solve with your product or service?

Customer Expectations

"Expectations" are also referred to as "gains" or "benefits" — in other words, how your customer is hoping to benefit/gain from doing business with you.

Customer Pain Points

As your customer completes their "customer job," what pains do they experience? These pain points should be considered so that you include the most helpful products and services in your messaging.

Now, lets create a value map for your products/services

Three specific areas help describe what your business offers the customer.

Benefits (some refer to it as "Gain Creators")

These are features your products or services have that address your customer's pains/needs.

Pain Relievers

Define exactly how your business helps your customers overcome their pain points.

Products & Services

Include the products/services that create the most gain, offers the most value and alleviate the most pains for your customers.

In the example below we are using FedEx for our value proposition

VALUE MAP		
Products and Services	Gain Creators (Benefits)	Pain Relievers
♦ Drop boxes ♦ Package delivery manager	♦ Easy drop-off ♦ Secure tracking tools	♦ 1000s drop-off locations ♦ Tracking notification

CUSTOMER PROFILE		
Customer Gains (aka Benefits)	Customer Jobs	Pain Points
♦ Safe package shipping ♦ Hassel-free return process	♦ Share innovations ♦ Ship products	♦ Inconvenient returns ♦ Hard-to-manage deliveries

Now, let's look at an example of a brand that has all four: **Nike**.

Remember that slogans can differ depending on the campaign.

Value Proposition:

"Customizable performance or lifestyle sneakers with unique colorways and materials."

Mission Statement:

"To bring inspiration and innovation to every athlete in the world."

Slogan:

"Twice the guts. Double the glory."

Tagline:

"Just do it."

While your value prop should help differentiate you from the rest of the industry, keep in mind it's not a slogan, tagline, or mission statement. Those types of copy are important accessories to your brand, but your potential customers and employees don't choose one business over the other solely based on these elements.

Your value proposition goes deep into the problems you want to solve for buyers, and what makes your product or service the perfect solution.

Lets take a look at few examples, starting with FedEx

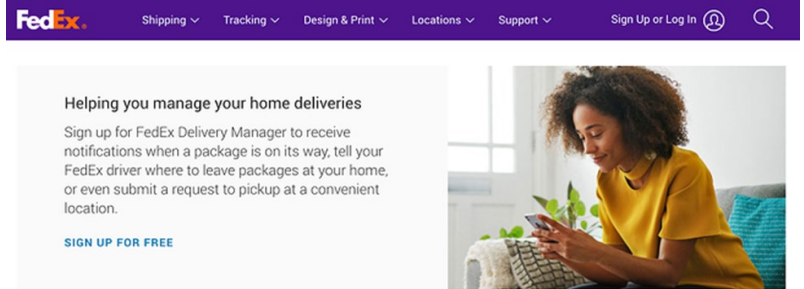
Headline: "Manage Your Home Deliveries"

Value Proposition paragraph: "Sending and receiving packages is convenient and safe for individuals who want to ship ideas and innovations across the globe."

Visual Element: →

If you own a business, shipping and packaging products is likely a significant part of your operations, but it can be a time-consuming, labor-intensive, and plain inconvenient process. If you're a consumer,

you've likely experienced driving to a shipping office to get your package after a missed delivery. Both of these are significant pain points for FedEx's target customers.



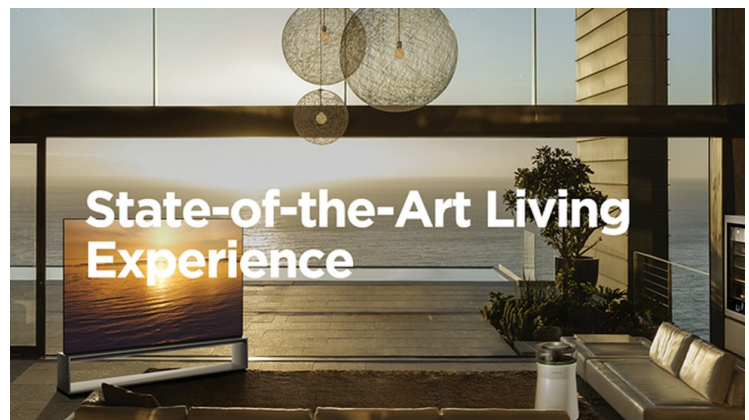
LG SIGNATURE: "State-of-the-art Living Experience"

Headline: "State-of-the-art Living Experience"

Value Proposition paragraph: LG SIGNATURE delivers an innovative product design that creates an exceptional living experience for people who want to achieve a state-of-the-art living experience.

Visual Element: →

In its value proposition, LG SIGNATURE targets customers who are willing to spend just a little more on the right appliance in exchange for a comfortable, hassle-free, and luxurious experience.



SAMSUNG: "Get Ready to Unfold Your World"

Headline: "Get Ready to Unfold Your World"

Value Proposition paragraph: This is everything you'd want in a premium, durable, 5G smartphone. Then we made it unfold — revealing a massive screen so you can watch, work and play like never before.

Visual Element: →



In its value proposition, Samsung effectively targets its most tech-savvy segment by front-lining its most innovative design to date: a foldable phone that can double as a mini-tablet. Even more, it solves a common pain point for some customers: owning both a tablet and a mobile device can feel unnecessary, so why not get the best of both worlds?