

What is a Unique Value Proposition (UVP)?

A key enabler of your business strategy is your value proposition. But although the term may be commonly bandied around organizations – especially in marketing departments – not everyone understands what it is. AND, even scarier is most (over 48% do not know how to structure one!)

So what *exactly* is a value proposition?

Simply put, a *Value Proposition* is what defines whether or not a prospect will bother learning more about your business and offer. Get it right, and your audience will be intrigued enough to find out more. Get it wrong, and their attention will immediately go elsewhere.

If your business isn't well known in your market, you need an excellent value proposition to make yourself known – most often spoken as a *UNIQUE VALUE PROPOSITION*. Even if your brand is well-known, you can't rest on your laurels as new and fierce competitors come in all the time. Unless you are in a monopoly situation where customers are 'forced' to buy from you – with no threat of market entrants – get on and invest in that value proposition now!

Signs of a missing or poorly-defined value proposition

A lot of business owners think that they have a value proposition and then struggle to share it. Can your employees tell you why a prospect should choose your business for their product or service? Do your marketing materials clearly explain the implicit promise of value that you are offering to your target market?

What your value proposition needs to communicate

1. It must explain how your product or service improves things for customers or solves a problem that they have
2. It must quantify its value by delivering specific, identifiable benefits
3. It must uniquely differentiate your brand from competitors, by explaining why customers should choose you
4. It must be highly visible and the first thing that any prospect sees when reading your business messaging.

How to create your Unique Value Proposition

Step 1: Define

Use the four key points above and try to define what makes your business offer special. Make sure you don't confuse this with a marketing strap-line or positioning statement. You are looking at the fundamental, underpinning reason for your business's existence, from your customer's perspective. This is a long-lasting, strategic expression of value, which differentiates you in the marketplace as the provider of choice.

Step 2: Phrase

Once you think you've captured some ideas, write them in a simple way that makes sense to a human reader (not a searchbot!) Strip out jargon and banalities. Use words that your customers use and keep your language simple and appropriate. Remember, this is about your customers. It isn't about making your business sound as fancy as possible or about impressing your peers. Start with a benefits-led headline, follow with a sub-header and move into a supporting paragraph about the offer and its benefits, using bullet points where possible. An accompanying image is also good.

Step 3: Test

Evaluate your draft by asking some volunteers to read it and ask what you are selling, what is benefits are, who the target market is and what makes the offer unique or different. If your readers are bemused, you need to do further work. The value proposition must be compelling and simple. You may want to create a few different versions and A/B test them with your audience. Expect to go back to the drawing board. Creating a genuine value proposition is hard and takes time. One typical error, for example, is focusing on a benefit or feature that is actually of little interest to your customer. You must make sure they are truly at the heart of this activity.

Step 4: Refine

Once you've chosen your value proposition, communicate it effectively in written and spoken form. This is where some refinement may creep in. Avoid any kind of superlatives or hype, unless you can quantify your claims. Check too that the message can be read and absorbed in around 5 seconds.

Step 5: Boost

Remember that your value proposition must seal the deal in your customer's mind. If you and a competitor have a largely similar offer, then put yours in the frontrunning by offering small 'booster' value adds. This might be something like free next day shipping or a rolling contract which can be cancelled at any time. These are all things which won't be too expensive for the business, but which may be enough to win a customer over.