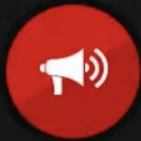




# How To Create An Effective Unique Value Proposition

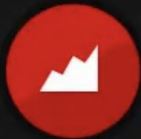
# Why Is Your Unique Value Proposition Critical?



**Deafening Market Noise** - more marketing messages competing for the same number of customers



**Shorter Attention Spans** - customers either find what they want FAST...or they leave your website



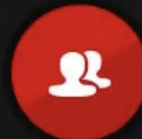
**Bid Inflation** - click prices are trending up as more and more advertisers optimise their funnels



**Global Competition** - location is no longer a barrier to entry in increasing numbers of industries



**Hyper-Specialisation** - buyers seek very targeted solutions to more and more specific problems

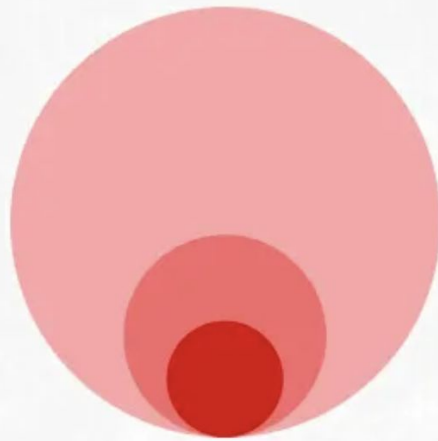


**Customer Value Asymmetry** - some customers are MUCH more valuable than others

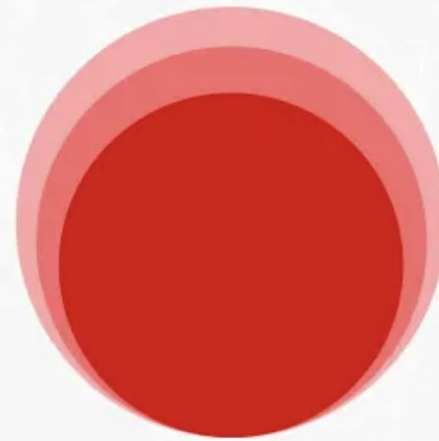
# Decide Who You Want To Be A Hero To

Following the 80/20 Principle, the top 20% of customers in any market spend **80% of the money**. And the top 4% spend **64% of the money**.

*How can you focus on your "top 4%"?*



**These Customers**



**Spend This**

***Targeting the top 4% is 16X more profitable than targeting everyone***

# Shift Your Mindset From Quantity To Quality

## Traditional Online Marketing

## Ideal Client Attraction



### TRAFFIC

Any click is a good click

Cherry-pick ideal clicks



### BENEFITS

Price-of-entry benefits

Point-of-difference benefits



### TARGETING

Demographics and segments

Psychographics and micro-segments



### LEADS

Lead volume

Sales opportunity volume



### FOCUS

Efficiency: doing things right

Effectiveness: doing the right things



### TIME HORIZON

Quick runs on the board

Sustainable market dominance



### MARKET POSITION

Commodity to Premium

Premium to Unique



### GUIDING METRIC

Cost of Acquisition

Life Time Value

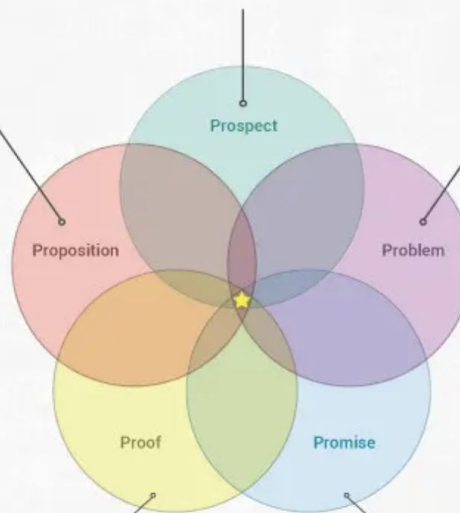
# Use The *Conversion Kaleidoscope* To Craft Your UVP

## PROSPECT

Start by defining and understanding your ideal prospect (or prospects). Broad marketing messages have weak appeal. Targeted marketing messages have strong appeal.

## PROPOSITION

Your proposition is a combination of the offers, packaging and presentation you use to engage with prospects and clients. Irresistible offers are the final piece of the puzzle that will translate your marketing message into more leads and new client relationships.



## PROBLEM

Only **two** types of message attract the interest of your ideal prospect: **problems** they don't want, or **results they don't have** — and yet most "me too" marketing focuses on products and services, instead of problems and results.

## PROOF

A good definition of marketing hype is "promises without proof". In contrast, strong benefits backed by overwhelming proof build a compelling marketing message indeed.

**Marketing Results** has catalogued 42 distinct marketing proof elements in a downloadable infographic, available at [www.marketingresults.com.au/proof](http://www.marketingresults.com.au/proof)

## PROMISE

What **unique** promises (or benefits) do you offer that will solve problems and deliver results to your ideal prospect? There are two categories of benefit: **price-of-entry benefits** and **point-of-difference benefits**.

Price-of-entry benefits are the benefits you need to **play** the game. Point-of-difference benefits are the benefits you need to **win** the game. An effective UVP always incorporates the latter.

# The End Result: Your UVP Statement

## HEADLINE

**[Big Benefit] For  
[Ideal Prospect]**

## SUB-HEAD

[#1 Problem/Result Statement, or  
a BIG Proof element]

## BULLETS

- ▶ Point of difference benefit #1
- ▶ Point of difference benefit #2
- ▶ Point of difference benefit #3

## BUTTON

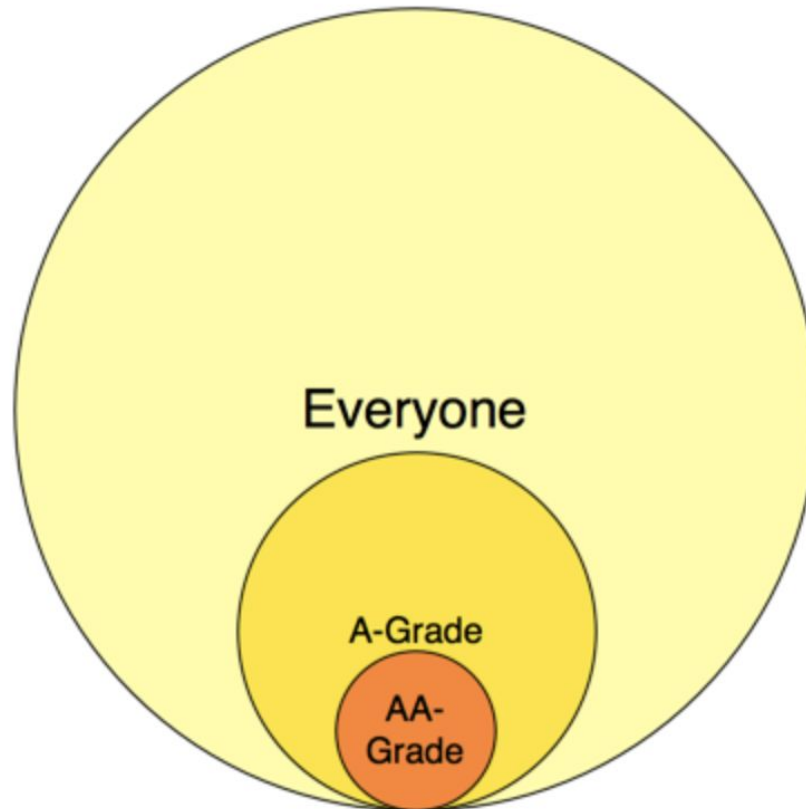
**CALL TO ACTION**

## UVP Deployment Checklist

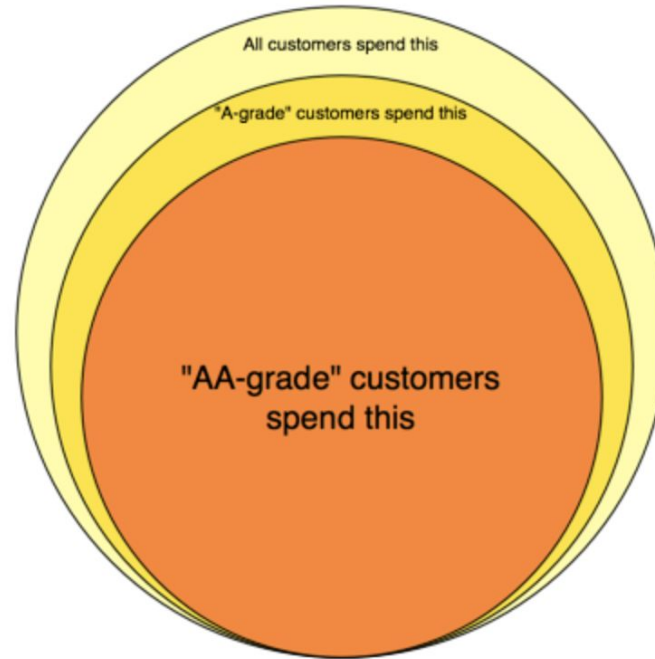
- ✓ Add to your homepage
- ✓ Use as a recurring theme
- ✓ Enlarge upon with content
- ✓ Communicate to your team
- ✓ Repeat ad nauseam
- ✓ Back with a guarantee
- ✓ Ensure you can deliver!

# Here's the impact more "AA-grade" customers would have on your business.

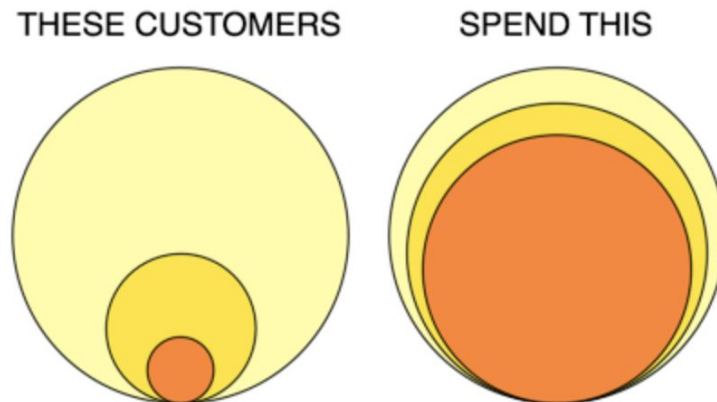
Using 80/20 thinking, the top 20% of the potential customers in any market are "A-grade". And around 4% (= 20% x 20%) are "AA-grade":



80/20 logic also implies that **"A-grade"** clients spend 80% of all the money in your market,  
and **"AA-grade"** clients spend 64% of the money (= 80% x 80%):



The contrast could hardly be more stark:

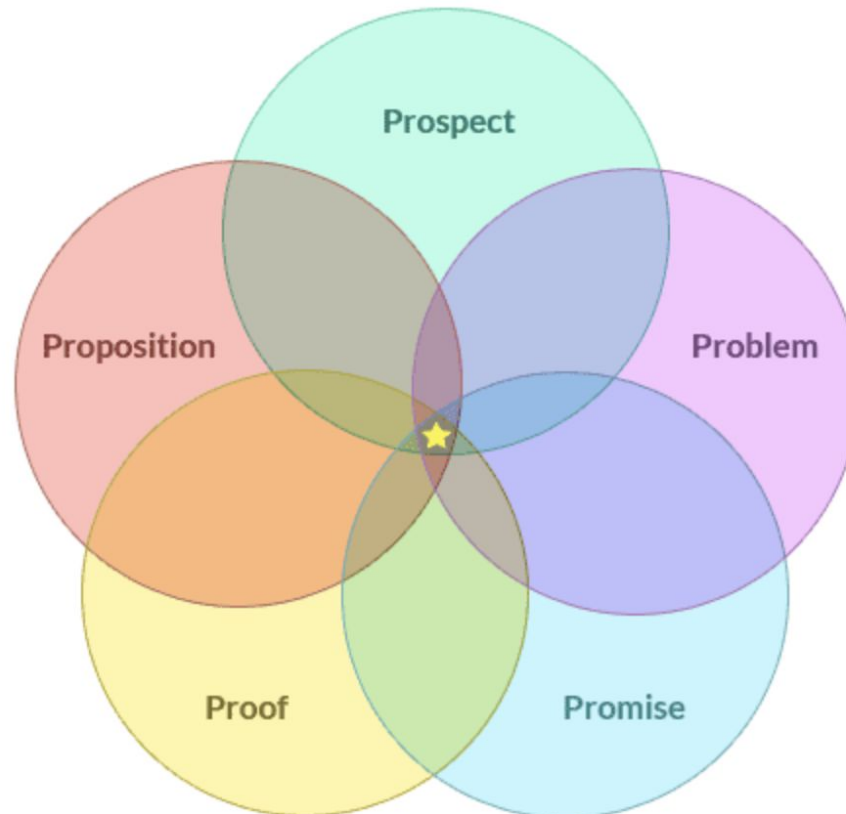




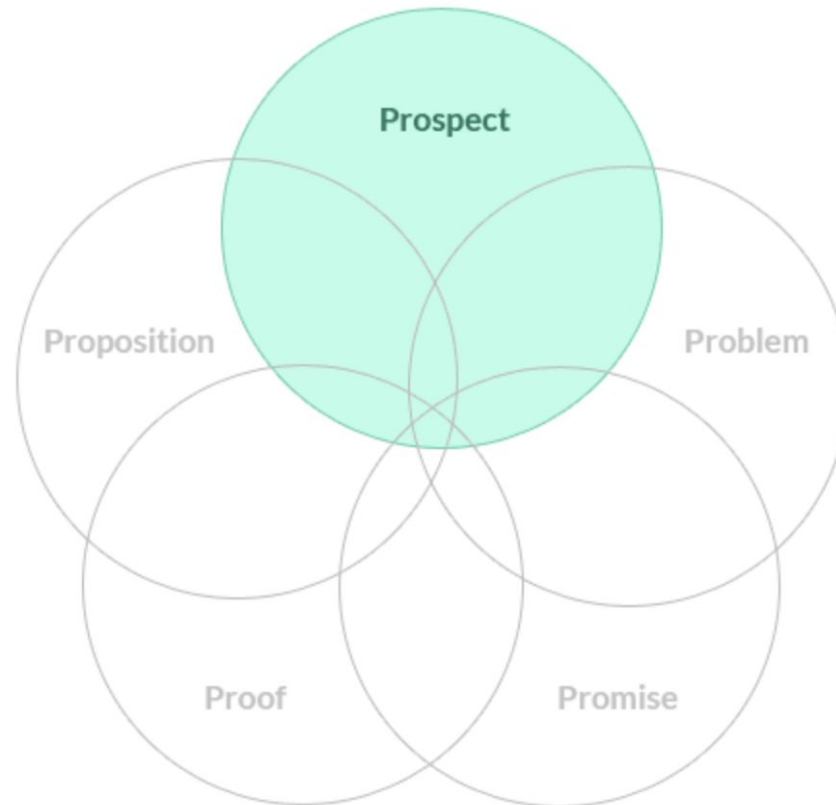
	<b>TRADITIONAL ONLINE MARKETING</b>	<b>IDEAL CLIENT ATTRACTION</b>
<b>TRAFFIC</b>	Any click is a good click	Cherry-pick ideal clicks
<b>BENEFITS</b>	Price-of-entry benefits	Point-of-difference benefits
<b>TARGETING</b>	Demographics and segments	Psychographics and micro-segments
<b>LEADS</b>	Lead volume	<i>Ideal</i> lead volume
<b>FOCUS</b>	Efficiency: doing things right	Effectiveness: doing the right things
<b>TIME HORIZON</b>	Quick runs on the board	Sustainable market dominance
<b>MARKET POSITION</b>	Commodity to Premium	Premium to Unique
<b>CUSTOMER METRIC</b>	Cost of Acquisition	Life Time Value

# Introducing The *Conversion Kaleidoscope*

The *Conversion Kaleidoscope* is a framework for attracting, converting and monetising the most profitable clients in *any* market.



# Lens #1 is Prospect:



More specifically, your Ideal Prospect. Your Ideal Prospect is a very specific type of potential customer who can benefit massively from your product or service. You will usually have more than one Ideal Prospect type. In this case, you should build several *Conversion Kaleidoscopes*, one for each type.

# Example: Identifying Ideal Prospects

The mistake many companies make when targeting prospects is going too broad. Broad solutions are blunt solutions. Laser-targeted offerings cut through the clutter and position you as the **ONLY** viable solution.

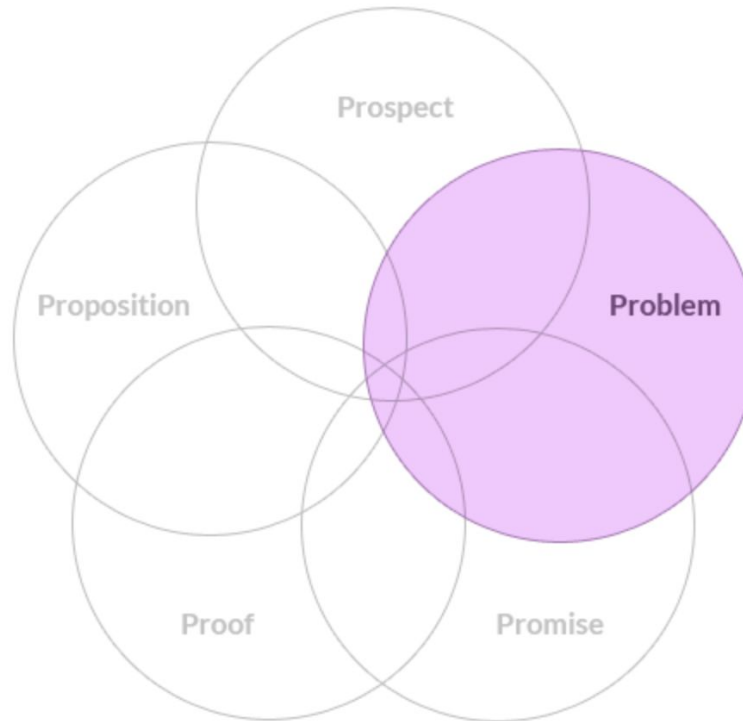
We'll consider the example of a (fictional) **sales training company** called **Always Be Closing Inc.**

They started life by targeting “small and medium businesses” – the same market all their competitors were after.

After analysing their existing customer base and performing a SWOT analysis (Strengths / Weaknesses / Opportunities / Threats), they identified **franchised retailers** as an Ideal Prospect Type they were capable of serving better than their competitors.

So they began to research the specific problems with respect to revenue generation and sales faced by franchised retailers...

## Lens #2 is Problem:



Only 2 things attract the interest of Ideal Prospects: **PROBLEMS they have that they don't want, or RESULTS they want that they don't have.**

Most marketers talk about products and services. Look at your website homepage now. Is the focus on **problems and results**, or is it on products and services? Only problems and results drive attention and interest.

# Worked Example: Defining The Core Problems You Solve

Ideal Prospects typically have very specific Core Problems that go deeper than generic “surface-level” issues.

**Always Be Closing Inc.** did some research into the problems faced by franchise retailing organisations in particular. Here’s one of the problems they uncovered:

- **Problem:** our franchisees have falling sales-per-employee
- **Desired result:** we want to improve sales-per-employee by at least 20%

And because they have a specific prospect in mind, they’re able to home in on the exact problems and language that will pique the interest of their target.)

**Always Be Closing Inc.** can now use a headline like:

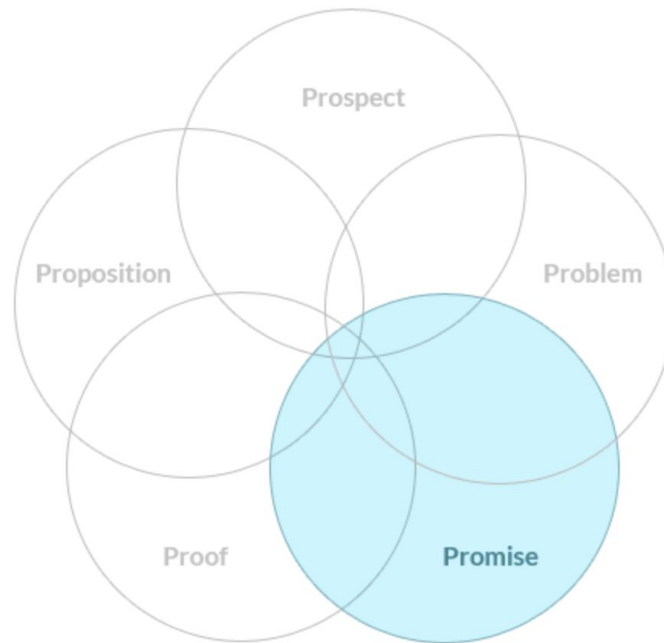
**“Is Falling-Revenue-Per-Employee keeping you up at night?”**

...while all the other sales trainers are lost in the noise, with generic appeals such as:

**“Are your sales falling? Our sales training can help!”**

*Being able to define your Ideal Prospect’s core problem(s) better than your competition is the first step to market domination. And a clear target market makes that easier to do.*

## Lens #3 is Promise:



More accurately, the **Unique Promise** you offer your Ideal Prospect that solves their Core Problem.

Your Unique Promise is a set of benefits. And the key here is to move away from generic **“price-of-entry benefits”** and toward **“point-of-difference benefits”**.

“Price of entry” benefits are the benefits you need to PLAY the game – to even be considered a viable option.

“Point-of-difference benefits” are the benefits you need to WIN the game.

# Worked Example: Defining Your Unique Benefits

Once **Always Be Closing Inc.** understands the Core Problems of franchise retailers, they know which “point-of-difference” benefits will win them attention, appointments and contracts.

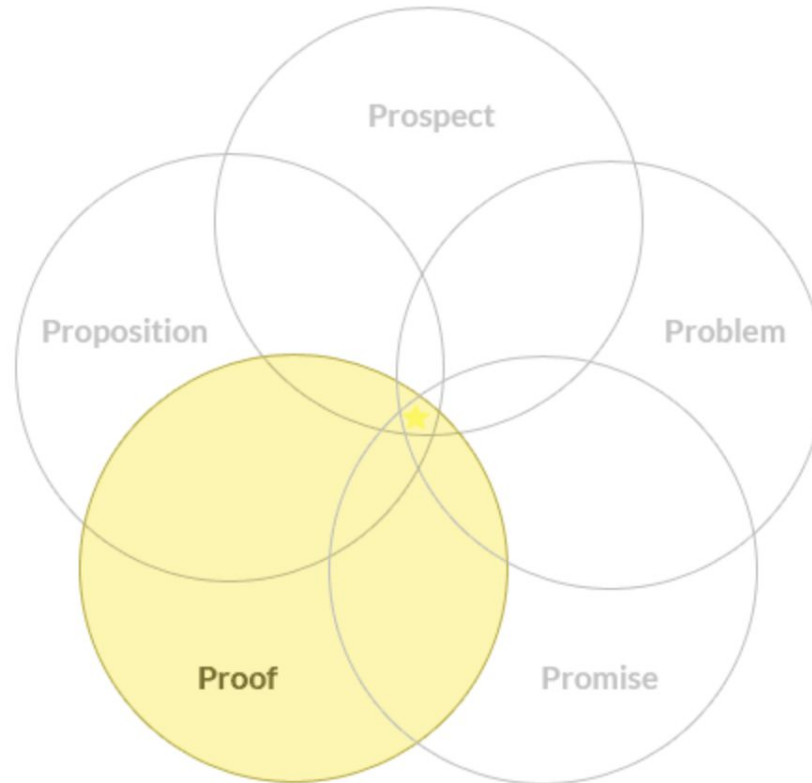
Here are the key benefits they decide to focus on:

- ✓ **Specialisation:** we *specialise* in helping floor salespeople improve closing percentages and average transaction size.
- ✓ **Visibility:** we’re the only sales training company to offer a multi-tiered sales dashboard with user permission levels at the store, region and head office levels. This gives you complete visibility of all training activities and outcomes in real time.
- ✓ **Accountability:** we mutually agree on per-store KPIs and we only get paid for stores that show improvement
- ✓ **Flexible Delivery:** we make it easy for every team member to receive training, with a choice of on-site, off-site or online delivery

*Only a deep understanding of Core Problems allows you to create Unique Promises that hit your Ideal Prospects’ “buying buttons”.*



# Lens #4 is Proof:



Claims without proof = hype.

Ideal Prospects are typically more educated and discerning than the average prospect. They've "seen and heard it all".

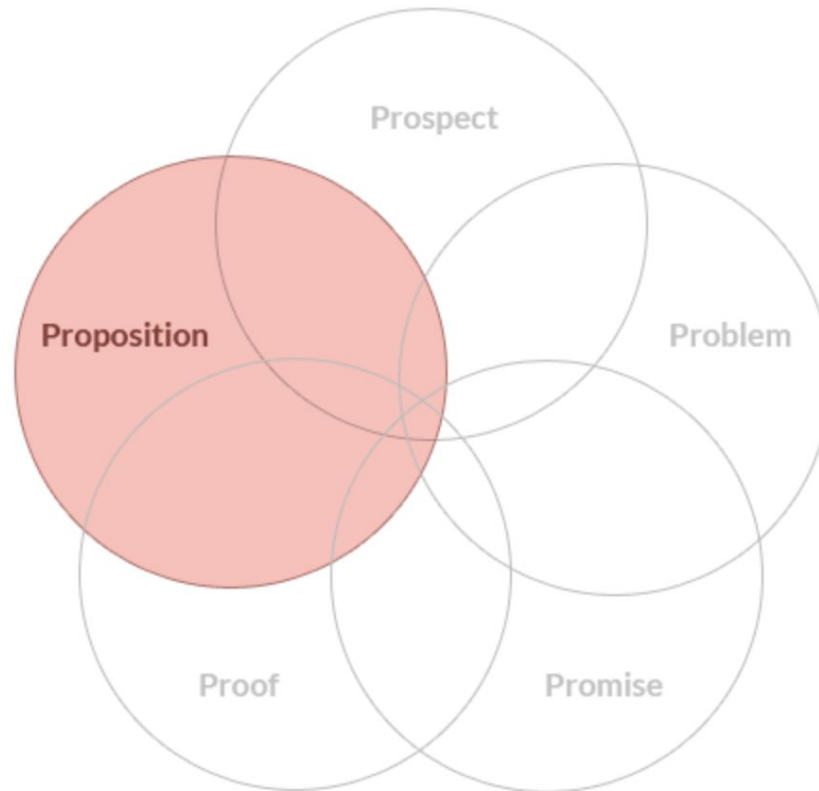
# Worked Example: Assembling Comprehensive Proof

Here are some of the main Proof elements that **Always Be Closing Inc.** decide to use in order to could drive home their unique value proposition to their target market:

- ✓ **Demonstration:** showing their dashboard interface and how easy it is to keep track of an entire franchise organisation
- ✓ **Performance graphs:** showing average per-store gains as a result of previous trainings
- ✓ **Testimonials:** from franchise owners, franchisees and employees that support the buying hot buttons.
- ✓ **Guarantee:** “we only get paid for stores that achieve a sustained sales improvement over at least 90 days”

*Remember: proof elements that support your “buying hot buttons” are much more instrumental to making the sale than generic proof elements.*

# Lens #5 is Proposition:



Your Proposition is your **offer**, or the means by which you invite prospects to engage with you on a commercial basis. Offers must be tested. But a good starting point is to choose an offer that is congruent with your Ideal Prospect and your *Conversion Kaleidoscope* as a whole.

# Worked Example: Formulating an Irresistible Proposition

**Always Be Closing Inc.** creates a series of offers to appeal to their target market. They test and rotate offers in order to engage with their target market in different ways:

- **Offer #1:** Free Sales Benchmarking Report: see how your per-store and per-employee sales stack up against the industry as a whole
- **Offer #2:** Free White Paper: 5 Dangerous Trends Facing Australian Retailers (and How To Avoid Succumbing To Them)
- **Offer #3:** Pilot Engagement: Increase Per-Employee Sales In 45 Days or Pay Nothing

*Just like your Conversion Kaleidoscope as a whole, unique propositions that are different from your competitors gain the most attention, interest and action.*



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