

The Ultimate Guide to Value Proposition

A value proposition is simply the value and benefits your customers will receive by purchasing a product or by availing of service from a particular company, brand, or vendor.

Why do your customers choose you amongst all the other competitors you have in the market? What makes your brand stand out among the rest? What makes your brand better? What pushes people to buy from you? What makes your services appealing? That's right—all of these can be answered by your value proposition. To further understand value proposition, this ultimate guide will show you why is it important, how to create one, and a few examples to help you kick start your brand.

What is a Value Proposition?

A value proposition is an important tool to help you with your company's marketing efforts. It is important to dedicate time in creating a powerful value proposition because it will be the basis for your sales and the reason why customers will prefer your brand. It is the basis of your product development efforts and it must always be part of the company's business plan. A value proposition defines the advantages, benefits, and perks that your services can provide to the consumers.

Here are important points to remember about a value proposition:

- It explains why your business exists.
- It shows good points on why your brand must be chosen by consumers instead of others.
- It provides reason why you charge your services and products that way.

Importance of Value Proposition

One of the most important elements of an elevator pitch is a value proposition. Your company's value proposition must be simple yet remarkable, must state the benefits your customers will get, and the price of your services as compared to your competitors. It is important because it will let the customers know why they will receive more benefits than the actual price they would

pay for. Still not convinced? Here are more reasons why a value proposition is significant to brands:

- It increases your revenue.
- It improves the efficiency of operation.
- It ensures that your company disseminates the right core values and message.
- Your company will gain market share.
- It gives your company a distinction among your competitors.
- It improves both the quality and quantity of leads.
- It attracts the right market.
- It assists your business in improving tools that will help you stand out.

A well-crafted value proposition can help your business grow. It must be powerful enough to gain attention. Ask yourself, why would customers put value on what you're trying to offer if you can't communicate your value yourself? Why would customers choose you if you can't properly express your edge? If you put a price on your products and services, how is it reasonable to your consumers? Here comes the importance of a value proposition.

To put it on simple terms, a value proposition is a key element to businesses because:

- It states what your business does.
- It identifies your target market.
- It proves how you are unique.

How to Craft a Value Proposition

Since the goal here is to make your brand stand out, you must create a compelling value proposition. Remember that it should be appealing to your target market. This guide will help you start building a value proposition for your business:

- Know your customers. If there's anyone who should know the target market better, it would be you and the team. Specify the target consumers and that way, you can deliver your message effectively.
- Define your competitors. The purpose of creating a value proposition is to make your brand more attractive than the rest. How would you know your game plan if you are not familiar with your competitors? Identify their strengths, their weaknesses, and how you can use them for your advantage.
- Identify your brand's strength. After knowing your competitors, amplify your business' best assets. This is what makes your brand stand out—how is it helpful to people? How is it going to improve their daily lives? Is it worth buying? Figure out how your services can meet and exceed the standards of your consumers.
- Write a concise mission and message. This is going to be the core value of your products or services. Make sure it connects to your audience. This defines your brand's unique selling proposition—link it to your brand's mission.
- Build marketing tools and collateral out of it. Once you've identified your brand's mission, vision, and core values, apply it to your marketing collateral. Make sure that you communicate your mission well through your brand's logo, slogan, website design, overall tone, packaging of products, and all aspects of your business.

Best Value Proposition Samples

Now let's go over the best value proposition samples and what made them compelling. Here are a few examples:

- Uber – The company successfully delivered its message without going overboard by simply highlighting why taking usual cabs is the worst, and why booking a cab from their app is far more convenient and cheaper. They made it clear that they have better services than traditional taxis because: First, their drivers are more knowledgeable. Second, they offer cashless payment. Third, all it takes is one tap and the driver would know where to pick you up. Now that's real customer service.

- Slack – This one’s a workplace productivity app. But what sets it apart from its competitors? Slack delivered its value proposition by literally showing that the app makes “working lives simpler, more pleasant, and more productive.” It also highlighted a good feature about the app: “All your tools in one place.” They put the pro in productivity, indeed.
- Apple Macbook – The company was able to amplify its product’s good feature—it is technologically advanced. The product’s slogan is “Light Years Ahead.” It’s simple, impressive, and witty.

Building a value proposition may take a lot of time, but it will give your business an advantage in the long run. Remember, the best way to create a captivating value proposition is to connect with your target market. It’s all about working smarter than your competitors, keeping your consumers loyal to your brand, and show them value as well.