

Coming Up with Your Company's USP and Value Proposition

Author : lauren-shufran

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In the last section, we guided you through the process of [writing your company's mission, vision, and values statements](#). These are essential documents insofar as they articulate your company's convictions about what an ideal world would look like and what core beliefs and behaviors will ultimately lead you to that place. In fact, if you're having difficulty articulating your messaging, it *may be* because you don't have that "core identity" in place yet.

But there are two other pieces you'll want to have in place before you sit down to draft your brand positioning statement: your unique selling proposition (USP) and your value proposition.

While mission, vision and values statements are typically available to your prospects and customers, their *primary* purpose is to serve as a strategic guidepost for your team, so they know what to prioritize with every decision and customer interaction. Your USP and value proposition, on the other hand, will speak *directly to* your target market—in *their* language, about *their* problems. Indeed, these two messages combined are the most significant tools you have to explain to your market why they should do business with you—*using terms that are relevant to them*.

[Will Swayne, the Managing Director of Marketing Results](#), recently wrote about his experience of talking to 165 business owners at an online marketing seminar, and discovering that fewer than 10 of those 165 were able to articulate what their USP was. However, as Will noted, *all* of those owners were able to answer the fundamental questions that would allow them to *develop* a USP ([their strengths and weaknesses](#), [their competitors' strengths and weaknesses](#), [their target customer](#)). Of course, it's one thing to know the answers to these questions *yourself*, and another thing to ensure your *target market* knows why you're worth their time.

So let's dive in. Even if you *haven't* written a USP or value proposition yet, we bet you have the knowledge at hand to do so.

What's the Difference Between a USP and a Value Proposition?

USPs and value propositions often get confused (or conflated) because both fall under the umbrella of "things we hope to communicate to our market." But they serve different functions—and *both* are distinct from [the positioning statement](#), which we'll discuss in the next section.

The unique selling proposition is often the first bit of copy you'll see above the fold on a given company's homepage. It's typically a single sentence-length headline, and is sometimes accompanied by a sub-headline. The essential word in the phrase is "unique." The USP defines your position in the market insofar as it answers the question: What's the ultimate point of differentiation between you and your competitors that makes *your* company the one worth doing business with?

Notice we said "point" and not "points." There will be a *single* need or desire that your company's offering will speak to most powerfully; the goal of your USP is to discover what that one thing is. In offering up this key selling point, you'll immediately alert your prospects to why *your* business has the best offering out there, and why they should choose you over all other alternatives.

Keep in mind that your USP doesn't have to revolve around a product detail (such as quality, features, or price). It can also call attention to a unique aspect of your business more broadly speaking (service, selection, speed, convenience, dependability, guarantees, customization, philanthropy, and so on). If you've been following along on our positioning journey, you've already spent some time considering [brand differentiation](#), and you've got a sense of the variety of strategies you might use to emphasize your company's "unique offer" here.

While the USP situates a business in relation to its *competitors*, the value proposition focuses more on how customers' lives will be *improved* by working with the business. In other words, while a USP describes for your target market how you're different, a value proposition answers the question: Why should they *care* about that difference?

Value propositions are longer statements than USPs because they express the *tangible results* or *concrete outcomes* ("benefits") a customer experiences from using a company's products or services. They serve to convince your target market they'll get "value for their money" by describing exactly *what* that value *is*. The benefits can be both *functional* (the results of product features) and *emotional* (the positive feelings experienced when engaging with the product). The point is to show how those benefits *outweigh the cost* of the product or service. After all, "value" lives in the space between a consumer's perception of the price and their impression of the benefits they'll ultimately experience with the product.

Whereas you'll likely shout out your USP above the fold of your [homepage](#), you'll place your value proposition either a little further down the page (since it goes into greater detail), or in the hero space of your landing pages or service pages. If you have more than one customer persona—or more than one product or service—you'll have more than one value proposition; and you'll want to ensure that each market segment sees the value that's in it for *them* as they navigate your site.

Examples of USPs and Value Propositions

Let's take [Square](#) as one example. The credit card processing company's USP is "Start selling

fast," and it's positioned just below the fold of their homepage. (Notice that Square's USP speaks directly *to* its prospects: "You" is grammatically implied.) Square has chosen to focus on *speed* as their most important differentiating factor. Other homepage copy emphasizes this aspect of their business, promising that "with Square's credit card processing, you can accept all major cards and get deposits *as fast as the next business day*":

While their USP hinges on speed—a benefit relevant to Square's *entire target market*—the company offers two distinct value propositions for two distinct market segments ("point of sale" and "retail"). Both are located further down Square's homepage:

Clearly, the value propositions are more content-heavy than Square's USP is. The USP "pops" in a headline sort of way: It's short, catchy, memorable, and draws prospects in... though *who* those prospects are is a bit vague. The value propositions, on the other hand, list *specific* tasks customers will be able to accomplish and benefits they'll experience by using Square's product. In doing so, Square clarifies its personas for each product.

Square's USP (speed) *isn't mentioned in either of its value propositions*. What's here is much more tangible, allowing prospects to *envision* the value they'll get for their money.

Or consider the organizational app [Evernote](#), whose USP—positioned in the hero space of their homepage—is "Feel organized without the effort." Evernote includes a sub-headline that qualifies what they *mean* by "organization"—an inclusion that begins to clarify their target market. (They're not offering to organize your closet, for example):

Evernote offers three separate plans (basic, premium, and business), and has a distinct value proposition—located on separate landing pages—for each. Here are the value propositions for their basic and business plans:

Both value propositions share a design: Evernote has chosen the three most significant benefits for each plan, and given each an icon for visual comprehension. But notice how different the headlines are from each other—*despite* the fact that they're talking about the same product. The basic plan ("Remember everything") is positioned for the individual looking for a digital version of the scrapbook, to organize and store notes and images for later (personal) access. The *business* plan, on the other hand, ("An information hub for the 21st century") appeals to the persona looking for integration, collaboration, and the most current technology to facilitate teamwork.

Evernote's USP speaks to—and draws in—both personas at once. The *value propositions* are where each visitor gets the details particular to *their* segment.

Creating a Unique Selling Proposition

The USP names the single most important differentiator between your business and *every other* competitor or alternative solution out there (including the alternative of not doing *anything*). As such, it wholly takes your competition into account. Take FedEx's value proposition: "When it absolutely, positively has to be there overnight." While FedEx doesn't name its competition outright, the *implication* is that customers are gambling on on-time delivery with any other company—even those who *promise* overnight service.

Of course, there are plenty of overnight delivery companies who *do* deliver with consistent timeliness; but FedEx's decision to *position* themselves as such makes them the clear choice for customers whose priority is speed. Of course, FedEx offers much more than overnight package delivery (they've got a whole suite of logistics services); but they chose *one* USP to create a core company identity with. *No one* thinks this is the only service FedEx offers.

[Marketing Results](#) positions itself more boldly against the competition. Here's their USP:

The company introduces a radical distinction between themselves (the folks who "have it right") and other digital marketing agencies, *all* of whom are focusing on the wrong metrics. Their USP shocks prospects into the possibility that *any* experience they've had with other marketing agencies has been a misguided waste of time and money.

All that's to say you'll be keeping your primary differentiator at the forefront of your mind as you draft your USP. Here's one way to approach it:

- **Describe your customer persona.** A strong USP originates from an acute sense of who your target market is, what they want (both today and ultimately), and what motivates their

purchase decisions. Be as specific as possible in [defining your ideal customer](#).

- **Describe the problem you solve.** Articulating the solution you offer requires an intimate understanding of the need your target market is up against. What challenge are they staring in the face; and how does that showdown make them feel? How is it crippling their lives? *Exactly* how does your offering meet that need? What do their lives look like after your solution? How, *specifically*, are they improved?
- **Identify your differentiators.** List 3-5 of the most important benefits a customer gets from working with you that they *wouldn't* get with your competitors. Product features, price, service, selection, speed, convenience, dependability, customization, philanthropy, warranties, and more are all up for grabs here. What makes *you* the irresistible choice?
- **Determine your promise.** The USP is fundamentally a promise, and it would behoove you to think of it as such. What's the *one* beneficial thing your customers will experience with you... hands down, every time? Your promise may be *implied* rather than *expressed* in your USP; but it's worth articulating to both yourself and your team.
- **Combine, revise, and cut.** Begin fashioning the above ideas into complete thoughts until you've said everything you want to say. Then cut... *ruthlessly*, until *one* benefit and *one* differentiator remains. Remember, you're aiming for 2 sentences max; so let go of anything that isn't absolutely indispensable to what you want to say *first* to your prospects.
- **Ask for feedback.** Employees, colleagues, [focus groups](#)... ask anyone you can think of who knows your business and can give you intelligent, impartial feedback. Ask them if it meets the criteria for a killer USP (unique, memorable, believable). Be open-minded and patient with this process, no matter *how* many rewrites it requires. Your USP is worth getting just right.

Creating a Value Proposition

As you probably observed in the examples above, business value propositions tend to contain four main components:

- **a headline.** This is the attention-grabber that shouts out the primary benefit (typically *not* the same benefit the USP offers). Your primary benefit will be different for different segments.
- **a sub-headline.** The sub-headline is 1-2 sentences and explains the offering in more detail, more firmly connecting it with *that* segment's primary pain point.
- **a list of primary benefits.** Naturally, you'll need strong data about consumer motivations,

desires, and pain points for this (and okay, *every*) section of your value proposition. What are the emotional and rational drivers of purchasing? What are their unarticulated needs? What benefits are most important to them, and how does your offering deliver those benefits? *You* know the questions to ask at this point; answer them here.

- **an image.** This might be a photo of the product, a graphic depicting its features, a hero shot that reinforces its primary benefits, and so on. You may even consider offering a video if your offering is complex enough—or unique enough—that it requires further explanation. (Try not to exceed 3 minutes here; *you* know how long the modern attention span is.)

If you have them, insert concrete numbers into your sub-headline or benefit list, like [Gusto](#) does in the value proposition for its payroll platform. Statistics about the outcomes customers and clients received from working with you are invaluable here; they might be the social proof that finally prompts your more cautious prospects to [click on that CTA](#). (Maybe you'll even include a [testimonial](#) or two below your list of benefits):

You've probably noticed that design plays an important role in the value proposition. The image or video shows the benefits named (you want prospects to *envision* how your offering could affect their lives), while bullet points make for easy absorption. Don't forget to speak directly *to* your prospect... and make sure that every detail you offer passes the "so what" test. Remember, you've already asserted your differentiator in your USP; here you'll focus less on how you stand apart from the competition, and more on how your business can serve your prospects' needs.

Granted, what we've offered you here are best practices... not every business will display their value proposition in precisely this way. Take a look at the websites of the strongest businesses in your industry and see how they're offering *theirs*. Then take a look at the websites of business in vastly *different* industries, and see what you might draw from them in terms of presentation.

Testing the Strength of Your USP and Value Proposition

Before either of these statements go onto your website or into your marketing messages, your USP and value proposition have to pass a few tests. *You'll* decide who'll determine whether they "pass" or "fail"... but we suggest you invite some combination of employees, longstanding customers, colleagues, and anyone you know who has experience in marketing.

- **The differentiation test:** If your USP or VP could be positioned on any of your competitors' websites and appear equally true of *their* offering, go back to the drawing board. You want to say something *absolutely singular* here. It'll be well worth the labor involved once you discover that thing.

- **The relevance test:** If readers are still asking "so what?" after studying your statements, you haven't spoken well enough to how your offering applies to *their* lives. Have participants ask you "so what?" *ad nauseam*, until you've dug deeply enough to touch the origin of the pain point. (This may signify itself as an "ah-ha" moment for them—which is when you'll know you've hit upon the decisive place at which your offering intersects with their lives.)
- **The believability test:** If you've got statistical evidence in your VP, you're on the right track here. Your customers should tell you whether your statements match their experience of doing business with your brand. Others should be able to tell you if they resonate with your general brand perception. Remember, while your USP and VP may be *true*, that doesn't necessarily mean they're *believable*. If you find yourself in this situation, consider what you'd need to add (or discard) to earn your prospects' trust.

Pro tip: Establishing KPIs through which to measure your USP and value proposition ensure they're claims you *can* prove down the road.

- **The sustainability test.** Your USP and VP are statements you should be able to defend and maintain indefinitely. If readers see attributes that aren't sustainable, they should let you know. This includes benefits that could be easily replicated by future competitors or features likely to become "hygiene factors" as similar products come on the market. On the other hand, ensure that neither of these statements is limiting: Do they enable your business to grow without growing *out of* your USP and VP? (Of course, you can "freshen" these statements when necessary; but we generally wouldn't advise radical changes.)

Finally, test variations of your USP and value proposition through [A/B tests](#) or by split-testing ads with significantly different benefits or language variations. Ultimately, your target market will determine what your "best" USP and VP are.

At this point, you've crafted most of your company's internal and external branding documents: your [mission, vision, and values statements](#); and your USP and value proposition. In the next section, we turn to that ultimate internal document: [the brand positioning statement](#). We'll give you templates, examples, and best practices to follow.