YOUR UNIQUE SELLING PROPOSITION

A necessary survival tool
in a world of noise.

By Kerushan Govender

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INTRODUCTION

The Unique Selling Proposition (also Unique Selling Point or USP) is a marketing concept that was proposed as a theory to explain a pattern among successful advertising campaigns of the early 1940s. It states that such campaigns made unique propositions to the customer and that this convinced them to switch brands. The term was invented by Rosser Reeves of Ted Bates & Company.

In his 1961 book Reality in Advertising, Reeves says that the USP is widely misunderstood and gives a precise definition in three parts:

- Each advertisement must make a proposition to the consumer. Not just words, not just product puffery, not just show-window advertising. Each advertisement must say to each reader: "Buy this product, and you will get this specific benefit."
- The proposition must be one that the competition either cannot, or does not, offer. It must be unique either a uniqueness of the brand or a claim not otherwise made in that particular field of advertising.
- The proposition must be so strong that it can move the mass millions, i.e., pull over new customers to your product.

Later, Theodore Levitt, a professor at Harvard Business School, suggested that **"Differentiation is one of the most important strategic and tactical activities in which companies must constantly engage."**

Theory aside, in today's world of information overload, it is certainly no less important for businesses and people to rapidly convey what differentiates their product or service from the rest. Especially as we begin to rely more and more on digital platforms to share our value, where attention is ever fleeting, a crystal-clear articulation of a valued differentiator is a must for survival.



WHAT IS A USP?

A USP or positioning statement is based squarely on what the customer wants. There's a difference between a service provider's core product and what the market will rapidly buy. Consider an example say; Sport Co factually makes polyester t-shirts (core product) but the target market desires specialist "performance apparel." We cannot just change the terminology. We have to add the relevant services around the product to deliver on this promise of performance apparel.

EXAMPLE	SERVICES TO DO W/PLACE	SERVICES TO DO W/PRODUCT	SERVICES TO DO W/PRICE	CONVEY USP
Sport Co t-shirt	Sport Co app - questionairre based	Fabric density tailored to runner	Bulk, but priced as tailored shirt	Tailored performance apparel

Ultimately, this comes down to simplifying things for the customer. This calls for making customer-related processes more efficient and it also calls for making communication to the customer less complex and more efficient, through the creative use of different media.



A good USP describes how you are different in terms of how you make things convenient for the customer. It needs to show that you are thinking about the customer and paying attention to even subtle needs. That's when a power USP emerges, when it reveals genuine care and attentiveness for the customer. The core product requires modifications/enhancements, in terms off place, price & the product itself, to better differentiate the core product, from the customer-perspective. Moreover, operationalising for scale also requires efficient process-optimisation.



Thus, a USP is inextricably linked to process-optimisation – it artfully & efficiently describes the final product that has been "enhanced." The use of technology is incidental to actual process-optimisation – it makes a lot of things possible that otherwise would not be. Ultimately, the goal is to give the customer what he/she is asking for, in a convenient way that exceeds expectations.

DIFFERENCE BETWEEN CONVEYING A USP & DESIGNING ONE 04

Conveying a USP in an impinging way requires creativity in communication. One is not limited to a medium or a format. One can use any amount of design work, vocal communication, music, etc so that the core USP communicates clearly. There is so much under this topic alone that one can write volumes about how to get this right.



Designing a USP is all about using creativity to give the customer additional, differentiated value, that can then be conveyed in a creative way. This step comes down to figuring out what else can be done for the customer – it isn't about operationalising it. It's about figuring it out and designing it. The action of operationalising the additional value within the organisation is outside the scope of this work. This stops at the design or architecture level.



THE BASIC TRADE-OFF

The goal of a USP is to get the customer to buy easily. When a solid USP is in place, sales rocket with minimum effort. The measure of a compelling USP is a dramatic increase in conversions along the funnel.

> It all starts with really wanting to please the customer. Actually, this is the heart and soul of it. Really and truly wanting the customer to be wowed. Longing to see their reaction and hear their positive feedback.



We want to give the customer as much as we can. We want to give the customer so much value that it would make no sense for them to purchase elsewhere. This is a compelling proposition. This is the route to easy sales and a rapidly expanding business.

But we are constrained by the obvious limitation of resources. We would love to give the customer an endless trial period or a ton of freebies. But we've got to make money. Someone has to pay the bills. After all, we have to run a viable enterprise.

So, our model is based on a fundamental premise – there are two forces acting against



The desire to wow the customer in such a way that it becomes a "no-brainer" for the customer to buy from us



Limited resources to offer the customer value at the right price.

THE BASIC TRADE-OFF

This requires two major workflows to be kept alive in any modern organization:

Maintain some kind of system that keeps the organization actively abreast of what the customer finds valuable.

Consistently seek out new ways to overcome resource constraints, thus enabling more value to be given to the customer.

Evidently, these are on-going processes, not once-off events.

Importantly, this is not about customer service alone – this is about innovation.



UNDERSTANDING CUSTOMER NEEDS

Whether a seasoned business leader or a new entrepreneur, it can be overwhelming when we try to figure out what a customer wants or needs. It seems like a very open-ended problem statement. Oftentimes it seems like even customers don't know what they want until it becomes available.

So, there is an element of perception in all this. And before we go down a rabbit hole trying to work out exactly what a customer wants, its easier to start with this question: what would a customer find useful or valuable? Yes, this is likely to produce any number of ideas. Prioritizing these ideas from the customer's vantage point is where things can get tricky.

We know a lot of leaders who are excessively conscientious about collecting customer preferences via survey. While this is good discipline, it is far from the only way to collect feedback. Traditional surveys in themselves have their place, but they are not the only data sources. One of the biggest drawbacks of a survey is that it is very "closed" – people answer in line with the questions asked, which often limits creativity in answers. It isn't always easy to get a customer to think outside the box about what they would like in terms of features or services. For this reason, it is often easier to get a customer to provide feedback on **existing** products and services. This classifies more as customer service work than innovation work.

The beauty about innovation work is that the sky is the limit. Useful and usable data lives all around us – we just need to look.

Talk to people who interact with customers



These people, through some of their most mundane interactions with customers, are sitting on any God's quantity of ideas from the mouths of customers. They know what customers like and dislike. Most importantly, they are well-positioned to imagine answers to the main question – what are customers likely to find useful or valuable? The only thing to be watchful of is whether their own personal views are entering in. This is only dangerous when a person is answering as herself and not based on the ideas collected directly from customers. The real question we want answered is, "What would your customer, say Mary, likely find useful or valuable?"

There are tons of data within the business that can be used toward solving this problem.

We could look at:



what customers have bought historically



what offers had good adoption and spiked sales



what types of communication are well received and read more than others



what products are bought no matter the price



what products show a higher price elasticity (they sell a lot more when they are discounted)



what do different customer segments find specifically valuable within their pockets?

These are a few ideas to help you develop your USP. Go get `em!

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