



The ResourceIT Guide to:
Creating a Value Proposition
(and understanding why you should)



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Is it a marketing tool, sales collateral or a business document?

The fact is a value proposition can be all of the above and so much more. Here's why your business needs one and how to go about creating your own.



Reclaiming your **advantage**

There's no denying it. Business is more competitive than ever. Across industries, organisations must work harder to stand out from the crowd, attract new customers and hold on to those they already have.

In a world where customer service and personalisation are key competitive differentiators, knowing your audience has become essential. But simply knowing who you're selling to isn't enough.

Your customers and prospects need to know why your product or service is the **perfect fit for them. Enter the value proposition...**



What is a **value proposition?**

A value proposition neatly explains what a customer can expect and benefit from if they choose to buy what you're selling.

It's a summary of the value you offer. It explores the problems you can solve for customers and highlights why they should choose your business over a competitor.

They can be as long or as short as you like, providing they cover all of the unique selling points powerful enough to sway a prospective customer.

A value proposition can be created for a business as a whole or for a specific product or service.

You could even go further and create value propositions targeting specific sectors or demographics and matching them to relevant products or areas of your business.

In short, a value proposition should be what you need it to be, but there are some definitions you should bear in mind.



YES

NO



A value proposition is...

- ✓ **A clear outline of the value** your business, product or service provides.
- ✓ **A way to explain to customers** why they should choose your business, product or service over competitors.
- ✓ **An overview of the problems** your business, product or service can solve for customers.
- ✓ **A form of "elevator pitch"** that highlights the unique selling points of your business, product or service.

A value proposition is not...

- ✗ A **mission statement** or manifesto
- ✗ A marketing **tagline**
- ✗ An advertising **slogan**
- ✗ A **terms and conditions** document
- ✗ A service **level agreement**





Why do you **need** a value proposition?

By encapsulating the value of your offering to customers, a strong value proposition can provide the backbone to your marketing and advertising efforts.

Done right, it can become your messaging north star, perfectly illustrating the value of your business, product or service to those who will benefit from it the most.

By crystallising the benefits in a single document and exposing the right audience to the topics within it, a value proposition can help to enhance conversions and increase sales.

At ResourceIT, we write value propositions for businesses on a regular basis, focusing on the company's overall value or drilling down into specific market niches. Once our initial workshop is complete, and the value proposition is written, this information normally becomes the starting point for our marketing campaigns.

We use it to frame customer challenges and needs and explain how the business, product or service can alleviate problems and provide benefit.

While the final value proposition is rarely used as a customer-facing document, its essence is. You can use sections of it on websites or in promotional materials or extract key points for use in marketing campaigns.

Elsewhere, it can be used to guide or onboard internal staff and partners or as a tool for salespeople to reference, among many other uses.



Different uses for a value proposition



Announce a brand-new business or product to the market.



Attract new customers in a specific sector or with a particular challenge.



Promote the benefit of upgrading or switching to a new product to existing customers.



Convince customers that have chosen to go with a competitor that an alternative product or service is better suited to their needs.



Guide the direction of marketing campaigns and other initiatives.





Creating your own value proposition

Who should be involved in the creation of a value proposition? Naturally, our first answer to that question would be ResourceIT!

However, it's perfectly possible to create a value proposition without support from marketing experts.

The experts you do need, however, are scattered across your business.

Experience has taught us that input from across an organisation is crucial to the creation of a strong value proposition, ensuring that every ounce of value is captured and unique perspectives are considered.

There should be one person running the project, ideally a marketing professional, alongside subject matter experts in product, sales, customer service or any other relevant division or discipline.

Who you choose will be largely guided by what it is you want your value proposition to include, but you'll rarely go wrong with anyone who knows either the business, product or service or the target customer inside out.

Having said that, you also don't want to involve too many people in the creation of your value proposition. It's all too easy to end up with a "too many cooks" scenario where so many opinions are offered that it becomes hard to create a coherent set of values.

The beauty of a value proposition is that it should support all areas of the business, not just the biggest or those who shout the loudest.

Identify who will be crucial to the process and put strict review and sign off processes in place to ensure your value proposition maintains its focus and isn't pulled in too many different directions.





Stage One

The importance of research

One of the most important parts of the ResourceIT value proposition process is the workshop. In a few hours, we capture as much information as possible about a business, product or service as well as the people it is targeting in order to distil that information into a unique message that resonates with the desired audience.

It's a real grilling, but it's essential for collecting the information we need.

Before the event, we share a questionnaire to help guide the workshop and get stakeholders thinking. It includes questions about what they are selling and who would buy it and is an effective launchpad for discussion and discovery.

With copious notes taken throughout the workshop, we normally have enough to begin our work, but sometimes we require a follow-up meeting with other specialists to round out the proposition.

It's this level of detailed research that you need to carry out in order to craft an effective value proposition of your own.

Of course, being close to the business, you will be full of knowledge on the subject, but it's still important to focus your thinking and guide discussion to avoid a muddled proposition or one that tries to do too much.

It's for that reason you should create your own discovery document and get everyone involved to fill it out before you meet. Not only will it provide an agenda of sorts, but it will enable you to define the key areas you want to discuss faster.





Stage One

The importance of research

Key questions to ask before you start



Who is our **target customer**, and what size is their business?



Are we targeting a **specific sector** or business type?



Which **roles are we selling to**, what do they care about, and what keeps them up at night?



What **market and business drivers** impact our ideal customer, and how does our product or service help them?



What makes our product or service **better than the competition**?



Armed with answers to these questions and others like them from those representing a cross-section of your business, you can then host an in-person or online session.

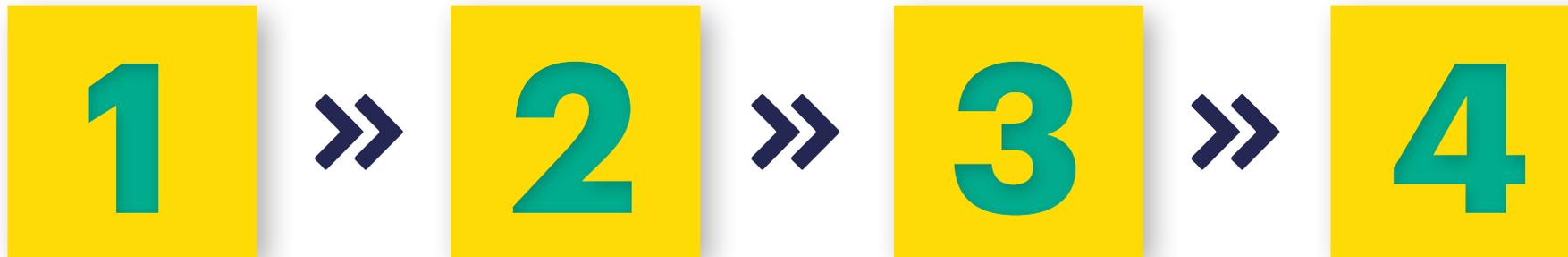
With all your experts together, you can begin identifying key themes and highlighting areas the must be included in the value proposition and those that can be excluded. **It will take some time, but the effort is worth it.**



Stage Two

Write, revise and review

To help you piece your value proposition together, try following the simple outline below.



Introduction: Sum up the state of the market, identify your target audience and highlight their challenges in two lines or less.

Key value statement: Immediately introduce, at a high level, how your business, product or service helps the target audience.

Value reinforcement: Dig into more detail by explaining further benefits and examples where possible. Try using statistics such as time or money saved to back up your statements.

Closing statement and call to action: Try to end powerfully and, where possible, with reference to your opening statement before telling the audience what they should do next.



Stage Three

Create a compelling call to action

While we've already mentioned that a value proposition isn't normally a document seen by customers, it's still worth determining what action you want them to take.

If the content in your value proposition is used in ongoing marketing campaigns, identifying a strong call to action will be crucial.

Like the value proposition itself, the call to action should be easy to understand and offer a benefit of some kind, with the most obvious being a free trial.

Ultimately, the action you want customers to take should be frictionless, free of risk and of tangible value.

Assuming the content in your value proposition has done its job, your call to action should be the final step that convinces them to engage.





Call to action Examples

A free or heavily discounted proof of concept for a specific business area or process.

A workshop related to or about the product or service that also provides business insight or another form of value.

A free or heavily discounted trial period.

A virtual or in-person demonstration of the product or service with demonstrable outcomes or other benefits.

An exclusive event or webinar.

Show the world your **value**

The worst possible thing you can do with a value proposition is to spend time and effort creating it and then not use it. Once approved, it should play an important role in every interaction you have with customers and prospects.

Use it to frame sales presentations, add weight to product pages, punch up social media posts and guide call scripts. Get it tattooed on your back if you think it'll help.

That said, the latter and more permanent of those options may not be ideal if you intend to update your value proposition and you should definitely do that.

A value proposition is an evolving beast, and keeping it current is important as markets shifts, customer needs change and your business, product or service adapts.



Show the world your **value**

Set aside some time for an annual or quarterly review of your value proposition to make sure it still does the job you need it to do. If not, make the required tweaks.

Above all else, a value proposition enables your business to clearly **define the value it provides to customers. While the term 'elevator pitch' does it a disservice, the two do share some similarities.**

A value proposition must quickly and powerfully outline why a customer should choose your business, product or service over the many competitors out there and it should be something everyone in your business should be able to recite by heart.





Ready for the challenge?

You can use this guide to start creating your own value proposition today and, by all means drop us a line if you need a little help.

Contact us at www.ResourceiT.net