

Defining Your Unique Edge - Part 2

Developing a Unique Selling Proposition or Extra Value Proposition

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In Part 1 of “Defining Your Unique Edge”, we took a look at one of the most important marketing tools, the USP or Unique Selling Proposition (and its “sister”, the Extra Value Proposition or EVP). We discussed the three forms of the USP/EVP – Price Leadership, Differentiation, and Focusing – and at some of the pros and cons of each one.

Now, in Part 2, we’ll focus on how to create or refine your company’s USP or EVP, and show you some tips for avoiding some pitfalls and honing your USP/EVP to get maximum impact.

How do you develop a USP or EVP?

There are typically four steps to developing your company’s USP/EVP:

1. First, set up a focus group meeting with your internal staff. The purpose is to find out what people within your company believe your competitive strengths to be, and what they feel is unique about the business.
2. Next, survey your current customers informally to invite them to share with you why they have been doing business with you. You need to do this to verify whether or not the company’s perception of its own uniqueness and value is in sync with the customers’ perceptions.
3. Do a competitive analysis. Look at your key competitors and identify their strengths and weaknesses. The objective here is to see if your “unique” thing actually *is* unique: are you truly the only one out there offering that special feature or doing that unique thing? If not, focus on the extra value (EVP) aspect: what do you provide that your customers value most?

4. Lastly, write it all down. Compile all this information from staff, customers, and competition, and use it to clearly define your USP.

With your USP complete and in writing, you now have a foundation for all your ads, brochures and other marketing messages.

A Pre-emptive Strategy

Even if your business's "unique" feature is not really unique, you can sometimes pre-empt a competitor who offers the same selling point, if they are not already exploiting it as a "unique" factor. You can be perceived as unique, even if you're not, if you are the first one to say it, do it or be it, and you are the first to tell the public about it.

The First Tendency

Beware of the First Tendency of defining a USP, which is to say, "We have the best selection" or "We have the best product, the best quality, the best service", and to leave it at that. If you are going to say, either directly or by implication, that your product or service is the best, you must validate it, quantify it, or justify it.

Be Specific

Your Unique Selling Proposition or Extra Value Proposition needs to be specific. You must quantify your claim to uniqueness or extra value as much as possible. If you have the best selection, what is it that makes it so? If you have the best product, tell us why! If you provide the best service, exactly what makes it so?

Let's say that your business, a clothing store, offers an unusual selection of merchandise compared to others in your market. Your USP might read something like this:

XYZ clothing store has the greatest selection of down coats in the area, with more than 200 in stock. We have a colourful and exciting selection of Levi and Wrangler jeans: over 300 pair in stock with five different colours in maroon, blue, black, white and beige to choose from.

We are the only store in this area that distributes the "X" brand of clothing: NO one else in the area has it!

If your unique selling point is something quantifiable that allows you to discount your prices (backing up *why* you are the price leader), your USP might be:

At XYZ Company we offer the same products as company A and company B, but at 30% to 50% less. This is because our overhead is approximately 50% less than that of our competitors. Our building location and efficient design of our facilities allows us to reduce our operating costs, and purchase in greater volume than our competitors – providing us with quantity discounts. We then pass on this savings to our customers.

Perhaps your company provides extra value because of the service it provides – even if the service itself is not unique. Your service-oriented EVP could be:

At XYZ Auto Repair, we help you reduce the cost of owning your car. We believe that a proactive approach to car maintenance and routine service saves you money in unnecessary repair bills. Our computerized customer service system has, over the last 8 years, helped each customer save between \$500 and \$1,000 on average. We do this by tracking the maintenance schedule and appointments for each customer's car, mailing reminders when the car is due for service, and following up with each customer to ensure their complete satisfaction with their service visit.

You get the idea – be specific.

Keep It Brief

Your USP should be brief and concise, about 90 words or less. If you can't tell me in about 90 words why I should do business with you, as opposed to someone else, it probably means *you* don't know the reasons, either.

When people ask me why they should do business with Success Unlimited, I say:

"You should do business with Success Unlimited because we view marketing differently. We help small and medium-sized businesses leverage and optimize hidden marketing assets in order to grow your business in three ways. We create and implement comprehensive marketing systems, and we guarantee results."

That's our USP. It's less than 90 words. It says what we do (*create and implement comprehensive marketing systems*), and also what sets us apart (that we help clients *leverage and optimize hidden marketing assets* – something they already have but may not be exploiting in their current marketing). It speaks to some of the unique aspects of our work (*help grow your business in 3 ways; we guarantee results*). It also invites the opportunity for further discussion (to find out what the 3 ways to grow the business might be, and what do we mean by "hidden marketing assets"). What makes this a good USP is that it's concise, specific, and demonstrates how we're unique in our industry. We've integrated our USP into all of our marketing materials; it fits on the back of our business cards and into the margin of our company letterhead. Our USP is the inspiration for our corporate identity, web site copy, phone scripts, presentations, email signature files, and more. It is the foundation of our entire marketing strategy.

With a strong and compelling USP, your marketing efforts will become more focused, productive and successful. Once *you* can clearly speak to what is unique about your business, your potential customers will hear and respond to that message.

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