

Strategic Planning Tools - Tactical

USP: Unique Selling Proposition

Benefits of a USP

1. A strong USP will drive sales and make communications with potential customers more effective.
2. A good USP will help employees and friends of the company understand the value of your products or services.
3. If your USP is truly unique, it will differentiate you from your competitors. Competing on differentiation instead of price is a stronger competitive position.
4. Your USP can speed up sales and open doors because it is easy to understand.

How to Create a Unique Selling Proposition (USP) for Your Company

Here are some examples of some great USPs:

"You get fresh, hot pizza delivered to your door in 30 minutes or less -- or it's free." Domino's Pizza
"When your package absolutely, positively has to get there overnight" FedEx
"The nighttime, coughing, achy, sniffing, stuffy head, fever, so you can rest medicine" Nyquil
"15 Minutes Could Save You 15% or More on Car Insurance" GEICO

All great USPs contains all of these core elements:

1. It is truly unique, which is tough to do in a world of copycats & benchmarking.
2. The USP includes an implied action.
3. A guarantee or assurance is offered in the statement.
4. It is short.
5. It is easily understood.

A SLOGAN is not necessarily a USP. "Just Do It" by Nike is a memorable slogan, but no benefit is implied or described. "Simply the Best" is also a slogan and it is used way too often by too many companies.

NOTE: If you are not different, you better have low costs to compete on price. This may be viewed as the "Differentiate or Die" standard.

Some marketers will gather a focus group to evaluate marketing messages in advertising and will sometimes even evaluate a USP for effectiveness. Here are a few quotes that show your USP is less than effective:

"That's not true. I've been there before."
"Are you serious? That just sounds ridiculous."
"I don't understand, can you read it again."
"That makes me want to NOT buy there."

A really great USP may even replace your company vision statement! If it communicates effectively to both customers and employees, you can have branding and awareness that is not seen with most vision statements. In many cases, only the committee that developed a vision statement remembers it.

If you've ever had trouble deciding which brand or company to buy from, why was that? Did all the products look the same? Did they play "me too" marketing and look generic? Would a unique difference help you select one product over another? If so, you understand the value of a great USP.

Unique Selling Proposition (USP) Worksheet

Develop a quick USP without preparation or discussion. Each person should spend 30 seconds writing down what they see as the company's Unique Selling Proposition. Compare your USPs with others in your group.

While this is a very small amount of writing, the mental work to develop a USP is tough!

Evaluate your USP. Place a checkmark to the left of the question if you can answer "Yes" to the **first question**.

1. Do you list a benefit the customer will value? Is that benefit straight from a customer?
2. Is your USP defining something unique? Can anybody else be described with that sentence?
3. Does your USP sell? A customer should be compelled to buy after reading your USP.
4. Do you have a stated or implied Call To Action? What is it?

A Good USP Will Take Longer Than 30 Seconds To Develop!

Steps to Develop Your Best USP

1. Write down your favorite USPs. Go to the store and read consumer product packaging if needed.
2. List 5-10 BENEFITS that make your product/service unique, valuable, or interesting to customers.

| | |
|-------|-------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

3. Are you the best provider in your market? (HINT: Your answer should be **YES** with a justification)
4. WHY are you the best provider in your market? List as many believable reasons that are not generic that you can think of. Note: "We focus on (quality, service, customers, or our people)" is dull.

5. Ask your customers why they buy from you. Ask lost customers or sales leads why they DON'T buy from you. Write these down to help further define your USP.

6. Place your marketing materials, products, & services from you and your competitors together. What do you need to do to stand out? What benefits would make your product seem more beneficial?

7. Write your USP. Combine the best benefit, offer, & specific guarantee into a short sentence. Test it.

8. Roll Out Your USP **everywhere!** Use it as a core part of your branding and marketing.