

VALUE PROPOSITION WORK SHEET

A value proposition is a statement that clarifies what you are offering, to whom, how your offering solves a problem or meets a need, and how it is different from other similar products or available substitutes.

Although many consider this an elevator pitch, we consider the value proposition the homework one must do to create an elevator pitch (elevator pitches work best when they use natural speech; a value proposition is not typically something you'd blurt out to a stranger in an elevator who asks you what you do). And while many who use value propositions assume they are focused strictly on customers (economic buyers), Hosfeld & Associates uses value propositions to define relationships between a company and its customers and other stakeholders.

Value propositions follow a particular format or formula that contains:

1. A description of who the offering is for, the intended recipient of value
2. The value created by your offering – what problem does it solve, pain does it alleviate
3. The form in which the value is offered, a description of the product, service or relationship
4. The particular benefits associated with the product, service or relationship
5. A description of contrast between what you offer and what is offered by competitors or substitutes

Sentence One:

We help/serve _____ 1 _____ who/that need(s) _____ 2 _____,
by offering _____ 3 _____, which _____ 4 _____.

Sentence Two:

Our _____ 3 _____ is unlike the product/service/relationship offered by
_____ name of competitor or substitute _____ in that it _____ 5 _____.

Repeat Sentence Two to cover as many competitors or substitutes as may be needed to position your offering in your market place. You do not need one sentence to cover all competitors or substitutes. (Continued on page 2).

Using a Value Proposition

Value Propositions can be useful

1. At the beginning of a strategy implementation phase to clarify strategic focus and create a guideline for setting priorities and performance expectations.
2. During the process of aligning stakeholder needs in a multi-stakeholder marketing process.
3. As a precursor to creative development of marketing materials or campaigns.
4. As a starting point for sales training and development of an elevator pitch.