

PRODUCT POSITIONING & VALUE PROPOSITION

A value proposition
defines the need and
proves the economic or
qualitative benefit to a
specific customer, based
on the benefit perceived
by that customer. Value
propositions must be
expressed clearly in the
language that the
customer understands.

One of the most significant determinants of the potential success of a product opportunity is whether it brings benefits that customers value and appreciate.

Information about several things is necessary to derive an effective **value proposition**. Four questions must be answered:

- 1. Who is the target market?
- 2. What is the validated problem or need of that customer?
- 3. What would solve the problem or meet the need of that customer?
- 4. How can the solution's benefit be proven, either quantitatively or qualitatively?

If these questions can't be answered substantially, it's not an effective value proposition.



PRODUCT POSITIONING & VALUE PROPOSITION

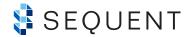
Product positioning is

the way in which a product or service is presented or communicated to a particular market or market segment. A Product Positioning Statement is used to craft this message.

Value propositions are important, but in order to be most effective, they must be wrapped in a **positioning statement**.

Product positioning is an important output of the product team, not only during the phases of New Product Planning but also across the entire life cycle. It is used to describe how you want your product to be perceived by the target customer and allows for comparison with other available products offered by your competitors.

The emphasis must be on competitive differentiation. Why should anyone want to buy your product versus that of the competition? What makes your product so unique? Product positioning also provides a solid foundation for consistent communication about the product whether it is internal to the firm or used externally in marketing communications.



VALUE PROPOSITION TEMPLATE

The customer (target segment) will benefit from using this product because it helps them: (how will the customer be able to achieve some value, either qualitative or quantitative?)		
The product is unique because:		
It compares favorably to available competitive product because:		

PRODUCT POSITIONING TEMPLATE

Name of Product			
Current Lifecycle Phase			
This product is designed for this specific customer target or segment:			
A specific customer	with this/these proven need(s)	is satisfied by these features/attributes	



For more information or further guidance, contact Sequent Learning Networks at contact@sequentlearning.com or 212.647.9100.