

One of the most significant determinants of the success of a product is whether it brings benefits that customers value and appreciate. *Value propositions* require a solid understanding of:

- 1. Market segments
- 2. Customer targets
- 3. Needs of customers within targeted groups
- 4. Perceptions of value for solutions to meet needs or solve problems

Product managers must also be able to prove the qualitative and/or the quantitative benefit to a customer. The challenge is that customer needs are transient, and what a customer may want and value at one time does not reflect how they are all the time.

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.

Value propositions are important, but in order to be most effective, they must be wrapped in a positioning statement. Product positioning 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 those offered by competitors? 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.

What's most important, especially in the B2B world, is that it's often a complex undertaking to figure out who the customer really is (a user, an influencer, or a decision maker). Consumer "families" may also have various targets. Your job is to figure out which are the customer targets that are most important. However, it's also important to recognize that there may be more than one "customer target" in a company (or a family). With this, your job is to make sure you can assess each customer's need, at each point of need, so that you can assess the opportunity to deliver value or enhance value already provided.

The balance of this guide fits with what's shared in the template tutorial video. You'll be shown how to prepare your value proposition and positioning statement in four easy steps.



### STEP 1 – IDENTIFY THE CUSTOMER AND UNCOVER (OR VERIFY) CUSTOMER NEEDS

In the table below, the parameters include the person, the role they play, what they do, and so on. The target customer should be personified to capture the common needs of similar customer types. The table below is filled in with sample information. Then, a blank is provided for your work.

Company Name	XYC company
Name of person	Jane Doe
Title/level/role	Determine area of responsibility, span of control, or issues they may have
Things they do (daily, weekly, etc.)	<ul><li>Work journeys</li><li>Processes followed</li><li>Interactions with others</li><li>Experiences</li></ul>
A narrative	Paragraph to capture the journey they take for each journey
A persona	Rationalize this person's journey with others to look for common themes in your search for needs and value
Articulate needs	"I'm trying to do, and when I do, I cannot do I wish I could have

Company Name	
Name of person	
Title/level/role	
Things they do (daily, weekly, etc.)	
A narrative	
A persona	
Articulate needs	



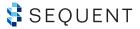
### STEP 2 – ASSOCIATE THE PERSONA (TARGET) WITH NEEDS AND FEATURES

In this step, you can capture the persona from the previous step and then augment the underlying needs so they can be closely associated with a solution – or a feature. Use the blank table below to record your information. Also, in the space below the table, you may wish to record some notes about your data sources, research, and other points of validation.

Customer Types	Needs to be able to do	And is satisfied by
Persona 1 (e.g., User)	<ul><li>Need 1</li><li>Need 2</li></ul>	<ul><li>Feature 1</li><li>Feature 2</li></ul>
Persona 2 (e.g., Influencer)	<ul><li>Need 1</li><li>Need 2</li></ul>	<ul><li>Feature 1</li><li>Feature 2</li></ul>

Customer Types	Needs to be able to do	And is satisfied by
Persona 1 (e.g., User)		
Persona 2 (e.g., Influencer)		

Supporting data and research. Record your notes here.		



#### STEP 3 – CREATE THE VALUE PROPOSITION STATEMENT

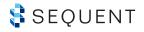
Remember, you must define the need and prove the benefit. Mathematical calculations can focus on making money, saving money, being efficient. Qualitative information can focus on image, experience, etc.

The target customer	benefits from _	Using experiencing the the product or feature (s)	because the
The product or the feature(s)	helps them to	Do something (refer to the value drivers)	- and this is
proven by (or through)	The arithme	etic, the efficiency, the experier	nce

#### STEP 4 – CREATE THE POSITIONING STATEMENT

This is where you leverage the value proposition statement and define why your product is better. Does it deliver greater value? Does it work better? What are the unique points of differentiation? As a point of reference, what do your competitors say about their product in relation to yours? How could you test this with your customers?

This	_ is better than
and here's why	<del></del>



### THE COMPLETE VALUE PROPOSITION AND POSITIONING STATEMENT

Combine all the steps into one unique template. Try it out on current products, run it by others in your group. This can be a work in progress, but ultimately, your marketing team or agency will want to leverage this in promotional activities and messaging.

The target customer type or persona:		
The product, opportunity, or feature set:		
Customer Types	Needs to be able to do	And is satisfied by
Persona 1 (e.g., User)	<ul><li>Need 1</li><li>Need 2</li></ul>	<ul><li>Feature 1</li><li>Feature 2</li></ul>
The target customer		because the the the product or feature(s) and this is
The product or the feature(s)  proven by (or through)	Do something (refer to	
The arithmetic, the efficiency, the experience		
This is better than		
and here's why		







For more information or further guidance, contact Sequent Learning Networks at <a href="mailto:contact@sequentlearning.com">contact@sequentlearning.com</a> or 212.647.9100.