

ROC INSIGHTS

Company Value Proposition

In this ROC Insights document, you will find some guidance around what a company value proposition is, and how to best articulate it.

- **Definition**

Chat GPT and Gemini define a company value proposition as **“A company's value proposition is a clear and concise statement that explains why a customer should choose their product or service.”**

It is different from a slogan or a catch phrase. Think of a politician to make a parallel: Obama had the slogan “Yes we can”, the brand was his own name/person; and the value proposition was his political program. The compelling reason why you should vote for him.

- **Your value proposition applies to a target audience**

A value proposition does not work in absolute terms. It relates to solving a challenge, and applies to a given customer market.

To illustrate, you can offer coaching services in absolute terms. You can offer coaching services to women. You can offer coaching services to women looking for a job. You can offer coaching services to women looking for a job after a maternity leave.

Your value proposition relates to the later! The more precise you are on whom you are addressing, the better!

Now your company may address several services, and to several target markets – in which case you need to articulate various value propositions, and that will each resonate with whom you are selling to. You can also have an “overarching value proposition” – to ensure your offering remains consistent throughout the brands and markets (but only if it makes sense).

For instance, if you have an IT company and a Flower shop – you do not need an overarching value proposition, as your offer is quite different and your customers too. On the other hand, if

you offer coaching services to women looking for a job after a maternity leave, and women looking for their 1st job – then having an overarching value proposition could be interesting.

Think about it from a customer stand point: women looking for a job could get to know you in absolute terms, because you push forward your specific services. Or if you reach out in a very targeted manner, then having an overarching value proposition does not make sense. It is all about bringing value to a specific market – and therefore how your customers interact with you matters, and influences what you need to formulate.

- **Your value proposition needs to be crystal clear**

There can be no ambiguity around your value proposition. To illustrate, I once had the expression “inner circle” to describe that a service would be exclusive. But inner circle can also relate to personal growth – and therefore be misunderstood. Do look at the expressions you use from every angle, to ensure there is no double meaning!

Also, your value proposition aims at your customers. If you are an expert talking to other experts, you can be quite technical in your phrasing – as everyone you aim at will understand. But if you aim at the middle managers, or if you aim at various populations, each having their own characteristics – then you do need to speak a language most will understand. There again, adapt your wording to the audience you are targeting to sell your customers to.

- **Your value proposition is about....value, for a given customer group!**

A value proposition is not about what you do, or how you are doing it. A value proposition is the benefit your customer will obtain, after they have purchased your product or service. It is typically answering the questions “what is in it for me?!”

So for instance sharing that you make the best bread ever, that you are the fastest IT developer, that the quality of your clothes is amazing... all supports your value proposition (as it underpins it) – but it is what you do, not what your customer gets. Your customer will be in heaven eating your bread because...., your customer will save X% because you are a fast IT developer, your customer's skin will enjoy your fabric because....

And therefore not only it is what your customer will get, it also needs to match what they like. For instance, if you position yourself as cheap, but your customer want the job done regardless of the costs – then either you need to change your offer, or keep your value proposition but address another segment.

- **Your value proposition needs to be easily remembered**

A value proposition is not to be learned, but to be kept in mind. You probably will have to say it a few times before it gets in – but point is it is not something your customers need to learn. You want them to remember what you do, and that way it is clear from the start why they reach out – which is a much better position than you finding them!

- **An iterative process**

Same as to find your name or slogan, articulating clearly your value proposition is an iterative process. You will probably even keep on evolving it over time, as you identify new expressions that may capture it even better!

Yet as a start, do iterate over and over on your value proposition – before you lay it out for your customers. You want to ensure it is very clear and well articulated, as this is your first hook why customers should purchase from you.

- **Examples of value propositions**

Enclosed some examples to feed your thoughts:

B2B value proposition examples (note that they can either be in the format of a slogan or a few sentences):

- **HubSpot:** "Powerful, not overpowering" software that helps businesses grow better by automating tasks and centralizing data. (Focuses on ease of use and comprehensive solution)
- **Mailchimp:** "The smarter way to grow your business" through email marketing. (Highlights strategic advantage and growth potential)
- **Slack:** "Be more productive at work with less effort" with a communication platform that streamlines teamwork. (Emphasizes efficiency and reduced workload)
- **Salesforce:** "Customer Relationship Management (CRM) that grows with your business" offering a scalable solution for managing customer interactions. (Focuses on adaptability and long-term growth)

B2C value proposition examples (notice that they are often shorter than the B2B ones, and can turn into slogans – as you do want your customers to have it in mind very easily):

- **Apple:** "Think different." Apple positions itself as a brand for creative individuals, offering a unique user experience with its products. (Appeals to emotions and brand identity)

- **Amazon:** "The everything store" with unmatched convenience and product selection. (Highlights vast product range and ease of shopping)
- **Nike:** "Just Do It." Motivational message that inspires people to achieve their fitness goals through Nike products. (Emotional connection and brand association with achievement)
- **Dropbox:** "Keep your files safe, accessible, and synced everywhere." Simple and clear value proposition that focuses on cloud storage benefits. (Straightforward communication of core functionality)

We hope these insights could help you, and that you enjoyed reading them as much as we did writing them!

ROC in short

At ROC, we help you turn your vision into an unstoppable execution engine.

We have competences in Digital & Human Transformations, Operational Excellence, and Supply Chain Strategy.

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