The Importance of a Value Proposition for Your Brand

Description

Albert Einstein once said, â??Try not to be a man of success, but rather seek to be a man of valueâ?•. We find it very fitting that this statement was uttered by a man who has grown to mean so much to the world. His influence transcends just the sciences; the man is a pop culture phenomenon. His name is literally held as a synonym for genius, though he wasnâ??t even the most intelligent man to have lived. Why? Because the man added value to our lives. Throughout his life-altering discoveries, he maintained his humility and a belief that we could all achieve the same. His humour, witty quips and banter made him a truly lovable figure.

It is this value he added to our lives that makes him immortal in our hearts, and your brand can achieve this too. The secret is in coming up with a value proposition, then delivering on it to cement yourself in the hearts of your clients. Like the immortal Einstein, the value proposition should give your brand a relatable character that will develop a unique community around it. The importance of a value proposition includes;

1. It defines why you came into being in the first place

For many business people, like us, entrepreneurship is a journey of passion to bring ideas to life that will change the world. This makes entrepreneurship inherently a journey of bringing value to peopleâ??s lives. Your value proposition defines what this value will be, making it the quintessential definition of why your business exists. Drawing up a sustainable value proposition is the first and biggest step in the feasibility study if your idea. It lays the groundwork for evaluating a market for it as well as determining if the idea is marketable profitably.

2. It speaks about what difference you will make in the lives of your clients

Self-preservation is the first rule of nature, and a good value proposition turns this rule to your brandâ??s advantage. It communicates with your stakeholders why they should engage with your brand, endears them to it and ultimately leaves them invested in its success. All because it addresses the important factor in most if not all human decisions, the self. Ultimately, brands that stand the test of time are the ones that manage to continually prove their clientâ??s interests are best served with them in the clientâ??s corner.

3. Demonstrates the superiority of your products and services

Many products have managed to come into mature markets and dominate a significant market share. Google perennially does this with products like Chrome, Android, Analytics, Drive, the list is endless. Yet some companies just give their clients a feeling of been there done that, even while pitching some very unique angles. The challenge is failing to demonstrate a unique value your spin on the product makes. If clients canâ??t determine a specific benefit your product or service has to them alone, then theyâ??ll complain theyâ??ve seen it all before. Corner your niche of the market by building a client base that realises what value your service and product alone can yield for them.

4. Your clients will not have to infer benefits on their own

Every brand should strive for a future where they have brand ambassadors who not only push the brand to potential clients but defend it vehemently when need be. In the short run, however, every brand needs to clearly communicate what value it has. Failure to do so puts the burden on potential clients to infer on their own. If these clients are not brand ambassadors, chances are greater they will see the negatives before getting to the positives. Without a clearly communicated value proposition, your clients will see factors such as overpricing, and not the quality the price is compensating for. A good value proposition gives potential clients factors to balance out negatives before they rule out the brand.

5. A good value proposition goes a long way in cushioning the price to clients

Clients will often be willing to pay for quality, within their means. Where clients can see the value to be gained, theyâ??ll almost always sacrifice a bit of price for the superior quality. A good value proposition makes the basis for determining quality for a product. How would you otherwise set the quality standard if you have not defined what is to be achieved? Make your clients understand the worth and importance of your brand in their lives and they may find your pricing justifiable than what they thought when you had just introduced the brand.

6. All this differentiation sets you apart from your competition

No amount of marketing can outperform a poorly defined product or service, particularly if that definition doesnâ??t demonstrate value. The best case scenario is you are competing with equally poorly defined products, and you are left to compete on factors like price and proximity, and you get a few clients. Worst case, you are competing with well-defined brands and the competition obliterates you. A good value proposition coupled with good marketing and communication sets you apart from the crowd and carves you a niche and a strong brand.

7. It sets the tone for your brand and builds a relationship with your stakeholders

Itâ??s important for brands to build a unique identity for themselves, and to ensure its stakeholders identify with it in line with this identity. Brands can take on many characteristics, funny and easy going, suave and sophisticated, humble and down to earth. The identity you build is determined by the audience you want to attract. Your audience is in turn determined by your value proposition. By crafting your value proposition, you find a voice and tone for your brand and make sure it builds and maintains relationships with the right audience.

8. Itâ??s a guiding principle

Entrepreneurship is a tough journey and itâ??s easy to lose sight of the grand picture in the hardships. Itâ??s not uncommon to feel overwhelmed by the sheer amount of effort it takes to succeed and the trials on the road to success. Going back to the value you set out to add to your clientâ??s lives can be a perennial source of motivation to rise above these trials and persevere to success. By revisiting your value proposition, you can evaluate if you still have a purpose, and if you do, nothing can be more invigorating. If not, then you can redirect your efforts to where there are more valuable. Either way, it is a good barometer for decision making as your entrepreneurial journey unfolds.

A value proposition is a key ingredient of your business. It features in all the key aspects such as planning, marketing and communications and brand identity. For this reason, it is important that you own your value proposition and not outsource its definition to someone else. Even if you are not the most eloquent with words, first at least have an idea what it is before passing on the idea so that the end result communicates what value you think your business can bring. Most importantly though, make sure you are one to begin with.

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