

Does Your Value Proposition Effectively Communicate How You're Different?

Your product is so similar to 2 or 3 major competitors in the market that you wonder why people even chose you in the first place.

Maybe it's because you're priced competitively. Maybe it's because you've got better testimonials & referrals from your existing customers. Maybe your UX is a better fit.

Who knows?

But what you sure as hell don't have is a value proposition that effectively communicates how you're different right away.

When I look for key differentiators, I'm looking for:

- A clear explanation of who the product is for.
- How it is different from all the alternatives out there.
- A real reason why I should purchase from you vs. everyone else.

How to Come Up with a Value Proposition When What You Sell Isn't Unique

“How do I come up with a unique value proposition? What I sell isn't unique.”

If you're working on improving your business, you know there's no shortage of content on *why* you need a unique value proposition.

You've probably even seen a handful of solid examples, but when you go to write your own, you hit a wall.

You've got too many competitors, they're selling the same stuff, and it looks like all the good value propositions are taken.

What can you do?

Let's explore the process and mindset necessary to create a killer value proposition when you're in a crowded market.

By the time we're done, you'll know:

- How to examine the competition.
- The reasons why people buy online.
- How to turn shoppers' buying motivations into a unique value proposition that sells.

Not Being Alone Isn't Such A Bad Thing

According to business development firm [Ernst & Young](#), the top 4 most popular categories for online purchases are:

- Computer Related Products (40%)
- Books (20%)
- Travel Industry (16%)
- Clothing (10%)

If you sell in any of these categories, I don't need to tell you how crowded they are.

However, that's not a bad thing. Take comfort in knowing that potential customers already have established buying patterns in these markets, so at least part of the friction has been removed.

Sure, there's a ton of competition, but guess what? [They don't know what they're doing either!](#) 95% of decisions are usually based on the CEO's opinions – I'll put money on it.

More competition means more competitive data. More competitive data means better analysis. Better analysis means more ways to tear the competition apart.

You Can't Be Unique If You Don't Know What The Competition Is Doing

Repeat after me, competition analysis is not for the purpose of copying a bunch of stuff *you think is working*.

Instead, [your analysis is to discover where the competition falls short](#), and where you are stronger.

The quickest way to find this is by performing a [SWOT Analysis](#) on yourself and your direct competitors.



Sidenote: If you've never heard of SWOT, [here's a list of popular brands for you to cut your teeth on](#).

Think this doesn't matter? Nivea for Men – a men's skincare product (which is a highly saturated market) [gives us this excellent case study](#) where the SWOT Analysis was essential to a strategy that allowed them to expand the market and grow international revenues by 20%!

<p>NIVEA FOR MEN identified several strengths</p>	<p>As the leading male facial brand, NIVEA FOR MEN needed also to be aware of any weaknesses</p>
<ul style="list-style-type: none"> • NIVEA FOR MEN was the UK market leading male facial skincare brand* which gave it strong brand recognition. • The company had a sound financial base, so it had the resources to put together a strong marketing campaign. • It also had staff with relevant skills – researchers with the scientific skills to develop products that men want and marketing staff with the skills to help promote these products effectively. 	<ul style="list-style-type: none"> • Was the product range still relevant for the target audience? • Did it have the right sales and distribution outlets? • Was its market research up-to-date?
<p>One clear opportunity was that the market was growing</p>	<p>However, as the market for male skincare products grows, there are threats</p>
<ul style="list-style-type: none"> • NIVEA FOR MEN had seen an increase in the sales of male skincare products and it wanted a greater share of this market. • The company wanted to take advantage of changing social attitudes. Men were becoming more open, or certainly less resistant, to facial skincare products. 	<ul style="list-style-type: none"> • Consumers were becoming more knowledgeable and price conscious. They often expect sales promotions such as discounts and offers. • The risk of competitors entering the market. NIVEA FOR MEN needed to differentiate its products in order to ensure that, in an increasingly competitive market, its marketing activity gave positive return on investment in terms of sales and profits.

Nivea leveraged their market research to establish themselves as the best in men’s skincare. They even won the consumer-voted FHM award for best men’s skincare product line.

Where Does Your Value Proposition Come From?

Your value proposition should come from what you do better than the competition, not from forcing copywriters to be clever.

Look at the weaknesses of your competitors & ask yourself:

- Is your website easier to use?
- Can your product be better tailored to the market?
- Do you have a kick-ass customer service team?
- Is your return policy or customer guarantee superior?
- Are your prices lower?
- Do you have faster shipping options?
- Is your atmosphere better?

Realistically, there will be problems you can't solve.

For example, if you can't offer free shipping and the competition can, that's not a good value proposition, and it *could* hurt you if you try to force it without a plan.

But being more knowledgeable, having a friendlier staff, or a cooler inventory, are things you could work into a unique value proposition.

If your value proposition makes the benefit immediately apparent to the customer, *you'll* be a step ahead because everyone else is still trying to compete on features.

You Are Not The Products You Sell

Gregory at HelpScout offers up this [great example of a unique selling proposition](#) for an auto repair shop (another typically crowded market), which led to a [58% increase in conversions for the advertiser](#).

Which is a more unique value proposition?

- **Simple Fix for Blown Head Gaskets**
- **Repairs Blown Head Gaskets in Just One Hour**

Gregory says:

“The first value proposition just doesn’t drill down enough on what the customer is getting—the addition of “just one hour” to the second statement adds a very specific benefit to justify why the customer should buy from them.”

More importantly, this value proposition establishes the garage as the “just one hour” guys. “Speed of service” is what they’re selling.

Similarly, Domino’s never claimed to be “the best pizza you’ve ever tasted”.

Instead, they understood when someone wants pizza, they want it now! They built their business on, “You get fresh, hot pizza delivered to you in under 30 minutes – or it’s free!”



Shoe retailer 6pm.com isn't selling shoes & clothing – they're selling high fashion at deep discounts.

[Discount & Clearance Clothing, Shoes, Accessories and More | 6pm ...
www.6pm.com/](http://www.6pm.com/) ▼

Free shipping and savings of up to 75% off top brands. Shop discounted shoes, clothing, accessories, and more!

The point is, in crowded markets, you're not really selling the product, you're [selling customer experience](#).

What Experience Are You Really Selling?



In [this infographic by Invesp](#) (which sources data from eMarketer and InternetRetailer.com), you can see the top 7 reasons people buy online. In order, they are:

- Low Prices (38%)
- Shopping Convenience (35.1%)
- Easy To Compare (33.1%)
- Free Shipping (31.5%)
- Time Saving (30.8%)
- Easy To Buy (29.2%)
- Range of Products (17.4%)

Don't take these things at face value though, because not everything is as it seems.

Some of these reasons can be overridden by something else, others can be "hacked", so pay attention because this is where we might find your unique value proposition.

1. Low Prices

Nobody wants to race to the bottom on price. If it's something you can do while protecting your profits and you're confident you can make up for it in volume, by all means, do it.

But if you're like the rest of us, you're not jumping at the thought.

Instead of boasting "the lowest prices", tap into the low price mindset by offering to match the lowest advertised price from a direct competitor in your value proposition.

“The best prices on HD televisions. Find a better price from a competitor* and we’ll beat it - guaranteed.”

Best Buy Low Price Guarantee



Help Center [See all](#)

Low Price Guarantee

Online or In Store: Find a Lower Price and We'll Match It.

At the time of purchase, we will match the current pre-tax price for new, identical, immediately available products from a local retail competitor's store or shipped from and sold by a designated major online retailers: Amazon.com, Apple.com, Bhphotovideo.com, Crutchfield.com, Dell.com, Frys.com, hhgregg.com, HP.com, HomeDepot.com, Lowes.com, Newegg.com, OfficeDepot.com, OfficeMax.com, Rakuten.com Shopping, Sears.com, Staples.com, Target.com, TigerDirect.com and Walmart.com. We will match prices between our stores and BestBuy.com®. We will also match prices post purchase if we lower our price within 15 days of your purchase.

Alternatively, your value proposition could highlight superior customer service options.



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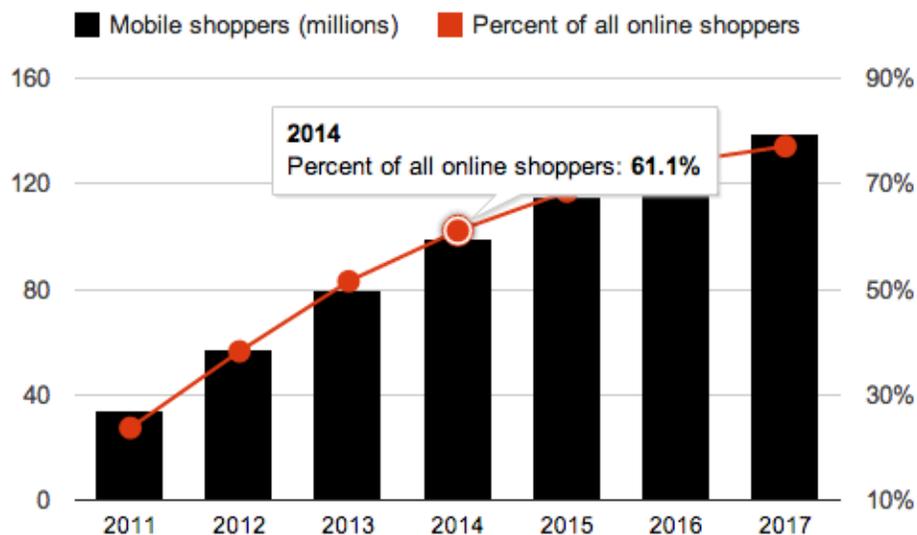
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[A survey by Forrester](#) asked 4,600 US consumers across 12 industries which they thought was more important: “great customer service” or “low prices”. Customer service won across the board.

2. Shopping Convenience

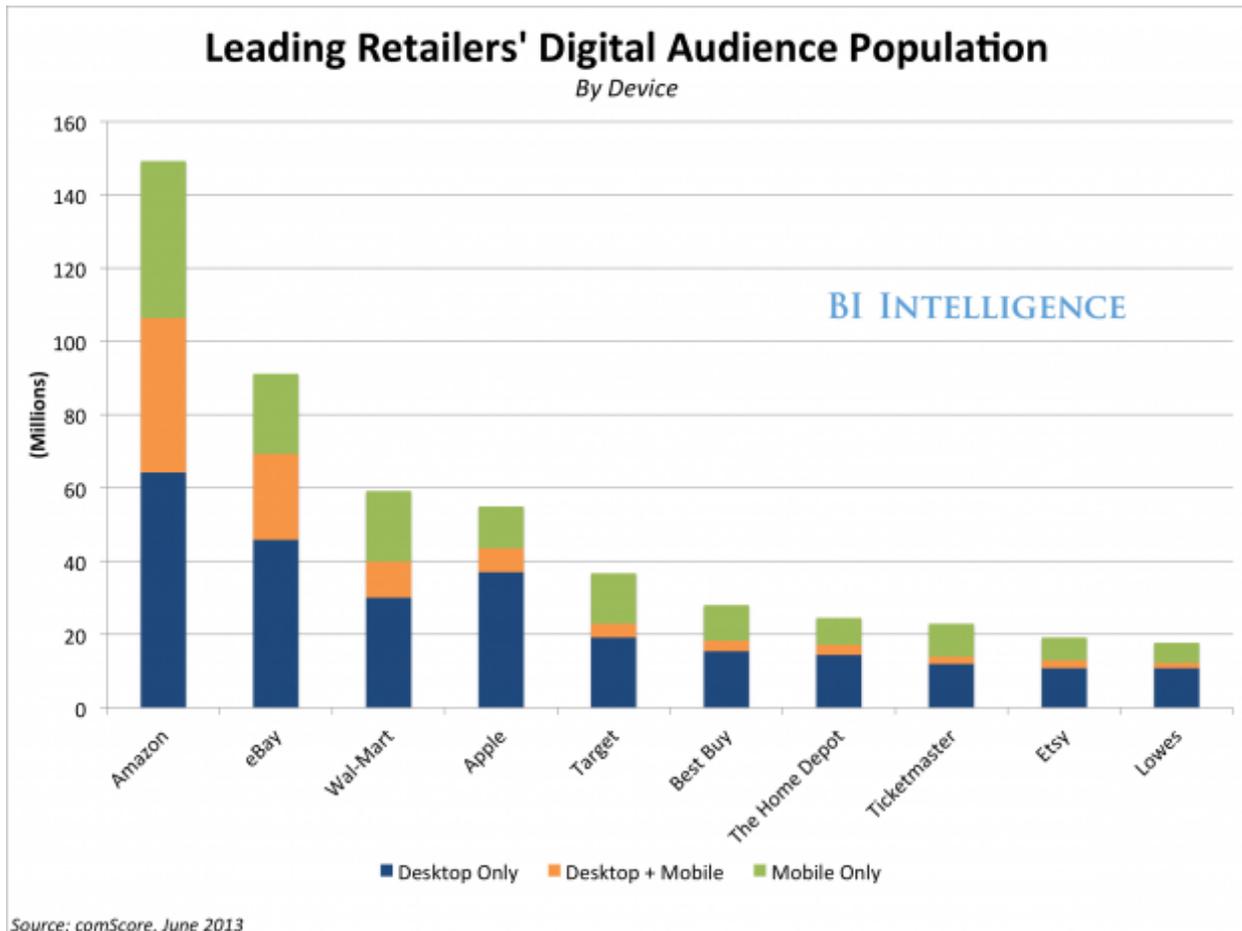
Shoppers order when and where it’s most convenient for them.

Traditionally, convenience could mean having great recommendations, or an easy to navigate website with fast load times. While those things absolutely matter, the killer value proposition for shopping convenience now may be emphasizing that your store is easy to access, no matter where your customer is located. (Looking at you, TravelSmith.com.)



Every year, mobile e-commerce sees significant growth and is redefining how we shop online.

Though it's typically a no-no to compare yourself to the big guys, the amount of "Mobile Only" visitors to the top 10 digital retailers reveals how our views towards mobile shopping are changing.



If your competition isn't doing mobile and your mobile traffic warrants it, you should strongly consider highlighting a mobile-friendly version of your site.

There's so much we could talk about on this subject, but for now, let's just say if you're able to crack mobile before your competitors do, your value proposition is all but written.

3. Easy To Compare

[People comparison shop](#), there's no way around it.

The average consumer will [visit three websites before making a purchase](#), and will likely spend more money with sites they visit more frequently.

Honestly, making things easy to compare probably won't be your leading value proposition.

(Maybe if you're in the insurance or accommodations industry... maybe.)



2006 CIVIC in WA	
STATE FARM	\$ 363
PROGRESSIVE	\$ 385
ALLSTATE	\$ 428
NATIONWIDE	\$ 507

Compare Auto Insurance Rates†

Comparing rates during your Progressive quote can bring big savings.

[See how you can save](#)

But if you're competing on price or better product features, it couldn't hurt to add some comparison shopping functionality as a bonus to back your claim.

Again, it is *unlikely* that comparison shopping will be your main value proposition, but if the market is overcrowded, it could be a great way to reinforce whatever claim you make in your value proposition.

4. Free Shipping

For whatever reason, a free shipping offer that saves a customer \$6.99 is more appealing to many than a discount that cuts the purchase price by \$10.

David Bell, [Wharton](#)



Free shipping is another one that won't likely be your primary value proposition (unless no other competitor offers it), but rather as a bonus to the main proposition.

Free shipping matters. 47% of people have indicated they will abandon a shopping cart if free shipping is not available.

There are a number of ways you can offer free shipping – all free all the time, free during specific holidays, free over a certain dollar amount, etc.

[Big Commerce says](#) this about including free shipping as part of your offer :

“free shipping... can help increase your average order value by up to 30% in just a few short months. You simply need to work out your average order value and average shipping cost, and then offer free shipping on your average order value + 10%, or whichever amount covers your average shipping cost and provides enough of a profit to slightly increase your average order value.”

5. Time Saving / Easy to Buy

We want ways to get our products faster. There are two ways I can think of doing this in modern e-commerce.

The first is having the stuff bought regularly delivered to where you need it on a subscription basis.



MANLY GOODS ON A SCHEDULE.
Men's underwear, socks, razors, condoms and more.
Free returns. Rush or delay shipments. Cancel anytime.

JOIN 1000'S OF MEN
ALREADY SIGNED UP →

BUILD A MANPACK

Amazon introduced a similar “Subscribe & Save” program to help customers “Save up to 15% off and get automatic delivery on your most frequent purchases.”



Save
up to **15%**
And get automatic delivery on your most frequent purchases

Subscription Benefits

- Save up to 15% on your entire order when you receive 5 or more subscriptions on your monthly delivery day
- Receive free shipping on every Subscribe & Save shipment
- Cancel at any time - there are no commitments, obligations, or fees
- No upfront charges - pay only when the item is shipped

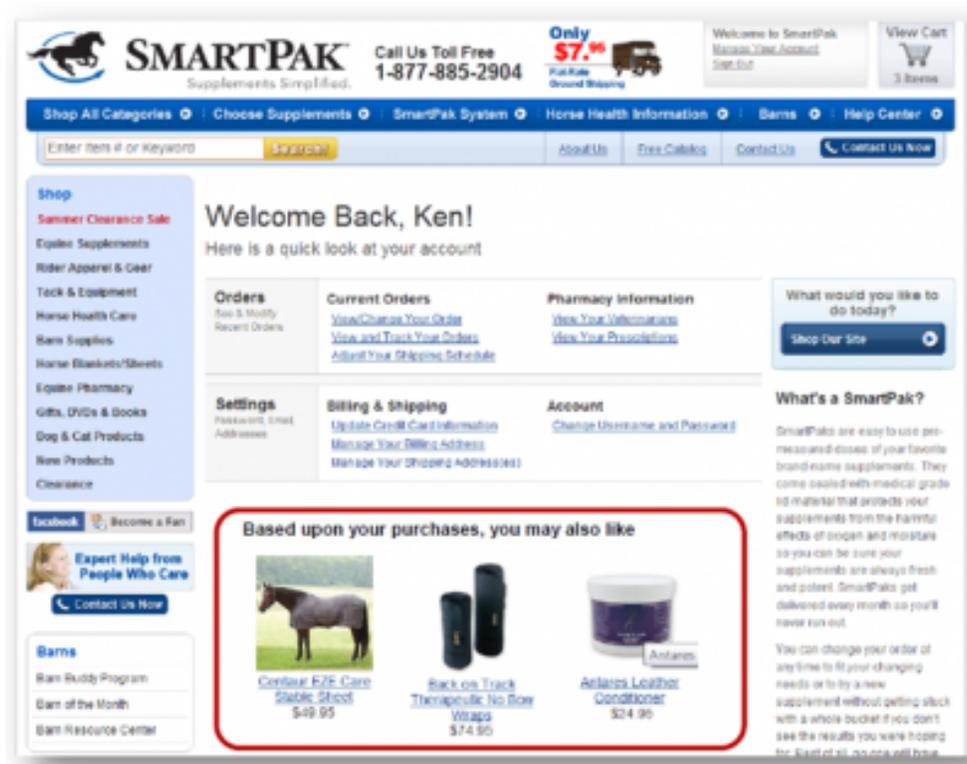
[Shop Subscribe & Save Products Now](#)

It's easy...

What I like about these services is that their value propositions are basically selling the idea that you don't have to shop for stupid, but necessary things.

With a little creativity, a subscription service could be adapted to many kinds of e-commerce models, saving customers time and making it much easier to buy.

The second method of time saving and easy buying is through product recommendation engines.



[This case study on 4Tell.com](#) talks about how SmartPak Canine received a 36% increase in revenue by implementing a product recommendation system.

If their value proposition were focused on their recommendation system, it might read something like, “Give us 10 seconds and we’ll recommend the best supplements based on your dog’s breed, age & size.”

6. Range of Products

No way around it, selection matters.

You should have enough inventory to satisfy your customers' demands.

Now, "range of products" doesn't mean you have to carry every product under the sun. If you are a fashion e-tailor that only carries 20-30 styles, that's fine IF you carry the product I'm looking for in my size.

Take plus size women's clothing retailer Torrid, for example:



The value proposition here isn't "we have the most selection" it's "we have good looking stuff, probably in your size" which for the plus size market, is important.

Tangentially, grocery store Trader Joe's carries [less than 1/10 the selection of other grocery stores](#), but averages twice the revenue per square foot of direct competitor Whole Foods. How?

They carry only what customers want. They watch the trends and listen closely to their target market. They may not have 40 kinds of peanut butter, but their entire range of products is far more appealing for their target buyer.

How Do I Know If My Value Proposition Is Any Good?

After you've done the competitive analysis & figured out your angle, all that's left is to write your value proposition.

You can test your value proposition by running Facebook or Google ads targeting competitor traffic, and pointing them to a landing page where the value proposition sits front and center.

Trevor over at [Lean Startup Machine](#) used this method to validate a startup idea & value proposition, and got 50 signups within the first 2 hours of the page being live.

Rent this Vespa for \$250 a month.

And if you love it, buy it at a discounted price!

If you're hesitant to go live without internal testing, [use this copywriting evaluation process](#) to fine tune your value proposition before spending money, or segmenting traffic.

Conclusion

I know how daunting and vulnerable putting a new value proposition in a crowded market feels.

You've put a lot of work into figuring out the competition, and how you can outdo them. There's a chance you could fail, and it's terrifying to think all that effort was for nothing.

But the truth is, while everyone else is out there copying image styles or site structure, you're taking notes on the things they take for granted.

You'll come out of nowhere, and not a single one of them will know what to do.

So be brave, test your idea. If it doesn't work, learn from what you did and try again.

Don't get precious about it. They're just words after all.