

7 Proven Templates for Writing Value Propositions That Work

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You already know that getting your value proposition right is critical to your business model. You can have the best features, the most perfectly executed presentation, the most stunning price, but no one will ever know of it if they don't get past your high-level value proposition.

But how do you craft such a pitch?

Continuously looking to perfect your value proposition you'd consult lengthy articles only to find that there's a jungle of advise out there. What you need are applicable examples from entrepreneurs and investors who have successfully given and taken thousands of pitches, right?

So I've put together 7 proven templates that are designed to help you create a clear, compelling value proposition in minutes.

#1 Geoff Moore's Value Positioning Statement

<http://www.forbes.com/sites/michaelskok/2013/06/14/4-steps-to-building-a-compelling-value-proposition/>

<http://mjskok.com/resource/building-compelling-value-proposition>

Probably the most recognized one – in his seminal book Crossing the Chasm – Geoff Moore suggests a specific template for creating your value positioning. In addition to the first part below, Moore also introduces a second statement focused on competitive positioning.

Template

For _____ (target customer)
who _____ (statement of the need or opportunity)
our (product/service name) is _____ (product category)
that (statement of benefit) _____ .

Sample(s)

For non-technical marketers
who struggle to find return on investment in social media
our product is a web-based analytics software that translates engagement metrics into actionable revenue metrics.

#2 Venture Hacks' High-Concept Pitch

In *Made to Stick*, Dan and Chip Heath point to how high-concept pitches such as 'Jaws on a spaceship' (*Alien*) and 'Die Hard on a bus' (*Speed*) convince movie executives to invest vast sums of money in a project on the basis of almost no information.

In Pitching Hacks Nivi and Navel from Venture Hacks share examples of this technique applied to startups.

Template

[Proven industry example] for/of [new domain].

Sample(s)

Flickr for video.

Friendster for dogs.

The Firefox of media players.

#3 Steve Blank's XYZ

Steve Blank writes that a Value Proposition is a ten-dollar phrase describing a company's product or service. It's the "what are you building and selling?" He suggests the following format for creating a value proposition statement that other people understand.

From the blog post:

Write a value proposition statement that other people understand

- If you can't easily explain why you exist, none of the subsequent steps matter. A good format is "We help X do Y by doing Z".
- Once you have a statement in that format, find a few other people (doesn't matter if they're your target market) and ask them if it makes sense.

If not, give them a longer explanation and ask them to summarize that back to you. Other people are often better than you at crafting an understandable value proposition.

Template

"We help X do Y doing Z".

Sample(s)

We help non-technical marketers discover return on investment in social media by turning engagement metrics into revenue metrics.

#4 Vlaskovits & Cooper's CPS

In their [Cheat Guide to Customer Development](#) Cooper and Vlaskovits use what they call a Customer-Problem-Solution presentation.

Template

Customer: _____ (who your customer is).

Problem: _____(what problem you're solving for the customer).

Solution: _____ (what is your solution for the problem).

Sample(s)

Customer: I believe my best customers are small and medium-sized business (SMB) markets.

Problem: Who cannot easily measure campaign ROI because existing solutions are too expensive, complicated to deploy, display a dizzying array of non-actionable charts.

Solution: Low cost, easy to deploy analytics system designed for non-technical marketers who need actionable metrics.

#5 Dave McClure's Elevator Ride

In his [How to Pitch a VC](#) presentation Dave McClure presents a 3-step check list for creating positioning statements.

Template

- Short, simple, memorable; what, how, why.
- 3 keywords or phrases
- KISS (no expert jargon)

Sample(s)

- "Mint.com is the free, easy way to manage your money online."

#6 David Cowan's Pitchcraft

Although a more elaborative one David Cowan shares some useful guidelines in [Practicing the Art of Pitchcraft](#). I've put together a summary.

Template

1. Highlight the enormity of the problem you are tackling.
2. Tell the audience up front what your company sells.
3. Distill the differentiation down to one, easy-to-comprehend sentence.
4. Establish credibility by sharing the pedigree of the entrepreneurs, customers, or the investors.

Sample(s)

One person dies of melanoma every 62 minutes.

We offer a dermatoscope app for iPhone that enables people to easily diagnose their skin, leveraging patented pattern recognition technology trusted by the World Health Organization.

#7 Eric Sink's Value Positioning

Eric Sink writes that marketing is somewhat like an iceberg – the part sticking out of the water is highly visible. For this Eric suggests the following format for positioning.

Template

Superlative (“why choose this product”).

Label (“what is this product”).

Qualifiers (“who should choose this product”).

Sample(s)

The easiest operating system for netbook PC's.

The most secure payment gateway for mobile e-commerce.

Bonus: The VAD approach

<http://torgronsund.com/2010/04/04/how-to-craft-a-lean-mean-value-proposition-for-your-startup/>

In a previous blog post on value propositions I set out to learn from Guy Kawasaki. On his blog I found that Guy takes a verb-application-differentiator approach in describing the startups that he's working with.

Template

[verb; application; differentiator]

Sample(s)

Share PowerPoint and Keynote slides including audio (Slideshare).

Create and write blogs via email (Posterous).

Make VOIP calls easily and cheaply (JaJah).

The bottom line

Dear child has many names; elevator speeches, high-concept pitches, value positioning, unique selling proposition, positioning statement etc. The Value Proposition is not only about telling people about your product. It's also an important technique for describing your Minimum Viable Product and testing what product or features to build.

Whether you're battling investors in the elevator, optimizing conversion rates on your website, or boosting PR, crafting a clear, compelling value proposition is not easy. It takes trial and error.

But the take-away is worth it as you will start getting meetings and converting more customers. What is your value proposition example? What template do you prefer?