**Can You Articulate Your Value Proposition?**

This question assumes that you have a value proposition. Perhaps it’s better to ask: Do you know why clients choose to work with you over the competition? And if so, can you articulate this competitive advantage and use it as a tool to help you grow your business? This White Paper will help you answer both questions by outlining what a value proposition is, why they are important, how to create one and how to utilize it in your marketing efforts.

It’s important for both individuals as well as organizations to have value propositions. If you’re an independent RIA for example, your value proposition will represent both you and your firm. If you market for an organization, a money management firm for example, your personal value proposition – why someone would want to work with you and by extension your firm - should be consistent with the firm’s value proposition.

**What is a Value Proposition?**

In its simplest terms, a value proposition is a statement that tells prospective clients why they should hire or work with you instead of someone else. It clearly articulates what differentiates you from the competition and answers the questions we are all so often asked: What do you do? and, by extension, Why should I hire you over someone else? It also defines why you are uniquely qualified for a specific set of potential clients (your target market). A value proposition should:

- Articulate what makes you unique
- Describe who you are, what you offer and how it works
- Define why you are uniquely qualified to deliver these services

You should believe deeply in your value proposition and know that you can deliver on its promises. It should be clear and concise, and you should be passionate about it and confident in delivering it to prospects and clients alike.

Your value proposition should also be able to be used in both business and personal situations. In other words, its delivery should be adaptable depending on the circumstances. This will allow you to expand the usefulness of your value proposition and turn any occasion – social or professional – into a new business opportunity.
Why is a Value Proposition so Important?

A value proposition will help you connect emotionally with people, and people are more likely to do business with people that they can relate to. It will also create a strong point of differentiation between you and the competition.

Value propositions are also important in helping you define your business as a precursor to developing your asset gathering strategies and marketing plan. Going through the process of creating a value proposition will help you uncover why people choose to work with you and help you accentuate your uniqueness. You should create your services around your value proposition, not the other way around.

If you are new to a business, going through this process will help set you in the right direction, and will help you become a problem solver for clients rather than a product pusher. If you’ve been in business for a while, it will help you keep your business up to date. Ask yourself the question – Can I be easily replaced? If you had to think about the answer, it’s time for a new value proposition!

It’s also important to periodically review and update your value proposition, and strive to understand your clients as well as your competitors – in other words, keep your pulse on your marketplace.

Other reasons why a value proposition can be important to your business, include its potential to help you:

- Increase the quantity and quality of leads and referrals
- Gain market share in your targeted markets
- Enhance your presentation and close more business
- Improve your operating efficiency

Finally, it’s a great way to jump-start your referral activity. Many clients are probably willing to make introductions for you, but may be reluctant because they don’t know exactly what to say. Arming clients with your value proposition gives them the ammunition and confidence to make a concise yet powerful statement to people that they know.

How Do You Create a Value Proposition?

Most value propositions are built around the same principles that most businesses are – your ability and expertise in servicing your target market. Target or narrow market focuses are generally better than broad
ones, as it’s hard to maintain credible knowledge over multiple areas. Rather than being all things to all people, your value proposition helps you focus on who you can add value most effectively.

At the core, the process of creating a value proposition is to:

- Identify your target market;
- Identify the benefits that this market will derive from working with you; and
- Identify the reasons why you are better than anyone else at providing these services.

And then articulate the above in a concise, cohesive and powerful statement.

(For more on the benefits of target marketing, and the ways to identify them, please see our White Paper entitled “Find Your Niche – Grow Your Business!” on the Resources Page of our website - www.akadvisorypartners.com/resources.)

The process begins by taking a close look at whom you currently serve (or hope to) and what you bring to the table. Questions for you to consider include:

- What do I do that no one else does?
- What makes me distinctive?
- Why would someone want to do business with my firm and me?
- How do I do what I do better than others?
- What expertise and certifications do I have?
- Is anything I do proprietary (or named differently than others)?
- What do I offer to clients that is considered going “above and beyond”?
- What do current clients say about me?
- How have my firm and me made clients feel?

One of the best ways to go about this task is to ask these questions to colleagues, friends and clients. In addition to gathering important information, you’ll probably discover aspects of what you do that are valuable and that you might not even be aware of. An additional benefit of including clients in this process is that you make them feel that they are an important part of your business and this should help cement these relationships.

Next, organize your thoughts by filling in the blanks on the right hand side of this table:
<table>
<thead>
<tr>
<th>Target Market</th>
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<tbody>
<tr>
<td>Need / Opportunity Being Satisfied</td>
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<tr>
<td>Description of Service</td>
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<tr>
<td>Differentiating Points From Competition</td>
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<td>Statement of Benefit</td>
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<td>Proof That You Can Deliver</td>
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Some further guidelines to consider:

- Make the value proposition as brief as possible – no more than two sentences
- Be specific, positive and passionate
- Try to create an emotional attachment with your words
- Your goal should be to have people ask “Tell me more”

Take the information above and begin to write a rough draft of your value proposition. Remember to make it concise, and make sure that it sounds like you and makes your case convincingly and in a manner that people can relate to. Remember to make sure that it can be adapted easily to differing social situations.
As a final check, try it out on the people that you asked for advice upfront. They would be the best judges of whether or not the value proposition reflects what it should.

**How Do You Utilize Your Value Proposition?**

Creating your value proposition is the first step in branding or rebranding yourself and/or your firm. As discussed above, it’s always good to review your value proposition occasionally and make changes to it as necessary. Certainly before you begin a new marketing campaign, it’s vital to ensure that your value proposition is up to date.

In terms of utilizing your value proposition, once it has been prepared it will form the basis for how you brand yourself, influencing your:

- Mission Statement
- Tag Line
- Definition of Core Values/Principles

(Another common term you will hear about is your elevator speech – essentially how you would describe to someone what you do in the time it would take to ride down in an elevator. In practical terms, this is really the same as your value proposition.)

In addition to driving your branding, your value proposition will, as mentioned above, drive your marketing plan. Once you have determined your target market and competitive advantages, you need to actually go out and get business – that is what your marketing plan will help you define.

A final point to the question of how you utilize your value proposition is – as much as you can! Your value proposition should make you look like the premier provider of your product or service to your targeted audience. Using it in both social as well as business settings will expand your potential universe of prospects and turn people that you meet into referral sources and fans.