



# VALUE PROPOSITIONS

(40 Min)

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**No. 1 Reason  
Business Failure**

**WEAK  
VALUE PROPOSITION**

**NOT Identified – Expressed - Measured**

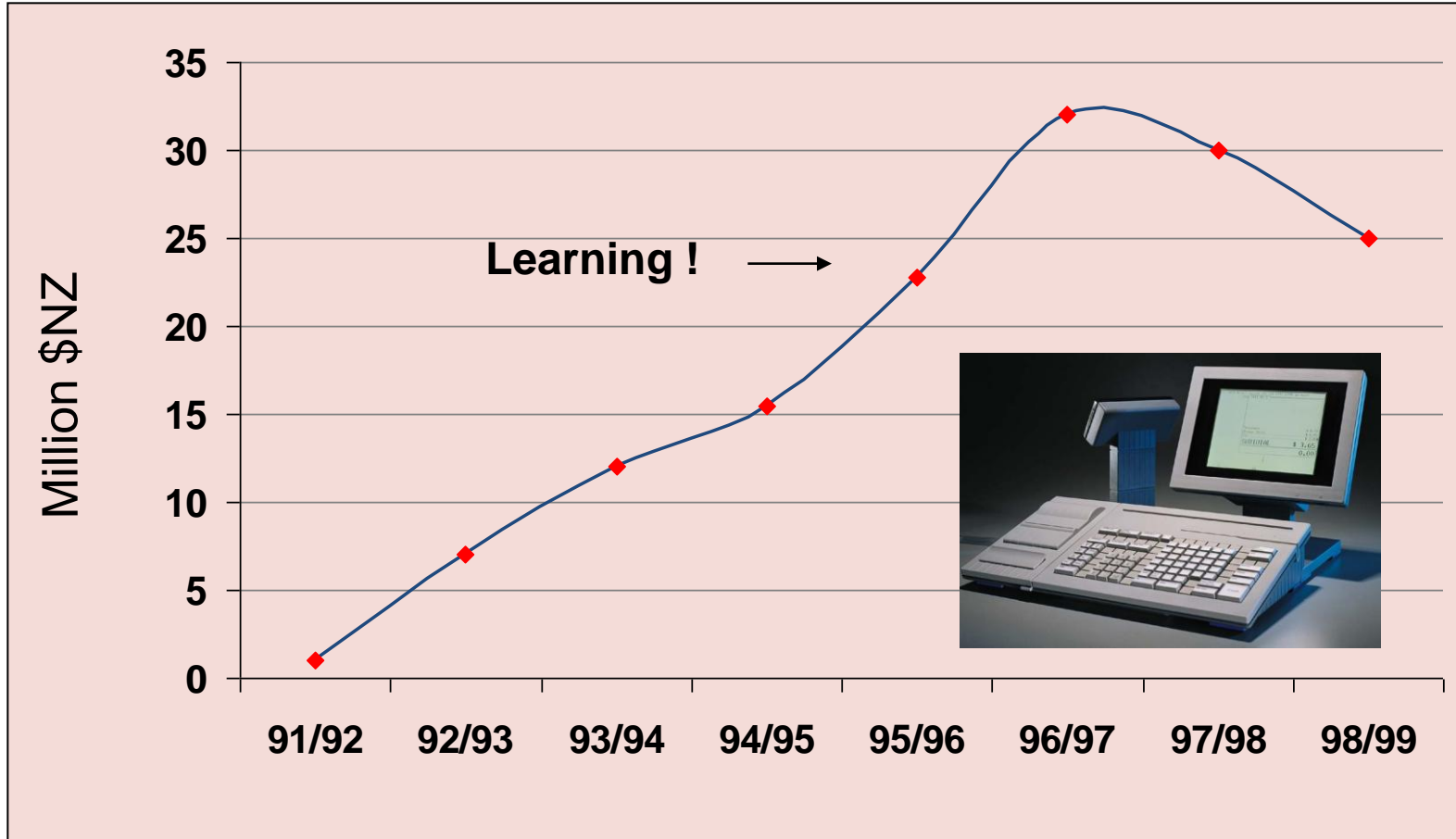
# TONIGHT

- **VP - Value Proposition**
- **USP - Unique Selling Proposition**
- **SCA - Sustainable Competitive Advantage**



# MARK ROBOTHAM

– “Survivor Of Growth”



[www.SuccinctStories.com](http://www.SuccinctStories.com)

[www.growthmanagement.co.nz](http://www.growthmanagement.co.nz)



# MARK ROBOTHAM

- Background
  - Electronics Design Engineer, International Marketing
  - NASDAQ - Silicon Valley, NZ bootstrap
  - GM Business Incubator – Wellington
  - GM Escalator – Investment Ready Service – Capital Raising
  - Cyclist
- Founder Growth Management Consulting LTD (GMC)
  - Facilitator – Trainer – Public speaker
  - Strategy review & development
  - SuccinctStories.com author - coach
  - Business Advisory Service
  - Preparing for investment

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# WHAT PROBLEM ARE YOU SOLVING?



**HOW DO YOUR CUSTOMERS**

**MEASURE SUCCESS?**

# CRAFT VS PRODUCT VS BUSINESS

## Product

- Electric Drills
- Mouse Trap
- CRM (software)
- Swatches
- Harley Davidson

## Craft

- Manufacture Power Tools
- Manufacturer
- Software Developer
- Watch Manufacturer
- Motor Cycle Manufacturer

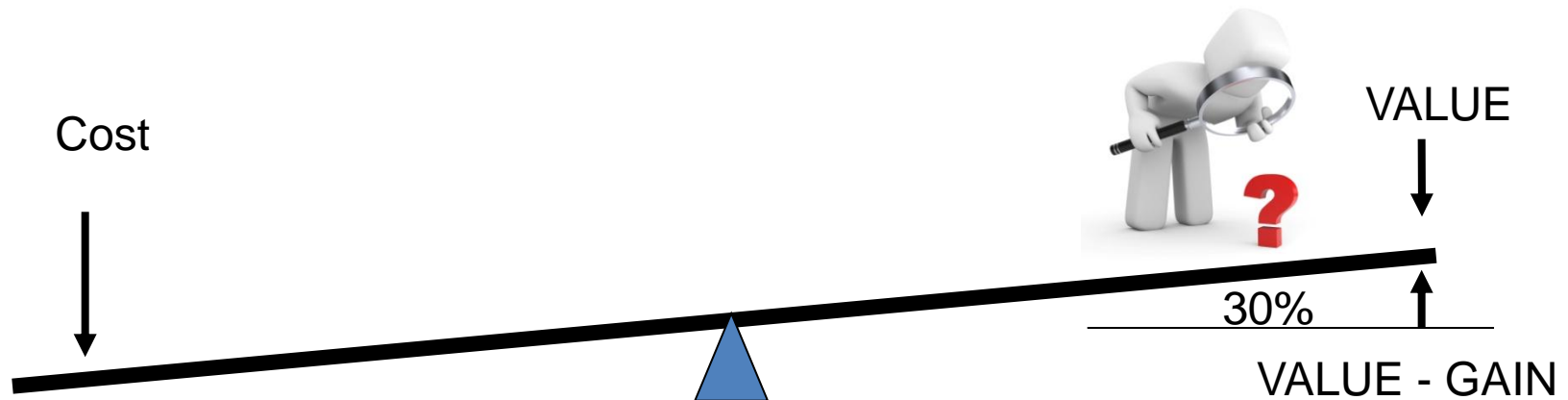
## Business

*(essence)*

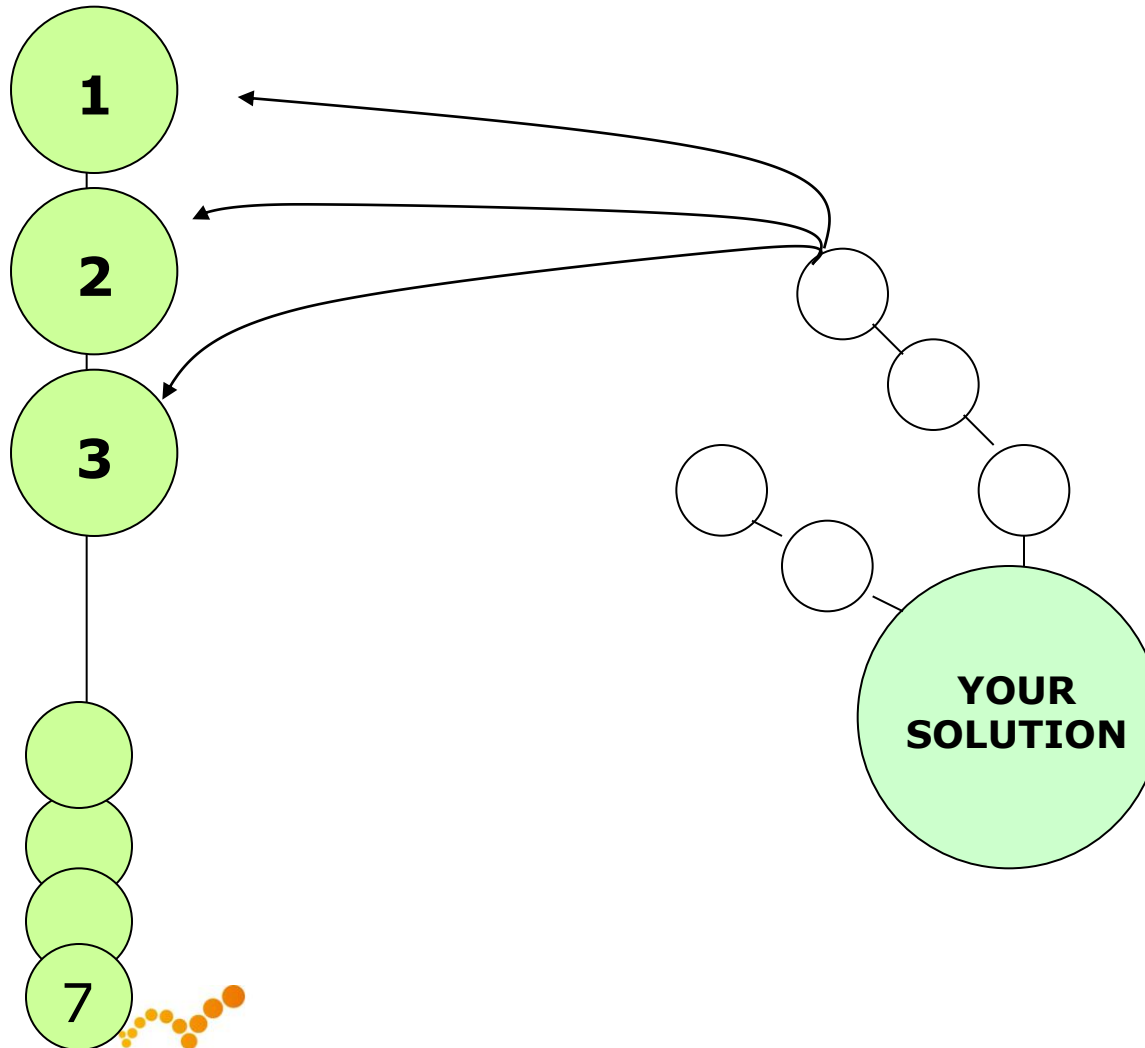
- Making Holes
- Mice Problem
- Increasing Sales - Customer Satisfaction
- Fashion Statement
- Escape

# QUANTIFY THE GAIN

**NO VALUE PROPOSITION = NO BUSINESS**



# ARE YOU SOLVING A TOP PRIORITY BUSINESS PROBLEM?

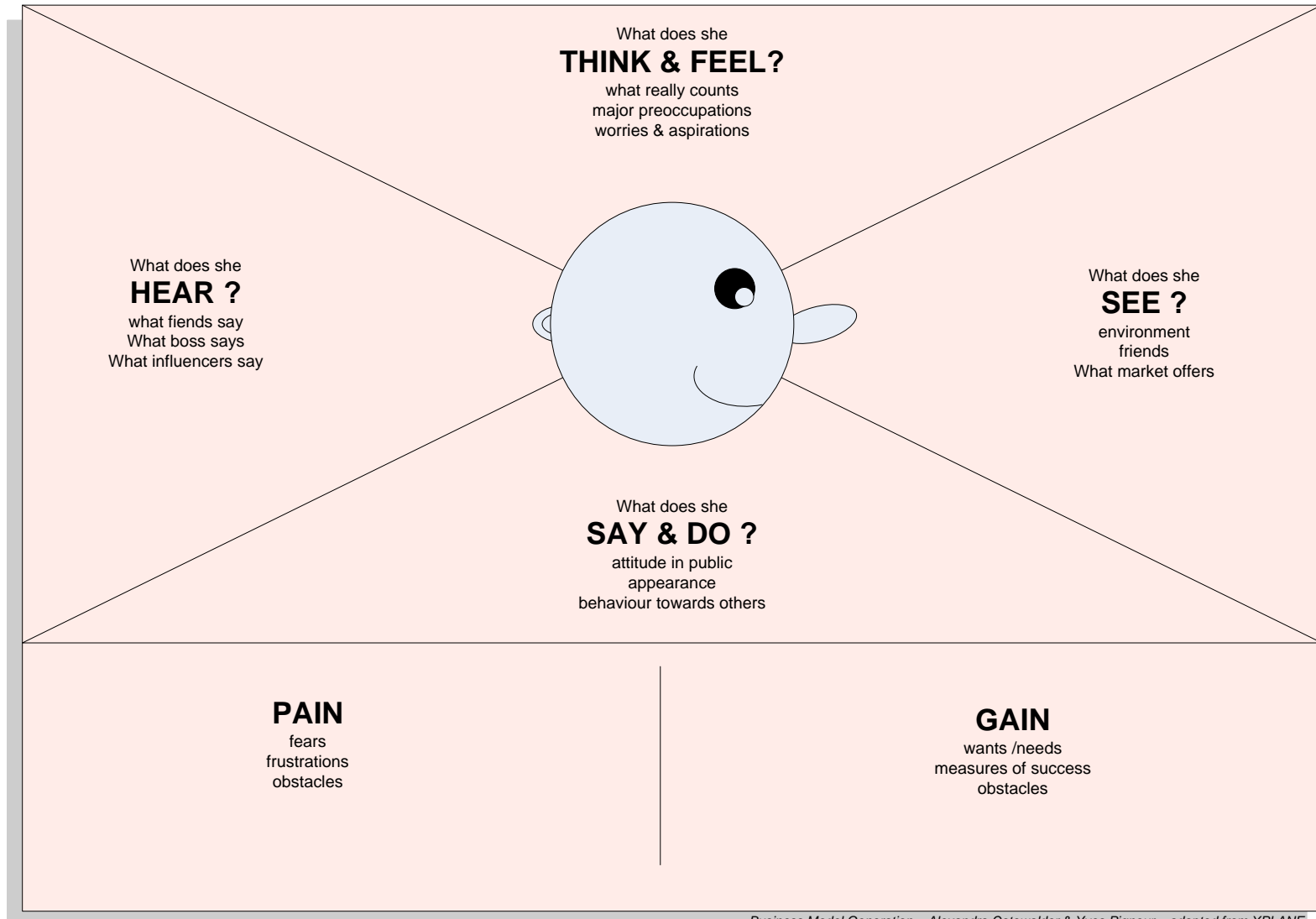


# BEACH HEAD SEGMENT



- **First target market**
- **Who can you make most money from the quickest?**
- **There are many more**

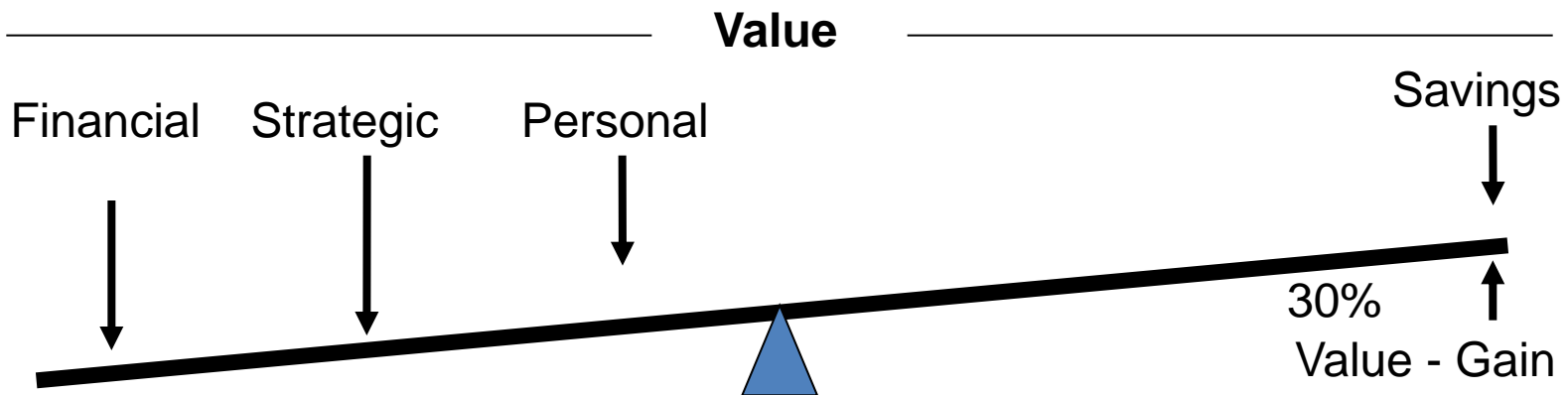
# EMPATHY MAP



Business Model Generation – Alexandra Osterwalder & Yves Pigneur – adapted from XPLANE

# CUSTOMER VALUE DIMENSIONS

- Financial  
How much money will your prospects save or how much profit will they gain if they buy your solution?  
What is the ROI ?
- Strategic  
How will your prospects business benefit from your solution? Increased quality, shorter time to market, diversification, etc ...
- Personal  
How will your prospects life be better with your product?  
More fun, less stress, career enhancement, political advantage, etc ...  
Ego factors.



# SUSTAINABLE COMPETITIVE ADVANTAGE

- Intellectual Property
- Ability to innovate - dynamic product portfolio
- Significant cost improvement
- Proven team
- Locked in customer base
- Strong focus and differentiation

# VALUE PROPOSITIONS

- What is your target market?
- What is customer problem you are solving?
- Is it a priority?
- How does Customer measure success?
- Is it a high priority?
- What do you excel at above your competition?
  
- Are you communicating it succinctly?
  - Quantified
  - Language of customer

# TEST



- **Product Functions**
  - Focused on VP not Features
- **Website – Collateral - Pitch**
  - Desire & Exclusivity
  - Look at competitors - what message are they saying?  
Rank desire & exclusivity factors
  - Do you headline Value Proposition or Craft What vs How?
  - Do your call's to action reinforce your value proposition?

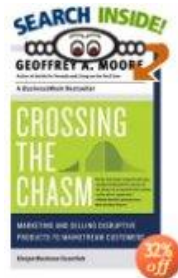
# YOUR TURN

- **Our Customers are...** *beach head segment*
- **Problem we solve is ...**
- **Measure success by...** *quantify gain*
- **We provide ...** *what is it (craft/product label)*
- **Want makes us different is...**



# GEOFFREY'S APPROACH ?

- **For** (target customers – beachhead segment only)
- **Who are dissatisfied with** (the current market alternative)
- **Our product is a** (new product category)
- **That provides** (key problem solving capability)
- **Unlike** (the product alternative)
- **We have assembled** (key whole product features for your specific application)



Crossing the Chasm – Geoffrey A Moore  
P 154 – define the battle – the claim



# GMC GUIDE TO - **NO**

| CHALLENGE  | DISCIPLINE                     | PHILOSOPHY  |
|--|--------------------------------|---|
| 1: Does it add value to customers?<br>& differentiate us                                 | Proposition                    | <b>We exist because of customers</b><br>Does this drive us?           |
| 2: Does it make money?   | Cost structure                 | <b>Investment decisions</b><br>Our money and false economies          |
| 3: Does it fit our business model?<br>Can we outsource it?                               | Business Model                 | <b>Are we working smart?</b>  |
| 4: Are we having fun?<br>Does it fit our culture?  | Working in the Zone<br>Culture | <b>Living and managing by<br/>brand &amp; culture</b>                 |
| 5: Does it fit our master plan?  | Strategy                       | <b>Are we focused on one goal</b><br>Is it a diversion?               |
| 6: Challenge me:<br>Is it time to rethink the plan?<br>Does it make good business sense? | Governance                     | <b>Do we have a reference point and<br/>high performance coaches?</b> |

**IS IT SUCCINCT & WILL IT PASS THE NO BULL-SHIT TEST?**



NEW ACTIVATE BEGINS  
WEEKEND SEPT 2-4  
TATUM PARK

COME TO THE EDGE  
WE'LL PUSH YOU

YOU'LL FLY



# THANK YOU



**Mark Robotham**

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## SERVICES:

- BUSINESS PLANS - AUDITS
- SME ADVISORY BOARDS
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  - BUSINESS PLANNING, PITCHING, GOVERNANCE
- PITCH DEVELOPMENT
- ACTIVATE

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