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DO I REALLY NEED A UNIQUE SELLING PROPOSITION (USP)? And Why?

By

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Closing deals takes more than the old “we have great service” line

A USP? What exactly is that? That’s what I said when I first learned about this wonderful tool that will help distinguish you from the rest of the office equipment marketplace. The phrase was coined by Rosser Reeves in 1961 – below is the 3 part definition:

1. Each sales presentation must make a proposition to the consumer. Not just in words but it must communicate the saying of: “By buying my product or service you will get this specific benefit(s)”

When you think about it – is there a real benefit of doing business with your company?

2. The proposition must be one that the competition either cannot or does not offer – *it must be unique* – either a uniqueness of your company or a claim not otherwise made in that particular industry

Is your company truly unique in the marketplace – are you offering what other companies either do not or cannot?

3. The final determining factor is – your strongest suit must be so strong that it can pull over new clients to your product

Does your company have a strong suit?

Like anything else, there are steps to building this USP – the trick is that you have to do them. I often ask companies what their firm’s biggest strength is? Almost every time we hear the word “service” --- we give “great” service! Isn’t that wonderful? Tell me what that means. Define the words “Great Service”? The last sales rep said the same thing (smile). Then if we’re going to do it right and really understand, what do we have to do?

First thing is we have to define our company’s real strengths – here are examples:

- Price advantage – we buy at *below end column pricing*
- Talent – all of our techs have *a minimum of 10 years* in this industry
- Ability to deliver service beyond the market standard – *4 hour service guaranteed*
- Location – our company's branch is *only 4 miles away!*
- Technology as it applies to the client – we have a state of the art dispatch system to track your clicks *through the internet*

That wasn't so bad. Now we have to list our company's weaknesses (ouch) – here are some examples:

- Buying power - ability to buy right – we only buy 1 box at a time
- Limited inventory - client has to wait for product from OEM warehouse
- Location – it takes 1.5 hours to reach the client's location
- Company size compared with competition – we only have 1 tech who can handle that machine
- Length of time in servicing a product – we're new at all of this "digital stuff"

Our next logical step is to learn what all of our competitors are strong and weak at. That way we can start to leverage our strengths against their weaknesses. How would we do that? We could ask all of our sales reps and technicians to help. They're the ones out in the field day in and day out. They can tell us all that we need to know from the accounts. Many of the companies that you service have other dealers servicing other equipment there - why not find out what your accounts like/dislike about them? Another way is to check out the competitors' websites for info. Some dealers have gone as far as to call their competitors for pricing, delivery turn around and service response time! Funny thing is – they get it.

What did you learn about your competition?

- Who are your true competitors – tell me by "type" of company? (Mega, Regional, Mom & Pop, Institutional, other)
- Is there a "pattern" you spotted? Lots of large firms going after your market? Did you see anything in "common" e.g. unique or special marketing technique, service different than your own, product "mix" (larger or focused) or different than what you're selling?
- What "holes" did you spot in individual competitor's market position?
 - Small local firm with limited digital knowledge?
 - Their technician is also the owner?
 - Mega-company with a high turnover rate?

After doing all of that "undercover" work and research it's time to put all of that knowledge into action. Most of the time, it's not about the bells and whistles - it's your ability to communicate to the potential client the specific way that you can help them solve their individual problem – by using all of that new found knowledge. It can also help them to identify that there is indeed a problem that needs to be solved! Here's one strategy that I developed for a client that also offered office products along with his copier/fax/printer line:

“Mr. Purchasing agent we’ve learned that that labor costs as a percentage of the total cost of running an office represents 92% - Labor, 4% Facilities - 2% capital equipment and only 1 to 2% office products and IT supplies.

Mr. Purchasing agent, would you rather me save you 20% on your office supplies or make your labor 5 to 10% more efficient?

Do you know what the definition of a filing system is? It’s a finding system. My company has built a system to help you construct all of your files so that you can actually find what it is you’re looking for – no more wandering around looking for the sales order for XYZ Company. I know that the current supplier hasn’t shown you such a system – have they? Do you think it would make sense for us to discuss this further?”

It took that company and myself a long time with lots of research, but we did it. We came up with a real USP – something that prospects would actually listen to. We had developed a system that would save them money on labor costs *using the company’s products*.

The bottom line is there is no shortcut – it takes work. If you’re willing to put in the time and effort, you’ll find that it helps a whole lot when you get that appointment and they ask you why they should buy from you – you’ll have a real story now – not just “we have great service”.