

The Value Proposition

Building Differentiated Competitive Strategy

The unique, multi-dimensional promise of value that a firm will deliver as its competitive strategy — anchoring products, processes, promotions, and pricing.

Compelling Value Propositions

Four criteria separate strong value propositions from weak ones.



RELEVANT

The target segment sees the proposition as valuable and aligned with desires



UNIQUE

The target segment perceives differentiation from alternative solutions



LEVERAGE

The target segment finds the promise credible based on firm capabilities



ENDURING

The target segment believes in the firm's long-term commitment

R Relevant

A proposition that the target segment sees as relevant, valuable, and reflecting a promise in keeping with their desires.



Address Obvious Needs

Meet the baseline expectations that customers already articulate and actively seek.



Anticipate Unstated Needs

Look beyond what's asked — identify latent desires before customers recognize them.



Solve Problems

Deliver tangible solutions to friction points and pain in the customer's experience.



Create Opportunities

Go beyond problem-solving to open new possibilities customers hadn't imagined.

U Unique

A proposition perceived as distinct from alternative brands, products, or solutions that could serve the same need.



Clear Reasons to Engage

Provide compelling, articulate reasons why a customer should choose you over every alternative.



Meaningful Differentiation

Stand apart on dimensions that matter — not cosmetic differences, but substantive distinctions customers value.



Dynamic Evolution

Continuously evolve the underlying sources of differentiation as markets, competitors, and needs shift.

L Leverage

A proposition the target segment sees as a credible promise, grounded in the firm's demonstrated capabilities.

✓ **Aligned Core Competencies**

The firm's strengths are visibly and directly connected to the value being promised.

✓ **Demonstrated Experience**

The firm — or its collaborating partners — has proven track record in related areas that transfer credibility.

✓ **Ongoing Investment**

Continued commitment to R&D, talent acquisition, and capability building signals the firm can deliver.

E Enduring

A proposition conveying that the firm can and intends to keep its promise over the long term.



Platform, Not One-Off

Products and offers are part of an evolving platform or portfolio — not isolated bets that could vanish.



Long-Term Investment Signals

The firm's sustained investments in infrastructure, partnerships, and growth signal permanence.



Generating Customer Trust

Long-term commitment generates deep customer trust — the ultimate competitive moat.

From Proposition to Position

Positioning is the process of delivering the value proposition to the market.

01

Occupy a Distinctive Place

Design the firm's offering and image to hold a unique position in the target market's mind.

02

Reflect the Value Proposition

The market position must be a direct expression of the intended value proposition — RULE in action.

03

Align the Marketing Program

The 4Ps and all brand investments must consistently deliver and reinforce the intended position.