

*** STRATEGIC MARKETING MAGAZINE FEATURE ARTICLE ***

TOPIC: “**Correctly using USPs & FABs**”

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Is your Unique Selling Proposition (USP) relevantly unique? Secondly, have you assessed whether you're communicating Features, Advantages and/or Benefits (FABs)? In building your essential customer value proposition, Ian Rheeder looks at how to use FABs and USPs to relevantly differentiate your products and services.

In search of differentiation, many marketers have erroneously selected USPs and FABs haphazardly, sometimes being different just for the sake of being different. Jack Welch said “If you don't have a competitive advantage, don't compete.” But being different does not necessarily equate to a competitive advantage. In fact being inappropriately different will destroy you, especially when you pack huge ad-spend behind promoting this irrelevance. Before we look at FABs, let's examine some dreadful blunders made by reputable marketers using non-competitive USPs:

The curse of irrelevant USPs

1. A beauty soap manufacturer decided to do market development, and entered the dishwashing liquid category with its 'excellent' USP that worked for their beauty soap category. “Now you can also moisturize your hands while doing the dishes.” But it turned out to be a catastrophe. Why? Because the non-negotiable Key Success Factor (KSF) for washing dishes is cutting grime; not leaving a perceived creamy residue over them. Secondly, by positioning the new dishwashing liquid as a 'beauty' brand-extension, unintentionally repositioned their beauty-soap into the dishwashing liquid category, hurting both categories.
2. A light beer was differentiated using mud-wrestling babes in a TV campaign. Beer sales decrease. Why? Because the psychological positioning of this image was not a KSF in unlocking their health conscious target segment. All they should have done was use athletically lean-looking models and mention that the product had less calories.

3. With the heavy road death-tolls in South Africa, a car sales manager becomes the first to throw in a free funeral policy with every car sold...really making them unique.

USPs should be CUSPs: Decades ago, when Philip Kotler modified UP (Unique Proposition) to USP (Unique Selling Proposition) he was addressing the same problem that still exists today. Marketers are choosing UPs that are not necessarily Unique *Selling* Propositions. An elegant solution to combat this common error is to adjust the USP acronym to CUSP (*Competitive* Unique Selling Proposition). A CUSP is a distinct reminder that differentiation or uniqueness must lead to a pointed end – ie CA (Competitive Advantage). In other words, the value proposition must be created from factors that mean the most to your target audience.

In search of Competitive Advantage, too many marketers are also unaware of the hidden gifts in selecting *competitive* USPs. Very often, differentiation or CUSP opportunities are right under our noses...we just need to know where to sniff. By doing what their competitors do, but by doing it *better*, McDonald's (for example) is very distinctive. Their Key Success Factors are convenience, consistency and value-for-money, and as boring as it sounds, because they are so good at it, these factors are their CUSPs. To create an unstoppable customer value proposition McDonald's have also dominated a new point-of-difference (POD), toys.

The curse of misusing FABs

One of the mistakes marketers make is they presume that customers know how to convert features and advantages into benefits. But consumers are lazy thinkers. So in creating a competitive advantage, let's take a closer look at FABs and iron out a few common blunders.

Features	Advantages (vs. competitor/s)	Benefits ("Which means that...")
Diesel engine	Travel 300km further per tank of diesel vs. petrol.	Which means that: "You will save 30% in fuel bills."

In his book, *The Psychology of Persuasion*, Dr Robert Cialdini mentions that humans are more likely to do something when you supply a reason. And it's this reason that marketers need to carefully research before communicating. This rationale or value proposition then creates a strong propensity to purchase. Looking at the above example, by just communicating a *feature* (diesel engine) it's certainly not compelling enough; in fact many consumers have no idea what the advantages and benefits of diesel are. Even mentioning the *advantages* of diesel vs. petrol may not convince a skeptic, but by emphasizing the relevant benefits (needs and wants) to the customer, they can be moved from mere interest to desire. Therefore when selling or promoting a product we should merely describe the

features and advantages, but *emphasize* the benefits. But now go and observe how few advertised products forget to mention any valuable benefits.

Creating your Customer Value Proposition

The quickest way to know what your customer value proposition is, is to ask this question: “Why are our product better for you vs. other alternatives?” This is not something I put on my CV, but in 1999 I unsuccessfully launched the Femidom (female condom) in Uganda. The point-of-difference (POD) was that it empowered woman to protect themselves from unwanted pregnancies and STDs, but compared to the superior alternative (male condom) it had no points-of-parity (POP). This was a harsh reminder to first reach parity on obviously relevant key success factors (ie functionality) before differentiating with a POD. So even with a POD/USP, the Femidom was an instant flop because of the far superior alternative, the male condom.

A Marketer must first make sure all the Key Success Factors (KSFs) or points-of-parity are achieved for the particular category, and only then brainstorm ‘differentiation’ or CUSP strategies. Do what your targeted segment really needs first, and then differentiate on being the best within that KSF range. Being able to add another CUSP will then constitute the resonating value proposition you were so dearly after. If speed-of-delivery is a KSF in your industry, be different by being the fastest supplier - that does actually make you relevantly ‘unique’.

Now loaded with the above insights, my challenge to marketers is to go back and rethink your customer value proposition, but before you do, tap your customers and competitors for valuable clues. And then, don’t forget to communicate your superior benefits vs. the next best alternative.

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