

**Objective 4.07**  
**Position venture/product to acquire  
desired business image**

# Term

A unique selling proposition (USP) is a description of the qualities that are unique to a particular product or service and that differentiate it in a way which will make customers purchase it rather than its rivals.

<http://www.economist.com/node/14301696>

# Purpose of a Business's Unique Selling Proposition (USP)

Having a USP will dramatically improve the positioning and marketability of your company and products by accomplishing 3 things for you:

- Unique - It clearly sets you apart from your competition, positioning you the more logical choice.
- Selling - It persuades another to exchange money for a product or service.
- Proposition - It is a proposal or offer suggested for acceptance.

<http://www.interactivemarketinginc.com/unique-selling-proposition.html>

# Importance of Always Fulfilling a Business's USP

Your success is directly related to how well you acknowledge what your customers really want AND how diligently you apply your company's

1. Strengths
2. Values
3. Passions
4. Vision

<http://www.how-to-branding.com/Unique-Selling-Proposition.html>

Businesses should highlight it's strengths and convey a message that will instill confidence and comfort in its customers.

<http://www.small-business-software.net/unique-selling-proposition.htm>

# Questions to ask to Facilitate Creation of a Business's USP

Here are several questions to ask about your business to determine a USP:

- What is unique about your business or brand vs. direct competitors? You'll probably find a whole list of things that set you apart; the next questions will help you decide which of these to focus on.
- Which of these factors are most important to the buyers and end users of your business or brand?
- Which of these factors are not easily imitated by competitors?
- Which of these factors can be easily communicated and understood by buyers or end users?
- Can you construct a memorable message of these unique, meaningful qualities about your business or brand?
- Finally, how will you communicate this message to buyers and end users? Marketing tools to communicate USPs include media advertising, promotion programs (e.g., direct mail), packaging, and sales personnel.

<http://www.bizfilings.com/toolkit/sbg/marketing/overview/business-success-depends-upon-successful-marketing.aspx>

# Ways that a Business Can Integrate its USP into its Marketing Efforts

Variations of your USP will be included in the ALL your marketing materials such as in:

- Advertising and sales copy headlines;
- Business cards, brochures, flyers, & signs;
- Your "elevator pitch", phone, and sales scripts;
- Letterhead, letters, & postcards;
- Website & Internet marketing.

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# Procedures for Identifying a Business's USP

To create the kind of powerful USP that will cause consumers to notice your product, prefer your product, and pay a premium for it, three criteria are needed:

1. You must make a proposition to the consumer that says, "Buy this product and you will get this specific benefit."
2. The proposition must be one the competition either cannot, or does not, offer.
3. The proposition must be so strong that it can move your target audience to action.

# Procedures for Identifying a Business USP

Examples:

**Slogan:** "Have it your way" - Burger King

**What they are really saying:** We care about you, what you want matters to us. We are willing to do things different just for you, our customers are special to us.

**Slogan:** "Keeps going and going and going" - Energizer Batteries

**What they are really saying:** Our batteries are superior to our competition, no one else has batteries that last as long as ours.

**Slogan:** "Can you hear me now?" - Verizon

**What they are really saying:** Unlike our competitors, our cellular coverage is very reliable. You will not experience dropped calls or spotty coverage if you use our services.



# Significance of Business Location to The Success of Some Businesses

## **Know your business**

Will customers visit your location? Do you anticipate walk-in business, or will customers call for appointments? Does your business make use of natural resources? How are your goods delivered? Does your business involve chemicals or excessive noise that might fall under the zoning restrictions? Make a list of your business-specific needs.

## **Find your customers**

Identify who your customers are and how you can best meet their needs  
Contact local and state agencies for their input  
Create your own demographic profile after you collected information

## **Get a flavor for the community**

Investigate the community  
Read some of the local newspapers  
Speak with other small business owners in the area  
Visit the library and do some research on the history of the place

# Significance of Business Location to The Success of Some Businesses

## **Scope out the competition**

You may want to know how many similar businesses are located nearby

Do a competitive analysis, and if you scope out competitors, see if you can gain a competitive edge by offering something your competition does not

## **Consider traffic and accessibility**

Parking, foot traffic, automobile traffic, and sidewalk accessibility are all important things to consider

Business that do not have customers driving to your location, then traffic and accessibility are an issue only for your employees

# Significance of Business Location to The Success of Some Businesses

## **Assess the building**

Before signing a lease or purchasing agreement ask the following questions:

How old is the building? How old is the roof? Is everything up to code? Has the electrical system been improved lately? Can it handle your technological needs?

## **Balance cost with other factors**

Cost of the location is important to consider, but be sure to look at the big picture

Spending more on a good location will probably pay off in the long run with lots of business

# Factors That Should Influence The Choice of Business Location

Whatever the business, there are several general factors that influence the choice of location. These are:

**Communications:** This includes transport facilities (road, rail, air) as well as information infrastructure. Transport links are particularly important if the business delivers products, sells direct using a sales force or is dependent on import and export. Information technology is less of an issue these days – most start-ups can quickly establish reliable broadband Internet connections.

**Labour:** When a start-up needs to hire employees, then access to a reliable pool of staff with relevant skills is important. Businesses that are labour-intensive often look to locate in areas of traditionally low wages.

# Factors That Should Influence The Choice of Business Location

## **Market - customers & population**

A start-up may need to be located near particular centers of population. For example, if the product is a service targeted at affluent older-aged people, then it is important to be located where there is a sufficient population of such people. Franchise businesses often analyze the population characteristics of a potential new territory before setting up in a new location.

# Factors That Should Influence The Choice of Business Location

## Suppliers

The business may be dependent on supplies of a particular raw material, so costs will be lower if the business is located near the source of supply (e.g. where the raw material is grown or where a distributor is based). This factor tends to be more important for manufacturing businesses rather than service businesses.

# Factors That Should Influence The Choice of Business Location

## **Government assistance**

Government policy has often been designed to influence the locations of new businesses. If the start-up is “location-independent” (i.e. the other factors above don’t really make a difference to the choice of location), then it may be that deals and incentives offered by Government can influence the choice. Some poorer areas of the UK are designated as “assisted areas”. These include many parts of north-east England, Wales, East Yorkshire, Cornwall etc. Locating a new business in one of these areas potentially makes government grants and loans available.

# Legal Constraints in Business Location

Local zoning ordinances and regulations are important considerations when choosing your business location commercial building cannot be built in a residential neighborhood and vice versa, unless there is a change in zoning ordinances

<http://www.sba.gov/content/basic-zoning-laws>



# Resources That Can Assist in Selecting a Business Location

Local community resources such as:

[SBA Offices](#),

[Small Business Development Centers](#),

[Women's Business Centers](#),

other government-funded programs specifically support small businesses.

<http://www.sba.gov/content/tips-choosing-business-location>

# Procedures for Selecting a Business Location

1. Determine your needs: Most businesses choose a location which exposes them to potential customers and consider the following:

**Brand Image** – Is the location consistent with the image you want to maintain

**Competition** – Are the businesses around you complementary or competing?

**Local Labor Market** – Does the area have potential employees? What will their commute be like?

# Procedures for Selecting a Business Location

**Plan for Future Growth** – If you anticipate further growth, look for a building that has extra space should you need it.

**Proximity to Suppliers** – They need to be able to find you easily as well.

**Safety** – Consider the crime rate. Will employees feel safe alone in the building or walking to their vehicles?

**Zoning Regulations**– These determine whether you can conduct your type of business in certain properties or locations. You can find out how property is zoned by contacting your local planning agency.

# Procedures for Selecting a Business Location

## Evaluate your finances

Be aware of hidden costs-includes costs like renovation, decorating, IT system upgrades

Taxes – what re the state and income taxes for location?, what about property taxes? Are taxes cheaper across a nearby state line?

Minimum Wage – view Department of Labor's list to state's minimum wage rate

Government Economic Incentives – Does your business qualify for government economic business programs?

# Procedures for Selecting a Business Location

## **Is the area business friendly?**

Need to understand laws and regulations in location

Check with state government and local community to determine what programs are offered to small business

## **Bottom Line**

Do research, talk to other business owners and potential

<http://www.sba.gov/content/tips-choosing-business-location>