

Futurecurve Value Proposition Survey 2009





The Value Proposition Survey 2009

During the course of late 2009 and early 2010, Futurecurve clients and contacts around the world were invited to participate in an online survey on the subject of Value Propositions. We wanted to find out what the general sentiments were toward value propositions and their importance in helping organisations improve their strategic positioning, grow sales and boost loyalty.

Areas covered:

- What is a value proposition?
- Why do organisations need value propositions, how important are they and who is responsible for creating them?
- What organisations have great value propositions, and why?

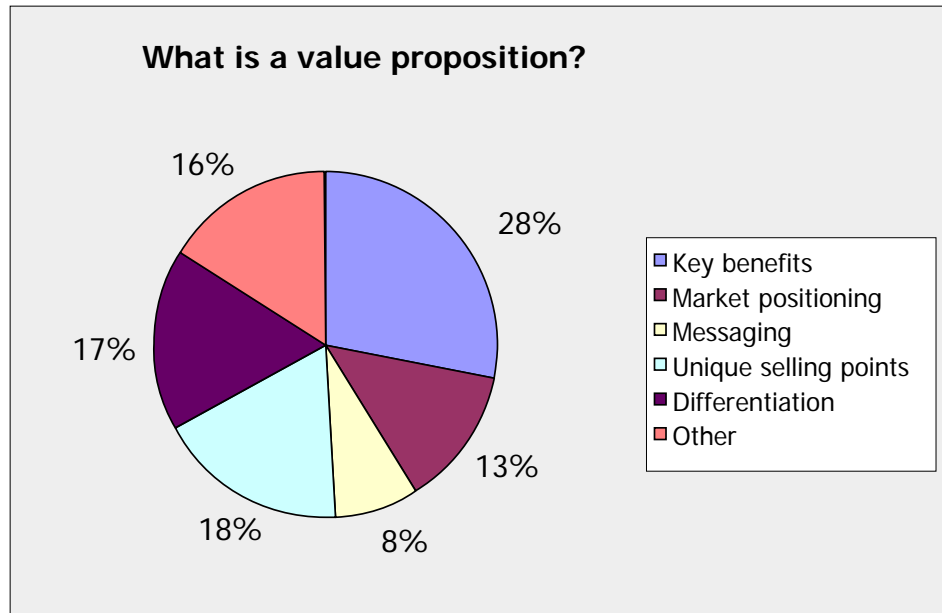
The 73 senior executive respondents to the survey represent the following industry sectors:

- IT/Computers/Web hosting
- Professional Services/Consulting
- Advertising/Marketing/PR
- Hi-Tech Manufacturing
- Electronics
- Pharmaceutical/Chemical
- Clean Tech/Green Tech
- Government
- Entertainment
- Financial Services



Summary of findings

- Over 75% of respondents agreed that having a value proposition is a key part of an organisation's strategy however 25% still regard value propositions as messaging and USP (unique selling point) development.
- The majority of respondents (58%) regard a value proposition as a method of presenting the key benefits their organisation delivers to customers
- The most important requirement for a value proposition is to improve sales by increasing conversion rates or enabling the pursuit of the right opportunity (32% respondents)
- Board members and senior management, together with marketing and product/service or solution owners, are seen as responsible for creating value propositions
- The top 3 most mentioned 'great' value propositions are: Apple, Tesco and Microsoft

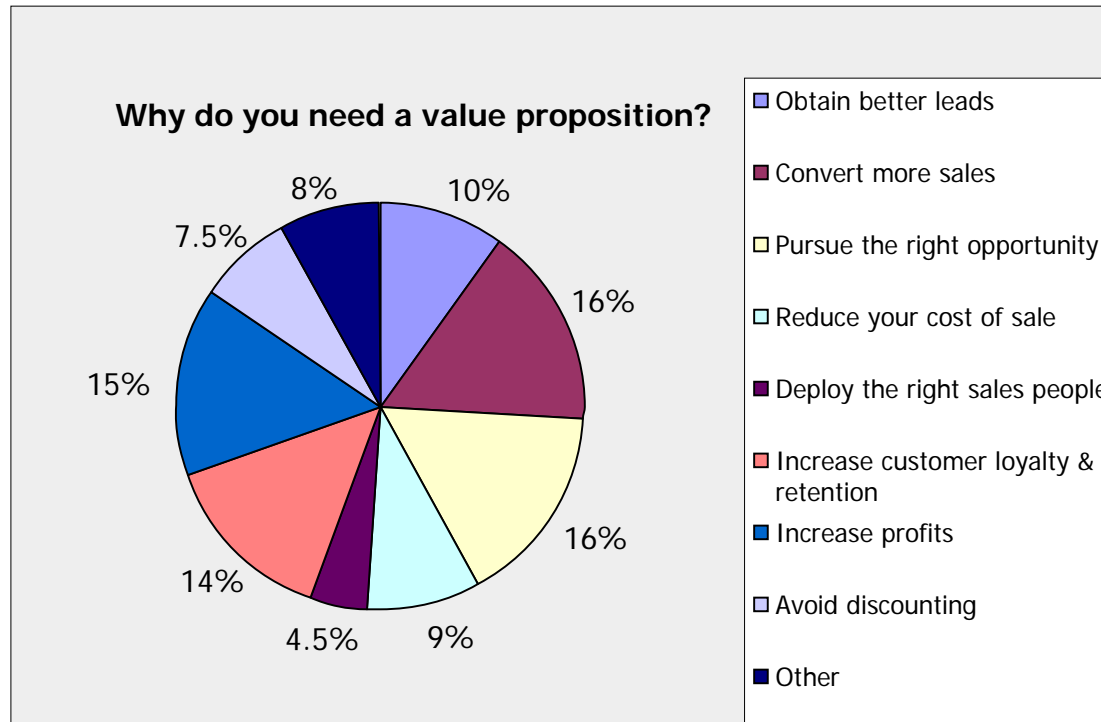


Over 75% of respondents agreed that having a value proposition is a key part of an organisation's strategy.

The majority of respondents (57%) regard a value proposition as a method of presenting the key benefits their organisation delivers to customers - benefits that position and differentiate in the marketplace.

However, there are a significant number (25%) who regard value propositions as USP development or messaging. This is a common perception.

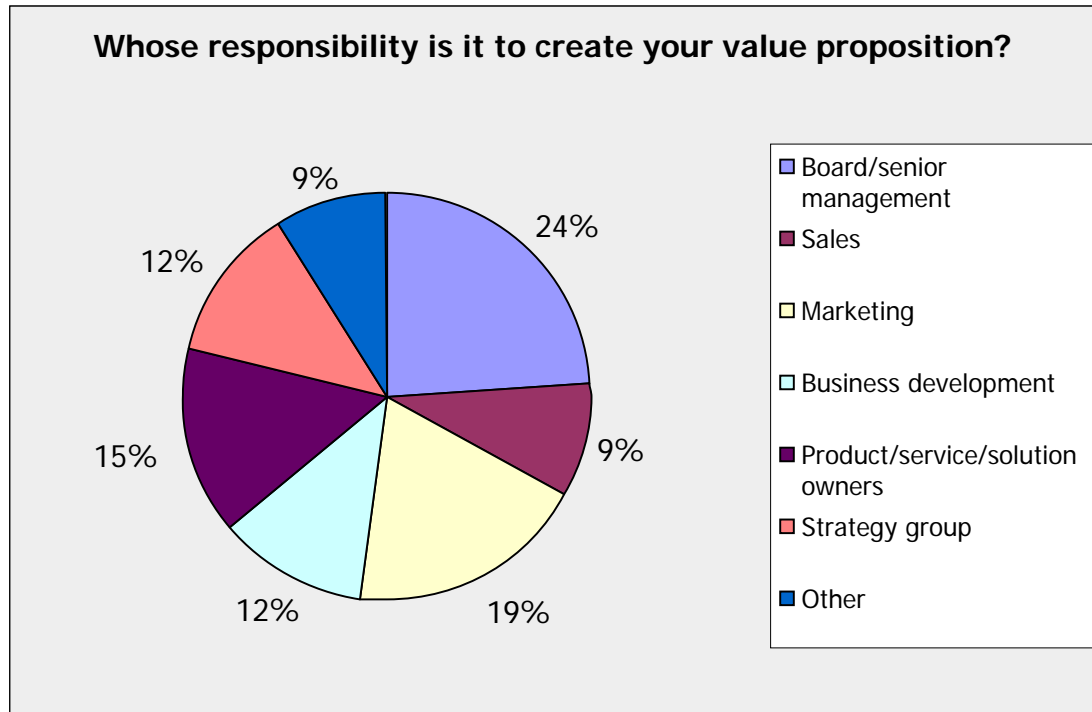
Those answering 'other' (16%) are split between a combination of the five options listed, and a value proposition being the offering or product/service mix.



The most important requirement stated for a value proposition is to improve sales by increasing conversion rates or enabling the pursuit of the right opportunity (32% respondents). However, increased profits and improvements in customer loyalty and retention also rate highly.

Of the 8% who answered 'other', the main answer given was to create focus for the organisation, a position which everyone can rally around.

64% of respondents agreed that having a value proposition was very important to their business or organisation.



Board members and senior management, together with marketing and product/service or solution owners, are seen as responsible for creating value propositions.

This ties-in with the 75% of respondents who said that a value proposition is a key part of strategy.



Great value propositions

A wide range of 'great' value propositions were noted by respondents across a wide range of sectors, however those in the top five are:

Most often mentioned	Company name
1	Apple
2	Tesco
3	Microsoft
4	Google
=5	Ebay Nike Volvo Kinko-Fedex BMW

Interestingly, when voting, many respondents referred to company strap-lines rather than their own personal experience of the value delivered, which tallies with the findings in Question 1 where a number of respondents viewed value propositions akin to developing USPs or messaging.

As shown above, Apple was the organisation that elicited the most frequent mentions. A representative comment from the many is, "Apple's proposition is that innovative, user-centric software, operating systems and equipment enables greater creativity while ensuring fewer problems, crashes, updates and vulnerabilities".

Expertise and the related ability to generate trust & confidence were also frequently cited as the heart of a great value proposition. Price, notably, was seen as a reactive tactic and not to be found alongside true customer/client value.



About Futurecurve

Futurecurve specialises in Sales and Business Development optimisation for large multinational and small to medium-sized organisations. As leading experts in Value Proposition creation and development, Futurecurve helps organisations bridge the gap between what they do and the value they bring their customers.

Clients include: Sun Microsystems, RBS, BDO Stoy Hayward and Enterprise Ireland.

Their highly-acclaimed, best-selling business book on value propositions, *'Creating & Delivering your Value Proposition: Managing Customer Experience for Profit'* (Barnes, Blake & Pinder; Kogan Page, 2009) has received many tributes for its practical and pragmatic approach in helping organisations develop their own value propositions. It is available on Amazon.

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