**A USP Is A-OK**

**USP defined**

USP, or **unique selling proposition**, is an attribute of your product or brand that separates your business from competitors. USPs can take many shapes and forms. They can be characteristics of the product, the offer, the guarantee, the price, the placement, or any combination of these elements, but they all have one thing in common—they provide a meaningful, one-of-a-kind benefit for the customer. This benefit is specific and exclusive to your company, something that can’t be found anywhere else, and the USP is your way of communicating it to your target market. A USP answers this question for the customer: “Why should I buy from you instead of from someone else?” It presents a distinct, appealing idea that shows your company’s special **niche** in the marketplace.

The term “unique selling proposition” was invented by Rosser Reeves, an advertising executive who worked for the famous New York agency Ted Bates & Company. The USP theory is based on extensive research the agency conducted in the early 1940s on successful advertising campaigns. In 1961, Reeves published many of his thoughts and ideas in his book *Reality in Advertising*.

You’ve probably heard the expression “a diamond is forever!” And, you probably associate it with engagement rings. But do you know why? The De Beers company created this USP to encourage engaged couples to purchase diamond engagement rings. As you can see, the De Beers’ USP—“A diamond is forever”—effectively communicates that this beautiful, practically unbreakable stone is the perfect way to express your eternal love. This USP, like many others, is geared toward emotions and intangible benefits rather than tangible product features. To view one of De Beers’ famous advertisements using this USP, visit <http://www.youtube.com/watch?v=8pU6WQXkiOU>.

**What a USP can do for you**

The marketplace is crowded. How can you make your company more visible to the customers you are trying to reach? How can you make your message cut through the clutter so they will really hear it? The most powerful way to do this is to create a USP. Not only will a good USP allow your company to stand out in the marketplace now, it can also lay a firm foundation for a lasting reputation that carries your company years into the future. Consider how Walmart has built a strong USP that lets customers know they can enjoy low prices and save money. This USP helped Walmart become one of the most successful businesses of all time. To learn more, read “How Walmart Model Wins With ‘Everyday Low Prices’” by Rachael Hyde. You can find the article at <https://www.investopedia.com/articles/personal-finance/011815/how-walmart-model-wins-everyday-low-prices.asp>.

If you want your business to be successful, it’s important to identify and build a workable USP. You may have a unique product, but if you are not communicating its benefits to your target market, you are likely to lose business. Or, let’s say your product is now mature and no longer unique in the marketplace. You can still effectively stand out above the competition, but you will need to choose a certain attribute upon which to build a knockout USP. For example, the first smartphone on the market had a ready-made USP—have the Internet in the palm of your hand! Now that smartphones have been around for several years, providers need fresh USPs—the best platform for apps, cameras, wireless charging, etc.

Apple’s marketers want you to know that the iPhone X’s Face ID feature gives you security and peace of mind. Check out one of their advertisements here: <https://www.youtube.com/watch?v=vcsGu9ug9J4>. Do you think this ad does a good job of communicating a USP?

Your USP can also greatly improve the performance of your work team. Once you have determined the unique benefit you will deliver to your customers, you provide a clear, driving focus for every employee in your company. Though each team member will have different responsibilities, the ultimate goal will be common for everyone—delivering on the promise you have made in your USP. The teamwork and commitment needed to fulfill *The New York Times’* USP—to investigate and report on difficult topics—is highlighted in this video: <https://www.ispot.tv/ad/IY9M/the-new-york-times-the-truth-is-worth-it-resolve>.

**USP and marketing**

Although your USP will affect every area of your business, it’s particularly important in the marketing function. It is, after all, the message you are trying to communicate to your customers about your company. Marketers use USPs as part of their overall **positioning** and **product differentiation** strategies. Amazon’s two-day shipping promise has set it apart from other e-commerce sites and has made it one of the most successful companies in the world.

As you’ve seen in the examples from this LAP, USPs often form the basis for a company’s advertising and promotional campaigns. Because of this, marketers often attempt to capture the essence of the USP in a short phrase or slogan to be repeated throughout the campaign. This helps cement the idea in customers’ minds, since they tend to remember just one thing from any particular ad or promotional campaign. You can probably think of dozens of USP slogans just off the top of your head. Here are a few examples:

* “Just Do It”—Nike: <https://www.youtube.com/watch?v=5evnzAzg-9M>
* “The Quicker Picker Upper”—Bounty: <https://www.ispot.tv/ad/wFza/bounty-the-quicker-downhiller-featuring-lindsey-vonn>
* “We know a thing or two”—Farmer’s Insurance: <https://www.ispot.tv/ad/duGy/farmers-insurance-hall-of-claims-a-huge-drag>
* “Taste the Rainbow”—Skittles: <https://www.youtube.com/watch?v=NuwXsRHB9f0>
* “The nighttime, coughing, achy, sniffling, stuffy head, fever, so you can rest medicine"—Nyquil’s classic advertisement from over 20 years ago: <http://www.youtube.com/watch?v=UNeIoyZ4II8>

Flashy, creative promotion can be fun. But smart marketers know that there has to be a real, substantial message behind the hype if the company wants to reach its target market and build a loyal customer base. Building your business’s marketing efforts on the foundation of a strong USP ensures that your message won’t be lost or forgotten. See how M&M’s unique tradition of coating candy with a hard shell has stood the test of time in the “Sticky and Square” TV commercial: <https://www.ispot.tv/ad/w1hG/caramel-m-and-ms-sticky-and-square>.

**Summary**

A USP, or unique selling proposition, is an attribute of your product or brand that separates your business from competitors. It provides a meaningful, one-of-a-kind benefit for your customers and shows your company’s special niche in the marketplace. A USP is important because it makes your business more visible in the crowd and helps you build a lasting reputation. It also provides a focus for your work team. Marketers rely on USPs as part of their positioning and product differentiation strategies.