Value Proposition

What is Value Proposition?

A VALUE PROPOSITION IS THE CONVERSION THAT RESULTS FROM THE COMBINATION OF A CONCISE PROBLEM AND A SOLUTION THAT YIELDS AN ADVANTAGE,WHICH IN TURN,CONVERTS TO ROI

Formulaic Expression:

Value Proposition (VP) = Conversion → [(Concise Problem (P) × Solution (S)) → Advantage (A)] → Return on Investment (ROI)
Step-by-step:
$P \times S \rightarrow A$
$A \rightarrow$ Conversion
Conversion → ROI
Therefore, $VP = f(P, S, A, ROI)$

In words:A clear problem combined with an effective solution creates an advantage, which drives conversion, ultimately resulting in ROI—the essence of a strong value proposition.

Value Proposition Template

- **"FOR [DESCRIPTION OF CUSTOMER] WHO [STATEMENT OF NEED OR PROBLEM], WE DELIVER [SOLUTION AND STATEMENT OF BENEFIT]."**

Examples:

"For professional and amateur athletes who want high performance running shoes, we deliver the most advanced performing technology sneakers".

Nike