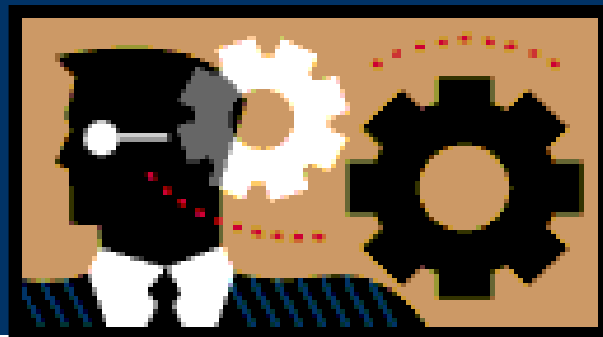


# The Power of Unique Selling Propositions

Why Your USP Must Be #1 in Marketing



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Hidden Marketing Assets Marketing Systems

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# **In This One Short And Very Powerful Report You'll... "Discover The Single Most Important Secret To Create Massive Results In Your Clients Business**

Here's a sixteen-minute training one of the HMA consultants Michael Senoff did with Richard on the importance of establishing a USP. If you don't know what a USP is or what it means, then you really need to read this. It's that important. You see, the reason most people don't keep in contact with their customers more often, is because they don't know what to say. If you had a reason why to call or a reason why to write, you would all do it more often. If you're a marketing consultant or a business owner, no marketing should be done for the business unless and until you implement this critical first step. When you start using a USP in your business like the ones described in this transcript, you can dramatically improve gross profits, net profits, profit margin, bottom line profits go up, working capital is freed up, and it can happen as little as 60 to 90 days for a client or quicker. Use the ideas in this report and watch your business take off.

## START

I think you're going to really enjoy this report. It has to do with USP. USP stands for Unique Selling Proposition. I'll have to be honest with you. I really never fully understood what a USP was. I couldn't grasp the concept until I talked to Richard. You'll hear a specific example of one of his client case studies, and how he established a USP for a clothing outfit and the dramatic results it produced. This is a great illustration for you to understand what a USP is, and why it's so important for it to be the very first thing you do for any of your clients or for your business. Enjoy! This recording is 16 minutes long.

Richard: I thought what I might do is illustrate what's happening with this client because it demonstrates the Unique Selling Proposition of my marketing system, and that is that the marketing system that's unique because it not only increases sales for a client, but also net profit, profit margin, bottom line profits go up, working capital is freed up, and it can happen as little as 60 to 90 days for a client or quicker. And, it can mean a 25-100 percent increase in all of those, and it's a system so it's step-by-step, easy to execute, and you're guaranteed the system's performance. So, that's the Unique Selling Proposition for my marketing system. That's what sets my system apart from everything else out there. So, that's why a consultant can go with confidence in approaching prospects because he's got something different and unique. Does that make sense?

Michael: Yes Richard.

Richard: So, in this one story, you need to see what's happening is we're not just increasing sales. These are profits going to the bottom line because as you hear this story, we didn't increase the money spent to create those results. We didn't have to do more advertising. We didn't have to hire more people. We didn't have to go to more trade shows. So, we're freeing up capital because we're better allocating the scarce resource and that's so important, and that's what's so neat about this system is because it leverages these hidden marketing assets in a way that you can create these results without asking your client to spend huge amounts of money except which of course they're paying you.

Michael: That's fair though.

Richard: So, the client still gets all of that return for years to come. That's important because that's the Unique Selling Proposition for my marketing system.

*MUSIC*

Richard: Well, this first story happens to be the first client that I charged a fee for as I was starting my career and got my training with Jay, and of course Jay Abraham's approach was the contingency based, and that was difficult in starting my consulting practice. So, I got referred to a small clothing store in Elko, Nevada in 1990. They were doing about \$500,000 a year, and I went in and met with them once a week for a period of weeks, implementing the marketing system.

Michael: What was it like women's clothing?

Richard: No, it was more western outdoor clothing.

Michael: And, they had a retail, physical brick-and-mortar?

Richard: Yes, doing about \$500,000 a year in business.

Michael: So, you were referred to them by?

Richard: By an associate. So, I charged this client \$500 a day. That was my first fee-based charge.

Michael: \$500 a day?

Richard: Yes.

Michael: Was it mail order or what?

Richard: Mail order, and he owned the store. He bought it from his dad. It had been in the area for a long time. I'd go out once a week and charge him \$500. So, that was giving me a couple of thousand dollars a month. So, I was on my way to fee-based, and one thing that is a common and is that these steps in the marketing system are in an order on purpose. They are really ordered in a way to have the most important and effective impact as quickly as possible. So, we're not trying to manipulate the steps in any way. They're in an order to leverage the marketing assets of the client.

So, our first step in the system is developing a Unique Selling Proposition, and a Unique Selling Proposition and the acronym is USP is the number one step and the first step in the marketing system because it is essentially the sales pitch. It's the compelling selling reason that that company is in business. It is what sets that company apart, what makes that company unique from all of the competition, and it's so important because with so many different kinds of businesses in the same business.

So, here you have in Elko, Nevada in this example you have a clothing retailer that's trying to compete against Corral West which was a franchise and Wal-Mart coming in and all of these other clothing options in the small town of Elko. He has to stand out. He has to be unique. He has to find something that will differentiate himself from his competition, and the reason he has to do that is because if people don't perceive a reason that's different to do business with you, then they're only going to shop price, and they're only going to go to the lowest price seller, and they're only going to watch for the ads that give them the lowest price.

So, that was the battle of this store owner had. He was fighting against the lowest priced retailers of western clothing in the area, and he had to win that battle.

In the system, you're trained how to determine a Unique Selling Proposition. You've given four step, and the first step is we met with the owner and his staff to get their perspective of the Unique Selling Proposition, and in your training material you have a complete questionnaire that goes through what questions you should ask.

The next thing we did was to call some customers, survey customers, and in your training material you're given all of the survey questions you need to have. And, we get the customers' perspective of what might be unique.

Michael: Why is that important?

Richard: Well, because they're shopping for some reason. They're coming to the store for some reason, and we want to know what it is. They may be going to another store as well, and we want to know that.

Michael: Can you give an example like a Dominos Pizza example what a couple USP's would be for companies that anyone would understand?

Richard: Yes, the Dominos Pizza, the dramatic impact for that company because they came out and they looked at all the competition and they surveyed customers, and they talked to prospects, and they asked what's most important to them, and at that time speed was becoming and was a void in the industry. No one was delivering a pizza fast. So, they did. They said, "We'll get it to you in 30 minutes or less or it's free." That was very compelling. That was very unique, and it took Dominos to the top of the pizza industry.

Michael: Was their pizza any better?

Richard: No, because what was important was speed, but now overtime, that has not become and maintained itself as a unique selling proposition because now people can get pizza in 20 minutes anywhere. So, it's no longer unique to Dominos, and Pizza Hut started to keep delivering a better tasting pizza, and that began to matter more than speed over time. So, Dominos has lost its unique edge. Revenues are down. Domino's is struggling. They have to create a new Unique Selling Proposition, but it sure raised the bar for everybody. Now, we can go anywhere and get pizza in less than 30 minutes and get tasty pizza. That is profitable.

Another good example is Lenscrafters. Lenscrafters looked around at the industry, and they said, "Oh, you know, people want glasses fast, and there's no one doing that. So, we're going to build a lab right in the store and we're going to deliver in about an hour." Well, that's a very compelling Unique Selling Proposition, and it's got Lenscrafters at the top of the industry. No one's matched it. No one's done better, and so it continues to be an effective Unique Selling Proposition.

Another good example is the battle today between Wal-Mart, Target and K-Mart. K-Mart is pulling out of bankruptcy, while Target can build a store right next to Wal-Mart. Why can that happen? It's because Target has a different Unique Selling Proposition than Wal-Mart. Wal-Mart is appealing to a low-priced audience. They want low-prices always. They communicate that USP over and over again while Target does not. Target goes after an income level demographic higher than Wal-Mart. They build a nicer store than Wal-Mart. They have wider aisles. They have a little nicer product line. So, Target's doing very well building their store right next to Wal-Mart because they're going to a unique demographic than Wal-Mart. So, there was a USP not in product but in who they were targeting. Does that make sense?

Michael: Yes.

Richard: So, there's what we mean by Unique Selling Proposition is a very targeted reason that people should do business with you and no one else. So, with this clothing store in Elko, we determined that they carried a nicer line of product. So, we knew we couldn't be a low-priced leader, and we also determined they carried the largest selection of product, and so, now we even counted the number of winter coats they carried and quantified this selection as a Unique Selling Proposition. So, we crafted the USP around a higher line and the largest selection in town. So that was the first thing we had to do.

The second thing we did was make sure that message gets integrated into all of their marketing. That's step number two in my marketing system.

Michael: So, where did you integrate that higher selection, better quality?

Richard: It starts first with the sales people on the floor. So, we did some training to make sure we got scripting into their sales pitches. So, when people come into the store, the first thing that they're telling these people is why they're shopping there at the store. "Well, we do have the largest selection of these higher end, better quality, clothing lines. No one else in Elko has that." I all of a sudden started to close more business. People started to buy more in the store. And, we got it integrated in their newspaper ads that they were running in the local paper. We got it integrated into the radio ads that were running in the local radio stations. We got this message integrated through scripting and through copy work. You're trained in step number two how to do that. So, that was the second most important thing. It's silly to have a Unique Selling Proposition, and it won't do any good unless it's communicated over and over and over again.

Michael: And, it's going to be done first.

Richard: That's right.

Michael: Or you could be just wasting your time.

Richard: That's exactly right. You could be running radio ads without a USP wasting money, and newspaper ads without a USP wasting money, and that's what these businesses do is they get out advertising that emphasizes price. So, they get mad when all they're selling is product with no margins. A USP gives them a different message to sell. That's

why steps one and two are where they're at because it's silly to pursue step three through seven unless one and two are done.

Michael: What was the results for this clother?

Richard: I'll share one more thing that we did. What happened then is Saddam Hussein invaded Kuwait right in the middle of our consultation with this clothing store. The very month I was going to Elko, Saddam decided to invade. No one came into the store and the traffic dropped in half. This store owner said to me, "Richard, I'm going to go out of business if you don't help me with something here. I don't care if I've got a great USP. I don't care if I've got people that are hearing it on the radio. They're not coming in." They're all home watching CNN because it was the first time that the networks were publicizing a war and putting it on the screen.

So, his traffic dropped in half. So, I said, "Okay, then what we need to do is do better with who is coming in the store. What is your average sale right now?" And, he calculated that his average sale was \$25. So, we did some training with the salespeople. We took some of his product line and built packages, and we raised his average sale to \$50. We were able to double his sales with half that people. That saved him during that invasion. That kept him in business.

So, the message is that when you're with a client that's in a hard time, or they economics of the situation is such that the shopping isn't being done, the place to turn to is the customers that are coming in any way and doing a better job of getting more money from half the business that's coming in.

So, that was a dramatic impact on that store, and we took him from \$500,000 to \$850,000 in a year.

Michael: Did he stick with you through all the steps?

Richard: You bet, yeah. We got into step three which is database, and we reactivated customers. We got his customer on to a mailing list, and we sent offers and he created a frequent shopper customer club where the minute somebody spent over \$500 in this club, they got \$50 worth of merchandise free. That had so much impact. It kept his loyal customers coming back and coming back and coming back. So, we did some great things in step number three.

Step number four is we started to put some cross promotion with other stores in the Elko area that had the same kinds of customers that he would want. For example, there was a Red Wing shoe dealer in the area, and we would have a special that would go to the Red Wing shoe customers over to this retail store. That brought in new customers in a different way without advertising more.

We did the media, step five as we talked about getting the USP integrated into his radio and into his newspaper. He did step six, community marketing as a big part because Elko's a small town. He was sponsoring snowmobile trips. He was sponsoring outdoor activities, and he would take some of his clothing up to these spots and serve coffee and hot chocolate, and he was sponsoring the event. So, he was out in the community making people aware of his store and of his higher end clothing lines.

So, yeah, there were all the steps involved in that first client and it had a dramatic impact.

Michael: He was probably having fun doing it.

Richard: Oh, it was a blast especially when the war ended and his traffic picked back up.

Michael: That's great. That's a great illustration. Is he still around today?

Richard: He's still around doing well.

Michael: do you keep in touch with him?

Richard: You bet.

Michael: Great story. Let's do another.

Richard: I'm going to talk about a catering business. He was doing about \$300,000 a year in catering and he was located in the Salt Lake City, Utah area.

Michael: How were you introduced to him?

Richard: My direct marketing contact did.

Michael: So, this is your phone guy. He called this guy cold, set up an appointment, and you went through the opportunity analysis?

Richard: Exactly.

Michael: Then, he said, "Let's do it."

Richard: That's right. Well, the most important thing that my trained marketing consultants learn is how to spot the hidden marketing assets that an owner may not. So, a typical owner and this was the case with this catering. I go in and he's doing about \$300-\$350,000 a year, and he says, "I need more customers." I said to him, "How are you getting customers now?" He says, "I have the largest yellow page ad in the yellow page book. I have a full page ad." I said, "Well, how does that do?" He says, "Well, I'm getting calls everyday." Well, that was a clue to me, did he really need more customers?

So, what we did in this one was fix and tweak an existing marketing process that was already in place, that was generating assets he was not leveraging. He really didn't even need a Unique Selling Proposition although we went ahead and developed one, but the most important thing he wasn't doing was capturing every phone call and following up on every inquiry from the yellow pages.

Michael: Who was answering the phone over there?

Richard: He was which was the mistake because he was also cooking. He was also the caterer. So, I convinced him to go ahead and hire someone that all they did was answer the phone and follow up with prospects that inquired about his catering, and that is all we did for that client, taking him from \$350,000 to \$700,000 in a year.

Michael: You started with step one, right?

Richard: Yes, you always look at the USP first.

Michael: So, he paid for his step one.

Richard: That's right.

Michael: And, then what step was this implemented in?

Richard: Then, step two is again, integrating the USP into the current selling and marketing processes. That's where this was because the phone ringing was his current process. So, we got somebody to answer that phone, integrate and give the scripting of USP over the phone, and he

started to close more of his yellow page calls. It illustrates that you don't always have to fix a whole lot. All we did on this one was fix the sales process.

Michael: And, he couldn't see it?

Richard: He couldn't see it. So, the message to consultants and prospects out there that are looking at this marketing system is that the USP for the my program is training you how to spot these hidden marketing assets.

Michael: I would think these things are going to jump out at you when you go through that opportunity analysis worksheet.

Richard: That's right. That's exactly why we created that worksheet was to help you as a consultant see these assets and help the business owner see these because they're the ones that are usually missing them.

Michael: Okay, that's excellent, and that would be related to increasing the conversion.

Richard: Yes, that's right because the seven step marketing system grows a business three ways. It increases the number of prospective clients, it increases the conversion rate of prospective customers to paying customers and increases the value of each customers.

So, you recall back to the clothing store. We didn't have a chance to increase the number of people coming in the store because of the war. So, we had to go to step three and increase the value of each customer and raise the ticket from \$25 to \$50, and that survived the business.

The second case, the caterer, we had plenty of prospects coming in the door. He couldn't take anymore. He was too busy as it was. Well, a traditional advertiser or a traditional marketing consultant would've come in and said, "Well, we've got to get the phone to ring more. You need a bigger yellow page ad, or you need more newspaper ads, or you need to be on the radio." Which, is just exactly opposite of what this business needed.

The needed training in step number two which was a better handling of every inquiry coming in, and so you can see the beauty in the flexibility of the system. This allows the consultant to go where the opportunity is the greatest and provide the most value to your client.

I hope this report has been some of the best marketing advice you've read in a long time. Richard's proven system of uncovering hidden marketing assets in a business is based on his 15 years of marketing consulting, and it works.