How to determine your Unique Value Proposition?

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To make sure European travellers book with you instead of your competitors, you need a Unique Value Proposition. This tells them what unique benefits you offer them. To determine these unique values, you need to analyse your destination and your product or service. Define your target market and learn from your colleagues and existing customers. When you have your Unique Value Proposition, use it widely to attract new business!

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Why do you need a Unique Value Proposition?

Your business's value proposition is one of the most important elements of your overall marketing message. A Unique Value Proposition is a basic marketing concept, in which you define what makes your product or service unique and valuable to your target market. It tells potential customers why they should do business with you, rather than with your competitors.

A good Unique Value Proposition describes:

- the benefits of your product (value)
- whose need(s) your product meets (the target market for your proposition)
- what makes you and/or your product different from the competition (unique).

Why should your ideal customer purchase from you, rather than from somebody else? If you can answer this question in one catchy sentence, you have a strong and unique value proposition.

To help you do this, here are our top 10 tips on how to define a good Unique Value Proposition for your tourism business.

For tips on how to use your Unique Value Proposition for online success, see our top 10 tips for being a successful tourism company online.

1. List the physical features and factors of your destination

To get started, you need to list the physical features and factors of your destination.

Look at your destination's:

- climate (tropical, sea breeze, desert)
- geography (river, mountain, sea)
- services (facilities, activities)
- icons (landmark buildings, topographical features)
- infrastructure (closeness to, or direct connections to specific services/icons).

Use this list to identify your destination's key competitive advantages. You can use the Travel & Tourism Competitiveness Index to analyse your country's performance. In which areas does it score well?

Be thorough: what is ordinary to you may be special to your potential customers.

2. Identify those aspects that are unique to your product or service

When you have listed the physical features and factors of your destination, you need to identify which of those are unique to your product or service. These are the benefits that set you apart from competitors.

There are several ways you can compare your features and benefits with your direct competitors:

- the Travel & Tourism Competitiveness Index this allows you to compare your destination's performance in the various areas of the index to that of your competitors
- Google searching you can try a general search on destination or type of product, or search for specific competitors that you know
- tourism associations (such as adventure or eco tourism) their websites allow you to compare the offers of both your national and international competitors in your specific market
- your destination's website on your destination's portal, you can compare your product to that of your local competitors
- international destination websites the portals of competing destinations allow you to compare your product to what is on offer at other locations
- Online Travel Agencies (OTAs) these websites can give you an idea of who your competitors are, so you can compare your product to theirs.

3. Narrow down your product or service

After identifying the unique features and benefits of your product or service, you need to narrow down your offer. You can do this by determining those aspects that your competitors cannot imitate.

Take your list of unique features and benefits and put an asterisk (*) next to anything that your competitors cannot easily duplicate or reproduce.

You should specialise. Do not offer everything, but choose the products that you feel will be successful.

Example:

As tourism companies often do, you may offer standard tours on your website, ones you have pre-planned for your (potential) customers. However, European travellers usually prefer their trips to be personalised. If your website does not make clear that you can offer customised tours, they might book with the competition.

4. Define your target market

Next, you need to define your target market. What kind of people would be interested in your product? What kind of people would you like to attract?

Ask yourself:

- Who are they?
- What are they looking for?
- What do they value?
- What problems might they have?

Keep up to date on trends and developments in your European source markets. Social phenomena often lead to new or changed wishes and therefore other concepts and products.

For tips on trends and developments that influence your target market, see our study about which trends offer opportunities on the European outbound tourism market.

5. Learn from your colleagues

Within your company

When determining your Unique Value Proposition, learn from your employees. They talk to clients and might know your business from a different perspective. This is also good for your company's team spirit. Discussing your Unique Value Proposition generates a sense of belonging among your employees. It creates support for the line of business you are choosing to set out.

From other companies

Also do research and make contact with other companies so you can learn from them and/or work together. You can meet these companies at local (or international) trade events, for example.

This could concern companies that offer:

- similar products at other destinations
- other products to a similar target market at your destination.

You can learn from these companies' Unique Value Propositions and strengthen your offer with product combinations.

6. Consult your customers

Look at your product or service through the eyes of your (potential) customer. They might value different aspects of it than you expect. You need to develop your products based on their perception, instead of your own.

Your existing customers are your best resource to learn about the value you offer. Find out how your customers define value, and whether their definition matches yours. Consult some of your recent customers. Tell them you need help in understanding the real value of the product you offer, and you would like to learn from their perspective. Ask them how they felt about your tourism product, before and after they experienced it.

Consulting your customers can be a real eye-opener. Sometimes the service you provide free of cost, or do not even think worth mentioning, has made the biggest difference for your guest.

There is this great example of a traveller who wanted to go on a wine tour. The website of the company in question said they offered wine tours. When the traveller enquired, the company responded quickly. The

traveller expected no more than a wine tour and a prompt and on-time driver. However, he was pleasantly surprised to get a personalised, educational wine tour. His tour guide was exceptionally knowledgeable and adjusted the wine tour exactly to the traveller's liking.

This wine tour company has a Unique Value Proposition that they were not communicating well enough. They did not need more advertising or an updated website to generate more business, they simply needed to define their Unique Value Proposition and clearly communicate it to their potential customers.

By now, you should be able to answer the question:

Why should your ideal customer purchase from you, rather than from somebody else?

7. Start writing phrases

Create phrases about your unique product or service that answer the question: Why should your ideal customer purchase from you, rather than from somebody else?

When writing your phrases, you should:

- make them short, clear, and concise
- use the words from the previous steps (unique benefits)
- make sure they are easy to communicate and understand
- avoid buzzwords, or obvious and meaningless slogans or clichés
- make them outcome-focused, emphasising the business value of your offering
- include how you are different from (or better than) your competitors.

8. Answer your customer's primary question: "What's in it for me?"

A good Unique Value Proposition makes the benefits of your products and services crystal clear from the outset. It needs to be to the point and phrased as a benefit to your customer. Your customer needs to know "What's in it for me?"

For example:

- Airbnb: Book unique homes and experiences all over the world
- Globus Faith: Walk in the footsteps of your spiritual leaders and explore the roots of your faith
- Yoga Traveller: Bespoke yoga retreats and yoga holidays that give you the absolute best of superior destinations, good-living food and daily, personal yoga experiences

9. Appeal to your customer's emotions

European travellers increasingly let emotional reactions and triggers influence their decisions. Therefore, your Unique Value Proposition should appeal to your customer's emotions. If you get it right, it will make your customers feel connected to your destination and its values.

Decide what specific emotional need of your target market your product or service meets. For example, travellers may wish to immerse themselves in local culture, clear their mind and relax, or embark on an adventure. Think about this from your customer's perspective and add it to your list.

10. Highlight your Unique Value Proposition

Your Unique Value Proposition is essential from the moment your potential clients become aware of your tourism business. Tell your visitor what makes your tourism company special right away. This increases the

chance that they connect with your message and keep on reading. Without a Unique Value Proposition, visitors may quickly dismiss you as just another hotel, tour operator or attraction, and move on to your competition.

Use your Unique Value Proposition widely. Give it a prominent place on your website and make it the basis of your marketing campaigns.

Use it in:

- all your marketing activities
- your telephone script
- the email signature for all your staff members
- your customer proposal, in which you should make it the core message.

So when defining your Unique Value Proposition, remember to:

- do what you can, do not try to do what you cannot
- do not pretend to be the best, but try to be different
- distinguish yourself, do not imitate.

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