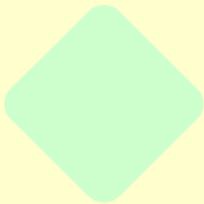


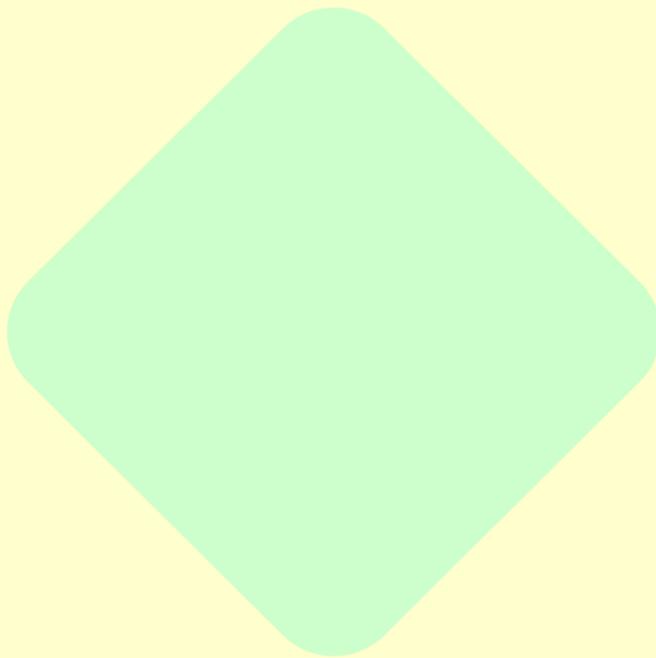
# salesmentor.



## **Product Positioning 101**

**Tips to improve your product  
positioning and supercharge your  
sales performance**

This short guide is full of practical suggestions to help you with your product positioning. It is intended to assist SaaS founders and their teams to become better at selling. It is based on over 20 years of experience, selling complex B2B SaaS and technology solutions.



## What is Product Positioning?

Product positioning means different things to different people. In broad terms, as David Ogilvy notes, it is all about *"what a product does, and who it is for"*. For us, it is all about explaining the benefits that your solution delivers to a target audience. Benefits, as we will see, are how the features of your solution deliver real value to a customer. Product positioning should focus on benefits rather than listing features. An example of a feature would be a financial portfolio software solution that provides alerts when a particular holding is downgraded. A key benefit of this feature would be freeing up time spent manually monitoring holdings to focus on higher value tasks, such as research.

The following 8 tips will help you to improve your product positioning:

### 1. Who is my audience?

Whilst many B2B SaaS start-ups have a relatively clear idea of what type of companies they are targeting, from experience, they are less clear on which individuals they should be targeting at these companies.

From a sales and marketing perspective, you may need to target several types of stakeholders depending on the solution you are selling. Generally, however, you should be targeting senior decision makers, as these have the authority to sign-off on budgets and can refer you down the food chain to the relevant colleague where necessary. The advantage here is that the referral from a senior colleague will make them sit up and listen.

The key is to get the language right when approaching a C level prospect. Your interactions with senior people should frame your proposition in terms of their priorities, such as reducing risk to the business, improving profitability, and complying with regulation. Contrary to popular belief, C level prospects are often eager to hear from other leaders, like you, and keen to know about innovations in their space.

LinkedIn is an invaluable resource to find decision makers at your target prospect firms, allowing you to search on specific job titles and level of seniority. You also get to see contacts you have in common, which is a useful icebreaker when contacting them for the first time.

## 2. Value proposition

You need to communicate your value proposition in compelling language that will cut through the noise and grab the attention of the target audience. Above all, you need to refer to your product as a “solution”. Businesses decide to purchase SaaS solutions to solve a real problem they are facing. A problem is real when it costs them money, time, or risk to their business. All businesses face some of the following problems:

- having enough time
- having sufficient resources/money
- uncertainty about the future
- staff retention
- financial performance (cashflows/profitability)
- industry-specific regulation and compliance

Instead of talking about your offering in terms of features, you need to concentrate on communicating the benefits of your solution. Benefits can be benefits to the company the prospect works for and personal benefits to the individual.

For example, instead of explaining that your solution provides alerts for changes in a stock price of a security in your portfolio, explain the benefit to the portfolio manager:

*“you will have more time to concentrate on higher value tasks such as research instead of monitoring”, or*

*“timely alerts mean you avoid losses and deliver better performance to your clients”.*

## 3. What is my Unique Selling Point (USP)?

In an crowded marketplace, what sets your offering apart from all the rest? This could be something like the quality of service or the unique design of your offering. Apple has made a reputation for itself by creating customer-centric technology that is intuitive and so easy to use that a 5-year-old can operate a tablet. From my experience of working with SaaS providers, a particular solution might do lots of different things, but there

are usually one or two pieces of functionality that provide the most value. Concentrate on identifying what these are by engaging with your existing customers. If you have already a working product, when was the last time you asked existing customers what they value the most about your solution? You might be surprised by the response. If you are in the process of building a solution, you should engage with your target market asap to establish whether it addresses a real need. Many a start-up has failed because it did not address a real need.

There are lots of tools out there where you can deliver short online surveys, such as [surveymonkey.com](https://www.surveymonkey.com) or you can do it the old-fashioned way and get on the phone.

#### **4. Keep it simple**

Less is more when it comes to your messaging. Your value proposition should be easy to understand and free of jargon. Put yourself in your prospect's shoes and frame your offering in terms of their priorities. It is helpful to think of your message as an elevator pitch. In other words, if someone asked you what your company does, you should be able to explain this in a short sentence or two, which anyone could understand, and which clearly states the benefits.

#### **5. The importance of “you”**

What is the most persuasive word in the English Language? It is “you” and we often forget this. How many salespeople have you come across who constantly talk about themselves or their company and how great they are? They almost always frame their pitch in terms of: “*we are the leading provider of fixed income software*” or “*I cover the largest asset managers in the UK*”. Guess what? The prospect does not care about you or your company. She cares about herself and her position in the company she works for. Make a conscious effort to put yourself in your prospect's shoes by framing your product positioning and interactions in terms of “you” whenever possible. For example: “*Data Solutions Corp helps leading asset managers, **like you**, to reduce the time and money spent on data cleansing.*”

## 6. Test your Value Proposition

It is crucial to conduct A/B testing on your value proposition so you can improve it.

A/B testing is a way of comparing two versions of a webpage or value proposition against each other. The idea is to find out which one performs better in terms of converting. Conversions can be measured in several ways, including, signing up for a newsletter, scheduling an initial consultation call or making a purchase. There are many companies out there that can help with the technical aspects of A/B testing your value propositions.

## 7. Build a story

In her excellent book, ***Obviously Awesome – How to Nail Product Positioning so Customers Get It, Buy It, Love It***, April Dunford stresses the importance of translating your product positioning into a story, which a salesperson can use to make a pitch. According to April Dunford, this story should:

- Define the problem that your solution solves
- Describe how customers are trying to solve the problem currently and how this falls short
- Describe the features of the perfect solution
- Introduce the product and position it in the relevant market category
- Explain each area of value or “value themes” and provide details on how the solution delivers that value
- Provide additional information on dealing with, for example, common sales objections, case studies and lists of existing customers
- Include information on the next steps for the prospect to take

## 8. Get your message out

Now you need to get your message out to your target audience. This involves online marketing, cold-calling, and referrals. With any business, particularly small ones, resources for marketing are often limited and it is

imperative to focus on where you will get the most return on investment. In the B2B space, LinkedIn is a good place to start. Subscription modules in LinkedIn, such as Sales Navigator, allow you to conduct focussed searches on your ideal target client. You can easily see how they are linked to common contacts in your network, so you can start contacting them to introduce what you do. Here, your short elevator pitch can be used to good effect.

Email is also another way to target potential clients, however, you should avoid spammy messages which include typical “sales” language such as “new” and “discount”. More than ever before, we are being overwhelmed with junk email and sales pitches. Ask yourself, whether you would open the email you are drafting. Ideally, the email should be short and to the point. You should have a clear call to action, such as scheduling an introductory call or a link to request more information.

Also, it is a good idea if you can share some content, be that some output or piece of thought-leadership, with your target audience. This creates trust and starts building credibility.

### **Schedule a call to get expert help with your product positioning**

This guide offers just a few tips which we hope you find useful. For bespoke help with your product positioning (plus other aspects of growing your business), please contact us at:

[enquiries@salesmentor.io](mailto:enquiries@salesmentor.io)

[www.salesmentor.io](http://www.salesmentor.io)

