



## Curse of the USP

The ultimate task of Marketing is to relevantly differentiate your company and its products from competitors. However, in search of differentiation, many of us select USPs haphazardly, sometimes being different just for the sake of being different.

*"In order to be **irreplaceable** one must always be **different**."* said Coco Chanel, the French fashion designer & businesswoman (1883-1971). At the start of the feminism Coco pioneered pants for women and led the sun-tanning trend.

### USPs should be CUSPs

Decades ago, when Philip Kotler modified UP (Unique Proposition) to USP (Unique Selling Proposition) he was addressing the same problem that still exists today! Marketers are choosing UPs that are not necessarily Unique *Selling* Propositions. An elegant solution to combat this common error is to adjust the USP acronym to CUSP (Competitive Unique Selling Proposition). CUSP is a distinct reminder that differentiation or uniqueness must lead to a pointed end - CA (Competitive Advantage).

In search of Competitive Advantage, too many marketers are also unaware of the hidden gifts in selecting *competitive* USPs. Very often, differentiation or CUSP opportunities are right under our noses...we just need to know where to sniff. By doing what their competitors do, but by doing it *better*, McDonald's is very distinctive. You see, their Key Success Factors are convenience, consistency and value-for-money, and as boring as it sounds, are their CUSPs. McDonald's focused, pre-emptive and synergistic strategic thrusts of 'owning' kids, makes them really distinctive.

### Competitive Advantage

*"If you don't have a Competitive Advantage, don't compete."* Jack Welch

In his book, Competitive Advantage, Michael Porter emphasizes that competitive advantage is what it's all about, never even mentioning USPs, but rather referring to uniqueness as differentiation or distinctiveness, which leads to CA.

Low-cost and/or Differentiation: (See Diagram.)

Low-cost production is an obvious method to seek out CA, however, only *one* company can really be the low-cost industry leader, which essentially is 'differentiation'. Apart from the *low-cost leader*, all other players need to differentiate by attempting low-cost proximity (parity), but almost *exclusively* will have to rely on *differentiation* for their CA.

### The curse of irrelevant USPs

Logically, to survive in a hypercompetitive environment, you will need difficult to imitate and relevant USPs; this would equate to a competitive CUSP or Sustainable Competitive Advantage (SCA). Lets look at five USPs which are not CUSPs:

1. A beauty soap manufacturer decides to do a bit of market development, and enters the dishwashing liquid category with its excellent USP that works for the beauty soap category. "Now you can also moisturise your hands while

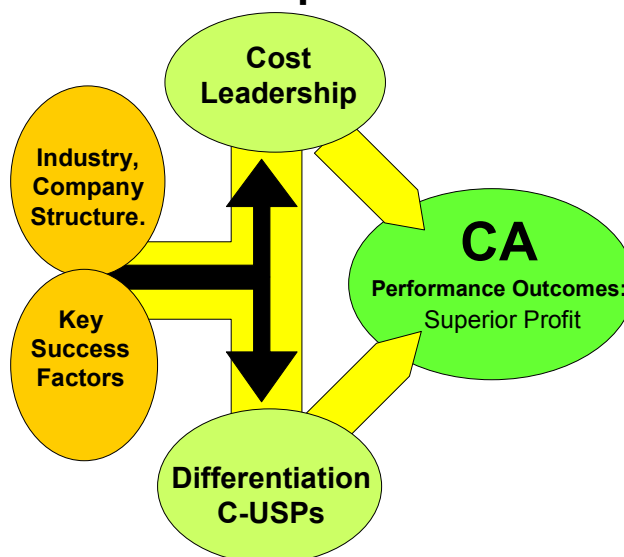
doing the dishes.” Disaster. Why? Because *Key For Success* in washing dishes is cutting grime, not leaving a creamy residue over them. Secondly, by launching the dishwashing liquid as a ‘beauty’ brand-extension, it will reposition the beauty soap as a dishwashing liquid! Both categories would be hurt.

2. A fast-food franchise, introduces the longest menu in the industry. Disaster. Why? Because Key for Success for fast-food is speed, availability of all ingredients, and consistency of flavour and service, which the extraordinary menu hindered.
3. A beer is repositioned for a rave club market with a modern look-feel. Disaster. Why? Because Key for Success for a beer label is ‘heritage’, not a modern or contemporary look. (We drink with our minds not just our taste buds.)
4. A light beer is differentiated using mud-wrestling babes in their TV campaign. Beer sales decrease. Why? Because image or ‘copy’ positioning was not a Key Success Factor to unlock their target segment. All they needed to do was mention that the product had less calories (CUSP).
5. With the heavy road death-tolls, a car manufacturer becomes the first to throw in a free funeral policy...really making them unique!

### Summary

Key Success Factors, a combination of internal and external drivers, are the very reason why all businesses are *actually* in business. A Marketer must first make sure all the Key Success Factors (KSFs) or points-of-parity are achieved for the category (competitive positioning), then brainstorm ‘differentiation’ or CUSP strategies. I.e. do what your targeted segment really needs, and then differentiate on being the best within the Key Success Factor range, and if you can add another CUSP, then that’s a bonus. If speed-of-delivery is a KSF in your industry, be different by being the fastest supplier - that *does* actually make you ‘unique’.

## CA: Cost Leadership or Differentiation



**Diagram:** CA is a by-product of Low Cost Leadership and/or Differentiation. Industry Structure & Key Success Factors (Competitive Positioning) play a major role.