

VALUE PROPOSITION & MARKET FIT

KNOW WHAT YOU'RE OFFERING TO EXPORT CUSTOMERS

KEY TOPICS

- What a value proposition is
- Getting the most from your value proposition
- Confirming market fit
- Knowing your customers
- Selling through the value chain
- Where to go for help
- Useful tools



**EXPORT
ESSENTIALS
GUIDES**



Once you've identified a potential market, you need to make sure there's a real opportunity for your product or service. That starts with understanding your value proposition – the unique benefits that customers get from your product or service – and testing it to establish a market fit in the country you're targeting.

What a value proposition is

Your value proposition is a statement of the benefits that customers get from your product or service which they can't get anywhere else. This is the fundamental thing that your customers are actually paying for.

Shorter is better with value propositions. You should be able to explain what a customer will get from buying your product or service in a single statement.

To help you work out your value proposition, ask yourself these questions:

- Who is your target customer?
- What kind of problem do you solve for them?
- What benefits does your customer get from your product or service?
- Can you put numbers on the benefits that your customer experiences?
- How do these benefits make your customer feel?
- How does your competition try to solve the customer's problem?
- What's unique about your offer compared to the competition?

Don't get side-tracked by focusing on the features or components of your product or service. You might find out that customers are buying from you for very different reasons than you think – in fact, sometimes they might understand your unique value proposition better than you do. Take that knowledge and use it.

Getting the most from your value proposition

Your value proposition is a very powerful selling tool. Once you've defined what it is, put it to work across all of your marketing efforts internationally.

Make sure it's at the heart of your sales campaigns, and up front and centre in your sales and marketing collateral – including your website and social media channels. The more consistent you are with using your value proposition, the faster your potential customers will get the message.

PITCHING WITH YOUR VALUE PROPOSITION

Good value propositions make great sales pitches. Decision-makers want to know what they will get out of your product or service, rather than its technical features - a clear value proposition sets out “what’s in it for them” in a single statement.



Confirming market fit

Once you know your value proposition, you’re ready to confirm whether there’s a market fit between what you’re offering and what potential export customers want.

Market fit is all about providing the right product or service, to the right customer, in the right market, and at the right price. You’ll know you’ve achieved market fit when potential customers can tell you why your offering is valuable, and are willing to pay money for it.

Test your value proposition against your target market by doing as much research as possible - starting with desk research from New Zealand, and following up with visits to the market to get information directly from customers and industry players.

Not all markets are like New Zealand, and customers can differ from country to country, city to city, or even suburb to suburb. You might find you have to modify what you offer to fit the market, or that there isn’t an opportunity for what you offer at all.

MARKET RESEARCH

You can’t confirm market fit without knowing your market! We’ve created a whole Export Essentials guide dedicated to market research.

 [check it out here](#)



Knowing your customers

One of the most important steps in confirming market fit is talking to and understanding your customers.

Once you've determined that there's a potential market for your product or service, you'll need to answer some key questions about your potential customers before entering the market:

- How much will they pay?
- How do they buy?
- Who and where do they buy from?
- Who influences their buying decisions?

Selling through the value chain

When exporting, there'll often be more steps between you and your end customers than in New Zealand. You could be dealing with a broker or agent, an importer, and a distributor as well as the retailer who sells your product to consumers. For example, this is what the US food distribution chain looks like.



All of these steps in the value chain are also your customers - you need to understand their needs just as much as the final consumer who walks away with your product or service. Think about how your value proposition connects to them, and you'll have a much better chance of ultimate success in the market.

Where to go for help

Regional Business Partners

The Regional Business Partner Network (RBP) has specialist growth advisors available to provide you with advice, information and connections to support your business.

 regionalbusinesspartners.co.nz

STRIDE

Designed by the Marketing Association of New Zealand, STRIDE is a series of marketing workshops presented by small business owners for small business owners.

 stride.org.nz

IDEO U

Learn practical skills online to help you uncover insights into your customer's world.

 ideou.com/products/insights-for-innovation

Kea

For the past 15 years, Kea has built a unique and strategic national asset: a borderless nation of Kiwis and friends of New Zealand around the world, bound by a passion to help New Zealand succeed on the global stage.

 keanewzealand.com



Useful tools

You can find a Value Proposition Canvas to help you develop your value proposition, available for download from Strategyzer:

 strategyzer.com/canvas/value-proposition-canvas

More handy tools and templates including an Export Plan template are available to download at

 nzte.govt.nz/tools-and-templates

Get a fuller picture of exporting with our other Export Essentials Guides, available for download at

 nzte.govt.nz/export-assistance/export-essentials-guides

The New Zealand Story is a free toolkit that provides a simple set of brand values, images, videos and presentations that can help you define your value proposition and promote your business offshore.

 nzstory.govt.nz



About NZTE

Export Essentials resources are brought to you by New Zealand Trade and Enterprise (NZTE), New Zealand's international business development agency. We exist for one purpose: to grow businesses internationally, bigger, better and faster, for the good of New Zealand.

We're here to help you get the right focus and information at the right time in your exporting journey, whether you need practical help to get started, a deep partnership to develop a fully global business, or anywhere in between.

Find out more at nzte.govt.nz/about or get in touch with us: nzte.govt.nz/contact-us

Go further with Export Essentials Workshops

Wherever you want to take your business next, it's good to know you're on the right track. NZTE's Export Essentials Workshops put you in full control of your export plans, using lessons learnt by New Zealand businesses in markets around the world.

Find out more and register for upcoming workshops at nzte.govt.nz/essentials

