

CONVERSION MACHINE

MODULE 1

Profit Optimization

LESSON 4 Worksheet
Customer Theory

Customer Theory

A customer theory is the compilation of all your customer learning.

It represents who you think your customers are, their problems and their motivations in buying your product or service.

Your customer theory includes three documents:

- Brand positioning statement
- Value proposition
- Customer Persona

Complete the three sections in this worksheet as best you can using the hints.

You can either print this worksheet and do it by hand, or label take notes in a document of your own

Don't worry if some of this is just guess work!

You'll test your assumptions through the conversion optimization process and iterate on these documents later on.

Good luck!

Customer Theory

Brand Positioning Statement

Product

The name of your brand or product sub brand.

Category

The marketplace or niche that your product fits into.

Target Audience

This is who you think your customer is now, and what there one true goal is. Consider what problem your product enables this person to solve.

Customer Theory

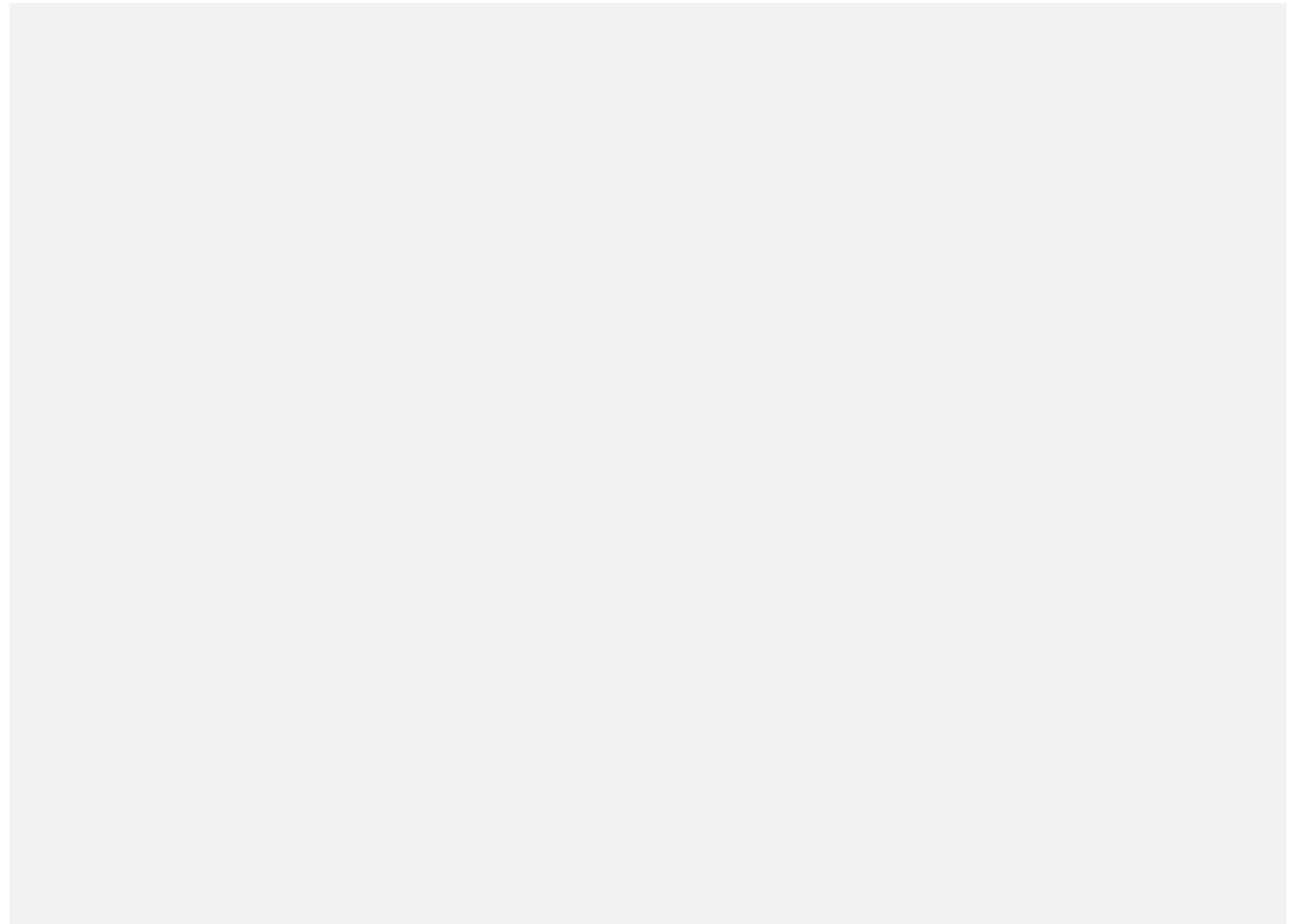
Brand Positioning Statement

Brand Promise

Your brand promise is a statement that combines who your customer is, what one true goal you help them achieve is, and how you do it uniquely.

Try writing your brand promise using the framework below:

“[Your product or service] helps [your customer and their current situation] achieve [their one true goal].”



Customer Theory

Brand Positioning Statement

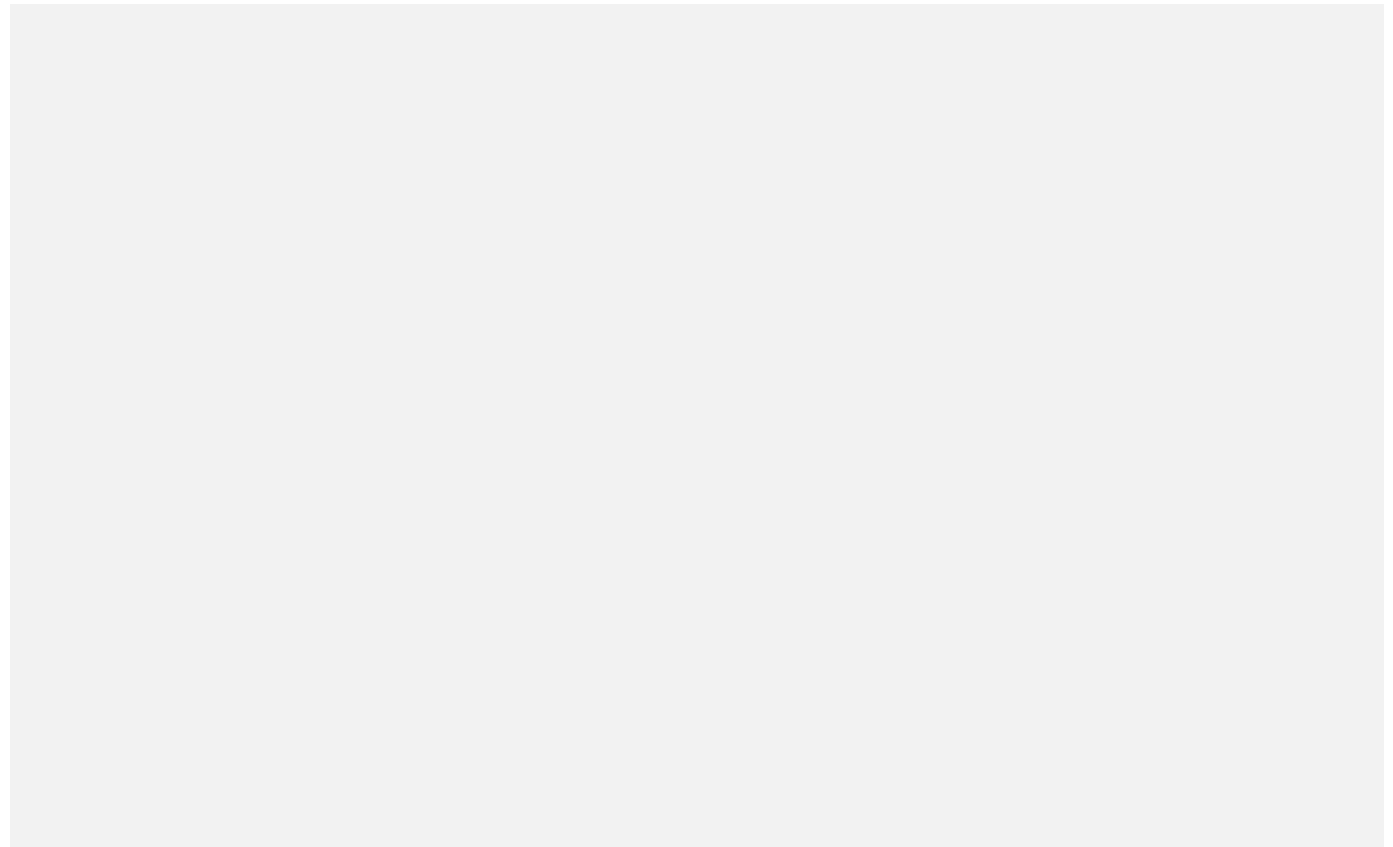
Brand Hook

Your brand hook is a statement that represents your unique or compelling method of achieving your customers one true goal

Again here is a framework to help you create this statement.

Most people believe they have to [common mistake] to be able to get [their one true goal].

Instead we've learned that [your unique method] is the key to success if you want to [their one true goal].



Customer Theory

Brand Positioning Statement

Differentiator

This is how you uniquely enable your customer to complete their one true goal

Now while it is easy to say, “be unique”, actually being (and especially sounding) unique is very difficult.

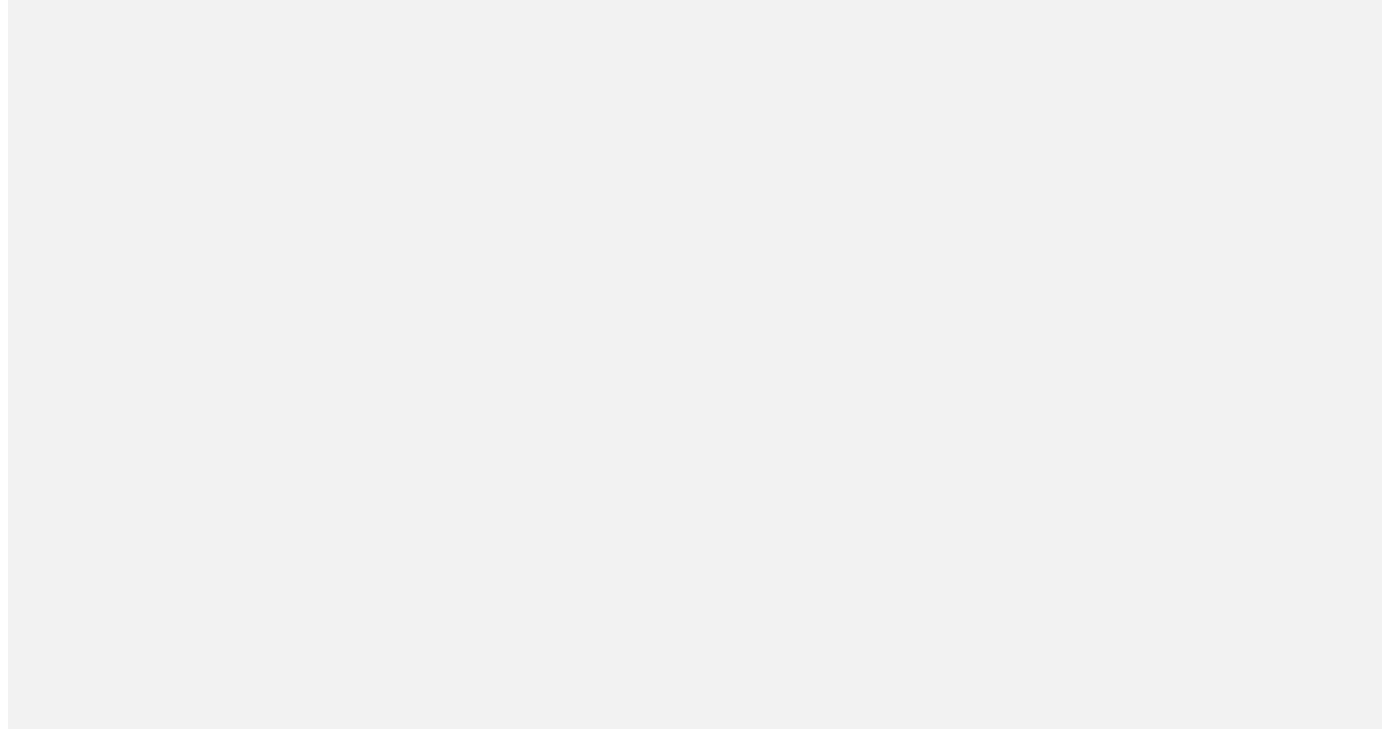
To help find language to differentiate your product I’ve put together a list of “differentiators” you can consider to help you understand what makes your product or service unique.

- *Newness, e.g. ipod, segway*
- *Customization, e.g. vans vs converse*
- *Lifestyle marketing or status symbol, e.g. Ray bans vs unbranded sunglasses*
- *Usability and design aesthetic, e.g. Nest*
- *A discounted price*
- *Free shipping*
- *Fast shipping / Next day shipping*
- *Free bonus with a purchase*
- *Free setup / installation*
- *No long-term contract, cancel any time, e.g. month by month contract*
- *License for multiple users vs 1*
- *Money-back guarantee*
- *Peer or social endorsement, e.g. Celebrity association*
- *Performance*
- *Convenience, e.g. An online course vs finding and compiling learning materials*

It may also not be just one item on this list, it may be a blended recipe or combination of things

Brand Positioning Statement

Differentiator (continued)



Customer Theory

Value Proposition

Headline

Your headline should focus on the outcome or benefit of using your product or service. What is the result the your customer wants?

Subheadline

Your sub headline, this is often a two to three sentence paragraph. This should focus on how your product or service enables the outcome (your headline) and what is special or unique about that result or the process to it.

Customer Theory

Value Proposition

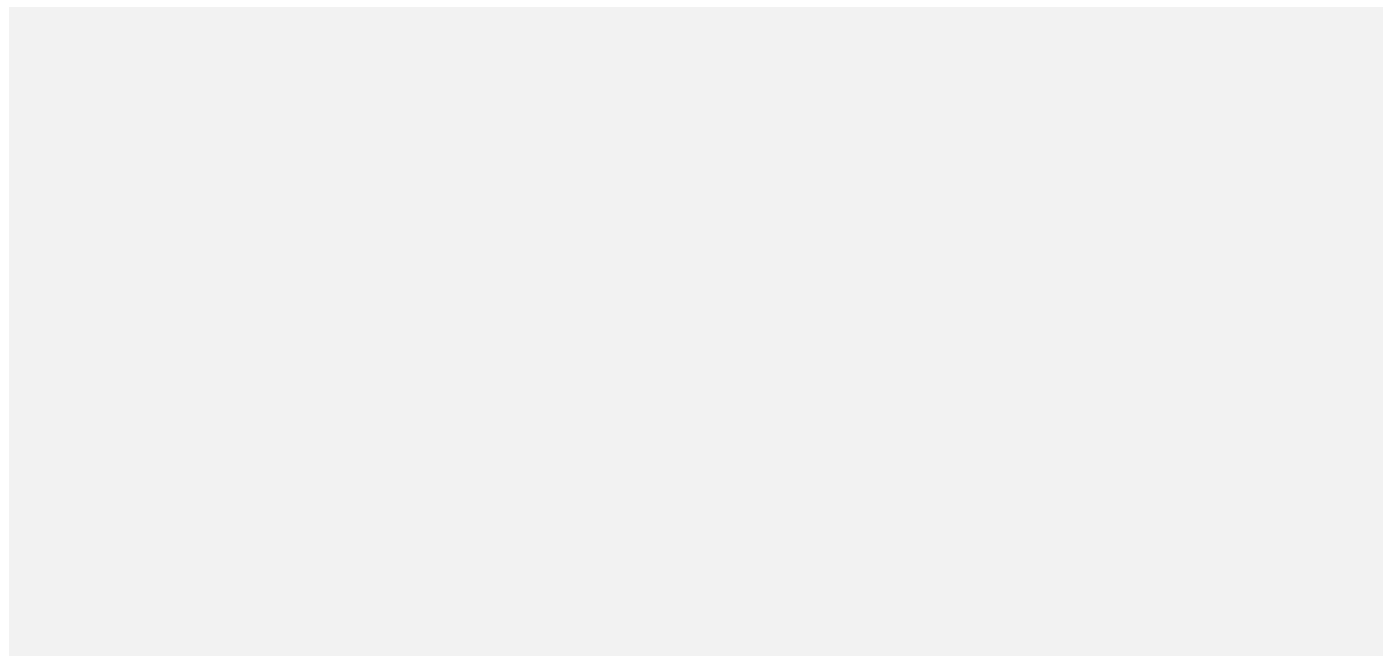
Bullet points

This list should further communicate the benefits and unique values your product has to offer. The easiest way to create this list is to take your top three features, those that you perceive as high value to your customers and bullet point their outcomes or benefits.

For example if you are a marketing software company and offer a landing page creation tool then the benefit of this feature or tool would be lead generation.

Don't forget to ask yourself how or how you uniquely enable lead generation. Does your tool work out of the box and is therefore fast, does it allow complex customization or integrations?

Turn your features into benefits and position them to what your target customers value most.



Customer Theory

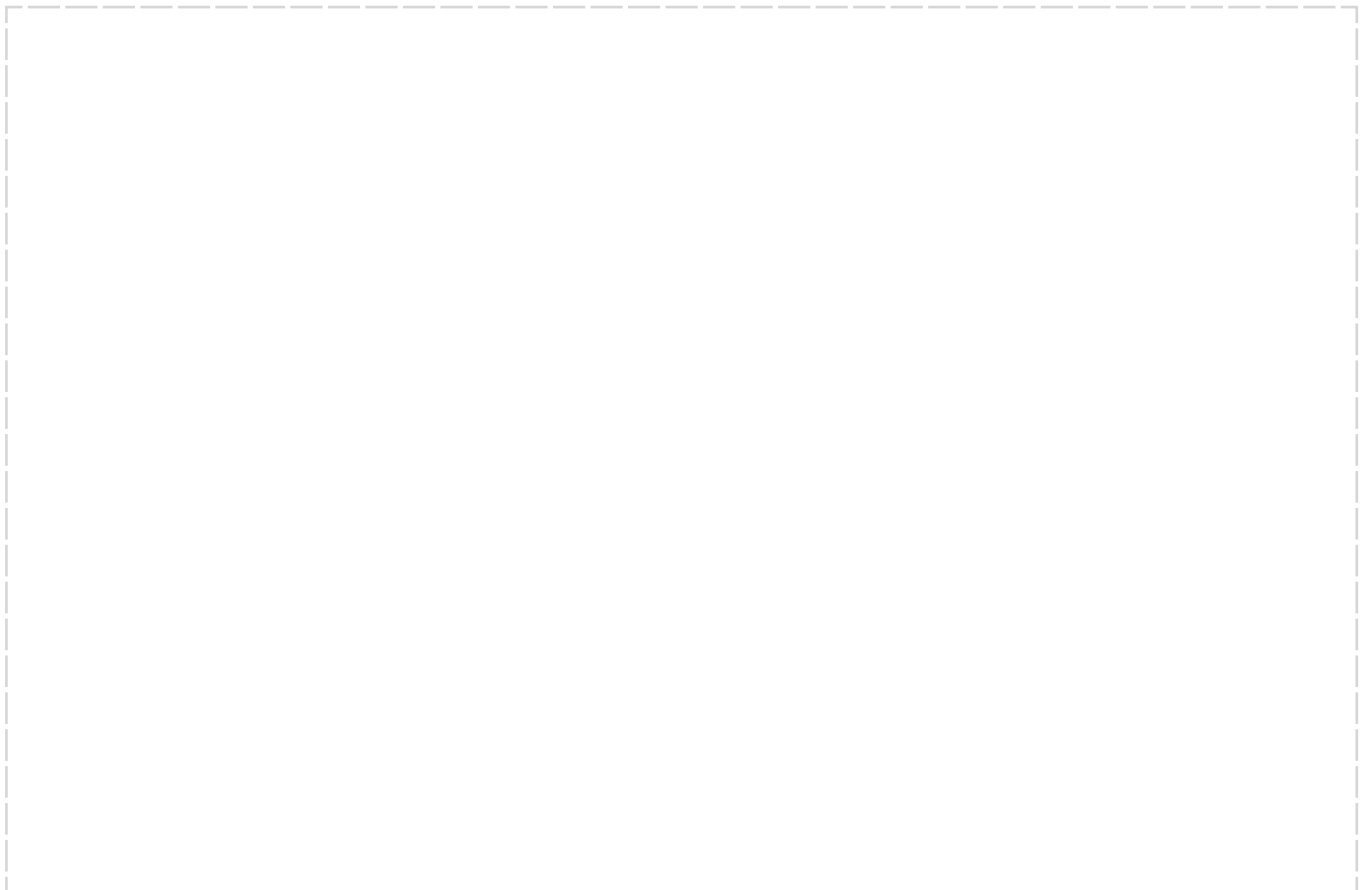
Value Proposition

Image / Visual representation

The images or video that support your copywriting should illustrate the product or service further. Shopify makes good use of two images in it's value proposition to showcase it's two core products: ecommerce websites and point of sale systems.

The benefit communicated here is that you can sell online and in store using an integrated system.

Select an image, video or images (maximum 3), that best articulates your product or service.



Customer Theory

Value Proposition

Call to Action

When it comes to designing your website for higher conversions you need to pick one main task for the user to complete on each page. Simple examples would be “Buy Now” if your users are looking for impulsive gratification or “Click Here To Learn More” if they need to be well informed to make a decision.

What call to action will bring your customers down the sales funnel?

Social Proof

As we know people are skeptical when making purchasing decisions and often need proof to push them over the conversion line. List here what you could use to prove your claims: What testimonials, metrics or case studies show your product or service does what it says it can.

Customer Theory

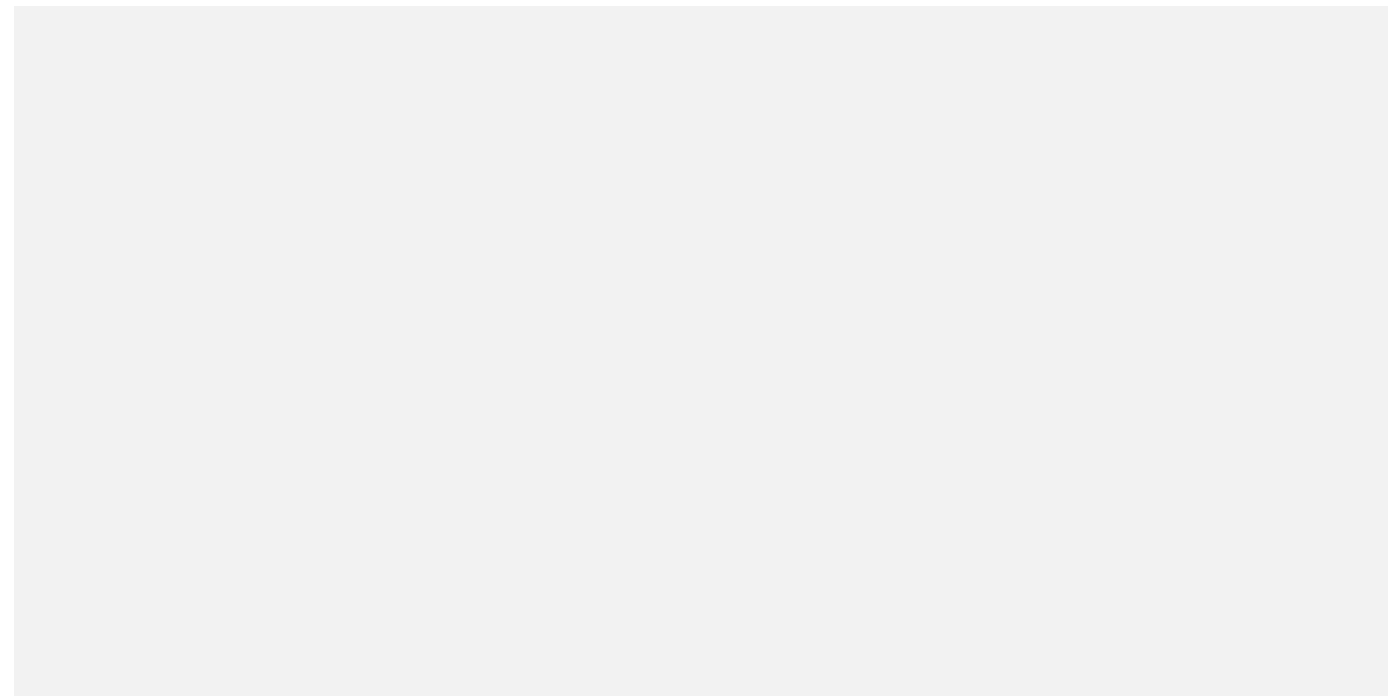
Value Proposition

Credibility

Similar to Social Proof this is why your customer should trust you as the expert. What qualifies you (or your brand) to teach them, advise them, have the knowledge to solve their problems.

You can reference people in your company or yourself and show credibility such as:

- *Past experience or length of experience (10 years in the industry)*
- *People you've worked with in the past (company logos or people)*
- *Publications you've been cited on or written for (blogs, newspapers, magazines)*
- *Organization you are associated with (mentorship programs, clubs, associations)*
- *Qualifications (higher education, practical qualifications)*
- *Awards or recognitions (industry awards or prizes awarded to you or your business or employees of your business)*



Customer Theory

Value Proposition

Guarantee

Even when you have amazing metrics like Basecamp to show off your product people want, and often need, guarantees in order to convert. This can be in the form of a free trial or a money back guarantee.

How do you remove risk and guarantee your customers happiness?

Obstacles to purchasing

List the main reservations people have around buying your product or service. What are the common reasons people don't complete a purchase with you?

Customer Theory

Customer Persona

Demographics

Name

Age

Sex

Location

Position (if in a large company where you need to focus on decision makers)

Image

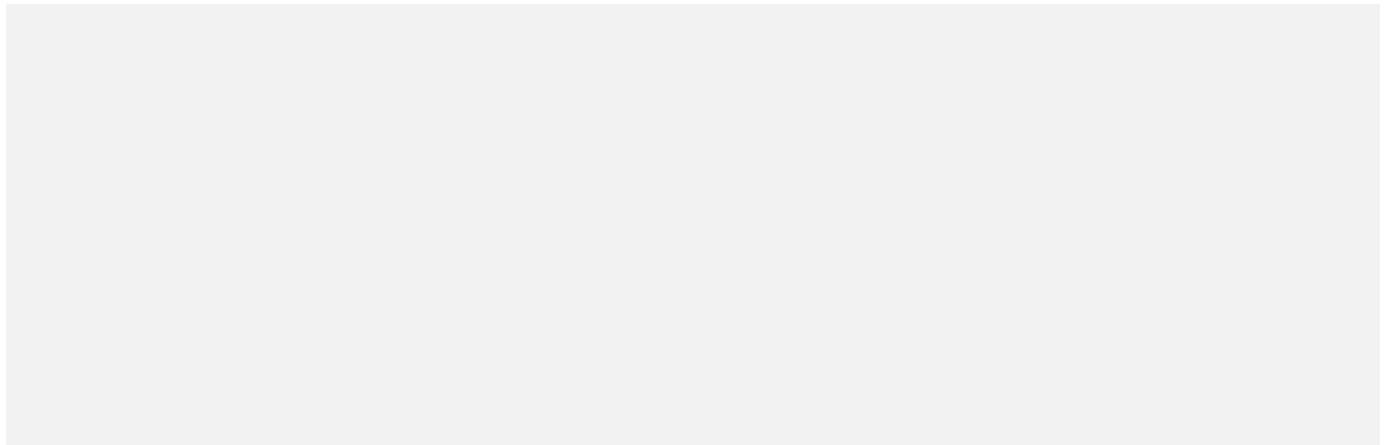


Customer Theory

Customer Persona

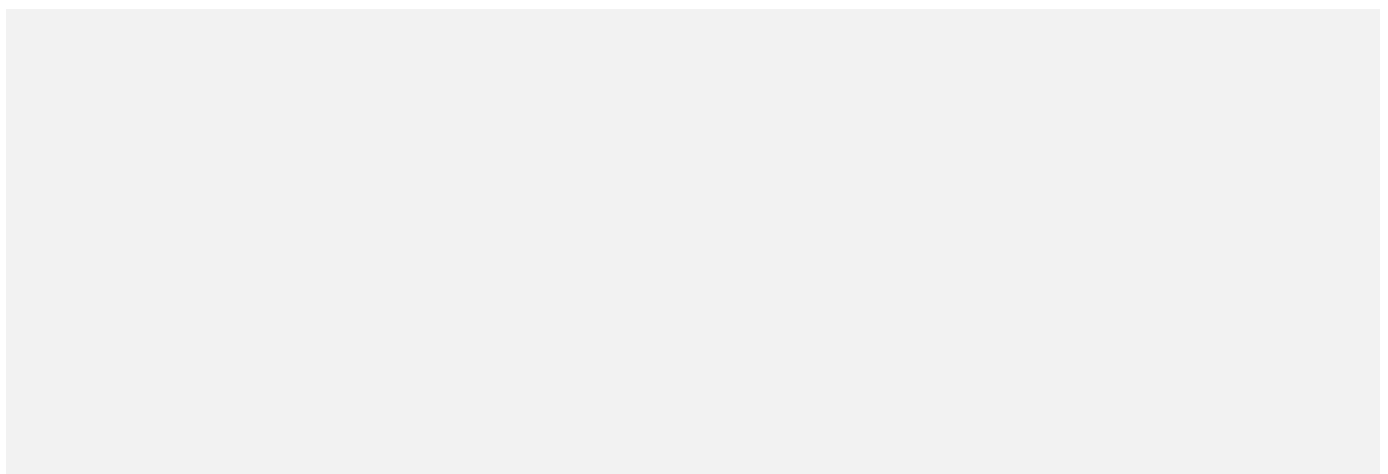
Behavioral drivers

These encompass the customers' goals, what they want to accomplish, their challenges, their journey to finding your company.



Obstacles to purchasing

Consider the hesitations and concerns the customers have. How do they view your product and how does that impact how much information they need to make a decision?

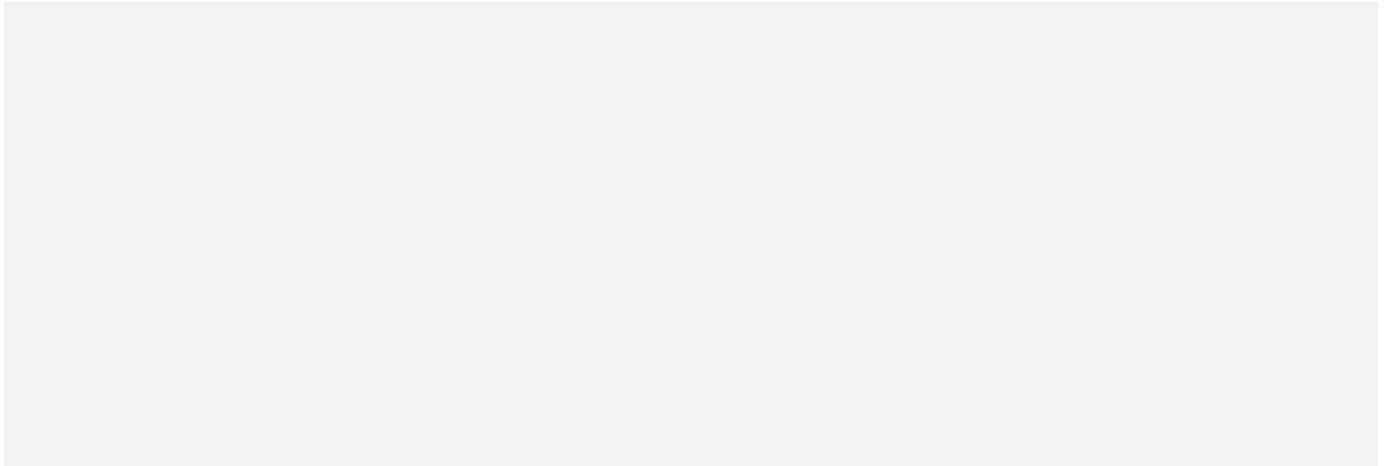


Customer Theory

Customer Persona

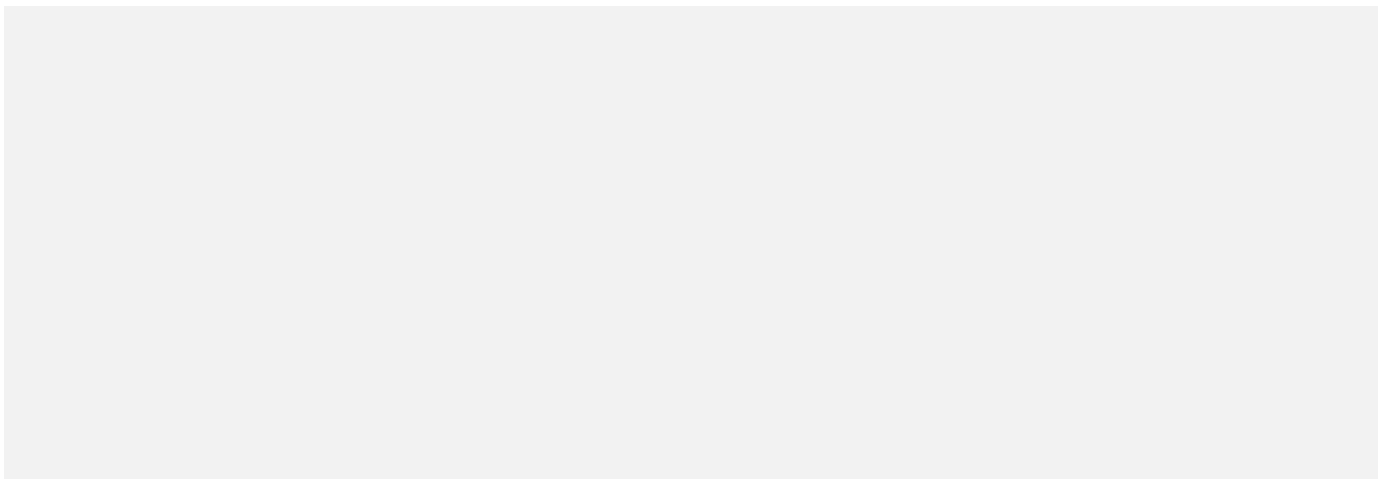
Mindset

The customers arrive at the buying experience with expectations and preconceived notions. What are they?



Visitor Vocabulary List

This is a list of the most commonly used words your prospects uses. Specifically the word they use to describe their problems and desires.



Customer Theory

Customer Persona

Real Quotes from Customers

These are things real customers have said to you in interviews or emails or in person. They should again explain how they feel about their problems and pain points and what their one true goal is.

