

Building a Positioning Statement



The objective here is to develop a message you can present to customers/investors—and in some cases, users—that **conveys the essential purpose of the company**. It is not a noble mission statement, but the practical reason you have (or will have) a business.

In a startup, the *positioning statement* is a hypothesis that needs to be tested over and over again with many, many potential customers. During your *customer discovery*, this message will almost always need to evolve and/or be polished - that is the point of discovering who your customers are! And as your company grows and becomes established, **your positioning statement evolves to also become your brand**.

It will inform your 20 second pitch; when someone at a networking event asks “What do you guys do?” It should be **brief, meaningful, and memorable** (all 3 or nothing!).

We recommend using the format presented in Geoffrey Moore’s [Crossing the Chasm](#), and have included space for your answers below:

For <target customer> who <statement of the need or opportunity>, the <product name> is a <product category> that <statement of key benefit – that is, compelling reason to buy>. Unlike <primary competitive alternative>, our product <statement of primary differentiation>.

1. Who is *Product X* for?

(Customers/users – can they recognize themselves here?)

2. Why do they need *Product X*?

(What is the pain point you’re solving?)

3. What is *Product X*?

(Something useful, described in terms that the customer can understand. References to existing product categories can be useful)

4. What does *Product X* provide?

(The benefits of your product/service)

5. Why pick *Product X* over competitors?

(What does the competition do that is not as good? Who are they?)

6. What does *Product X* do?

(Is it something useful?)

7. What else does *Product X* provide?

(Any other significant benefits)
