



Value Proposition

A value proposition is a statement that answers the 'why' someone should do business with you. It should convince a potential customer why your service or product will be of more value to them than similar offerings from your competition.

Four types of values include: functional value, monetary value, social value, and psychological value. The sources of value are not equally important to all consumers.

Functional Value

- This type of value is what an offer does - it's the solution an offer provides to the customer.
- An example of a functional value for an Equine Boarding Facility would be the cumulative offering of services that meet your client's needs.



Monetary Value

- This type of value is measured by comparing the function of the price paid relative to an offerings perceived worth. This value invites a trade-off between other values and monetary costs.
- An example of a monetary value for an Equine Boarding Facility would be a pure comparison of basic cost of comparable facilities within a region. These clients will be the most cost sensitive and are often willing to trade access to services for a lower cost.

Social Value

- A social value proposition is a way of describing the benefit that your product or service offering has to your target audience. It answers the hidden questions that every potential customer is subconsciously asking when learning about your products and services: "So what?" and "What's in it for me?"
- Social value, in the context Equine Boarding Facility, would encourage you to market your business by describing your services and offerings in a context that goes beyond the basics of equine boarding. For example, you might develop a strategy to appeal to clients who are interested in the community of boarders at your facility adult, teens, children – recreational, competitive within a specific discipline – riders who like to trail ride, etc.

Psychological Value

- Psychological values often evoke a sense of basic principles of right and wrong (e.g., moral values), a sense of priorities (e.g., personal achievement. vs group good), and respond to your client's interest to make their selection of an equine facility meaningful, beyond their personal interests.
- Examples of psychological values in an Equine Boarding Facility;
 - ◇ your use of environmentally friendly equipment and products such as high efficiency lighting and heating, the use of green/organic farm products (ie., cleaning)
 - ◇ offering your services to a disadvantaged group
 - ◇ before your client's horse arrives at your facility their stall will be disinfected using Virkon and sickness prevention protocols will be adhered to before herd introductions take place.
 - ◇ you test your hay, work with a nutritionist, and keep top quality small square bales in front of all horses 24/7.



Remember: The sources of value are not equally important to all consumers. The importance of this analysis, as a step in the development of your marketing strategy, is to define your own values, identify how they are reflected in your equine facility, and to intentionally promote those values.

Turn your passion for horses into a business in the equine industry. Learn how to develop marketing and business plans, create budgets and set up financial records, manage operations and establish yourself as a professional with our [Certificate in Equine Business Management!](#)