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The Value Prop Generator:

How to Craft a Value Proposition your Buyers Can't Refuse

By Jill Konrath, author of SNAP Selling and Selling to Big Companies

The single biggest obstacle preventing salespeople from getting in front of decision makers is a weak value proposition. If you want to set up a meeting with today's crazy-busy decision makers, you have to punch it up.

Here's why: Time is short and most savvy buyers protect what little free time they have by hitting the "delete" button as soon as they come across an unsolicited e-mail or voicemail from a self-promoting salesperson. If you utter these offenses over the phone, you're typically blocked by an administrative assistant. If you do manage to connect with the buyer, you're stopped with an immediate objection: "We're already working with another company. We're all fine here."

But what do your prospects consider self-serving or offensive? Anything about your products, services or solutions. They're not one bit interested in learning about them – even out of curiosity or to stay up-to-date. They're simply too busy for that.

Also, the very same buzzwords that marketing gives you to impress your prospects totally turns them off. They detest words and phrases such as *leading edge, robust, exciting, state-of-the-art, innovative and award-winning*. It irritates them because it's so irrelevant to what they're trying to accomplish.

Nor do they care about your unique selling proposition or competitive differentiators. While many sales experts tell you to tout these, the truth is that they have a negative impact on someone who's not looking to make a change.

In short, everything you "think" you should emphasize when you're selling actually works against you and turns your customers off. Instead of getting your foot in the door, you're getting deleted into oblivion.

You have to realize that your prospects don't care what you're selling. They only care about what it'll do for them! And that's where a value proposition comes in.

What is a Value Proposition?

A *value proposition* is a clear statement of the tangible business results customers can expect from using your products, services or solution. Its purpose is two-fold:

1. To capture the attention of prospective customers who could find value in your offering but don't know it yet.
2. To enable you to get your foot in the door to set up a meeting.

The key to a strong value proposition is to speak your prospect's language. This alone sets you apart from 95% of the other sellers out there.

Here's what you need to remember: The only thing your prospects are interested in is solving their business problems and reaching their objectives. They don't want to change from the status quo because it's too much work.

But a strong, compelling value proposition stops them in their tracks. They immediately pay attention. They want to learn more. It's your secret weapon – the key that opens all doors.

Value Proposition = Business Driver + Movement + Metric

The strongest value propositions include these three key components:

Business Driver

Business drivers are what your prospects really care about most. They're what your prospects are evaluated on at the end of the quarter or the year. And they vary by position.

A senior executive might care about revenue, operating costs or acquisition integration. The VP of marketing might be focused on lead generation or share of customer. The VP of HR would be concerned with turnover and benefit-spend. Mid-level decision makers might be more interested in productivity, up time or operational efficiency.

This is the language your prospects respond to. To craft a strong value proposition, it's imperative for you to know who buys your product or service, what their primary business challenges are, and what they need to accomplish to reach their goals.

They really don't care about how efficient your product is or your breakthrough methodology. All they want to know is what you can do for them and how you can positively impact their bottom line.

Example: incremental revenue, profit margin, cash flow, error rates, basket size, sales velocity

Movement

All strong value propositions include movement. When positioning yourself to prospective buyers, emphasize how your offering impacts the status quo. Does it improve time to revenue? Does it reduce customer churn rates? Does it increase order size? Does it minimize redundancies and error rates?

Customers won't change unless your offering is significantly better than the status quo. That's your competition, not other companies. To convince them to change, they need to know how their current business drivers can be increased, accelerated, strengthened, improved, reduced, revitalized and maximized.

Example: Replace lost revenue, enhance service offering, and improve margins

Metrics

Your prospects are interested in tangible, measurable results and, as a result, the addition of metrics increases the strength of your value proposition. This can be expressed by metrics around time frames, dollar amounts and percentages. Don't round your numbers off, either. A 49.45% improvement is much more believable than a 50% improvement.

Remember that tangible value gains have intangible value gains that can also be used to strengthen your value proposition. For example, by improving productivity, a company can sometimes cut its workforce, which translates into big cost savings related to benefits, recruiting and hiring.

If the value of your offering is not easy to measure – such as lowered risk, better morale, or increased teamwork – position these intangibles as tangibles. Find ways to quantify their value.

Pulling it Together

Using the formula, compare these value propositions to see which one would be most enticing to you if you were a prospective customer:

Value Proposition #1: We offer a full range of award-winning training programs to meet all of your company's needs in areas such as sales, customer service, communication skills and negotiations.

Value Proposition #2: We help professional services firms shrink time to profitability on new product introductions. One of our recent clients slashed three months off their typical ramp-up time, which resulted in their exceeding sales projections by 6.5% in the first year alone.

If you're like most prospects, the first one would generate a big yawn. You've heard this a gazillion times before. But the second value proposition can't be ignored. There's no way a prospect could hear this and say, "No thank you. We're already working with another company."

To pique your prospect's curiosity, be straightforward and offer clear, specific value. Make sure your value proposition is free of the self-aggrandizing clichés that so many salespeople are accustomed to using and replace them with language that the customer wants to hear.

The stronger your value proposition, the better your chance of connecting with potential buyers and meeting with them face-to-face.

Uncover Your Value

There are several ways to uncover your true value when crafting a value proposition:



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Ask your Customers!

Your customers are excellent resources – especially the ones who started working with you in the past year because they remember the previous status quo and can tell you about the problems they had as well as the negative impact it had on their organization. They can also share with you how your product or service impacted their business drivers.

In addition to providing you with an opportunity to learn an incredible amount of useful information, you'll strengthen your relationship as well.

Ask your Colleagues!

Brainstorm with co-workers about the value of your products and services. Ask each other how your solutions impact your customers' bottom lines. What positive impact have your offerings had on their business? What competitive advantages do you bring?

Ask the Industry!

If it is difficult for you to quantify the impact your solutions have on your customers, use industry statistics to support your claims. Statistics can serve as an excellent way to prove the need for your products and services in the marketplace.

Setting-up Meetings

With today's delete-happy prospects, you have just a few seconds to pique their curiosity so that they'll read your e-mail, accept your phone call or meet with you. Ensuring you have a strong value proposition in your messaging is essential.

Here's an example of a voicemail message that works:

Eric – Jill Konrath calling. I read in the most recent Business Journal that your company initiative this year is to increase sales to larger accounts. That's exactly what we do.

One of our recent clients just landed two Fortune 500 customers in just three months, which resulted in some of their biggest projects ever. If you're interested, let's set up a time to talk. Again, this is Jill Konrath and my number is ...



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Take a look at how much valuable information is conveyed in just 20-30 seconds. There's no fluff. No mention of products or services. Not even a company name. It's all about the business value you provide.

But you can't do that unless you can clearly articulate your value proposition. And, since most companies fail to do this, they don't see the business results they'd like to achieve.

The Master Key

A strong value proposition is a salesperson's best tool for getting in front of a busy decision maker. Savvy buyers are much more likely to meet with people who can speak to their specific business pains and provide measurable value to their business.

Understanding the true value of your solutions helps you create messaging that works for you and gets you those meetings. But, even more importantly, it strengthens your belief in what you're selling – and confidence is more than half the battle!

Jill Konrath delivers fresh strategies that actually work in today's business environment. SNAP Selling, her new book on selling to frazzled customers, has already achieved #1 sales book status on Amazon. She's also the author of Selling to Big Companies, a Fortune magazine "must read" and Amazon Top 25 sales book since 2006. Jill is a frequent speaker at sales meetings and professional conferences where she helps sellers crack into new accounts, speed up their sales cycle, and win more business. To read two chapters of SNAP Selling and download four FREE sales tools, visit www.SnapSelling.com

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