

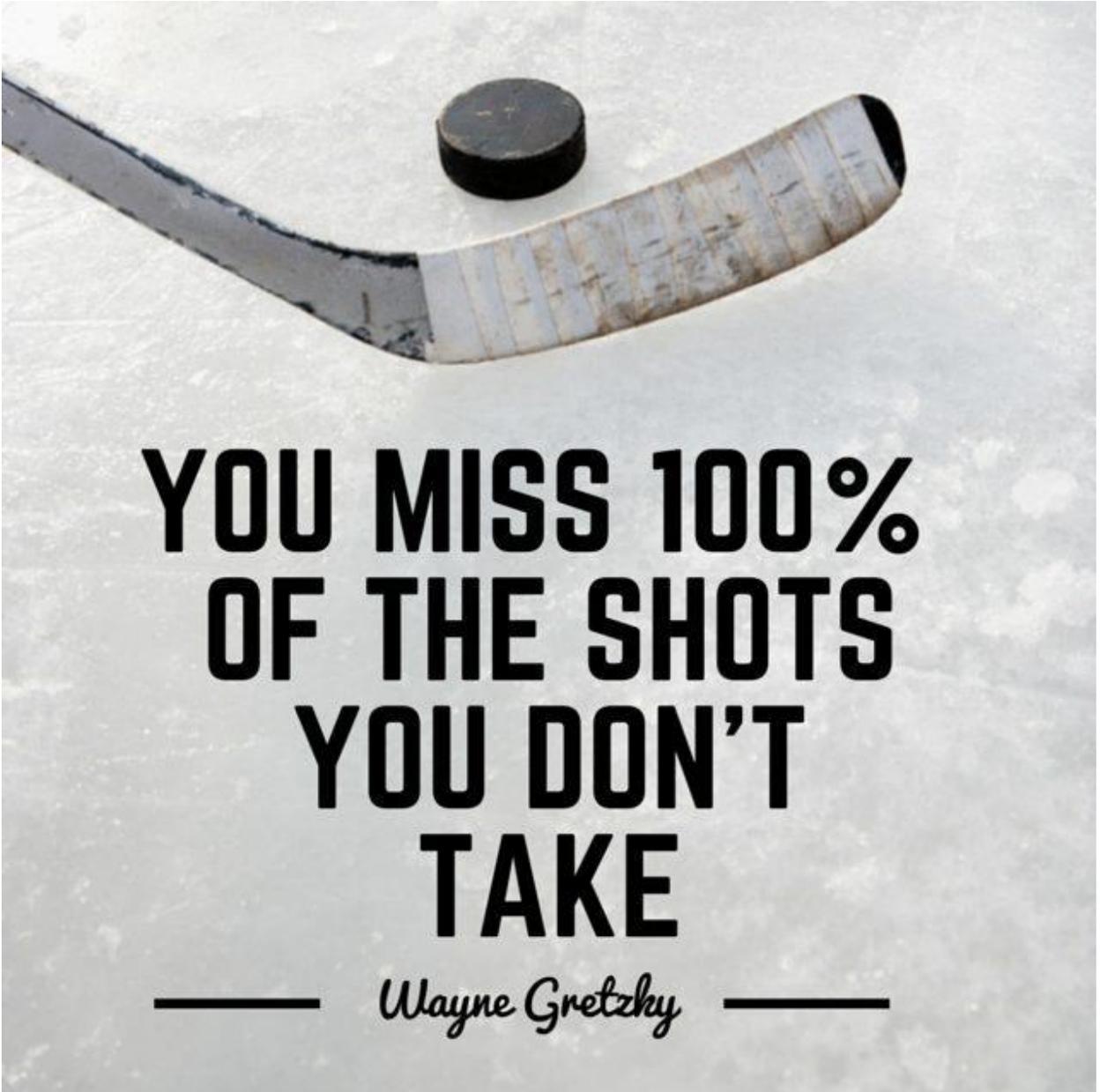


Session #3 Value Based Sales Process

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*Looking to thrive or just survive...
Attitude is everything!*



What is Value Based Selling?

Value-Based Selling is the process of understanding and reinforcing the reasons why your offer is valuable to the purchaser. Through **Value-Based Selling**, you increase the likelihood of a transaction as well as the price the purchaser is willing to pay.

- Value based selling as an approach built on quantifying the impact your service makes on the customer's financial performance.
- This approach of selling is successful because it provides customers with the understanding that they are making worthwhile investments of their money.
- Good value-based sales techniques are tailored to the needs of the customer, making them understand why they are buying a quality product for the asking price.
- Value selling resolves potential customer issues with pricing and prevents the stalling of important deals and the wasting time.

So, what does value-based selling entail?

It's not - as some early definitions suggested - just about maximizing the value of your solution to the customer. In fact, focusing on your value too early in the development of a sales opportunity can compromise your chances of success. Because if there is no problem, there can be no solution.

Before the value of your solution is in any way relevant to your potential customer, they must first - hopefully with your help - recognize the value of solving the problem the first place, and acknowledge the cost of inaction and the urgent need for change. Otherwise, the most likely outcome is that they will simply decide to stick with the status quo.

In fact, that's exactly what happens in over 60% of apparently well-qualified sales opportunities today: after months - sometimes years - of consideration and the application of large amounts of sales energy and resource, the prospect simply decides to "do nothing" - at least for the moment.

Notes:

The 5 Principles of Value Based Selling

Principle #1: focus on the value of solving their problem

- That’s why the first principle of value-based selling is to focus on the value to the prospect of dealing with the issue they have identified. If the prospect cannot articulate the **costs and consequences of the problem** and the **value of solving it**, their chances of getting their organization to agree to invest in any solution is remote - as are your chances of winning.
- It’s dangerous to assume that your prospect is fully aware of all these costs and consequences. In fact, a key role of the salesperson in these early stages must be to help the prospect recognize the full horror of sticking with the status quo. Almost always, this will involve drawing their attention to aspects of the problem they may not have recognized or - even better - introducing high-impact issues that they may not have previously been aware of.
- But if, despite all your efforts, the value of solving the problem remains unclear or weak, it’s usually best to qualify out the “opportunity” and defer it for future nurturing - *even if you appear to have a good solution fit.*

Principle #2: be specific about the value you offer

- Marketers sometimes make a great deal of fuss about articulating your company’s “unique value proposition”. But no matter how agonizingly carefully they are crafted, these can only ever be generic statements designed to appeal to your target market as a whole. Value-based selling requires that you get very specific about *the value you offer each prospect* - in effect you need a personally tailored unique value position.
- Rather than a broad description of all that you can offer, you’ll get much more traction by selectively identifying and highlighting the small subset of your total capabilities that are most relevant to successfully addressing the issue you have identified. And you need to clearly explain how you deliver unique and relevant value to every member of the decision-making team.

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Principle #3: create and capture mutually meaningful value in every interaction

- If your contacts are serious decision-makers with substantial workloads, they will not appreciate being involved in conversations and meetings that leave them wondering why they just wasted their valuable time. So, the third core principle of value-based selling is to seek to establish mutually meaningful value in every customer interaction.
- This value might be expressed by responding their questions simply, directly and completely rather than leading them around the houses with an ambiguous or deliberately obfuscated response. Or it might be expressed by sharing an insight that causes them to think differently or by revealing a relevant fact they were previously unaware of.

Principle #4: facilitate their buying process, not your sales process

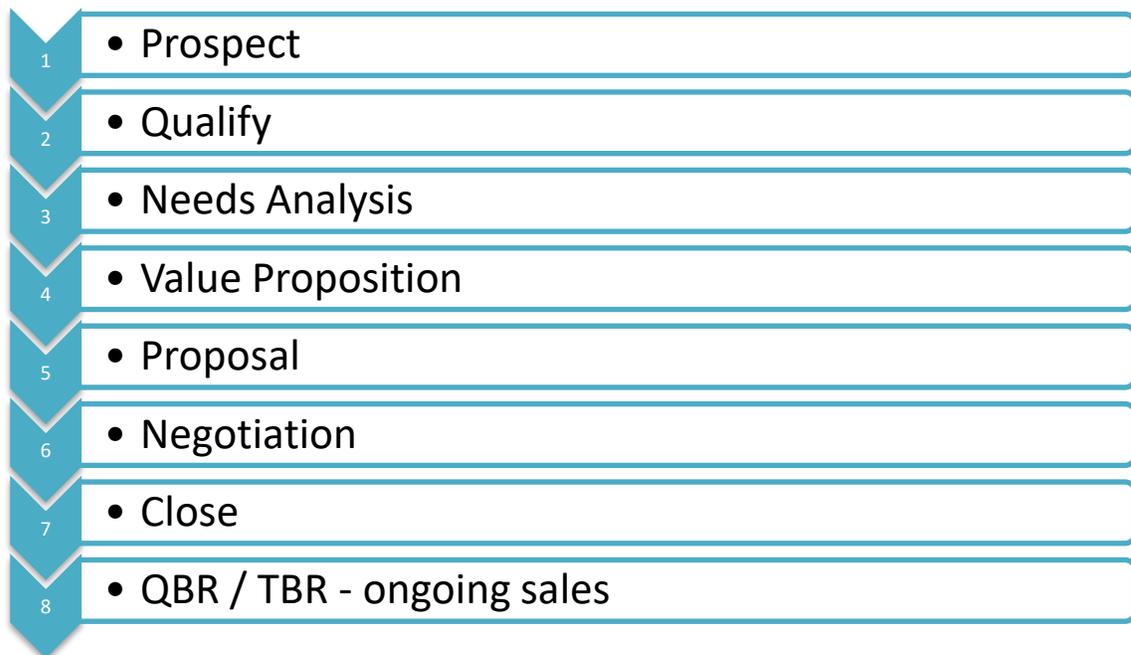
- Conventional sales processes are all-too-often designed around the needs of the seller, not the buyer. So, it's hardly surprising that things the salesperson sees as important are often regarded by the prospect as irrelevant or (even worse) profoundly irritating, while at the same time their interests and concerns are being poorly served by the salesperson.
- That's why your sales approach - and the key stages in your sales pipeline and CRM system - must be designed around the key stages and milestones in your prospect's buying decision process. Your sales activities, sales enablement tools and shareable content must be designed to advance a well-qualified opportunity through their buying decision process.

Principle #5: if you can't contribute distinctive value, qualify out

- The final principle is simple: if your solution doesn't offer a distinctively different and higher-value approach solving to the prospect's identified problem than any of the other options they are considering, you need to either do something about it or qualify out.

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The 7+1 Step Sales Process



#1: Prospect

- Prospect was contacted and responded w/ interest
- Hand-off to sales to contact and qualify
- Enter prospect into your CRM tool



#2: Qualify

- Sales contacts the prospect directly ASAP
- Understand their basic needs
- Do they meet your ideal client criteria?
- Setup 1st Meeting
- Send invite with **agenda**
- Confirm via email and update in CRM
- Send Shock & Awe Package ahead of time (optional)



#3: Needs Analysis

- @1st appointment – push for assessment and gather ROI information
- Complete sales questionnaire by having a **conversation**
- Confirm their business issue, pain, cause - value of solving
- Qualified they are serious – assessment?
- Competitive landscape understood
- Agree to get you to the decision maker
- Setup next meeting BEFORE you leave



#4: Value Proposition

- Assessment Presentation - customize to your discovery / assessment findings
- Pain (issue), causes, value & action plan confirmed with a proven decision maker
- Value justifies cost
- Implementation Plan / Solution agreed to - WEDGE
- Purchasing process known and started
- Explain ROI, setup follow -up proposal meeting



#5: Presentation/Proposal

- Face to face meeting
- 3 Options – good, better, best options to “WEDGE” the prospect
- Handling objections as opportunities
- Trial Close – is there any reason you wouldn't like to move forward?
- Copy of proposal and agreement for them to sign – also send electronically



#6: Negotiation

- Either face to face or video meeting
- Handle last objections
- Negotiate win/win
- Get verbal commitment



#7: Close

- In your solution bundle the price together so it's not line itemed out you don't want them price shopping
- Ask for their business!!
- Discount pricing for multiyear agreements, for automating payment and or if they sign up within short time frame. GIVE THEM A REASON TO BUY NOW!
- If additional effort is required, this may not be the ideal client for you.
- Confirmation by the decision maker you are the chosen vendor
- Agreement signed
- Implementation sequence agreed and possibly started

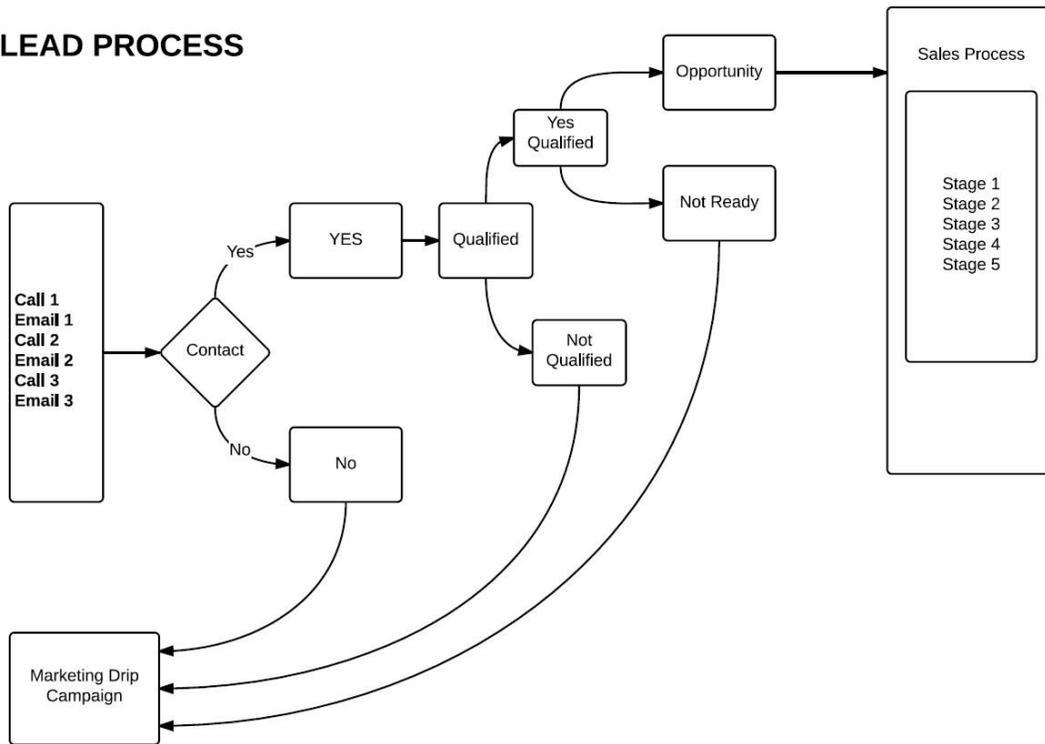


#8: QBR/TBR

- Does the sale process stop after the 1st sale?
- Relationship Building
- QBR/TBR checklist



LEAD PROCESS



Notes:

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Other Tips:

Consider bringing a contract on your first visit. Sometimes the prospect is ready to go right in the beginning!

Homework:

- Define your sales process
- Define your qualification process
- Create your company presentation
- Create your 1st meeting agenda
- Create your assessment offering
- Create your proposal template
- Create your MSA agreement