

THE BOOK THAT STARTED
THE VALUE SELLING REVOLUTION

Value-Added SELLING

3rd Edition

How to Sell More
Profitably, Confidently, and
Professionally by Competing
on VALUE, Not Price

TOM REILLY

author of *Crush Price Objections*



My objective today

Introduce you to the value added business philosophy & encourage you to embrace this as your go-to-market strategy

Your value proposition

When you embrace the value added philosophy and build your go-to-market strategy around it, your company will compete aggressively and profitably

Value-Added Peak Competitors

People & organizations that embrace
a maximum performance philosophy

Expect the best from themselves &
deliver maximum value to customers

Intrinsically motivated

Value Added Peak Competitor Characteristics

Passion for excellence

Customer value focus

Add value with people

Passion for excellence culture

Passion-for-excellence attitude is seen at all levels in the organization

- Sales, customer service, operations
- Is this the best we can do with the resources we have available?
- Are we putting our best work on display for the world to see?

Passion for excellence attitude

Challenge the status quo

Passion for excellence

Does this policy, procedure, or process add value to our solution?

If it adds cost without value, why are we doing it?

Legacy value-added and sacred cows are grossly overrated

Passion for excellence

Positive addiction to doing things well—hooked on excellence

Challenge the status quo

Internal benchmarks

Passion for excellence

1. Peak competitors are not limited by the competition's successes nor intimidated by their failures
2. Their successes and your past are not your potential
3. More curious about their potential than concerned about competition

Value Added Peak Competitor Characteristics

Passion for excellence

Customer value focus

Add value with their people

What Is Your Value-add-itude™

From which direction does your definition of value flow – from the customer to you or from you to the customer?

What Is Your Value-add-itude™?

Customer focused: Why can't we sell what they want to buy?

Seller focused: Why can't they buy what we want to sell?

What Is Your Value-add-itude™?

Seller focused: They're not buying what we're selling!

Customer focused: We're not selling what they're buying!

What Is Your Value-add-itude™

The Golden Rule is seller-focused

Treating every customer the same is
seller focused

Value Added Selling Principle

If you define value in customer terms, they pay for it with a higher selling price

If you define value in your terms, you pay for it with a higher discount

Customer value focus

Value in customer terms

Compete for the customer, not just
against the competition

*Are we selling to the customers' needs
or against the competitor?*

Customer value focus

Value in customer terms

Compete for the customer, not just against the competition

Define success in customer terms

Value Added Peak Competitor Characteristics

Passion for excellence

Customer value focus

Add value with their people

Regarding people

Value-Added Peak Competitors
view employees as an asset, not
a pain in the asset

Kaizen

Attitude of continuous improvement,
day in & day out

Value Added Peak Competitors
Kaizen the Kaizen

Questions to Create Maniacs on a Mission

Do I add value or cost?

Am I a profit or cost center?

What am I doing today to add value to our efforts?

Peak Competitor Motto

Add value, not cost!

Sell value, not price!

What is Value Added Selling?

It's a business philosophy, a process of proactively looking for ways to enhance, augment, or enlarge your bundled package for the customer. It's promising a lot & delivering more; it's contributing maximum value to and extracting maximum value from this relationship. It is selling to the customer's needs, not against the competition.

What is Value Added Selling?

It's a business **philosophy**, a **process** of **proactively** looking for ways to enhance, augment, or enlarge your **bundled package** for the customer. It's promising a lot & delivering more; it's contributing maximum value to and extracting maximum value from this relationship. It is selling to the customer's needs, not against the competition.

Value-Added Selling **Philosophy**

Value-added philosophy

Value-Added Philosophy

Do more of that which adds value and less of that which adds little or no value

- Physical, emotional, & spiritual well-being
- Time management
- Relationships
- Career

Value-Added Selling **Process**

Campaign

Integrated effort

Value-Added Selling is a team sport,
an integrated sales and operations
model

Synergy: We is greater than me

The sales force sells the first one

The total experience with a company
sells the next and the rest

Value-Added Selling Process

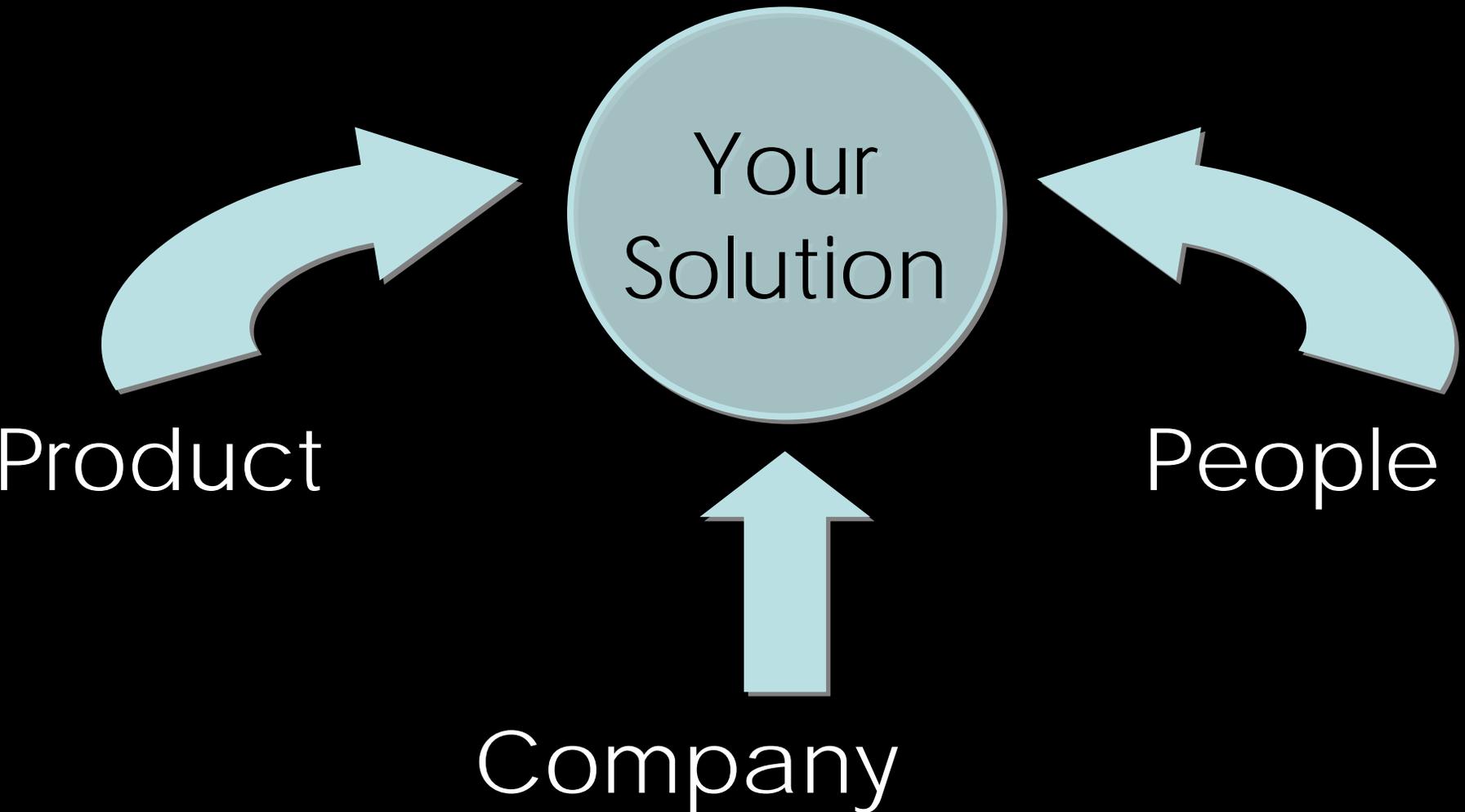
We may have different goals but we all have the same mission.

Proactive (Conscientiousness)

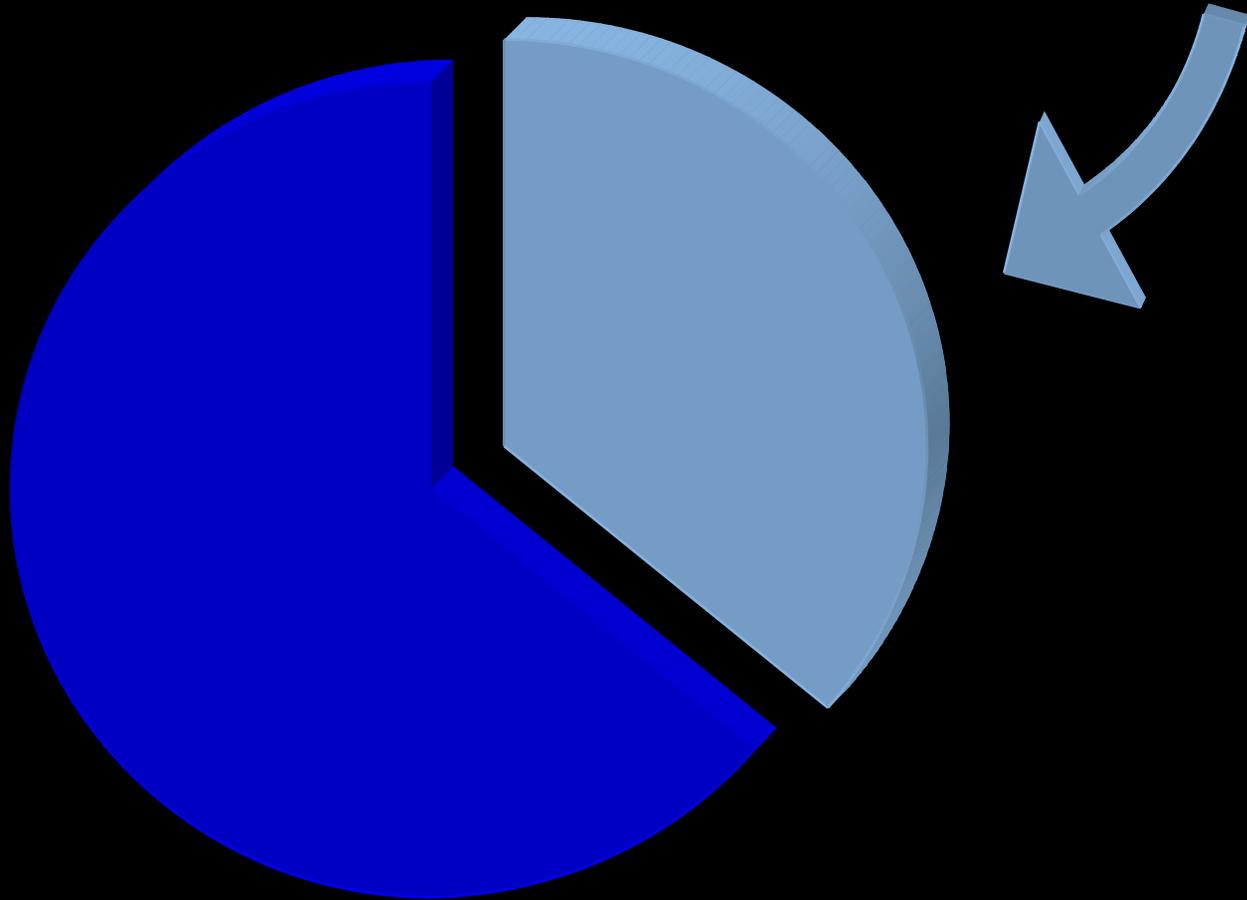
People that take the initiative, own their careers, and act accountable for creating good work, including satisfied customers

Build value on the front end to achieve a pre-emptive selling advantage

Bundled Package

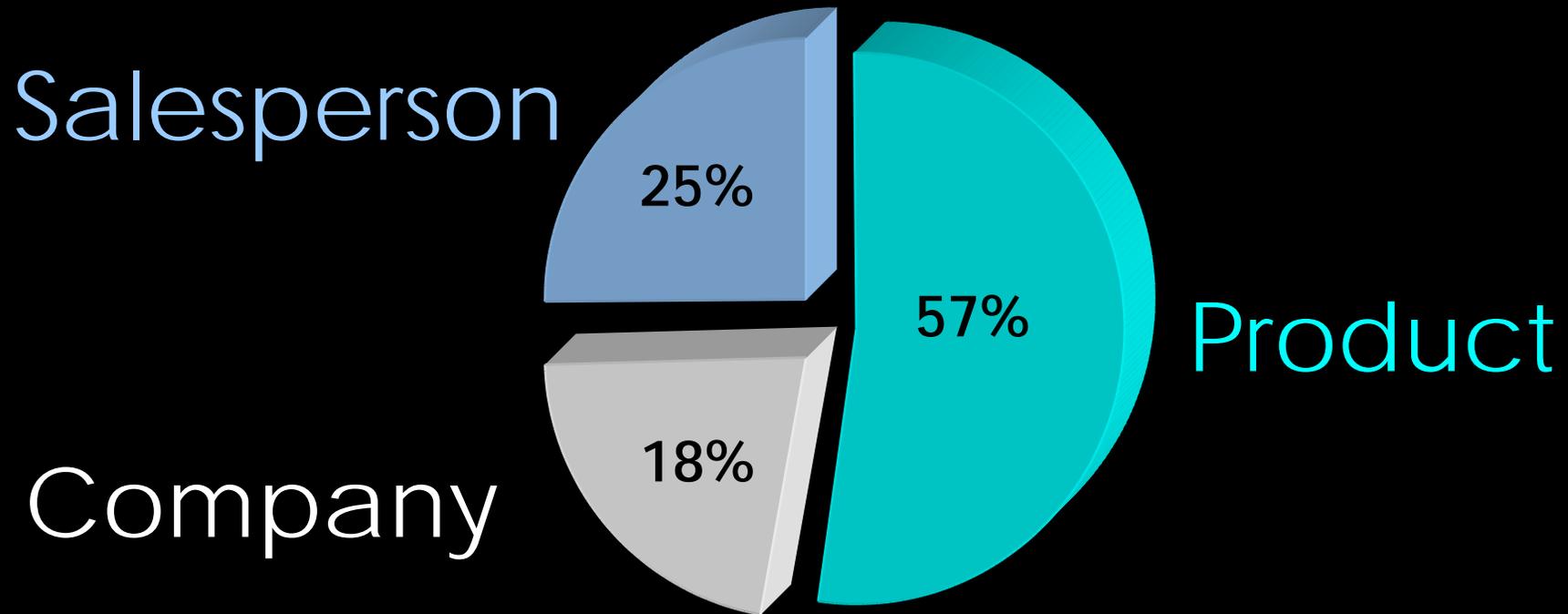


Salesperson Value: 35-37%



Best Sales Practices Research

Three-dimensional solution



Key Take-Away Idea

Engineering is not a commodity

There is no commodity in
knowledge, experience, and
initiative

You have a messaging problem

Value-added salespeople don't make sales calls; they go on job interviews.

VAS Is Good for Your Company

For a company with average economics, every dollar not lost to discounting is like adding \$16 to the top line

Customer Messaging

Marketing is more than a department

Customer messaging is your ongoing conversation with customers

- VIP List
- Customer Bill of Rights
- USP
- Value Proposition

Value-added is not a cliché or outmoded term

Dynamic force since the dawn of time

In 1790, an economic term used to measure manufacturing activity for GNP

The difference between raw material input and finished product output

Everything you do to something from the moment you acquire it until you transform it, transfer it, and support it

What is Value Added?

Qualitative: perceived value

who you are

Quantitative: performance value

what you do

What is Value Added?

Qualitative: perceived value

who you are

Quantitative: performance value

what you do

What is Value Added?

Perceived Value: Promise We Make

- Sizzle
- Style
- Qualitative

What is Value Added?

Perceived value examples:

- Packaging
- Literature
- Reputation
- Knowledge
- Brand name

What is Value Added?

Qualitative: perceived value

who you are

Quantitative: performance value

what you do

What is Value Added?

Performance Value: Proof

- Steak
- Substance
- Quantitative

What is Value Added?

Perceived value fuels buyer expectations

Performance value affects satisfaction

How To Determine Your Value Added

3 dimensions of value

- Product
- Company
- You

Customer Messaging

More than a department

Customer messaging is your ongoing conversation with customers

- VIP List
- Customer Bill of Rights
- USP
- Value Proposition

How To Use The VIP List

Explain your value added

Proposals

Price objections

Value audits

Customer Messaging

More than a department

Your ongoing conversation with customers

- VIP List
- Customer Bill of Rights
- USP
- Value Proposition

Customer Bill Of Rights

Develop a Customer's Bill of Rights:

Promise a lot and deliver more!

Customer Bill Of Rights

Sell Your Customer's Bill of Rights:

By partnering with us, you can expect ...

Customer Messaging

More than a department

Your ongoing conversation with customers

- VIP List
- Customer Bill of Rights
- USP
- Value Proposition

USP: The Big Idea

Stand-out difference

KISS: 50 words or less & specific

Unique, defendable, & compelling

Customer Messaging

More than a department

Your ongoing conversation
with customers

- VIP List
- Customer Bill of Rights
- USP
- Value Proposition

Your Value Proposition

Clear statement of results
customers get from your solution

- Revenue
- Profit
- Time
- Efficiency
- Market share
- End-user customer satisfaction

Your Value Proposition

Long-term

Down-line

Outcome

Results

Impact

Build Your Value Proposition

1. Identify the segment
2. List common needs
3. Describe your customer experience (outcome of your benefits)

Your Value Proposition

When you employ our value-added
solution _____

you experience _____

Activity

Let's get some value from
this discussion

Shocking reality

The noise is level deafening

Challenge #1: The noise level

50 interruptions

600 advertising exposures daily

Multi-tasking

Requests by others

Shocking reality

Elevators are getting faster

Challenge #2: Societal A-D-D

Attention span is 3 min

Average movie scene is slightly more than 60 seconds

Average television commercial is between 15-30 seconds

News in sound bites

Editors want velocity

Less is more communication

If you cannot explain your value in a sentence, you do not understand your value proposition well enough.

Purpose statement

We are in the business of helping (our customers) (so something better)

We are in the business of helping B2B salespeople sell profitably and aggressively

Less is more communication

Purpose statement

Invites how

3-Dimensions of value

Less is more communication

If you cannot explain your **uniqueness** in a sentence, you do not understand your market space well enough

Less is more communication

If you cannot give customers
seven ways to compare you
to the competition, you do
not know your market

Less is more communication

If you want to communicate more with customers, say less

| | |
|---------------------|-----|
| JFK's Berlin speech | 674 |
| Reagan's Challenger | 652 |
| FDR's Pearl Harbor | 521 |
| Gettysburg Address | 268 |
| Lord's Prayer | 70 |

Our Value Added

Sign up for our complimentary
monthly e-mail newsletter:

www.TomReillyTraining.com