



# Value Based Positioning (VBP)

*- Creates Customer Value,  
Reduces Sales Cycle Times & Increases Revenue -*

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# FORWARD

**People buy from people** – A lower price alone is not enough for customers to change suppliers. For sales professionals to excel they must understand each customer's unique business issues and needs in order to create value.

Value Based Positioning (VBP) is a proven process that has helped clients achieve higher levels of performance. It is a culmination of various proven sales processes, lessons learned and personal experiences. The success of VBP is due to the focus on the customer, and how clients can position their products or services in such a way as to “create the most value” – from the customer's perspective.

VBP leverages current technologies to gather the appropriate information prior-to, during, and after the initial sale. And, VBP helps your teams strategically plan to create new value with current clients to increase value and expand business opportunities, and partnerships that increase revenues.

I hope you enjoy the presentation and find the information helpful. Please feel free to contact me directly if you have any questions.

Best regards,  
Rick Venet  
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# QUOTE

## *Product Quality Issue:*

***\$46 billion dollar Retail Company (1300 locations)***

*"Rick - As a result of your e-mail we reviewed this product and have decided that the quality isn't up to our standards. We are asking the stores to remove the product from the shelf. You saved many other customers the time and frustration of dealing with the same problems".* - **SVP Product development & Global Sourcing**

# “GIVENS”

## WHAT’S HAPPENING?

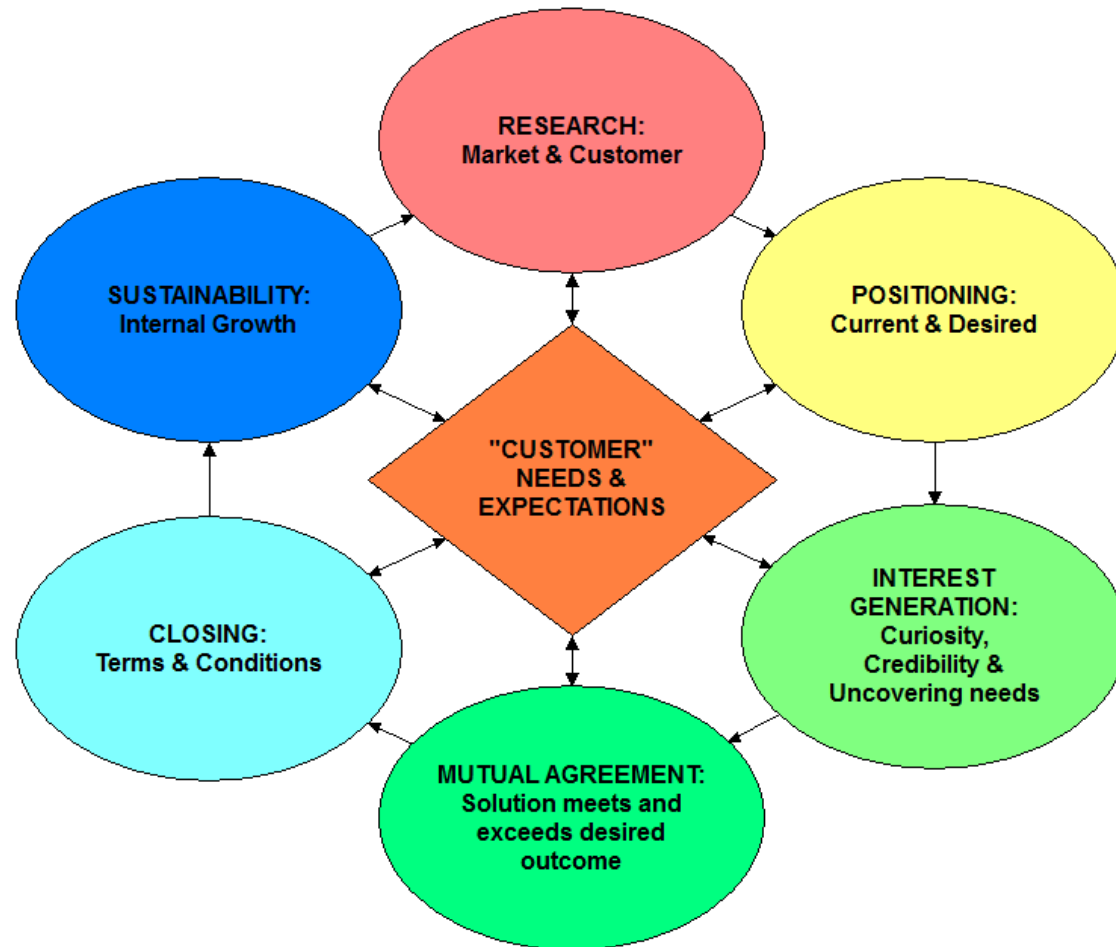
- Traditional sales efforts have focused more on activity, and less on strategy and planning.
- Traditional sales efforts have focused on price/quality/delivery competitiveness rather than the value a customer receives.
- In this ever changing global economy, meeting customer needs is a daily challenge. However, this provides many opportunities to solve problems and develop value added solutions.
- In the past, customer focused was achieved by how well a supplier responded to emergencies, and less on implementing strategic plans.
- Today, technology provides the sales person more FREE information to understand their customers and needs.
- However, technology in many cases is under utilized.
- It is easier to obtain buy-in from a “top down” sales approach
- Achieving customer “delight” provides the highest potential for strategic partnerships, long-term revenue, higher profits and lower operating costs

# QUESTIONS TO UNDERSTAND & INCREASE CUSTOMER VALUE?

- Who is the “Customer”?
- What does the customer want?
- What has the customer been getting that they do not need?
- What does the customer need that they are not getting?
- How do you know when the customer is satisfied?
- What data do you have?
- How does your organization integrate this new knowledge into the rest of your organization (customer service, product development, process improvement, sales & marketing, training & skill development, etc.)?
- What organizational barriers do you encounter?

# VALUE BASED POSITIONING (VBP)

## - THE PROCESS -

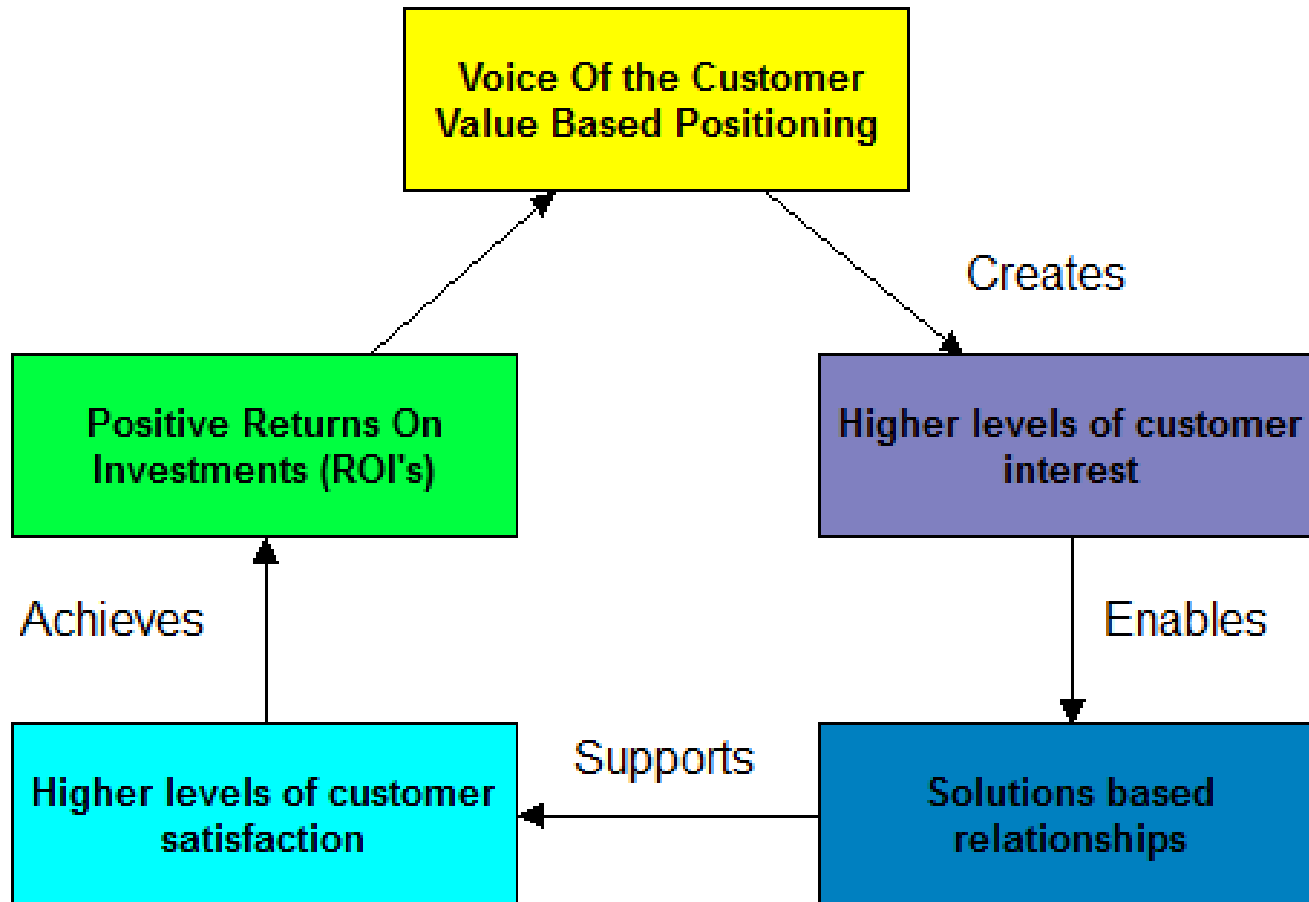


# CUSTOMER VALUE

(In VBP - Customers are at the center of everything that we do)

- Customers prefer to buy from people they **trust**, are **reliable** and who **understand their business**
- Customers define quality & value –
  - Perceived & actual
- How does your solution:
  - Reduce costs?
  - Avoid non-value added costs?
  - Increase revenues?
- Can you calculate an ROI?
- Does your customer agree?

# THE VALUE OF LEVERAGING THE VOICE OF THE CUSTOMER (VOC)





# Step #1 RESEARCH

- Review information on your prospects website
- Review SEC filings and annual reports
- Search executives names on the internet for awards, statements & articles
- Other resources:

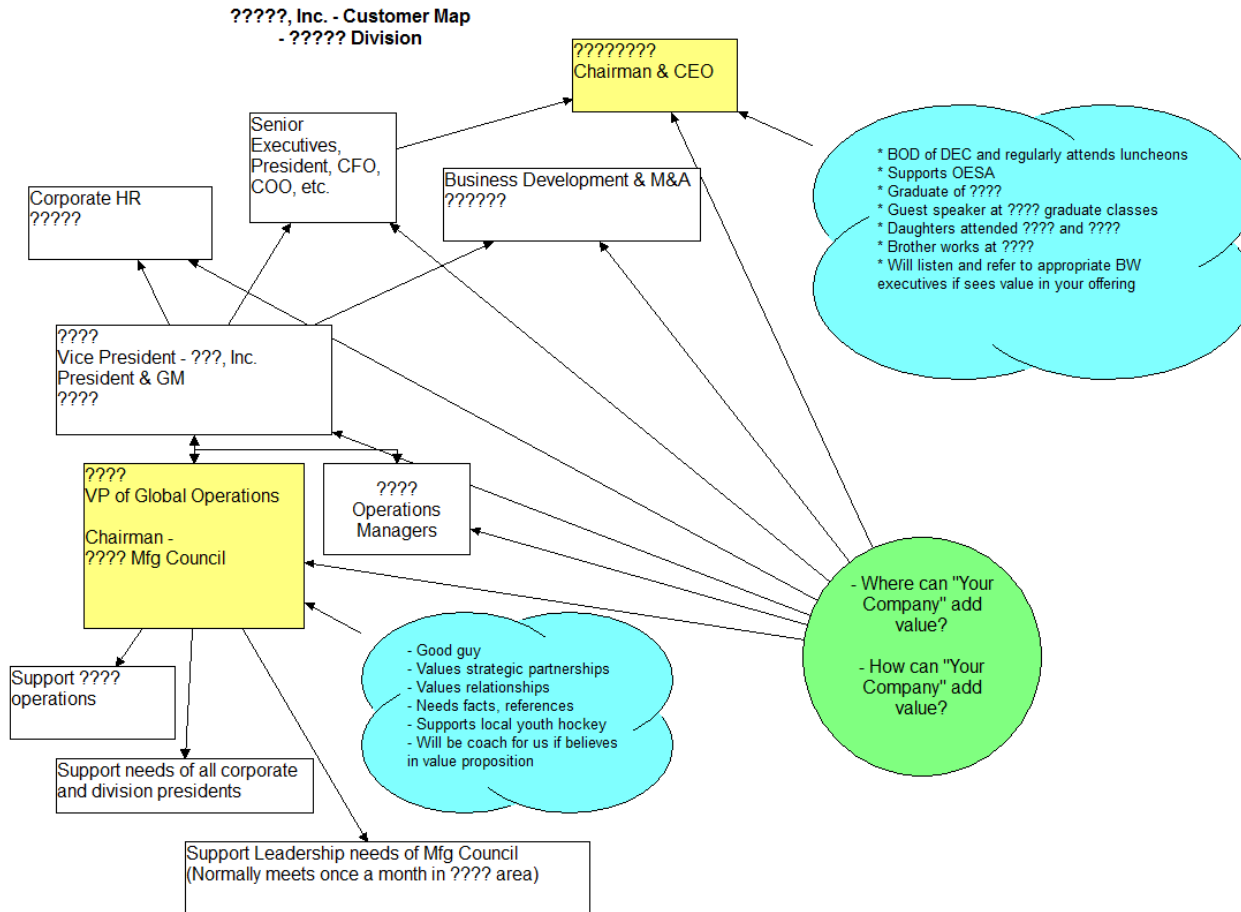
The Google logo, featuring the word "Google" in its characteristic multi-colored font.The Yahoo! Finance logo, with "YAHOO!" in red and "FINANCE" in black.The LinkedIn logo, consisting of the word "Linked" in black and "in" in white inside a blue rounded square.

# Step #2

## POSITIONING

- What is your current position with this client?
- What is your desired position for this client?
- Who is your competitor for this client?
- Who are the key executives with P&L responsibility that would benefit from your solution(s)?
- How are you positioned with these executives?
- What do you know about these executives?
- Have you created a customer map of the key people within this client?

# WHO BENEFITS FROM YOUR PRODUCT OR SERVICE?

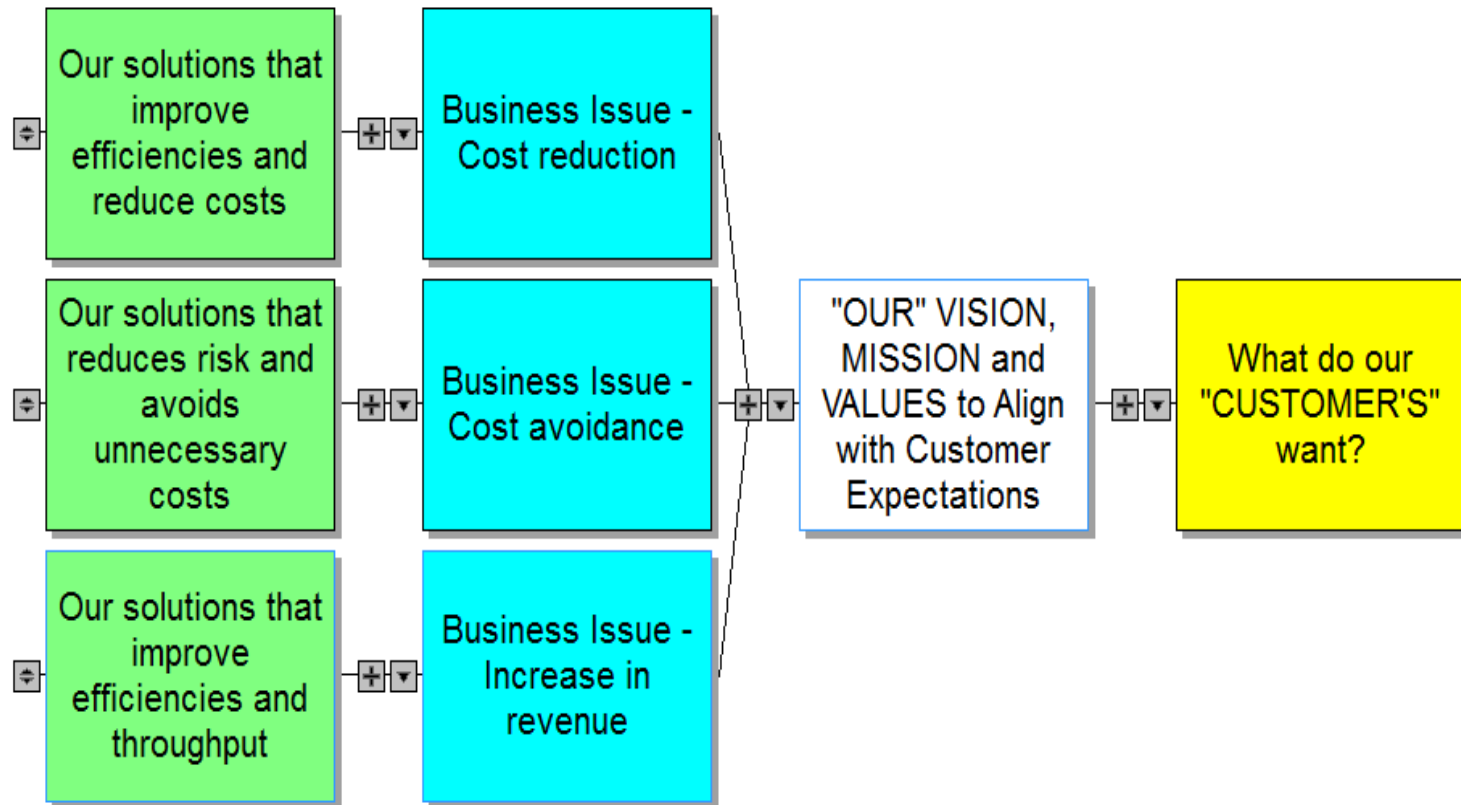


# Step #3

## INTEREST GENERATION

- *You cannot advance the sales process if you cannot create interest from the customers point of view.*
- What is/are the customers **business issue(s)**?
- What is the customer receiving from suppliers that they do not need?
- What does the customer need that they are not getting from supplier?
- How have you created value with similar customers?
- During your executive research did you identify common relationships with people that you know? Could an endorsement eliminate a “cold” call?
- What associations, charities, etc., do you both support?
- Does your elevator speech pull all this information together?

# WHERE CAN YOU ADD VALUE?



# Step #4

## MUTUAL AGREEMENT

- If you have done everything correct up to this point, then you should be discussing “**where**” you can add value instead of “**if**” you can add value.
- However, during this step you may need to review your value proposition with new team members that were not involved in earlier discussions. Review Step #3, ask questions and obtain acceptance to move forward.
- Gather information to develop a scope of work and submit for final approval – focus on the value the customer receives (ROI) rather than the price that they are paying
- In this stage you should reach a mutual agreement to work together and just iron out the details for Step #5 - Closing

# Step #5

## CLOSING

- Closing, is wrapping up the details of your working relationship, not closing a sale!
- Here you will get needed information to bill and receive payment from the client; or documents signed, including but not limited to: Mutual NDA's, Non-compete agreements, Terms & Conditions, Accounts Payable information, Final copies of contracts, etc.

# Step #6

## SUSTAIN & CREATE NEW VALUE

- Now is the time to start planning for growth.
- Meet with executives having P&L responsibility, learn about the organization, their current products & services, issues with current products, suppliers & barriers that impact workflow or customer delight.
- Gather data regarding the “whole” organization and begin repeating the VBP process.
- Identify other projects or departments where your company can create new value for the client.
- Ask your client contact to help with introductions to other departments, people in leadership, other operations, supplier networks and customer support. Note: Don't expect them to know how you can add value. So, use your research to give them examples and ideas.



# NEXT STEPS

- Identify 3-5 potential customers
- Gather data on their current operations, investments and forward looking statements
- Identify the key people (start & end with executives having P&L responsibility) at the new client organization that would benefit from your product/service.
- Identify how you create value
- Develop your plan to contact these people (directly, through endorsements, etc.)
- Meet with the client, ask questions, listen, and identify areas to provide solutions
- Reach mutual agreement, and close on new business
- Expand opportunities: Gather more data regarding the “whole” organizations and repeat the VBP process.

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**THANK YOU!**