

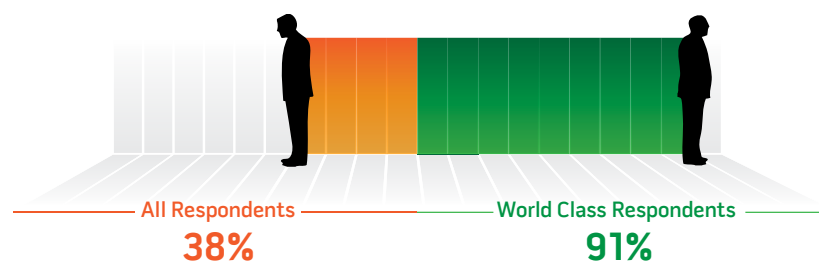
SALES PERFORMANCE SPOTLIGHT

PUT THE VALUE IN YOUR VALUE PROPOSITION

From unique to ubiquitous. This seems to be the fate of most products and services so the distinct offerings your organization previously demanded premium pricing for are now commonplace and subject to heavy discounting pressures.

World-Class Sales Organizations however, are breaking free from this commoditization trap. In the *2011 Miller Heiman Sales Best Practices Study*, a majority of these top-performing organizations have been able to differentiate themselves through a formalized value proposition that is very compelling to their prospects. As a result of this and other sales best practices, World-Class Sales Organizations are a third more likely to report year-over-year growth in qualified lead volume to drive new business compared to the rest of the organizations who participated in the study.

We have a formalized value proposition that is very compelling to our prospects.



It may have something to do with the concept of “experience economy” first introduced by B. Joseph Pine II and James H. Gilmore in their article, *Welcome to the Experience Economy*, published in the *Harvard Business Review*. Pine and Gilmore argue that the economy has evolved. To survive in this experience economy, businesses must orchestrate memorable events for their customers; and that experience itself becomes the product.

Consider for example how hard it is to differentiate between couriers like FedEx, DHL or UPS, until you read FedEx’s value proposition: *When It Absolutely Has to Be There Overnight*. Rather than stopping at addressing the customer’s what’s-in-it-for-me question, FedEx’s value proposition goes to answer why a customer should buy from them and not from the competitors, and more so, why customers would be willing to pay more to buy from FedEx. It does so by emphasizing on the experience aspect of the service.

Rich Blakeman, sales vice president at Miller Heiman, sees it this way in the challenges faced by his clients across industries: “It isn’t that companies don’t have value propositions, or that their customers don’t experience them. The challenge is in two things: variation and predictability.”

He explains, “Your customers absolutely cannot experience any variation associated with their perception and the results of your value proposition. Your people have to live the value proposition consistently, every single time. If there is any variation in the customer experience of your value, then there is no value. And without predictable, consistent value in your customer’s experience, you’ll have no predictability in your results. In today’s world, that’s the shortest path to commoditization.”