



Value vs ROI

Selling with Confidence

Hire ❖ Develop ❖ Retain

Overview

Defining and Redefining Value and ROI
Buyer's Motivating Factors
The Modern Customer Journey
Finding the Customer-Centric Benefits
Giving a Value-Based Recommendation
Takeaways

Defining and Redefining Value and ROI

How We Currently Define

Sales professionals often view ROI as a performance measure used to evaluate the efficiency or profitability of an investment. In an effort to compare the efficiency/profitability of a number of different investments, they may try to use a math equation such as: $ROI = \frac{\text{\$ Made from Investment}}{\text{Cost of Investment}}$. This creates a very transactional mindset, when most buying decisions are not quite this linear.

Value is often defined as the regard that something is held to deserve; the importance, worth, or usefulness of something. This lends itself to a more benefit based mindset.

But breaking away from selling on math equations can be difficult. Activity one will demonstrate the lack of power ROI can have when justifying purchases.

Activity One – What's the ROI

Personal Examples	Cost	ROI	Greater ROI	Greater Value
Example 1				
Example 2				
Example 3				
Business Examples	Cost	ROI	Greater ROI	Greater Value
Example 4				
Example 5				
Example 6				

How we Should Define

The VALUE is in being an option and the best option at every point in the buying journey. The VALUE is in all of the pieces that formulate the decision to choose a business. The ROI is the gross profits you make due to ALL of the efforts you've put in; The ways a product/service makes a company more profitable by increasing efficiency.

In order to move forward and elevate our selling processes, we must stop trying to quantify the unquantifiable. While we do recognize that while there is a limit to what we'll pay, the ROI can truly be unquantifiable. So why are we still trying to define it? At times, the value is SO great, we can't attach a number to it. Therefore, it's time to focus on value.

Tips for moving away from ROI based selling

- Remember that Value is in the Eye of the Buyer
 - Discover their motives and learn what matters most
 - Begin discovery early on and deep dive in subsequent appointments
- Consider value perception vs cost
 - Determine the level of investment for the benefit
 - Leverage FOMO
- Use Stories

- It's the story behind the stat that conveys its value
- Utilize examples: Case Studies, Collateral, Demos, etc

Buyer Motivations

Buyers are motivated by endless reasons, but most can be assigned to three categories: Profit, Prestige and Protection. It's unlikely that buyers will overtly share their reasons, so we must complete thorough discovery to uncover their motives. Below are some common examples of more specific motives that fall into these 3 categories.

Profit

- To save money
- To increase market share
- To make money

Prestige

- To take advantage of opportunities
- To be popular
- To gain praise
- To build brand loyalty
- To improve image
- To increase enjoyment
- To be in style
- To emulate others
- To be individual
- To level the playing field
- To appear relevant
- To educate

Protection

- To avoid effort
- To escape pain
- To meet demand
- To gain comfort
- To avoid trouble/issues/pain
- To conserve possessions
- To have safety
- To protect family
- To save time
- To gratify curiosity
- To maintain good reputation
- To gain repeat business

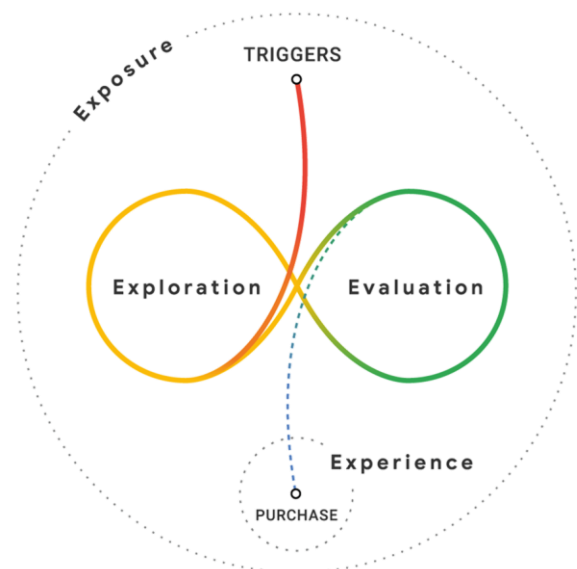
The Modern Customer Journey

Until recently, we used to consider the buying journey quite linear, not allowing for movement back and forth between levels or phases. However, we now recognize that buyers can move fluidly between phases. With this in mind, we our goal should be to reduce friction within the buying journey to assist our customers in making a decision. We do this by completing a thorough discovery process, creating urgency and value early in the process, and making a benefit-based recommendation that directly links to their goals/challenges and the impact those have on the business.

The Traditional Customer Journey



The Modern Customer Journey



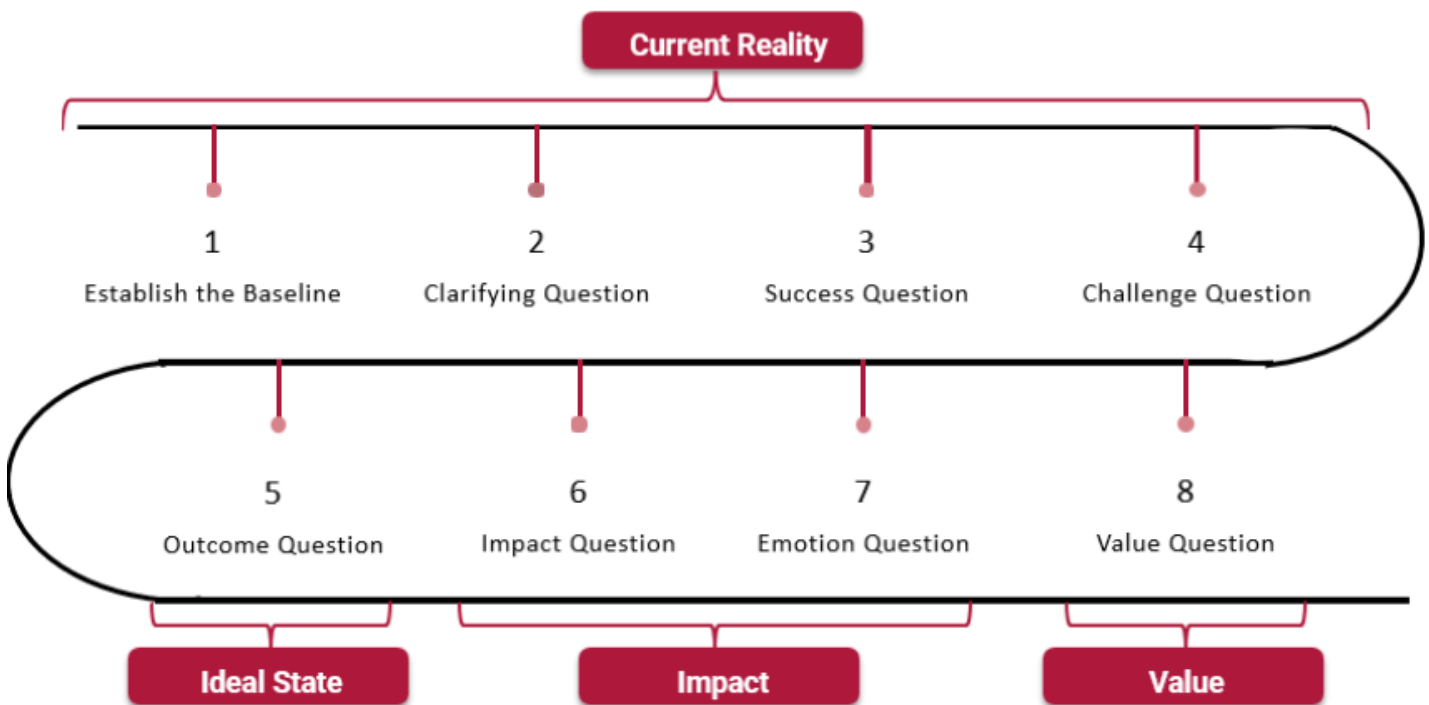
Finding Customer Centric Benefits

The discovery process must be just that – a systemized, easily repeated process that moves a client from simply identifying needs to creating urgency to solve problems or reach goals. By systematically combing fact finding and high impact questions, the roadmap for the salesperson and the client becomes clear.

The process can be complex or simple, short or long, and can be done once or multiple times to uncover multiple needs. But the four pillars of discovery are the following:

FACT FINDING		HIGH IMPACT	
CURRENT REALITY	IDEAL STATE	IMPACT	VALUE
Determine what's currently going on	Determine what needs to be going on	Uncover the pain or gain	Understand what it means to them

The four pillars can then be broken down into an 8-question talk track that provides turn-by-turn direction for the conversation facilitator and the client.



The Specifics

Each question in the process serves a specific purpose, and each drives to the next question. There are times when clients will move through multiple steps at one time, but no step should be skipped and the order of the process should not change.

1. Establish the Baseline
 - a. Kick off the discovery conversation by asking a question or making a statement that recalls known information and allows for an expansive answer
2. Clarifying Question
 - a. Ask for an example or further clarity to understand more specifically about a challenge or goal
3. Success Question

- a. Inquire about positive things regarding their current practices/solutions that allow you to learn what they like or what is benefiting them currently
4. Challenge Question
 - a. Inquire about their challenges or things that are not going well. This will allow you to know where the largest gaps are
5. Outcome Question
 - a. This is the time to determine what their desired situation, ideal state or end goal would be.
6. Impact Question
 - a. This question is critical and helps to widen the gap between what's currently going on and what they need to see changed. This helps bring them to a place of self-realization and increases urgency
7. Emotion Question
 - a. There is personal motivation behind every professional challenge. Find out what the stakes are for your client individually.
8. Value Question
 - a. Finally, understand what a resolution would mean to them. This is where the buy-in occurs and allows you to move into a recommendation.

Activity Two – What's the Benefit

Personal Examples	Current Reality	Ideal State	Impact	Value	Benefit
Example 1					
Example 2					
Example 3					
Business Examples	Current Reality	Ideal State	Impact	Value	Benefit
Example 4					
Example 5					

Giving a Value Based Recommendation

When giving a recommendation, the formula for success is as follows: Emotion + Alignment + Examples = Agreement from the buyer.

Follow this process to create a benefit-based recommendation each and every time you meet with a buyer:

- Recall the clients' goals or challenges
 - Remind them of the pain/gain
 - The moment of self-realization they had in discovery circles back in this moment
- Align the solution to their needs
 - Highlight the top feature(s) that specifically address their situation
- Describe how the solution will benefit them
 - You promised a custom recommendation, showcase specifically how it helps them and the "why" behind it

Tips on delivering a recommendation

- When delivering a recommendation, make the link back emotional (sales are dropping, you're worried about competitors, you need to protect your business, etc.)

- Keep the feature simple. Do most of the describing in the benefit.
- Keep the benefits focused on their business and what matters most to them.
- Combine multiple product/service recommendations together to create a powerful, flowing value statement. Just be careful not to combine too many.

Takeaways

- Value is in the eye of the buyer
 - It's what matters to them, not to you, your company, your bottom line
 - Keep your conversation focused on what's valuable to them
- Take the long road
 - Complete thorough discovery to uncover buyer motivations, needs, goals, etc
 - You'll want all that information in order to make a compelling recommendation
- Make it relatable and keep it simple
 - Use real life stories and anecdotes to convey purpose, success and use
- Decide on emotion, justify with logic
 - Save the facts and figures until after they're bought in

Corporate Membership

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