



PropelGrowth Articles

Thought Leadership on Sales and Marketing Effectiveness

Positioning Value

by Candyce Edelen, PropelGrowth, March 2009

On the morning of January 12, 2007, rush hour commuters in the Washington D.C. subway were treated to a free mini-concert performed by internationally acclaimed violin virtuoso Joshua Bell, who performed on a Stradivarius violin worth \$3.5MM*.

In the forty-five minutes that Bell played, nearly twelve hundred people walked by. Only seven people actually stopped to listen, and even those only paused for a couple of minutes. Bell collected a total of \$32.17 in his violin case. Three days earlier, he'd played to a full house in Boston Symphony Hall where decent seats sell for around \$100 each.

Do you ever feel that your company's offerings are like Joshua Bell playing in a subway station, and your prospects are simply rushing past without stopping to look and listen? You have something brilliant to offer them — something of great value that they would recognize if only they would take the time to look. So how do you get them to stop and listen?

Simply put, it's all about context, focus and priorities — or more succinctly, perception of value. If you want to gain competitive advantage in the capital markets, you must effectively position your value. In other words, you want your prospects to recognize your firm as the master violinist, not just another musician making noise on the Street.

“ Articulate value from the perspective of your prospects' larger business problems. ”

Framing the Context

In that subway arcade, the passersby - let's call them prospects — weren't prepared to hear a master musician. The location set the context. Their expectations had been set so low by other street musicians in the past that they walked right by and never paused long enough to recognize the master violinist.

In a similar way, it's quite possible that your prospects' previous experiences with your competition and with your competitor's sales people have framed their expectations of you and your offering.

If your prospect has had a bad experience with a competitor, they may be guarded about talking to you. If they recently saw a competitive pitch for a lower-end product, then they may expect similar value from you. To reset their expectations, you'll need to reset their context by effectively re-framing your firm's business value.

Most companies tend to frame value around functionality, features/benefits, and architecture, weaving in a few loosely correlated business benefits. When we work with our clients to help them develop more compelling and targeted messaging, one of the first things we do is interview their existing customers. In nearly every case, we find significant differences between how our clients express their product's value, versus how their customers articulate the value they're getting.

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It cannot be stressed enough that nobody can articulate your value better than your clients, and since they're the ones writing the checks, then their perception is the one that should count. So take the time to speak with them, and remember it's not enough to understand how they're using your firm's products at a functional level. You must understand how your clients use your products' capabilities to solve their business needs. When you can understand the value of your offering from your clients' perspective, you can far more effectively set context and frame your value to your prospects.

Widening the Focus

The people walking through the subway that day were rushing to work. Their focus on commuting caused a shortsightedness that prevented them from even noticing Joshua Bell and the beautiful music he was playing. Many, when interviewed later, did not even recall there being music in the subway arcade.

But sales people can be equally shortsighted. Most sales meetings delve into products and services way too early, without ever spending the time to learn about the prospect's business objectives. If you start talking about product too early, you and your prospects will be compelled to focus on only a few attributes of their problem and only part of your company's solution, rather than focusing on the whole. When you focus only on a narrow issue, you completely miss how that issue fits into the broader business objectives, so neither you nor your prospects ever really understand the value your company can offer.

This kind of selling won't work today. Financial services companies are under a lot of pressure, and they need to make good decisions. To help them, you have to abandon the myopic sales techniques that worked last year and focus on the prospect's larger problems so you can clearly understand where your firm's capabilities fit. You will have far more success if you can articulate value from the perspective of your prospects' larger business problems and goals. If you don't do this, your prospect is likely to conclude that you don't understand them and therefore can't help them.

Once you've taken the time to understand the broader business problems, you'll have a more realistic idea of exactly which problems your firm can help to solve, and you'll be able to more effectively position your firm's value to specific needs within the broader frame of the prospect's business objectives. This focus will enable you to frame your firm's real value and avoid over-promising where you can't deliver.

Shifting Their Priorities

In that subway arcade, passersby were rushing to get to work. They had busy schedules, meetings to attend, and priorities on their minds. They weren't prepared to hear a master musician, and they didn't recognize the value quickly enough to reprioritize their time.

In a similar way, your prospects are focused on their priorities and emergencies. While you're trying to position your firm's value, their phones are ringing, tickers are ticking, and deadlines are looming. When you get an opportunity to speak with an executive, you must be prepared to deliver a very focused, impactful, and memorable value proposition if you want to command their attention.

If they immediately see value in talking with you, then they'll temporarily shift their priorities and give you their attention. But you have to continually earn it with a plan for the call that allows you to frame your value, capture their attention, and encourage them to share openly about their business problems.

When you get the follow up meeting, you have to accomplish the same thing. Articulate a crisp, clear message that again wins their attention and convinces them that it's worth their time to meet with you.

Positioning Your Value

If those same Washington D.C. commuters had gone to the Symphony to hear Joshua Bell, their expectations in that context would have been to hear great music. They would have been focused on the performance and their priority would have been to enjoy and appreciate the value of what they were experiencing. Following are some tips for positioning your firm's value in such a way that it will inspire interest and enthusiasm from your prospects:

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- **Talk to your clients:** schedule interviews with some of your key clients and conduct post-sale interviews with every new client. Ask them about their business needs and learn how your firm’s offering helps to solve those problems.
 - **Use your clients’ own words:** as already emphasized, nobody can articulate your value proposition better than your clients. If you’re going to take the time to interview your clients, make sure you then use their words to frame your value. *PropelGrowth will help you define an enhanced value proposition.*
 - **Align sales and marketing around specific opportunities:** The best value propositions are highly targeted. It is important that Sales and Marketing help each other to understand where the opportunities are, and what your prospects are excited about. This will enable more targeted positioning of a value proposition that speaks to your prospects’ specific business needs. *PropelGrowth can help you to develop a customized opportunity map and related strategy canvas that will give your company a clearer picture of your opportunities by target market.*
 - **Make it relevant:** One size does not fit all in the financial services industry. If you sell into several financial niches, then you’ll need several value propositions (that means your client interviews should contain a variety of client “types”). For example, don’t make a pitch to a prop trader that would better fit a money manager. *Get targeted, relevant training about the capital markets customized to your specific offering and your targeted market segments.*
 - **Use reference stories:** Try to develop short client stories for each of the financial segments you sell to. Think of them as abbreviated case studies that talk about a client’s business problems, their needs, and how that client solved their problem with your capabilities.

Take the time to understand your customers, learn the various business needs across the multiple financial segments you cover, and avoid easy short cuts like price-cutting competing purely on feature/function. In doing so your positioning will differentiate you from the competition and your prospects will recognize your firm’s true value.

Read the Washington Post article cited above at:

<http://www.washingtonpost.com/wp-dyn/content/article/2007/04/04/AR2007040401721.html>.

PropelGrowth Can Help

PropelGrowth assists our clients in consultative selling, strategic account planning and effective marketing messaging. If you would like help in any of these areas, call us, and we’ll discuss.

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