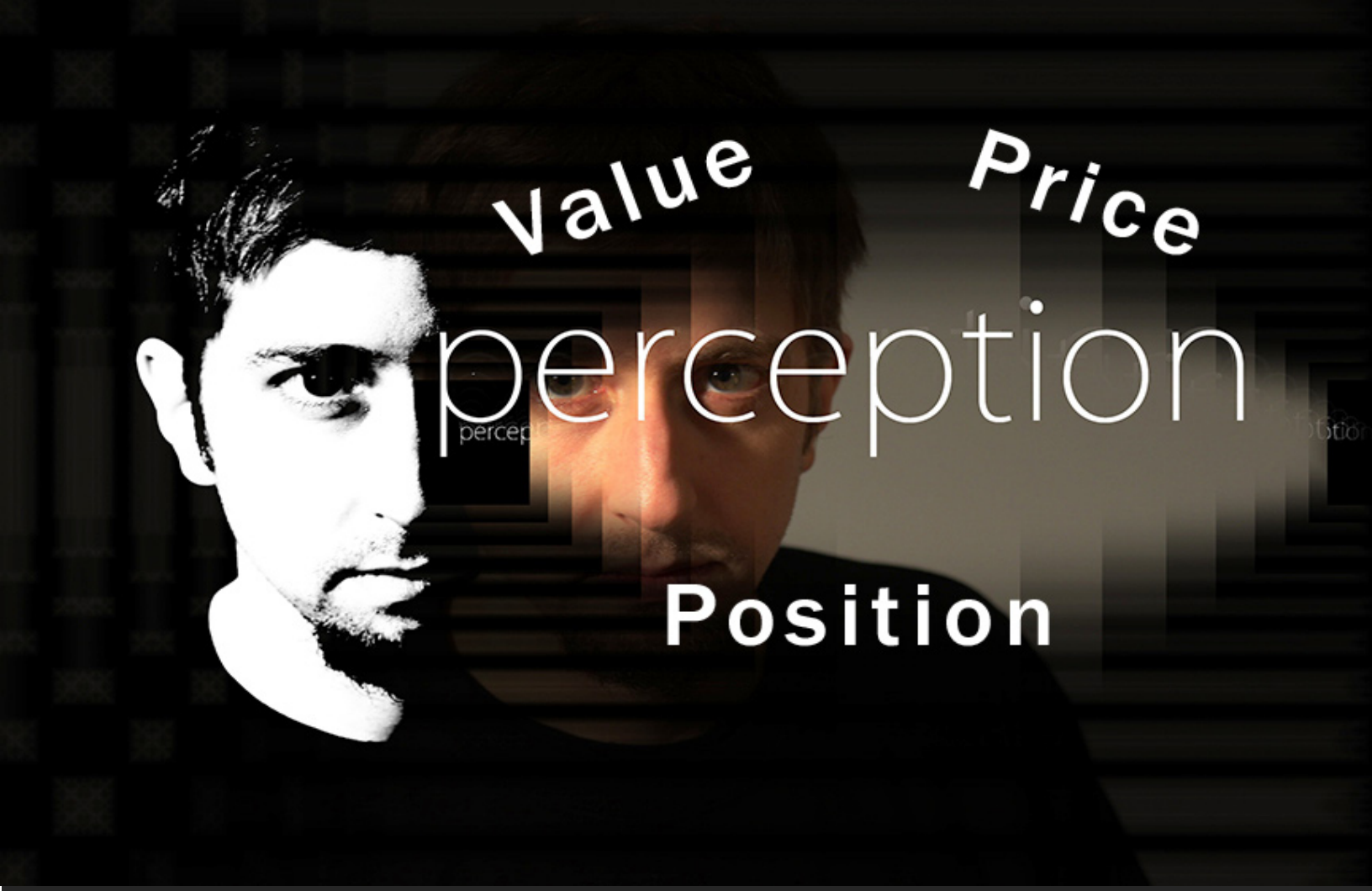


6 Myths about Value that Prevent even Quota Busting Sales Teams from Closing More Sales

Don Shapiro
President
First Concepts Consultants, Inc.

There's more going on that affects whether prospects buy and what price they pay than current discovery methods address

My research into stealth customer value has focused on highly trained, experienced producing salespeople. Most of them consistently meet and beat their quotas. Traveling with these salespeople, I discovered some reasons why customers do and don't buy that aren't covered in any training programs or books.

I call these discoveries **stealth value**. This helped me pinpoint some common myths that often result in even top producers losing sales they could have made. Here's the 6 myths this article explores.

Myth #1 - Value is a comparison between what you offer and your price

Myth #2 - Uncovering needs is enough to justify a purchase decision

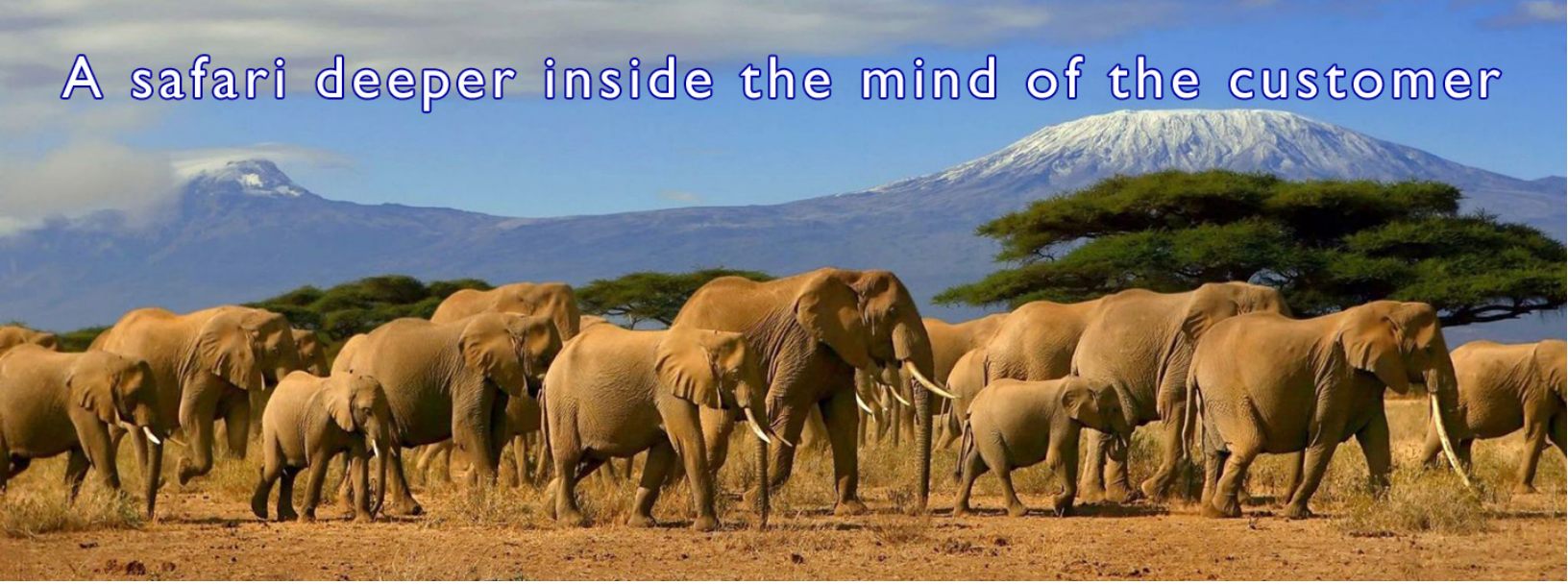
Myth #3 - You can sell value to customers

Myth #4 - Your offer has its own value separate from the customer's perceptions

Myth #5 - Customers know the best way to evaluate your offer

Myth #6 - Your position is enough to establish your uniqueness

Results from 30 years of field research observing salespeople talk with prospects and over 1000 sales reps calling on Don Shapiro



Top producing salespeople and sales teams have boosted their sales sometimes by over 20% once they understood how to find and apply stealth value. You would be right to ask why the top sales training programs don't cover this. It's because they don't know about stealth value yet.

I've been studying this for over 30 years but haven't released a book on it and have tried to stay under the radar screen up until now. Almost finished. Of course, I'm always looking for more insights, more salespeople to travel with, and more sales teams to learn about these discoveries so I can test how predictably they boost growth rates.

The more I learned about customer value, the more questions it raised. This was like a long and surprising safari deep inside the mind of the customer way beyond their needs, pain points, situation, challenges, and goals.

These discoveries expand our understanding about what affects a customer's decision to buy and what price they are willing to pay. The following 6 myths will give you a quick view of stealth value and how it differs from current thinking.

Where does value exist?

The customer's perceptions of value lie deeper down below their needs, pain points, situation, challenges and goals.

Myth # 1 - Value is a comparison between what you offer and your price

There are a lot of misconceptions about the nature of customer value, how customers use value and how they figure out their perceptions of value. Too much of what has been said treats value as if it's only a comparison between your offer and your price. This simply isn't true.

That was what everyone believed 30 years ago. We've learned a lot about the true nature of customer value since then. The customer doesn't need to know your price to arrive at their perceptions of value. It is a completely separate calculation they make based on everything they know and what is important and unimportant to them.

Those rankings of importance occur deeper down beyond their needs, pain points, situation, goals and wants. That means even if your people are masters at uncovering needs and working through the discovery stage they may not always address these deeper issues.

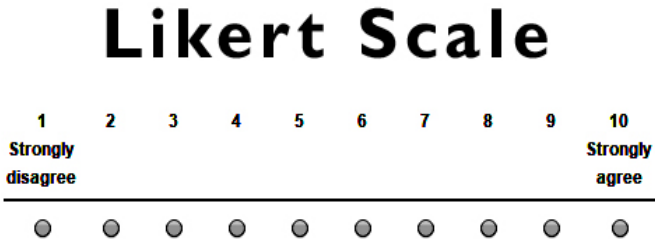
Customers run a valuation equation in their mind to assign a value to your offer. You can think of this like one of those 1 to 10 scales on a survey you've taken where 10 is the highest and 1 the lowest.

They might assign your offer a value of 6.2, 4.7 or 8.6 for example. They don't need to know your price at all to determine that value. They take all the information they have up until that moment in time, run the equation and the value pops out. Yes, they will use this value in evaluating your price but it is much more than that. It is the core reason they decide to buy regardless of the price.

To change a customer's perceptions of value, you have to provide them with new information and influence them to re-run their value formula. The role of your marketing department and sales force is to influence what goes into the formula. To do that, you have to understand the formula and how it works.

Likert Scale

Customers use a formula to figure out the value they assign to your offer that's much like picking a number on a Likert Scale. They also assign a value to each need and benefit. A lot of value calculations go into their perception of value.



Why people buy

Customers decide to buy or not buy based on their perceptions of value. This isn't just about the price they pay It's about whether they buy at all regardless of the price. It's the reason they buy or don't buy. Period

Myth # 2 – Uncovering needs is enough to justify a purchase decision

Needs alone are not enough to justify a decision to buy. What is important and unimportant to the customer is equally critical in influencing that buying decision because this is what the customer uses to calculate value. If salespeople are not focused on importance and unimportance as well as the value formula itself, they are leaving something to chance as they move the customer through their funnel.

It is my hope that the term "importance" will become as well known to those in the world of sales as needs are today. The reason you end up in "shootouts at the price corral" and your salespeople don't deliver good to great margins often enough can usually be traced back to the issue of importance. Winning sales at good to great margins is more about importance than needs.

Myth # 3 – You can sell value to customers

You don't sell value to customers. That's like telling the customer their value calculation is wrong. It's their calculation based on the information they have available and how they ranked the importance of that information.

To change the value the customer assigns to your offer, you have to influence what goes into the formula and how it's calculated. Telling them the end result of their calculation is wrong usually doesn't go well. And you definitely can't use objection handling techniques to remedy this.

The nature of value and how it comes to be must be understood by salespeople if they are to influence customers in a way that wins more accounts more often at higher margins. The discovery stage must be expanded to include stealth value if you want to capture the maximum number of wins possible.

Myth # 4 - Your offer has its own value separate from the customer's perceptions

Almost every company I'm aware of talks about the value of their offer. Some of them focus on added value. Then they tell their salespeople about all this value they want them to sell the customer. Sometimes it works. Other times it backfires. Because the value your company sees in your offer is only potential value, not real value.

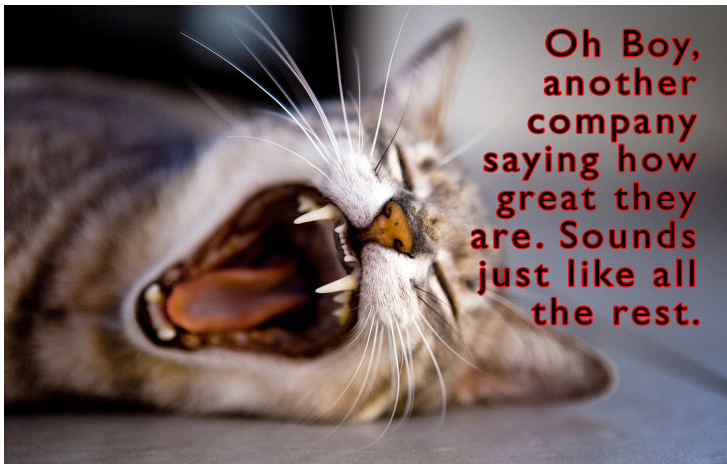
No matter how much was invested to develop and deliver your offer, it has zero real value separate from the customer. Customer's don't buy accounting value. It is the customer who decides the real value of your offer, not your company. One customer may see the same value you do and gladly pay a profitable price. Another customer might not see any value in what you offer and won't pay a dime for it. Real value is inside the customer, not in your product or service.

Salespeople need to be very clear that no real value exist until the customer runs their own value calculation. Everything they've been told about the value of your offer is only potential value. Salespeople must dig below the surface to influence what goes into the customer's value calculation and realize it could be far lower than what your company thinks it is.

Real Value

Real value is inside the customer, not in your product or service,

Myth # 5 - Customers know the best way to evaluate your offer



News flash. Customers use their usual, tried and true way of evaluating all offers. It tends to assume companies and their offerings are similar. It assumes there isn't really anything unusual about what you do. It discounts positioning and other statements created by your marketing department because all companies do that to stand out. Customers will naturally normalize you and place you in the same corral with your competitors.

It's up to your salespeople to influence how your offer is evaluated and draw a new corral where you compete. This is a separate sale from uncovering needs and talking about your offer and benefits.

Myth # 6 - Your position is enough to establish your uniqueness

Oh this myth dies hard. The role of positioning in influencing customers has been well established. Yes, unique positions are critically important. The question is how the customer evaluates and ranks your position. Positions won't do the heavy lifting for you just by stating them.

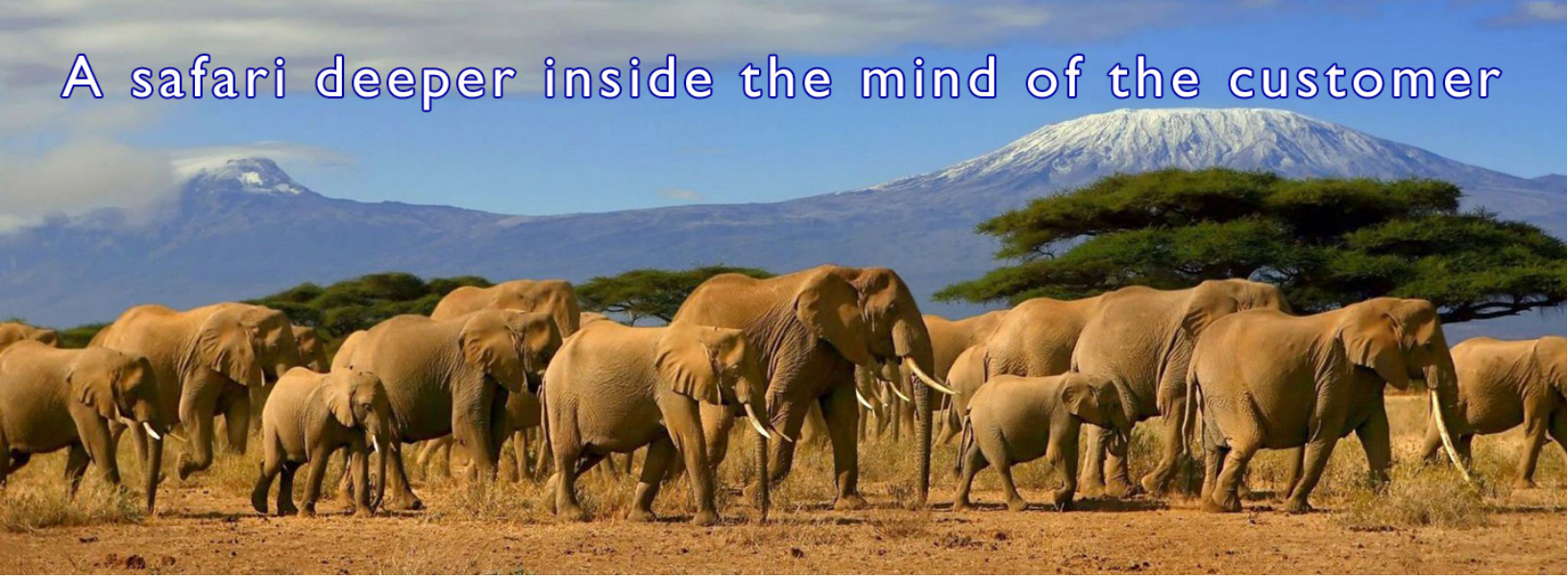
The truth is that there are a wide variety of ways a customer looks at positioning statements. This determines whether the statement is persuasive or not. Before you can position your offer effectively, you have to shape how the customer will evaluate the position.

I call this "priming." You have to prime the customer before you position your offer. You have to prepare the customer to hear your position in the most favorable way.

This gets back to the importance of influencing how the customer evaluates everything you do. If you leave this up to the customer, you are placed in the same evaluation corral with all your competitors. That makes it very difficult to stand out and will force prices lower. You need to build your own evaluation corral so your position works effectively and your offer stands out from competitors. Priming the customer is a separate and distinct sale your salespeople need to make to maximize your sales and growth rate.

Priming

You have to prime the customer before you position the offer. You have to prepare the customer to hear your position in the most favorable way.



A customers decision to buy at any price let alone a price that delivers a good margin is based on their perceptions of value. To win more sales at good margins, salespeople need to be much more focused on the stealth value that lies deeper down than their propsects needs, pain points, situation, challenges, and goals.

Don Shapiro speaks and consults on Stealth Value

Don Shapiro delivers high energy and fun speeches, seminars and workshops on Stealth Value. His interactive safari inside the mind of your customers is customized for each company, offer, industry, sales force and market. Salespeople and sales teams have been able to boost their sales sometimes by 20% or more when they fully committed to applying these discoveries. Don is the President of First Concepts Consultants, Inc, advisers on stealth value, sales, leadership, strategy, implementation, and problem solving. He is a co-author of The Character-Based Leader and currently writing the book "Stealth Value."

If you have any questions, want to share some ideas for the book Don's finishing, or want Don to speak to your team, schedule a phone meeting with Don through email at donshapiro@firstconcepts.com or text him at 202-255-3727.

Safari Guide

Stealth Value

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