



RICHARDSON

THE POWER TO SELL



HOW TO SELL A NEW PRODUCT BY TALKING ABOUT VALUE

Value is fleeting. This was a painful lesson for many people in the Netherlands in the 17th century.

In the mid-1630s, people paid fortunes for ordinary tulip bulbs. The flower was, at the time, a rarity in the country, fetching the annual salary of an average ship worker. *The New York Times* tells of one man who purchased a single Viceroy tulip by trading four oxen, 12 sheep, eight pigs, two tubs of butter, 100 pounds of cheese, four barrels of ale, and a silver goblet. Tulips had value. Then, one day, they didn't. Fortunes dwindled overnight. Value, it seems, is about what something can do for you, and tulips can't do much.

It's a lesson for sales professionals today. Value, once again, is diminishing as the leveling effect of technology takes hold, and more business solutions have commoditized. Sales professionals need to address the value of their solutions head-on. Doing so is particularly important with new products because they often offer new characteristics. Here, we look at ways sales professionals can sell new products by talking about value.



1

BUILD AROUND A STRUCTURE

Researchers writing for *Harvard Business Review* observe that “the most important attribute of a customer value proposition is its precision: how perfectly it nails the customer job to be done — and nothing else.” Communicating this precision requires a structure in three parts: issue, action, and value. Effective sales professionals succinctly identify the issue at hand, that is, the customer’s challenge. Then, they articulate how the solution works and its capabilities. Finally, they underscore the value by demonstrating how the solution precisely engages the nuances of the business challenges. However, “precision is often the most difficult thing to achieve,” explain the researchers. “Companies trying to create the new often neglect to focus on one job; they dilute their efforts by attempting to do lots of things. In doing lots of things, they do nothing really well.” The strongest sales professionals avoid this trap by committing, in advance, to this simple three-part structure. By limiting the presentation to these three categories, sales professionals won’t allow themselves the latitude to venture into unproductive tangents.



2

DEVELOP A CUSTOMER VALUE PROPOSITION

A customer value proposition starts with understanding the target customer. Sales professionals need to take the time to understand core needs. Without this first step, it's not possible to connect the capabilities of the offering to the customer's challenges. Next, the sales professional needs to determine how the solution will satisfy the job to be done. Finally, they must customize the offering. This step has less to do with the nature of the product and more to do with how it's sold. Therefore, it's important to remember that the customer is interested in buying results. All product discussions must consider how the solution will achieve or significantly advance the pursuit of these results. This step is noticeably absent in sales, given that research from SiriusDecisions found that more than 71% of executives cited the "inability for sales reps to articulate unique business value" as the top challenge to winning the sale. This has been the top-ranked challenge since 2011.



3

MAKE “SO WHAT?” YOUR MANTRA

Remembering the question “So what?” is the simplest way for sales professionals to keep their dialogue on point. With this mantra in mind, it’s easier to position a solution in a way that grounds every product feature in some qualifiable or quantifiable benefit for the customer. In other words, the sales professional is asking themselves “So what?” as if they’re in the customer’s shoes. This practice is empathy at work, an increasingly important skill in sales today. The more that the sales professional can adopt the customer’s perspective, the more that they will be able to align their solution with needs. Moreover, research from *The Harvard Business Review* reveals that “from the customer’s point of view, the greatest need for improvement is in salespeople’s knowledge of the customer’s business and industry.” Empathy solves this problem by seeking first to understand, then to be understood. Lastly, it’s important to remember that most customers are too polite to verbalize “So what?” However, the absence of the question doesn’t mean that the customer is satisfied.



4

POSITION LONG-TERM VALUE

Less than half of customers believe that sellers adequately address their problems, according to Gallup. Why? Too often, the sale is a transaction. Once completed, the relationship ends. Meanwhile, the original nature of the challenge changes; therefore, the solution must change. This trend underscores the need for longer-term solutions, which can only come from sales professionals who rise to the status of a trusted advisor. Customers need to see that the sales professional will remain a resource through implementation and beyond. Doing so means taking the time to understand impending industry challenges while keeping communication open with the customer. When the sales professional becomes a trusted advisor, the customer seeks their opinion and offers access to more senior-level decision makers. Value doesn't just reside in the product; it resides in the relationship.





CONCLUSION

Without consistent effort, value is fleeting. Sales professionals must work to establish and maintain value. The steps outlined above are sometimes difficult and even counterintuitive. However, the sales professionals who adhere to them will immediately rise above the competition.



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