

# VALUE-CENTRED BUSINESS DEVELOPMENT

## INTRODUCTION

Self-worth is about being effective in the world: not just idly contemplating one's navel or selfie. For many people, this means being able to develop business relationships, whether for one's own enterprise or that of a larger organisation.

This document attempts to summarise the key shifts in value-centred selling, as well as presenting **WHY** this approach is important in today's developed markets. We also address how value-centred selling differs from traditional "features-and-benefits" or "solution-centred" sales approaches.

It will come as no surprise that the latter are often straight out of the self-esteem school of thought. When people are selling solutions or technology, they have usually learned from role-models or practices that all about the *solution* being offered. Even traditional SPIN selling – which on the surface claims to be about the customer – in practice zeros in on pain-points in order to set the stage for the solution being sold.

In value-centred selling (and marketing), we consciously build the bridge from the other bank of the river: the bank on which the customer is standing. We begin with a wide-ranging (and genuine) curiosity about the **customer world**: not a self-preoccupied script of "features-and-benefits" or selling points. We can do this because with self-worth, we don't need to prove ourselves: we value ourselves instead. This gives us the freedom to explore.

We start with an overview of the value-centred selling approach. The seven steps of value-centred selling are then covered in the remaining sections, one by one.

## KEY ELEMENTS OF THE SALES APPROACH

1. **Why?** Today's markets are characterised by closer competition, globalised supply chains, buyer sophistication, consensus decision-making and general "commoditisation" of all expertise and services. Taken together, these forces make premium-price selling harder (and slower). When suppliers are pitted against each other, often the only response is discounting, which is a losing game for everyone. When it comes to value, there is a downward gravitational pull, that tends to devalue all products and services over time.
2. **How it differs:** Many sales approaches attempt to demonstrate "we are the best". Which we may well be... but it's all too apparent to savvy buyers that this is what we are doing, so they tend to not pay too much attention to these assertions. In value-centred selling, the focus is not on us, at all: it's on the customer's needs and risks, on the **approach** that the customer needs to take to maximise competitive advantage. We campaign not just for us, but for a wise choice of **approach**.
3. **Partner vs Servant:** The relationship with the customer is not one where we (the supplier) get told what we have to do. Right from the first contact, we aim to create a partnership relationship with the customer, not a relationship of servitude. This is self-worth in action.

4. **Evolution of B2B selling:** While relationship-builders still do well at opening opportunities, there is growing evidence that they are NOT always successful at closing sales... particularly larger, complex sales. It's more effective to be able to challenge the customer's thinking, by introducing fresh insights, tailored to their world.

## A structured customer conversation



5. Therefore, one of the pivotal skills in value-centred selling is **Step 3: Reframing**. This is the step that introduces fresh thinking, redefines requirements, establishes a real partnership relationship and focuses on the **value** of a solution – not just the cost.
6. **Value** is more than technical superiority, of the optimum solution to a problem. Value is the **result** of this: i.e. the opportunities captured, the risks averted, the operational benefits or the new markets that can now be conquered.
7. In general, our task is to **educate the customer** – without arrogance – in a way that produces an **optimum approach** for everyone: where the value justifies the cost.

The seven steps of value-centres selling are now covered, one by one. As this is an overview from a detailed value-centred sales training program (developed over 20 years, please excuse occasional references to various skills and resources employed during our detailed training work with technology and consulting firms.

### Step 1: PREPARATION

The key to a successful meeting is being in control of the agenda. This not only refers to having a written agenda, but it means that you can direct the meeting by knowing the **crucial questions** that need to be asked. More about this in [Resource 13](#), the preparation of essential discovery questions.

Key points in this step:

1. In value-centred selling, the key objective is to bring fresh **insights** to the meeting, that will **differentiate** you and show that you are focused on creating **competitive advantage** for the customer. Self-worth in action.

2. Equally, you want to go to the meeting equipped with key facts **about your history** with that customer: previous purchases, service history, etc.
3. The crucial question is: “**What’s going on in their marketplace?**” This includes evolution of prices, costs, key competitors, how their customers’ buying habits are changing, etc.
4. In this way, you can show that you **know their world**, and ask powerful questions (see next Step of this process: Discovery Questions)
5. How will their **future** be different to today (or the past)? What leaps in quality should they consider, in order to be competitive? What happens if they don’t make these leaps?
6. In each sector, what are the **key differentiators**? For example, is this about capacity? Or better performance? Or protection of customer reputation?
7. Check that your insight really is insightful. Five **tests** to apply:
  - a) Is it about them and their world, not you?
  - b) Does it have specific relevance to their world, vs generic maxims or principles?
  - c) Is it factual vs mere opinion?
  - d) Is this a fresh perspective vs same old story?
  - e) Is there a sense of urgency e.g. a forthcoming regulation change?
8. Good ways to **structure** insights:
  - a) Risks and threats affecting others like them
  - b) Evolution: outlining the stages by which (for example) throughput / yield is gained, or how customer requirements are evolving
  - c) Making a distinction that deepens their understanding. Again, self-worth in action.

## Step 2: NEEDS DISCOVERY

Having done your preparation, you are now equipped with some good questions to ask, and also you are already bringing insights of value to the meeting.

Key points in this step:

1. In value-centred selling, we aim not just to find out **what** needs to be done (e.g. deliver a training course), but also **why** that is important (e.g. protect key customer business, or open up new markets). The value lies in the **why**, not just the what. (In our value-centred sales training, we refer to this as “The Big Why”.)
2. In order to do so, the key skill is **context** questioning. We distinguish context-questions from content-questions. Context questions reveal where the value lies. Context questions are about their world, not just the scope of work to be done. We saw some good context questions in the last resource: Discovery questions.

3. Context questions also reveal **who** the key stakeholders are. “Whose support will be vital to the success of this initiative?”
4. In order to get into context questioning, it’s useful to start asking questions **right from the start** of the meeting. In this way, you are in charge of the discussion.
5. Sometimes, we have to **make space for discovery questions**. See the previous resource in this series. Perhaps they come armed to interview us! Or they just want to know the price. Now, your sense of self-worth may well be tested. Can you make space for discovery questions?
6. In this stage, we are also building a **personal connection**. We rehearse four **coloured lenses** through which people see value.
7. We also rehearse the **reveal** questions: “Where would you like to begin?” and “Why is that important?”
8. When called upon to do presentation, we lead with **context**, not content. We rehearse a proven structure for value-centred communication:
  - d) **Situation**: factual data about their world
  - e) **Complications**: risks and threats affecting other people like them
  - f) **Crucial question(s)**: arising from the above
  - g) **Recommended approach** (if you are now ready to present this)

Throughout this process, we behave as the customer’s **partner**, not their **servant**. We show we are interested in **their** world, not just our own. Our questions stem from a desire to make sure they make the best possible purchase.

### Step 3: REFRAMING REQUIREMENTS

Having uncovered the real customer needs – via your preparation and needs-discovery questions – you are now in a good position to add value by reframing (e.g. fine-tuning) customer requirements, before you start to meet those requirements.

This is a fundamental step in value-centred selling, that often differentiates you from other suppliers. By reframing, you show the customer that you are a real **expert** in your field, that you are focused on delivering maximum **benefit**, making sure they get full value.

Key points in this step:

1. What is reframing? It’s doing something that helps the customer think differently about the **problem**, before you start presenting any **solution**. You might do this by adding a new option, anticipating an unforeseen risk or highlighting a future opportunity (e.g. capture a new market). You can do this because you value yourself and your work.
2. Why is this important? At this stage the key to success is becoming the customer’s **trusted partner**, so that any solution put forward later is coming from a position of trust. You know there will be objections later on, whether about price or service or something else. So, the time to build trust is **before the proposal**, not after.

3. Reframing is not just a sales technique or a trick: it adds value for everyone involved. A reframe is only a reframe when the customer accepts it... usually signalled by writing it down, often accompanied by thoughtful body language. Sometimes, customers need time to absorb: a good story will help them to do so. Their understanding is crucial: remember they will often have to sell this internally, to their colleagues.
4. This is the most collaborative stage, so take your time! It's always tempting to rush on to write that proposal. Sometimes, it takes a few attempted reframes to get to the right one. If you raise good questions – tailored to the world of the customer – you can do this. Self-worth in action, again.
5. Highlighting unforeseen **risks** and barriers is particularly effective. Doing so shows clearly that you know the world of your customer... more so than those competitors who failed to do so.
6. Once you have finished reframing, and the customer has enthusiastically embraced your (joint) redefinition of the requirement, you have established yourself as a trusted partner. You are now ready to talk Options and Budget (next stage).

#### Step 4: OPTIONS & BUDGET (Inc. QUOTATIONS)

If you have followed the steps so far and have successfully reframed requirements with the customer, you are now in all probability a trusted advisor. This means you are now in a good position to explore options and budget with the customer, in order to establish a realistic budget-guideline for the project. This means you can then do a quotation that has a much higher chance of success.

Some customers (or their agents) will have been pushing for the quote long before this. By reframing requirements, you have hopefully put yourself in charge of the customer conversation. So try to get an agreed budget guideline **before** sending in a quote.

Key points in this step:

1. If all has gone well so far, this should be the most collaborative stage of the process, so don't rush! You are a trusted advisor. This is a time to be their partner, not their servant. This is when self-worth counts!
2. Before doing a proposal: Is there common ground between you and the customer about WHY they are investing? Do you have a budget guideline?
3. If the customer is pushing you for a price at this stage, you can specify a range from your experience of the market, and what others in a similar situation have invested. It's not unreasonable of a customer to want you to name some numbers first.
4. It is normal for the customer to want to negotiate at this point: even at budget guideline level. So it's important to have established the risks and pitfalls, before this discussion. This is your key weapon: i.e. the penalty of buying too cheap.

5. This is a good time to explore with the customer what other options they are considering, and to evaluate together the Pros and Cons of each. One option to always include is the option of doing nothing, and running with the status-quo. It's important to get the Cons of this as explicit as possible – they will think of it, anyway!
6. When all is discussed as above, you can do a quotation (with the BOSCARD structure)... or at least an executive summary that opens with their requirements.

### Step 5: DEALING WITH OBJECTIONS

If you have followed the steps so far and have successfully reframed requirements and agreed budget-guidelines with the customer, you are now a trusted advisor so there should be fewer objections to manage.

However, we can expect any customer to make at least one effort to test the price: it almost expected! At this point, self-worth is all about holding on to your sense of value.

Key points in this step:

1. This is a time to continue to be their partner, not their servant.
2. There will almost be never be justification (for a higher price) by talking about our higher costs.
3. Therefore, the justification must come from the higher **value** delivered.
4. Higher value is the sum of two things a) the **benefits** conferred by our approach, and b) the **risks** of not doing so. Often the latter is more significant than the former.
5. In dealing with objections, our best weapon is usually a story about how someone decided to buy cheap, and suffered negative consequences as a result (e.g. loss of a key customer account). After all, if there are no negative consequences for buying cheap, why shouldn't they do so?
6. It follows that you should prepare and circulate these stories among your team, for each application.
7. When dealing with an objection: it's best to hear it fully. Customers generally want their objection understood, not just interrupted with "Yes, but..." statements from the supplier.
8. The best time to deal with price objections is when discussing budget-guideline, not after.

### Step 6 and 7: GIVE/GET and CLOSING THE SALE

The final two steps of the value-centred process are all about harnessing the momentum that you have built up in previous steps, in order to close the sale and secure an agreement with the customer.

Key points in these steps:

1. As already mentioned, most purchasers will make at least one attempt to test the price. This can be welcomed as a buying signal.
2. The key weapon that you now have in your possession is the **value** that you have clarified to date: i.e. the benefits that a high-quality solution will bring PLUS the risks that such a solution will help to reduce.
3. When **giving** a concession, you therefore want to ensure you are **getting** something in return. In this way, you maintain the partner-relationship that you have built to date, rather than becoming their servant.
4. It's not essential that what you get is equal to what you give. You might ask them to be a reference site, for example, just so that you do not giving something for nothing.
5. If you choose to discount, use **single** digits and even decimal places.
6. The trial close: the easiest way to close is on a **minor** point e.g. "to whom do we send the documentation?" If they answer, you know they have bought. Furthermore, this takes us into doing the deal together.
7. Please avoid the trap of sounding too hungry or too desperate. It may be used against you. A simple "scheduling" call, or question, is often sufficient. Your tone should be professional and business-like, not pushy or over-eager. This is another one of these times in which your self-worth counts.
8. Double-closing is important: to prevent buyer-remorse, which is a frequent psychological reaction after making a decision. Double-closing consists of sealing the deal with an unexpected bonus, or extra bit of attentiveness to the customer.
9. Particular care needs to be taken when passing the sale to the people who will fulfil the order. You have spent many months building a relationship: you don't want your customer feeling abandoned now that you have his signature.
10. At all times, the question that prompts us is how do we show that we care? How can we support them to secure the results that they want? This is where the value lies.

## FURTHER DEVELOPMENT

Value-centred development is self-worth in action. Without an unconditional sense of value in their own worth, professionals slip into proving themselves, or justifying themselves. If you would like to rehearse these skills in an encouraging, supportive and fun environment, you are welcome to get in touch : [john@SelfWorthAcademy.com](mailto:john@SelfWorthAcademy.com)

In the future, we plan to add further resources about how to get more prospect meetings. Specifically:

- Getting referrals and recommendations
- Worthwhile partnerships
- Keeping in touch in human-friendly ways
- Transforming customers into ambassadors and partners

- Getting others to tell your story

The tangible rewards of value-centred approaches to business-development are easy to measure: higher sales, more compelling value-propositions and less discounting. For example, how much does each one percent of discounting cost your organisation per year today?

But perhaps the intangible rewards are even more significant. When professionals switch towards value-centred selling, this generally transforms their entire relationship with their own careers. They experience a new thrill of discovery with customers and with partners. Free of the need to seek validation, they become more courageous in their negotiation and in their presentations. They find fresh meaning in co-creating positive impact with their customers.