

Value Proposition Diagnostic Guidance Instructions

How to diagnose whether you have a 'value proposition' issue

To get a useful assessment you could do a rapid 'desk research' job for yourself to get a first cut answer for yourself on whether your 'value propositions' stack up - it should only take you 45-60 minutes.

To test how well your sales organisation makes propositions take a look at a sample of five current sales proposals and invite your lead sales person (and their manager) to sit down with you and evaluate each proposal opportunity against the ten questions listed below.

<i>Key diagnostic question</i>	YES	MAYBE	NO
1.Does the proposal demonstrate knowledge of the client's business?			
2.Does it summarise the agreed needs of the client?			
3.Does it specify the objectives for making a change?			
4.Does it explain how the proposed solution would meet their needs?			
5.Does it describe clear and tangible benefits relevant to the expressed needs?			
6.Does it provide a financial justification and/ or ROI calculation?			
7. What proof/ evidence do you have to support the ROI calculation (and how convincing is it)?			
8. Can your client coach (who is supporting your bid within the client's organisation) articulate your 'value proposition' for themselves unaided by your assistance?			
9. Can the ultimate decision maker who is making the buying decision for your contract articulate your 'value proposition'?			
10. Is your 'value proposition' included as one of the key factors within the client's decision making criteria in their buying process			
Total for each column			

Completing your 'Value Proposition' diagnostic scorecard

All you need to do is complete the scorecard answering the 10 questions by placing a tick in the appropriate column (YES, NO or MAYBE). If there is a lot of discussion on the correct answer, then place your tick in the MAYBE column. If you don't get 10 ticks in the YES column, you know you need to work on. If you see a consistent pattern across all 5 proposals/ opportunities then you know you have an area of weakness that requires fixing and incorporating within your sales process.

Analysis of your results and recommended action to take

Scoring (simply count up the answers in the YES column)
10 - You have well constructed 'Value Propositions' this is unlikely to be the explanation for losing out on your contract bids. You should look at your sales process and pricing to determine the root causes.
8-9 – You have some specific areas to address in making your 'value propositions' more compelling. Fixing these should rapidly improve your win rate.
5-7 - You have significant gaps in defining your 'value proposition' which is likely to be a significant cause of being unsuccessful in your competitive bids.
0-4 - You have major deficiencies in your 'Value Proposition' which deserve your immediate attention. You are unlikely to win even uncontested bids with these weaknesses unaddressed.

For a discussion on these topics see:

<http://www.closequarter.co.uk/2008/02/are-you-losing-b2b-sales-because-of-top.html>

For further related articles go to:

<http://www.closequarter.co.uk/blog.html>