



**DEVELOP
YOUR VALUE
PROPOSITION**

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Develop Your Value Proposition

Renewing and Crafting Your Value Proposition: An Insightful Guide

CEOs and sales leaders of small and medium-sized technology companies find themselves grappling with underperforming or stagnant sales teams. They have identified a noticeable sales and marketing execution gap with inadequate pipeline, lack of new lead development, and consistent forecasting shortfalls. CEOs perceive a substantial divide between sales and marketing efforts and their own broader organizational objectives while sales leaders are becoming more and more frustrated with managing the divide between CEO's and the challenges faces by sales teams resulting in the average tenure of less than two years for CRO's.

This frustration extends to the sales and marketing teams themselves. Sales face what they believe are unrealistic expectations to meet quotas with only 57% of reps achieving their 2022 targets and 2023 forecasts appear to be the same. They believe the sales tools provided create more work for them and little value in helping achieve success. This frustration results in a 30% attrition rate costing companies missed revenues and increased sales costs.



Concurrently, Marketing teams confront their own set of challenges. With about 40% of evaluations in place even before Sales teams step in, marketers grapple with the task of identifying and engaging prospects at an early stage. This challenge is further complicated by limited resources and tight budgets, making it burdensome to satisfy the growing digital demands of potential customers.

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While most B2B sellers think their prospects have taken charge of the buying process, the fact is buyers are more confused and frustrated today than they ever have been. This originates from information overload that doesn't address their specific needs, isn't relative to their unique requirements, and fails to provide value.

Struggling technology companies often seek quick fixes in an attempt to revive their revenues. This includes making personnel changes, adopting new sales tools, or expanding into new markets. However, it's important to recognize that the root cause of the problem may lie elsewhere, and implementing these strategies without addressing the underlying issues can potentially worsen the situation.



Before rushing into any changes, it is crucial to reflect on the company's initial purpose and assess whether the focus on solving problems for customers and delivering value to

them has remained intact. In most cases for companies with stagnant revenues, the company's focus has become blurry or even lost entirely. Taking the time to evaluate the core values and purpose of the business can help ensure that any changes implemented are aligned with the company's long-term goals. By maintaining a clear focus on providing value and solving customer problems, struggling technology companies can improve their chances to identify and win new opportunities.

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A successful sales strategy overhaul hinges on reconnecting with your unique value proposition, recognizing and comprehending your ideal consumer segments, and refining selling tactics to align with their specific needs and preferences. It is the foundation to build your Go To Market strategy impacting sales, marketing, product development, and customer support. Even the smallest misalignment can cause your company to falter.

Larger Companies have the luxury of contracting third-party consulting firms to assist in this process investing millions and several months. While engaging one of



these top-tier consulting firms can yield substantial benefits, smaller companies may not have the luxury of time or money to do so.

An alternative approach is to begin with a cost-effective broad overview before deciding on a more comprehensive study. This guide helps navigate you through the process of identifying the value you bring to clients and pinpointing your target customer groups, offering invaluable insights to fortify your sales game plan.

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Initiating the journey requires an analysis of your customer base. This involves understanding their perception of the value you are providing and delving into their demographics and preferences. Begin by examining certain KPI's you should have in place. The first and most important is Customer Churn. If your average churn exceeds 1% monthly or 10% annually, it may signify a bigger problem as customers departing perceive a lack of value. If your churn is higher than this, you may want to step back and get a firm grasp on this before doing anything else. If your customers



don't see the value in your solution, how will prospective buyers. Analyze product usage by modules or features. This will reflect where customers are receiving the most benefit. It's far too common for companies to build a new option into the solution for a

customer or with the hopes of penetrating new markets to later find out no one is utilizing it. The data will help product development prioritize future enhancements into the solution.

After completing this phase, conduct interviews both externally and internally focused on the perception of the value your solution provides. Use one facilitator to both audiences to compare what benefits your customers are receiving to the perception of your sales, marketing, customer support, and product development believe they are providing.



Expand your reach when contacting customers to those that were involved in the original evaluation. Seeking insights from all these decision-makers will gain an understanding of the impact your solution is having in each department. More recent customers provide better insight as people's roles change or they have simply forgotten.

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When determining a random sampling of customers, be careful not to just focus on your best customers. Speak to the silent majority who may not view everything from rose colored glasses.

Internally, interview both newer employees and those that have been with the company for some time. This may identify shortcomings in your onboarding process and routine training that needs to occur.



Carefully curated questions can trigger revealing answers, offering clarity on aspects like problem-solving effectiveness, surprising benefits not expected, ROI,



business impact, renewal intentions, etc.

A side benefit will also be gained through this process. You will gain new referrals. Referrals that can articulate the value your solution has provided them.

These referrals can also be a great resource for webinars and Case Studies. You may identify potential customer churn that can be saved. Finally, it can provide insights into future development to enhance your value proposition.

After gathering feedback, the facilitator should consolidate the data and then segment it by buying persona, business segment, and industry. At this point you should have a clear understanding of the business problems you solve within a specific industry and company segment laying the foundation for your comprehensive Go-To-Market strategy.

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In dynamic markets, a one-size-fits-all sales approach is ineffective. Reducing market complexity or focusing on specific, high-value segments can contribute to growth. By streamlining offerings, improving targeting, and optimizing resources, you can experience increased efficiency and growth. A well-defined value proposition focuses marketing, sales, and product development to deliver the right solutions to the right buying personas in the right way at the right time. It aligns the entire team around a common purpose and mission, fueling both revenue growth and long-term sustainability transforming your entire organization into industry experts and Trusted Advisors for both potential and existing customers.

With a refreshed value proposition as the cornerstone, you can now get a firm grasp on the Buyers Journey anticipating their needs in each stage of their evaluation process and develop your Go-to-Market (GTM) strategy. This involves enhancing your digital assets to educate and support prospects search for information, encompassing your website, white papers, blogs, SEO, LinkedIn, industry groups, social selling, and webcasts.

About the Author

With a sterling track record spanning over 25 years, David Sanders has established himself as a seasoned executive sales leader in the realm of emerging enterprise technologies, e-commerce, distribution, and supply chain organizations. Serving as the Chief Revenue Officer and Senior Vice President of Sales and Marketing for various companies, his leadership has seen the inception and execution of global go-to-market strategies for cloud-based software firms utilizing the power of Artificial Intelligence (AI) and Machine Learning (ML) across diverse industries. His proficiency lies in the creation and implementation of forward-thinking sales strategies, transformation of sales teams, product and brand launch initiatives, integration of acquisitions, market expansion, and the cultivation of strategic alliances. His contributions have been instrumental in achieving double and triple-digit year-over-year growth in annual recurring revenue, a surge in closed transactions and new logo attainment, all accomplished through the creation of new channels programs and marketing strategies.