



# Professional Development Unit Bundle

Competency: Business Acumen

PDU Value: **5** PDUs

**Why do Professional Development Unit (PDU) Bundles exist?**

**Whether you're maintaining your CPSA Designation, or wishing to develop your skills in sales, our PDU Bundles are made to strengthen and reinforce the skills you need to help reach new heights in your career.**

**Maintaining your designation gives evidence of your commitment to the principle of lifelong learning and ensures that your professional sales skills are developed as markets, customers, and innovative technologies evolve.**

**As the holder of a professional sales designation, you are required to meet the annual Professional Development Units (PDU) requirement. This process ensures that you are up-to-date on the most current issues and practices in sales.**

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## Section: Building a Strong Value Proposition

### Value Proposition Examples: Words That Get Meetings

Author: Jill Konrath

Jay is the owner of a massage therapy company. He's trying to figure out how to sell his services to the corporate market. Like many of you, he doesn't have a strong business case to capture a company's attention. That's why he recently asked me:

"I'm having trouble figuring out my value position for selling to bigger companies. When a company's challenges are rising cost from suppliers or trying to go 'green', it just doesn't cut it to tell them, 'Hey I can reduce your stress during those stressful times.' Any advice you can give is appreciated."

Here is my response:

"You're right Jay. For the most part, 'reducing stress' doesn't excite most corporate decision makers. You need to start thinking differently about the value of your services. What you're missing is the high cost of stress on an organization. It can lead to: higher medical costs, increased absenteeism, costly mistakes, disengaged employees, lower productivity, increased turnover and much more."

One of the biggest reasons businesses struggle in today's market is because they have weak value propositions. Over and over again, I hear people who sell deliver ineffective statements about the value customers get from working with their organization. It doesn't matter if these sellers are from big companies, small firms, or are independent professionals. They just aren't saying things that get prospective buyers to say, "Come on in. We need to meet."

And the worst thing is that many of the products or services these people sell have extremely high value to corporate accounts! But their failure to articulate it in words that appeal to corporate decision makers is their downfall. Instead, they limp along trying to drive sales but unable to even get in the door.

A strong value proposition is specific, often citing numbers or percentages. It may include a quick synopsis of your work with similar customers as a proof source and demonstration of your capability. A value proposition is a clear statement of the tangible results a customer gets from using your products or services. Its outcome focused and stresses the business value of your offering.

Here is an example of a good value proposition:

"We help large companies reduce the cost of their employee benefits programs without impacting benefit levels. With the spiraling costs of health care today, this is a critical issue for most businesses. One of our recent clients, a large manufacturing company similar to yours, was struggling with how to reduce spending in this area. We saved them over \$800,000 in just six months. Plus, they didn't cut any services to their employees, nor did their employees have to pay more."

Strong value propositions are your best tool for setting up meetings with prospective buyers. Corporate decision makers will nearly always meet with sellers who offer tangible outcomes and measurable results.

## About the Author

Jill Konrath is an internationally recognized sales strategist. As author of two bestselling books, *SNAP Selling* and *Selling to Big Companies*. She has also created a free online resource called the Value Proposition Tool Kit.

## Is There Any Value in Your Value Proposition? Five Tips For Communicating the Real Value of Your Services

Author: John Doerr

In the course of my work with all manner of professional service firms, I hear a very common lament. "We are becoming a commodity. The prospects just seem to buy on price. We are really good. How can I possibly separate myself from the crowd?"

My usual response is, *"What can make you special? Why are you different?"*

The client's usual response, *"Well, we have great people (I hope so). We are customer-focused (that's nice). We provide valuable solutions to support our clients through industry focus and excellent methodologies that build off our 100 years of experience and on and on and on. Just let me tell a prospect about our services and he will surely want to work with us."*

The problem is that all these comments are from the service provider's perspective. At no time has anyone mentioned what problem the prospect is trying to solve or what goals he is trying to reach. Naturally, the prattling of the service provider falls on deaf ears. To paraphrase an old saying, "Value is in the ear of the beholder."

So how do you develop a value proposition that offers value and, just as important, generates leads, meetings, and new clients?

Before we answer that question, let's define value proposition. A value proposition is a compelling, tangible statement of how a company or individual will benefit from using or engaging your services. No more, no less.

### Five Tips to Communicating True Value

If value is in the ear of the beholder, then listen to your own words from the prospect's perspective and realize it's all about what they are buying, not what you are selling. The following guidelines will help you ease the transition into the prospect's world.

1. **Start with Needs** – Why do clients engage your services? It is not because they *want* services such as an audit or training or 24/7 computer support. It is because they *need* to keep the IRS happy; they *need* more skilled customer service representatives which, in turn, give them happier customers; they *need* to sleep better at night knowing their computers are running.

Think in terms of what client *needs* you can fill, not what services you can offer. Prospects may not always understand what your services are all about, but they certainly will understand how relieving their pain or reaching their desired future will help.

2. **Ask Your Clients** – If you already have clients, then ask them why they decided to work with you in the first place. What is it that made you distinct in their minds when they chose you? What benefits did they gain from the work you have done? How would they describe your work to a colleague if

they were to recommend you? (If you don't yet have clients, find potential clients and ask why they buy your type of services.)

Listen carefully to your clients' answers. Listen for key words or phrases that are used frequently. Listen for the real hot button needs that evoke strong emotion or conviction. Suspend any preconceived idea of what you are about to hear. By listening with an open mind, you will most likely be surprised, and will discover the real value you provide.

3. **Don't Use Marketing Speak** –Use the words your clients use. Use the phrases and needs that resonate with them. Instead of “We work with our clients to help them achieve high performance,” (actual copy from a leading consulting firm's website), try, “We help our clients increase customer satisfaction which in turn leads to higher loyalty rates and profits.”
4. **Construct a “Straw Man”** – Once you have outlined potential needs and verified these with your clients, construct a “straw man” value proposition that incorporates the best and most compelling points that you heard. Try it out with the members of your firm, with friends, with colleagues from your network. Ask for push back, make adjustments, and prepare to test.
5. **Test Your Value** – Your “straw man” value proposition becomes your test with actual prospects. At networking events, in your prospecting conversations, on your next phone call, see if you pique a prospect's interest instead of getting blank stares. What pieces work the best? What pieces inspire the desire for more information? Tweak it, refine it, and finalize it, because now you are ready to go.

Once you have created a value proposition that resonates with your prospects and clients, you can now communicate this value in all your sales and marketing messages, including your:

- o Sales conversations with clients and prospects
- o Marketing copy in all your marketing materials
- o Key words and messaging on your website
- o Articles and white papers
- o Seminars and / or webinars you offer
- o Service entry offers

By putting tangible value that speaks to your clients in your value proposition you will definitely stand out from the crowd. And, most likely, add more value to your own firm.

#### **About the Author:**

*John Doerr is Co-President of Wellesley Hills Group. He is also the Founder of RainToday.com and co-author of the book Professional Services Marketing (Wiley, 2009).*

# Elevator Speech vs. Unique Selling Proposition vs. Value Proposition

Author: Jill Konrath

Without a strong value proposition, it's much harder to sell your products or services in today's economy, much less even get in the door of big companies. But what is a value proposition? And how is it different from other commonly used terms?

A value proposition is often confused with an "Elevator Speech" or a "Unique Selling Proposition." It's essential to understand the difference between these terms because their purposes and sales impact are very different.

## Elevator Speech

An elevator speech is a short, 1-2 sentence statement that defines who you work with (target market) and the general area in which you help them.

About 10 seconds long, it's used primarily at networking events to attract potential clients and stimulate discussion. The following elevator speeches show you how some people describe what they do:

- "I work with small businesses who are struggling to sell their products or services into large corporate accounts."
- "We help technology companies effectively use their customer information to drive repeat sales."
- "I help small-to-medium sized manufacturing companies who have difficulties with unpredictable revenue streams."

## Unique Selling Proposition

A unique selling proposition (USP) is a statement about what makes you and your company different from other vendors.

Its primary value is to create competitive differentiation. A USP is often used in marketing materials or in talking with customers who are ready to buy.

Here are a few good USP examples:

- We specialize in working with financial institutions. (Specialty)
- We guarantee service in 4 hours or your money back. (Guarantee)
- We use a unique tool called SureFire! to analyze your critical needs. (Methodology)

Helping customers understand your USP is imperative when they've already decided to make a purchase decision. But USPs have absolutely no impact when customers are satisfied with their situation or when they're frustrated but haven't yet decided to change. USPs are far more effective in the business-to-consumer market than in business-to-business sales.

### Value Proposition

A value proposition is a clear statement of the tangible results a customer gets from using your products or services.

A strong value proposition is specific, often citing numbers or percentages. It may include a quick synopsis of your work with similar customers as a proof source and demonstration of your capability. Here are a couple examples to stimulate your thinking:

- "We help large companies reduce the cost of their employee benefits programs without impacting benefit levels. With the spiralling costs of health care today, this is a critical issue for most businesses. One of our recent clients, a large manufacturing company similar to yours, was struggling with how to reduce spending in this area. We saved them over \$800,000 in just six months. Plus, they didn't cut any services to their employees, nor did their employees have to pay more."
- "I help technology companies who are launching an important new product into the marketplace – and need it to be successful to achieve their sales forecast. Where I help my clients is in the often dropped hand-off between marketing and sales. As a result, they're able to more easily meet projected sales goals and significantly shorten time-to-profitability."

Both the elevator speech and the USP are cousins of the value proposition, but there is one vital difference: they lack the punch of a value proposition when selling to the corporate market.

### About the Author

Jill Konrath is the author of AGILE Selling, SNAP Selling & Selling to Big Companies.

**PURPOSE:** This tool will help you to identify the competitive advantage of your product(s) and/or service(s), and help you to create a Unique Value Proposition list for you and your organization. Use this in planning a phone call/email a prospect to secure an appointment.

## Competitive Advantage Analysis

Customer \_\_\_\_\_

Competitive Factors	Comparison to Your Competitor A	Comparison to Your Competitor B
<p style="text-align: center;"><b>UNIQUENESS:</b></p> <ul style="list-style-type: none"> <li>• What products and services do I have to offer that satisfy a prospect's needs?</li> <li>• Are they unique to the industry?</li> <li>• Compare products and services to those of competitors.</li> </ul>		
<p style="text-align: center;"><b>ADVANTAGES:</b></p> <ul style="list-style-type: none"> <li>• What advantages do my products and services offer that my competitors' do not?</li> </ul>		
<p style="text-align: center;"><b>PARITY: (On Par or Same)</b></p> <ul style="list-style-type: none"> <li>• What products and services do I offer to satisfy a prospect's needs that have like value to those of my competitors?</li> </ul>		



**UNIQUE VALUE PROPOSITION STATEMENT**

- Make this unique and conversational to your specific customer

<p>We Solve...</p>	
<p>We offer the only... We specialize in...</p>	
<p>...which helps you... "What's in it for me?" - your customer...</p>	

## Video: What do top Performing Sales Organizations do Differently?

Author: Dave Mahr, RAIN Group



For sellers and sales leaders today, it's a constant battle to get to the top of the pack. In RAIN Group's new study, The Top-Performing Sales Organization Benchmark Report, they found that Top-Performing Sales Organizations:

- Achieve an average win rate of 62%
- Meet annual sales goals
- Set challenging sales goals
- Are more likely to capture maximum prices in line with the value provided

Yet, only 20% of the 472 sellers' and executives' organizations we studied are Top Performers.

Learn about the "Sales Performance Wheel" and how building a strong Unique Selling Proposition is vital to your business.

[Click here to watch.](#)

## Section: Measuring Profitability Effectively: The Link Between Loyalty And Profitability

Author: Bill McCormick

"Employee loyalty is linked to customer loyalty and retention, which leads to greater profitability"

-Frederick Reichheld, *The Loyalty Effect*

### Customer Loyalty and Profitability

You probably aren't surprised to read that companies with superior levels of customer loyalty and retention have the highest profit and growth rates. Customer loyalty generates repeat sales, increased sales, and referrals.

Numerous books and studies support the connection between customer loyalty, employee loyalty and profitability. Did you know that approximately 40 percent of the companies in the Top 100 Fortune "America's Best Companies to Work For" list also appear on the Fortune 500 List?

### Employee Loyalty is Essential to Customer Loyalty

You may be surprised, however, to learn that there is a direct link between customer loyalty and employee loyalty. You cannot maintain a loyal base of customers without a loyal base of employees! Why is this true? Your best and most loyal employees are more efficient than new employees, more empowered, more innovative, and more customer-focused, which improves the overall customer experience and satisfaction level.

### Customer and Employee Churn

Consider these statistics from Frederick Reichheld's book, *The Loyalty Effect*:

1. When looking at all industries, it was found that average companies tend to lose 50 per cent of their customers in 5 years and 50% of their employees in 4 years. Let's call this customer churn and employee churn, for short. Ask yourself these two questions:

" What effect does customer churn have on your profits?

" What effect does employee churn have on your profits?

2. The best companies have dramatically lower employee and customer churn (as low as 5 per cent, depending on the industry), and their profitability tends to be 2x to 10x higher than average companies.

### Building Employee Loyalty and Reducing Employee Churn

Employee satisfaction was initially viewed by many studies as the way to build employee loyalty. On the surface, this seems straightforward. If employees are satisfied with their current work situation, they have less reason to leave and consequently will be more loyal to the current employer.

Yet, more recent research showed that employee commitment is a better measure than employee satisfaction. One example is the 2003 Institute for Employment Studies research, which cited that employee commitment had a higher correlation to customer satisfaction than employee satisfaction did.

We agree with the recent research that employee commitment is the desired goal. If you prefer, the phrase employee engagement is almost synonymous with employee commitment. A long-term client did an extensive study of their work force a few years ago, and found that their main area for improvement was to increase the level of engagement of many of their employees. They wanted all their employees, especially newer hires, to feel and act as if the company was their own. In a phrase, to be "fully engaged" and committed to the company's success.

Here are some suggestions on how to build employee commitment and engagement, which in turn will create a higher level of employee satisfaction and loyalty:

1. **Hire the right people.** It is much easier to start with the right employees than it is to fix people who shouldn't be in the job in the first place. A high performing work team becomes self-sustaining, and contributes greatly to each employee's perception that this is a great place to work.
2. **Empower employees,** especially for the parts of their job that require customer interaction. Next month's newsletter will provide several practical suggestions on what employees can and should do when they interact with customers.
3. **Keep your employees informed.** The old way of management was to keep employees in the dark. Yet, think about the positive effect if employees understood the consequences of certain business actions. For example, do your employees know that profits will improve if customer satisfaction and retention improves? If they don't know this type of information, there is little likelihood that they will change their behavior.
4. **Ask for and use the employee's suggestions.** It motivates and empowers employees to see that their suggestions are listened to and used. A very memorable phrase for this concept is "involvement equals commitment".
5. **Reward employees for doing the right things.** Remember, different people are motivated by different things. Use a wide range of motivators and incentives such as monetary benefits, recognition, praise, and opportunities for advancement.

#### **About the Author:**

Bill McCormick is the founder and president of Sales Training And Results, Inc. (STAR), a firm specializing in customized sales training, consulting, and reinforcement. Prior to founding his own company, he worked for more than 10 years in sales, sales management, and marketing for a Fortune 25 chemical corporation, after which he joined an international consulting firm as Vice President of Marketing for five years. Mr. McCormick specializes in the design, delivery, and reinforcement of sales and management training workshops for many large corporations, including one-on-one coaching of sales professionals and managers.

# Customer Satisfaction Surveys - Increasing Customer Satisfaction and Loyalty, Sales and Profit

**Author:** Howard Deustch

## Increasing Customer Engagement, Customer Satisfaction, Company Growth and Profit

Your business and consumer customers have a wealth of information and insight about what it is like to be a customer of your company. Many of your customers are also customers of your competitors.

Your customers know what can be done to improve your company's quality, products and services, customer service, communications with customers and other criteria important to achieving total customer satisfaction and loyalty.

While most companies are aware of the need to take action and make improvements to become more competitive, they often miss important hidden actions that can really make a difference for customers. That's where customer surveys come in, uncovering the hidden information you need to compete more effectively.

## Compelling need for customer satisfaction surveys / customer opinion surveys

Customer satisfaction surveys provide the information and insight you need to keep existing customers and attract new customers. Here are six compelling reasons demonstrating the payback from customer satisfaction surveys:

1. It costs 5 to 10 times more to attract new customers than it costs to keep existing customers
2. Most dissatisfied customers don't complain directly
3. But when customers are dissatisfied, they all complain to friends and business associates
4. Some dissatisfied customers remain as customers, but buy less
5. Other dissatisfied customers leave...they become customers of your competitors
6. Loyal customers buy more and recommend your company, products and services to friends and business associates

## Product, Sales, Service, Psychological and other Factors Driving Customer Satisfaction and Sales

Your customers behave, act, purchase and recommend based on their experiences, what they are hearing, how they feel and what they believe about your company, your products, your employees and your sales and service execution. Customer opinion surveys and customer satisfaction surveys should be created with the important psychological factors that drive employee performance in mind.

## Customer Satisfaction Survey / Customer Opinion Survey Metrics

Customer satisfaction survey ratings provide a clear picture of current and ongoing levels of performance and satisfaction. Customer comments and suggestions provide highly actionable information and insight for achieving breakthrough results.

Customer survey metrics include the following and other service, sales, performance and customer focused criteria, depending on the type of customer survey being conducted and the industry:

1. Product and service features, styles, efficacy, competitiveness, quality and reliability features, styles, efficacy, competitiveness
2. Customer awareness and satisfaction with products and services
3. Product and services pricing
4. Marketing and advertising effectiveness
5. Customer loyalty / likelihood of retaining customers
6. Company image / company and product reputation
7. Pricing competitiveness
8. Customer engagement
9. Willingness of customers to recommend your company, products and services
10. Ease and time required to contact a service representative with inquiries and problems
11. Waiting time
12. Timeliness and effectiveness of problem resolution
13. Courtesy/attitude/professionalism/knowledge/responsiveness of sales and customer service staff
14. Creativity of employees
15. Communications effectiveness
16. Availability, effectiveness, empowerment of sales and service staff
17. Satisfaction with and effectiveness of sales, field service & customer service
18. Web site, call center and customer self-service availability, access and effectiveness
19. Satisfaction levels of customers sorted by their demographics
20. Satisfaction levels of customers sorted by your company's demographics (location, sales and service representative, etc.)
21. Satisfaction with access and hours of operation of sales and service locations
22. Satisfaction with the sales and service environment and policies
23. Timeliness in meeting deadlines
24. Usefulness / ease of use of company website

25. Handling product returns
26. Product shipping
27. Customer purchasing experience

### **Benefits of Customer Satisfaction Surveys / Customer Opinion Surveys**

Customer satisfaction surveys and customer opinion surveys generate significant bottom-line benefits and a very strong payback:

1. Learn what it takes to achieve breakthrough increases in customer satisfaction, loyalty, and retention
2. Gain insight for attracting new customers
3. Identify cross-sales opportunities
4. Discover ideas for new products and services
5. Manage moments of truth more effectively
6. Gain insight for prioritizing performance improvement initiatives and projects
7. Make significant improvements in customer service and sales attribute performance including timeliness, professionalism, courtesy, knowledge, communications with customers, problem resolution effectiveness, etc.
8. Improve communications with customers
9. Enhance customers' experience with your company
10. Increase service quality and productivity
11. Make better, more objective decisions based on customer feedback
12. Identify problems and opportunities by location, communication channel, and other criteria
13. Identify and fix recurring problems impacting customers
14. Send an important message to customers and employees that management cares about customers and their opinions
15. Become more competitive

Conducting employee satisfaction surveys and employee engagement surveys is a great way to ensure that employees are satisfied and engaged in their jobs, and are engaged in satisfying customers.

# Managing Sales Territories for Maximum Profitability

Author: Canadian Professional Sales Association

Without a well-considered [strategy for territory management](#), sales will be difficult to close in any circumstance. Here are five tips for maximizing sales territory profitability.

## 1. Ranking Territory Profitability

Knowing your clients and what you can expect from them in terms of generated revenue, is essential to maintaining effective sales territories. In order to keep your territories aligned, optimized, and balanced, you must be able to anticipate and accurately project what type of production you can expect from your clients.

One of the best ways to do this is to rank clients as A, B, or C.

- **A's are reliable.** You know that you'll make a decent profit from them, yet the effort expended on them isn't too substantial.
- **B's are a little trickier.** You have confidence they will come through, but often they take more effort to do so. They are more unpredictable in generated revenue than A's, but it's often worth your while.
- **C's take a large amount of effort from your sales force.** In many instances, the amount of revenue generated is not equivalent to the effort expended.

The ultimate goal of this process is to distinguish one account from another so you know where to spend your time most effectively. This builds sales force and territory efficiency.

## 2. Varieties of Contact

Look at your current customers and targets, and decide if they need in-person visits, phone calls, emails, or marketing promotions, and how often. An active, high-volume account may need a monthly in-person visit, plus regular phone calls.

Once you've assigned frequency, start confirming and slotting in meetings for your top priorities. After you've scheduled your top priority accounts, fill in gaps with lower-priority accounts and prospects. Each day, fill in gaps with phone calls, emails, and spur-of-the-moment meetings.

## 3. Look at the Big Picture

With each phone call and each lead forwarded to you, it's common to lose track of your overall plan. But losing track of your [sales strategy](#) will result in losing control of your territory. One way to avoid this is having a series of questions so you can determine how critical it is that you drop everything to focus on specific clients.

1. Do they want what you sell?
2. Do they have the ability to effectively use your product or service?
3. Is there a compelling event with a time deadline?



If all three criteria are met, you can consider rearranging your schedule to accommodate theirs. If not, then you can judge the immediacy of the request.

#### 4. Build Existing Relationships

When you're covering a large territory, you may see a customer or prospect just a few times a year, and every meeting needs to be memorable. Use every resource to take integral relationships to the next level. 53% of CPSA members believe that face time is so critical; they would lose over half of new business without it (2014 Member Survey Results). Clients need to know you care about meeting them face-to-face. There is no better way of gaining respect and trust, than showing interest, empathy and integrity in person. Face-to-face meetings are rare and are typically make or break scenarios, so treat them as such. 92% of CPSA members agree that face-to-face meetings build stronger relationships and 92% agree that clients are more eager to spend more money after a face-to-face meeting (2013 Member Survey Results).

#### 5. Territory Review

Conducting the correct type of review for your territories is critical to [long term success](#). Reviews should be conducted at least two times a year, if not at the end of every quarter.

Consider:

1. With long running territories that have long past their validity stage, it's time to review your strategy based on their current status. It is not necessary to completely rewrite your strategy every year, but you should be aware of the tweaks necessary as their business landscape develops.
2. Despite your findings, don't make changes in your territories to compensate for weaknesses or accountabilities in your sales force. It will only complicate your territories down the line.
3. Anticipate your growth so that new sales force members can mesh easily with your system, and you won't need to perform a full-out territory redesign each time you grow. It's more financially wise to design your territories a year into the future and leave some open until you can fill them.

## Your Customer's Price Investment Ratio (PIR)

Author: Mark Hunter

Have you ever really considered how price affects your customer with regards to their perceived benefit?

Too often, we use a simplistic approach to determining a price – figure the cost to produce a product or service, tack on some arbitrary percentage, and call it good, right?

Price, though, is consequential in ways we may not initially consider.

The price a person pays for something goes a long way in determining the perceived benefit they expect to get from it. The perceived benefit cuts two ways. First, the expectation of service goes up the more a person pays for something. Second, the perception of what they're gaining also goes up with the amount they pay. The two are not opposites; they work in tandem and in nearly all businesses, this tandem relationship can and does work to your advantage.

Many companies, hopefully including yours, are known for delivering incredible service. This quality service may be what your customers comment upon and why they are willing to refer you to other customers. This level of service comes at a price. One of the things you always should be doing is explaining to and showing your customers how your level of service helps them.

The more you share this type of information with your customers, the more comfortable you become in seeing the value of what you offer. Having confidence in your service allows you to increase your "Price Investment Ratio" (PIR). This all has to do with what you expect customers to pay.

For the customer, the PIR is revealed when you help frame their expectations. To help explain this best, let me refer to what I call the "IBM paradox."

This is the belief people have that although you will pay more for anything you buy from IBM, you will never be fired for using IBM. What this means is there are plenty of companies that sell the exact same items and services as IBM, but at a less expensive price. Although other vendors will be less money, there is a level of safety and confidence in using IBM – so much so that it translates to a premium price that customers will pay.

The "Price Investment Ratio" (PIR) is the amount over the minimum amount a person would have to pay for something. They are willing to pay it to feel confident in what they are buying. You might say the PIR should really be the CP – the "Confidence Premium."

There are no two ways about it – when you have great service but do not reflect it in your PIR, then you are underselling. If you are underselling, you are not making the profits you could be making.

I can hear some of you at this point thinking, "What if we don't have a solid sense of how good our customer service really is?"

In other words, maybe your company receives very few complaints, but at the same time, you are not sure if your service is at a higher calibre than what your competitors bring to the table.

In order to find out your “Price Investment Ratio” (PIR), you must do a deep dive with your existing customers to get them to tell you what your service means to them.

Once you do this, you can then match up what existing customers are telling you with what prospective customers are asking you to do. When you grasp this, you begin to understand what the PIR really should be. How much “investment” is the customer willing to make in going with you instead of your competitor?

As I have often said, in the B2B arena, companies don’t buy anything, they only invest. If your customer can’t see the return on investment, they won’t invest – they won’t pay the price you want to get.

When they do see the value, though, then you can feel very confident in charging a price above what your competitors charge. Don’t settle for a lower price when doing so is detrimental to your bottom line.

### **About the Author**

[Mark Hunter](#), The Sales Hunter, is author of “High-Profit Selling: Win the Sale Without Compromising on Price.” He is a consultative selling expert committed to helping individuals and companies identify better prospects and close more profitable sales.

## Section: Capitalizing on Features, Advantages and Benefits:

### Template: Features vs. Benefits

Author: Canadian Professional Sales Association



## FEATURES VS BENEFITS

**PURPOSE:** Both features and benefits are equally important to make a sale. **Features** are defined as what a product or service can do. **Benefits**, by definition, are what a product or service can do for the buyer. Identify 5 primary features of your products and services, and then connect them to the typical benefits for most clients.

**HOW TO USE:** Use this form to better understand your company's products and services Unique Value Proposition.

FEATURES: <i>Our product or service does/has...</i>		BENEFITS: <i>It helps you...:</i>
1.	SO...	
2.	SO...	
3.	SO...	
4.	SO...	

5.	SO...	
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## Section: Analyzing ROI

### Brand x Demand x Talent = Sales: The Formula for Driving Sales The Importance of Representing Your Company & Personal Brand

Author: Jeremy Miller

Sure a bad salesperson can drive a customer away, but a great salesperson is limited by the potential of the products he sells. If the customer doesn't want what they have to sell, there isn't much they can do about it.

Salespeople are only part of equation. To determine if a salesperson will be successful or not, you have to look at a company's brand and the demand for its products. The equation I look to for sales performance is Brand + Demand + Talent = Sales. You need all three for a truly effective sales force.

#### Brand

We live in an age of abundance. There are countless companies, products and services available. The competition is steep, and finding vendors is easy. If you don't know who to buy from you can source your options online. The web is a powerful equalizer of companies. Buyers don't have to compromise. They get to find and choose the products and services that best fit their needs.

Brand counts for so much in the sales game. The more established the brand, and the clearer the value proposition, the easier the product is to sell. This is simply good marketing. The sales team is reliant on marketing's ability to get it right and layout a rock solid brand, market position and value proposition. Without an effective brand, the sales team ends up selling on price, because there isn't any other way they can differentiate their products.

Selling on price is a last resort. There is always another competitor who can sell for even less. That's why you have to nail down the brand. The better the brand; the better your margins. Why? Because customers are willing to pay more to get the differentiated products and services that meet their needs. They are choosing the brand, versus settling for something else. It's pretty straight forward.

#### Demand

The number one indicator of sales performance is territory potential. It doesn't matter how good a salesperson is. If the territory sucks, the salesperson's performance will suck too. A great salesperson may do measurably better in a poor territory, but compared to the reps in high potential territories they will still appear terrible.

This poses a real challenge for organizations trying to increase their sales. The old logic states, to grow sales hire more salespeople. The problem is more salespeople won't increase territory potential. Rather every time a salesperson is added to the territory everyone's performance is adversely impacted.

To grow sales you need to increase lead volume. The more leads there are, the more sales can be made. One of the hottest arenas in sales is demand creation. A demand creation department resides between sales and marketing, and its purpose is to execute programs and campaigns to generate sales leads.

Demand creation is multifaceted. You can generate leads by teleprospecting, webinars, events, tradeshow, search engine optimization, direct mail, email, public relations, you name it. The more touch points your organization can create with your market the better. The goal is to build relationships with prospective customers well before they are ready to buy. This will enable your organization to be the first call when your customers start to shop.

Before hiring more salespeople always evaluate the territory potential. If you need to increase the potential build a demand creation department. The increased lead volume makes it easier to hire, feed and manage salespeople for results.

## **Talent**

Jim Collins, author of Good to Great wrote, good-to-great companies "first got the right people on the bus, and the wrong people off the bus."

Talent is the X factor in a top performing sales organization. They take brand and demand, and they make something of it. There is nothing more exciting than seeing a group of top sales reps dominate a market. Armed with a well defined brand and strong market potential they simply win deal after deal. It's a little like shock-and-awe. They achieve sales and revenues other organizations could only dream of.

Without a well tuned sales force, sales won't be made. Brand and demand drive customers to the door, but the sales team is responsible for reinforcing the brand, solving problems, negotiating deals and driving the revenue. In our overly competitive marketplace every differentiator you can build into your organization is essential. The caliber of the sales force is a clear brand differentiator.

## **Brand x Demand x Talent = Sales**

There isn't a silver bullet for sales performance. Everything counts. From the focus of the brand, to the number of leads in a territory, to the caliber of the sales force. Each customer touch point has to be in sync to achieve sustainable growth.

The new reality of sales is sales and marketing have to work together. It's no longer a separation of functions. Both departments are clearly dependent on each other. The better an organization can align their sales and marketing, the better they will perform.

## **About the Author:**

Jeremy Miller is a Partner with LEAPJob, a sales and marketing recruiting firm in Toronto, Canada.

# Template: Business Case & ROI Template

Author: Canadian Professional Sales Association

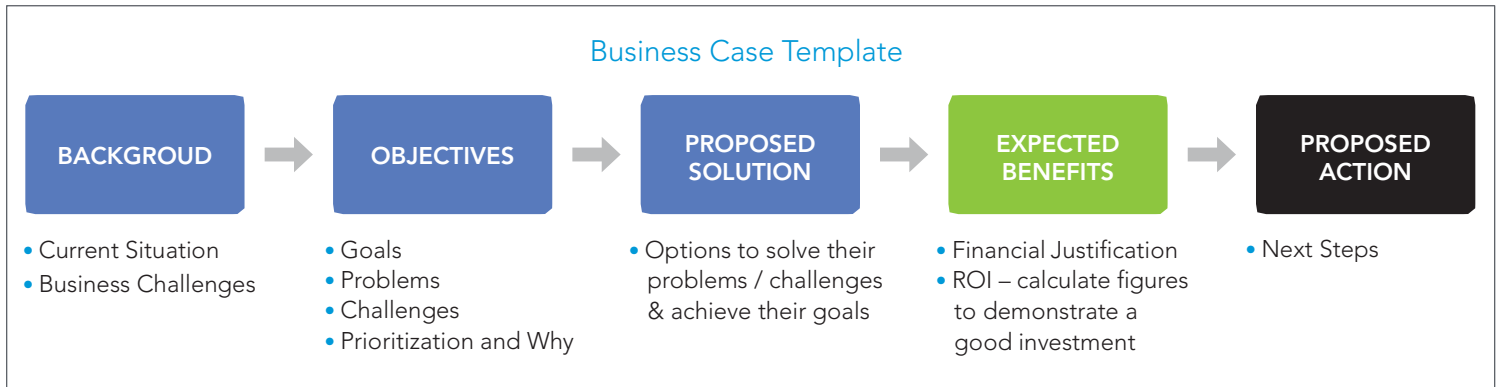


## BUSINESS CASE & ROI TEMPLATE

**INSTRUCTIONS:** Use this template to strategize and practice your Business Case & ROI to earn the business of a potential client or earn more business with an existing client.

Client: \_\_\_\_\_

ARTICLE: "5 Top Tips to Improve Your Sales Planning"



### Building Your Business Case & ROI

Background	
Objectives	
Proposed Solution	



Expected Benefits & ROI	
Proposed Action Plan	

# Template: Return on Time Invested (R.O.T.I.)



## RETURN ON TIME INVESTED (R.O.T.I.)

**PURPOSE:** Use the Return on Time Invested (R.O.T.I.) calculator below to help you to determine your most profitable clients and how to allocate your time appropriately.

Return On Time Invested (R.O.T.I.) calculator:

$$\text{Return On Time Invested (R.O.T.I.)} = \frac{\text{Expected Gross Profit (EGP)}}{\text{Time (T) required to capture EGP}}$$

Select 10 clients and calculate the R.O.T.I for your sales territory:

NAME OF CLIENT	Expected Gross Profit (EGP)	# of hrs. spent PER WEEK	= R.O.T.I.	NOTES - Should you spend more or less time

What will you do differently as a result of this R.O.T.I. analysis?

## Business Acumen: Become an Expert

**Instructions:** Now that you have completed reading the articles, apply your knowledge and expertise by answering the following questions.

1. What are the key differences between a: Unique Selling Proposition, Value Proposition and Elevator Speech?

Unique Selling Proposition	Value Proposition	Elevator Speech

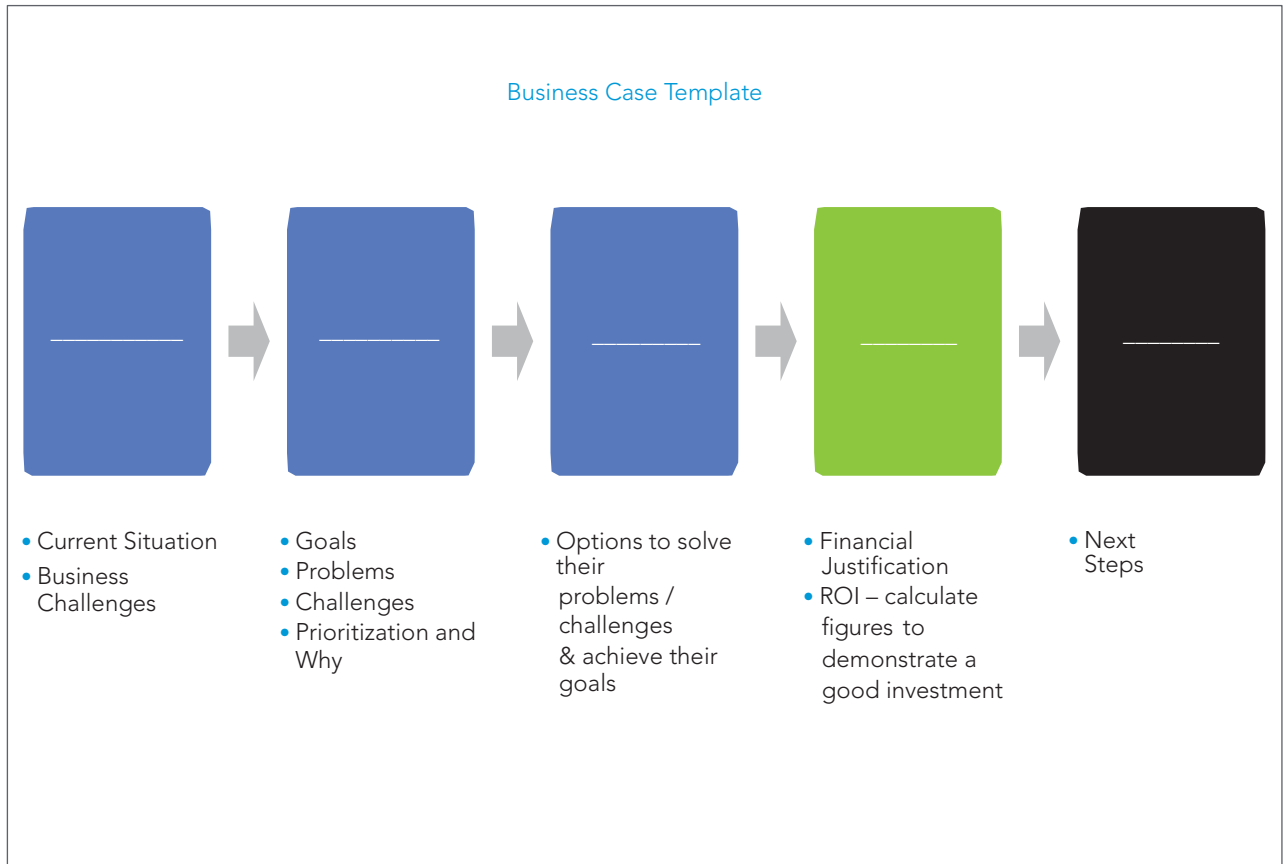
2. When creating a Unique Selling Proposition, what are the three competitive factors that you should be considering in your competitive advantage analysis?

- 1.
- 2.
- 3.

3. Explain differences between a Feature and a Benefit:

Feature	Benefit

4. Complete the headings in the following process for the "Business Case Template"



5. Complete the equation for Return On Time Invested:

$$\frac{\text{Return On Time}}{\text{Invested}} = \underline{\hspace{10em}}$$

Congratulations!  
You've earned 5 PDUs!  
[Track your PDUs here.](#)