

Elements of a Compelling B2B Value Proposition

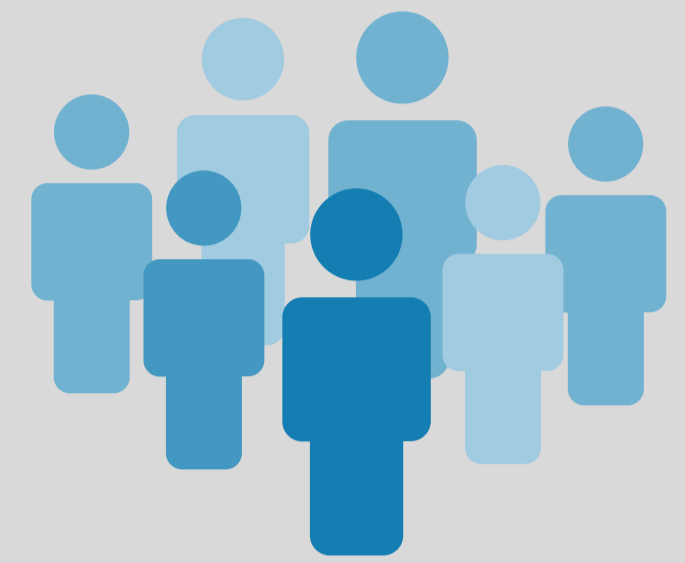
A value proposition is the sum total of the offerings and experiences delivered to customers during their interactions with an organization, product, or brand. If well crafted, it can sharpen the way an organization works by focusing activity to serve customers profitably.

Applying the tools and techniques demonstrated in this framework will result in generating focused actions to take to market.

01 Target Market

Identify the people who will be buying your products and services.

Avoid the common mistake of stating, “our market is everyone.” Divide potential customers along relevant dimensions such as demographics, buyer behaviors, attitudes, or needs (segmentation), and then to identify the segments most attractive to you and the ones you are best able to serve (targeting).



02 Value



Value is what you get in return for what you pay.

The value equation you seek is inextricably linked to the segment of the Market you’re targeting. It is important to think about both the tangible and intangible attributes and benefits. For customers who value a premium priced or luxury offering, it is often these more intangible aspects that drive their perceived value.

03 Offering

Craft the exact product and service offering required to deliver the perceived level of value.

Analyze the value your current offering brings to customers and map it against the type of buyer and price point, accordingly. This also requires evaluating the way you deliver your offer to customers. Constantly innovate your offering to ensure it remains relevant and differentiated over time.



04 Prioritizing Benefits



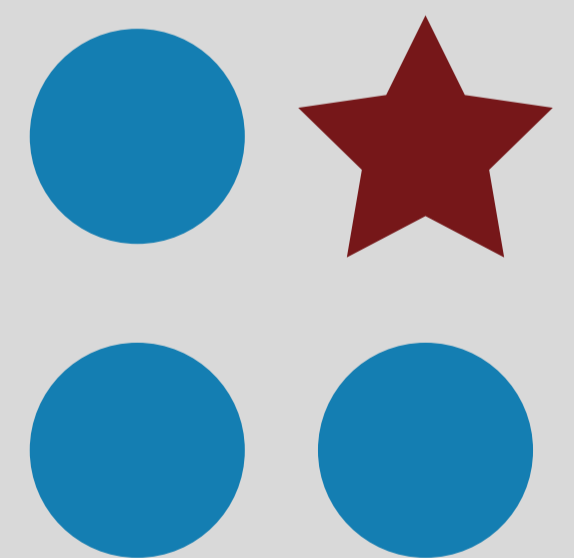
Businesses often get stuck at this stage because they want to include all of their key benefits without considering:

1) which ones are most important to customers, and 2) the interrelationship between benefits. Things to consider: 1) product attributes 2) the functional benefits they produce; and 3) the emotional benefits experienced as a result.

05 Differentiation

Compare your value proposition against your competitors’.

This is different from merely comparing tangible product and service offerings. Expand your frame of reference to include all alternatives to choosing your product or service. Value propositions are compelling when they demonstrate why your customers should choose you over any other option.



06 Proof



Create and continually reinforce “evidence” to ensure customers will derive the benefit and value you’re promising.

Proof includes case studies, testimonials, provocative POVs, and fact sheets. Proof can be a powerful tool to show customers why they should choose you over any other option, how they can build their internal business case and justify their investment.