



Track: Customer Relationship Development

Unit 9: Presenting Solutions Via Compelling Value Propositions

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LEARNING OBJECTIVES

By the conclusion of this session, participants will be able to:

- Identify at least three common mistakes sellers make when presenting their solutions
- Define value
- Recognize the four criteria of a great value proposition
- Distinguish between a feature and a benefit
- Connect the customer's goals and challenges to a value proposition using an RFBQ



Take a few minutes and reflect on where sellers go wrong presenting their solutions. Capture your ideas below.

THE 'ENERGY' SELLING PROCESS



E Establish Your Plans

- Set a commitment objective
- Establish a sales cycle plan
- Create a pre-call plan

N Nail Your Approach

- Make small talk to build rapport and create a positive first impression
- Read and adapt to the customer's behavioral style
- Introduce yourself and your LDC in terms of outcomes that your products and services create for customers

E Engage the Prospect in Meaningful Dialogue with Thoughtful Questions

- Ask open-ended questions to learn about the customer's business and industry, your competition, budget, decision making process and timeframe
- Listen actively and restate the prospect's needs to gain confirmation

R Roll Out Your Solution

- Identify the problems that you can solve or goals that you can impact by leveraging the products/services of the LDC
- State the worth of the solution in both quantitative and qualitative terms
- Share a compelling value proposition via an RFBQ
- Ask for feedback from the prospect about the value of the solution

G Gain a Commitment

- Ask the prospect for the predetermined commitment objective
- Recognize and deal with stalls and objections

Y Yearn to Learn from Your Experience

- Replay the interaction and identify what went well and not so well
- Share feedback with the team about each participant's performance

Identifying Your Solution

Before you can sell a solution, you have to identify it and create your value proposition around it, so that you can make a compelling argument. To do that you have to think critically about what you learned in the discovery process and how you can help the customer solve significant problems or achieve meaningful goals. You have to identify how you will create value for the customer, if you want to win!

What Is Value?

- The monetary worth of something, or how much someone is willing to pay for something.
- Value is through the lens of the customer, and they are thinking about how will you make my life or my business better? What important goals or results can you help me achieve?
- If you connect to what's important to the customer in your value proposition, you will be successful selling your products and services.
- If you let your own agenda drive you, you won't create value for the customer or generate sales.

Read through the case studies that you worked on in Unit 6, with a few more details added. Then identify the products/services you could position with the customer that would create real value for them. Capture your ideas below. (The case studies are on the next page.)

Case Studies

RESIDENTIAL SCENARIO

You have just learned of a new 300 home subdivision that is being built in your area, and you make a phone call to set an appointment with the residential developer to talk about utilizing natural gas. During the meeting you learn:

- The developer is building higher end homes
- The homes are being built in an area with beautiful backyard views
- The average home price is \$400,000
- The appliance allowances are fairly liberal
- There is a gas main close to the development, and natural gas would be readily available to the development

COMMERCIAL SCENARIO

You make a call on a 200 bed hospital in your community and learn that they are using electricity for heating, cooling and water heating, and that they are trying to reduce energy costs. During the meeting you learn:

- The hospital's energy bills are 30% more than budget, and there is pressure to reduce the spend
- They frequently rely on back up generators because of storms and outages in the area
- Water heating demands are beginning to exceed the current capacity
- The hospital has a capital budget of \$300,000 this year which is not yet committed



What Is A Value Proposition?

A clear statement of the results that the customer can expect to receive from your product or service; it connects the benefits of your solution directly to the customer's significant goals and challenges

Four Criteria of A Great Value Proposition

1. **Relevancy:** It's related to the customer's goals or challenges and focused on how the product/service helps the customer achieve his or her goals or solve problems
2. **Specificity:** It includes a specific claim that causes your customer to take notice, and is written in quantitative and/or qualitative terms
 - What are some quantitative benefits that your solutions might provide?
 - What are some qualitative benefits that your solutions might provide?
3. **Uniqueness:** The value proposition should point out how you are better than your competitor in areas that are important to the customer
4. **Believability:** It should provide proof or evidence that you can do what you say you can do. This can come in the form of testimonials or actual data that substantiate your claims



Rolling Out Your Solution

- When you are ready to talk with the customer about your solution, you will describe the products and services that are a part of your value proposition, by talking about their features and benefits
- A feature is an attribute or characteristic of a product or service; things you would use to describe the product or service
- A benefit is what the feature does for the customer
- You can connect a feature and a benefit by using the phrase “what this means to you is...”

THE FEATURES AND BENEFITS OF YOUR SOLUTION

Review the list below, and determine whether each item is a feature or a benefit. Capture your response in the blank to the left of the item.

1. _____ Clean fuel source
2. _____ Peace of mind
3. _____ Abundant supply
4. _____ Lower carbon footprint on a source to site basis
5. _____ Saves money
6. _____ Increased comfort
7. _____ Twenty year life expectancy for a gas furnace
8. _____ On call emergency services
9. _____ Unlimited hot water (tankless hot water heater)
10. _____ Improved energy efficiency

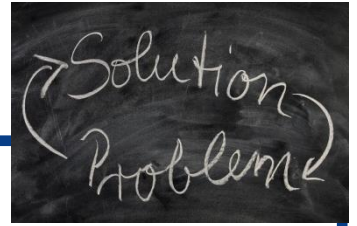


Rolling Out Solutions to Create Value

- Begin the meeting by summarizing the discovery meeting
 - Bring the customer back to the point where you ended the last conversation; refresh their memory, and ask if the summary is still accurate
- Sell the solution with an RFBQ
 - **Restate:** Restate the problem or challenge the customer needs to solve or one of the goals they want to achieve
 - **Feature:** Describe the product/feature that helps the customer to achieve the desired outcome. Talk about the product in laymen's terms and at a high level
 - **Benefit:** State the benefit(s) of the solution by using the phrase "what this means to you is." To make the benefits powerful, try to speak of them in both quantitative and qualitative terms
 - **Question:** Ask the customer to react to the solution by asking an open-ended question; this will give you some feedback about how the customer views the solution and it's value

APPLYING AN “RFBQ” TO YOUR CASE STUDY

Think back to your case study and choose a product or service that you would like to develop a RFBQ for. (See page 5 in the handout.) Capture your RFBQ below.



- **Restate the Problem to Solve or Goal:**

- **Feature/Product:**

- **Benefit:**

- **Reaction Question:**

RFBQ'S TO THE CASE STUDIES

RESIDENTIAL CASE STUDY

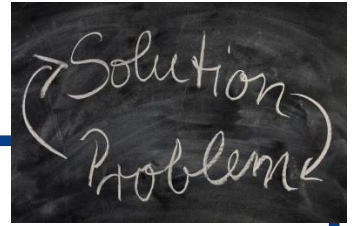
- **R:** You mentioned that you were trying to appeal to higher end consumers in this new development, and that one key to doing that might be having some nicer kitchen and outdoor living amenities.
- **F:** The development is located very near a large gas main with good pressure.
- **B:** What this means to you is that you would be able to connect to natural gas easily, for little to no cost, and use high-end kitchen appliances that appeal to buyers that like to cook and entertain, and have an opportunity to sell outdoor kitchen packages now or in the future.
- **Q:** How do you think this might create competitive advantage for you?

COMMERCIAL CASE STUDY

- **R:** You shared with me the last time that we met, that you need to reduce your energy bills by 30% to be within your budget, and that you are under a bit of pressure to make progress on this goal.
- **F:** We could install a Combined Heat and Power System (CHP) which would help you generate some of the electricity the hospital needs and meet some of your heating/water heating requirements.
- **B:** What this solution would mean to you is that you would save money as compared to buying electricity from the grid, and producing your heat separately to reduce your overall energy cost. Plus the system could be designed with the ability to run in a black out to add resiliency.
- **Q:** If you could save 30% on your overall energy bills, with a good return on your capital investment, how would you view this solution?

APPLYING AN “RFBQ” TO YOUR REAL LIFE

Think about a real opportunity that you have to position a solution, and develop an RFBQ for at least one component of the solution below.



- **Restate the Problem to Solve or Goal:**

- **Feature/Product:**

- **Benefit:**

- **Reaction Question:**

HOMEWORK: PRACTICING YOUR RFBQ



Find a partner that you could practice your RFBQ's with. Ask them to use the criteria below to evaluate your performance, and then ask them to share their notes, reaction, and feedback.

Did your partner...	Notes
Summarize the discovery meeting?	
Restate the problem or goal?	
Describe features of the product/service at a high level, in laymen's terms?	
Use the phrase "what this means to you is?"	
Speak to the benefits/value of the solution quantitatively?	
Speak to the benefits/value of the solution qualitatively?	
Ask an open-ended reaction question to get feedback about the solution?	
Appear relaxed and confident?	
One thing my partner did very well was:	
One thing my partner could have done even better is:	