



Value Proposition... Your Meal Ticket to an Amazing Career

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How do you create value? This apparently simple question may well be the most important one you will ever be asked. Your ability to clearly articulate your value proposition will separate you from the pack, elevate your performance and offer direction as you move ahead with your career.

Your value proposition is the reason for your professional existence. It describes how you create value for others. It makes you stand out in a crowded marketplace. Without a compelling value proposition, you are ordinary and disposable -- a commodity. With a distinguished value proposition, you are unique and indispensable.

A value proposition statement summarizes the reason why a potential customer should buy your particular product or service, how it exceeds that of your competition and why it is worthy of the price they must pay. The ideal value proposition is concise and appeals to the customer's strongest decision making drivers. It is an irresistible offer, an invitation that is so compelling and attractive that the customer would be out of his or her mind to refuse your offer. The million-dollar question is how to make your value proposition seductive.

Research indicates that most professionals do not have a value proposition in the form of a clear and concise statement that explains the tangible results their customers will receive, the unique benefits they bring to bear that others cannot. A differentiated value proposition goes beyond functional product or service descriptions to express the results a consumer can expect to

achieve. Most people attempt to sell a product or service without focusing on customer benefits or outcomes.

Let's take a look at two well-known value proposition statements from FedEx and M&M.

"When your package absolutely, positively has to get there overnight."

FedEx became the leading overnight courier in the world with the help of this value proposition by identifying that the customer did not just want fast delivery but also valued a rock-solid guarantee of urgent delivery.

"The milk chocolate melts in your mouth, not in your hand."

M&M's powerful value proposition made customers realize that chocolate did not have to make a mess. This statement was particularly impactful for children.

Which of the following value proposition statements would you be most likely to respond to:

"We offer one stop shopping. My company can offer you a full range of products and services to meet your every need!"

"After going through our unique process, one client saw a 30% reduction in claim frequency and a 25% decrease in insurance costs. Through the utilization of my diagnostic system, you will realize significant impact to your bottom line."

Earlier this year, I had the pleasure of meeting Kelly at a Beyond Insurance® workshop. Kelly is a successful agency principal who cares deeply about each and every member of her 50-person firm. During the workshop, Kelly confided in me that she was perplexed about the performance of Ryan and Chase – two of her senior producers. Kelly stated that "both men are polished, passionate and extremely professional. They are team players who effectively utilize the agency's value added services and resources. However, I cannot comprehend why Chase lags so far behind Ryan in business development performance."

It was obvious that Kelly cared about Ryan and Chase. She truly had their best interests at heart. Yet, she was pained by the fact that Chase's book of business was hovering around \$500,000 in revenue after 10 years with the firm, while Ryan boasted a \$2,000,000 book of business. "Chase has an amazing work ethic. He is personable, attractive and technical. He is adored by our staff and the community. I don't get it." stated Kelly.

After carefully listening to Kelly agonize over the "performance gap" between Ryan and Chase, I suggested that Kelly accompany both individuals to a handful of first meeting prospect interviews to study each individual's "value proposition." Kelly loved the idea. She created a scorecard to evaluate both individual's value proposition in the following three areas:

1. The ability of Ryan and Chase to articulate how they create value.
2. The consumers' ability to understand and appreciate each individual's value proposition.
3. The degree to which each person's value proposition was differentiated from others in the marketplace.

Two weeks after leaving the Beyond Insurance® workshop, I received an enthusiastic phone call from Kelly. "I figured it out. The only difference between Ryan and Chase is the quality of their value proposition statements. Ryan's is clear and concise. The consumer is able to understand and easily identify with how he creates value. On the other hand, Chase is missing the mark. He speaks eloquently about the agency's unique process and services, yet does not demonstrate the impact to the customer. He uses too much insurance jargon."

Kelly had uncovered a common flaw in many well intentioned producers. They do not reach their performance potential as they lack a compelling and attractive value proposition.

Over the next month, I worked with Kelly to repackage Chase's value proposition. Before Kelly and I could help Chase formulate his value proposition, we asked him to answer the following questions:

- What do you believe the consumer values?
- What are the biggest challenges facing the consumer as relates insurance and risk management?
- What unique abilities do you possess to assist the consumer with these challenges?
- What will be the outcome if you can help the customer with these challenges?
- Who is your competition and what are they delivering?
- What can you provide that your competitors cannot?

Accompanying the five questions listed above, I sent Chase a document to be posted in his office which stated "A powerful value proposition is not about you. It is not about the products, services and resources of your firm. It is all about the customer. Your ability to articulate how you are uniquely qualified to help the customer will distinguish you from others in the marketplace."

With guidance and inspiration from Kelly, Chase retooled his value proposition statement. He boiled down the complexities of how he creates value into something that the customer could easily grasp, identify with and remember. Chase's new, irresistible value proposition statement was all about helping the customer discover issues and create solutions. It was also about differentiation. Chase realized that to be successful, his value proposition had to be differentiated and superior to all others.

In a recent conversation, Chase informed me that he is having the best year of his career. He stated "I now have a clearer picture of who I am and my role in serving the customer. I had no idea of the importance of my value proposition statement. My new value proposition pinpoints

my ability to uncover the customers' issues and deliver solutions to address these problems. The shift in my thinking about how I create value has impacted my confidence, attitude and results."

In developing your Value Proposition Advantage™ you must understand that:

- Value cannot be created unless the customer has a business problem or issue to solve.
- Value is in the eyes of the beholder. Each customer has a different set of needs and business issues. Your value proposition must be customized to the specific needs of each customer.
- A value proposition based solely on product features, functions, performance and pricing is not sustainable. You may win in the short term, but you will lose when your competition introduces better capabilities.
- Your true value lies outside the product or service you are selling. You can create tremendous value through the intangibles brought to bear in a relationship.

To consistently win you must be able to articulate your value at the time the decision is being made.

How do you create value? Your answer to this question has unparalleled implications in determining your future success.

About the Author

Scott Addis, CPCU, CRA, CBWA is the CEO of Beyond Insurance and is recognized as an industry leader having been named a Philadelphia finalist for *Inc. Magazine's* "Entrepreneur of the Year" award as well as one of the "25 Most Innovative Agents in America." Beyond Insurance is a consulting firm that offers leadership training, cultural transformation, and talent and tactical development for enlightened professionals who are looking to take their practice to the next level. Since 2007, the proven and repeatable processes of Beyond Insurance have transformed individuals and organizations as measured by enhanced organic growth, productivity, profitability, and value in the marketplace.