

# Value-Based Selling: Creating Customer Dependency

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How well do you know your customer? Obviously, you know the commodities they sell, how many years they have done business with you and other basic business details. Perhaps you know their kids names, their alma mater and even their golf handicap. But do you know what business challenges keep them up at night? Do you know what hurdles they face and how you can help overcome them? Do you understand their company's goals and vision and how you fit into that? Do you know what they value most – service, price, reliability, quality? Do you know why they do business with you and what they perceive of you and your company? Do you know what keeps them coming back or drives them to another? If the answer is no to any of these, then it's time to start asking questions....the right questions. It's time to dive deep into your customer's business and uncover ways to deliver a valuable solution. It's time to think of a new approach.

### **A FRESH PLAN FOR PRODUCE**

Maturing products, stronger competition, price sensitivity...the challenges continue to grow for fresh produce companies striving to maintain market share. When a company's product mix mirrors that of a dozen other competitors, differentiation occurs only when the customer's needs are identified and effectively met with a unique value offering.

Delivering a unique solution that is perceived valuable to customers is key to sustaining business in the rapidly evolving produce industry. But how do you know what your customer values? How do you ensure that what you deliver is exactly what they need to grow their business - today? Perception is reality; without knowing exactly what your customers perceive as valuable you can never truly satisfy their needs.

After numerous years of facing these very challenges ourselves, we have developed a tool to aid the produce industry in overcoming the hurdles of increased competition and provide a measure of stability in an unpredictable market. This tool is known as Value-Based Selling.

### **A PROACTIVE SALES STRATEGY**

Value-based selling is a proactive strategy that differentiates a company from its competitors by effectively identifying and understanding customer's needs and delivering a solution that satisfies them. It is a customer-focused approach to business that is manifested with a consistent, reliable delivery on the promises an organization has made. It is understanding your customer's business needs better than the next and satisfying those needs with a three-dimensional solution: a product or service, your company, and you. In the fresh produce business, often times product attributes, availability, and price are the only substance to the sales process. However, the characteristics of the company, the value-added services they provide, and the team that supports them must also be emphasized and correlated to the customer's needs.

By integrating the Value-Based Sales strategy into your daily business process, companies can create customer dependency by learning what their customer expects and exceeding those expectations. By asking the right questions, you can identify opportunities to incorporate your company's unique value into your customer's business

process - finding ways to help them operate more successfully than before - making the idea of doing business without you inconceivable.

This discipline will help increase company profits by increasing your competitive wins and maximizing customer retention. As a proactive strategy, it will save your team time by identifying all the customer's needs upfront, rather than spending time putting out fires when their needs aren't met.

## WHY VALUE-BASED SELLING?

Value-Based Selling is all about asking the right questions. Questions that matter; questions that uncover what makes your customers tick...aside from the obvious of quality produce at market price. It's about boosting sales and profitability through an increased understanding of your customer's needs and vision. It's about determining customer concerns and realizing how your company and product or service can provide value that is meaningful —regardless of competing in a market that is price-driven. Profitability is Everyone's Business

Value-Based Selling is a discipline that begins with a company's cultural mindset of competing profitably without cutting price. It is a company's quest to think like their customers think, and present a non-price argument for why the customer should choose their alternative over the competition; selling your total value-added solution. Spinach is spinach....but spinach coupled with services and solutions that speak to the customers' business challenges is inimitable.

## VALUE-BASED SELLING: A COMPANY'S CULTURAL MINDSET

For Value-Based Selling to be effective it must become a cultural discipline that every department engages in. It must occur at every stage of the business process, by every employee. The entire organization has to believe in the strategy and use it as a tool to drive revenue - tactics that identify customer needs and deliver a total solution - from initial contact to delivery to follow-up. Regardless if you are in accounting or sales, profitability is everyone's business, and no matter what your role is within the organization, you play a part in the Value-Based Selling strategy.

## 5 STEPS TO BEGIN YOUR COMPANY'S VALUE-BASED SALES STRATEGY:

1. Identify your company's unique product offering; what differentiates you from the competition
2. Communicate your distinctive solutions and services; both internally and externally
3. Pinpoint your customer's unique needs; ask questions to identify what your customer needs to be successful
4. Correlate your value solutions with your customers' needs
5. Follow up to determine if their needs have been met or if a new solution is needed

## TAKE ACTION

Incorporating a new sales philosophy within an organization and the sales process can often times be very challenging. Fresh produce companies who have traditionally focused only on product and price have difficulty shifting that focus to a more comprehensive strategy. However, with numerous competitive forces driving the need for a change in sales strategy, companies must learn how to differentiate their products, services and people by competing on value, not just price. Value-Based Selling is the key to this multi-dimensional approach.

## ABOUT DMA SOLUTIONS

Founded in 2004, DMA Solutions, Inc. is a leading marketing and business development company in the fresh produce industry. Working as an integrated marketing resource, we provide customized solutions that positively impact our clients' bottom line. Our successful track record ranges from the enhancement of traditional sales and marketing tools to the development and implementation of cutting edge business strategies and marketing initiatives that enrich our clients' value proposition.