

Outcome-Centric Selling® | “New Solution” Value Proposition Framework [for New Customers and/or New Projects]

Customer:	Project:	Salesperson:	Updated:
WHY do they need to ACT (rather than continuing on their current path)?			
Current Business Issue(s)		Intended Business Outcome(s)	
Painful Consequences (Existing/Potential Pain/Risk) ↓		Positive Benefits (Potential Gain) ↑	
WHY do they need to act NOW (rather than later)?			
Business Case	Corporate Priorities	Cost of Delay	
WHY should they choose US (rather than any other option)?			
Their alternative options	Their required capabilities	How is our approach different?	How does this result in better outcomes?
WHY should they TRUST us (to ensure they achieve their intended outcomes)?			
Decision Confidence	Sponsor/Supporter Reputation	Approval Risk	

Please read these “New Solution” Value Proposition Framework guidelines

This framework is intended to provide a concise, high-level, one-page summary of your unique value proposition for each prospective customer. It is intended to be used for significant **new customer opportunities**, and for significant **new projects in existing customers** - i.e., whenever we are trying to persuade our customer to **commit** to a **significant change**. The framework can be applied to all significant buying decisions, but it is particularly powerful when our prospective customer is engaged in a **discretionary purchase** that involves an **unfamiliar decision process**.

You can choose to capture the key details in this form (this is particularly useful when collaborating with others) or simply use this framework as a checklist. You can navigate between unprotected cells by tabbing or clicking directly on the cell. You will find definitions of the fields below. Focus on the factors that are most important to each specific customer - keep your answers succinct, to the point, and specific to this opportunity. You must avoid generalities and untested assumptions. You should reassess the information regularly, progressively fill in any gaps in your knowledge, and **always** verify your conclusions with your prospective customer.

You will probably want to start with an informed hypothesis based on your organization's experience of similar customer situations, but as a result of your conversations with your prospective customer, you must refine and update this initial hypothesis with verified information that is specific to the particular opportunity and confirm your understanding with the customer. When completing the framework, **you must avoid guesswork, speculation, or assumption** - if you don't yet know something or are unsure, you must acknowledge this and take the necessary steps to get to the truth.

Establishing and verifying each prospective customer's unique value proposition is an **iterative process** that must actively involve as wide a cross-section of their stakeholder community as possible and incorporate their feedback. We must collaborate with your customer to come up with compelling answers to every potential customer's four critical questions: **WHY** do they need to **ACT** (*rather than continuing on their current path*), **WHY** do they need to act **NOW** (*rather than later*), **WHY** should they choose **US** (*rather than any other option*), and **WHY** should they **TRUST** us (to ensure they achieve their intended outcomes)?

The exercise will help you to accurately **qualify** the opportunity, and the resulting mutually agreed value proposition framework will provide an **excellent foundation for the executive summary of your proposal**. Whilst it is usually a good idea to try and broadly follow the logical sequence set out below, it would be unusual for your conversations with any prospective customer to follow this exact sequence, and you will invariably want to revisit many of the elements - perhaps several times - as you refine, verify, and optimize their story in the light of what you have learned.

Finally, but perhaps most importantly, you cannot answer these questions for them - but you can help your prospective customer to find the answers for themselves.

Field Descriptions

[1] WHY do they need to ACT (*rather than continuing on their current path*)?

This is the first and, in many ways, most important question: unless our prospective customer recognizes a clear and obvious need to act, they are likely to stick with the status quo, continue on their current path and **do nothing**. Our goal in helping our prospective customer to answer this question must be to establish the **strongest possible contrast** (and the widest possible **outcome gap**) between their **current business issue(s)** and their **desired business outcome(s)**. This is usually best established using the following sequence:

1:1 Current Business Issue(s) (Status Quo)

Briefly summarize the highest-priority business **problem(s)** our prospective customer recognizes they need to **fix**, and the most significant business **risks** they need **avoid**, focusing on the issues and risks our organization has a track record of success in dealing with.

1:2 Painful Consequences (Existing/Potential Pain/Risk)

Summarize the key **costs** and **consequences** (such as avoidable cost, lost revenue, delay and/or risk, reduced productivity and/or customer satisfaction, and so on) associated at both an **organizational** and **personal** level with their current business issue(s). These must, if possible, be **measurable metrics** or **key performance indicators** that are **specific** to the customer rather than vague generalizations

1:3 Intended Business Outcome(s)

This is where we need to summarize the different and better **intended business outcome(s)** our prospective customer is seeking, once again focusing on the ones our organization has a track record of success in helping our existing customers achieve.

1:4 Positive Benefits (Gain = The Benefits of Change)

Above and beyond reversing the negative consequences of your prospective customer's current business issues, you should highlight the additional **benefits** associated with achieving their **intended outcomes**. Once again, we must avoid vague generalizations and focus instead on measurable metrics and expected absolute or percentage improvements in this specific customer's key performance indicators. These projections must be credible, backed by the experience of other similar organizations and - most important of all - agreed by the key customer stakeholders.

[2] WHY do they need to act NOW (*rather than later*)?

Our goal in helping our prospective customer to answer this question must be to establish the strongest possible **internal business case**, to give them the **confidence** in the **decisions** we are asking them to make (why act + why you), and to **establish urgency** by drawing their attention to the costs and consequences of delay or inaction.

2:1 Business Case

What are (or should be) the key elements of their **internal business case**, including the **cost of inaction**, the projected **return on investment (ROI)** and **payback period**, any other important investment criteria, and the relative importance of the project?

2:2 Alignment with corporate priorities

How does this project and our proposed approach relate to and support our prospective customer's **high-level corporate priorities** and **initiatives**? The chances of the project (and our proposal) being approved are significantly higher if this connection can be successfully made.

2:3 Cost of Delay

What are the likely **costs and consequences** of any **delay** to the project? These will often include avoidable costs or risks and lost potential revenue. We need to convince our prospective customer that each incremental delay will **postpone** or **defer** the achievement of their **desired outcomes**, **cost** their business more money and expose them to greater organizational and personal **risk**.

[3] WHY should they choose US (*rather than any other option*)?

Our goal in helping our prospective customer to answer this question must be to establish the **strongest possible contrast** between their other options (which are likely to include “do nothing”) and **our unique approach** to delivering the **better outcomes** they are looking for.

3:1 Their alternative options

Once we have established the strongest possible **case for change**, we need to understand what they regard as their other credible **alternative options**. Remember that - in addition to our obvious “competitors” - these may include in-house developments, attempting to address the issue in a completely different way and deciding to “do nothing”. It's important that we identify and understand all their credible alternative solution options.

3:2 Required capabilities

What are the key capabilities that they believe their chosen solution needs to offer? These can include specific features or functions, as well as any other attributes of a successful solution. We must seek to strongly influence and prioritize these requirements - and we need to be very cautious about committing our organization's resources if our customer expects us to respond to an unexpected RFP that we have had no role in shaping, containing hard-to-address required capabilities that we have had no ability to influence.

3:3 How is our approach different?

We now need to identify the key thing or things that **sets our organization's approach apart** from all their other options. It is always best to focus on a simple memorable theme rather than a long list of reasons. Imagine that our sponsor or champion is asked by another stakeholder “so - what is it about [your organization] that sets them apart?” Assume that their response needs to be short and to the point. What would we want them to say - and how confident are we that they would respond appropriately?

3:4 How does this result in better outcomes?

Based on all that we have learned about their current situation, their desired outcomes, the cost of inaction and the benefits of change, their alternative options, their required capabilities, and the things that set our approach apart, how should we summarize and highlight the **unique advantages** to their organization of adopting **our** proposed solution - and how does that translate into **provably better business outcomes** for them?

[4] WHY can they TRUST us (*to ensure they achieve their intended outcomes*)?

There will always be a risk in any **discretionary purchase** that our prospective customer will select us in principle as the vendor they wish to work with on the project, to negotiate and agree all the contractual and commercial terms, but then fail to formally commit to the project in the current timeframe. As well as showing how the project supports the organization's current priorities and initiatives (see “**alignment with corporate priorities**” above) we also need to do everything that we can to ensure that they trust us to ensure that their intended outcomes are achieved.

We need to **eliminate** any remaining perceptions of risk. We need to provide evidence that assures them that they are doing the right thing in making this commitment. It is particularly important that the **executive sponsor** believes that the decision is in both their and the organization's best interests, and that **all the other stakeholders** who need to formally approve or support the decision **feel the same**.

4:1 Decision Confidence

How can we ensure that the key stakeholders in the decision-making and final approval process are both **rationally** and **emotionally confident** in the decisions and commitments we are asking them to make, and in the accuracy of our projections, and how can we support this with both factual and anecdotal **evidence**?

4:2 Sponsor/Supporter Reputation

How can we ensure that the **primary project sponsor** and **supporters** are completely confident that their reputation (and their scope for future recognition, advancement, and promotion) will be enhanced if they put their neck on the line to promote both the project and our proposed approach to their colleagues?

4:3 Approval Risk

What can we do to ensure that all the key stakeholders in the decision-making and final approval process regard our proposal as the **least-risk** of all their available options, including the option to **do nothing** and to **stick with the status quo** and **continue on their current path**?

The Value of Verification

It can be tempting - particularly when we first try and apply this value proposition framework - to come up with generic responses. We can start by going into an opportunity with an informed hypothesis based on our experience of other similar situations (particularly regarding their likely issues), but it is important that we progressively **test**, **tailor**, and **verify** the value proposition to ensure that it is uniquely relevant to each specific customer and to the key stakeholders involved in the decision.

The Value Proposition Framework and the Executive Summary of your proposal

The executive summary is the **most critical element** of every sales proposal - it is likely to be read by decision-makers and final approvers who have not previously been involved and are **unfamiliar** with the details of the project, some of whom may be **inclined to question** whether the project needs to **go ahead now rather than later**, or **at all**.

Unfortunately, many sales proposals and their associated executive summaries focus largely or exclusively on the vendor's offer and on the **"why you"** part of the story - and are **far less effective** as a consequence. When we can incorporate all 4 elements of the customer's value story - **why change**, **why now**, **why you** and **why trust** - into our executive proposal summaries, we dramatically improve our proposal's chances of being accepted and approved.

Following the value proposition framework enables us to **qualify the opportunity more accurately**, **identify and engage key personas and stakeholders more effectively**, and **progressively build** towards a **winning sales proposal** from our very first conversation with a prospective customer. Here's a potential framework for your executive proposal summary, which you are free to adapt and customize:

- [THEIR ORGANISATION] is seeking to address [CURRENT SITUATION] in order to [DESIRED BUSINESS OUTCOMES]. You have recognized that continuing on your current path is leading to [NEGATIVE CONSEQUENCES]. We are confident that our proposed approach will enable you to [BENEFITS OF CHANGE], and support your corporate priorities of [THEIR PRIORITIES]
- Your options include [THEIR ALTERNATIVE OPTIONS], and your key requirements include [KEY CAPABILITIES]. What sets our approach apart is [YOUR DISTINCTIVELY DIFFERENT APPROACH] that will enable your organization to [THEIR DISTINCTIVELY BETTER OUTCOMES]
- The investment required is [HEADLINE COST], which is projected to deliver a return on investment of [HEADLINE ROI]. You can have confidence in our proposed approach because [EVIDENCE]. We expect the project to pay for itself within [PAYBACK PERIOD]. You have acknowledged that every month's delay is likely to cost your organization [COST OF DELAY]
- We believe that our proposal establishes a compelling case for change. What this means for your organization as a whole is [ORGANIZATION-LEVEL BENEFITS] and for [OTHER KEY STAKEHOLDERS], [TANGIBLE BENEFIT] (*repeat as necessary*).
- We are confident that our approach represents your least-risk option and will enable [THEIR ORGANISATION] to achieve the expected benefits and that within [INITIAL PERIOD] you will see [INITIAL BENEFITS]. We trust we have demonstrated that there are clear advantages to timely action.
- Full details are included in the attached proposal. We welcome your feedback and are ready to initiate the project within [TIME PERIOD] of receiving your final approval. We look forward to your decision to proceed, and to working with you to ensure that your outcomes are achieved.