

DEVELOPING A WINNING VALUE PROPOSITION

Your Value Proposition has to be sustainable to achieve that highly desired space between what your clients value and what really works for your industrial business.



WHAT IS A VALUE PROPOSITION?

A value proposition is the sum total of the offerings and experiences delivered to customers during their interactions with an organisation, product, or brand. If well developed, a value proposition can sharpen the way an organisation works by focusing resources and capabilities to serve customers profitably.

WHY DO YOUR CUSTOMERS BUY FROM YOU?

- What motivates customers to choose your products and services over other alternatives?
- What makes your industrial brand better than the rest?
- What solutions do you provide to help with customers' key challenges and unmet needs?

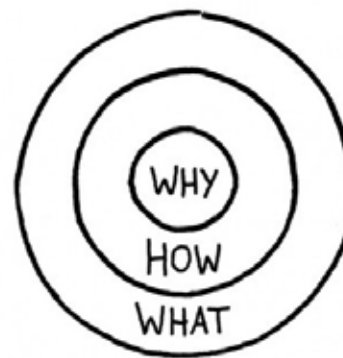
A winning value proposition tells your ideal prospects and customers why they should do business with you rather than your competitors. Your VP must make the key benefits of your products and services crystal clear.

Essentially, your value proposition should cover:

- The **promise** of what you'll deliver to your customers (what)
- The **benefits** that your customers will experience (how)
- **Why** they should choose you over your competition (why)

SIMON SINEK'S GOLDEN CIRCLE

If you haven't watched this TED talk by Simon Sinek it's a must.



What

Every organisation on the planet knows WHAT they do. These are products they sell or the services they offer.

How

Some organizations know HOW they do it. These are the things that make them special or set them apart from their competition.

Why

Very few organizations know WHY they do what they do. WHY is not about making money. That's a result. It's a purpose, cause or belief. It's the very reason your organization exists.



5 KEY ELEMENTS OF A WINNING VALUE PROPOSITION

1

Identify Your Target Market(s) (WHO)

Identify your specific target markets - the companies who will be buying your products and services. Model this on your current profitable customers and markets. Avoid the common mistake of stating: "our target market is everyone." Divide prospects along relevant dimensions such as geography, location, industry, company size, buyer behaviour, attitudes, or needs (segmentation), and then to identify the segments most attractive to you and the ones you are best able to serve (targeting).

2

Develop Your Offer (WHAT)

Develop the product and service offering required to deliver the perceived level of value. Examine 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 products and services to customers. Constantly innovate your offering to ensure it remains relevant and differentiated over time.

3

Promote Your Benefits (HOW)

Industrial companies often get stuck at this stage because they want to include all of their key benefits without considering which ones are most important to customers. Things to consider: 1) product and service attributes 2) the functional benefits they produce; and 3) the emotional benefits experienced as a result. It is important to think about both the tangible and intangible attributes and benefits. For customers who value a premium priced offering, it is often these more intangible aspects that drive their perceived value.

4

Differentiation (WHY)

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.

5

Evidence (WHY)

Create and continually reinforce "evidence" to ensure customers will derive the benefit and value you're promising. Proof includes case studies, testimonials and fact sheets. Proof can be a powerful tool to show prospects why they should choose you over any other option, how they can build their internal business case and justify their investment.

YOUR VALUE PROPOSITION TEMPLATE

1

Who?

- Who is your target audience? Target market(s)?
- Scale of Business? Geography / Location?
- What are their problems? What are their unmet needs?

2

What?

- What do you do?
- What is your unique selling point?
- What value do you bring to the customer?
- What are you running your business for?



YOUR VALUE PROPOSITION TEMPLATE

3

How?

- How can you solve the customer's problems?
- What are your core capabilities?

4

Why?

- Why should the customer / prospect choose you?
- What is your product differentiation?

“

Knowing your WHY is not the only way to be successful, but it is the only way to maintain a lasting success and have a greater blend of innovation and flexibility.

”

- Simon Sinek

THE INDUSTRIAL MARKETING CHALLENGE

The availability of quality information through digital channels has made it far easier for industrial buyers to gather information independently, meaning industrial brands have less access and fewer opportunities to influence customer decisions. So, if your value proposition is clearly communicated in the language of your target audience using different mediums – website, social channels, e-communications, white papers, blog posts, brochures and fact sheets - you will have a greater chance of influencing their discovery and consideration to trial or purchase.

To understand how to best help your target audience advance through a complex purchase you need to consider the questions they are seeking answers to:

- **Problem identification.**
“We need to do something?”
- **Solution exploration.**
“What’s out there to solve our problem?”
- **Requirements building.**
“What exactly do we need the purchase to do?”
- **Supplier selection.**
“Does this do what we want it to do?”
- **Validation.**
“We think we know the right answer, but we need to be sure?”
- **Consensus creation.**
“We need to get everyone on board.”

The industrial brands who focus on providing their target audience with information that is specifically designed to help them complete their buying research will win. We have found this level of “buyer enablement” - the provisioning of information to customers in a way that enables them to complete their buying discovery will allow you to successfully communicate your winning value proposition.

FINAL WORD

Developing a winning value proposition is a key objective of any business to create a true competitive advantage. For this competitive advantage to translate into profit, it has to be sustainable. And for it to be sustainable it has to achieve that highly desired space between what your clients highly value (what they will pay a premium for) and what really works for your business.

Understanding your value proposition is all about finding your company’s place in the world. It’s your brand’s positioning and ultimate promise. Without a clear value proposition and all that supports it, profitable and lasting success is impossible to achieve.



SPECIALIST MARKETING FOR INDUSTRIALS

Industrial Ideas is a B2B marketing consulting agency. We exist to help industrial companies plan, design, execute, and measure marketing programs that produce real, bottom-line results. Our team works hard to become an extension of your business, to help you get the most out of your marketing efforts.

OUR CLIENTS INCLUDE

BLUESCOPE

TOYOTA TSUSHO

TOLL GROUP

CMTF

A&L WINDOWS

PREMIER CRANES

SCHÜTZ AUSTRALIA

DRASOL

ENIRGI

GENIS STEEL

ADVANCED FUEL TANKS

CLUTCH

MITSUI

WHAT WE DO

Industrial Ideas offers a range of marketing services to assist our clients to:

- **innovate and achieve business transformation**
- **activate and build brands**
- **increase sales force capability and effectiveness**
- **generate sales leads and acquire new customers**
- **increase share of wallet from existing customers**
- **improve customer experience and build on customer loyalty**

Our solutions range from ongoing marketing retainer support to tailored lead generation programs, industrial research studies, brand development campaigns and hard-hitting marketing communications.



OUR CORE MARKETING SERVICES

Market, Competitor and Customer Research

Quantitative and Qualitative
Research Studies

Survey Design and
Methodology

Focus Group Facilitation

One on One Interviews

Competitor / Industry Reviews

Market Share Analysis

State of Market Reports

Marketing Strategy and Planning

Go-To-Market Strategies and
Marketing Plans

Strategic Support and Sales
Development Coaching

Tailored Marketing Content Plans

Value Proposition Work Development
and Delivery System Work

Customer Experience Execution
Strategies

Sales Enablement

Brand and Campaign Development

Brand Development, Identity and
Style Guides

Lead Generation Campaigns and
EDM Communications

Telemarketing, Graphic Design,
Photography, Video Production,
Copywriting and Content work

Industrial Case Studies,
Brochures, Data Sheets, Product
Catalogues, Web Development,
Trade Shows Industry Events,
Print Advertising, Advertorial
Support

“the cost of
being wrong is
less than the
cost of doing
nothing”

- Seth Godin

MARKETING SOLUTIONS FOR EVERY INDUSTRIAL SECTOR

MANUFACTURING AND TRANSPORT

Quality products and services got you this far, but now your clients demand more. They're online information gathering and researching for substitute offerings and alternate solutions. They're using social media channels such as LinkedIn to connect with different industry buyers, suppliers, leaders and influencers. They're looking online for marketing content that can help solve their key challenges. The rules have changed but the industrial marketing game remains the same – increase share of wallet by proving you're the market leader and reputable source.

CONSTRUCTION AND FABRICATION

You need to provide your clients with the technical information they need, when they need it, and where they go to look for it: search engines, industrial directories, social media, and email. That means improving your web presence, social game and creating content that demonstrates your capability. Industrial Ideas will help you transform from a commodity player to a customer driven brand. This will re-position your company to increase profitable market share.

MINING AND ENERGY

Certification and Reputation are the tickets to the game. Building customer trust is the key to success in the Mining and Energy industries. That means improving your communications, such as your capability statements, quality assurance documentation, project case studies, technical product library, to deliver content that demonstrates your value proposition built on assurance and credibility. Industrial Ideas will help you increase awareness to engage with your key clients and prospects serving the Mining and Energy industries in Australia.

OUR CORE CAPABILITIES

INDUSTRY EXPERIENCE

Led by Peter Zafiris, with over 20 years experience in industrial sales and marketing. Peter personally manages all client projects to develop winning marketing solutions to deliver the desired results.

MARKETING SUPPORT TEAM

Surrounded by a talented team of researchers, graphic designers, photographers, videographers, telemarketers and copywriters – Industrial Ideas can help you improve your bottom line with our distinct approach to marketing.

TAILORED APPROACH

We listen to understand... And then we do things differently to get our clients the return on investment they deserve.

OUR CORE VALUES

Our marketing services are guided by a simple set of behaviours: transparency, agility and accountability, along with a solutions-driven approach to all the work we undertake.

INNOVATIVE SOLUTIONS

We aim to deliver solutions that create change, provide profitable growth and attract new business to the most powerful of industrial brands. That's what we stand for as a marketing consulting agency dedicated to industrials.



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