

COMPETITIVE DISTANCING

A monthly newsletter dedicated to your success, using a different set of tools...to distance yourself from your competition

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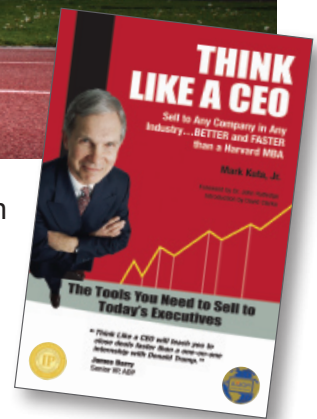
How to Stay Number One in the "Sales Guy Fantasy League"

I listen to Bob Dylan on my iPod when I work out. Yes, I do. Really. You see, I was listening to Dylan for the first time when I was in High School, and as the football captain and a team star, was a true B.M.O.C. These days, with the limited time I have, I try to get the best workout in possible. Hence, working out to those late 70's and early 80's Dylan songs mentally teleports me to a parallel universe where I am a bulletproof teenager once again. Once there, I am running and lifting, again putting up tremendous workout numbers almost without effort, rather than struggling to break 8 minute miles and lift without straining muscles, while other things are on my mind (like the price – and availability – of babysitters.) When you outline your value proposition for your C-Level prospect, you want to make sure that he or she is transported to that parallel universe where vendors projects are so strong that when the inevitable hits, they will still generate profits. You want them focused on the strategic implications of your product or service, because you have taken the risk factor out of the equation.



The traditional way of presenting your value proposition is in an Excel Spreadsheet, adding up all of the individual value buckets. Think of this as **the wooden-baseball-bat value proposition** example. Today, executives have to answer a myriad of investment questions, many of them focused around the risk involved in the project. Think Like a CEO will teach you to present your value proposition as one number, and in such a way as to limit the discussion of downside risk involved. Think of this as the **composite-metal-baseball-bat value proposition**. The game is quicker, the ball goes further. So do your sales.

One of the ways to distance yourself from your competition is in how you deliver your value proposition to your prospect. The key is understanding how decisions are made at the senior executive level, and the types of issues that a C-Level executive is forced to answer. It's not just you that has a boss. Don't forget that a Division President's boss is the COO, whose boss is the CEO. And, yes, the CEO's boss is his Board of Directors. So everyone can say the same thing. "Meet the new boss. Just like the old boss."



Sweeping the 2008 Book Awards with Two Gold Medals



THE SITUATION:

You are selling business services to a large, international company. Your service has many points of value, but it is difficult for you to sell against some well known internet competitors known to have low prices. Your competitors are Orbitz, Travelocity, Priceline, and Expedia. Nobody in your office or on your sales team knows anything about them.

THE SOLUTION:

After reading *Think Like a CEO*, you find and pull the 10-K's of Expedia, Priceline.com and Orbitz, and get the 2002 10-K of Travelocity.com. Reading these reports allows you to develop key points of differentiation that you can use to validate your value proposition. You then uncover your prospect's Profit Strategies, and develop your presentation to align your solution with these Profit Strategies, and exploiting the weaknesses you uncovered.

YOUR SALES TEAM:

Your sales team summarizes your value prop into the one number that is important to your customer. This one number covers the risk factors involved in your service and your analysis. You walk him through the upside and downside risks, and demonstrate that the downside risks are virtually non-existent. This allows you to focus on how your service is consistent with the company's Profit Strategies. This analysis allows your C-Level prospect to focus on the key question that will be the issue that his board will ask. "Does this project fit in strategically?" Your sales team is seen as the trusted advisor.

YOUR COMPETITION:

Selling the traditional Excel spreadsheet value proposition, your competition is seen as typical salespeople trying to sell value. Like that insulation salesperson who interrupts your dinner every so often. (BTW- When was the last time you put insulation in your attic to save on your heating bill?)




"Dad, how many times do I have to tell you, Cash is King!"


1. Your service sells for \$500,000 per year, and based on your past experience, you will generate three buckets of savings. Airfare, Rental Car, and Hotels.
2. Given your past experience with your clientele, you estimate the total yearly savings of approximately \$3 million. During the first year, the client will not see any benefit, as you will be deploying your solution.
3. You are able to estimate your prospect's "hurdle rate" at 30 percent.

IRR	=	500%
IRR @ 50% of benefit	=	197%
IRR @ 25% of benefit	=	35%

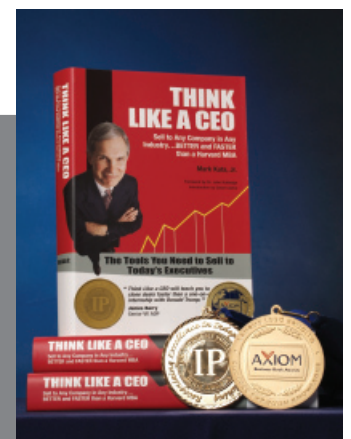
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Best Business Book



Best Sales Book



We are all on a trip to become the most effective sales people that we can be. Image that we're on this trip (with our kids, of course) and let's ask ourselves - over and over and over again - "Are we there yet?"

go to www.thinklikeaceo.com
AND START OUTSELLING YOUR COMPETITION