Customer Value

Seminar

Michael Dejen
&
Hamed Sekandary

Adviser
Prof. Andreas Meier
Assistant
Darius Zumstein

Date
April 23, 2008
# Table of contents

- Introduction ............................................................................................................................... 4
- Description ........................................................................................................................................ 4
- Questions / subjects to be treated .............................................................................................. 4
- Customer Value ........................................................................................................................ 5
- Customer Value Creation ......................................................................................................... 6
  - Voice of the Customer (VOC) ............................................................................................... 6
  - Customer Value Analysis ...................................................................................................... 9
  - Operational Excellence .......................................................................................................... 10
  - The Outside-In Perspective .................................................................................................. 10
- Customer Satisfaction and loyalty ............................................................................................. 11
  - Measuring Satisfaction .......................................................................................................... 12
- Customer Centricity ............................................................................................................... 13
- Value Drivers .......................................................................................................................... 14
- Customer Profitability ............................................................................................................ 16
  - Value at the product level ...................................................................................................... 17
  - Value at the process level ...................................................................................................... 17
  - Value at the performance level ............................................................................................ 17
- Customer Value Management (CVM) ..................................................................................... 18
- Customer Value Measurement ................................................................................................... 20
- Customer Retention ............................................................................................................... 21
- Conclusion .............................................................................................................................. 22
- References ............................................................................................................................. 23
Table of Figures

Figure 1: MDPD process flow ............................................................................................................. 7
Figure 2: Where customer value fits in the innovation process at Motorola .................................. 9
Figure 3: Outside-In Perspective ...................................................................................................... 10
Figure 4: Product vs. Relationship diagram .................................................................................. 11
Figure 5: Systemic Drivers of Value Perception .............................................................................. 15
Figure 6: Global Value Management ............................................................................................... 18
Figure 7: Customer Value Measurement .......................................................................................... 20
Introduction

Description

When a company wants to rather direct the decisions of production by using the customer value than by the financial analysis, it must have an idea specifies what the customer value is (Plaster and Alderman 2006). Even if that seems obvious, it needs to be clarified, because too many companies think that they know what the customer value is, whereas their activities do not bring them near to the real comprehension of the customer requirements.

We used to believe that a firm’s improvement can be reached by focusing on internal aspects like quality management, reengineering, downsizing and restructuring. But we didn’t take into consideration the importance of creating values for our customers and as a result the expected improvement couldn’t be reached easily (Woodruff 1997).

Questions / subjects to be treated

So what is a Customer Value? One of the concepts mentioned always in business is the concept of value. This concept tries to clear things up and understand what value exactly is. Reinsure ourselves that we understand what we are doing to create value for our customers. How does the customer define its values towards our business? What does the word value signify in the eyes of the only people we care, the customer who paid extra to get our brand? What is it defining values from the standpoint of what the customer said I will pay a premium to get it? These questions will be developed in order to have a clear picture of what a Customer Value really is in the coming sections of this seminar.
Customer Value

The customer is most likely an individual (or set of individuals) within a group who pays for the products and services we generate, the customer is the one who places the value on our output (Sayer and Williams 2007; Smith and Colgate 2007). As a result of globalization, companies are facing a huge challenge and an intense competition among their competitors. Due to this fact, the customers are becoming more and more demanding, they want ever-increasing levels of quality and service at lower costs (Slater 1997). So the firms are expected to increase the value of their customers if they want to exist in the market.

The Value definition could somehow be a bit tricky because while using it for an individual from the stand point of an organization, we are referring it to the monetary worth of the individual (customer) and while using it for the organization itself, it refers to the worth of the organization to its owners. But while using it with customer from the customer stand point, it refers to the value which is envisioned by the customers themselves towards their service or product providers (Woodruff 1997).

The customer chooses our option because it believes our option represents the best overall value for them. The customer places a worth on the process outputs and believes these outputs and this process best fulfill their requirements. The customers’ requirements and decision criterias are many, and the customers’ methods of assigning values may be formal or informal, but at the end of the day, we are the supplier the customer has chosen. The customer assigns value based on the degree to which the process outputs fulfill its requirements. The greater the fulfillment of requirements, the higher the customer's satisfaction, and therefore the greater the customer's attributed value. Creating a value to a customer doesn't happen just by accident, on average, companies lose half of their customers every five years. It costs five times more to sell to a new customer than to an existing customer. Reducing customer defections by just 5% can double profits (Gough 2006). We will speak more about the customer satisfaction in the section which analyzes the product vs. relationship from our customer’s perspective.
Customer Value Creation

When we want to develop the idea of Customer Value Creation, we have to first take into consideration the Customer Value Analysis (CVA) which focuses on creating and exchanging value with customers and secondly Operation Excellence (OE) which is the analytical and fact-based approach to execute growth (Plaster and Alderman 2006). Before seeing the CVA and OE of the Customer Value Creation it would be wise to have a look at how we can capture the “Voice of the Customer” by using the Market Driven Product Definition (MDPD) approach in order to create Customer Value.

Voice of the Customer (VOC)

The Market Driven Product Definition (MDPD) process developed by Product Development Consulting, Inc. approach allows team members collect unfiltered customer information and requirements of representative customers in target markets. It provides a context for making trade-off decisions and improves time to market because using it means fewer changes during the course of the project, less feature creep, and fewer late additions of features (Mello, Mackey et al. 2006). Also, because the team has a common basis for understanding what needs to be done, it can better react to problems and adjust concepts to address any technical challenges that may arise. The data captured through this process often is far more valuable to gather the Voice of the Customer than that captured through other traditional customer research methods.

The MDPD process is broken up into 16 workshops, each addressing a component of the process required to reach the ultimate goal of an unambiguous set of customer-requirements-driving concepts that provide customer value. Conducting individual workshops that address specific components of the process fosters repeatability and develops subject matter expertise among team members. Figure 1 below details the 16-step MDPD process.
The text that follows details the objectives of each stage of the MDPD process shown in the Figure-1 above.

**STAGE ONE: PREPARE FOR CUSTOMER VISITS**

1. Define the project mission, decide which categories of customers and relevant functions to visit, and confirm the product scope, project staffing, budget, and schedule.
2. Develop interview guides for each different type of user you plan to visit based on step 1.
3. Learn how to successfully conduct customer interviews and practice interviewing to test and hone new skills.
4. Review transcripts of first several completed interviews and suggest adjustments to interviewing techniques and to the interview guide based on actual usage.
STAGE TWO: PROCESS CUSTOMER VISIT DATA

5. Develop an image diagram by identifying and selecting the key customer images.
6. Translate voices into requirements—combine customer voices and key images to define customer requirements.
7. Develop requirements diagram by selecting and reaching consensus on the key customer requirements.
8. Develop metrics and operational definitions for requirements to understand quantitatively when the customer requirements have been met.

STAGE THREE: ANALYZE CUSTOMER REQUIREMENTS

9. Design the surveys—develop the self-stated importance, reflected sum of the ranks, and Kano surveys.
10. Administer the surveys and analyze the data to validate, prioritize, and select the requirements and determine where responses differ by market segment.
11. Analyze existing solutions based on a requirements matrix rating competitors and existing solutions on performance against each requirement.
12. Analyze results of survey and develop requirement-weighting factors for the assessment of concept strength. Identify the priorities of each requirement in each major market segment.

STAGE FOUR: GENERATE SOLUTIONS

13. Brainstorm ideas for each requirement that will support the requirement approach defined in step 12.
15. Evaluate solutions based on technical feasibility, cost, staffing requirements, and other internal constraints.
16. Analyze trade-offs using weighted selection criteria to arrive at solutions.
Communications giant Motorola has integrated the process of unearthing customer value into its innovation process as Figure 2 below shows. "One of the things that we've learned from a technology standpoint is that even though customers value many things, few things really have a core value that makes customers want to buy," says Anthony Carter, senior director of business development for Motorola, Inc. "You can look at a feature list and realize there's hundreds of features, but in reality, customers only buy because two to three features meet a core need...the rest is just pull through. One of the things that we really want to understand is: what are those two to three things that are really going to be the primary decision factors for the customer?"

![Figure 2: Where customer value fits in the innovation process at Motorola (Carter 2005)](image)

Value from the customer's perspective extends beyond initial economics to encompass the product or service over the total life cycle and the total experience with the company (Plaster and Alderman 2006).

**Customer Value Analysis**

When we look at the B2B transactions, they all share common characteristics. In each case the buyer is looking for a particular product or service and when we look across landscape of the competitors who want our business, we couldn’t see much difference, they all have their branding, their look and feel, but they don’t have that much difference in their product and service offering. But what made these transactions interesting to us was in each case the buyer paid for a higher price to offering, in each case they spent more money than it sounded like they had to. After all they told us all the offerings look the same but they bought an expensive one. If
we take a part (analyze) in what went on in that transaction, we will have a great approximation for the word “Value”.

The main objective of Customer Value Analysis is to find solutions that will drive profitable growth for the enterprise by creating a sustainable value to the customers by making its bottom layer the outside-in perspective (Mello, Mackey et al. 2006) Figure-3 below. CVA makes possible to measure and monitor performance score by showing where a business is located at any point of the life cycle concerning its relationship with each customer.

### Operational Excellence

It is a goal of conducting business in a manner that improves quality, obtains higher yields, faster throughput and less waste (Wikipedia 2007). Operational Excellence is an analytical and process-based approach to enable profitable growth from an outside-in perspective seen in the coming section.

### The Outside-In Perspective

The outside-in approach is much more than capturing the “Voice of the Customer” as we saw in the previous section (Mello, Mackey et al. 2006). The outside-in perspective suggests that people, process and technology need to be aligned from an outside-in customer perspective to see the value, generate solution and capture growth. As shown in the Figure-3 below, this is in contrast to the inside-out company perspective that is used to maintain existing products and services.

![Figure 3: Outside-In Perspective (Plaster and Alderman 2006)](image-url)
Customer Satisfaction and loyalty

Customer satisfaction is how customers view an organization's products or services in light of their experiences with that organization (or product), as well as by comparison with what they have heard or seen about other companies or organizations (Szwarc 2005). Another claim made is that customer satisfaction automatically leads to customer loyalty. This suggests that satisfied customers will not defect to a competitor (Dowling 2004). Let's see how the customer fills in each of the areas of the diagram (Product vs. Relationship) below to better understand how the customer can be satisfied and as a result, it becomes loyal.

![Customer Satisfaction and loyalty diagram](image)

**Figure 4: Product vs. Relationship diagram (cf. [Gough 2006])**

In the region I of the diagram above the customer will leave at the first opportunity. This customer is actively looking for an alternative supplier; he does not want to buy from us unless we are the only once to provide the product or service he required.
In the region II of the diagram above, the product is very good and the price is faire, it really fits for the purpose the customer requires, well guaranteed, in general a right product. But if he is found in this region then he is a very vulnerable customer. So whoever steps to his door and offers him to buy another similar product he buys from them because of the fact that he has not at all loyalty to us or we were not able to create any value to him.

In the region III of the diagram above, we have a customer who is happy with the relationship he has with us but who does not want the product even though he has the loyalty ("Customer Hopeful") the customer could come to us to tell us that he wants to have our products but he does not think that our products have enough quality to persuade him but again he could tell us that he wants to work with us in order to improve the quality or the offering so that we can keep on having him on boars as a loyal customer thanks to the good relationship we had.

In the region IV of the diagram above, if we have the customer who likes us and our product and who is very loyal. He will buy from us by preference even if someone comes and offers to sell in a better price. What is important above all is that our loyal customer will tell the whole world how wonderful we are, and that's a free customer acquisition.

As a conclusion, the diagram above explains why a relationship is more important than the products in many cases. So if we are having a problem with the relationship that is where we should be sniffing in order to improve it and create a customer value (Gough 2006). If we want to sell to our least valuable customer, what we are selling is the product but what we want to sell to our most valuable customer is the relationship (Tuli, Kohli et al. July 2007). The companies which have succeeded are those which could establish not only product and service qualities, of course they have to have these qualities but in addition the relationship quality.

**Measuring Satisfaction**

There are four main reasons why organizations measure customer satisfaction (Dowling 2004):

- For diagnostic purposes in order to drive improvements and to identify the factors that matter to the customer.
To reward and encourage the customer service staff.

- For benchmarking purposes—against competitors and across the units of a multi-divisional business (e.g. which branches are better than others).
- It makes the respondents feel good. For example, sometimes when a customer is mildly dissatisfied, having the opportunity to record this feeling in a formal communication to the organization is a cathartic process.

When organizations set out to measure customer satisfaction, they are presented with a range of alternatives, and a variety of research firms willing to help. Each measurement technique has its strengths and weaknesses that depend on how the data are collected and how they will be used. For example, customer complaint schemes are good for highlighting areas of dissatisfaction. Interviewing lost customers can help to identify the factors that triggered the customers to switch to a competitor. Focus groups are good for understanding the emotional aspects of performance and expectations. Mystery shoppers are good for uncovering the strong and weak points experienced when buying the company's and competitors' products and services. Customer satisfaction surveys are good for calibrating the overall distribution of satisfaction and dissatisfaction among customers. If the items from these surveys are analysed in terms of both their importance and performance, this can help managers to identify if they are under-performing in important areas and/or over-performing in unimportant areas.

**Customer Centricity**

Getting close to the customer is not about qualifying and making a sale. The purpose of getting close to customers is to understand what value means to that customer. We need to understand what challenges customers are facing, their strategies and priorities in addressing those challenges, and what they are trying to accomplish. We should also understand our customer’s market, the challenges their customers are facing, and what our customer is trying to help them accomplish (Thull 2005; Shah, Rust et al. 2006). The experience of companies like Hewlett-Packard supports the idea: Success arises from understanding the customer (Mello, Mackey et al. 2006). "The more closely we work with customers in the development of a new product, the more successful we're going to be," says Deborah Nelson, vice
president of Marketing and Alliances for Technology Solutions Group at Hewlett-Packard (HP). "So it's not just that you take customer input, you get an idea, you go away, you build the product and then bring it to market. It's much more of an iterative checking in with customers." Nelson states HP's commitment unequivocally: "Customers have to be the source of whatever we're doing. They have to. Whatever we're working on fundamentally needs to fulfill a customer need." When this type of information is successfully uncovered and used to form the design and delivery of our solutions, the end result is a long-term capability to create value for our customers and capture our fair share of that value for our companies.

If maintaining and growing our customer basis are important to us, Customer Centricity can help. It allows improving the values firms receive from their customer relationship. Becoming completely customer focused is a serious business; it is serious in its benefit it realizes including increasing revenues and profitability. Our customers will be satisfied with the relationship they have with our firm. Our employees will be more satisfied with the new skills and capabilities they have for serving the customer. And finally, we can realize improvement and operational efficiency as we manage our customer’s information and activities more efficiently and consistently.

Additionally, becoming completely customer focused requires serious commitment. Commitment from corporate leadership to become truly customer focused as we realize in today’s business environment. We must provide clear return on investment for all of customer focused initiatives.

**Value Drivers**

What we expect from Customer value-drivers to guide us is the way how we can improve the value of our product and/or service to our customers. Figure-5 below illustrates the six systemic drivers of sales performance improvement, three of which are related to marketing alignment (above the funnel), and three of which pertain to sales execution (in the funnel).
1. **Value framework and messaging.** This is the extent to which value positioning and messages are defined around accurately perceived customer problems and needs, not around products and services. Does the way the company defines its offerings resonate with customers as addressing their problems versus pushing products? This is the “aiming of the gun,” so to speak—if the purpose of the company isn’t explicitly about solving problems and meeting needs at the highest level, then value dilution occurs at every point thereafter.

2. **Targeted go-to-market approach.** This is the degree to which a company’s value propositions, market segmentation approach, and channel strategies should be attuned with customers’ perceived needs. Is the gotomarket approach in sync with real customer problems and needs, and are selling channels appropriate? In other words, market segments and channels need to be calibrated with a problem-solving orientation.

3. **Aligned marketing communications.** This is the degree to which marketing communications and lead generation are aligned properly with field sales conversations. Are marketing communications consistently in parallel with sales conversations? All forms of internal communications also need to convey and instill the concepts and principles of a problem-solving organization.

4. **Management support systems.** This is the caliber and consistent use of management vehicles to improve skills and reinforce sales processes. Do management practices, technology, compensation, and culture reinforce the desired selling approach? Sales managers can’t just crunch the pipeline numbers—effective teams require real coaching and mentoring. Technology needs to enable improved problem diagnosis and vision creation, and compensation needs to consider customer outcomes in addition to internal metrics.
5. **A codified sales process and methodologies.** This is the presence of a formal sales process that aligns well with customers’ typical buying processes. Are selling processes well defined, understood, practiced, and supported in ways that align with the way that buyers buy? Here we refer again to the recent IDC observation: “The days of the lone-wolf sales star are numbered.” The more complex the problem and the corresponding solution, the greater the need for effective team collaboration. Winging it won’t cut it in complex, highly competitive selling environments—teams need to understand the playbook and be able to execute accordingly.

6. **Skills and knowledge to engage with customers.** This is the quality of fundamental selling skills and knowledge at the individual salesperson level. Can salespeople effectively diagnose customer problems and needs and create a vision of the solution that the customer will buy? Even if your solutions have compelling value and attract great levels of interest, it’s still quite possible to lose at the end of the sale. Individual salespeople need to be highly literate with respect to both customer problems and the linkages to the appropriate capabilities.

When the six systemic drivers are aligned tightly with customers’ needs and each other, a company is positioned to sustain consistent sales revenue increases. When the drivers are misaligned, revenue generation problems are inevitable. With misalignment, a company’s internal perception of the value it offers cannot reach its customers’ perceptions of value—and the stage is set that fosters significant problems in differentiating and positioning your offerings, and commodity perceptions, and a host of symptoms and results of inefficient sales efforts.

**Customer Profitability**

Complex solutions can deliver benefits to customers at three levels of value: product, process, and performance (Thull 2005). The source of customer value at the product level derives from the quality, availability, and cost of the product or service itself. At the process level, the source of value is your capability to improve the customer’s internal operations. At the highest level of value leverage, the performance level, the solution impacts the customers’ corporate business drivers.
and is tied to their strategic objectives, resulting in the creation of distinct business advantages in their marketplaces.

**Value at the product level**

The source of customer value at the product level is inherent in the characteristics of the product itself. These include its quality, availability, and cost. Solutions whose value is restricted to the product level are usually seen and treated as commodities in the marketplace. Acquisition cost often becomes the primary factor in the purchase decision. The seller is usually viewed as one vendor among many and generally does not have a great deal of customer interaction beyond contact with the purchasing function.

**Value at the process level**

At the process level, the source of value moves outside the solution itself and focuses on the impact of the product or service on the customer’s business processes. The solution now has a value to the customer that extends beyond its base characteristics into the efficacy of the processes within the customer’s organization. The purchase decision is elevated to a consideration of cost of goods sold, production efficiency, and customer satisfaction, all of which are value drivers that can be impacted by helping customers improve their processes. Customers now see you as a limited partner who works with various operational executives, department heads, and the organizations that they lead.

**Value at the performance level**

At the performance level, the solution delivers an impact to the performance and differentiation of the customer’s product, beyond the customer’s internal processes and into its marketplaces and its customers’ worlds. The solution takes on a strategic value to the customer. Here, the solution creates value that enables our customer to serve their customers better, provides distinct competitive differentiation, adds to the significance and definition of their brand, and, perhaps, expands their markets. The customer’s decision is now elevated to the consideration of revenue enhancement and strategy fulfillment. In the customer’s mind, we now become a strategic business partner and, as such, interact with their senior and executive leadership.
The most significant impact and the highest return, for both us and our customer, reside within the performance level. To create a solution that delivers value at the performance level, we must be able to do the following (Thull 2005):

- Understand our customer’s business environment and their market drivers (the markets and drivers that critically concern them).
- Identify and address the absence of value (the consequences and costs that your customer experiences in the absence of your solution).
- Link our solution to our customer’s existing business strategies and goals, and help them to adjust their strategies and expand their goals as they recognize the solution capabilities we can provide.

**Customer Value Management (CVM)**

It allows us to see our company’s stand point comparing to our competitors in the market place (Center 2001; Stone and Foss 2001). The idea is to have a better customer-defined value than the strongest competitor in the market.
We will try to have a look at the different evolution of the possible levels to reach the Global Value Management passing by the Customer Value Management in the Figure 6 above (Center 2001):

- **Level 1** represents a supplier that is focused on conformance quality. It is an inward focus that has minimal customer involvement.
- **Level 2**, the supplier has recognized the benefits of getting to know its customers, understanding their needs and expectations, and being customer driven. This is what customer relationship management (CRM) and the various automated tools address.
- **Level 3**, we see a marked change in the maturity of the supplier. The supplier has recognized the impact of the market and wants to get closer to its customers and its competitors' customers. It wants to use the customer value data to ascertain performance vis-à-vis competition. The supplier wants to determine why it won or lost opportunities and then incorporate this knowledge into process improvements. It also wants to be market driven. At this level, the full benefits of total quality management (TQM) are employed.
- **Level 4**, the company and its people and processes are aligned with the evolving requirements of the targeted markets. The Six Sigma approach (originally developed by Motorola means defect reduction effort in manufacturing (Motorola 2008)) focuses on internal processes and tracks internal customers. Customer value management, on the other hand, tracks both internal and external customer perceptions, identifies gaps, and prioritizes those gaps with respect to the competition. Having identified the gaps in a world of constraint optimization, Six Sigma programs can then be used to close gaps between an organization and its competition. The customer value data along with TQM tools are used to make critical business decisions, make capital investments, and assess acquisitions.
- **Level 5** we see customer value, employee value, and shareholder value systems deployed, enabling an integrated business view and alignment of the systems.

It is the combination of strategy, organization and technologies placing the values of the customer to the core of the concerns of the company, and resulting in
the installation of listening devices to the customers, benchmarking between companies and channels, in order to adapt the processes and distribution channels of the company to fulfill the expectations of the customers.

**Customer Value Measurement**

It measures price/value perceptions in the market as a whole and therefore allows us to devise strategies to improve customer loyalty by comparing our client's performance versus the competition, as customers do (Vayslep 1996).

![Diagram](image)

**Figure 7: Customer Value Measurement (Gamble, Stone et al. 2006)**

As shown in the Figure 7 above, the first element in customer value is the monetary aspect (francs per hour or euros per unit). Second, there are the additional costs the customer incurs, excluding price, to obtain the benefits. Third, there is the value that the customer obtains in exchange for the price. An offer comprises two elements, value and price. Changing the price does not change the value, only the incentive to buy. Finally, there is the context, the extent to which alternative offers exist, such as purchasing from a competitor, providing the product or service in-house or not buying at all (Gamble, Stone et al. 2006).
Customer Retention

It is very expensive to get a new customer than to keep those customers. Maintaining contact with our customers is very important. Lacking of a good relationship could lead us to a disaster if something wrong happens, like if the customer is not happy with our product or service, he could turn to the competitors without any hesitation and it will be very difficult to get him back or even impossible to resolve. If we have a good relationship or if we show our customers that we care instead, the problem could be discovered and resolved and we keep that customer.

All firms want to keep their existing customers forever. However, few of them are implementing strategies that target customer retention, because most companies focus on acquiring new customers (Sindell 2000).

In order to retain or keep our customers, we have to first establish a knowledge foundation at the bottom layer of our company, with front line employees (Sales, Service, Marketing, Feedback, …), lack of knowledge to help our customers could lead us to losing them to our competitors. After establishing the knowledge foundation, we empower our customers, we do this by implementing technologies like Web Self-Service which is an approach to customer relationship management (CRM) and employee relationship management (ERM), a version of electronic support (e-support) that allows customers and employees to access information and perform routine tasks over the Internet, without requiring any interaction with a representative of an enterprise (WhatIs.com 2007), Voice Self-Service which enables us to transform our voice channel into a powerful self-service customer care resource for our customers—so they can quickly find answers to their questions themselves 24 hours a day, seven days a week. Using voice recognition, we can provide a great automated customer service experience while significantly reducing contact center costs (Now 2008), Forums that help customers get in a discussion with other customers which help create community. By doing these things our company could significantly reduce its operating costs while retaining its customers.
Conclusion

During this seminar we saw that a Customer Value is the value created by the customer towards its product and/or service providers, and things which drive values in the mind of the customer. Business success lies in not only understanding the marketplace and satisfying customers, but also in doing better than the competition (Center 2001). Succeeding to provide value is to elevate ourselves above the competition in the way permanently puts up a barrier that makes us different, that causes the customer to redefine the relationship as an advisory status rather than a vendor.

The customer could say, “I’ll treat you differently, I’ll redefine our relationship, I’ll make price less important in my decision criteria, if in the selling process I discovered an unrecognized problem that I’ve, that I didn’t see without your expertise. Help me see the problems I don’t see and I’ll pay extra to have access to that expertise.” May be the customer understood his problems or even he was able to look across the coming problems without our expertise but couldn’t figure out a better path to overcome the problems. And he asks us to do what is necessary and he guaranties to redefine the relationship he has with us. Or even the customer could say, “Help me seeing ways of expanding my own business, help me (your customer) become a better business. And I’ll reward you my loyalty.”

The points we saw in the previous paragraph requires the sells person the ability to execute the sells call in a way that allows the customer to discover for itself one of the points (value drivers) mentioned. Otherwise, we are in the business of trying to communicate value and we sound like everyone else. So think of it as we are going to fulfill these ideas of creating value, helping our customer see the problems it did not see (unrecognized problems), solutions it did not know existed (unanticipated solution) and opportunities it did not recognize to expand it’s business (unforeseen opportunities). We do these and we create Customer Value.
References


