

VALUE PROPOSITION DIAGNOSTIC

How to diagnose whether you have a “Value Proposition” issue with your proposals

To get a useful assessment you can do a rapid assessment for yourself to see if your value propositions are expressed in your sales proposals. This assessment should only take about 45-60 minutes to complete.

To test how well your sales organization makes propositions, take a look at a sampling of five current sales proposals and invite your lead sales person (and their manager) to sit down with you and evaluate each proposal opportunity against the ten questions listed below.

Key diagnostic Questions	YES	Maybe	NO
1. Does the proposal demonstrate knowledge of the client’s business?			
2. Does it summarize the agreed needs of the client?			
3. Does it specify the objectives for making a change?			
4. Does it explain how the proposed solution would meet their needs?			
5. Does it describe clear and tangible benefits relevant to the expressed needs?			
6. Does it provide a financial justification and/or ROI calculations?			
7. What proof/evidence do you have to support the ROI calculation (and how convincing is it)?			
8. Can your client advocate (who is supporting your bid within the client’s organization) articulate your value proposition for themselves unaided by your assistance?			
9. Can the ultimate decision maker who is making they buying decision for your contract articulate your value proposition?			
10. Is your value proposition included as one of the key factors within the client’s decision making criteria in their buying process?			
Total for each column			

Completing your “Value Proposition” scorecard

All you need to do is complete the scorecard answering the ten questions by placing a check mark in the appropriate column (YES, NO or Maybe). If there is a lot of discussion on the correct answer, then place your check mark in the Maybe column. If you don’t get 10 checks in the YES column, you know you need to work on improving your Value Proposition. If you see a consistent pattern across all 5 proposals/opportunities, then you know you have areas of weakness that require fixing and incorporating with your sales process.

Analysis of your results and recommended action to take

Scoring (simply count up the answers in the YES column)
10 – You have a well-constructed “Value Proposition” and this is most likely NOT the reason why you may be losing out on your contract bids. You should look at your sales process and pricing to determine the root causes.
8-9 – You have some specific areas to address in making your “Value Proposition” more compelling. Fixing these should rapidly improve your win rate.
5-7 – You have significant gaps in defining your “Value Proposition” which is likely to be a significant cause of being unsuccessful in your competitive bids.
0-4 – You have major deficiencies in your “Value Proposition” which deserve need your immediate attention. You are unlikely to win even uncontested bids without addressing these weaknesses.

