

# What is Value-Added Selling?

BY TOM REILLY

**VALUE-ADDED SELLING IS MORE THAN A BOOK, A SPEAKER, A SEMINAR, OR THIS YEAR'S MANAGEMENT THEME.** Since the publication of my first book in 1986, *Value Added Selling Techniques*, I've invested 90% of my speaking time spreading the good news about value-added selling to audiences all over the world. Many people think they know what it is, but in most cases they fail to understand the depth of this business philosophy and sales process.

## The Value-Added Selling Philosophy

Value-added selling is a proactive philosophy of seeking ways to enhance, augment, or enlarge your bundled package solution for the customer. It's promising a lot and delivering more, always looking for ways to exceed the customer's expectations.

Value-added selling is a proactive philosophy. Value-added salespeople take the initiative to add value. Value-added salespeople do not wait for the customer to complain about the price and then say, "Hold on a minute while I whip some value-added selling on you!" Value-added salespeople build in more value on the front end so that price becomes less of an issue on the back end. Being proactive with customers means you never have to say you're sorry.

Value-added selling is more than a sales course. It's a course of action—a business philosophy that emanates from rock-solid core beliefs. The first belief is that trust is the currency of great relationships. If two people trust each other, like each other, and want to do business with each other, they will work out the details. Despite technology and the complexity of many industrial sales, selling is still relationship management. Buyers may prefer brands, but they reserve loyalty for people.

A second core belief is that people want to get as good as they give. This commitment to equity shows itself in the desire to achieve win-win outcomes. If it's not a good deal for the buyer or the seller, it's a bad deal for both of them. When customers feel that they gave better than they got, they defect when the first opportunity presents itself. Thus, the seller loses. When sellers perceive that they gave better than they got, they resent the business and fail to serve enthusiastically. Thus, the customer loses. Win-win outcomes are the only acceptable results for long-term relationships.

A third core belief stems from a customer value focus—that the sale is more about the customer than the seller. It's their problem. It's their money. It's a solution with which they must live. The sale should be about the customer. Value, like beauty, is in the eye of the beholder. Value-added salespeople define value in customer terms, not seller terms. If you define value in customer terms, they pay for it with a higher selling price. Conversely, if you define value in your terms, you pay for it with a bigger discount.

Because of this customer value focus, value-added salespeople are in business to make a difference, not just to make a deal. They approach the sale by asking themselves this question: "Where can we have the greatest impact on the customer's business?" The natural outcome of this belief is that you will generate all the deals you can handle. This follows a parallel belief that you achieve success by helping other people achieve higher levels of success.

A fourth core belief is that you sell a bundled package solution, a three-dimensional solution: your product or service, your company, and yourself. Two major studies found that salespeople

contribute at least one-third of the value that customers receive. The company and product contribute the balance. The same product from the same company from two different salespeople results in two different solutions altogether. The salesperson's competence and attitude are primary drivers of customer satisfaction, loyalty, and retention.

This three-dimensional view of the solution offers great hope for companies and their salespeople. If you sell the product only, you open the field to too many competitors. Companies bring value to the table with their facilities, depth of resources, commitment to the industry, management philosophy, support, and people. People represent the single unique dimension of value, because there's no commodity in creativity and no traffic jam on the extra mile. Salespeople add value with their problem-solving skills, follow-up, accessibility, knowledge, ability to get things done, logistics support, and initiative. **MSC**



*Tom Reilly is the keynote speaker at this year's AISC Annual Meeting, scheduled for September 11-12 at The Broadmoor in Colorado Springs, Colo. For more information on this event, please visit [www.aisc.org/annualmeeting](http://www.aisc.org/annualmeeting).*