



Why Value Propositions [Are Overrated](#)

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Freud famously wondered, ‘*what do women want?*’

Professional services (and most B2B salespeople) wonder, ‘*what do buyers want?*’ Unlike Freud, however, they often think they know the answer.

The received wisdom—very often—is that buyers want “a compelling value proposition.”

As John Caddell puts it in “[Another kind of value proposition](#)”:

The term “value proposition” has been in vogue in business-to-business sales for twenty years or more. In short, it means that a product for sale must, in essence, create more money (in increased revenue or reduced costs) that it costs to purchase. “If you buy my widget for \$x, you’ll get \$5x back over the next 10 years,” or something like that.

...The value proposition is a very logical concept. That is its beauty and its limitation.



Charles H. Green, 2009

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Caddell is exactly right. Scan the search engines for “value proposition,” and you find common themes: competitive differentiation, better price/value ratios, identify and satisfy unmet needs, tangible business results. Typical excerpts:

To achieve customer success, your company

should deliver a particular customer value proposition to a definable market in order to exist...something that can be conveyed in three to five bullet points, three to five sentences, or spoken in thirty seconds or less... [the] value proposition consists of the sum total of benefits

which a vendor promises that a customer will receive in return for the customer’s associated payment (or other value-transfer)...Put simply, the value proposition is what the customer gets for his money.

Over and over one hears—if you have a compelling value proposition, you *will* sell more. This is all the language of homo economicus—rational, linear, deductive, data-based.

Just one problem, as Caddell points out: it’s

demonstrably untrue. Or, to be more precise, it explains far less buying behavior than value-prop hawkers, and most sellers, like to believe.

What do the *data* tell us? Do value propositions really work? Sales author Jeffrey Gitomer puts it nicely: “People buy with their heart—then justify it with their brain.”

The late Bill Brooks, with Tom Travesano (in *You’re Working Too Hard to Make the Sale*), summarized a survey of several thousand medium-complexity buyers thusly: “People prefer to buy what they need from people who understand what it is that they want.” Not from those with the best value propositions.

Professor Gerald Zaltman at Harvard Business School suggests that 95% of our purchasing decisions occur in the subconscious. “Value propositions” do not address this 95%. Old-timer uber-salesman Zig Ziglar says, “People don’t buy for logical reasons. They buy for emotional reasons.”

The master of influence, Robert Cialdini (*Influence: The Psychology of Persuasion*) lists six key influence factors: not one of them is data, or rational argumentation, or anything

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resembling a “value proposition” as defined above.

The term “value proposition” in its daily business use simply does not acknowledge this data-based fact. Caddell describes the results

of his own personal research with customers:

I haven’t heard one customer say, “I would recommend Company Y because we were able to increase our inventory turns and thereby reduce working capital requirements.”

Instead, they say things like, “I really like that they are easy to reach and work hard to solve my problems when I have them.” Or: “They could have nickled-and-dimed me when I had to make some changes during implementation, but they didn’t do that.”

In other words, what sticks with customers, and makes them recommenders, are things like “reliability,” “caring about my business,” “saving me time,” “making me

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smarter.” In other words, the deeper, emotional, fuzzy stuff.

Exactly.

Let’s state the conundrum baldly: mainstream B2B and PSF sales practices are heavily built around a concept that is *demonstrably* not the key decision driver. And, in my own experience—this is *especially* true in professional services.

Why should this be? Is it ignorance? Denial? Schizophrenia? An economist-like preference for models over data? Why should intelligent people put faith in logic, where logic has been proven—*logically*—to fail? How can salespeople *justify* this illogical behavior?

Here’s my theory. Test it the only place it counts: in your own gut (not your brain).

Consider a metaphor: Mark Twain’s Huckleberry Finn. Early in the book, Huck comes to grips with the “fact” (in his mind) that he is a sinner and will go to hell. Why? Because he realizes he is willing to help the slave Jim escape to freedom.

In Huck’s mind, a slave is another man’s property—to free him is outright theft, a crime that his church and all “right society” tell him



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is a grave sin. When Huck makes what we all consider the morally “right” decision—to free Jim—the price he pays is that he truly believes his soul will be condemned for all eternity. His moral innocence is unknown even to himself—his own social values have condemned him, even while his inner conscience triumphs.

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In describing Huck Finn, Twain brilliantly skewers the moral failings of the slavery-supporting “ethics” of his day. We see that the truly moral person is Huck, not his cruel society.

Professionals face much the same dilemma with sales. What they are taught as right is really wrong. They have bought into the theories, models and “value propositions.” So strongly, in fact, that for them to accept the simple idea that an emotional connection might lie at the heart of a sale is tantamount to heresy.

There are very few Huck Finns out there in consulting firms, people willing to leave the orthodoxy of value propositions and heed

the inner voice that says, “just help the client.” Even though that’s precisely what works.

Why is that heresy? Because professionals are content masters who have selling thrust upon them. They are hired, trained, rewarded and promoted for competence in the mastery of complex rational abstractions—the law, GAAP, C++. And, if they are really successful, then as an ultimate reward—they now get to Sell! What a distasteful irony!

In professionals’ eyes, selling means selling your soul. It means manipulation. Lawyers and accountants must follow strict rules regarding advertising. It means focusing on money, rather than on doing good for the client. At the very best, it is considered a “necessary evil, required to run the business.

“Sell” to professionals is a four-letter word. We prefer “business development.” (Note the passive voice: even “developing business” is a bit too direct). It all seems so unseemly; good work alone should suffice to beget more work.

That it might not work that way is just too unfair to face.

So professionals and B2B salespeople do what they’ve always done to succeed in this



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world: turn a distasteful task into an academic pursuit, a business process, a subject for the creation of models. And above all, depersonalize it.

No MBA curriculum I know of offers courses in personal selling. You will see courses about marketing and sales management and decision models, but you will not see

a personal-sales course. It is not academically “respectable” to actually train people in such activities.

The result of all this is psychological confusion. A manager-level professional, faced with the need to develop business to survive and advance in his or

her career, is faced with Huck Finn’s moral dilemma. Do I:

a. surrender my moral principles, become skilled at the art of manipulation, con my clients, and take money from the people I have come to like? All to save my job and feed my family and move forward in the cruel world?

or do I:

b. keep my principles, but give up on income, career advancement and success, and turn into The Unsuccessful.

Most experts who sell don’t even see it this clearly. They opt for some form of denial. Or they do a half-job of it, then resent and envy those who chose a clearer path.

The right answer is Huck Finn’s, with a twist. Follow your heart. Build the relationship. Tell the truth. Be transparent. View transactions as stops on the road, not as endpoints. Do the right thing. The twist is, you can have Mark Twain’s overview—you don’t have to feel Huck’s guilt.

Viewed this way, the proper role of an economic value proposition is to feed the brain that rationalization it needs to serve the heart. The real “value proposition,” if we want to keep that phrase, is the value the buyer gets from being able to have a trusting relationship with a seller.

The irony is even bigger than Mark Twain could have imagined. Those who choose to sell in accordance with the way people *really* buy end up being the most successful of all.

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