

HERE'S HOW YOU CAN MEASURE YOUR VALUE IN THE EYES OF YOUR CUSTOMERS...

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Every business owner wants to attract more customers, make more sales, generate more profit yet few business are maximizing their potential. The simplest way to make money in business is to add value in the eyes of your customer i.e. find out what problems your customers want solved, or what makes them feel good - and deliver it to them.

You might say... "I'm already doing that and I'm still not making the money I'd like to be making." So the question is... "Are you really?"

The first thing to understand, is how is value measured. We measure value as follows:-

$$\text{Value} = \text{Benefit} - \text{Cost}$$

Benefits answer the customer's question, "What's in it for me?" They want to know "What do I get, how will you solve my problem, how does it make me feel good, and how do you do it better than your competitor down the street?" Once you answer this question and your customer has determined the value they will receive, they will then compare it to the cost to acquire that benefit. Your customers will see value and purchase your product or service if they feel their benefit is greater than their cost. They will not purchase your product or service if they do not. It's important to note, you do not need to be the cheapest to create value - you need to offer more benefits.

So , how can you measure the value of your products and services as perceived by your customers? There are a number of determining factors so ask yourself the following questions in relation to the majority of the customers you service:

- Do you set your prices based on the value you provide, or do you set them based on what your competitors are charging?
- Do your customers happily pay the prices you charge, or do they ask you to lower your prices, complain about your high prices or buy from the cheaper competitor down the street?
- Do your customers happily pay their bills on time without complaining or without you having to chase money?
- Do your customers regularly re-order from you the products and services they use on a frequent basis? Can you setup an automatic re-order system or do they re-book in

advance?

- Do your customers come to you for advice?
- Do your customers ask for your opinion regarding potential products or services they might need, or have you found out that your customers have bought something you sell from somebody else because “I didn't know you could do that?”
- Are your customers continually increasing the number of times they shop at your business?
- Are your customers continually increasing what they spend each time they buy from you?
- Are your customers happily sending you new business on a regular basis?

If you cannot answer yes 80% of the time to each one of the above questions, then you have a big VALUE GAP. The good news is, you have a great opportunity to increase your number of customers, sales and profits by closing your value gap. This could mean finding ways to offer more benefits to increase your value, or it could mean improving the way you communicate with your customers so they better understand the value you offer.

To find out how you can close your VALUE GAP, or to receive a FREE e-Book on how you can add more value to your customers, please click on the following link or see our offer below...

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