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# VALUE PROPOSITIONS IN INDUSTRIAL B2B MARKETS

Building powerful customer value propositions (CVP) is more demanding in industrial B2B markets than in B2C environments. The reason lies in the complexity of client / supplier relationships as well as the multifaceted nature of the offering itself. Here are some basic guidelines for building successful B2B value propositions.

## COMMUNICATING VALUE PROPOSITIONS

### ■ The trouble with trust

Our relation to communication in general and advertising in particular has changed. Today's world is characterized by a lack of trust. Trust has eroded and many citizens over the world do not trust politicians, media or even their own physician. And they surely distrust advertising. A claim is no longer believed only because it has been printed. In the postmodern world, distrust is the rule, and communication needs to work around this obstacle. This is one of the reasons, consumer brands focus on creating desire, rather than convincing people.



Figure 1: A highly efficient ad... in 1885. A new factory was built upon its success.

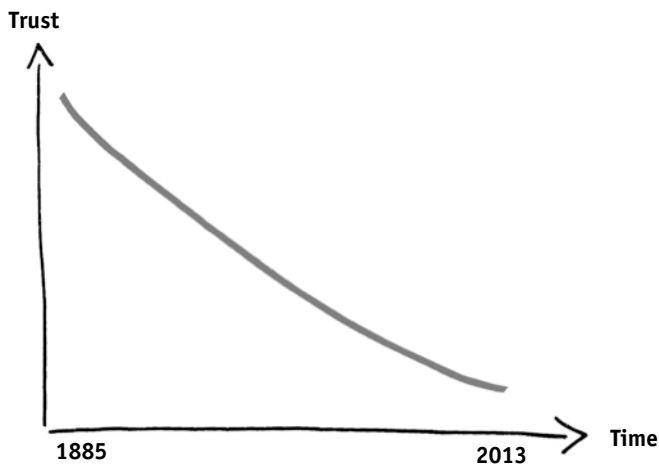


Figure 2: Trust in all kind of communication has eroded over time.

### ■ Trust and credibility are key assets

While trust is lacking, it has become the most valuable asset in communication. Social media have become such a popular vector of communication because they rely on personal, trusted, relations between people. But distrust is a ramping disease and will affect social media too. And social media are not responding to every need, especially in b2b markets. So trust is a desirable asset in communication. It leads to credibility, which in turn enables relationship building and, ultimately, sustained sales.

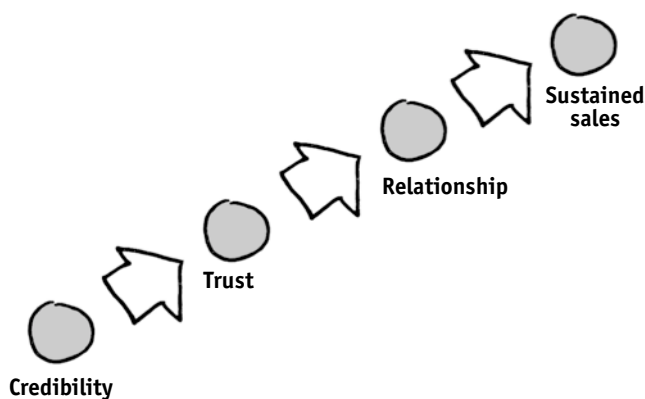


Figure 3: Trust leads to credibility, enables relationship and ultimately sustained sales.

### ■ Building trust and credibility

How to become trusted? Following are some proven ways to create trust and credibility:

- > Consider your target as bright as you.
- > Tell only the verifiable truth
- > Let someone else do your bragging
- > Purge all vague modifiers (best, unique, leading edge, unrivalled, ...)
- > Substitute general descriptions with specific facts
- > Admit your weakness
- > Be consistent

## **CHECKING YOUR VALUE PROPOSITION**

Once your value proposition is formulated, evaluate with the following check list :

- Establishing category membership?
- Addressing important customer needs and desires?
- Addressing latent needs?
- Focusing on key buying motivations (SPICES)
- PODs relevant to customers?
- PODs distinctive and superior?
- POD's credible?
- Convincing without bragging / use of modifiers?
- Consistent with brand essence and values?
- Expressing quality, service, innovation without naming them?
- Feasible and sustainable?