



THE PEAK OF SUCCESS NEWSLETTER
Soar to Your Peak with Us!

“Value Proposition”

In business, experts constantly remind us that to sell a product or a service, we need to learn “Sales Language.” But really, sales talk is one of the best ways to discuss anything. No matter what we seek in life, the question we always want to be evaluating is, “What is the *value* of the object or service we want to buy, *or of the person with whom we want to connect?*” Let me explain the concept of a “value proposition” and see if you don’t agree.

Cost is what you pay for a product or a service at a specific moment in time. Value is what the product is worth over a period of time because of how it performs. In other words, the value is what it does for you and your life. The value proposition for your service or product is a statement of what it can provide to satisfy the needs or solve the problems of the target market.

ISTHERE A TOPIC YOU WOULD LIKE TO READ ABOUT?

Email your topic to:

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So, while sometimes the cost of a service or product may seem high in the moment, if you calculate the big-picture,

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long-term value of the product or service, you may find yourself thinking, “I just got the bargain of a lifetime!” This is true with many intangibles, such as some health-related products and services. On the other hand, you may think that the cost of an item or service seems low in the immediate, only to find that over time, it just keeps costing and does not really deliver any value. This is the case with many addictive-type items.

I once heard a story about a carpenter who was called in to diagnose and fix a squeaky floor. He came to the house, found the cause of the squeak and deemed it necessary to pound in only one nail. When the customer received a \$45 bill for the 5-minute visit, it read: “Pounding nail in - \$5; Knowing where to pound it in - \$40.” This is a very clear picture of value.

Even when we are considering relationships, we think in these terms. Not many people actually speak it out loud, but think about the mental goings-on behind the scenes in relationships. A person’s value is based on how much people want to be with that person versus how many negative characteristics the person has. When we really want to be with a person, we are willing to put up with way more than if we don’t care about being in each others’ circles. Think about what Hollywood puts up with from some of its famous but arrogant and temperamental

actors. That is because the value proposition of the deal has been calculated like this: The big name will bring in more dollars over the long run. We will need to pay a lot now for this actor's talents; in addition, we'll agree to tolerate his/her quirks. By contrast, some small-timer would never get away with behaving as badly on a movie set.

In our business, that of coaching and counseling, after the client has been quoted the fee, we sometimes hear, "That's a lot of money." And so much of the time this statement comes from people who are talking about their next vacation to Europe, or from

PEAK TIP

Remember that whenever you think about investing your time and energy that you must first invest in yourself. The water of life that you are full of for others you love to enjoy can only be as pure and healthy as the vessel it is stored in.

those who have several televisions that take up entire walls of rooms. Our value is what we can do for lives. People come to us to improve the quality of their lives and sometimes literally to save the lives. Those who favor European travel or wall-sized TVs over personal investment in their lives are not considering the long-term, repeating value of the help they say costs so much. The life-changing gifts of counseling, coaching and positive relationships (like good friendships and marriages) keep on giving and gaining value over time.

It is better to be mindful of, and not in denial about, these cost/benefit analyses that we make, whether it is about a product, a service or a person in our life. Next time you are faced with investing something, whether it be money, time, or emotions, weigh the cost versus the value. What is the investment and what will you be getting in return? Are you,

for example, meeting for lunch once a month with a "friend" who does nothing but place demands on you and drag you down? Or do you seek real value from your relationships and meet only with people who believe in giving back to the relationship? Rate the relationships in terms of value. Think of what a different perspective you will have if whenever you are asked to "purchase" something, you stop and do a value proposition. Negative consequences will be more out in the open along with the long-term value of the investment. In fact, sometimes when something seems cheap, it actually has a huge cost, or negative-value over time. Let the 'buyer' beware!

PEAK TIP

Make sure you take time on a regular basis to evaluate your relationships. Do some soul searching not only to see if you are getting what you need, but also to be sure you are giving what you need to.

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