



# Selling Value, Verticals, and Versatility

Presented by Ken Lucci of Driving Your Income



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*Enterprise Performance Training & Strategic Growth Consulting*

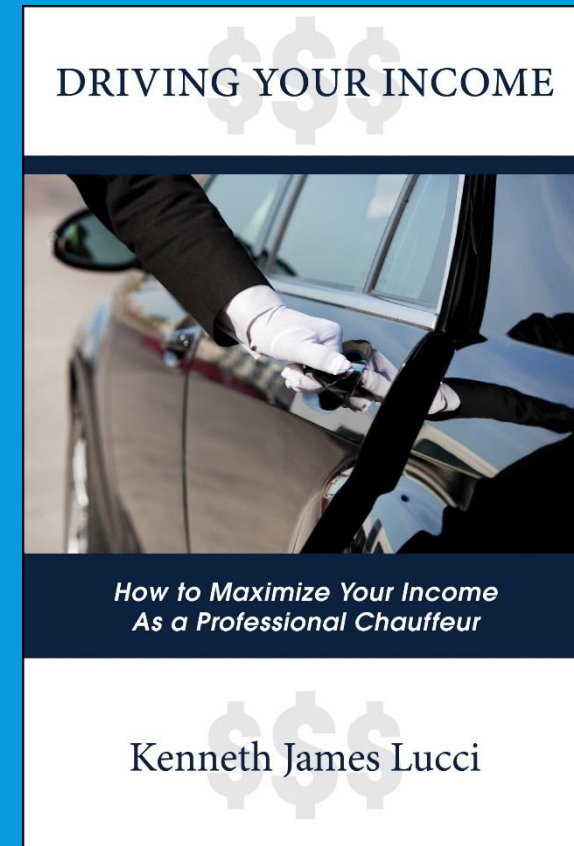
Welcome to  
***Selling Value,  
Verticals, and Versatility***

*Ken Lucci from*

## DrivingYourIncome.com & DrivingTransactions.com

- Business analyst / Consultant / Trainer (luxury transportation, hospitality, security)
- Provide acquisition advisory services and develop valuations reports
- Ongoing customer service / hospitality trainer for the New York Yankees
- Transportation consultant for AT&T, sponsor of the presidential conventions
- Founder of Ambassador Limousine in Tampa, Fla:
  - \$1 million first year*
  - Top 8% nationally in revenue*
  - Grew to \$5 million annually*
- Currently partner in several boutique lodging properties and booking websites

Author of Amazon / New York Times “BEST” chauffeur training book



# SALES, CUSTOMER SERVICE & HOSPITALITY TRAINING

Graduate Ritz-Carlton Leadership Center

Graduate of the Disney Institute



Creator of the  
Yankees Guest Experience  
Training Program

## Format for this session:

- This is a workshop not a speech (a dialogue, not a monologue)
- Interactive, informative, and informal, please
- Call me out / Ask me questions (but please raise your hands)
- Wrap-up, if we have time, will include Q&A—or visit my booth (#55)

## Why are we here:

- The economy is excellent and we ALL must grow our businesses!
- Statistically, every business loses 10% of its clients annually
- Because of this, WE MUST GROW OUR BUSINESSES!



# THE "GOLDEN NUGGET" THEORY OF LISTENING AT THESE EVENTS:

Speakers want to provide this much actionable information:



But the average person can only retain:



Don't stress trying to write everything down!

- Note the "golden nuggets" that are important to you and stop by Booth 55, give me a call me, or email me after the show for more details
- You can also request a copy of this presentation (email me and I will send it as a PDF)

# Greater Profits Through Selling Value, Verticals, and Versatility

*Subtitle should be:*

***Increasing Profits By Embracing Change***

***“Faced with the choice between changing one's mind  
and proving that there is no need to do so,  
almost everyone gets busy on the proof.”***

*—John Kenneth Galbraith, Harvard Professor, Economist, Diplomat, Presidential Advisor*

**OPEN YOUR MINDS TO CHANGE IN ORDER TO GROW YOUR BUSINESS**



## WHY PRICE IS NOT A DIFFERENTIATOR (IT'S A RACE TO THE BOTTOM)

*"There is nothing in the world that somebody cannot make a little cheaper and sell it for a little less money, and he who considers price only is that man's lawful prey." — Henry Ford*

*"The more time you spend understanding the **VALUE** your customer wants and building that value into the product or service you sell, the less important price becomes." — Henry Royce*

# Dispelling the MYTH that “It’s ALL about PRICE”

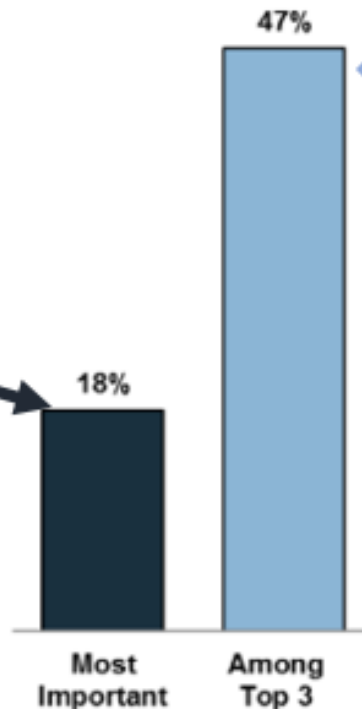
Selling just on PRICE, makes your service appear no different than any other alternative.

## Selection of Price as a Key Purchasing Criteria—Overall

**Only 18%** of people say that **PRICE is their #1** buying criteria.

It’s Normally when:

- Buying a Commodity.
- No perceived difference.
- Not important to them.
- It’s an Infrequent purchase.



**Almost 50%** of all consumers say price is among **3 important considerations** for purchasing goods and services **after**:

1. Higher Quality
2. Superior Reliability / Durability

**(1+2=Overall VALUE)**

3. (Then finally) The Price

**30% of the time, PRICE is NOT one of the TOP 3 considerations for Buying a product or service. Finding out How, When, Why and for WHAT is KEY.**

(Above based on Stax Research of 40,000 Consumers / Corporate Buyers Survey)

# TOP FIVE REASONS WHY BUSINESSES FAIL

- 1) Under-capitalization
- 2) Improper planning, no budget, or no forecast revenue (no business plan)
- 3) Poor management / poor guidance-leadership / poor service performance
- 4) Lack of differentiation from competitors\***
- 5) Failure to remain relevant and provide more VALUE than competitors\***  
**Failure to market and SELL that VALUE**

**We will address 4 and 5 today!**

# LACK OF DIFFERENTIATION:

- Failure to be different from competitors in your field.
- Offer nothing memorable during the service delivery.
- Failure to **WOW!** the customer during the interaction.
- Failure to create a continuous BUZZ with customers and the market.
- Viewed as another commodity by customers (nothing special)

*Not being different, memorable, or unique is the equivalent of being asked "How was your meal?" after eating at a restaurant:  
"Eh, it was OK" versus  
"WOW! You HAVE to try this place!"*

What makes you different, special, memorable, and unique compared to anyone else with the same kinds of vehicles?



*Images credits:  
Desert Rose Transportation*

***Also: How do you continually communicate those differences to consumers DAILY?***



What makes the bus on the right any more different, special, memorable, or unique compared to the bus on the left?



Images Credit:  
MCI , Academy Coach

*How do you continually communicate those differences to consumers DAILY?*



# HOW DO WE DELIVER DIFFERENTIATION AND FOCUS ON THE "VALUE" OF OUR SERVICE EXPERIENCE?

Ground Transportation:  
(Other Viable Options)  
Taxi/TNCs/Others



Convenience/Price

VALUE  
Proposition  
Value  
Offerings

Chauffeured Transportation



Quality / Value

***Luxury Service Experience  
Difference:***  
The wider the GAP, the more VALUE we deliver,  
the more LOYAL the customer

**"Luxury Service Experience"**

# WHAT ARE YOUR UNIQUE VALUE PROPOSITIONS?

“In simple terms, value propositions are positioning statements that explain what benefit you provide for who and how you do it uniquely well.”

“It describes your target buyers, the pain points you solve, and why you are distinctly better than the alternatives.”

**What are value propositions of the services we provide?**

# EXAMPLES OF UNIQUE VALUE PROPOSITIONS



Ritz-Carlton Hotels

**THE RITZ-CARLTON**

*"We are Ladies and Gentlemen Serving Ladies and Gentlemen"*

Supporting processes:

- 1) Impeccable properties and exceptional personal service
- 2) Allow any associate to spend up to \$1,000/day to **WOW** guests.

# EXAMPLES OF UNIQUE VALUE PROPOSITIONS



Fed Ex's value proposition:

*"Give our customers peace of mind and confidence by delivering the package where they need it AND when they need it—on time"*

Supportive Processes:

1. State-of-the-art technology, proprietary tracking
2. Maximum efficiency, military precision
3. Customer service excellence

IF YOUR SERVICE COSTS MORE THAN THE ALTERNATIVES:  
(WHICH OURS DOES)

**OUR VALUE PROPOSITION MUST DESCRIBE WHY WE ARE WORTH IT!**

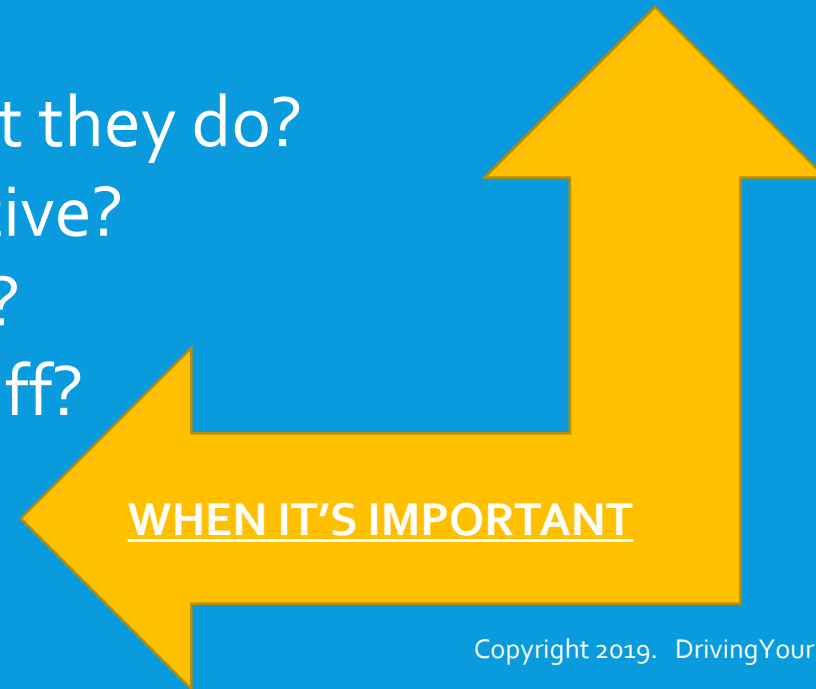
What do you think about when you look at these brands?



CAN CONSUMERS AND  
COMPANIES  
USE BOTH?

**YES AND THEY  
DO!**

- Most efficient at what they do?
- Most trusted alternative?
- Best/superior service?
- Most professional staff?
- Easiest to deal with?
- **BEST VALUE?**



# IF YOUR SERVICE COSTS MORE THAN ALTERNATIVES:

(WHICH OURS DOES)

*OUR VALUE PROPOSITION MUST DESCRIBE WHY YOU ARE WORTH IT!*



## Professional Chauffeured Transportation Service



Photo Credit:  
Commonwealth Worldwide

- Most efficient at what they do?
- Most trusted/safest alternative?
- Best/superior service?
- Most professional staff?
- Easiest to deal with?
- **BEST VALUE?**

WHEN IT'S  
IMPORTANT



# IF YOUR SERVICE COSTS MORE THAN ALTERNATIVES:

(WHICH OURS DOES)

*OUR VALUE PROPOSITION MUST DESCRIBE WHY YOU ARE WORTH IT!*

Professional Chauffeured Transportation Service



Photo Credit:  
Commonwealth Worldwide

CAN CONSUMERS AND  
COMPANIES  
USE BOTH?

YES AND THEY  
WILL / DO

- IF WE DEFINE WHY AND  
WHEN WE ARE A BETTER  
VALUE!  
AND PROVE IT!

WHEN IT'S  
IMPORTANT

# DEVELOPING UNIQUE VALUE PROPOSITIONS

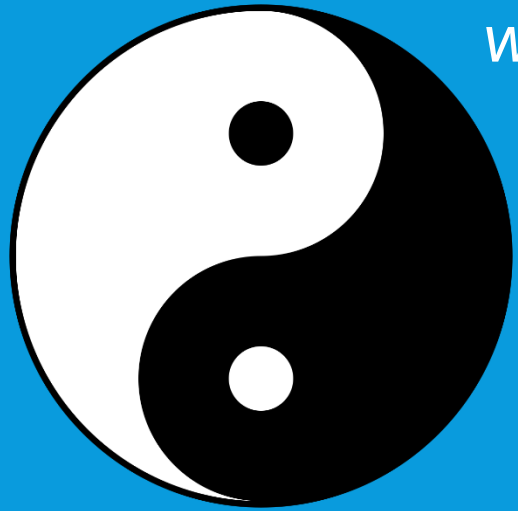
## THAT FIT YOUR BRAND:

- A) Identify **value beneficiaries** (customers who will receive the most value from your service)
- B) Develop a **value proposition** that resonates with these value beneficiaries
- C) Focus your business processes to ensure you can profitably **deliver the promised value**
- D) Consistently communicate your value proposition in a way that builds your brand, increases brand awareness (**EVERY DAY**), and makes selling easier
- E) Develop processes to **SUPPORT THIS VALUE PROPOSITION**

**LIVE YOUR VALUE PROPOSITION EVERY DAY!**

## IF YOU CREATE A VALUE PROPOSITION IT MUST BE DELIVERED ON

*There must be a yin and yang balance between  
what you SAY and what YOU ACTUALLY DELIVER!*



*Total Balance Between  
Value Proposition/Operational Processes*

*Total Balance Between  
Vision (what you say) and Execution (what you do)*

*(It does no good to say it unless you can deliver on it.)*

# WHY ARE DEFINED VALUE PROPOSITIONS IMPORTANT?

- 1) The BEST customers appreciate QUALITY and VALUE!
- 2) It helps you create your definition of “Good Business”
- 3) Living these values is the best way to focus/train employees

(Credo Card Story)

4) Many of our competitors don't get it (like, 90% don't)

Most importantly:

You can compete either on price (cost) or quality (value)—not both

# Just quoting prices and taking orders will NOT grow revenue

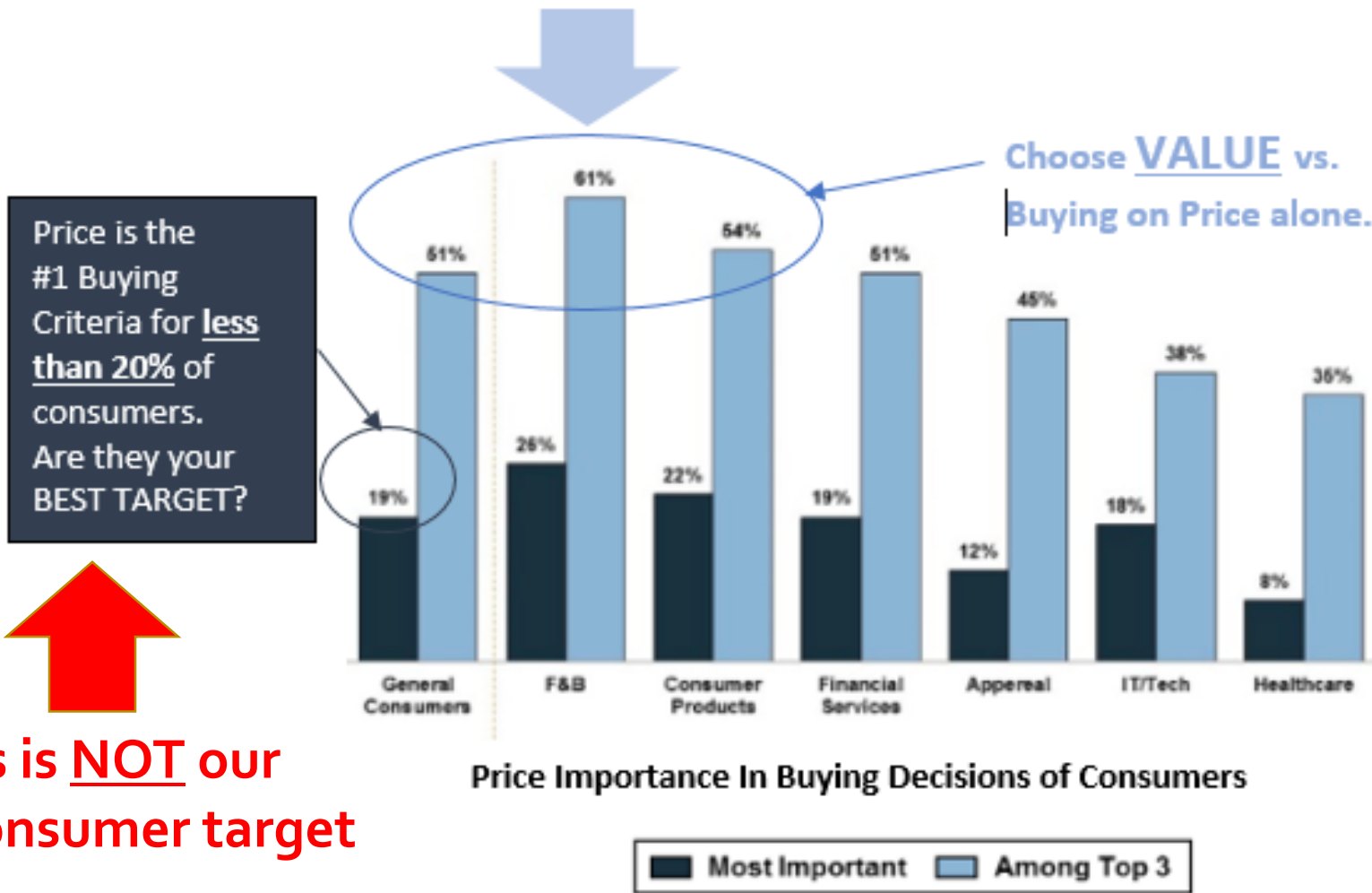
## **WHAT IS VALUE?**

*The difference between the price we charge and the benefits our customer perceives they will receive from the services we provide.*

- **PRICE** is what you are **WILLING TO PAY** to receive those benefits.
- **Savvy SELLERS** know what their customers value **MOST** and are **WILLING** to **PAY** for these benefits.
- **Less savvy SELLERS** give away benefits without communicating their value and sell for **LESS**.

# Consumer Buying Criteria Myth: IT'S ALL ABOUT PRICE

## Selection of Price as a Key Purchasing Criteria—Consumers



**FACT:** The more important the purchase is to the consumer, the less important price becomes.

The key to **NOT** selling on price alone is to find out what is more important (*ie; Relevant*) to target customers by educating them on differences between you and all alternatives.

This is NOT our best consumer target



# To Attract Today's Value-Oriented Consumers:

- Increased customer relevance and enhanced differentiation attract new customers
- Finding out their needs/educating them WHY YOU ARE BEST are more important than PRICE
- Reviews are vital: 87% of all buyers believe online reviews more than what you say
- “Like” customer referrals are critical: What people similar to them SAY matters
- Your overall online presence is more important than what you say on your website
- Embracing technology for speed, efficiency, quality assurance, and ease of use is a MUST (BUT keep in mind Ken's PET PEEVE: “ Press 1 to Locate Your Driver”)

**Recognize that for 30% of consumer purchases, price is not among the top 3 buying criteria**

**Finding out how, when, why and for WHAT is selling based on VALUE**

# CONSUMERS CHOOSE VALUE:

*“WHEN THE PURCHASE HAS IMPORTANCE TO THEM”*

Based on feeling (*trust*), enjoyment (*pleasure*), and experience (*special*)

EXAMPLE: Coffee choices

Convenience Store



Fast/Low Price  
(Cashier)

Dunkin Donuts

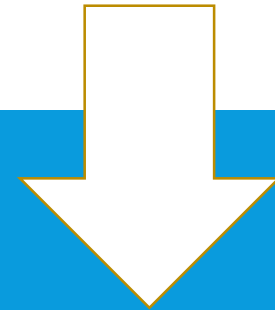


Variety/Value

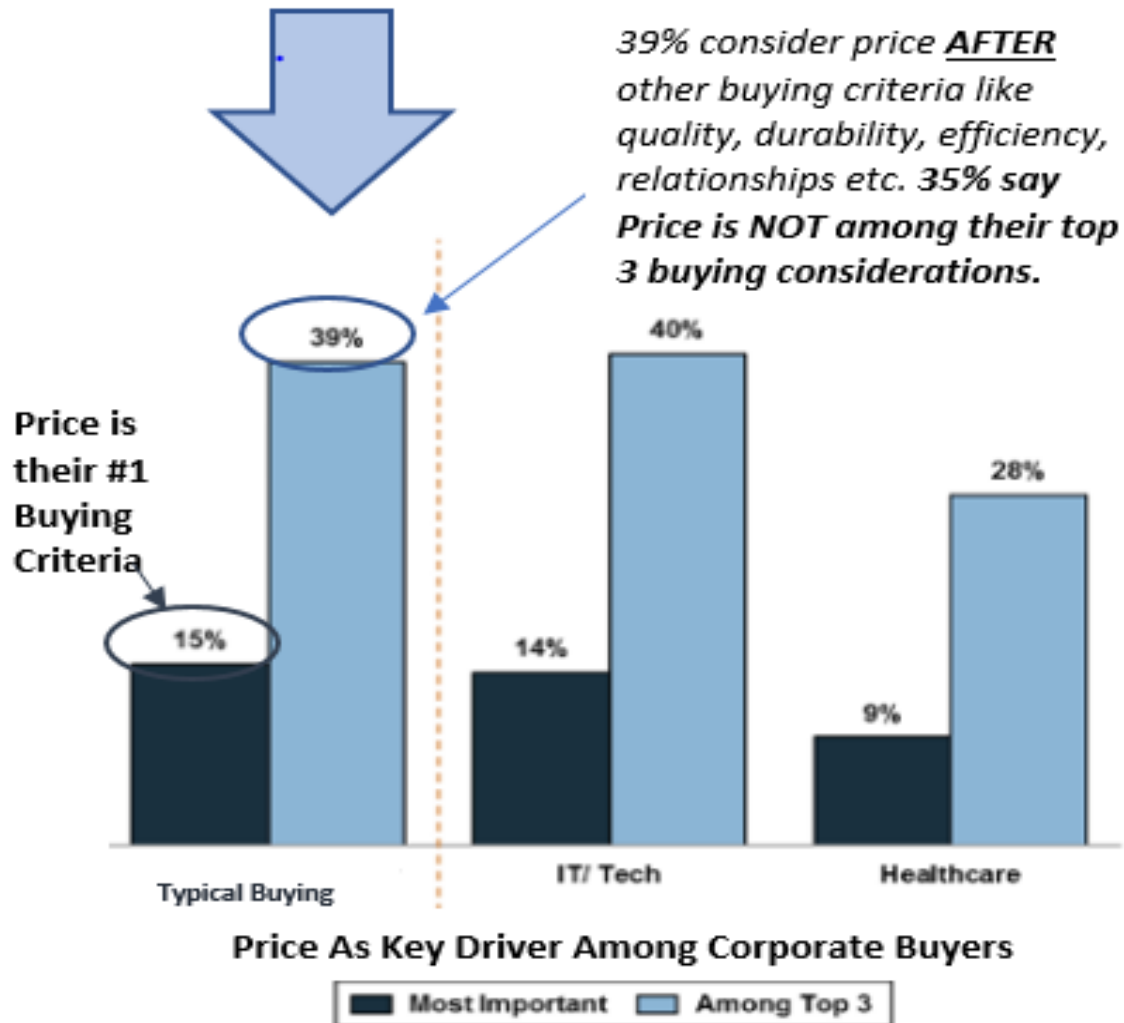
Starbucks



Experience/Quality  
(Barista, beans)



## Selection of Price as a Key Purchasing Criteria—Corporate End Users



## Corporate Buying Criteria Myth: IT'S ALL ABOUT PRICE

### General rules for corporate procurement

For products and services that will be used often or that are important to key stakeholders and their business objectives:

Quality, reliability, and value are more important considerations to them than simply a price.

# To Attract Value-Oriented Corporate Buyers

1. Show proof that you're better: Use white papers, along with hundreds of five-star reviews
2. Use technology and service to solve problems (*Example: Solve "Where is my car?"*)
3. Prove that peers trust you and "like" the company; use examples, reviews, references
4. Prove that your performance is better through enterprise quality assurance KPIs (*online*)
5. Demonstrate how you save them time, money, and aggravation (*solve their problems*)  
*Rethink processes from initial reservation to receipts-out: How can you make it easier?*  
*Use technology: Client dashboard, apps, texting instead of calling*
6. Showcase your total capability: All service levels, all vehicle types, global network
7. Display quick problem-solving when something goes wrong: Fix it QUICKLY
8. Fanatically measure Q.A. and show it off: Generate your OWN five-star reviews
9. **REMEMBER: 30% of the time, price is not among the top three criteria.**  
*The more important the buying decision, the less important price becomes.*  
*Finding out how, when, why and for WHAT is critical.*

# CORPORATE BUYERS – PURCHASE BASED ON VALUE

*“When the purchase is important to them and they use it often.”*

## Motel 6



- Convenient locations
- Clean, comfortable rooms
- Lowest price

*“Leave the Light on for You”*

## Hampton Inn



- Consistency
- Good value
- Moderate price

*“Making You Happy  
Makes Us Happy”*

## Ritz-Carlton Hotels



- Highest quality
- Exceptional service
- Elegant surroundings

*“We are Ladies and  
Gentlemen Serving Ladies  
and Gentlemen”*

# LUXURY SERVICE EXPERIENCE VALUE ELEMENTS

- 100% consistency
- Efficiency/effectiveness
- Convenience/ease of use
- Safe choice (*make us look good*)
  
- Exceptional quality
- Luxury touches/amenities
- Unparalleled customer service
- Demonstrated perceived value!





# WHY DO CUSTOMERS CHOOSE LUXURY SERVICES?

Consumers (and companies) make deliberate decisions to CHOOSE US.

- Convenience/ease of Use
  - Safe choice (*\*make us look good*)
  - Consistency/efficiency(\*)
  - Amenities that come with
  - Superior customer service
- **Personal preference**
  - **Perceived quality**
  - **Perceived value**
  - **The experience**



***TANGIBLE***

*(Expected in all cases)*



***INTANGIBLE!***

*(Keeps them coming back!)*

# CUSTOMERS WHO CHOOSE LUXURY SERVICES EXPECT:

*Satisfying all the needs of buyers of Luxury Services does not end with meeting their tangible expectations, that is only half the equation. Exceeding their Intangible Expectations creates REAL Customer Loyalty*



Stop Selling the Price and Start Selling the Value to the Right Customers:

Value selling begins with the premise that customers don't buy goods or services, they buy the results—or, more specifically, the benefits that these items deliver.

*As an example: People don't buy Aspirin, they purchase "Bayer fast-acting headache relief."*

*People don't buy a ride to the airport, they purchase GUARANTEED on-time performance and a superior service experience.*

# Which ad sells more on value?



**2014** Cadillac Escalade

**CAPACITY: 20**

FROM **\$170**<sup>PH</sup>

**FEATURES:** Bar, Music center, Flat screen, Club lighting

**BOOK**

A collage-style advertisement for a limousine service. At the top right, the word "Limousine" is written in a purple, cursive font with a starburst effect. Below it, the text "Seeing is believing. Not all limousines are created equal." is displayed in a yellow, sans-serif font. The central part of the ad features several circular and rectangular images: a collage of interior views showing a bar, music center, and club lighting; a long view of the limousine's interior with purple lighting; and exterior views of different limousine models. At the bottom left, there is a white sedan. At the bottom right, a yellow rectangular box is present, and a circular seal reads "PROVIDING EXCELLENT SERVICE SINCE 1997" and "FAMILY OWNED AND OPERATED".

# Does this ad sell value?

- ✓ Best price in the city
- ✓ Child seat
- ✓ Extra luggage
- ✓ Punctual service
- ✓ Secure payment

Price as low as

**\$33**



# Does this ad sell value?

## *When You CARE How You Get There!*

- ✓ *On-Time Performance Guaranteed*
- ✓ *Safe Chauffeur Certified™ Drivers*
- ✓ *Door to Door Luggage Service*
- ✓ *Early Morning Wake-up Calls*
- ✓ *In-Vehicle Beverage Service*
- ✓ *Same Guaranteed Service Globally*



Call to  
Action

**Toll Free 888- [REDACTED] or TEXT for a RIDE [REDACTED]**



# Facts About Selling Value Over Price

- A. If the customer perceives that they will receive many benefits for the price they pay, then their perception of the value of that service is HIGH. Fact: All sellers control this.
- B. The more you know about your target customers, what is important to them, and exactly what they need, want and expect, the more you can tailor your service benefits and value offerings to meet these specific buying criteria.
- C. When you find out what is most important to your target customers and educate them on how much they will benefit from purchasing your services over all other options, the less important price will seem.
- D. As with beauty, VALUE IS IN THE EYE OF THE BEHOLDER!

# How Do I Sell Value?

- A. Define your company's value proposition:  
*What do you stand for?*
- B. Make sure you can **DELIVER** on A.
- C. Follow the 7 Principles of Selling Value

# The Seven Principles of Selling Value

1. Identify who your target buyer groups are.
2. Find Out their buying criteria, what is important and what problem(s) they wish to solve.
3. Discover what they do now, how often and why.
4. Identify why they should buy from you over any alternative *(your value offerings)*.
5. Teach staff to communicate these value offerings per target group *(scripts and outlines)*.
6. Make it simple for the buyer to keep buying and continuing to feel special.
7. If you can't do it better, don't say it and don't try to do it. *(Live your value offerings or stay home)*.

## Selling Value Instead of Price Means Finding Ways to:

- Break the mold. Don't be "the same as."
- Exceed all expectations. WOW the customer.
- Raise the bar. Don't drive your clients: Chauffeur them.
- Develop tangible differentiation from all your competitors.
- Get to the next level. Become renowned and ICONIC.
- Create additional ways target customers can use your services.

**Enhance your relevance to existing**  
**and target customer groups!**

TARGETING VERTICAL MARKETS

& Customer Avatars

# Vertical Markets and Customer Avatars

## Universal Truths About Selling *Anything* Regardless of Product or Service:

1. It is easier to sell your second, third, and fourth clients if you know what attracted the first client.
2. Buyers are more likely to purchase services that people (*or companies*) like them already use and trust.
3. It is easier to sell more “stuff” to ONE satisfied customer than it is to keep finding new customers.

*Make sure all your customers know your total capability, and create more things and services that you could be selling them.*



**Vertical markets** are silos of “like companies” that have similar product or service needs and wants. Targeting vertical markets help a business focus its service solutions, value offerings, marketing communication, and sales efforts to similar clients in a more defined and focused manner.

**Vertical markets** simplify your marketing work. When you know who your customers are—what they want and where to find them—you'll have an easier time crafting a message and choosing marketing methods.



# How to Establish Vertical Target Markets

1. **Create our internal definition of good business** (*this may eliminate certain vertical markets*)
  - a. By profit margin
  - b. By type of customer
  - c. By type of service we wish to provide
  - d. By what we do NOT want more of
  
2. **Examine your top 10, 20, 50 existing customers and individual users** (verticals you now serve)
  - a. Why do they use us now? What do they like about what we do?
  - b. Do they buy just one service from us or use all our service offerings?
  - c. What else COULD we provide to them?
  - d. Who are ALL the stakeholders influencing the buying decisions?
  - e. How many more “like” them are in our area, region, state, country? *Make a list?*
  
3. **Develop value offerings and positioning statements for your existing vertical markets**
  - a. List the buying criteria and reasons why your existing customers in this vertical market use you now
  - b. Create your value offerings and positioning statements that describe this service
  - c. Create a list of frequently asked questions and answers and train your staff on 1, 2, and 3

# Identify Additional Vertical Markets We Wish to Target

- A. What are their transportation solutions now? How can we be better? (Hint: Value offerings)
- B. Who makes the buying decisions for them? What are their buying criteria?
- C. Who are ALL the stakeholders involved? What departments can support or influence the buying decisions?
- D. Who are the actual passengers and what do they expect? What will satisfy them?
- E. How do they buy, what is the process? Multi-year agreement, RFP? (Prepare a sample RFP)
- F. Who else sells to them now? Can someone help you influence the decision?
- G. What is important to them about what we do (those top 3 to 5 buying criteria)?
- H. What do they sell or provide? Who do they target? Who is their best client? Are there synergies among them?
- I. What associations do stakeholders belong to? Be seen where they go to influence the sale.
- J. C Level: Where do they go? What do they do? What do they watch and read? BE SEEN.
- K. C Level: What charities do they support? BE SEEN!

## 10 Effective Tactics for Targeting Vertical Markets

1. Develop marketing and sales collateral material that speaks to what this vertical market values.
2. Train your sales staff on what is important to these specific industries and vertical markets.
3. Design your website to attract this industry or vertical with information and SEO specifically for them.
4. Use SEO and paid search using key words, phrases, and topics from these vertical markets.
5. Purchase a list of participants in this industry or vertical, and use digital marketing to attract them.
6. Develop subject matter or partner with experts of interest to this industry or vertical market.
7. Participate in industry or vertical market events, conferences, and periodicals.
8. Develop relationships with other channel partners and create a total solution.
9. Know how to approach each influencer and all stakeholders, and what is important to them.
10. C-level decision-makers: Go where they go, do what they do, and know who they know.

An **avatar** is a detailed profile of your **ideal customer**. It doesn't make assumptions or categorize people into groups.

The **avatar** focuses on one person and outlines everything about them. It goes into much greater depth than a regular marketing **persona**, providing marketers with many more targeting tools. Examples:

- A. ***“Expert Executive Assistant”*** (Buyer)
- B. ***“Wall Street CEO Executive Traveler”*** (Passenger)
- C. ***“The Entertaining Entrepreneur”***
- D. ***“The Conde Nast Couple”***
- E. ***“Experiential Couple”***
- F. ***“Suite-holder Pro Sports Fan”***



# GROWTH THROUGH VERSATILITY

*Or subtitle:*

*Change your way of thinking about  
what we do now or what we have always done before*



# IDENTIFY THE SERVICES WE PROVIDE THAT MUST BE THE MOST COMPETITIVELY PRICED.

1. Know what competitors are doing and charging for
2. Know what the alternatives are and what they cost (parking)
3. How are we different and better? (Remember selling on value)  
(We are early-morning and late-night specialists – airport service)
4. **KNOW** the difference between selling hamburgers and Angus beef

# IDENTIFY WHAT SERVICES ARE MORE SPECIALIZED AND MUCH LESS COMPETITIVE THAN WE THINK

1. Increase your hourly (check competitors' capability, service, vehicle specifications)
2. Add a service level option/charges (tickets, beverages, snacks, \$ per person packages)
3. Explain that we can charge a premium because of:
  - A. Our value: Fine leather and polished wood
  - B. Our differentiation: On-time performance guarantee
  - C. Our superior service: Show off your KOS/Q.A. statistics
  - D. Our enhanced capability: 24-hour operation, redundant vehicles
  - E. Our PROOF that we do what we say: Reviews, references, and white papers

# VERSATILITY: ENHANCING RELEVANCE BY USING ADAPTIVE PRICING STRATEGIES AND SALES TACTICS

1. Make sure all existing customers know EVERYTHING you do
2. Do things the competition can't or won't do
3. Find more ways your customers can use your services
4. Don't try and sell everything to everyone
5. Don't sell everything to everyone priced the same way
6. Get creative with packages and tours
7. Create TOP-TIER OFFERINGS for top-tier clients ONLY

# CREATE WAYS TO BOOST REVENUE AND PROFITABILITY IN THESE COMPETITIVE CATEGORIES

1. Add service levels/pricing tiers/diverse offerings
2. Focus on the right clients at right times to the right place
3. Perfect the three-leg trip bundle (To + From + Final)
4. Sell airport round trips in “flash sales”
5. Sell airport “books of trip certificates”

*“Buy five round trips and receive ...”*

# CREATE “PACKAGES” FOR USING YOUR VEHICLES IN MORE PROFITABLE WAYS WITH YOUR BEST CUSTOMERS

- Mass Exit Concert/Sporting Event Packages: “Get Away from the Crowd”
- Group Dining-Out Packages: Res/Drop-off/Pickup; SUVs/vans (3 to 5 couples)
- High-End Event packages: Charities, orchestra, theatre (*target suburban wealth*)
- Ladies’ Night Out packages: Wine-tasting tours (three establishments)
- Minor child transportation: “Guardian services”
- Create concierge-level services for frequent guests or corporate accounts (*“If you buy enough regular stuff, then you get access to all this special stuff.”*)

# FINAL THOUGHTS ABOUT SELLING VALUE

*Don't lower your standards, prices, and profits:*

***Raise expectations by  
selling your value!***



***Thank you for joining us!***

**Put your leadership skills to the test  
and steer your virtual company to  
victory in the race to retirement at The  
Owner's Game, which starts in  
Commonwealth at 4:30 sharp.**