

# **B2B PRODUCT SALES FOR STARTUPS**

**PRESENTATION SUPPORT DECK**

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# PRESENTATION SUPPORT DECK

- ▶ The aim of this deck is for the presenter to support the presentation of B2B Product Sales for Startups
- ▶ So not to be presented as such ! ;), still I made it available to Slideshare for the purpose of sharing
- ▶ The presentation was made for Accelerators to educate early stage startups about the different aspect of B2B sales
- ▶ Contact me here

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## STAGE

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### LET'S SALE ! :)

- ▶ Wait , let's set the stage first !
- ▶ GO TO MARKET STRATEGY
- ▶ VALUE PROPOSITION





# GO TO MARKET STRATEGY



- ▶ is your product is horizontal or vertical Market?
- ▶ What is your market target SOM, SAM, TAM ?
- ▶ Which Segments , the first one aka Beachhead ?
- ▶ What are your Marketing channels ? (landing, email , social, PR,..)
- ▶ Who is your ICPs (Ideal Customer Profile) ?
- ▶ What is your revenue target ?
- ▶ Which sales channels : Self Service ; Direct : inbound, outbound; Indirect : partners

## STAGE

# “WHAT’S IN IT FOR ME” ?

- ▶ This is the answers to your customer
  - ▶ WIIFM : What’s In It For Me
  - ▶ JTBD : Jobs To Be Done
- ▶ A product’s value proposition is composed of :
  - ▶ Functional benefits (solution, utilities providers)
  - ▶ Self-expressive benefits (act of using)
  - ▶ Emotional benefits (results of using)
- ▶ delivered by your brand that provides value to the target customer
- ▶ Then is it a Gain or Save

## Value Proposition Canvas





# VALUE MANAGEMENT

### HOLISTIC VIEW

- ▶ Value Management is an approach to align
  - ▶ Product Management
  - ▶ Marketing
  - ▶ Pricing
  - ▶ Sales
  - ▶ Other business functions
- ▶ Goal is to create a sustainable and profitable revenue growth

### VALUE IN B2B

- ▶ Value is relative to an alternative
- ▶ Value is composite and decomposable in value drivers
- ▶ Primary value in B2B is economic but can be also
  - ▶ Emotional
  - ▶ Environmental
  - ▶ Social
- ▶ Value should be quantified per use case adapted to the target



# B2B VALUE SHIFT

### ► Shift to a Customer Value Orientation

Value management helps your company move from



To a process based on customer value



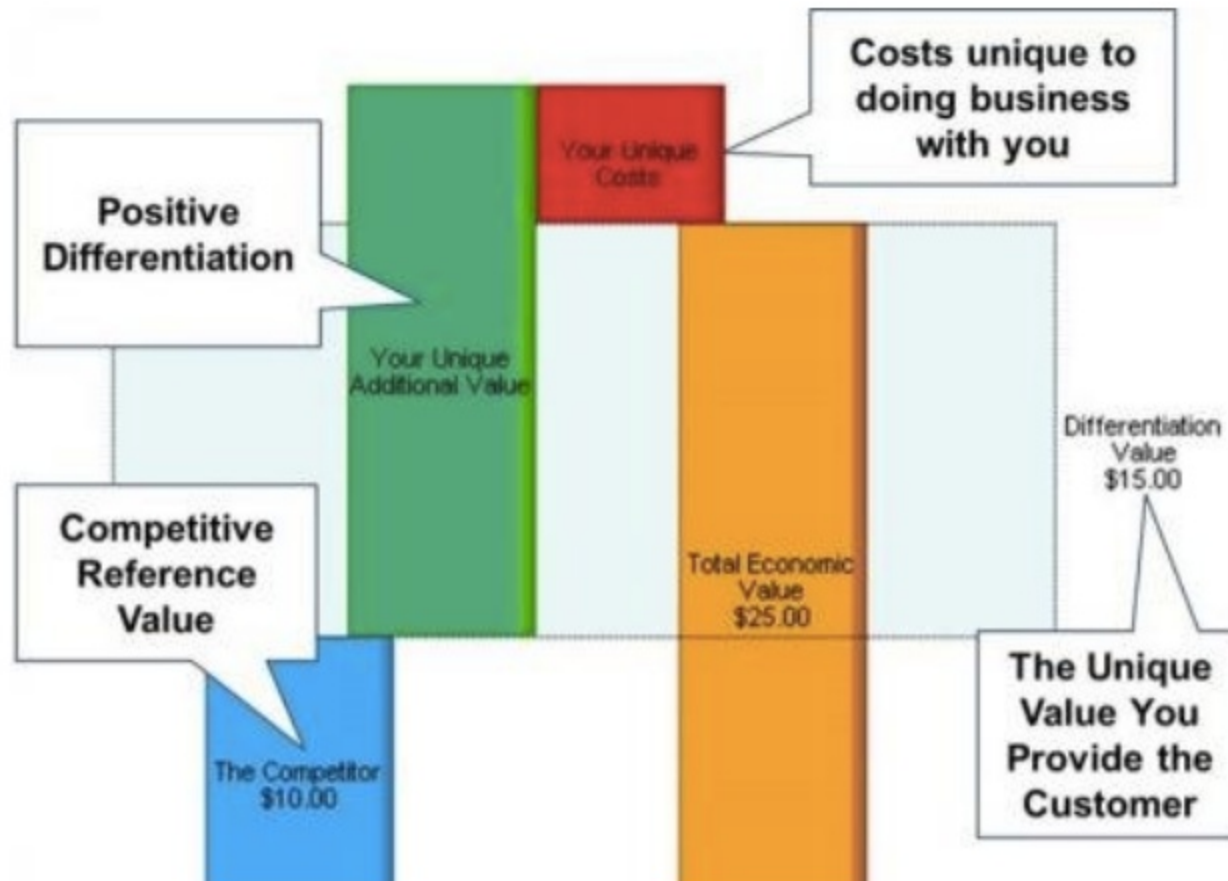
# VALUE FOR THE CUSTOMER

- ▶ Competitive advantage
- ▶ Time to market
- ▶ Increase revenues
- ▶ Business Process improvement
- ▶ Savings
- ▶ Value is always relative to an alternative !
  - ▶ Competitor
  - ▶ Current solution (software or/and human process)
  - ▶ Building in house (software or/and human process)
  - ▶ Doing nothing

### ECONOMIC VALUE

- ▶ Customers now do the Math !
- ▶ Understand Customers Math and speak their language
- ▶ The Economic Value is seen
  - ▶ For the Buyer as ROI and TCO
  - ▶ For the Seller as EVE
- ▶ Still keep your communication aligned and simple !

# EVE : ECONOMIC VALUE ESTIMATION



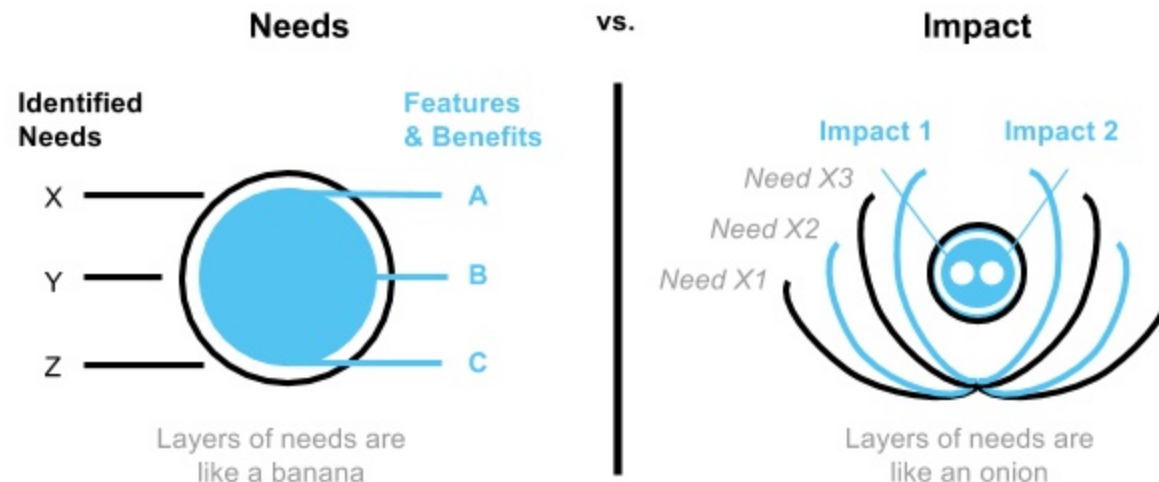


### CREATION OF VALUE DRIVERS

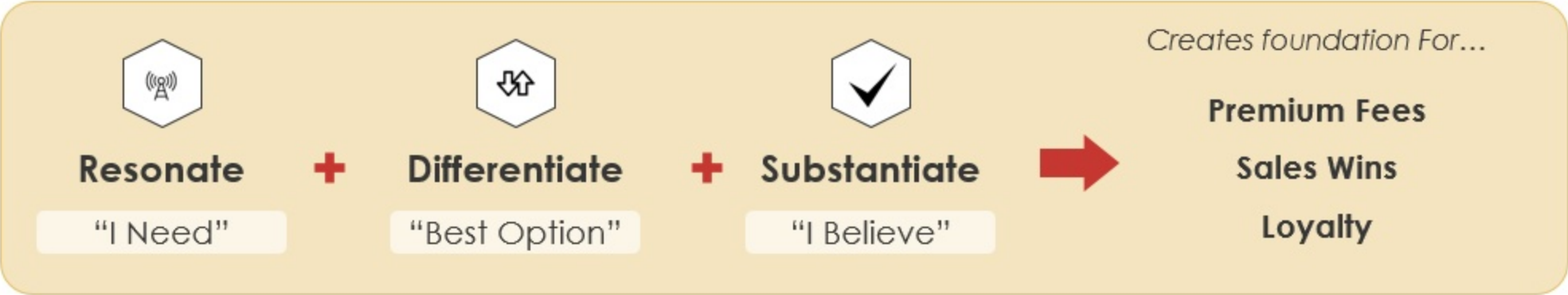
- ▶ Direct impact on a customer financial metric or KPI
  - ▶  $[\text{Financial Metric}] * [\text{Impact Measure}]$
- ▶ Impact on a non-financial customer metric or KPI
  - ▶  $[\text{Non-Financial Metric}] * [\text{Impact Measure}] * [\text{Dollars}]$
- ▶ You may add to both, factors as time,...

# FROM THE CUSTOMER VIEW

- It is not always a 1 to 1 translation !



YOUR VALUE PROPOSITION VS BUYERS





# PRICING



# STRATEGIC ROLE OF PRICING

- ▶ Pricing is the integration point of your Go-To-Market
  - ▶ Encapsulate your Value Proposition
  - ▶ Communicate your Value , your Brand
  - ▶ Position you to the Customers and Markets
  - ▶ Position you within your Competition
  - ▶ Last but not least , make your revenues and investment !
  - ▶ And Use pricing to scare away the customers you don't want ;)
- ▶ Pricing Power !

# PRICING IS PARAMOUNT !

- ▶ What's your average selling price?
- ▶ Intersection of supply and demand which measures external factors
  - ▶ customer value
  - ▶ competitiveness
- ▶ while it constrains operational metrics like
  - ▶ Costs
  - ▶ Volume
  - ▶ Risk
- ▶ Your ASP places a ceiling on your CAC, which in turn draw sales model(s)

# PRICING SCHEME

- ▶ Customer financial view : OPEX vs. CAPEX
- ▶ Transactional : License fee plus annual maintenance fees -> CAPEX
- ▶ Subscription based as SAAS - > OPEX
- ▶ Do not leave money on the table !
  - ▶ Professional Services, Training, Certification
- ▶ Accounts Up Sell , Cross Sell . Partnerships
- ▶ Discounts management
- ▶ Freemium ? (e.g Box, Dropbox)



# PRICING <- REVENUE MODEL <- STRATEGY

- ▶ What's your Pricing Strategy
  - ▶ Value based pricing is based on product benefits
  - ▶ Competitor Pricing is based on being below, at, above competition pricing
  - ▶ Cost Plus pricing is based on cost to plus margin
- ▶ Gain vs. Save and Vitamin vs. Painkiller , ROI and TCO
- ▶ Start with a Value Based Pricing aligned with your GTM and value position
- ▶ Identify your discounts policies, pricing structure by segments, compensations
- ▶ What's your CAC and LTV ? does it allow you to be sustainable and grow ?
- ▶ And likely , you are undercharging !

