

Exploring The Value Ladder

The NAPFA keynoter explains how to show prospects your unique value.

By Leo J. Pusateri

Last issue, we discussed the creation of the Value Ladder and how each of the seven steps (or questions) is integral to the next. Your answers to each question are unique to you, and as you climb the Value Ladder, you'll see how the seven steps help you build deeper relationships with your clients.

Wouldn't it feel great to be a "black belt" at building client relationships? How would it feel to have that smile-in-your-stomach kind of confidence every time a prospect asks you a question? Can you answer each question with confidence, passion and speed? Do you give the questioner the appropriate answers to his questions without overdoing it and sharing more than necessary? Are you climbing the path toward the coveted strategic partner role?

That smile in your stomach comes from answering the seven questions over and over, tightening up your responses each time. This constant tightening will take you from good ... to great ... to extraordinary ... to being the best you can be.

Let's review all seven questions with some examples to consider for what we call your Virtual File Cabinet, the place in your mind where you store all your Value Ladder answers.

Who Are You?

There's a reason this question is the first rung of the ladder and the bottom drawer of your file cabinet—you need to reach down deep to get the answer! That answer needs to be so genuine that the other person can *feel* who you are, that an emotional connection is being made that will yield a lasting impression.

My brother Vince's serial number when he was in the Air Force Security Service Unit in Pakistan during

the Vietnam War identified him immediately and concisely. Is your description of your identity as quick and confident as a military serial number? Can you deliver it confidently without hesitation? Or are you still winging it?

My typical answer is: "I'm Leo Pusateri, the president of Pusateri Consulting and Training. We are a sales consulting and training organization headquartered in beautiful Buffalo, New York, and we specialize and partner with financial service organizations and financial entrepreneurs to help them compete more effectively on the philosophies of value." In just a few seconds, that answer identifies me and my organization quickly and with certainty.

"Well, Leo, how long have you been doing this?" or "What is your background?" someone might ask in response. Your answers to these follow-up questions can be very deep—something you may not fully realize or appreciate until you've covered all seven questions. If you think of your response as the culmination of a self-actualizing experience, you'll truly be speaking from your core, and everything will fall into place. You'll have a sharper focus and, most important, so will your client.



What Do You Do?

A concise statement or paragraph that clearly captures the essence of what is unique about you and your organization is something we call your Unique Value Proposition (UVP). You should be able to give an individually customized answer, confidently and without hesitation, to a retiree, a widow, a small-business owner, a doctor or anyone else who asks, "What do you do?" I've had clients turn this question into a constant

game. The daily quizzing forces you to be quick, accurate and confident.

One of my clients spent a good deal of money and time developing her organization's brand. While on a cross-country flight, she sat next to a senior executive affiliated with a major sports organization. When the executive asked, "What do you do?" she was really caught off guard. It amazed her to think how challenging it still was, after investing so many dollars developing the brand, to answer basic questions about the firm's distinction with clarity and to answer with confidence, passion and speed.

Why Do You Do What You Do?

"Why do you feel so strongly about that?" or "Why do you do things this way?" Automatic answers to these questions tend to be "Because I love this business" or "Because I love helping people." But the answer to this question should reflect why you do what you do, not how much you care for your clients. That's an appropriate response, but you'll find that it will be more appropriately positioned later in the Value Ladder.

Your business beliefs represent the compelling story of your business. They help you tighten your UVP so that it communicates your philosophical beliefs and your thought processes. As a trusted Financial Entrepreneur, you should be prepared to answer any question regarding your UVP and your business beliefs and be able to defend any part of it. For instance, if a client asks you why you believe in asset allocation, you should be able to give concrete answers and to also cite studies that statistically show the investment performance attribution assigned to asset allocation. Can you see how this kind of top-gun preparedness would distinguish you from your competition?

How Do You Do What You Do?

As I related in the previous issue, people usually have their own processes for making decisions regarding their financial strategic partners. You should be an expert in articulating your process to prospects. You'll be amazed at the confidence you will develop when you can precisely illustrate your process and the value inherent in it. Your prospects who become clients will pay you a fair fee for your value.

Can you illustrate your process to your clients on a flip chart? Can you make the buying decision a memorable experience for them? By being able to expertly illustrate your process, you create a relationship that feels good. The clients benefiting from that relationship become advocates. They are buying YOU. *You are the value. You are the process.* And they want to share that value and your process with their friends.



Who Have You Done It For?

At a regional brokerage firm's golf outing, I said to one of the firm's top producers, "Tell me about your clients." He said, "What do you want to know?" "Who is your ideal client?" I asked. "Who really pumps you up? Who do you enjoy working with the most?" His response was interesting. "I don't know. How do we even figure that out? Who should we be telling our compelling story of value to in the future?"

This is a good time to revisit your Virtual File Cabinet. Drawer No. 5 should include success stories about your existing clients that you can share (while protecting their confidentiality) with new prospects. Do you know their lifetime value to you? Are you convinced that they are convinced that you add value?

How would these clients' describe why they decided to do business with you to current prospects? What if your prospect asked them what they value the most about you? Ultimately, what if your prospects asked your key clients what the real value was that you provided to them? Do you know the answers to these questions? You had better if you truly want to be on top of your game.

What Makes You Different?

"So, Leo, what makes you different?" was a question I was asked rather challengingly during a lunch presentation to a group of FEs. "I can distinguish myself in three ways—through my company, my solutions and through my personal level of differentiation," was my answer. "Where would you like me to focus?" I continued. I had used my *conversational*

proficiency to convey my expertise.

Visualize an umbrella. The top of the umbrella represents your company. The metal spokes underneath represent all the solutions you provide. The person/team holding the umbrella (the most important person for you to distinguish) is YOU. A top consultant in our industry successfully closed a half-billion dollar family office opportunity by offering all the spokes and services that distinguished him and his company. He provided unique value to his client. He truly had his act together.

Why Should I Do Business With You?

The question, "Why should I do business with you?" is challenging by nature. But remember, business is first a meeting of the hearts, then a meeting of the minds. Connect with your clients emotionally and logically, and you have aligned your value to the value they are seeking.

Real value is developed qualitatively and measured quantitatively. Discussing estate-planning issues, creating a legacy and addressing issues of charity are qualitative examples. Developing an investment policy statement for a client with a half-million dollars who wants to grow it to a million is quantitative.

Putting the word "real" in front of the word "value" makes the concept come alive. Always remember to go beyond the old feature/benefit explanation. Stretch yourself to achieve the answers to what it really means to your clients. Accentuating the 'real' in front of the word value forces you to think like that.

Now ... You're Top Gun!

Isn't it exhilarating when you know you've really achieved your goal? You've delved deep and accomplished a lot through the Value Ladder process. You've developed a Virtual File Cabinet full of answers you can deliver on any occasion with confidence, passion and speed. Using the Value Ladder and your Virtual File Cabinet to build world-class relationships with your clients will distinguish you from your competition. You'll have more fun in your business. Most important, you'll be delivering real value! ☺

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