

Strategic account management's role in the value-modeling process

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Value modeling requires teamwork. A team converges to reach consensus on value driver measurement models, the level of driver economic value and the value messages for every stakeholder. Convergence is critical for collaboration between functions and handling the complexity of value management. Generating great multifunctional team conversations eventually leads to agreement on what the positive and negative differentiation value is in customers' eyes. As you can see in the Economic Value Estimation® visual, the process of mapping and quantifying total economic value appears simple. But quantifying EVE elements is complex. One of the questions I am most frequently asked is, "What is strategic account managers' role in the value-modeling process and specific quantification of value drivers?" Let us look at that question in greater detail.

SAMs' role is important in the value-modeling and quantification process. They certainly have to be involved in the process and validate many of its inputs and outputs. They should be involved from the get-go and the people executing the value approach in front of customers. Here are a few examples of how SAMs play a serious role:

- Validating the voice of the customer in the overall process—terms, vocabulary,

expressions, perceptions, preferences and behaviors

- Validating the quantified savings or incremental revenues in the value driver quantification process
- Validating the product's selection in the customer's mind
- Accessing customer sites and the relevant gatekeepers at customer locations
- Conducting value-in-use analysis with the help of marketing, engineering and innovation
- Validating that the right value drivers are selected for value models out of a large potential pool of drivers
- Validating that value messages are powerful and applicable to customers
- Piloting value concepts, models and stories in the field

Value modeling is a challenging process that requires skills and sweat equity. SAMs' role is critical in the identification, measurement and modeling of value drivers. There is no doubt that value modeling is a team-based process and SAMs should lead the charge and be at the forefront of value modeling. So if you are in strategic account management, are you getting enough training in the value-modeling process? Do you really know how to conduct value-in-use analysis? If not, ask for the proper tools and training to become an expert on the subject. These are powerful skills to acquire. Be bold: Join the value-based pricing revolution! 

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