



## The Buyer's perception

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### Abstract

Seeing yourself through the Buyer's eyes is one of the secrets of successful qualification and selling. If you understand the way in which you are being seen by the Buyer, you will be able accurately to assess whether you are in a position from which you can win.

In this series of articles, Ian Henley, Director of *ChangeBEAT* takes a deeper look at the background to sound prospect qualification.

## The Buyer's Perception

Throughout the Buying Cycle (and indeed at any time) a Buyer will have a predisposition towards companies who would like to do business with them. This predisposition may come from personal experience, referred opinion or broader market reputation.

The Buyer's predisposition towards an unknown Seller is likely to be broadly neutral or even negative, on the grounds that, "If I haven't heard of you how can you be important?"

Throughout the Buying Cycle each interaction with a Seller (or information received about the Seller) will have an impact on the Buyer's perception for good or ill.

Such interactions are caused by, for example: the quality of marketing materials; the way in which a telephone call is handled; the ambience of the Seller's premises; the quality and professionalism of the supplier's representatives; magazine reviews or coverage in the financial press; anecdotes from contacts; the reliability of the Seller's support organisation and so on. Some of these items may have a big effect on the Buyer's perception of the Seller, whilst others may be marginal or neutral.

Some interactions are under the Seller's direct control and some are not, but it is the Seller's objective to make the Buyer *Happy to Buy* which means, by definition, that the Buyer's experience of a potential Seller convinces them that the Seller can meet their needs and is likely to do so at a reasonable price and with the quality the Seller requires.

In today's highly competitive market, Buyers rightly expect and often receive a very high standard of service and professionalism from those who would do business with them. Excellent products and services, which work well and can be easily and successfully used, are expected.

Consequently, a Seller must work hard to improve the Buyer's view, but lapses from grace are punished severely.

Different sorts of interaction can be viewed as having a different potential to influence the Buyer's perception. For instance, all Buyers will be more



heavily influenced by action oriented, personal events than by generalised marketing material.

Objective evidence, preferably with external corroboration, of a Seller's capability can also be of highly influential. For most Buyers a good reference visit is more powerful than a good demonstration which is in turn more powerful than a well written proposal.

Activities where Buyer and Seller work jointly towards a shared goal have great potential positively to influence the Buyer.

In the middle ground, sales presentations will move the Buyer perception, if well done, but should rely as much as possible on presenting expertise and capability through objective evidence. It is a sad fact that wary Buyers will discount everything the Seller says unless it is backed up by proof!

Written communications have their place, and are often required by the Buyer, but in general the written word does not have a big impact, (though it can be improved with colour, diagrams and pictures).

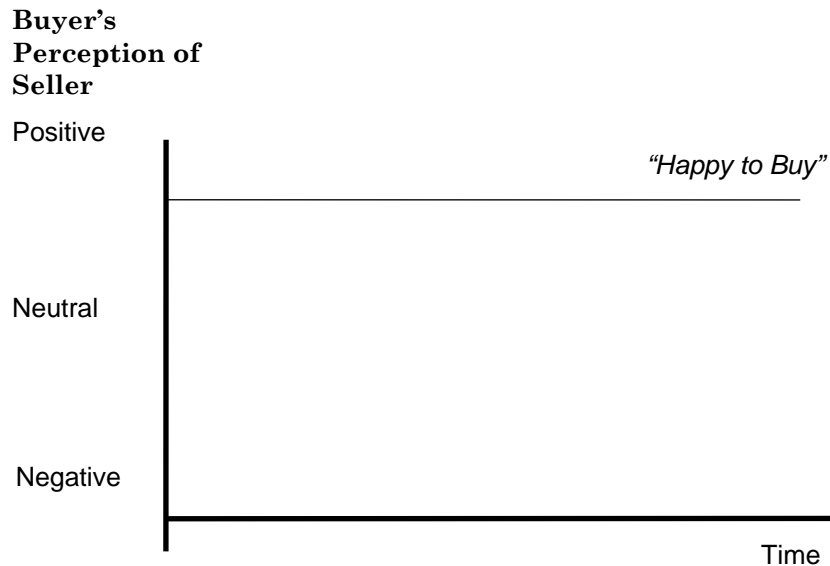
It is also worth noting that, if the Seller's reputation is poor and delivery capability questioned in the wider market, any sales team trying to compete for a piece of business has got a very tough assignment, as negative references or word of mouth testimony are hammer blows to a sales campaign.

### **The Buyer Perception Model**

A useful tool to provide insight into your competitive chances in a sales campaign is the Buyer Perception Model. This simple model considers how a Buyer's perception of one or more Sellers can change over time.



## The Buyer Perception Model



In this model the Buyer "perception" of a particular Seller can be plotted and the impact of any interaction represented by a step change. Over time, if there is no interaction, the perception will tend to decay back towards the neutral position.

If we view the Buyer's perception axis as consisting of 100 units, where 0 is the rock bottom perception, 50 is neutral and 100 means that they are completely happy with a particular Seller, then the *Happy to Buy* threshold will be in the area of 80-90 units. Buyers expect high standards!

The Buyer Perception Model can be used to achieve three things

1. To help you assess the Buyer's perception of the suitability of your company against likely competition
2. To help you plan a sales campaign that has the potential to create sufficient impact to enable you to win.
3. To assess, within the confines of any "rules" of a tender, or Buyer willingness to meet with you, whether or not you are in a position to mount a winning campaign

Start off by plotting yourself and your competitors on the Buyer Perception Model. Finding out who the competition is, and what they are likely to bid, adds



considerably to your ability realistically to assess your win chance (and is, of course, of great value if you do decide to start on a competitive campaign). The value of an inside “coach” who will give you insight into these issues is now of paramount importance. A few words of sound advice can save you weeks of effort, or help you focus on the issues that will help you get a result.

However, even if you can't be sure who competition are, because the Buyer won't tell you (and you can't find an opportunity to leaf through the visitors book in the Buyer's reception area) make some assumptions. Who would you ask to bid if you were in their shoes?

Now ask yourself: If you were the Buyer's would you want:

- The market leader?
- A small nimble supplier, who will treat the project with flexibility and dedication?
- A niche supplier, with unquestioned specialist expertise?
- A medium sized supplier, with in-depth technical skills?
- A large supplier with muscle and a commensurate butt to kick if things go wrong?
- Someone local; perhaps skills transfer is most important?
- Someone multinational who can service all of your international outlets?

Now consider the more personal and less abstract issues. What has been the recent experience of the Buyer? Has an installed competitor done something to upset them? Have they got unsettled business with your own company, which may be forgotten by you, but will still be fresh in the Buyer's mind?

A realistic assessment of these issues *from the Buyers point-of-view*, combined with a realistic assessment of your own capabilities, will help you to decide where you and the competition would be positioned on the Buyer Perception Model.

The next thing you need to consider is, over the rest of the sales campaign, what impact will you be able to make on the Buyer? If, for example, you are in a highly regulated tender process where the Buyer



refuses any interaction except through a written proposal document, you should now appreciate that your potential impact is limited. You may have the strongest case in the world, but if they won't let you look them in the eye and tell them why, but will only agree to read your written proposal, they really don't want to know.

However, if you are still in a phase of the Buying Cycle where you can arrange reference visits, presentations and joint planning sessions, and the Buyer is willing to invest the time, **and** you have a strong case, then you should be able to move the Buyer perception a long way.

The following table seeks to illustrate these points by assigning some sort of value to different types of interaction. Note that the values given are **only illustrative** and will vary from market to market, or even from one Buyer personality to another. But the table is useful to help think about the likely effectiveness of any sales campaign and so to assess win chance.

Interaction	Max Change in Buyer Perception
Well-written letter, properly addressing key issues and showing a good understanding of Buyer needs.	+ 5
Useful technical paper showing an understanding of the area under discussion.	+ 5
Badly written letter containing spelling errors and/or missing key points	- 10
Excellent sales presentation including relevant case studies and other business or technical information	+ 15
Relevant demonstration	+15
Poor sales presentation	- 30
Correct invoice	0
Wrong invoice	- 5
Excellent reference visit	+20
Very positive word of mouth referral from respected colleague, friend or family	+25
Negative word of mouth referral	- 40
Excellent proposal document	+10
Poor proposal document	-20
Late for appointment	- 5



Late for second appointment	- 15
Joint planning session with the Buyer, working as a team and considering real issues of delivery	+30
Co-operation or collaboration on the production of a business case	+20
Negative impression given by company representative	- 30
Telephone call not answered promptly or poorly handled	- 10
Failure to deliver promised document or quotation	- 3 per day

Whilst the values given in the table are in no way scientific, they do illustrate that different types of interaction have different potential to influence and also that lapses from high standards are disproportionately punishing.

Note in particular that you won't necessarily get a +20 unit improvement by working jointly on a business case...merely that this is the best you could expect to achieve if you perform really well and the Buyers are the sort of people who will give you credit. More cynical Buyers might just dismiss your efforts as selfishly motivated and so "par for the course".

When assessing win chance, intuitively or by method, the top-performing Seller is assessing these factors. Where do we stand today against competition? How strong is our case? and crucially, Will the Buyer give us the opportunity to communicate that case?

First of all consider the objective issues. Then look for the personal "grudge" issues that will guide the Buyer decision. Lastly analyse your prospects of getting sufficient access to the Buyer to mount a winning campaign.

The Golden Rule is: if they won't talk to you, they aren't serious about buying from you.



### Bidding Blind

The Buyer Perception Model explains clearly one of the great truisms of Selling any item where service is a key factor: it rarely pays to answer unsolicited tender documents unless there is the opportunity for a great deal of interaction with the Buyer before the decision point.

If you receive a tender document out of the blue from a Buyer who does not know you, unless your company has a truly outstanding reputation in the market, then the Buyer perception is likely to be at best neutral.

If you simply respond to the document, even if you produce a superb piece of work, you are most unlikely to move the Buyer to the *Happy to Buy* threshold on the strength of a written proposal. (There are no doubt examples in the world of exceptions to this rule and Sellers who have responded blind to tender documents and won. We are just not aware of any.)

The model illuminates this point. Even if the Buyer perception of the Seller is no worse than neutral, a written document is just not a powerful enough vehicle (+10% maximum impact) to move the Buyer perception to the *Happy to Buy* threshold. Instead you must seek more powerful interactions with the Buyer, if you are to make enough of an impression to be successful.

### About the author

Ian Henley, chairman of *ChangeBEAT*, is recognised in the IT software and services market as a leading expert in improving business performance. He specialises in business strategy, marketing and sales and is well known through industry publications and Intellect where he provides advanced sales and commercial management training.



*ChangeBEAT defines, develops and executes change programmes that help achieve enduring business benefit rapidly and reliably. Our people have practical field experience, and are equipped with WingBEAT, our proven change methodology, and our extensive tools. We are professional, pragmatic and action oriented.*

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