

Why Your Clients Don't Make Quick Purchasing Decisions

By David W. Cooke

Far too many businesses are unnecessarily struggling with the notion that they have to convince customers to buy from them. Besides not having enough prospects, the number one complaint is that their customers are taking too long to make decisions. And, when they do, these decisions are predicated on price.

While it's true that clients have become more deliberate in their decision making process, their criteria is not price – it's value! Does your product, your offering, your benefit, and your package offer the value to justify their investment?

Every one of your prospective clients makes an investment—not just in price or cost—when they decide to do business with you. Before they make that investment, they need to assess the risk associated with that investment. Here are the five components of risk they assessing when going through the decision making process:

- 1. Replacement Risk:** Chances are quite likely you are replacing an incumbent supplier. While they may not be receiving all the benefits you have to offer compared to their current provider, the risk of replacing you - an unknown supplier - is greater than keeping their current one.
- 2. Professional Risk:** Although they may have a high degree of confidence in you, your company, and your offering, their decision to make a switch will come under severe scrutiny if your team screws it up. In today's economy, people are fearful of making high-risk decisions that could adversely affect their jobs.
- 3. Credibility Risk:** Despite all the best efforts to convince someone that you have what they need, how trustworthy and reliable you and your organization are, there is still a risk. If you are like most salespeople you have done a marvelous job of telling them all the great things they need to know about your value, your company, your service and your experience. Do you think you are the only person shoveling that? Unless you have really built a strong relationship and established an incredible level of trust, your credibility will be scrutinized.
- 4. Productivity Risk:** Making a change is much more complicated than simply making a decision and placing an order. Change involves budget assessment, administrative processes and approvals, receiving and delivery adjustments, and end user training and awareness. Whenever a new supplier is brought in, there are a lot of changes - some significant - that will occur in your client's organization. It is not always that easy to simply plug your product in and replace the other guy. These changes can have, and often do have, an effect on the productivity of the team. Like it or not, any effect on productivity is a cost and a risk to the organization.
- 5. Financial Risk:** The most important consideration is the financial risk. Companies look for products and services that make them money, save them money, improve a process, or fulfill a need. These are the only decision making criteria for purchasing from a supplier. With every one of these criteria comes a financial expectation of value and performance. Until this risk can be assessed, quantified and measured you are not getting the order.

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Next time you think it's taking your client forever to make a decision, remember this—there's a lot more going on in the decision making process than simply cost or price. If you aren't aware of or addressing these issues through an extended relationship development process—you will be spending a lot of time waiting for people to respond to your proposals.

It is not your client's fault it's taking so long to make a decision—it's yours if you spent too little time earning the right to do business with them!

About the Author

Dave Cooke is the CEO of Strategic Resource Group, LLC (www.srgroup-llc.com). As a nationally recognized speaker, author, trainer and growth expert, he leverages his 25 years sales and marketing experience to create and implement strategic initiatives and develop educational programs which increase both revenues and profits. Dave is proud of his experience with turbulent and chaotic work environments. Having taken the lead in multiple corporate turnaround projects and post merger transitions, Dave understands the challenges organizations face in challenging and difficult times. It is these experiences that shape his commitment to team, relationships, communication, leadership, and a cohesive, collaborative strategy for revenue growth.

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