

Exercise: The Natural Buying Process™

1. Recognize that a need exists
2. If the need becomes great enough, explore solutions for resolving the need
3. Evaluate the risks and benefits of various solutions
4. Make a decision to "suppress" the need or implement a solution
5. Justify or rationalize the decision

For a particular situation (product, industry, target market segment) describe the events and the time frames over which events occurred during each step of the “Natural Buying Process.” You will have to assume some of these events – but take your “best guess” as to what you believe happened. Describe these needs from the perspective of the Buyer(s). These could be thoughts, actions, phone calls, emails, web searches, internal discussions, decisions, etc. Describe the roles/titles of the different buyers involved in the steps (refer to the description of Key Players to help get you started.) for more complex sales, it may be easier to complete a NBP worksheet for each of the key players involved in the buying process (such as Catalyst, Sponsor, Evaluation Team, and Financial Decision Makers, etc.)

Step 1: Recognize a need exists

- Needs are often dormant or inactive
- What issues, inconveniences, or desired enhancements led to the need
- Were there any external events that helped awaken needs

Step 2: Explore options for resolving the need

- Buyer becomes curious about possible solutions and ballpark costs
- Not committed to solve need
- Buyer often acting on their own initiative
- Can this need be resolved? How? Who? What?
- Web search and/or discussion with peers are most common activities
- May sign up for Free Trial or Download Evaluation or demo (for software purchases)

Step 3: Evaluate risks/benefits of implementing a solution

- What does it cost (more detailed understanding of costs)? How does it solve the problem?
- Buyer requires proof it will work in their situation and with their technology infrastructure
- Often seek internal approval (formal or informal) to evaluate
- Interaction with a salesperson or customer service rep is likely, A Web based or On-site Demo is common (for software purchases)
- At end of this step, the buyer understands features and capabilities required to solve their needs

Step 4: Make a Decision

- If no solution meets their needs, suppress the need, go to Step 5
- If a product is “proven” to meet their needs, then
- Final budget approval sought
- Implementation time-frame is set
- Negotiation begins over price, support/guarantee, legal issues, etc.

Step 5: Justify or Rationalize Decision

- Technical Buyer justifies decision to financial decision makers (who are back in Step 2 or 3)
- Financial Decision maker must believe investment will provide tangible ROI
- All buyers may justify/rationalize the final decision (purchase or suppress need)

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Key Players involved in a Software or High-Tech Purchase Decision

Catalyst: A buyer who *recognizes a problem and seeks potential solutions* to the problem. They may be working alone or with others when exploring solutions. They are respected and have some influence in the organization. They believe the status quo must change.

Sponsor: An influential manager who recognizes a problem and *agrees with the Catalyst* that a solution should be explored. Have more power and influence within the organization than a Catalyst, often have their own budget or can exert influence on those who make budget decisions. Often helps a Catalyst perform Value Justification for a potential purchase. In some cases, a Catalyst and Sponsor are the same person.

Financial Decision Makers: Often C-level executives (CFO, CEO), VP's or Directors. These individuals control and approve the budget for all major purchase decisions. They usually require some form of value-justification before signing off on a purchase. They can say yes or no at any time during a sales cycle. They are *able to "create" or allocate budgets* as they see fit.

Champion: A buyer who is in *support of purchasing your solution*. They usually began as a Catalyst or Sponsor and became convinced that your product is the desired solution.

End User: An individual that will use the product or service.

Beneficiary: Someone who benefits, either directly or indirectly from the use of the product or service.

Technical Evaluator/Buyer: A technical buyer concerned with the technical specifications and capabilities of a potential solution. They could also be a Catalyst/Champion/Adversary or an End-user, and are often a member of IT or some other technical department.

IT (Information Technology/Information Systems): IT is usually closely involved with evaluating or approving any software or technology purchase. They might be asked to manage an evaluation and will be involved with any software or technology implementation. Usually has a significant presence and influence on the evaluation committee, and likely *has the power to say no* to a purchase.

Adversary: An individual involved in the buying process who is *opposed to the purchase of your solution*. They could be an End-user, a Beneficiary a Technical Evaluator/Buyer or a member of the IT staff. Often, they are a supporter of the current solution.

Legal Decision Makers: Members of the corporate legal staff who review and approve all legal agreements that the company executes. Their goal is to ensure that the interests of the company are protected. While they cannot say yes to a purchase, *they can say no if the legal and financial terms* are unacceptable.

Buying/Evaluation Committee: A group of individuals tasked with evaluating technology and software solutions. Members typically include individuals representing buyers from each of the following groups; End-user, Beneficiary, Sponsor, Catalyst (and hopefully, our Champion.) For smaller purchases (under \$100K) a formal evaluation committee is not usually formed.

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The Natural Buying Process™ Worksheet

Company/Industry: _____
Situation/Job Title (optional): _____

Step 1 - Recognize that a need exists (what issues or desired enhancements led to recognition of need)

Elapsed time during this phase: _____

Step 2 - If the need becomes great enough, explore solutions for resolving need (curious as to what/how/costs)

Elapsed time during this phase: _____

Step 3 - Evaluate the risks and benefits of implementing a solutions

Elapsed time during this phase: _____

Step 4 - Make a decision to implement solution or "suppress" need

Elapsed time during this phase: _____

Step 5 - Rationalize or justify the decision

Elapsed time during this phase: _____