

## Why selling and buying cycles can be out of sync and what to do about it

### Part 2 of 2

Part 1 covered the first 3 stages of a client's buying cycle so if you haven't read it then please download so Part 2 makes sense.

Once you have successfully navigated through the first 3 stages you are ready for stages 4 and 5.

#### **4. Decision**

If you have a client relationship where credibility has been well established your chances of success in acquiring more business will be high. Clients tend to stay with suppliers whom they trust. If the client becomes concerned prior to making the final decision they will more than likely tell you. However, if the concern is left unaddressed and the relationship is new then the chances of the business going to a competitor is highly likely.

#### **Concerns**

During the Analysis stage price will appear to be an important factor. This will be less important if the risk of doing business with you is less than doing business with your competitor. This can mean higher profit margins.

Concerns can be hidden and difficult to uncover. Unresolved concerns around risk either real or perceived are the main reason why sales are lost. However cost is usually given as the reason for not proceeding because it appears to be a more acceptable excuse.

#### **Potential concerns**

When any of the following situations are present there is the likelihood a hidden concern is present:

- Price hypersensitivity - This is when the client has unrealistic cost expectations and questions every aspect of your pricing
- Cancelled and rescheduled appointments - When this happens often there are other issues at play that need to be uncovered
- Rehashing of a past issue - The issue may have been resolved some time ago but the client continues to refer to it
- Refusal to give information – Asking for basic information is treated as if it were highly confidential

#### **Handling concerns**

Whilst there are no hard and fast rules to handling concerns the following are useful guidelines:

- Build relationships based on trust and honesty. The client will be more open and prepared to discuss any concerns as and when they may arise
- Ask questions in a warm and caring manner about what appears to be their concern

- If the client has a fear of making the wrong decision then it's best to reassure them that they are making the right decision.

High pressure selling tactics or being impatient is the wrong approach to handling a client concern.

## **5. Evaluation**

Once your company has delivered on its promised product or service the client will evaluate its performance – does it do what was promised?

Once the client feels they are getting the promised outcome/s a great opportunity exists for you to establish a close business relationship. This can result in opportunities to add-on sell, introduce new products and services and effectively block out your competitors.

A client will tend to go through three phases of evaluation:

### **i) Expectation**

This is just prior to your company's supply of or implementation of its product or service. It can be an exciting time for the client because they may have had the problem for some time and are now looking forward to having it fixed and enjoying the benefits.

### **ii) Experience**

This is the most challenging period for yourself and your company and will require much effort. Unless the outcomes are clearly understood the client may express doubts about your product or service if their expectations are unrealistic. Their experience will depend on two factors:

- Their level of commitment to change brought about by your product or service
- How well your product or service is implemented in the client organisation

### **iii) Exit**

When a successful outcome has been achieved the exit can be the most enjoyable for both yourself and the client. If there were difficulties with your product or service during the experience phase the client may reflect on the challenges along the way and now feel good about what has been achieved.

## **The Selling Cycle**

By adapting your sales process to complement the client's buying cycle you will reduce the selling cycle time and automatically sell more often.

The selling cycle time can be affected when:

- The client hadn't previously dealt with your company and is unfamiliar with your products or services
- A major decision is required that will need a large financial outlay
- Cross organisational functions are involved in the decision making process
- Many competitors including the client's internal resources are bidding for the same business

- Other client needs competing for the same funding
- Procrastination through fear of making the wrong decision or recommendation
- Internal politics

### **Sales pipeline difficulties**

In this current economic climate the sales pipeline can be difficult to fill with quality sales opportunities. This is due to 3 reasons:

- Clients leave the need to begin their buying cycle until it is really necessary. This affects the number of prospects the salesperson has in their pipeline
- The time taken to progress from Awareness to Decision is taking longer because more time is spent in the Analysis stage
- Sales opportunities are not progressing or exiting the sales pipeline because:
  - Delays in beginning the buying cycle
  - Not qualifying sales opportunities properly so there is a high volume of 'rubbish'
  - Ineffective sales pipeline management
  - The client is risk averse

Note: When the selling cycle time is extended well beyond the norm the opportunity goes nowhere resulting in a no sale outcome.

Developing a sales strategy that complements a client's buying cycle will create a point of difference, reduce your selling cycle time and you will close more sales more often.

If you would like to discuss this topic or any other relating to sales performance then contact Kurt Newman direct on 0412 252 236 or email [kurt@salesconsultants.com.au](mailto:kurt@salesconsultants.com.au)



*Kurt's expertise is in sales strategy, sales management development; group structured sales training and infield sales coaching. As a sales person he has successfully sold products and services in 4 major market/product segments: new product sales, consultative sales, relationship sales and retail. During his selling career he created sales records for three companies in two industries and won many sales awards for outstanding performance.*

