



Are Buyers Liars?

How to Get Buyers to Buy and Improve Your Sales Forecast (Part I of II)

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Think of the last time you bought something you don't buy regularly. Perhaps a car, or a notebook computer or – as a business-to-business buyer – a professional service (e.g. a consulting service).

Think of the first time you considered buying this product (or service). What made you think you wanted or needed it? How long did it take you from this first thought to actually taking action and looking for potential vendors? How long did it take you from approaching vendors to finally make the purchase?

Obviously, for different situations and different products, the length of the buying cycle, i.e. the time needed from the first consideration to the final purchase, can vary considerably.

Unless you buy straight from the catalog or the internet, you are likely, in the course of your buying process, to interact with the seller. Most sellers will ask you at one point when you will be ready to make a buying decision. And typically, you will give them some estimate.

Unfortunately, these estimates are often not in line with the real time needed for the buying decision. In most cases it takes longer than you expect.

Why is that so? Are buyers liars?

Poor Forecasts

It is a fact that most sales forecasts are pretty poor. They usually get better with more sales transactions. For example, if you sell low-value items, you have to sell lots of them and often require many sales transactions to get a reasonable total sales volume.

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For simple statistical reasons, your forecasts in such cases tend to be more reliable. If you forecast 100 transactions per month with an average value of 1,000 USD per transaction, chances are much better that you will come close to the forecasted figure of 100,000 USD per month than if you expect just 10 transactions with a value of 10,000 USD each. It is much more likely that three buyers will unexpectedly postpone or buy from the competition in the latter case than 30 in the first case.

That's why many companies are so keen on their so-called 'bread & butter' business as it is more reliable and often covers to a large extent their fixed cost.

Besides this volume problem, there is the problem of over-optimistic and over-pessimistic (yes, they also exist) sales executives. Experienced sales managers and directors typically know to which type their people belong and either coach them to become more realistic and/or to make adjustments in their forecasts accordingly.

Another reason for poor forecasts, and perhaps the most important one, is inaccurate information from buyers.

The issue of trust

Most buyers don't really trust sellers. Because most sellers focus on selling, potential buyers feel the need to take care of their own interests to avoid buying the wrong product or service. They want to make the best possible buying decision.

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As a consequence, buyers show some reservations towards the seller and provide info only reluctantly to assure that they don't harm their own interests. Whether this happens consciously or subconsciously, it does not really matter. Fact is, in these cases, the seller often gets incomplete, inaccurate, sometimes even plain wrong information.

How can a seller build sufficient trust to get the full truth from the buyer?

Besides the commonly known factors like building good rapport and displaying competence, we found that the NATOO mindset of the seller is the biggest lever towards creating trust. NATOO stands for "Not Attached To Own Outcome." If sellers can detach from their own outcomes and instead focus on the best possible outcome of prospects, including the possibility that their products may not be the best solution for the buyers, only then will buyers develop true trust towards sellers.

I know that this is a very hard call for most sales people as they are usually driven by their need to achieve sales results. Letting go of this need and instead focusing on the best possible outcome for the buyer is not easy. It can only work if the sales person believes that this attitude will lead to better results in the longer run.

Our own experience and the experience with our clients have clearly shown that this is true. Not only does it lead to more truthful conversations between seller and buyer—it also helps make your forecasts more reliable.

This level of trust is a precondition for encouraging buyers to buy and thus accelerate the buying decision process.

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In Part II of this article we will show you ways to accelerate the buying decision process leading to a better control of your forecasts.



Charlie Lang is an Executive Coach and Trainer who founded Progress-U Limited in 2002. His mission is to achieve a positive change of the image of sales. He is a passionate and professional Executive Coach, Mentor Coach, Trainer, Public Speaker and Author of articles related to leadership, change management and innovative sales.

In 2004, he initiated the Master Coach Alliance (see <http://www.master-coach-alliance.com>) in Hong Kong, a network of professional Life, Business and Corporate Coaches. End of 2004, he started authoring the book "The Groupness Factor" (see <http://www.progressu.com.hk/Groupness-book.htm>) which got published in August 2005.

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