CHAPTER 3.

The Psychology of Selling
Why People Buy, What People Buy
After studying this Chapter, you should be able:

- Explain the role of needs analysis in selling.
- Recognize the importance of determining the factors that influence buyer behavior.
- List factors that influence the customer’s buying decision.
- Show why buying is a choice decision.
Agenda

- Why People Buy
- Psychological Influences
- Determining Important Buying Needs
- Buyer’s Perception
- Perceptions, Attitudes, and Beliefs
- Considering the Buyer’s Personality
Agenda

- Adaptive Selling Based on Buyer’s Style
- Classifying Buying Situations
- Technology Provides Information
- Viewing Buyers as Decision-Makers
- Satisfied Customers
- To Buy or Not To Buy
1- Why People Buy – The Black Box Approach

- Internalization process is referred to as a black box
  - Cannot see into the buyer’s mind

- Stimulus-response model

Exhibit 3-1: Stimulus-response model of buyer behavior
What’s Known About Mental Process

- People buy for practical and emotional reasons
- Some of a person’s thoughts can be determined
- Some of buyer’s purchase considerations
2. Psychological Influences on Buying

- Motivation to buy must be there
  - Needs result from a lack of something desirable
  - Wants are needs learned by the person

- Economic needs: The best value for the money
  - The buyer’s need to purchase the most satisfying product for the money
Psychological Influences on Buying cont…

➢ **Awareness of needs**: Some buyers are unsure
  - Conscious need level
  - Preconscious need level
  - Unconscious need level
How to Determine Important Buying Needs—A Key to Success

- **L-O-C-A-T-E**
  - Listen
  - Observe
  - Combine
  - Ask questions
  - Talk to others
  - Empathize
3. SOCIAL INFLUENCES ON BUYING

* **Reference group**
  (Any group that directly/indirectly affects one’s behavior)

* **Roles**
  (Buyer, User, Influencer, Decider ?)

* **Learning**
  (memory bank: good or bad experience – Learned experience)
4. Your Buyer’s Perception

Perception
How selects, organizes, interprets information

Selective exposure
Only portion of information used

Selective distortion
Perceptual process may alter information

Selective retention
May remember only what supports their attitudes and beliefs
4. Your Buyer’s Perception

- Perceptions are learned
  - **Learning**: Knowledge based on past
  - **Attitude**: Learned predispositions
  - **Belief**: Trust or confidence placed in something/someone
6. ATTITUDES AND BELIEFS

**Attitudes**

A person’s attitudes are learned predispositions towards something.

A buyer’s attitude is shaped by past and present experience.

**Beliefs**

To be a state of mind in which trust or confidence is placed in something or someone.

*As a salesperson, you spend much time creating/changing people’s learned attitudes and beliefs about your products. This is the most difficult challenge a salesperson faces.*
7. Consider The Buyer’s Personality

- Personality can be viewed as the individual’s distinguishing character traits, attitudes, or habits

- Self-concept
  - Real self
  - Self-image
  - Ideal self
  - Looking-glass self
8. Face 2 face with your business buyers

Personality typing

- **Thinker**
  - A direct, detail-oriented person

- **Intuitor**
  - Knowledgeable, future-oriented person

- **Feeler**
  - People oriented, very sensitive to people

- **Senser**
  - Action-oriented person. Deals with the world through the senses
8. Face 2 face with your business buyers

Adapt your presentation to the buyer’s style

- **The Thinker style**
  - High value on logic, ideas, and systematic inquiry

- **The Intuitor style**
  - High value on ideas, innovation, concepts, theory, and long-range thinking

- **The Feeler style**
  - High value on being people-oriented and sensitive to people’s need

- **The Senser style**
  - High value on action
### Exhibit 3-8: Guidelines to Identify Personality Style

<table>
<thead>
<tr>
<th>Guideline</th>
<th>Thinker</th>
<th>Intuitor</th>
<th>Feeler</th>
<th>Senser</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How to describe this person</strong></td>
<td>A direct, detail-oriented person. Likes to deal in sequence on <em>his/her time</em>. Very precise, sometimes seen as a nit-picker. Fact-oriented.</td>
<td>A knowledgeable, future-oriented person. An innovator who likes to abstract principles from a mass of material. Active in community affairs by assisting in policy making, program development, etc.</td>
<td>People-oriented. Very sensitive to people’s needs. An emotional person rooted in the past. Enjoys contact with people. Able to read people very well.</td>
<td>Action-oriented person. Deals with the world through his/her senses. Very decisive and has a high energy level.</td>
</tr>
<tr>
<td><strong>The person’s strengths</strong></td>
<td>Effective communicator, deliberative, prudent, weighs alternatives, stabilizing, objective, rational, analytical, asks questions for more facts.</td>
<td>Original, imaginative, creative, broad-gauged, charismatic, idealist, intellectual, tenacious, ideological, conceptual, involved.</td>
<td>Spontaneous, persuasive, empathetic, grasps traditional values, probing, introspective, draws out feelings of others, loyal, actions based on what has worked in the past.</td>
<td>Pragmatic, assertive, directional results-oriented, technically skillful, objective—bases opinions on what he/she actually sees, perfection seeking, decisive, direct and down to earth, action-oriented.</td>
</tr>
<tr>
<td><strong>The person’s drawbacks</strong></td>
<td>Verbose, indecisive, overcautious, overanalyzes, unemotional, nondynamic, controlled and controlling, overserious, rigid nit-picking.</td>
<td>Unrealistic, far-out, fantasy-bound, scattered, devious, out-of-touch, dogmatic, impractical, poor listener.</td>
<td>Impulsive, manipulative, overpersonalizes, sentimental, postponing, guilt-ridden, stirs up conflict, subjective.</td>
<td>Impatient, doesn’t see long-range, status-seeking, self-involved, acts first then thinks, lacks trust in others, nit-picking, impulsive, does not delegate to others.</td>
</tr>
<tr>
<td><strong>Time orientation</strong></td>
<td>Past, present, future</td>
<td>Future</td>
<td>Past</td>
<td>Present</td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td>Desk</td>
<td>Usually neat</td>
<td>Reference books, theory books, etc.</td>
<td>Personal plaques and mementos, family pictures</td>
</tr>
<tr>
<td><strong>Room</strong></td>
<td>Usually has a calculator and computer runs, etc.</td>
<td>Abstract art, bookcases, trend charts, etc.</td>
<td>Decorated warmly with pictures of scenes or people. Antiques.</td>
<td>Usually a mess with piles of papers, etc. Action pictures or pictures of the manufacturing plant or products on the wall.</td>
</tr>
<tr>
<td><strong>Dress</strong></td>
<td>Neat and conservative.</td>
<td>Mod or rumpled.</td>
<td>Current styles or informal.</td>
<td>No jacket; loose tie or functional work clothes.</td>
</tr>
</tbody>
</table>
9. Social style theory

**Amiable**
- A great emphasis on relationships
- Trusting, friendly, optimistic and generally committed to outcomes

**Drives**
- Results-oriented and focused primarily on the bottom line
- Self-confident, assertive and aggressive

**Analytical**
- A strong need for facts, figures, and details and carefully analyze data
- Organized, systematic

**Expressive**
- Status and approval are important to expressive
- Impulsive, colorful, egocentric...

How do you know?
Use your head, eyes, ears, mouth
9. Social style theory

How do you know?

Use Your Head!
do some research

Use Your Eyes!
through general observation

Use Your Ears!
listening

Use Your Mouth!
asking question and listening carefully to the responses
10. Difficult customers

+ Angry people
+ Complainers
+ Know it alls
+ Silent types
+ Indecisive prospects
+ Greedy customers
11. Viewing Buyers as Decision-Makers

Five basic steps in the buying decision

- Need arousal
- Collection of information
- Information evaluation
- Purchase decision
- Post-purchase
  - + Satisfaction
  - + Dissonance
Exhibit 3-12: Personal, Psychological, and Social Forces that Influence Consumers’ Buying Behavior

**Personal Influences**
- Income
- Age
- Gender
- Situation

**Psychological Influences**
- Past experiences
- Personality
- Attitudes and beliefs
- Perception

**Social Influences**
- Culture
- Social class
- Friends
- Family

**Consumer buying decision process**
- Need arousal
- Collection of information
- Information evaluation
- Purchase decision
- Postpurchase behavior
12. Classifying Buying Situations

- Some decisions are routine
- Some decisions are limited
- Some decisions are extensive
Exhibit 3-10: The Three Classes of Buying Situations

Low Involvement:
- Routine decision making

Limited decision making

High Involvement:
- Extensive decision making
13. Business to business buying situations

- Straight re-buy
- Modified re-buy
- New task or new buy
It is easier to sell a customer than a stranger – especially a satisfied customers! That is why building relationship; keeping in touch after sales is so important to a salesperson’s success.
Summary of Major Selling Issues

- As a salesperson, be knowledgeable

- Understand the characteristics of the target market and how these characteristics relate to the buyer’s behavior

- The individual goes through various steps in the three buying situations of routine decision making, limited decision making, and extensive decision making

- Uncover who is involved in the buying decision and the main factors that influence the decision
Psychological factors include the buyer’s motives, perceptions, learning, attitudes, beliefs, and personality.

Not all prospects will buy your products due to the many factors influencing their buying decision.

Need to uncover buyers’ needs, solve buyers’ problems, and provide the knowledge that allows them to develop personal attitudes toward the product.
THANK YOU