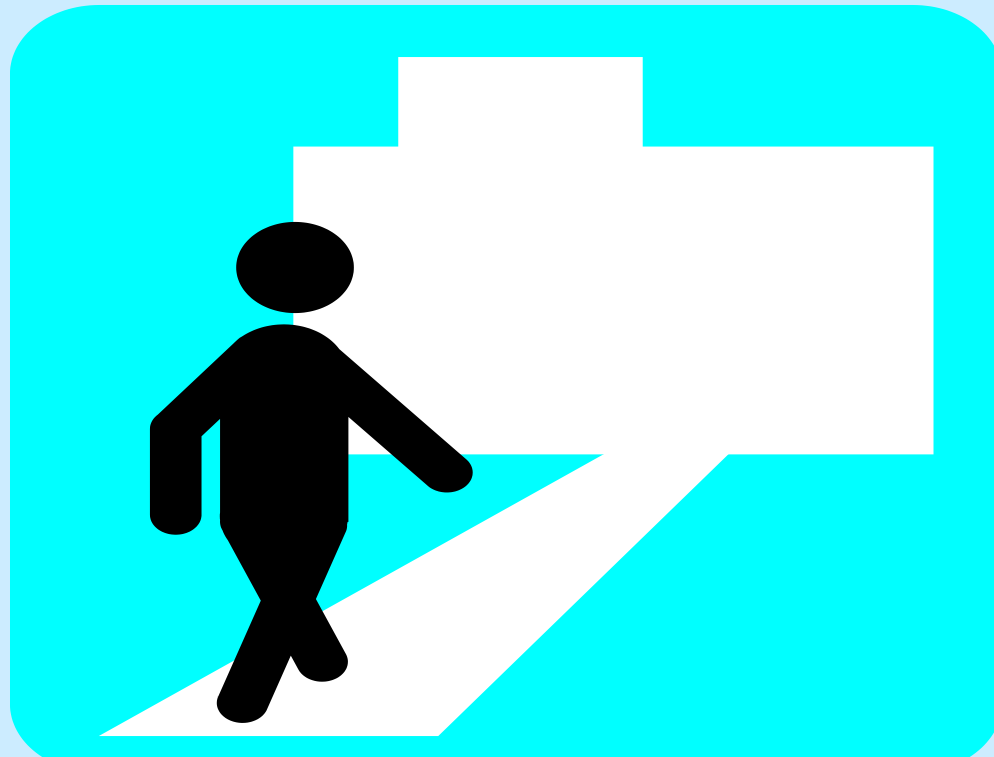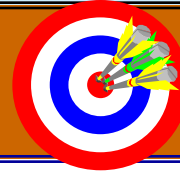# CHAPTER 3.

The Psychology of Selling
Why People Buy, What People Buy

Learning Objective

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

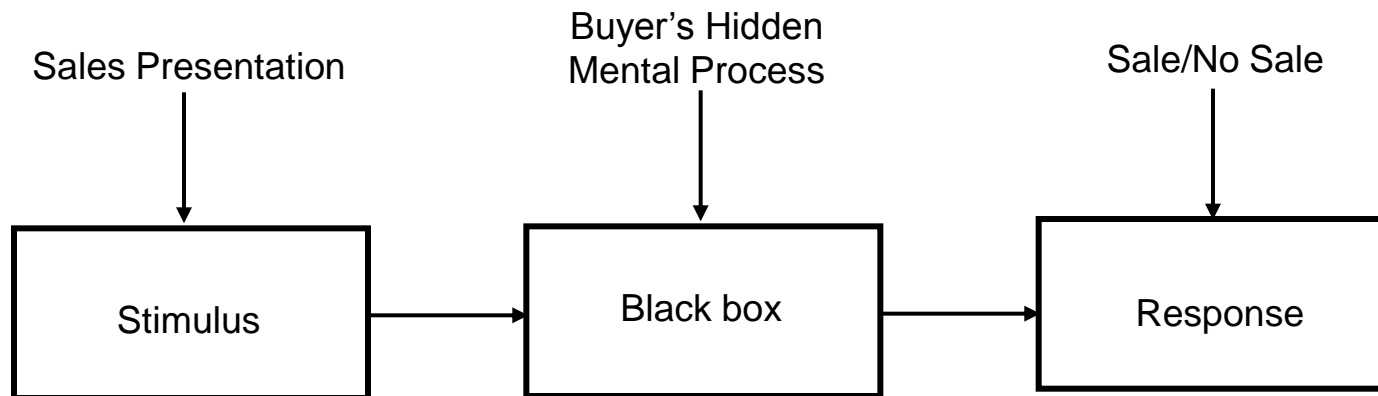| Sales Presentation	Buyer's Hidden Mental Process	Sale/No Sale
Stimulus	Black box	Response

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
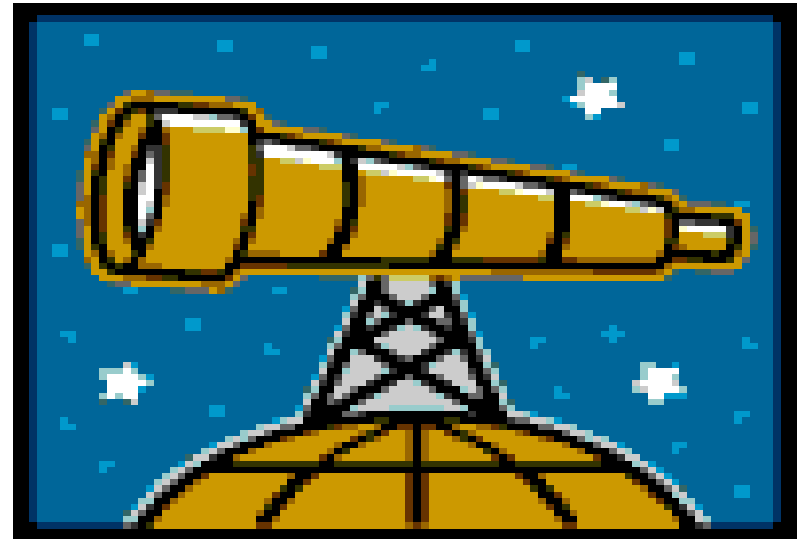
Psychological Influences on Buying cont…

➢ **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**
  - **L**isten
  - **O**bserve
  - **C**ombine
  - **A**sk questions
  - **T**alk to others
  - **E**mpathize

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

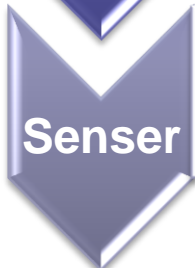|	
Thinker	• A direct, detail- oriented person
Intuitor	• knowledgeable, future-oriented person
Feeler	• People oriented, very sensitive to people
Senser	• Action-oriented person. Deals with the world through the senses

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

Guideline	Thinker	Intuitor	Feeler	Senser
How to describe this person	A direct, detail-oriented person. Likes to deal in sequence on *his/her time*. Very precise, sometimes seen as a nit-picker. Fact-oriented.	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.	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.	Action-oriented person. Deals with the world through his/her senses. Very decisive and has a high energy level.
The person's strengths	Effective communicator, deliberative, prudent, weighs alternatives, stabilizing, objective, rational, analytical, asks questions for more facts.	Original, imaginative, creative, broad-gauged, charismatic, idealist, intellectual, tenacious, ideological, conceptual, involved.	Spontaneous, persuasive, empathetic, grasps traditional values, probing, introspective, draws out feelings of others, loyal, actions based on what has worked in the past.	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.
The person's drawbacks	Verbose, indecisive, overcautious, overanalyzes, unemotional, nondynamic, controlled and controlling, overserious, rigid nit-picking.	Unrealistic, far-out, fantasy-bound, scattered, devious, out-of-touch, dogmatic, impractical, poor listener.	Impulsive, manipulative, overpersonalizes, sentimental, postponing, guilt-ridden, stirs up conflict, subjective.	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.
Time orientation	Past, present, future	Future	Past	Present
Environment				
Desk	Usually neat	Reference books, theory books, etc.	Personal plaques and mementos, family pictures	Chaos
Room	Usually has a calculator and computer runs, etc.	Abstract art, bookcases, trend charts, etc.	Decorated warmly with pictures of scenes or people. Antiques.	Usually a mess with piles of papers, etc. Action pictures or pictures of the manufacturing plant or products on the wall.
Dress	Neat and conservative.	Mod or rumpled.	Current styles or informal.	No jacket; loose tie or functional work clothes.

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
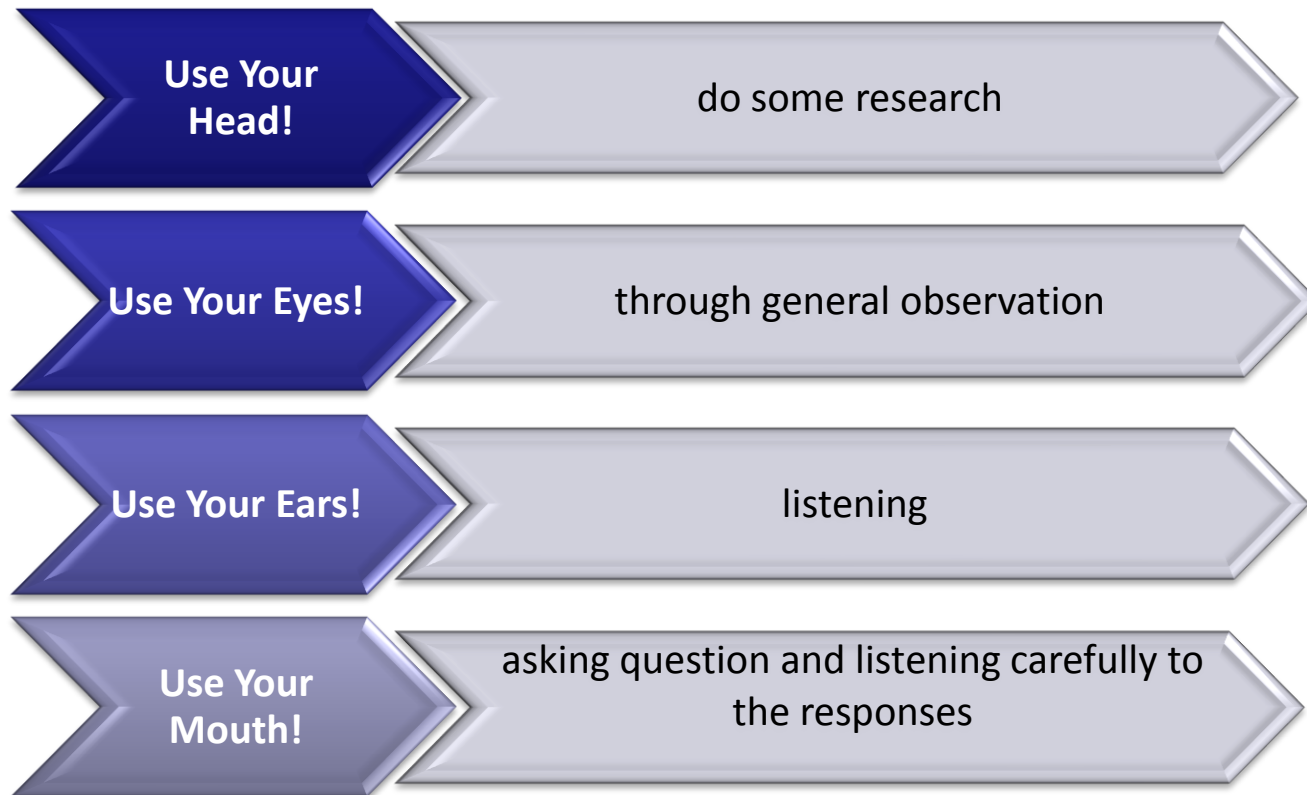- Organized, systematic

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
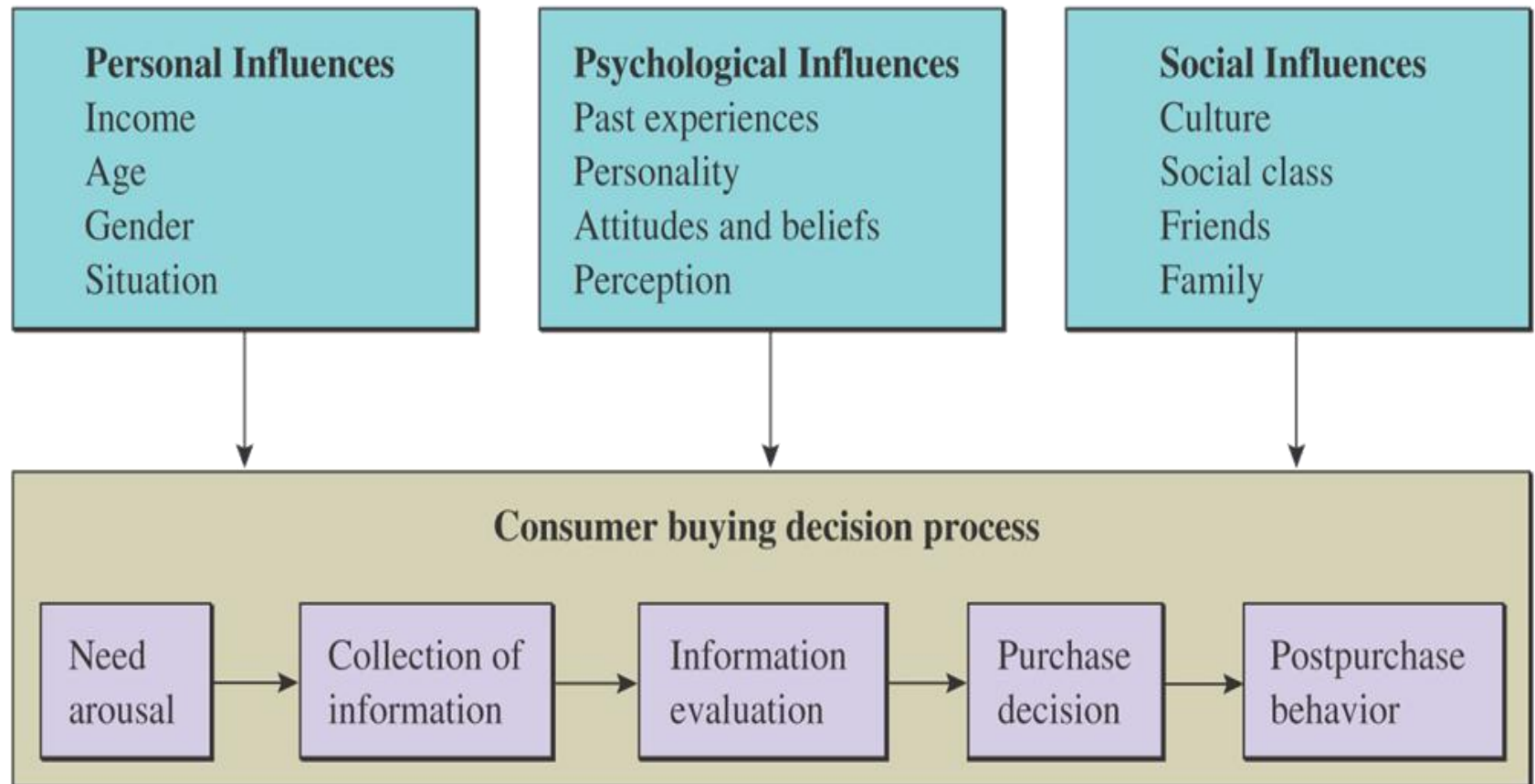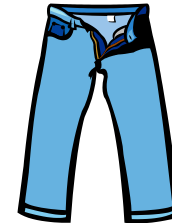
12. Classifying Buying Situations

➢ Some decisions are routine

➢ Some decisions are limited

➢ Some decisions are extensive

# Exhibit 3-10: The Three Classes of Buying Situations

Low Involvement

High Involvement

| Routine decision making | → | Limited decision making | → | Extensive decision making |
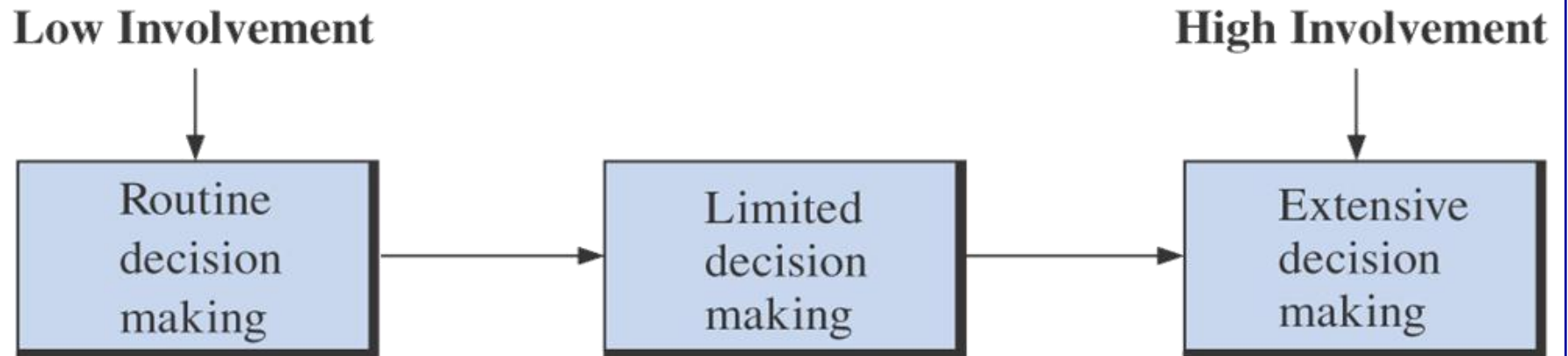
13. Business to business buying situations

➢ Straight re-buy

➢ Modified re-buy

➢ New task or new buy

14. Satisfied customers are easier to sell

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.
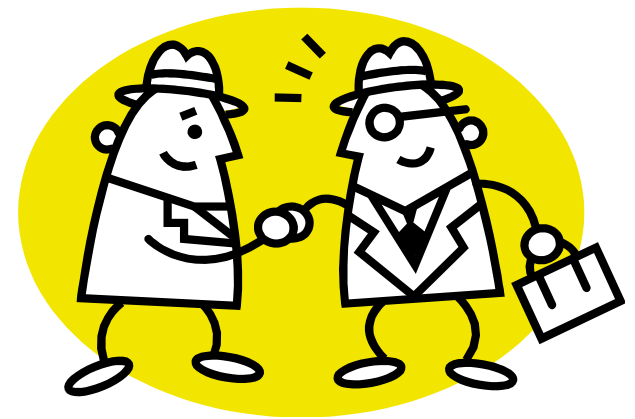
Summary of Major Selling Issues

➢ 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

Summary of Major Selling Issues

➢ 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

THE END

THANK YOU