



The “Neuroeconomics” Of Sales

How Buyers Really Decide

by PAUL CHERRY

Research confirms what you’ve probably suspected: Buyers are deeply irrational beings.

A group of scientists from CalTech, Carnegie Mellon and MIT reviewed studies examining how people buy. Most economists — and many sales training programs — assume buyers make logical decisions about what they need and what’s in their best interests.

Most buyers believe their decisions are the end result of a sensible, step-by-step process. But these “neuroeconomic” studies show the automatic, unconscious process that’s really going on:

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- Buyers buy with their heads second. Logic comes in afterwards as the brain justifies the decision it's already made.

This type of research has profound implications for salespeople. Traditional selling approaches focus on logic and reason: features, benefits and reasons to buy. But if you're engaged with the customer at that level alone, you could be wasting your time: the real decision has already been made.

Some people shy away from emotional appeals when they're selling because they think it's risky or unprofessional. But the emotions are there whether you talk about them or not. If you don't engage the customer's heart as well as head, you're at a disadvantage.

Here's how you can sell more effectively by appealing to a customer's emotions, rather than sticking to the logical reason-based sales approach:

- ***Don't put too much stock in buyers' "official" reasons for buying or not buying.***

Listen to what the customer isn't telling you. They're not trying to mislead you; they simply don't have access to their own unconscious decision-making process. You'll gain much better insight by paying attention to unconscious cues — body language, volume and voice pitch, words suggesting their emotional state.

By determining their hidden pain, you will find the real reason they are unsatisfied with their current situation and will be in a better position to offer an alternative. Acknowledge their frustrations and angers, and use them as a tool to develop a better relationship.

- ***Understand the emotional component of every sale.***
Encourage the customer to express emotion. Lis-

ten until you understand. Then listen until the customer understands you understand.

Research also shows that the more that's at stake, the more these emotional, unconscious forces come into play. People can be quite dispassionate when they're making low-risk purchases. In those cases, a logical selling approach is likely to work well.

But when there's a lot on the line — a lot of money, a promotion, a career, an entire business — emotional or even irrational considerations can overwhelm logic. That's why, for high-stakes sales, connecting with the buyer's emotions is critical.

One way to help keep the buyer's decision-making process on track is by "framing" the issue properly. Studies show that people will react very differently to a proposition when it's presented as "insurance" rather than a "gamble." The risk of loss is emotionally more powerful than the opportunity for gain. Doctors are more likely to recommend a procedure to patients if they're told "the odds of survival are 80%" than "risk of death is 20%."

- ***Respect the buyer's emotions.***

Keep in mind that the risk of loss is emotionally more powerful than the opportunity for gain. We drive even though it's statistically safer to fly. We fear terrorists, but not cholesterol, which kills far more people. Buyers take a great risk when they let their guard down with you. Don't judge. Address the buyer's concerns even if you don't agree with the customer's logic (or lack thereof). Trying to sell prematurely will only drive their decision-making process underground.

Empathy is your most powerful selling tool. Get on the same page, emotionally, as your customer. Your best chance to win the sale is by staying tuned into those buying emotions. Save the factual information for later — the customer will need it to justify why they picked your company over the three other vendors that had lower prices.

Let's say you're talking with a prospect: "So you're looking for a new vendor. Can you tell me why?"

Your prospect replies, "Our current vendor has had trouble meeting deadlines."

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You empathize. “Missed deadlines? Wow. That must have been frustrating...”

Your prospect leans towards you, his voice rising. “You bet. Last time it happened, I had a whole crew standing by. My boss was haranguing me. It was my anniversary and I was stuck late at the office fixing the whole mess....”

Those emotions are driving this customer’s decision-making process. The seller now has an opportunity to become a part of it. This approach isn’t about manipulation; it’s about old-fashioned honest empathy. It requires putting yourself on the line, right along with your buyer.

- **Take emotional risks.**

If your customers are going to put themselves on the line, you’ve got to be willing to do so, too. When you’ve tapped into their emotions, you become part of their decision-making process. Let’s continue the aforementioned conversation with that in mind:

“I appreciate you being so honest with me. Believe me, I know how important deadlines are. I could tell you we’re the most reliable in the business — and we are. I can’t promise we’ll never make a mistake, but I am going to give you my work phone number, my home number, my cell and my pager. If anyone has to miss their anniversary because we made a mistake, it’ll be me, not you. That’s not a promise from my company — that’s from me.”

It’s crucial to connect emotionally with your customer; it’ll be easier to play ball if you’re both in the same stadium. Once you understand the “neuro-economics” guiding your customer’s thinking, you and your customer will both be on the winning team. □

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