

By Stewart Snell

# White Paper: Three Reasons to Buy

**W**hy do people buy things?

*Author Stewart Snell believes sales psychology can be distilled down to three simple motivations. He rather bluntly describes what makes a customer tick, and how you can position your product to align with one of three customer motivations.*

Most technology based businesses we see suffer from one core problem – not enough sales. The world does not beat a path to your door searching for a better mousetrap. Your first responsibility as manager of a technology-based business is to make profitable sales! Then you must make profitable sales week after week, month after month and so on.

People will only buy things that provide value to them.

Customers don't care how hard it was to make, or how much it cost. They are rightly focused on themselves. Most technology companies are aimed at

business customers. We see only three reasons business customers buy things.

## Makes Me Money

The most powerful reason to buy something is that it continues to pay the buyer into the future.

Can your product demonstrably deliver increased returns to your customer's business? Can it do it better than your competitors? Will it continue to do so? If so, make sure your marketing and sales messages and efforts are directed at just that group of customers who can make money from your product.

We think you should always start from here. Identify a group of customers who can make money from your product and build your business around them.



## Saves Me Money (or Time)

This sounds compelling, but many times you will find the customer just doesn't "get it". Customers are not dumb. They know that most claims of savings are not achieved in practice.

Beware of promoting products that save time, but do not lead to staff reductions for your customer. You are better to offer something that reduces the time taken for your customer to produce his product. Productivity improvements increase your customer's margin, and margin is the lifeblood of business.

Can you change your message from cost reduction to productivity improvement? Seek out those customers who can achieve productivity gains and cost reductions. And make sure the payback is quick. In hard times, customers will not spend capital if it pays back over several years. A payback in less than a year is attractive – longer than that and it loses lustre.

## Makes Me Feel Good

Consumers buy things to feel good. Businesses are less likely to. Some businesses will buy things that protect them from pain (insurance, professional advice etc.). Others will buy things to take pain away.

Does your product stop something bad? If so, you can sell it to business customers, but timing is everything. Customers will buy things that are presented at the time they perceive a problem. It is harder for them to feel the pain of a problem that is far away.

## Good Reasons, So...

Technologists find selling the hardest part of their business. It's easy to say "forget technology and put yourself in your customer's mind". It's hard to do that when you've spent years focused on developing your product. That's where professional advisers can help.

Atamo knows technology, product development, marketing and sales. We can provide the external view you need to focus your product benefits on customer needs. ?

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### About the Author

Stewart Snell is a director at Atamo Pty Ltd, ([www.atamo.com.au](http://www.atamo.com.au)) a commercialisation services company based in Perth, Western Australia. Atamo has experience from early-seed funding through to customer support, and *implementation* issues for product development.

