

6.3: How the Buying Process Works

Learning Objectives

- List the steps in the buying process and describe how and why the process is evolving.
- Understand the role of emotions in the buying decision.
- Learn how to use FAB for effective selling.

For years, the buying process was considered to be linear; scholars and researchers who closely monitored buying behavior identified several steps that the B2B customer goes through before she makes a purchase. It's helpful to understand these steps to appreciate the changes that are taking place, even as you read this.

The Traditional View of the Seven Steps of the B2B Buying Process

You are probably familiar with buying as a consumer. But did you ever think about how Aéropostale decides what products will be in their stores for the spring season, how a restaurant determines which beverages it will offer, or how Hewlett-Packard (HP) identifies which parts it will use to manufacture its printers? The buying process outlines the steps that the B2B customer goes through when he is making a purchasing decision on behalf of the company. This process applies whether the buying decision is being made by an individual or by a buying center.

1. **Recognizing the need.** The buyer realizes there is a need for the product or service. Ron Brauner, "B2B Buying Process: 8 Stages of the Business Sales Funnel," www.ronbrauner.com/?p=68 (accessed August 1, 2009). In the B2B environment, this might occur because of an internal need (e.g., the company needs more office space) or because of a customer need (e.g., green tea is becoming more popular, and so we want to offer it on our menu). This is the ideal opportunity for you to learn about your customers' needs, although it may be difficult to know exactly when a customer or prospective customer is beginning this step. That's why it's important to engage your customer in dialogue to understand their current and future needs. Sometimes, you can help your customer see an opportunity that he didn't realize.

2. **Defining the need.** This step usually involves users as well as initiators to put more definition around the type of product or service that will help meet the need. Ron Brauner, "B2B Buying Process: 8 Stages of the Business Sales Funnel," www.ronbrauner.com/?p=68 (accessed August 1, 2009). For example, in the case of office space, the head of facilities would ask the head of human resources about the types of new positions that will be needed and the type of workspace each requires. He might also ask for insight from each hiring manager or department head in the company, such as the head of operations, marketing, finance, and other areas. This will help him more fully understand the general type of product or service that is needed. Salespeople can play a role in this step of the buying process by sharing information and insights from other customers, without divulging any confidential information.

3. **Developing the specifications.** This is the step at which the exact needs are outlined. Barton A. Weitz, Stephen B. Castleberry, and John F. Tanner, Jr., *Selling: Building Partnerships*, 7th ed. (New York: McGraw-Hill Irwin, 2009), 93. For example, if Target identified the need to create its own brand of DVD player, the appropriate people in the company would determine the exact specifications of the product: what functions it will have, how large it will be, what materials it will be made of, how many colors will be offered, and all other attributes of the product. When a salesperson has a good relationship with a customer, the buyer might ask the salesperson for insights and advice on different features, functionality, and production costs to finalize the product or service specifications.

4. **Searching for appropriate suppliers.** This step is focused on researching potential suppliers. This research can be conducted online by doing a Google search for suppliers of the desired product or service. Ron Brauner, "B2B Buying Process: 8 Stages of the Business Sales Funnel," www.ronbrauner.com/?p=68 (accessed August 1, 2009). Trade associations are also an excellent source as many provide unbiased evaluations of suppliers; for example, Forrester Research publishes a report on Web site analytic tools.

Link

Forrester Research Reports on Web Site Analytics Tools

www.forrester.com/rb/Research/web_analytics_buyers_guide/q/id/53043/t/2

And industry trade shows can be an excellent source of information about prospective suppliers. One of the best ways to identify suppliers is by referrals; use your business network, including LinkedIn, to get feedback about reliable suppliers that might be able to meet your needs.

5. Requesting proposals. This is when the buyer or buying center develops a formal **request for proposal**, often called an RFP, and she identifies several potential vendors that could produce the product or service. Ron Brauner, “B2B Buying Process: 8 Stages of the Business Sales Funnel,” www.ronbrauner.com/?p=68 (accessed August 1, 2009). For example, if Home Depot decided that it wanted to upgrade its bags, the buyer would have determined the specification, quantity, shipping points, usage, and other requirements (e.g., being environmentally friendly), and put the information into a formal document that is sent to several bag manufacturers along with questions about the history of the company, key customers, locations, manufacturing capacity, turnaround time, and other relevant information. Each manufacturer would have the opportunity to respond to the RFP with a formal **proposal**, which means that each company would provide information about their company, capabilities, delivery, and pricing to manufacture the bags. This is an opportunity for a salesperson to respond with a complete proposal that addresses the customer’s needs and concerns. See the sample RFP template for a nonprofit organization below.



Link

RFP Template for a Nonprofit Organization

<http://www.npguides.org/guide/grant1.htm>

6. Evaluating proposals. After the proposals are submitted, the buyer or buying center reviews each one and determines whether the company would be a good fit for the project. At this point, the number of potential vendor choices is narrowed to a select few. Usually, salespeople from each of the chosen companies are invited to meet with the buyer or buying center to discuss the proposal, capabilities, and pricing. Negotiation for pricing, quality, timing, service, and other attributes may also take place during this step. Ron Brauner, “B2B Buying Process: 8 Stages of the Business Sales Funnel,” www.ronbrauner.com/?p=68 (accessed August 1, 2009). This is the step where a salesperson may need to overcome objections, or the reasons why the customer may not want to choose her as the company of choice. Ron Brauner, “B2B Buying Process: 8 Stages of the Business Sales Funnel,” www.ronbrauner.com/?p=68 (accessed August 1, 2009).

7. Making the buying decision. The buyer or buying center chooses one (or the necessary number) of companies to execute the project, finalizes details, negotiates all aspects of the arrangement, and signs a contract. This step requires perseverance and attention to detail on the part of the salesperson. Once the decision is made, the real business of selling begins: delivering the product or service as agreed upon and building the relationship.

8. Postpurchase evaluation. Throughout the buying process, the buyer is provided all the good news: how the new product or service will solve her company’s problems, increase demand, reduce costs, or improve profitability. It is the postpurchase evaluation that tells the tale. Did the product or service perform as promised? Was the delivery and installation done correctly and on time? Are the business results in line with expectations? Is the relationship growing? Do the salesperson and his company really care about the performance of the buyer’s company? Does the salesperson add value to the buyer’s company? This is where the rubber meets the road; it presents an opportunity for the salesperson to communicate, anticipate, and solve any problems that may have arisen. Michael R. Solomon, Greg W. Marshall, and Elnora W. Stuart, *Marketing: Real People, Real Choices*, 5th ed. (Upper Saddle River, NJ: Pearson Prentice Hall, 2008), 190.

The process makes sense and is a flow of systematic steps that leads a B2B buyer through a logical buying process. But there are two flaws in this thinking that significantly impact the buying process and, as a result, the selling process: (1) the Internet changes everything and (2) emotions dominate B2B buying. Geoffrey James, “Is Your Sales Process Obsolete?” BNET, March 30, 2007, blogs.bnet.com/salesmachine/?p=30 (accessed August 1, 2009). Bryan Eisenberg, “Buying Is Not a Rational Decision,” ClickZ, November 26, 2001, <http://www.clickz.com/927221> (accessed August 1, 2009).

The Internet Changes Everything

It used to be that B2B buyers relied on salespeople to get information, demonstrations, and cost about products and services. Salespeople sold, and buyers bought; the world was a simpler place.

Today, B2B buyers are doing the work of two or even three employees because there are fewer people working at companies due to cutbacks and restructuring. The fact is, buyers don’t have the time to meet with salespeople like they used to. And the Internet has

been a game changer. Buyers can not only research product and supplier options online, but they can also see product specifications, view demonstration videos, participate in online forums, get real-time recommendations and feedback from users on social networks, and basically be smarter than any salesperson before he even calls for an appointment. Geoffrey James, “Is Your Sales Process Obsolete?” BNET, March 30, 2007, blogs.bnet.com/salesmachine/?p=30 (accessed August 1, 2009). The power has shifted from sellers to buyers. In fact, the Internet has had such a profound effect on how people make purchasing decisions that the *Wall Street Journal* has coined a new term: “new info shopper.” These are people who can’t buy anything without getting information online first. What’s even more important to note is the fact that 92 percent of new info shoppers have more confidence in the information they get online than from an ad, salesperson, or other company source. Mark Penn, “New Info Shoppers,” January 8, 2009, *Wall Street Journal*, http://online.wsj.com/article/SB123144483005365353.html?mod=dist_smartbrief# (accessed August 1, 2009).

So what’s a salesperson to do? Stop, listen, and help your customer make the best decision for her business, even if it means that she doesn’t buy your product. Despite the importance of the Internet in providing information throughout the buying process, B2B buyers still gather insight from a variety of sources that include salespeople. Successful salespeople are those that truly focus on the buyer’s needs, which may mean giving up the sale and bringing valuable feedback to your company to change the product, service, or other options that are reasons why customers might not buy from you. The new world order requires everyone to rethink the conventional wisdom. *Selling* used to be something you “do to” a customer; now it’s something you “do for” a customer. Geoffrey James, “Is Your Sales Process Obsolete?” BNET, March 30, 2007, blogs.bnet.com/salesmachine/?p=30 (accessed August 1, 2009). The salespeople who win are the ones who listen in person, on the phone, and online, then make the recommendation that is in the customer’s best interest.

Information is no longer the exclusive domain of the salesperson. But great salespeople bring value to their customers with ideas, insights, knowledge, and personal commitment that can’t be duplicated on a Web site, online forum, or even on a social network. And the role of the Internet in B2B buying decisions is changing quickly.

Sales 2.0 has changed the way people seek, receive, and interact online. The Internet used to be only an information source, a place to search Web sites for information. But static Web sites have given way to not only information gathering, but to problem solving. **Crowdsourcing** occurs when a company takes a job that is traditionally done by an employee and issues an “open call,” usually online, to people all over the world to solve the problem. This is a new way for businesses and individuals to leverage the Internet in an efficient and effective way. BrightSightGroup, “Jeff Howe: Crowdsourcing,” video, July 6, 2008, <http://www.youtube.com/watch?v=F0-UtNg3ots> (accessed August 3, 2009). Crowdsourcing uses the wisdom of the crowd in a virtual way to make information and solutions readily available to everyone. This video describes how crowdsourcing has changed the photography business forever.



Crowdsourcing. Learn how to make the crowd work for you..Source: Jeff Howe

Salespeople can embrace crowdsourcing and bring the power of the crowd to solve any customer problem. Facebook, iPhone apps, and YouTube are just three examples of crowdsourcing. Consider this example of the power of the crowd: Apple offered more than 65,000 apps for its iPhone in less than two years, and the number is projected to rise to 300,000 in 2010. Will Park, “Apple Bans Hundreds of Spammer’s iPhone Apps,” *Into Mobile*, August 3, 2009, <http://www.intomobile.com/2009/08/03/apple-bans-hundreds-of-spammers-iphone-apps.html> (accessed August 3, 2009). Daniel Ionescu, “Android Market Hits 20,000 Apps Milestone,” *PC*

World, December 16, 2009, www.pcworld.com/article/184808/android_market_hits_20000_apps_milestone.html (accessed December 20, 2009).

✓ Power Selling: Lessons in Selling from Successful Brands

What's Next? Ask the Crowd

How do content companies know what people will want to read about in six months? How do retailers determine what color will be hot next season? How will car companies know what defines luxury next year?

Trendwatching.com, a global trend service, uses a team of global network of business and marketing-savvy “spotters” (a.k.a. the crowd) in 120 countries to gather data, observe consumers, and talk to the people who are innovators and trendsetters to identify what's next. Trendwatching.com offers a free version of its basic trend reports on its Web site (<http://trendwatching.com>), but also sells premium and customized trend information to all types of companies such as retailers, media companies, manufacturers, and others. Trendwatching.com, <http://trendwatching.com> (accessed August 9, 2009).

The use of technology in B2B selling, especially social networking, will continue to explode as **digital natives** (people, probably like you, who are under the age of 27) move into the workplace and meet the **digital immigrants**, Generation X and baby boomers who accept technology, but developed their online habits during a different time. Processes, behaviors, communication, and decisions will occur differently in the future.

✓ Video Clip

The B2B Buying Process

What will it be like in the future?

www.enquiro.com/b2bresearch

Emotions Dominate B2B Buying

Whether you look at the traditional buying process or the role the Internet plays in providing information, it appears that the B2B buying process is logical and rational, but appearances can be deceiving. Despite the implication and belief that companies make purchasing decisions based on facts, it's a good idea to remember one of the key tenets of B2B buying mentioned earlier: business-to-business means person-to-person. That means that although a B2B buyer is making a decision on behalf of her company, she still behaves like a consumer and is subject to emotions and feelings. “People rationalize buying decisions based on facts, but they make buying decisions based on feeling,” according to Bryan Eisenberg from ClickZ.com. Bryan Eisenberg, “Buying Is Not a Rational Decision,” ClickZ, November 26, 2001, <http://www.clickz.com/927221> (accessed August 1, 2009).

Fear and Trust

You learned in Chapter 3 how important trust is in a relationship. People won't buy from someone they don't trust, which is why some salespeople are more successful than others; they work to establish and develop trust with the customer. People buy when they feel comfortable with the product and the salesperson and when they believe it is the best decision they can make. They want to do business with someone who understands all their needs, not just the needs of the product or service. And because the B2B purchasing process usually includes multiple people, it means that the salesperson needs to develop a relationship and establish trust with as many people involved in the purchasing process as possible.

Although trust is a positive emotion that can influence a sale, an even stronger emotion in B2B buying is fear. B2B buyers have several fears, not the least of which is being taken for a fool. Many executives have had the experience of being told one thing by a salesperson only to learn the hard way that what he said just wasn't true. “People are afraid of being sold,” according to Tom Hopkins, author of *How to Master the Art of Selling*. “Fear of Buying,” Selling Power Sales Management eNewsletter, August 18, 2003, <http://www.sellingpower.com/content/newsletter/issue.php?pc=296> (accessed March 16, 2010). The best way to overcome this fear is to demonstrate that you are trustworthy. That means something as simple as returning a phone call when you say you will, or following up with information as promised. Even the language that you use can signal trust. For example, “initial investment” is a better term than “down payment,” “fee” is more customer-friendly than “commission,” “agreement” says something different than “contract,” and “can't” sounds more negative than “would you consider.” Understand your customer's fear

of buying and replace it with comfort, trust, and confidence—in you. “Fear of Buying,” *Selling Power*, August 18, 2003, <http://www.sellingpower.com/content/newsletter/issue.php?pc=296> (accessed June 21, 2010).

✓ Power Player: Lessons in Selling from Successful Salespeople

Fear as an Opportunity

Norm Brodsky is the owner of an archive-retrieval business called CitiStorage. He is a master salesperson because he is an astute listener and understands how to “listen between the lines” to pick up on customers’ fears. One day he was showing a prospective customer through his facility when she saw all the boxes and said, “Gee, aren’t you afraid of having a fire in this place?” Norm was not concerned at all because he already had backup coverage. But he realized that *she* was afraid of a fire so instead of simply saying that he was not concerned, he took the opportunity to address and respect her fear, not gloss over it. He responded by saying, “Yes, certainly, I’ve thought about the danger of a fire, and let me show you what we’ve done about it.” Norm Brodsky, “Listen and Earn,” *Inc.*, March 1, 1997, www.inc.com/magazine/19980301/878.html (accessed August 9, 2009). He used the opportunity to put her fear to rest, even before his sales presentation.

Some consumer products such as virus protection, security systems, or insurance, appeal to the emotion of fear; consumers balance the assurance of owning it with the pain of acquiring it. (Let’s face it: It’s more fun to buy a new PC than to buy virus protection.) However, in the B2B buying process, the buyer is not the person who experiences the benefits of the product or service she purchased. “Beyond the B2B Buying Funnel: Exciting New Research About How Companies Make Complex Purchases,” Marketo, April 22, 2009, blog.marketo.com/blog/2009/04/beyond-the-b2b-buying-funnel-exciting-new-research-about-how-companies-make-complex-purchases.html (accessed August 1, 2009). The fact is if the product or service doesn’t perform as expected or doesn’t generate the desired results, the decision maker could put their job in jeopardy. “Fear of Buying,” *Selling Power*, August 18, 2003, <http://www.sellingpower.com/content/newsletter/issue.php?pc=296> (accessed June 21, 2010). “B2B buying is all about minimizing fear by minimizing risk,” according to a recent study by Marketo, a B2B marketing company. “Beyond the B2B Buying Funnel: Exciting New Research About How Companies Make Complex Purchases,” Marketo, April 22, 2009, blog.marketo.com/blog/2009/04/beyond-the-b2b-buying-funnel-exciting-new-research-about-how-companies-make-complex-purchases.html (accessed August 1, 2009). There are actually two kinds of risk: **organizational risk** and **personal risk**. Most salespeople address the organizational risk by discussing the rational aspects of the product or service with information such as, “This server accommodates more than five times as much traffic as your current server.” However, it is the personal risk, which is usually not articulated, that has a significant impact on the buying decision. This is especially true today given the focus on personal accountability, budgets, and performance. Imagine being the buyer at a fashion boutique that bought too many plaid skirts and has to request a budget for markdowns, or the decision maker who bought the computer system to power the United States’ government car rebate program, Cash for Clunkers, which was delayed for over three weeks because the system crashed. “Cash for Clunkers Launch Postponed Due to Computer Crash,” *U.S. News and World Report*, July 24, 2009, usnews.rankingsandreviews.com/cars-trucks/daily-news/090724-Breaking-News-Cash-for-Clunkers-Launch-Postponed-by-Computer-Crash (accessed August 4, 2009). Some purchasing decisions at certain companies have been so bad that people have been fired as a result. Every B2B purchaser thinks about nightmares like this, so she is naturally risk-averse. The best approach in these instances is for the salesperson to reassure her that you realize how important it is for her to look good to her boss and throughout her organization as a result of the decision and show her exactly how you will help her do that. “Fear of Buying,” *Selling Power*, August 18, 2003, <http://www.sellingpower.com/content/newsletter/issue.php?pc=296> (accessed June 21, 2010).

Fear is a strong motivator in a B2B buying decision, and it can’t simply be addressed in one meeting or conversation. Successful salespeople are aware of it in each contact and use every opportunity to demonstrate trustworthiness. “It’s how you handle the little things that show customers how you’ll handle the big ones,” says Tom Hopkins. “Fear of Buying,” *Selling Power*, August 18, 2003, <http://www.sellingpower.com/content/newsletter/issue.php?pc=296> (accessed June 21, 2010). It’s best to look at the situation from your customer’s vantage point; you’ll see more clearly how you can deliver value. Bryan Eisenberg, “Buying Is Not a Rational Decision,” ClickZ, November 26, 2001, <http://www.clickz.com/927221> (accessed August 1, 2009).

The Evolving Buying and Selling Processes

The framework for the buying and selling processes has been in place for many years. The buying process changes literally every day and has dramatic impact on the selling process. As a result, the “new” processes are not yet clearly defined. One thing is for certain; the processes are no longer organized, controllable functions. “Linear is so twentieth century,” according to Michael R. Solomon, author of *Consumerspace: Conquering Marketing Strategies for a Branded World*. Michael R. Solomon, *Conquering*

Consumerspace: Marketing Strategies for a Branded World (New York: AMACOM, 2003), 11. Cultural, social, and technological changes will continue to drive companies for even better performance, faster, and with ideas as currency, which will continue to drive change in the buying process.

To understand the impact of the rapid changes occurring in the buying process, it's important to know the basic steps in the selling process. The next seven chapters review the selling process in detail and include insights into how the process is changing. A study by William Moncrief and Greg W. Marshall provides a roadmap for the evolution of the selling process in Table 6.3.2.

Table 6.3.2 The Evolution of the Seven Steps of Selling

Traditional Seven Steps of Selling	Transformative Factors	Evolved Selling Process
1. Prospecting	<ul style="list-style-type: none"> • Telemarketing • Internet selling • Organizational prospecting 	Customer retention and deletion
2. Preapproach	<ul style="list-style-type: none"> • Laptop account data • Support staff 	Database and knowledge management
3. Approach	<ul style="list-style-type: none"> • Build a foundation 	Nurturing the relationship (relationship selling)
4. Presentation	<ul style="list-style-type: none"> • PowerPoint/multimedia • Listening • Team selling • Multiple calls • Value-added • Buying centers 	Marketing the product
5. Overcoming Objections	<ul style="list-style-type: none"> • Predetermining needs 	Problem solving
6. Close	<ul style="list-style-type: none"> • Identifying mutual goals 	Adding value/satisfying needs
7. Follow-Up	<ul style="list-style-type: none"> • Increased effectiveness of communication through technology 	Customer relationship maintenance

Source: Reprinted from *Industrial Marketing Management*, 34/1, William C. Moncrief and Greg W. Marshall, "The Evolution of the Seven Steps of Selling," 13–22, Copyright (2005), with permission from Elsevier.

Buying Process Meets FAB

No matter how the buying process evolves, customers continue to make purchase decisions driven by emotions. You learned how motivating trust and fear are for people who are making B2B buying decisions. Comfort, vanity, convenience, pleasure, desire to succeed, security, prevention of loss, and need to belong are all emotions that motivate purchases. A company may want to build a new building that carries its brand name downtown to signal its importance to the city and business community; that would be an example of vanity as a motivator. Or perhaps the company wants to move its headquarters to a better part of town to provide better security for its employees. Maybe a prominent figure in the community donates a large sum of money to your college motivated by the desire to give back. The same types of motivations apply to B2C purchases: a woman purchases makeup in the hopes of looking as beautiful as the model in the ads, a man buys a sports car in the hopes of turning heads, a student buys a microwave for the convenience of having food when she wants it.

Emotions are the driving force in so many B2C and B2B purchases that you might not even realize it. Consider this: would you buy the product in Figure 6.3.10?

Nutrition Facts	
Serving Size: 1 bag	
Amount per Serving	
Calories 140	Calories from Fat 60
	% Daily Value *
Total Fat 7g	11%
Saturated Fat 1g	5%
Trans Fat 0g	
Cholesterol 0mg	0%
Sodium 170mg	7%
Potassium 0mg	0%
Total Carbohydrate 18g	6%
Dietary Fiber 1g	4%
Sugars 1g	
Protein 2g	4%
Calcium	2%
Iron	2%
Vitamin E	4%
Thiamin (B1)	2%
Riboflavin (B2)	2%
Niacin (B3)	2%
Vitamin B6	4%
Magnesium	4%
Est. Percent of Calories from:	
Fat 45.0% Carbs 51.4%	
Protein 5.7%	

Figure 6.3.10: Nutritional Information. Source: www.thedailyplate.com/nutrition-calories/food/doritos/cool-ranch-ind-bag



Figure 6.3.11: The Doritos bag is more appealing than the nutritional information. Source: <http://fritolay.com/our-snacks/doritos-cool-ranch-chips.html>

So how do you create the same type of emotional appeal with your customers? The answer is simple: FAB.

While you might not consider buying it based on only this factual information, you probably have bought this product based on the emotional appeal of the packaging, advertising, and other marketing messages that tell you that the product is the best late-night snack.

Consider this information that was on the home page of Amazon recently:


3G wireless means books in 60 seconds. No monthly fees, service plans or hunting for Wi-Fi hotspots. Over 300,000 of the most popular books, newspapers, magazines, and blogs available. Amazon.com, www.amazon.com (accessed August 4, 2009).

Amazon truly understands how to use **FAB**, a selling technique that focuses on **F**eatures, **A**dvantages, and **B**enefits, to sell its Kindle electronic reader. FAB is more than a way of selling; it's a way of thinking like your customers. Using the Kindle as an example, here are the details about how to use the FAB approach for effective selling.

- A **feature** is a “physical characteristic” of the product. Charles M. Futrell, *Fundamentals of Selling: Customers for Life through Service*, 10th ed. (New York: McGraw-Hill Irwin, 2008), 114. In the Kindle example above, the *feature* is the 3G wireless capability. Features are characteristics of the product; a feature comparison chart between the Kindle and the Kindle DX is shown below.

Compare Kindle with Kindle DX

Kindle	
Display	6" diagonal E Ink®
Size	8" x 5.3" x 0.36"
Storage	1,500 books
PDF Support	via conversion
Rotating Display	
3G Wireless	✓
Books in Under 60 Seconds	✓
Text-to-Speech	✓
Whispersync	✓
Price	\$299.00

Kindle DX	
Display	9.7" diagonal E Ink®
Size	10.4" x 7.2" x 0.38"
Storage	3,500 books
PDF Support	native PDF reader
Rotating Display	✓
3G Wireless	✓
Books in Under 60 Seconds	✓
Text-to-Speech	✓
Whispersync	✓
Price	\$489.00

[See Details](#)

Figure 6.3.12: Feature Comparison Chart between the Kindle and the Kindle DX. Source: www.amazon.com/dp/B0015T963C

- A product **advantage** is the “performance characteristic” of the product, or what the feature does. Charles M. Futrell, *Fundamentals of Selling: Customers for Life through Service*, 10th ed. (New York: McGraw-Hill Irwin, 2008), 114. In the information about Kindle included at the start of this section, the advantages of the 3G service are that the user doesn't need to hunt for Wi-Fi hotspots and that over 300,000 of the most popular books, newspapers, magazines, and blogs are available in sixty seconds.
- The **benefit** is the “result” the buyer will realize from the product because of the product advantage, or in other words, what the feature does or the result it delivers. Charles M. Futrell, *Fundamentals of Selling: Customers for Life through Service*, 10th ed. (New York: McGraw-Hill Irwin, 2008), 114. The benefit of the Kindle is the fact that you can “rediscover reading anywhere, any time.” Amazon.com, www.amazon.com (accessed August 4, 2009).

✓ Video Clip

Kindle FAB Story

Amazon created an entire video to tell the FAB story of Kindle.

[www.amazon.com/Kindle-Amazons-Wireless-Reading-Generation/dp/B00154JDAI/ref=amb_link_84932831_1?pf_rd_m=ATVPDKIKX0DER&pf_rd_s=center-1&pf_rd_r=1SBQSS8P947CD5QK29MC&pf_rd_t=101&pf_rd_p=485413371&pf_rd_i=507846](http://www.amazon.com/Kindle-Amazons-Wireless-Reading-Generation/dp/B00154JDAI/ref=amb_link_pf_rd_m=ATVPDKIKX0DER&pf_rd_s=center-1&pf_rd_r=1SBQSS8P947CD5QK29MC&pf_rd_t=101&pf_rd_p=485413371&pf_rd_i=507846)

Notice how Amazon skillfully reinforces the benefit of portability by showing someone reading on a beach or a bus.

Why does FAB work? Because customers want to know what a product or service will do for them—not just what it's made of. B2C and B2B customers seek information before making a buying decision but are also driven by emotions. FAB helps you appeal to a customer's rational and emotional buying behavior by providing the most compelling features and factual information and then showing how the features provide an advantage that delivers a benefit. This is how salespeople help customers establish an emotional connection with a product. You remember from Chapter 1 the power of an emotional connection between a customer and a brand.

You probably use FAB sometimes without even realizing it. “My new Lucky Brand jeans have a dirty wash, fit great, and make me look thin. The best part is they were on sale for only \$89.00.” The features are the dirty wash and the fact that they were on sale for \$89.00; the advantage is that they fit well (no easy feat when it comes to jeans); the benefit is that they make you feel like you look thin and, as a result, make you feel good when you wear them. Your statement is much more powerful when you frame it with FAB than if you simply say, “I got some new jeans today for \$89.00.”

Or maybe you stopped into McDonald's and tried one of their new Angus Third Pounders. The product feature is that the burger is one-third of a pound and is available in three flavor options; the advantage is that it is thick and juicy; the benefit is that you will

enjoy the taste and your hunger is satisfied. The FAB message is more compelling than simply saying that you had a hamburger that was one-third of a pound; that would be stopping at the feature and not offering an advantage or benefit.

If you want to be able to use FAB in conversation, simply think in terms of the following:

- **Feature:** what the product *has*
- **Advantage:** what the features *do*
- **Benefit:** what the features *mean* Laura Clampitt Douglas, “Marketing Features vs. Benefits,” *Entrepreneur*, <http://www.entrepreneur.com/magazine/homeofficemagcom/2000/december/34942.html> (accessed August 4, 2009). Bryan Eisenberg, “Want The to Buy? Sell Benefits,” ClickZ.com, April 9, 2001, <http://www.clickz.com/840121> (accessed August 4, 2009).

Table 6.3.3 gives features, advantages, and benefits for some common products.

Table 6.3.3: FAB in Action

Product	Feature	Advantage	Benefit
HP Pavilion Computer	250-GB hard drive	Enough space to store music, pictures, documents, and more.	Do more from playing video games to downloading all of your favorite music and still have space for your homework projects.
Caribbean Vacation	4 all-inclusive nights with airfare for only \$599 per person	Don’t worry about how to budget for the cost of the vacation because everything is included in one low price.	Enjoy a spring break you will never forget on a beach in the Caribbean.
2010 Honda Insight	40 mpg highway/43 mpg city	Lower your gas prices with a fuel-efficient Insight.	Be kind to the environment and travel in comfort for less with an Insight.

For example, if you were describing Netflix in terms of FAB, you might say something like the following:

For only \$8.99 a month you can watch as many movies as you want and never be charged a late fee. You can order online and have a DVD delivered in about a day and exchange it as many times as you want without a late fee, or you can watch streaming video of your favorite movies online anytime. Now that’s total personalized entertainment. Netflix, www.netflix.com (accessed July 12, 2009).

Now look at this FAB statement with the features, advantages, and benefits in bold:

For only **\$8.99 a month** [feature] you can **watch as many movies as you want** and **never be charged a late fee** [advantage]. You can **order online** and **have a DVD delivered in about a day** [advantage] and **exchange it as many times as you want without a late fee** [advantage], or you **can watch streaming video of your favorite movies online anytime** [advantage]. It definitely **saves you time and money** [benefit] and gives you **total personalized entertainment** [benefit].

It’s easy to remember by using the FAB framework as your guide.

[Name feature] means you [name advantage] with the real benefit to you being [name benefit]. Charles M. Futrell, *Fundamentals of Selling: Customers for Life through Service*, 10th ed. (New York: McGraw-Hill Irwin, 2008), 116.

Here’s another example, based on research about the 2009 Nissan Cube: Ben Stewart, “2009 Nissan Cube vs. Kia Soul vs. 2009 Scion xB: 300-Mile Fuel-Economy Test-Drive,” *Popular Mechanics*, February 24, 2009, www.popularmechanics.com/blogs/automotive_news/4306145.html (accessed August 4, 2009).

The Nissan Cube has funky, Japanese-like design and is friendly to the environment with a fuel-efficient 1.8-liter, 4-cylinder engine that gets over 30 miles per gallon. It’s hip, cool, and fun to drive. At \$15,585, it’s a great value for the money.

How to Use FAB

Now that you know what FAB is, you probably want to know how to use it most effectively in selling. Here are three easy steps to put FAB to work for you:

1. **Know your customer.** Benefits speak emotionally to customers in a way that rational facts can't. But you need to know what is important to each customer. The health club that's open twenty-four hours might be attractive to a young professional because he can work out late in the evening after a long day, whereas the club's day care center might be appealing to a young mother. Similarly, in a B2B selling situation in which a buyer is evaluating warehouse space, one customer might be interested in the warehouse because of its state-of-the-art systems, while another might be focused on location. Know what motivates your customer, and then you can craft an effective FAB statement. Laura Clappitt Douglas, "Marketing Features vs. Benefits," *Entrepreneur*, <http://www.entrepreneur.com/magazine/homeofficemagcom/2000/december/34942.html> (accessed August 4, 2009).
2. **Think outside your box.** If you want your FAB to work for your customer, you will need to deliver value in the form of benefits that she can't get from anyone else. Think about your product or service in a different way; talk to people, watch the trends, see what else you can bring when you look at your product or service in a different way. Baking soda had traditionally been used as a leavening agent for baking. Arm & Hammer reinvented baking soda as a way to remove odors from refrigerators. Can you be as creative with the application for your product or service? Laura Clappitt Douglas, "Marketing Features vs. Benefits," *Entrepreneur*, <http://www.entrepreneur.com/magazine/homeofficemagcom/2000/december/34942.html> (accessed August 4, 2009).
3. **Get in touch with your customer's motivation.** Listen, learn, and craft an FAB message that will "have your customer at hello." IMDB, *Jerry McGuire*, written and directed by Cameron Crowe, released December 13, 1996, www.imdb.com/title/tt0116695 (accessed August 4, 2009). Although that might be an overly romantic notion of how selling works, your goal is to have your customer fall in love with your product or service so much that it's something he can't live without. Imagine living without iTunes, your cell phone, or your favorite pair of jeans. That's how your customer should feel about the product or service you are selling. If you understand his motivation, you can deliver features, advantages, and benefits that not only tell him why he should buy, but why he can't afford not to.

Key Takeaways

- The traditional B2B buying process has seven steps: need recognition, defining the need, developing the specifications, searching for appropriate suppliers, evaluating proposals, making the buying decision, and postpurchase evaluation.
- The Internet is a game-changer as it relates to the buying process because information is no longer the exclusive domain of the salesperson; the power has shifted from the seller to the buyer.
- **Crowdsourcing** occurs when a company takes a job that is traditionally done by an employee and issues an "open call," usually online, to people all over the world to solve the problem. Salespeople can use **crowdsourcing** to get the best solutions for their customers.
- Emotions such as comfort, security, convenience, pleasure, and vanity are major motivations for buying decisions.
- Trust and fear are especially important in B2B buying because the decision maker has to consider **organizational risk** and **personal risk** as part of his buying decision.
- The buying process continues to evolve, which changes the selling process; the traditional selling process provides a foundation and insight into the evolution.
- **FAB** (a.k.a. features, advantages, benefits) is the way to appeal to your customer's emotions with factual and emotional appeals.
 - A **feature** is what a product *has*.
 - An **advantage** is what the feature *does*.
 - A **benefit** is what the features *mean* to the customer.

? Exercise 6.3.1

1. Identify a recent major purchase that you made recently. How did you recognize the need for the product or service? Where did you go to gather information about the options that were available to you? Did you use one method or a combination of methods?
2. Contact a buyer at the headquarters of a retailer such as Dick's Sporting Goods, GameStop, Costco, Urban Outfitters, or another company. Ask him about the process he uses to determine which products to put in the retail stores. Is his process similar to the process outlined in this chapter? How does it differ? How does his postpurchase evaluation impact his

decision to buy the product again?

3. Based on the comment that “customers don’t want to be sold,” what should a salesperson do to sell to a customer? Identify an example of a good buying experience and a bad buying experience that you have had recently. Did the salesperson “sell” to you?
4. Describe a situation in which a salesperson might use crowdsourcing.
5. Assume you are a salesperson for a major telecommunications company and you are calling on a major construction company that is considering buying smart phones for the key people in the company. Describe at least one organizational risk and one personal risk that might be involved in the customer’s decision.
6. Identify a feature, advantage, and benefit for each of the following products and services:
 - MTV
 - Kia Sportage
 - Palm Pre
 - Virgin Mobile phone

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