

Lost & Found: Finding Who Cares & Who Pays



By Tom Saine & Thomas Williams

As buying processes become more complex, sellers find it increasingly difficult to identify all of the stakeholders and buying influences. There are two over-riding reasons. First, the seller never bothered to “map” the buying process in the target organization. Without that vital information, it’s difficult to appreciate how multi-layered a buying process can become. Often sales representatives assume that the buying process for one product is the same for other products. That assumption can lead sellers in the wrong direction wasting valuable time on people who have little or no impact on the buying decision.

Second, buying processes across industries are becoming more formal and complex—often controlled by committees and teams. There are several factors contributing to the complexity of buying processes.

- 1. Corporate Collaboration.** As organizations grow in size, they are faced with the challenge of managing their own internal complexity. Instead of having one product that solves multiple problems they are faced with multiple solutions to a single problem. At the executive level, the question is how to overcome increasing complexity, minimize process duplication and avoid incurring unnecessary risk. The answer, at the C-suite level, is organizational collaboration. In order to achieve collaboration and reduce risk, companies are populating buying teams with more executives, technical, financial and clinical (within healthcare) specialists and occasionally consultants, channel partners and end-users.

2. **Mergers, Acquisitions and Expansion.** Mergers, acquisitions and global expansion present buying challenges for many corporations. “Should we include our new partners?” “Should we standardize our buying processes across all newly acquired teams?” From the seller’s perspective, there is no assurance that last year’s buying team or process will be the same as this year’s.
3. **Expanding Role of Procurement.** In most organizations procurement is being pushed to assume a greater role in the oversight and management of buying processes. Faced with financial headwinds and a mandate to preserve cash, procurement has become the force behind standardization, score carding, cost containment and RFPs. In some instances, procurement groups advocate dividing contracts among several suppliers to ensure continuous price competition. In situations where a supplier provides a highly differentiated, dominant product, procurement is quick to forge contracts that ensure uninterrupted supply.

With more stakeholders than ever contributing to the buying process it may be easier for sellers to ask, “Who’s not on the committee?” From procurement’s perspective, they are concerned that vital supplies and services won’t get purchased or delivered on time. It’s become a serious challenge for both buyer and seller.

The Seller’s Challenge: Faced with more stakeholders complicating the buying process, sellers are challenged to identify all the stakeholders involved—including those internal and external to the buying organization—their function and vested interests. Most opportunities are lost because a stakeholder, unknown to the seller, provided input that undermined the seller’s competitive position.

How is the Seller’s World Changing?

- **Sellers are faced with more stakeholders to identify and contact.** Sales cycles are longer requiring more resources while conflicting with other selling opportunities in the sales funnel. It’s difficult for sellers to allocate their time when the buying process continues to lengthen.
- **Sellers will need more internal supporters (sponsors) to manage objections and answer concerns.** It used to be the case that a seller was well positioned if they could develop a single sponsor or advocate on a three person buying team. But what happens if the list of stakeholders grows to 5 or 8?
- **Sellers are faced with less transparency into the buying process.** Often increased formality means limited access. The seller is faced with less

information about the buyers, the function each performs and the information necessary for them to make a decision.

- **Sellers need to establish good working relationships with procurement.** As organizations turn to procurement to standardize and manage buying processes, procurement executives are challenged by many of the same issues facing the seller: size, complexity, information flow and common decision criteria. The challenge to sellers is to build stronger working relationships with the procurement team. The focal issue isn't "how can I get around, past or through procurement?" The challenge is "how can I help procurement do their job so they'll help me do mine?"
- **Sellers are finding it necessary to deploy teams in order to execute their sales strategy.** This means making an early assessment of essential resources. If the seller fails to grasp the enormity of the challenge early they may find themselves out numbered, out flanked, out of time and out of options. The gravity of the situation is multiplied many times for enterprise sellers faced with mergers, acquisitions and global sales opportunities.
- **Sellers are faced with buying teams that are conducting their own research and discovery.** As buying committees and teams become laden with technical specialists buyers are launching product performance and integrity tests instead of relying on sellers for data. Companies are hiring procurement agents who specialize in high-ticket product groups such as IT.

Almost all sellers begin developing their strategy by focusing on a single question, "Who is the 'real' buyer?" As we all know it's a deceptively simple question; one that requires guidance and validation. Even the most successful seller can share more than one story of being misled and deceived.

We need to go well beyond the question itself ("who am I selling to?") and expand the scope of our discovery process while drilling down to determine the function performed by each stakeholder in the buying process. We need to ask, "Who cares?"

In order to sell effectively, the seller needs to answer the "who" questions: "Who do I sell to?" "Who decides?" "Who manages the process?" "Who votes?" "Who is advisory?" "Who plays what role?" "Who can provide me with help and guidance?" "Who is at risk if products or services don't perform as promised?" "Who really cares?"

Questions to Guide Sellers in "Mapping" Stakeholders

The purpose of these 14 questions is to guide and remind sellers of the challenges and obstacles involved in determining who is involved in the buying process and what functions they are likely to play.

1. Who are the members of the buying team or committee?
2. Who performs which function in the buying process?
3. Who has the power to authorize this purchase?
4. Once purchased, who has responsibility for overseeing the implementation, utilization and evaluation of the product or solution?
5. Who at the executive level is pushing the initiative behind the buying process?
6. Who has the authority and power to stop or derail the buying process?
7. Who has the most at risk if the product does not perform as expected?
8. Who will speak on the seller's behalf in meetings or conversations?
9. Are 3rd party sources (either internal or external) involved in the buying process?
10. Who is charged with validating performance claims or building a business case to compare products?
11. Who is controlling access by suppliers to buying team members and the flow of communication?
12. Who opposes change and defends the status quo?
13. Who will provide the seller guidance and information regarding the buying dynamics?
14. Among the stakeholders and buying team members, who is aligned with whom?

Parting Thoughts

There is far less risk in starting with a larger group of stakeholders and reducing the number than to start small and find--late in the buying process--that you've missed key stakeholders. Keep in mind that it always seems to track back to two questions. "Who really authorizes the purchase?" And, "Who really cares?"

Authors: Tom Saine and Thomas J. Williams

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