

THE TRUTH ABOUT WHY PEOPLE BUY...

and why they don't buy... in just 10 minutes!

Donald Cooper, MBA, CSP

Donald Cooper started work at the age of six, sweeping the floor in the family business for 5 cents a day! He earned an MBA from the University of Western Ontario followed by 18 years as a manufacturer and 12 years as a retailer. Winner of seven Awards of Excellence for Marketing and Service Innovation, Donald now speaks internationally on...



"Human Marketing... How to Increase Market Share & Profitability in the Face of Ever-Stronger Competition!" and "Creating a Winning Culture!"

For much of my business life (18 years as a manufacturer and 12 years as a retailer) I was price-driven because I thought that my customers were price-driven... and then, ten years ago, at the lowest point in my life, I was confined to bed for two months recovering from an accident and a business failure.

As I laid there in bed struggling to redefine and reinvent my life, I spent most of my waking hours studying and thinking about what it's really like to be a customer, why people buy... and why they **don't** buy... and then I got out of bed and created a business that tested and proved my conclusions. The result... customers drove up to three hours, in a recession, to do business with us! Sales per square foot were 2½ times the average for our industry and we won seven awards for Excellence in Marketing and Service Innovation, all of which made us famous and attracted even more customers!

WHY PEOPLE BUY... AND DON'T BUY:

So why do people buy? Here it is in a nutshell... *"It is the **stress** in people's lives and their **assumptions** about what will make some of that stress go away that determines what and where they buy."* That's it! People buy things, or services, to make some stress in their life go away. Without stress, either physical or emotional stress, people buy nothing and do nothing!

If you're hungry, or anticipate that you will be, you buy food. *"Hunger"* is a physical stress and eating food makes that stress go away. But, for most of us at least, much of the food that we buy and consume is related to some emotional stress of wanting to feel safe or special.

If you're afraid that your career is going nowhere you might buy some night school courses or training tapes

on computers, marketing, or time management. *"Being afraid"* is emotional stress. Just think of all the things that people buy because they have physical or emotional stress about something or somebody. Then think about all the things that people **don't** buy or do because of some physical or emotional stress... you see, it works both ways!

If your neighbor suddenly buys a new car you may have stress about "keeping up" even though your 7-year-old car is still running perfectly. Stress doesn't have to be logical... it just is... and it's the driving force behind what and where people buy, every time!

I'll bet that you can think of several times in the last few weeks when you've made a purchase and the person to whom you were giving your hard-earned money actually gave you **more** stress than you had before you gave them your money. You see, they don't get it! They think that, in exchange for your money, their job is to give you **more** stress. This is crazy! The truth is that the only real value that we bring to any other human being on this planet is in our ability to make some of their stress go away!

THE THREE STEPS OF HUMAN MARKETING®:

I now speak to hundreds of companies throughout the world about "How to Increase Market Share and Profitability in the Face of Ever-Stronger Competition!". We call it Human Marketing® and it consists of these three steps...

1: Understanding your customers' stress, better than your competitors!

2: Making some of that stress go away, better than your competitors!

And then # 3: Effectively communicating that powerful message.

So, it's a matter of **understanding**, **"doing"** and **communicating**, better than your competitors...and you can do it!

HOW TO GET STARTED?

START BY UNDERSTANDING YOUR CUSTOMERS' STRESS:

To get started, take out your daily planner, right now, and block off 2½ uninterrupted hours in the next few days to sit down with three or four of the brightest people from different parts of your business, or by

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yourself if you're a one-person business, and make a list of the stresses in your customers' lives. Think about...

1. *Their stress about buying **what you sell.***
2. *Their stress about buying it **specifically from you.***
3. *And their stress about **life in general.***

These will be "Living Lists", not carved in stone. Keep updating them as you continue to develop a clearer understanding of your customers and as the world changes around you.

PICK A MARKET NICHE...YOU CAN'T BE AN EXPERT ON EVERYONE'S STRESS:

It's important to understand that you cannot be an expert on everyone's stress and you can't make everyone's stress go away. Focus on a particular group of customers that can be defined by such factors as age, income, location, occupation, aspirations, interest, taste, cultural heritage, or physical or psychological needs or limitations... or as we say in Human Marketing, focus on a group of people that have similar stresses in their lives. Become a true expert on their stress and how to make some of it go away **better** than your competitors. Become their **Trusted and Respected Authority!** Just think of the power of those three words in today's stressful world! Be the Trusted and Respected Authority on making stress go away for specific group of well-understood customers and you will own them for life!

Note: One caution...make sure that the specific market niche on which you will focus is large enough to ensure that your business will be profitable.

CONFIDENCE #1:

In an extensive survey conducted by a leading marketing magazine, thousands of customers were asked to rank various factors in order of importance in their decision to buy or **not** to buy. **Confidence** was rated #1. Quality was #2, Service #3, Selection #4 and Price was #5... 96% of all respondents did not put price first!

As valuable as this information is, I believe that the researchers missed the real point by not asking question #2 *"Exactly what is it that you want to be confident about?"*

I believe that if asked this key question people would say, *"I want to be confident about the quality, the service, the selection and the price!"*. Today's

demanding customers want it all and they want it now... and they want to be "Damn Sure" that they're getting it all and getting it now... and "Damn Sure" shows up in this survey as people wanting to be "Confident". What are you doing to create confidence in you and in your business and what are you doing that might destroy confidence? Study every part of your business. Look for anything that might be destroying customer confidence by creating stress, making a bad impression or causing confusion and doubt. Remember, "Confidence" is #1!

THERE ARE "4 CURRENCIES" IN PEOPLE'S LIVES... NOT JUST ONE:

Now that you have a better understanding of your customers and why they buy, and don't buy, how can you make some of their stress go away, **better** than your competitors?

You do this by helping people get more of four things. We call them the "**4 Currencies**" in people's lives, and they are...

- **Money**
- **Time**
- **Feeling Safe...and,**
- **Feeling Special**

In our concept of Human Marketing, a "Currency" is anything of value to people that they don't have enough of and in today's stressful world those four currencies are Money, Time, Feeling Safe and Feeling Special!

Many business people think that there's only one currency in their customers' lives... Money... so they can think of only one-way to compete... *"cut their price"*!

The truth is that very few people are motivated only by price. Donate **them** to your competitors! For example, have you ever paid more than \$40.00 for a watch? I bet you have. A \$40.00 watch will get you everywhere you want to go, on time, guaranteed, for the rest of your life. So any amount more than \$40.00 that you've ever paid for a watch must be for some reason **other** than getting places on time, which, on the surface, would appear to be the purpose of a watch. You probably paid more money to feel more special or make someone else feel more special if the watch was a gift. If you paid \$1,000.00 for a watch, you paid \$40.00 to get places on time and \$960.00 to feel special! Clearly, the real money is to be made in helping people get the proper mix, for them, of each of the four Currencies.

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NOTE: Keep in mind that customers' requirements for each of the "4 Currencies" can, and will change quickly. For example, customers who generally like to hear all the features and benefits of what you sell and then tell you three cute stories about their kids may be in a desperate hurry this one time and, because you are their Trusted and Respected Authority, they may just want to give you the order... **right now**, without delay and get on with life! Recognize each customer's changing needs for the "4 Currencies" and help them appropriately each time.

When you understand the amazing power of Money, Time, Feeling Safe and Feeling Special you'll create hundreds of ways to compete that are **not** cutting your price...ideas that will allow you to differentiate yourself, to stand out, to be Noticed, Remembered, Trusted, and Preferred and, if you do them wonderfully enough, to actually become "Famous"! Famous for creating a healthy, profitable business that makes a real difference in people's lives!

MAKING IT HAPPEN... THE NEXT STEP:

Now, block off another 2½ hours with the same small group of staff, look at every part of your business and start making a list of the hundreds of things that you will fix or do that will create Confidence in every part of your business and help people get more of the "4 Currencies" in ways that will make some of their stress go away, **better** than your competitors. Once again, this is a "Living List". Add to it regularly... and here's a bonus! When you're truly focused on adding more value to your customers' lives, every experience you have, good or bad, will help trigger powerful new marketing and service ideas. Life will become free research!

Start a Marketing and Service Innovation File. Every time you get an idea from something that you hear or read, or something that happens to you when you're a customer, make a note and drop it into your Innovation File. Through this simple process you will continue to generate more great ideas than you could ever use!

Now that you're well on your way to creating an ongoing list of hundreds of innovative ways to compete, become famous and own you customers for life, choose a few of the most do-able, most impactful ideas and set some additional time aside to finalize a concise implementation plan for each, including...

- Quantitative and qualitative outcomes.
- Procedures to ensure clarity and consistency.
- Standards and measurements of performance.

- Staff communications and training.
- Effective and creative communications to customers and prospects so that they will know how amazing you are!

Assign responsibility for each improvement to be made, along with dates for progress reports and completion.

NOTE: Once you have successfully implemented your first innovations, return to your list and pick the next best ideas. Implement those... and then keep on reinventing yourself forever! **"There is no finish line!"**.

THE CHALLENGE!

You now know the truth about why people buy... and why they don't buy! You're in possession of some of the most fundamental yet most powerful insights about marketing in today's stressful world! What will you do with this important information? It's very popular in business today to say that "The person with the best information wins"... but this is simply **not** true! The truth is that it's *"The person who takes effective and consistent action using the best information that wins!"*

You now have the **information**. From that you can develop the **understanding** and take the **action** that will make some of your customers' stress go away...**better** than your competitors! When you do, you will add more value to your customers' lives...and more dollars to your bottom line! I guarantee it!

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