



INSIDE THE BUYER'S MIND

Buyer / Seller Value Index 2016

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The Project

The Altify Buyer / Seller Value Index 2016 is a collaborative initiative between Altify, the global leaders in sales transformation, and [IDD Consult](#) – a strategic procurement consulting company. The study was designed to simultaneously determine the perspectives of buyers and sellers and to uncover alignment and misalignment between them. Throughout this report the buyer viewpoint is largely informed by IDD Consult’s experience from the customer or buyer side, and the seller viewpoint is based on [Altify](#)’s experience of working with the revenue teams of thousands of the world’s largest enterprises.

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A study of this magnitude is not possible without the support of our sponsors. Thank you.



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Foreword

Foreword

When this study was first proposed to me I stopped and pinched myself. Really? Finally? It felt like that line from Adele's song, "Hello, from the other side." Then I read Donal Daly's book *Battling the 57% - Deconstructing the Buyer-Seller dance*, and I couldn't agree quickly enough. This was a unique opportunity to look at both sides of the buyer/seller coin, to gain unprecedented insight into their engagement, and see whether my personal hypothesis – that buyers can deliver greater value than just negotiating price – was built on sand or stood on a more solid foundation.

For most of my professional life I've been of the opinion that effective sellers provide value to their prospective buyers long before a formal project begins and that buyers reward sellers for that investment. When buyers and sellers better understand each other, both sides win. In my experience, that is a truism.

Altify's groundbreaking study validates that both buying and selling start well in advance of the formal process. First impressions matter, with the table set for negotiation well before some people take their seats. A myth has been perpetuated in some circles that buyers conduct a solo-run through the first 57%, 60% or whatever percentage of the buying process without engaging a supplier. As a professional buyer, and as an advisor to countless companies, this has not been my experience. My personal opinion aside, the evidence from the Altify Buyer / Seller Value Index 2016 suggests that more than half of buyers engage really early, even before the business requirements are defined.

The study has given me some wonderful insights. I have felt like Dorothy on the Yellow Brick road, discovering light and shade with every turn:

- Millennial buyers are not as disruptive as you may have thought and they buy more conservatively than Baby-boomers
- Buyers are less tied to incumbent suppliers than sellers believe
- Sellers waste a lot of money in sales meetings that are going nowhere
- Most buyers engage sellers early in the buying process
- Many buyers believe that new sellers are only out to make a sale and are not interested in the customer's business
- The majority of the extended selling team engages primarily with the business stakeholder, not with the professional buyer

Lions and tigers and bears, oh my! These facts might shake up the Wizard (or those who promulgate specious myths about buyer/seller engagement.)

Most importantly, the findings highlight just how much shared value and relationships matter. Working together sooner improves the shared decision intelligence. On average, 70 percent of a company's revenues are spent with outsourced suppliers, so this is

important. Buyers of all shades (business stakeholders, buyers and procurement departments) have a pivotal role to play in this value translation. By engaging early, there is great opportunity to add value while still improving the key metrics of Revenue, Gross Margin, and Profit.

From the selling side, customer centricity starts with the first promise you make and ends with the first promise you break. Show your value by demonstrating that you care enough to learn something about the customer's business before you talk about your product. From our side, we need you as expert salespeople to help us be successful. You've worked with lots of other customers, so you can teach each new customer something new. If you are unable or unwilling to do that, or if you believe that the customer has already made up their mind, then you will probably be outsold every time.

If either sellers or buyers take a position of *'I win, you lose'*, then we all lose. Procurement has much to learn from sales, are not just *'value extractors'*. Cost is only one criterion in a blended decision methodology, rarely accounting for more than 30% weighting. Let's stop using it as the excuse for a shallow engagement.

The Altify Buyer / Seller Value Index 2016 can help those on the buying side to broaden horizons and focus on sustainable relationships. We are in fact two sides of the same coin. This project is unique – the first of its kind, and I have to acknowledge and thank Donal Daly, CEO of Altify, for his vision in seeing the need for this study, his respect for buyers and all his customers, and his patience and time in helping nurture this to completion. It takes a brave and curious soul.

My gratitude goes out to those buying professionals who share my goal of 'value delivered beyond cost savings' and specifically to those who supported this important study. A special note of thanks is due to Kelly Barner at Buyers Meeting Point, Andrew Daley at Edbury Daley, Darragh McCarthy at Morgan McKinley, and Dr. David McKeivitt of University College Cork.

I hope you find the Altify Buyer / Seller Value Index valuable, and that you continue your journey with a little more information than you had when you started. See you on the other side.

Ingrid De Doncker

CEO IDD Consult



Introduction

Introduction

There are a lot of sales people in the world, and quite a few buyers. According to the US Bureau of Labor Statistics, there were 14,489, 280 people employed in sales in May 2014, estimated to grow at about 5% per year. Using the same reference point, professional buyers numbered 961,500. Taking a broader, less scientific view of the world, professionals registered on LinkedIn with sales related titles topped 35,000,000 in 2016, while the number of buyers and other procurement professionals were just short of 3,700,000.

Considering that the interaction between buyers and sellers is the fulcrum around which the world's economy pivots, understanding this landscape and the different perspectives and varied viewpoints is critical. Our research shows some fundamental gaps between the two protagonists in the buyer/seller dance; while at the same time uncovers areas where the level of alignment is greater than many may expect.

The traditional view is that there are few distinct viewpoints in business that are as polarized as those of buying and sales professionals. The uneasy relationship that exists between sales and their buying counterparts impacts almost all types of businesses, but is not as one-dimensional as it may first appear. Engagement varies with complexity of product being offered and complexity of the buying process. Factors such as order value, frequency of purchase, the strategic nature of the purchase and even the demographic profile of participants, all contribute to a varied tapestry that is woven from multiple threads. This characterization of *'Who wins in the Buyer Vs. Seller battle?'* as the only axis upon which success can be measured is inadequate and erroneous. This perspective is rarely held by any who have observed the valuable engagements that occur between those buyers and sellers who bring value to their companies by taking an approach that delivers shared benefit. We know that this path to mutual value is one that sustains relationships and reduces friction and non-productive activities. The findings from this study illuminate this viewpoint.

At Altify we believe that the days of sellers waging battle against buyers - also known as provoking, challenging, deepening the pain - are gone. Now, success comes from getting in the trenches with the customer and working toward a win-win outcome. That's the only path. To survive in a world of supremely educated buyers who, above anything else, are time-poor, hungry for insight and demanding progress, your outcomes will never be great, unless you can assume the customer's perspective, enriched by your experience with other similar customers.

The purpose of this study is to present the perspectives of both buyers and sellers. It is to inform those who occupy both sides of the negotiating table, and to demystify and make transparent the unknowns that get in the way of mutual value attainment. It also

challenges some of the dangerous myths and statistics that are floating out there in the market that can cause unnatural and counter-productive behavior from either buyers or sellers.

We are grateful to the 1,245 people from 66 countries around the world that participated in the Altify Buyer / Seller Value Index, and we are excited to share their opinions and perspectives in this report. We also want to express our appreciation to our research partner IDD Consult, who under the relentless and passionate leadership of Ingrid De Doncker, brought an invaluable perspective and to our sponsors Insidesales.com and [Xactly](http://Xactly.com). They too care about ensuring a more harmonious and aligned engagement between buyers and sellers to contribute to a more productive economy.

We are excited to be bringing this report to you; a blend of viewpoints that has not been seen before, and hope that it will inform your actions on a path to value creation with the customer at the center.

Donal Daly

CEO **Altify**



Executive Summary

Executive Summary

The Altify Buyer / Seller Value Index 2016 was conducted in February and March 2016. The 1,245 participants, from 66 countries, provided unique insight into the interactions between buyers and sellers. Those representing the seller viewpoint counted for 75 percent of the respondents, with business stakeholders and professional buyers making up the remaining 25 percent.

The sales professionals who participated in this study have a different perspective on their role in the buyer / seller engagement and the value they bring to the interaction than their counterparts at the other side of the table. **The perception by sellers of the value they deliver in meetings with their buyers is 40 percent higher than the buyers believe.** In that same vein, sellers have a much more positive interpretation of how well they educate buyers on potential solutions or business issues than the buyer observe.

Contrary to some other analysis, most buyers are looking to the market for help early in their buying journey. **According to this study, 67 percent of buyers engage suppliers early in their buying process before they get to the Solution Evaluation stage of the buying process.** A full 35 percent choose to bring sellers to the table even before a project has been fully initiated. These findings would suggest that believing that a buyer has gone through most of the buying process before engaging a supplier is incorrect and both dangerous and expensive, since early engagement increases a seller's win rate. **Sellers who engage buyers early have a 30 percent greater win rate.** Developing strategies to engage buyers early, and bring value to the buyer early in the buying process is critical for sellers and adds optimal value to buyers.

There is a considerable opportunity for both buyers and sellers to make their interactions more productive. **The direct cost incurred by the average salesperson in conducting meetings with buyers is \$38,635 per year for meetings that never progress to a follow-up meeting.** For buyers this number is \$11,816. Pursuing too many unqualified meetings is costing sales organizations and their companies. According to the US Bureau of Labor Statistics there are 15,000,000 sellers in the US alone and 916,000 buyers. **The total cost to the US economy of these once off meetings is \$591Bn.** On a global basis this translates to a *cost of not doing business* of \$1.4Tn.

Putting the customer at the center of everything you do, and making sure they have a good experience with your company, has never been more important. The findings from this study make that abundantly clear. Just because you have an existing relationship with a customer does not mean you will be the preferred supplier in the future. When buyers were asked whether, when buying a product or service not previously purchased, they preferred to buy from a supplier with whom they had an existing relationship, **41**

percent of buyers said they do not prefer incumbent suppliers. Furthermore, the overwhelming factor that buyers look at when selecting a supplier is their previous experience with that supplier. **53 percent of buyers say that previous history with the supplier is their number one criterion that determines whether they will even invite a supplier to bid.** This is even greater than the expected cost or quality of the products or services being offered.

In many cases too little attention is given by the sales organizations to the sales opportunities that they pursue but do not win. On average, **the annual cost to a company of lost deal pursuit for a salesperson who sells \$1,000,000 is \$218,000.** For a \$2Bn company with a sales team of 200 enterprise sellers of this profile, this cost mounts up very quickly and costs the company \$43.6m per year.

For both sellers and buyers, there's a lot that can be done together to deliver more value to their companies and reduce the cost of non-productive interactions, and uncovering these opportunities was the purpose of the Altify Buyer / Seller Value Index 2016. It is evident from the study that **when both parties work more closely in a trusted relationship earlier in the engagement, the decision intelligence is improved, win rates improve and the deliverable to the buyer improves.**

A long-exposure photograph of a mountain range at night. The sky is a deep, clear blue with a few stars visible. The mountains are dark, with patches of snow or ice on their peaks and ridges. In the foreground, a bright, glowing yellow light trail curves across the rocky terrain, suggesting a long-exposure shot of a light source like a fire or a light painting. The overall mood is mysterious and ethereal.

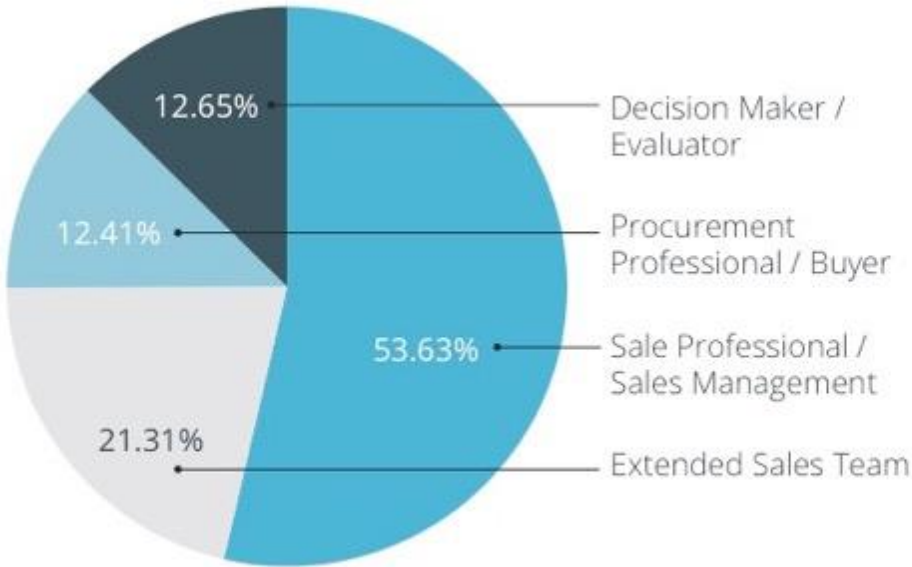
**Whose Story
Is This?**

Whose Story Is This?

1,245 Participants	66 Countries
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Buyers and Sellers Share the Conversation

There were 1,245 participants in the Altify Buyer / Seller Value Index representing 66 countries. As expected sellers outnumber buyers by a factor of three, but we are particularly pleased with the participation of the buying community, given that there are about 10 times more sellers in the world. **The buyers in this study are influential, spending \$5.8Bn in the next year.** Buyers are both business stakeholders and procurement professionals. The combined annual sales targets for the salespeople who participated exceed \$12Bn, so there is a lot of value to be transacted.



Overall, those who shared the seller’s perspective represented just short of 75% of respondents. These included those who took the seller path in the survey: Sales

Professional / Sales Management and the Extended Sales Team. The remaining 25% combined the opinions of the Professional Buyers and Business Stakeholders who are Decision Makers or Evaluators in a purchase process.

Sales Professional / Sales Management with Target / Quota	53.63%
Extended Sales Team with Revenue Target / Quota	21.31%
Procurement Professional / Buyer	12.41%
Decision Maker / Evaluator for Products/Services that your company buys	12.65%

It is a Global Story that Spans all Ages and Roles

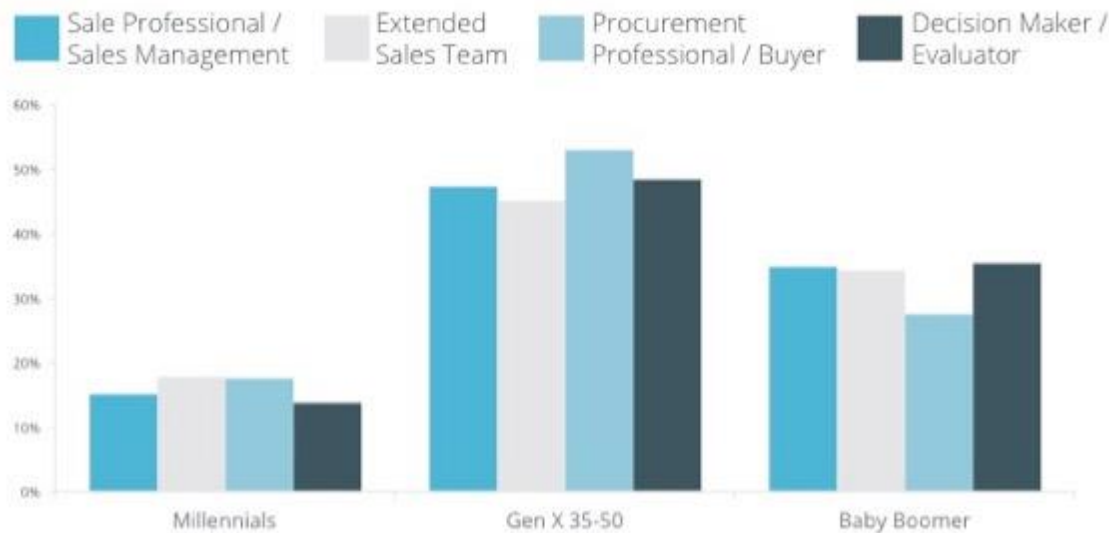
There are 66 countries represented in the Altify Buyer / Seller Value Index. Of the participating companies, it is interesting to note that, while 40% of the participant companies are headquartered in the US, the broader global reach of the US based companies means that market coverage is only 31 percent in North America, while it is 38% in EMEA, 18% in APAC, and 13% in LATAM. The dominant presence of US based companies in other geographies is not surprising, but we think it is noteworthy, as a US headquarters may influence both the approach to commercial interactions and policies or procedures that are followed in the local territory.



We wanted to examine the perspectives of different age groups to evaluate whether the rise of the Millennial professional is a cause for concern or a material facet in buyer/seller engagement. Millennials represent one in six of the respondents, and there is a balanced distribution of age categories represented.

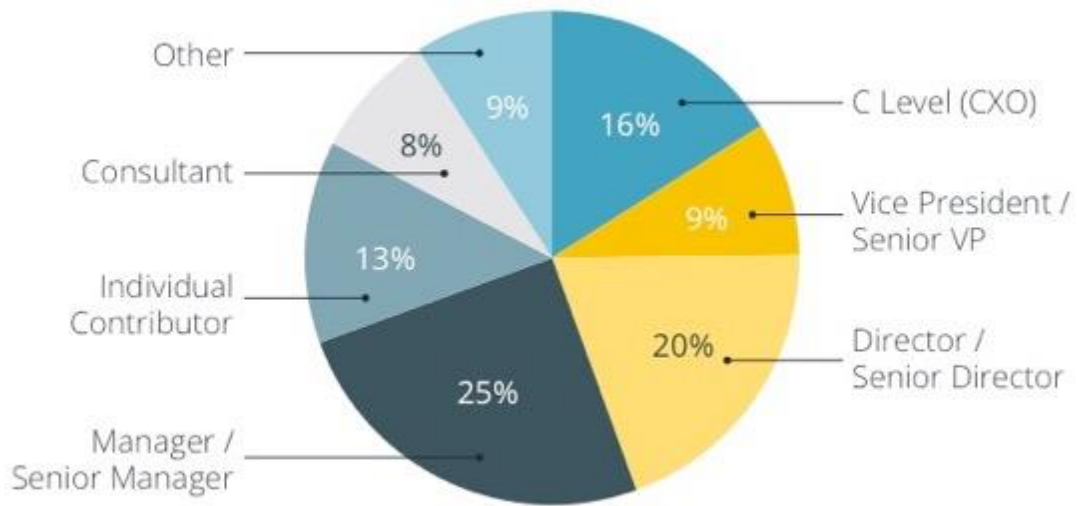
Millennial / Gen Y (<35yrs.)	15.8%
Gen X (35-50yrs.)	47.6%
Baby Boomer (>50yrs.)	33.8%
I'd Rather Not Share	2.8%

The participants were segmented into Sales Professionals, Extended Sales Team, Procurement Professional, or Business Stakeholder / Decision Maker. Each of these segments is well distributed across the age categories.



	Millennials	Gen X 35-50	Baby Boomer
Sales Professional / Sales Management	15.21%	47.16%	34.87%
Extended Sales Team	17.76%	45.17%	34.36%
Procurement Professional / Buyer	17.45%	53.02%	27.52%
Decision Maker / Evaluator	13.73%	48.37%	35.29%

There was a broad distribution of seniority in roles among those who contributed to the study. This gives us a great blend of both tactical and strategic thinking in relation to buyer/seller engagement.

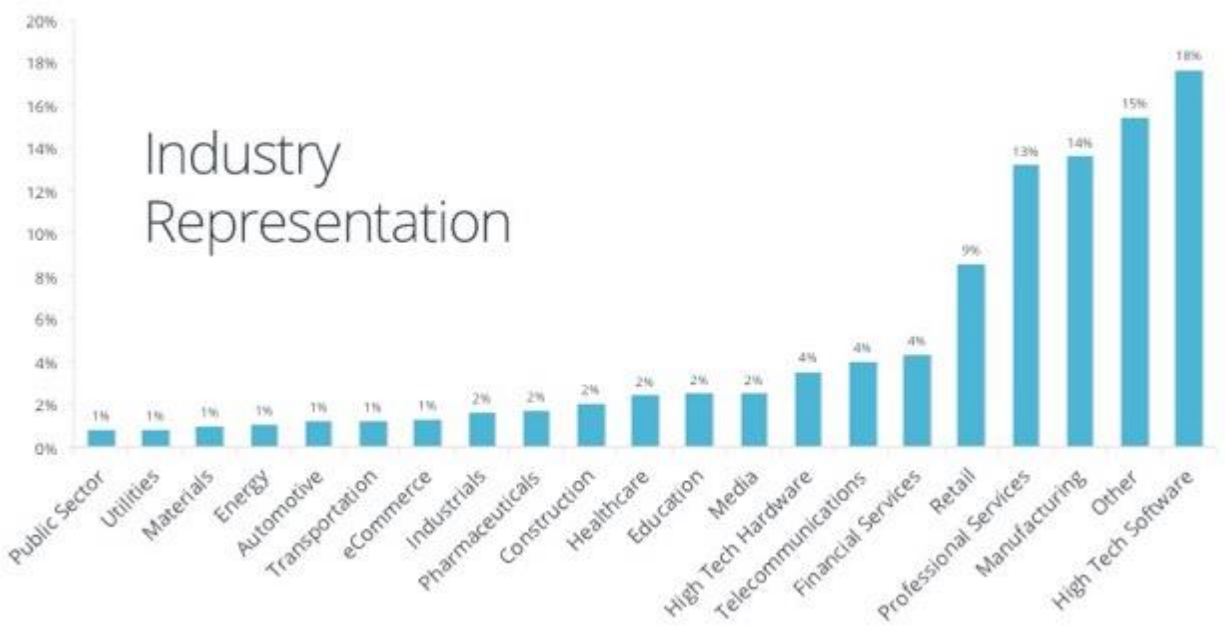


C Level (CXO)	16.04%
Vice President / Senior VP	8.78%
Director / Senior Director	19.63%
Manager / Senior Manager	24.98%
Individual Contributor	13.25%
Consultant	8.22%
Other	9.10%

Major Participation from Software, Manufacturing and Professional Services

'High Tech Software', 'Manufacturing' and 'Professional Services' were joined by 'Other' as the primary industries represented in the Altify Buyer / Seller Value Index 2016. Together this made up nearly 60% of all entries.

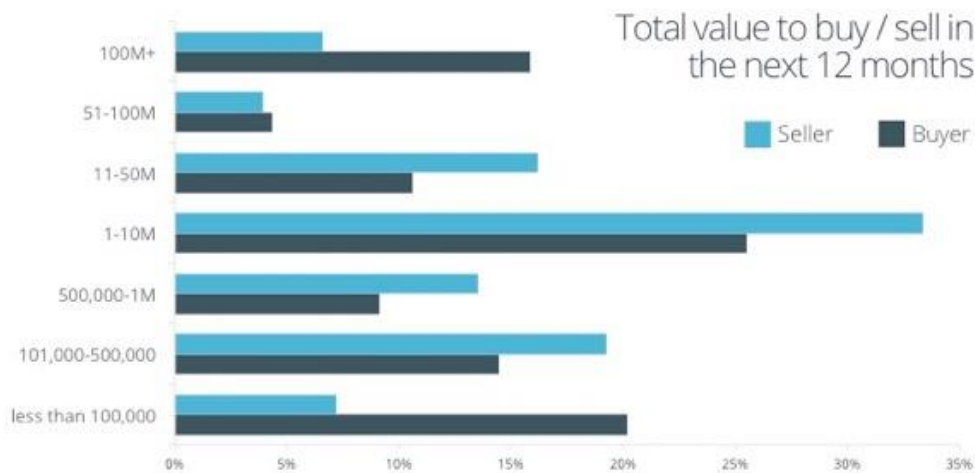
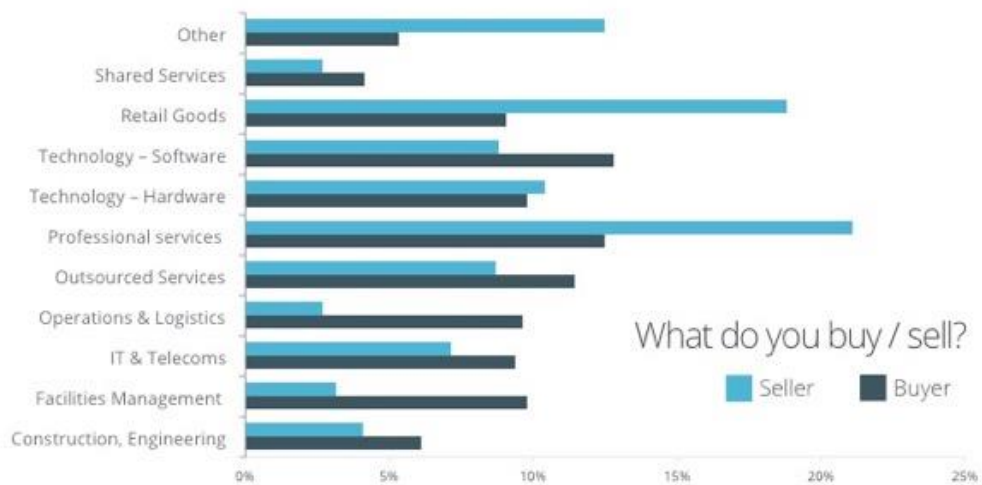
The 'Other' category was significant and included people who recorded their industries as Food, Hospitality, Distribution, Contract Cleaning, Packaging, Agriculture and Consumer Goods.



Major Buyers of Technology / Professional Services / Outsourced Services & Sellers of Professional Services / Retail Goods / Technology

Among the participants, there is a good balance between what buyers buy and what sellers sell. In absolute percentage terms there are significantly more companies who sell Professional Services than there are companies who purchase such services. This is to be expected, as one large company will typically engage multiple smaller Professional Services firms. Similarly, in Retail there are fewer buyers than sellers, highlighting the fact that the small number of large retail chains will purchase goods from the many smaller suppliers. On the other side of the coin we see relatively fewer Facilities

Management and Operations & Logistics suppliers than customers, a real-world reflection of the market-structure of those sectors.



As detailed above, from the 1,245 participants in the Altify Buyer / Seller Value Index, sellers outnumber buyers by about 3:1. The buyers in this study are influential, spending \$5.8Bn in the next year, with most of them spending between \$1m and \$10m. The combined annual sales targets for the salespeople who participated exceed \$12Bn, and the most common range is \$1m and \$10m. But, generally, there is a good representative spread of small and large buyers and sellers that should be representative for most readers.

Analysis and Insights

- **Most buyers (67%) engage sellers early**
- **\$579Bn cost to US salespeople of bad meetings**
- **62% of initial meetings do not progress**
- **Buyers and sellers are misaligned on value**
- **Most buyers (78%) invite 2-5 suppliers to a bid**
- **Buyers are less loyal to incumbent suppliers**
- **Fewer than 3 decision makers in most cases**
- **Most sellers (62%) don't get to decision makers**
- **Buyers and sellers disagree on seller-value-add**
- **Prior experience with supplier is critical**
- **Lost Deal Pursuit costs \$218,000 for \$1M seller**
- **First mover advantage? Buyers don't think so**
- **Buyers see a changing future for salespeople**
- **Seller & Stakeholder add value, Procurement less so**

1. Most buyers (67%) engage sellers early in the buying cycle

Contrary to some current misconceptions, buyers are not in fact conducting much of the buying cycle unaided by sellers, evaluating solutions on their own, only reaching out to suppliers in the late stages of their process. **Over two-thirds, 67 percent, of the buyers seek input from suppliers before they begin to evaluate solutions.** More strikingly, more than one-third (35%) work with suppliers even before a project is identified; and nearly half (48%) look for assistance prior to working on their business requirements.



The results directly contradict an often-quoted statistic that buyers are sixty percent of the way through their buying process before engaging a supplier. As evidenced by the data, buyers need sellers early. This does not mean that buyers are not more educated, or that the world has remained the same, or that buyers rely on sellers to communicate what can be learned from their companies' websites.

Buyers need sellers to create, not just communicate, value – but to do that they need to engage early. Accepting that anything else is the norm is dangerous.

It is important to remember that not all sales or purchases are the same. As **cost** increases and the **complexity** (intellectual property) of products or services being transacted grows, the greater the potential impact on an organization. This usually means that buyers need help from sellers earlier.

Two other important factors that need to be considered from the buyer's perspective are **risk** and **frequency of purchase**. As frequency of purchase increases, organizational impact tends to decrease. As risk increases with cost and complexity or IP value — e.g., in the case of business infrastructure projects or a CRM system — organizational impact increases, along with the buyer's need to engage earlier and more intensively with sellers for guidance and input.

Sellers who engage early have a 30 percent greater win rate. When a buyer contacts a seller earlier, the win rate increases. But sellers can't wait for this to happen; they need to devise strategies to encourage this behavior.



2. The cost to US salespeople of dead-end meetings is \$579Bn

On average, sellers in the United States waste \$38,635 every year conducting sales meetings that never go anywhere; i.e. meetings that do not result in a follow-up. With the 15,000,000 sellers in the US, this translates to a cost, on a national basis, of \$579Bn. When we factor in the cost for the 1,000,000 US buyers as well – with an annual cost per buyer for dead-end meetings of \$11,816 – the annual cost of (potentially) wasted meetings between buyers and sellers is over half a trillion (\$590Bn) in the United States alone. **On a global scale, based on 35m sellers and 3.7m buyers, the total addressable impact is \$1.4Tn.**

Our buying community advised us that they would buy an average of \$27m in the next 12 months. Our sellers have an average sales throughput of \$18m. To achieve these numbers there will be a lot of interaction. For the most effective protagonists on either side, there will be considerable value exchanged. But in other cases there can be a dramatic level of wasted resources. We think that is unacceptable.

In addition to the direct financial cost, there can be considerable frustration and misalignment. Some buyers would suggest that the buying side has the opportunity to implement lean principles and that they should review the value of the engagement through the stages of the complete cycle from the customer's point of view. This can only have a positive impact for the health of the relationship with all parties and reduce the cost to the business

From the selling perspective there is an indisputable fact about sales calls or meetings that is worth considering. A seller can only control two things: who they call on / meet, and what they say when they get there. Ideally a seller is spending adequate time preparing for both.

But the research shows that very few of these engagements are planned. It is all too rare that a salesperson has a detailed plan of what he wants to achieve on the call, so it should not be surprising that many buyer / seller interactions stumble or stagger.

Opportunity cost is not factored into the figures in our study so the overall productivity hit will likely be much higher and very significant to the individual, the company, and the national economy. Our study suggests that the cost of a meeting for a seller is double the cost for a buyer, and that's probably because the seller usually travels to the buyer, not the other way round. Also, a first-time meeting is at least 70 percent more expensive than a follow-up meeting with a known entity. This is all the more reason to be particularly discriminating when deciding to engage in a new relationship.

Sellers are not always terribly discerning when choosing the prospective customers, they should call on, and buyers are not necessarily any better. A full 31% of buyers did not know what it cost them to have a meeting with a supplier; so you might question why

they would worry about the return on investment, or whether it was an effective use of time.

For all parties involved, it is definitely worth the effort to think about the desired outcome of these seller / buyer meetings in advance and have an agreed agenda and common vision of success. It sounds simple and maybe even simplistic, but the very act of seeking to agree to these items in advance will in all likelihood reduce the number of actual meetings being held and make those that happen more productive.

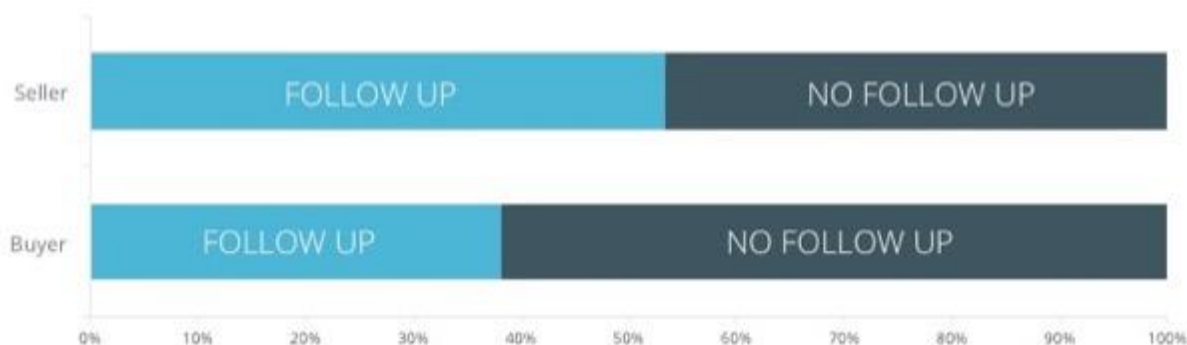
3. 62% of initial meetings do not progress to next meeting

For every five meetings held between salespeople and their customers, less than two progress to a further meeting. **According to those sitting on the buyer side of the table, there are only follow-up meetings in 38 percent of cases.** The sales people suggest that there is a second meeting more than half of the time (53%). That's a lot (40%) of one-sided meetings!

The consequences of this level of misalignment are the huge loss of productivity for buyers and sellers, the opportunity cost, and the direct cost to the companies.

What % of meetings result in a follow-up?

62% of meetings don't have a follow-up.



A simple Sales Call Plan (or meeting plan) can go a long way to reducing wasted sales calls, and save time and cost for both sellers and buyers. For sellers the very act of planning the call – *Why should the customer meet me? What unique business value can I bring? What is going on in the customer's business that I can help them with?* – either highlights the fact that the meeting is not worth having, or, having determined that it is a worthwhile use of time, will make the call more productive.

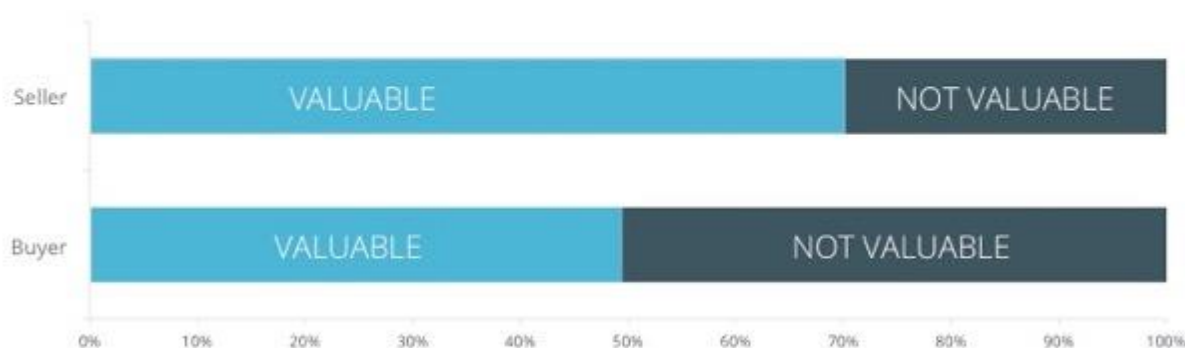
Procurement professionals, a role focused on delivering best value for money, need to see how they can reduce these dead-end meetings and focus on ROI. They too will benefit from a Meeting Plan and might consider the following questions to guide their decisions. *Why should I meet the seller? What unique business value can he/she bring? What is going on in my business that he can help me with? – What is going on in his/her business that he can share that is valuable to my business or me?*

4. Buyers and sellers are misaligned on value of meetings

Consistent with the misalignment on progress outlined in the previous point, the value received by customers when meeting with a salesperson falls short of the buyer's expectation and the seller's perception. **Buyers believe that only 49 percent of the meetings with sellers are valuable**, while the sellers believe they bring value much more often (70%).

What % of meetings are valuable to the customer?

There is misalignment on sales value add.



The differential between sellers and buyers is perhaps a combination of two things.

Firstly, sellers are generally more optimistic than buyers – though in many cases that can be fatal, with sellers seeing an opportunity where there is none.

This misconception of value can be easily overcome with two simple questions that each seller can ask themselves when they exit a meeting.

*'Where is the hard evidence that I actually made progress?
What did the buyer do or commit to do to show that we have advanced in the buying cycle?'*

We have observed many cases where just because the buyer was friendly to the seller, the latter arrived at the erroneous conclusion that real progress had been made – where in fact the buyer was just being nice. Sellers should try to condition themselves to look for measurable evidence of progress and specific actions taken, or agreed to, by the buyer.

On the buyer's side, the buyer should be clear on the value that they are looking to achieve from the meeting and communicate that to the sellers in advance. The meeting plan should help to evidence that value.

- What is our specific business need?
- What are our obstacles?
- Is there a burning platform?
- What is valuable to me?
- How can the supplier support or how can they add value?

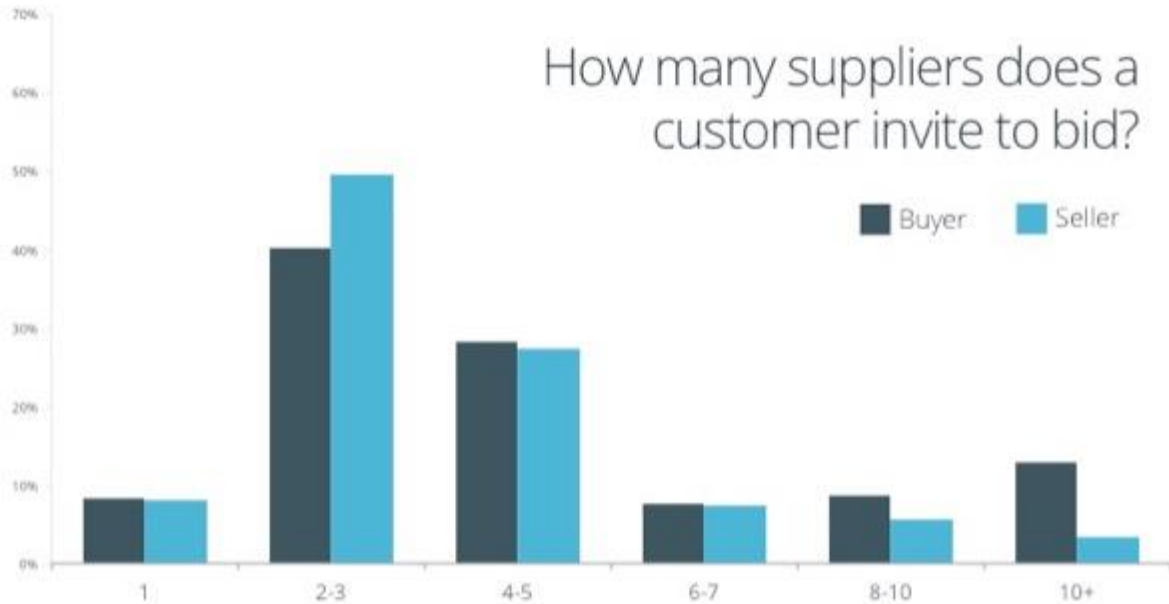
The second, and possibly more systemic problem is that even when the seller does more than just present product features, and articulates the value that the product can deliver; sometimes that still falls short.

It is often the case that the seller, genuinely excited about the potential value of their product, will not consider the application of the product to solve the specific business problem of their prospective customer. They lack a real understanding of the buyer's goals or business problems, and that means that there will be a failure to connect product value to the buyer's actual priority problem.

Even if the seller gets that second meeting, his credibility has been damaged, the unique opportunity to create a first impression has passed, the sales cycle is lengthened and there is more time for the buyer to consider alternative solutions or different projects.

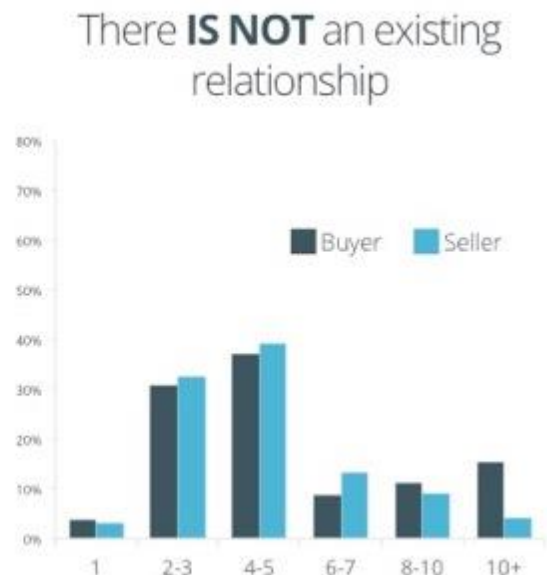
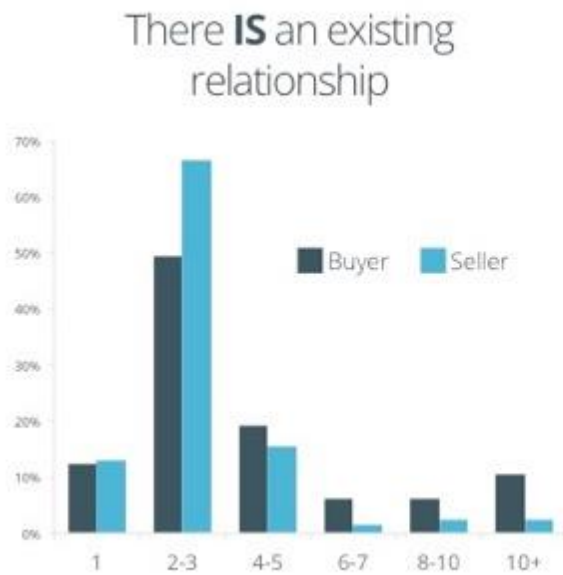
5. Most buyers (78%) invite two to five suppliers to a bid

As you might expect, whenever a buyer starts a buying process, they invite multiple suppliers, in nearly all (92%) cases. 40 percent of buyers bring two or three suppliers to the table. The buyer and seller perspectives on this are fairly aligned on an overall basis.



When the customer already has an existing relationship with a supplier, the numbers are predictably different when compared to a green field purchase.

In the latter case, more than a third (35%) will invite more than five suppliers to the table, with a full 24% inviting more than eight parties to submit for business. By contrast, in only 23% of cases where an existing relationship exists, buyers invite more than five suppliers.



Sellers generally underestimate the number of potential suppliers' buyers will invite. There are policies and requirements in many corporations to have a minimum numbers of quotes in any material purchase, so that should always be considered. Whether all of the invited parties have an equal chance of success will definitely vary from case to case, but the seller must always prepare as if there are real competitors at play.

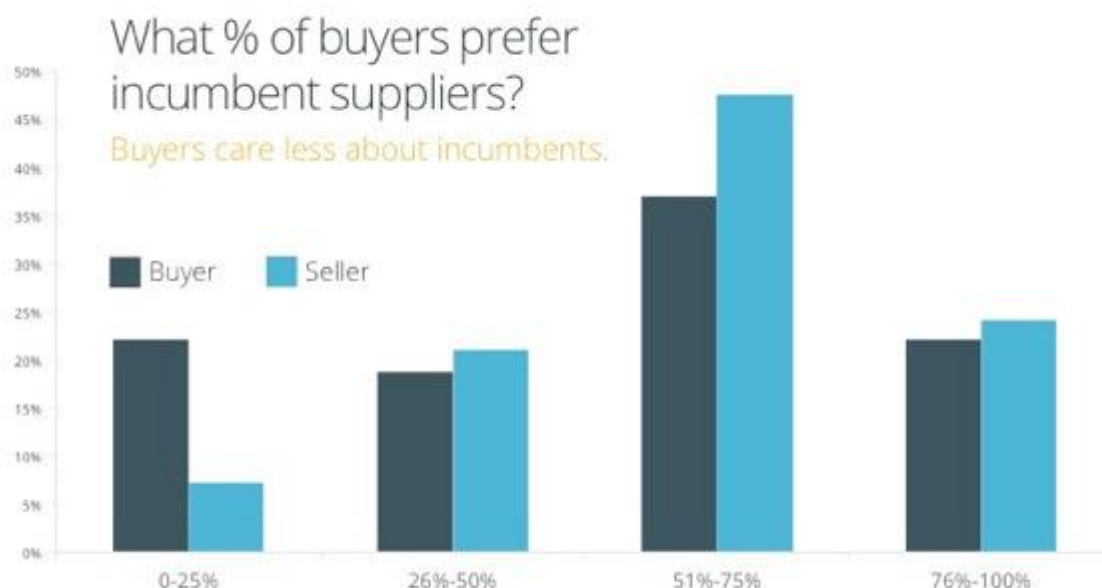
From the buyers' perspective, if they are to do their job effectively then they should bring multiple suppliers to the table for each engagement, gather a broad spectrum of market intelligence from those suppliers, and then benchmark each supplier against a set of weighted decision criteria.

At first glance you may be struck by the fact that there are multiple suppliers invited when there is already an incumbent. But on reflection, we have to consider of course that just because there may be an incumbent supplier, it does not mean that the customer is happy with that supplier.

6. Buyers are less loyal to incumbent suppliers than expected

Sales people feel that they are really facing an uphill battle if trying to sell to a customer who already has a relationship with a competitive provider. The vast majority (70%) is convinced that more than half of the time the customer will go with the devil they know. Not so much, according to the buying community:

41 percent of buyers do not prefer incumbent suppliers, seeking instead to look to the broader market for alternative solutions rather than just stay with the status quo.



When an existing relationship exists, future business in the account should be there for the incumbent to win – if they have delivered on their promise and served their customer well. We know however that buyers will bring two to three different suppliers into the mix on average.

If the existing supplier has done a good job then they should have created a defensible position of competitive advantage, based on previous success and current relationships, which makes the buying process merely a 'tick-the-corporate-box' exercise.

The seller should never take his customers for granted. Buyers are a lot more open to change than sellers believe – and this can be for a variety of reasons. Sellers looking to penetrate an account where there is an incumbent should be less inclined to view this situation as a lost deal waiting to happen.

Many buyers are confronted with the fact that once the sale is made many suppliers fail to deliver on their promise, and as one said *"We don't take much comfort in that saying*

'the devil you know is better than the devil you don't know', if the devil you know is actually a devil.

Buyers have told us that they value information exchange. They want the seller to augment their understanding of the potential solutions to their problems, and many want to spread risk by at least engaging with multiple suppliers.

Every seller understands that everything starts with the customer. The relationship changes with them through many interactions. If you are successful, you will develop a connection or bond, an appropriate alliance that serves both parties well. But first you must appreciate that the voyage you are on together has many crossroads, on- and off-ramps, junctions and stops. It starts before they become a customer, and usually ends, unfortunately, when they become a former customer.

Remember this: Each party should take note.



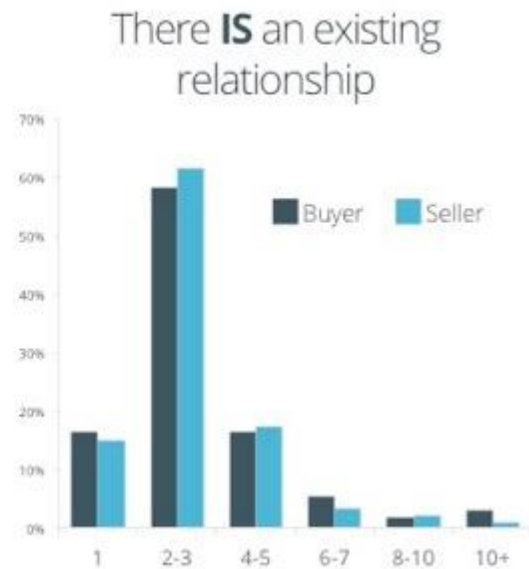
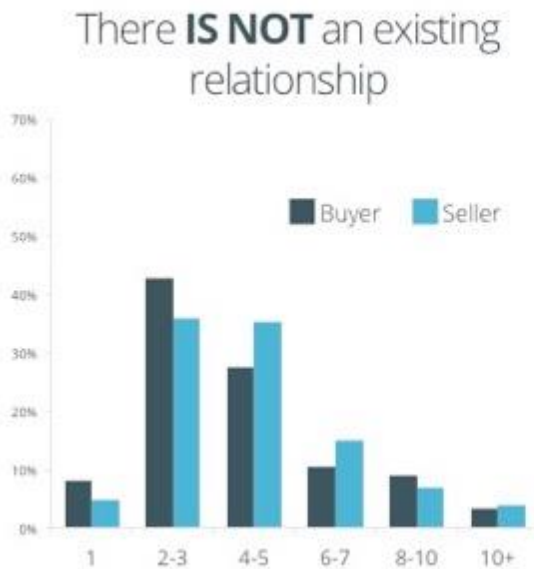
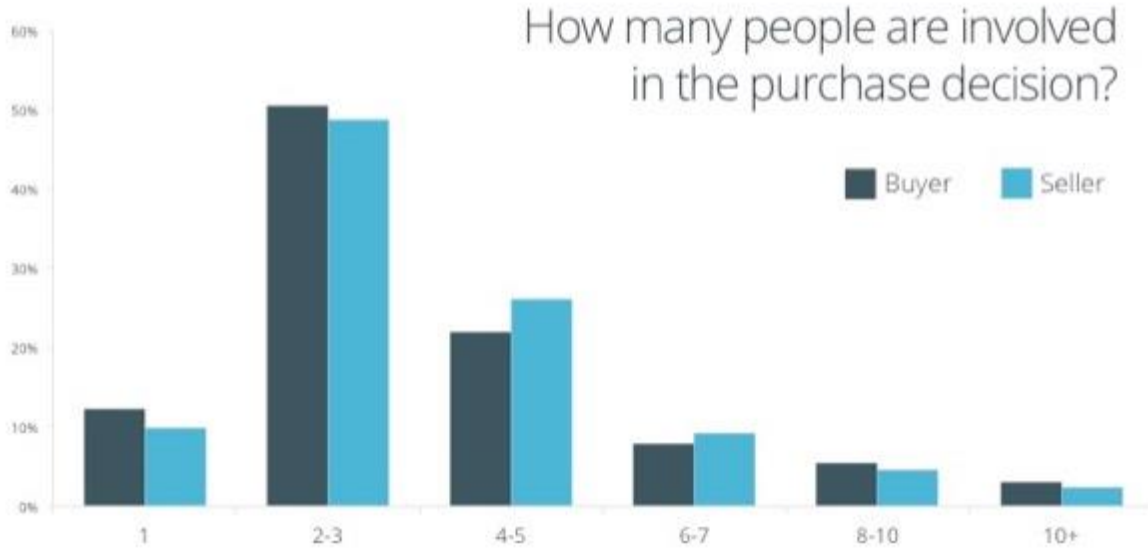
For buyers: you need to objectively assess whether the last decision you made was a good buying decision.

Incumbent suppliers should use the same lens as the buyer uses to make sure the customer's next stop is *Loyal Customer*, not *Former Customer*.

New suppliers need to assess the strength of the incumbent relationship and either help to resolve a bad situation created by the incumbent, or paint a new vision for the buyer.

7. Fewer than 3 decision makers involved in most purchase decisions

From the buyer's perspective there are fewer than three people involved in most purchase decisions. Nearly two thirds of buyers (62%) subscribe to that view and a similar number of sellers (59%) sellers are of the same opinion.



As one might expect, the number of decision makers involved in a purchase decreases when there is a known relationship in place. **For new purchases, 50 percent of buyers will involve four or more people in the process**, whereas if there is already an existing relationship – indicating that the buyer knows how to buy this type of product or service – 74 percent will involve three or fewer members on their evaluation committee.

As a seller you might be forgiven for thinking that being a buyer is easier than being a sales person. All the buyer's got to do is pick a supplier, right? But when the buyer makes that buying decision, we now know that the risk shifts from the supplier to the customer, and the impact on the customer of a poor buying decision is usually greater than the impact on the salesperson of a lost sale.

The buyer must be really sure that the supplier has a deep comprehension of the (sometimes unstated) needs. Uncovering or understanding even one's own wants or desires can be an unyielding search. When that quest is filtered through the lens of another, vision is often blurred, and the picture that emerges is uncertain. In a corporate context, personal and company motives sometimes collide, or at least bring with them varying nuances of aspiration, and a panoply of potential wants and needs explodes. Typically that is why there are multiple decision makers involved on the buy-side.

Each buying organization will be different. Some will want to lead the buy-sell interaction; others are prepared to follow the direction of a trusted supplier. Others are at their most comfortable when working in collaboration with their supplier – and it's this last category that is most common, and certainly most productive, for both buyer and seller alike.

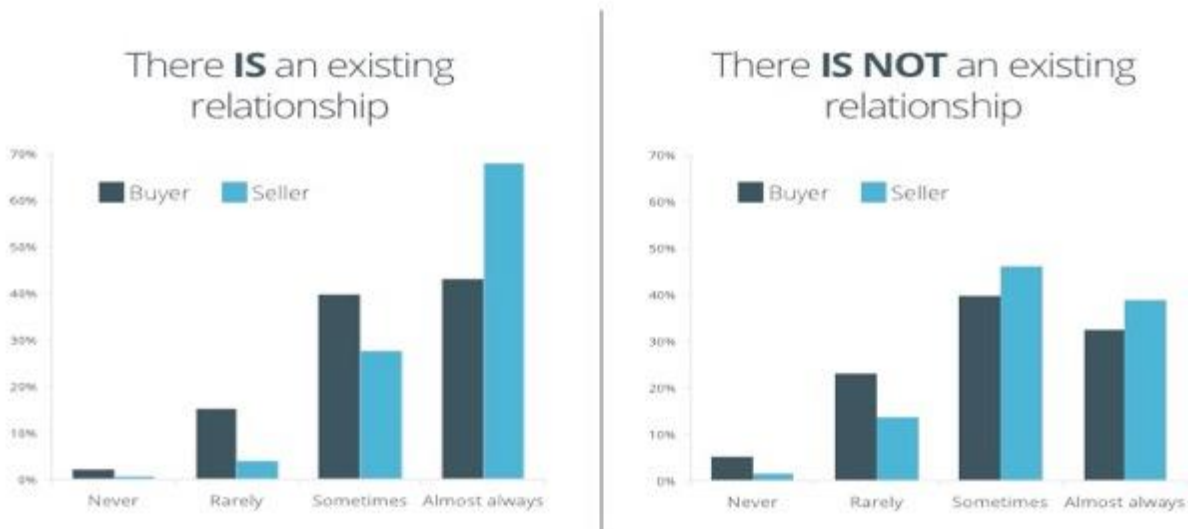
The procurement function is important too. In the study we learned that sellers choose to engage primarily with the business stakeholder and in many cases place little value on the procurement function. Is it any wonder then, that without a strategy to engage with procurement, that the latter or final stages of sales cycles can be frustratingly long (from the seller's perspective?) An interesting question to ponder is not just who holds the purse strings, but who actually influences the decision and the timing of a contract signature. It suggests that a proactive strategy to engage procurement early may well be a productive endeavor.

8. Most sellers (62%) don't excel at getting to decision makers

Most salespeople think that they get to decision makers 'Almost Always', but the buyers disagree. **From the buyer's viewpoint, only 38 percent believe that sellers get to the decision makers most of the time.**



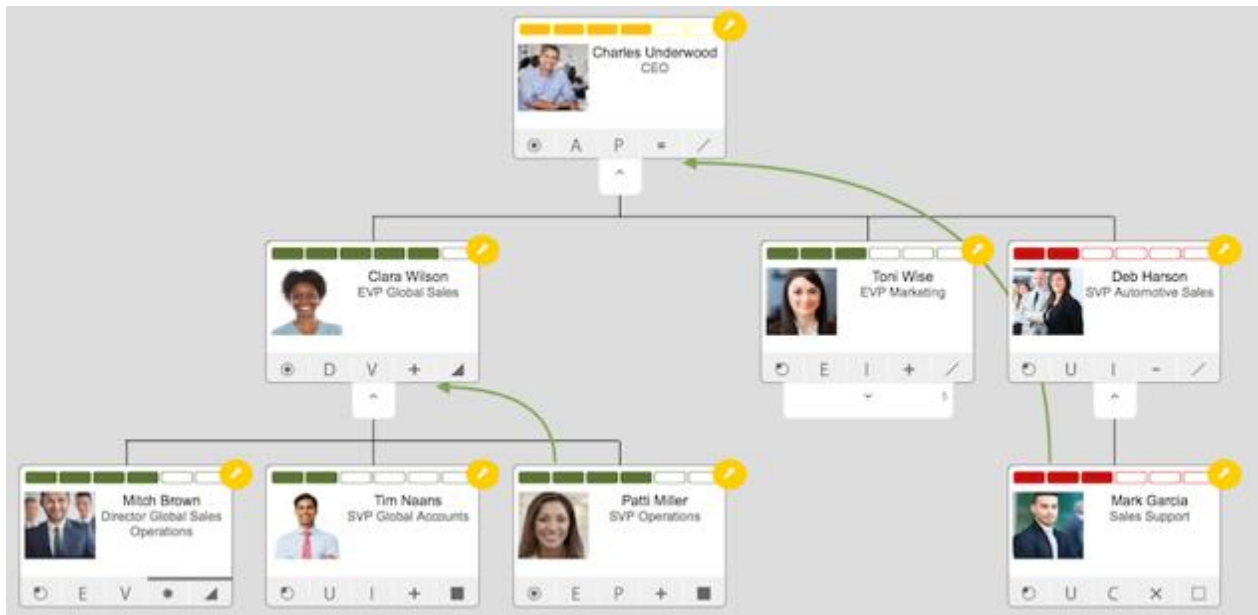
What's striking about the next two charts is that even in the case where a seller has an existing relationship with the account, the buyers believe that the sellers only 'Almost Always' get to the decision makers less than half of the time (42%). The sellers themselves think this is the case 68% of the time.



The data is fairly clear. Sellers are not as good with accessing the key players in the buying situation as they think they are. From other Altify research we know that those who are competent in this area achieve 30% greater quota attainment than those who don't.

The challenge for sellers often is to know how to access the right people, how to bring value that earns them the right to get those meetings. At the same time sellers will sometimes be satisfied with spending time with those on the buy side who are willing to spend time with them, and while this activity may seem productive it is often not the case.

If you are a seller, you should ask yourself how many times have you spent weeks or months on a sales campaign only to learn that one of the key players that you did not connect with had sent the sale in another direction? That's never fun. You need to develop a relationship map (like the chart below) to understand how the buying hierarchy works, who are the people with influence, and develop your coverage plan to access each one.



From the procurement side, there might be value in contemplating the possibility that the seller's view may be right. There is direct engagement between sellers and business stakeholders. Procurement professionals know this to be true, and might not necessarily like it and believe that it adds layers of wasted time and effort because the contract will end up with procurement eventually.

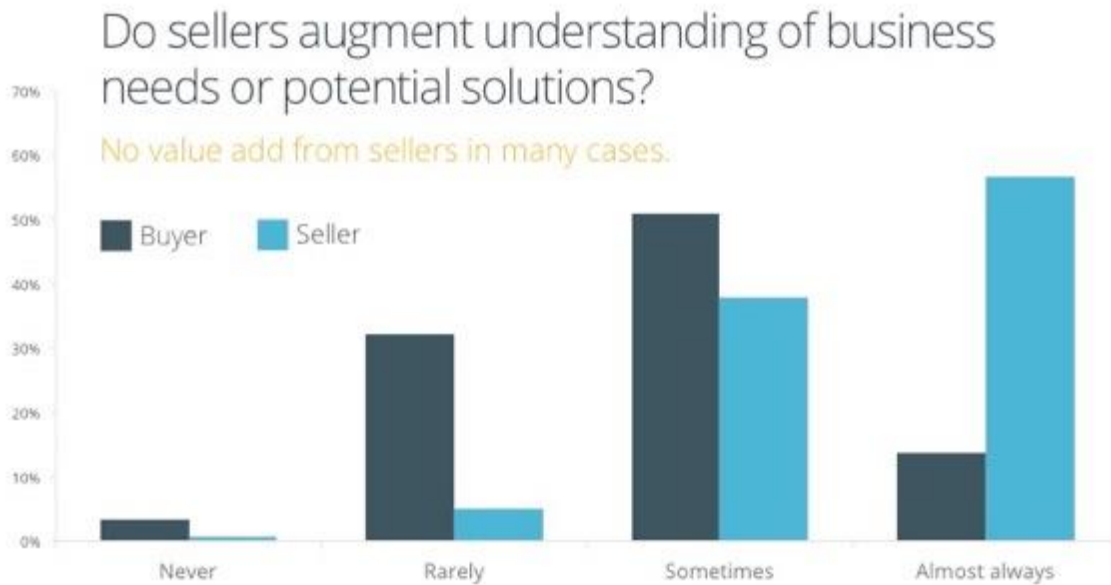
To be considered an intrinsic part of the decision-making process, procurement might align with both business stakeholders and sellers earlier in the process by demonstrating value. If they believe that the seller can bring value, they should stop being gatekeepers and instead assist the seller to gain access to everyone who is impacted to help the seller to design a more complete solution for the business. Then the seller and business stakeholder are more likely to integrate them earlier into the decision-making process.

Only procurement can choose to do this.

9. Buyers and sellers disagree on seller-value-add

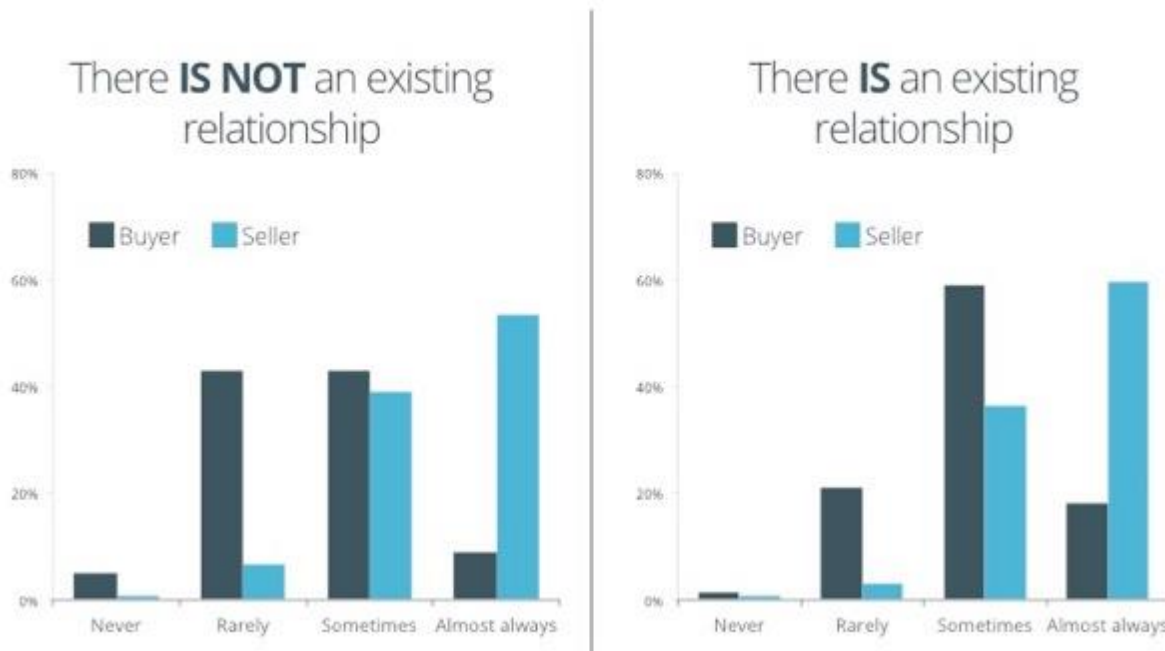
One of the roles of the modern salesperson is to use their experience to bring industry knowledge and proven best practices from similar customers to the customer at hand.

More than half, 56 percent, of sellers think they add value most of the time. Most buyers disagree. In fact more than a third of buyers think that sellers 'Rarely' or 'Never' add value, and just one in seven (14%) would score the Sellers as 'Almost Always' adding value.



We looked to see whether an existing relationship between buyers and sellers would point to higher value add from the sellers – at least in the eye of the beholder (or the budget holder in this case).

There is some improvement in the buyer's perception, but still only 18% ticked the 'Almost Always' box. Sellers were more bullish and recorded a 60% score in that area.



One of the biggest mistakes made by many sales professionals is assuming that all customers are created equal. It's as if they expect some alchemist to stir a magic potion and to serve up cookie-cutter customers, each with the same level of technical savvy, common approach to risk, and similar awareness of their need. But, of course, it isn't so. And when buyers are different, their perception of value is different, and the actions the seller needs to take are different.

While it's reasonable to expect that companies of similar profile might make parallel purchases of similar products, the particular peculiarities of a buyer in one company may well dictate that he doesn't even know that he has a need – even when his counterpart in another company has successfully completed the implementation and progressed to his next project. Customers are different, and you need to embrace the buyer's perspective.

We know from other Altify research that sellers who can uncover the customer's business problems and add value achieve 28% greater quota attainment. Driving value creation is the mission. The seller's job is not to communicate value. Buyers already have a wealth of sources from which to learn about cost, capabilities and benefits; a simple Internet search produces a vast amount of information from company websites, analysts and case studies. Buyers don't need sellers to communicate that type of value. The Internet does that.

Creating unique business value mapped to the buyer's goals and pressures will, in most cases, trump all other competitors. It's a strategy that sellers can use to win and one that brings optimal value to the buyer.

Buyers and sellers might both want to ask themselves these questions to assess how much value the seller is bringing to the engagement.

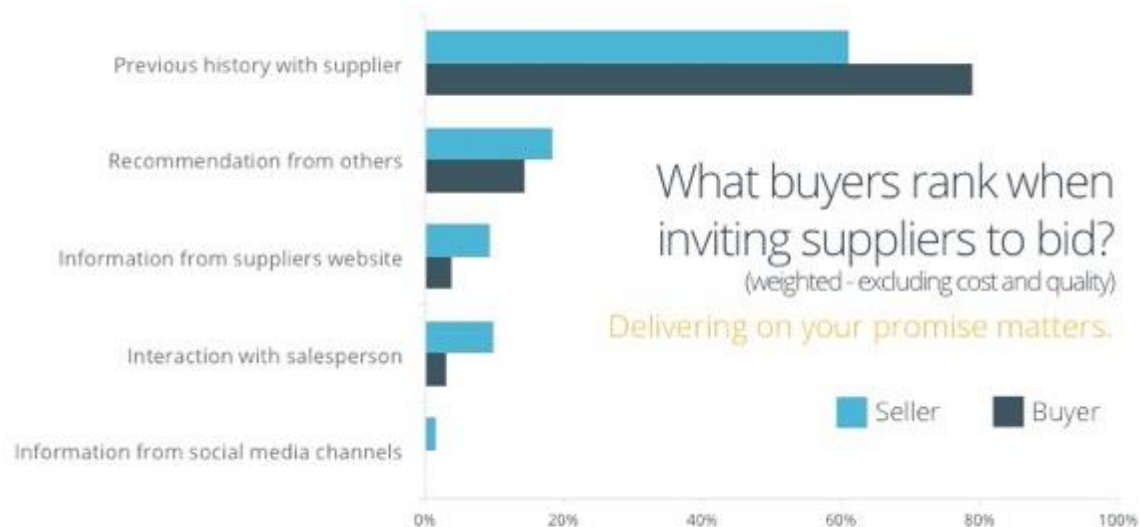
- *Who is driving the conversation?*
- *What did the buyer learn from the seller that they did not already know?*
- *Has the seller spent enough time learning about the buyer's business before pitching their products?*
- *Did the seller develop business insights for the customer, or respond to the business insights that the buyer had already developed?*

10. Prior experience with supplier critical to buyer inviting supplier back

If there is one message that you take away from this study it should be that you have to take care of your customers. **Previous history with a supplier is the single biggest factor that determines if the supplier will be invited to bid for the next piece of business.**

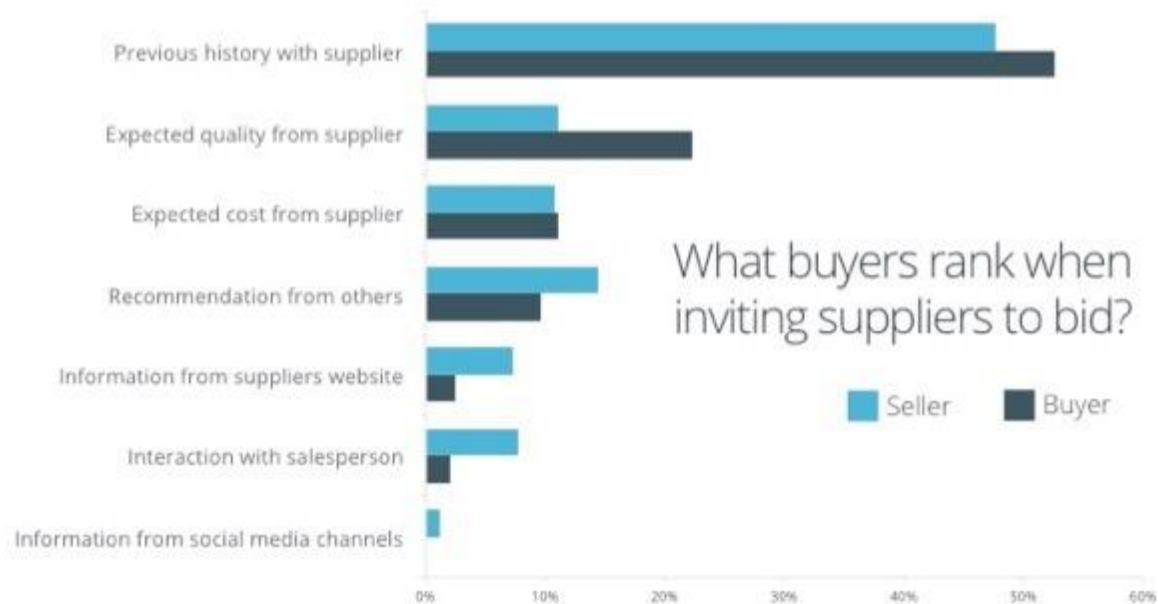
Both sellers and buyers agree on this point. When we excluded the obvious points of Cost and Quality from the equation, the single insight that stood out from nearly all (80% - weighted) of buyers and 61% of sellers was that **the primary factor that customers look to when selecting a supplier to bid for business is previous history with that supplier.**

When you add in 'Recommendations from others' – an influencing factor that is only good if the 'Others' had a good experience with the supplier – then you can almost discount all other factors as indicators as to whether a supplier will be invited. It's not about Cost. It's not about Quality. It's not about your company's website or how good a job the seller did. It comes down to whether you delivered on your promise.



Today's most important currency in the commercial exchange between buyer and seller is customer centricity and **customer centricity starts with the first promise you make and ends with the first promise you break.**

Bringing back in Cost and Quality to the list of factors, we can see that 'Previous history with supplier' is still the most important factor.



It is also interesting to learn that more buyers (22%) care about Quality that sellers (11%) think they do, whereas sellers put Cost and Quality on an a materially equal footing.

While social media is gaining traction with the sales and marketing community, the sellers and buyers in this study believe that **social media has no impact** on the decision to 'invite' or 'be invited' to bid for any business.

A successful business relationship is never one sided. Good history is written when the two parties are invested equally in the pursuit of mutual value. The buyer has to hold up their end and be accountable to the seller to make the partnership work. It is not all down to the seller.

Lasting business relationships between the seller and the buyer, like lasting personal relationships, are built on a foundation of trust that, for each of us, is personal. While always important, trust as a determining factor of business transaction efficacy increases or decreases in amplitude at different phases of the business interaction, because risk transfers from seller to buyer before and after the sale. Be conscious of that shift, bearing in mind that while seller and buyer may be engaged in a commercial interaction for their respective companies, trust is fundamentally personal, and both sides need to take personal responsibility.

11. Cost of Lost Deal Pursuit is \$218,000 for \$1M seller

One of the greatest barriers to sales success is pursuing the wrong deals. This is also a huge organizational cost. With the broad range of participants from both buyers and sellers we were able to dig deep into the cost of Lost Deal Pursuit. The total cost of pursuit will vary from one situation to the next. Invested resources will change depending on the level of, and duration of, the sales engagement. In some cases, sellers will pursue a sales opportunity right up to end before they lose it, and in other cases they will exit the cycle earlier in the process.

By factoring in the success rates as determined by the buyers, for a profile of sale that maps to the seller profile, we could determine that for a salesperson with a quota of \$1,000,000 and an average deal size of \$100,000, the cost of Lost Deal Pursuit for that seller is \$218,000. This is material.

Most organizations do not adequately measure the cost of lost deals. We looked at the total engagements needed for each seller to make their stated annual revenue number, factoring in the stated average deal size in each case. We also looked at similar metrics for the buyers. We were also able to determine the average win rate (21.8%) across all of the engagements by factoring in the number of engagements and the number of signed deals per seller / buyer type.

If a seller delivers \$1m in revenue in a given year, with an average deal size of \$100,000, then that seller needs to win ten deals. At an average win rate of 21%, that means that there needs to be an active pipeline of \$ 4,587,155 or 46 deals with an average deal size of \$100,000. If the seller has to work those 46 deals, then as we know there are approximately three decision makers involved in each deal on average, then the seller will need to interact with 138 decision makers, not counting the other supporting cast members in the buyer's organization.

In the seller's organization there will also be supporting cast members involved in each of the deals. If the company is manufacturing goods based on the sales pipeline, which happens in many cases, and then many of the deals in the pipeline do not materialize, then the overall cost to the business balloons very quickly.

Both buyers and sellers need to do a much better job of qualifying the engagement. Early failure is much better than late failure.

12. First mover advantage? Buyers don't think so

According to 68 percent of sellers it is either Very Important or Critical to be first to engage with a buyer in a project. Buyers disagree. 40% of buyers don't think it is important at all and only 30% believe it to be Very Important or Critical.



Is first not always best? The buyers certainly do not seem to think so. We feel that this may be because there are not enough of the sellers adding value. The buyers need to look for more than one seller to find a seller who is doing a job that is good enough.

If you are the first seller and you add value, then we believe being first makes a material difference. However, the buyers' perspective points to the fact that they are willing to engage with multiple suppliers until they find the right one. If the first seller adds value and helps the buyer set the vision it is much harder for subsequent sellers.

If you are not the first seller to engage, we would suggest that rigorous qualification is the order of the day. You need to confirm that the buyer has not in fact chosen the first seller, and you need to assess how you can shape the buyer's selection criteria to map to your unique value.

Speaking to buyers during this study, it is evident that while they do not rigorously give preferential treatment to the first seller, they do engage early with suppliers who add value prior to the early stages of a project.

13. Buyers see a changing future for salespeople

This is a question on everyone's lips. Are salespeople an endangered species? Well, 17% of buyers hold that view, saying that the seller's role is Not Important in the future. That is more than twice the number (8%) who think it will be Critical. Not surprisingly, sellers disagree. **According to 71 percent of sellers their future role will either be Very Important or Critical.** Some consideration must be given to the fact that this 71% is a far cry from the 40% of buyers who hold that opinion.



We clearly want to close that gap. It is noteworthy though that this gap correlates somewhat to the difference of opinion between the parties when asked if sellers augment the understanding of business needs. If buyers do not perceive that value is being added, then it is logical to assume that they will see little point in sellers being involved in the future.

As this is the first study of this kind we can't say which way this is trending. A large majority of buyers (83%) are still of the opinion that the role of the seller in the future will still be *Important*, *Very Important* or *Critical*, so there is really no reason for sellers to panic at this time.

As an aside: If we had included the question "How important will procurement professionals be in the future?" in the study, we wonder what the findings would have been. If Sellers and/or business stakeholders do not perceive that buyers add value, then it is logical to assume that they would prefer not to engage procurement throughout the process.

14. Who adds value? Sellers and Stakeholders, Procurement less so

We wanted to determine where in the buying process each of the parties added value to the buyer/seller engagement. Did buyers and sellers think the same? When it comes to the salesperson, **there is general alignment between sellers and buyers to where the seller can help the buyer on their journey.**

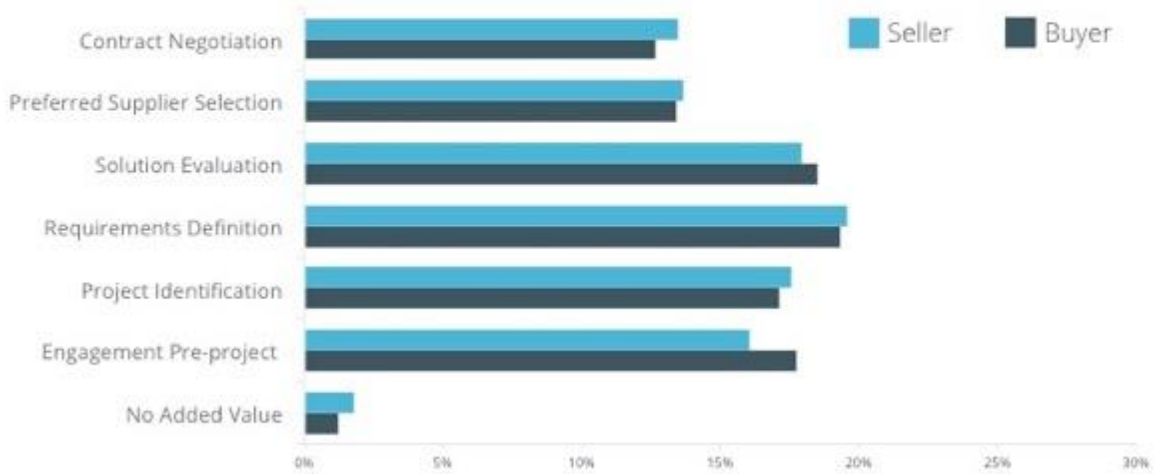
Perhaps surprisingly, fractionally more buyers (19%) than sellers (17%) believe that sellers add value before the project is even identified. Consistent with the point at which buyers engage sellers in a project, most buyers believe that sellers add value well before the Solution Evaluation stage of a project.



Both buyers and sellers believe that the salesperson adds the same value in the process as the business stakeholder. In the first four stages we identified – Engagement Pre-project, Project Identification, Requirements Definition and Solution Evaluation – an aggregate 73% of buyers see that the seller adds value, the exact same total as that awarded to the business stakeholder.

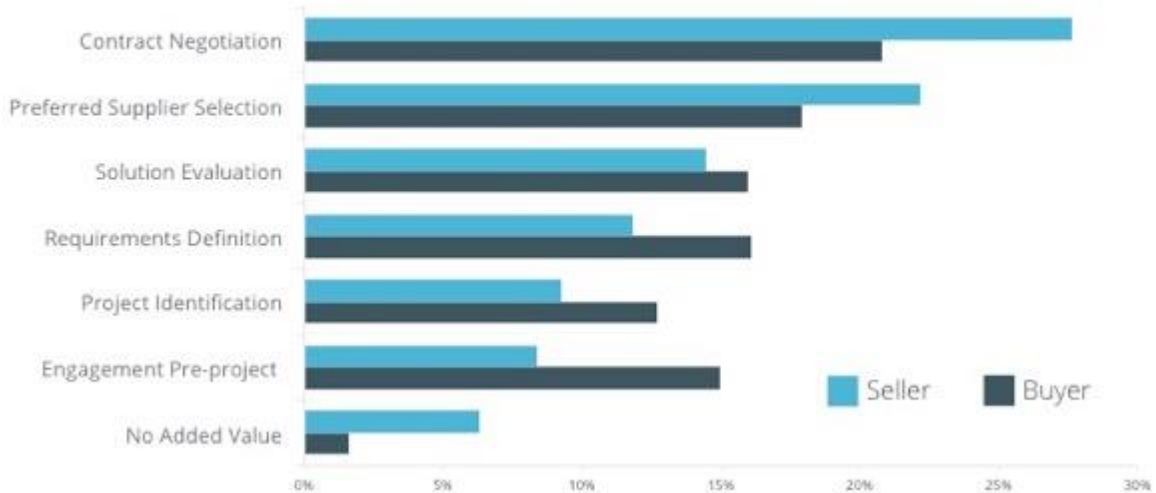
The sellers' perspective of business stakeholder added value over those four categories is a composite 72%, while they award themselves 74%. No major variance here between the points of view of buyers and sellers and no difference between the value delivered by salesperson or business stakeholder.

When does the business stakeholder add value?



When it comes to procurement, the picture changes a little. In a somewhat ungracious statement, 6% of sellers believe that procurement has No Added Value, whereas 28% of their colleagues see Contract Negotiation as the most significant value add from their purchasing counterparts.

When in the process does Procurement add value?



Buyers themselves suggest that they add less value than either sellers or business stakeholders with a 60% aggregate score for the first four stages we identified – Engagement Pre-project, Project Identification, Requirements Definition and Solution

Evaluation – compared to 73% for both sellers and buyers. Sellers are a little less generous and award only 43% points to procurement.

As we talked to buyers during the process of analyzing this study it became clear that in certain pockets there is a realization that there is an opportunity to improve the relationships between procurement and both the business stakeholder and the seller. Procurement complains about ‘maverick-spending’ as a big challenge where the business does not involve them in the buying process.

It may well be the case that ‘maverick-spending’ is a big challenge for the business as a whole and might indeed impact the metrics on which procurement is measured. Procurement are seen as process focused rather than trusted advisors, and both suppliers and internal business stakeholders are sometimes flanking the procurement function to get a deal done faster, smarter, better.

In some companies’ procurement professionals themselves have an uphill battle to be seen as a source for market, competitors, consumer and innovation intelligence before they will be able to convince suppliers or business stakeholders to engage with them differently.

There is however a growing coterie of procurement professionals who are striving to show their business partners a path to a more valuable relationship. They are distancing themselves from the narrow characterization as gatekeepers of a business process, and trying hard to be seen as drivers of change for their internal and external customers. We hope this study will help.

A long-exposure photograph of a mountain range at night. The sky is a deep, clear blue with a few stars visible. The mountains are dark, with patches of snow or ice on their peaks and ridges. In the foreground, a bright, glowing yellow light trail curves across the landscape, suggesting a long-exposure shot of a light source like a fire or a light painting. The overall mood is serene and majestic.

Appendix

Methodology

The Altify Knowledge study also explored the perceived value-add in the buying cycle of the salesperson, business stakeholder, and procurement function, as well as the perspectives of Millennials versus Gen Xers and Baby Boomers. It looked at the differences between simple and complex sales processes, big and small transaction values, the future role of salespeople, the number of decision makers involved in the purchase and the efficacy of salespeople in gaining access to those decision makers.

The study's findings were based on quantitative analysis of the submissions of 1,245 respondents between February 16, 2016 and March 24, 2016. Comparative analysis of each of the data points for both buyers and sellers was undertaken to establish absolute and relative perspectives. The analysis was also expanded to consider demographic, firmographic and geographic factors to establish further insights. Where mathematical calculations were conducted based on ranges, the median point of the range was used. All amounts were calculated in US dollar currency. Where outliers existed in any of the data submitted, outliers were subjected to qualitative assessment for inclusion or exclusion. The US Bureau of Labor Statistics was used to determine the number of sellers (15,000,000) and professional buyers (961,000) in the US. LinkedIn was used to determine indicative global numbers for sellers (35,000,000) and buyers (3,700,000).

Questionnaire

Common Questions

Q1 Your Name

Q2 Your Company Name

Q3 Where is your company headquarters located?

Q4 Where are you located?

Q5 What is your current role? [*C Level (CXO), Vice President / Senior VP, Director / Senior Director, Manager / Senior Manager, Individual Contributor, Consultant, Other*]

Q6 Age Category? [*Millennial / Gen Y < 35, Gen X 35-50, Baby Boomer > 50, I'd rather not share*]

Q7 Annual company revenue? [*< 1M, 1-10M, 11-100M, 101-250M, 251-1B, > 1B, N/A*]

Q8 In which regions do you operate? (*Please check all that apply*) [*EMEA (Europe, Middle East, Africa), North America, LATAM, APAC (Asia Pacific, including ANZ)*]

Q9 Industry? [*Automotive, Construction, eCommerce, Education, Energy, Financial Services, Healthcare, High Tech – Hardware, High Tech – Software, Industrials, Manufacturing, Materials, Media, Pharmaceuticals, Professional Services, Public Sector, Retail, Telecommunications, Transportation, Utilities, Other*]

Q10 Is your role primarily? [*Sales Professional / Sales Management with Target / Quota?, Extended Sales Team with Revenue Target / Quota?, Procurement Professional / Buyer?, Decision Maker / Evaluator for Products/Services that your company buys?*]

Q10b (Sellers only) When selling to your customer, do you engage primarily with a business stakeholder, or a purchasing professional? [*Business stakeholder, Purchasing professional*]

Separate Questions

#	Buyer Questions	Seller Questions	Options
11	What do you buy?	What do you sell?	<ul style="list-style-type: none"> Construction, Engineering Facilities Management (waste, energy, security, facilities) IT and Telecoms Operations and Logistics Outsourced Services Professional services (Financial, legal, PR, Consultancy, HR, Marketing, travel) Technology – Hardware Technology – Software Retail Goods Shared Services Other
12	What is the total value of the products or services that you anticipate to buy for your company in the next 12 months?	What is the total value of the products or services that you expect to sell for your company in the next 12 months?	<ul style="list-style-type: none"> < 100,000 101,000-500,000 500,000-1M 1-10M 11-50M 51-100M >100M
13	At which stage in the buying process do you first engage with a supplier? When there is already an existing relationship When there is not an existing relationship	At which stage in the buying process does your customer first engage with you? When there is already an existing relationship When there is not an existing relationship	<ul style="list-style-type: none"> Engagement Pre-project Project Identification Requirements Definition Solution Evaluation Preferred Supplier Selection Contract Negotiation Contract Awarded No engagement
14	When buying a product or service not previously purchased, what percentage of the time do you prefer to buy from a supplier with whom you have an existing relationship?	When your customer is buying a product or service not previously purchased, what percentage of the time do you believe they prefer to buy from a supplier with whom they have an existing relationship?	<ul style="list-style-type: none"> 0-25% 26%-50% 51%-75% 76%-100%

15	How many new suppliers do you meet in a year?	How many new customers do you meet in a year?	Free entry
16	What percentage of first meetings that you have with new suppliers result in a follow-up meeting?	What percentage of first meetings that you have with new customers result in a follow-up meeting?	Free entry
17	Of the meetings that you have with salespeople, what percentage do you find valuable? When there is already an existing relationship When there is not an existing relationship	Of the meetings that you have with customers, what percentage do you think the customers find valuable? When there is already an existing relationship When there is not an existing relationship	Free entry
18	How much does it cost you for each meeting with a salesperson? When there is already an existing relationship When there is not an existing relationship	On average what is the direct cost that your company incurs for each customer meeting? When there is already an existing relationship When there is not an existing relationship	0 - 500 500 - 2,000 2,000 - 5,000 5,000 - 10,000 10,000 + Do Not Know
19	How many suppliers do you typically invite to bid for business? When there is already an existing relationship with a supplier who provides similar products / services? When there is NOT an existing relationship?	How many suppliers do you believe are typically invited by the customer to bid for business? When there is already an existing relationship with a supplier who provides similar products / services? When there is NOT an existing relationship?	1 2-3 4-5 6-7 8-10 11-15 16-20 21-30 31-50 50+
20	How many people are typically involved in a purchase decision? When there is already an existing relationship with a supplier who provides similar products / services? When there is NOT an	How many people in the customer's company are typically involved in a purchase decision? When there is already an existing relationship with a supplier who provides similar products / services?	1 2-3 4-5 6-7 8-10 11-15 16-20

	existing relationship?	When there is NOT an existing relationship?	20 +
21	When there are multiple people in your company involved in a purchase decision, how often does the supplier's salesperson interact with the key decision makers? When there is already an existing relationship When there is not an existing relationship	When there are multiple people in the customer's company involved in a buying decision, how often do you interact with the key decision makers? When there is already an existing relationship When there is not an existing relationship	N/A Don't know Never Rarely Sometimes Almost always
22	What is the typical order value for your purchase?	What is the typical deal value for a sale?	< 50,000 51,000 – 100,000 100,000 – 1M >1M Don't know
23	How complex are the products and services that you purchase?	How complex are the products and services that you sell?	Not Complex Fairly Complex Very Complex Do not Know
24	How complex is the buying / evaluation process for the products and services that you purchase?	How complex is the buying / evaluation process for the products and services that you sell?	Not Complex Fairly Complex Very Complex Do not Know
25	On average how much does it cost you to engage with a supplier through your full buying process to contract award? When there is already an existing relationship When there is not an existing relationship	On average what is the cost to your company to engage in a complete sales cycle for a qualified opportunity? When there is already an existing relationship When there is not an existing relationship	0 - 1,000 1,000 - 10,000 10,000 - 50,000 50,000 - 100,000 100,000 + Do Not Know
26	What percentage of supplier's salespeople have a good understanding of their own products and services?	What percentage of your company's salespeople have a good understanding of your own products and services?	Free entry
27	What percentage of supplier's salespeople have a good understanding of	What percentage of your company's salespeople have a good understanding	Free entry

	<p>your business needs?</p> <p>When there is already an existing relationship</p> <p>When there is not an existing relationship</p>	<p>of the customer's business needs?</p> <p>When there is already an existing relationship</p> <p>When there is not an existing relationship</p>	
28	<p>When engaging with salespeople, how often do they augment or improve your understanding of your business needs or potential solutions?</p> <p>When there is already an existing relationship</p> <p>When there is not an existing relationship</p>	<p>When engaging with a customer, how often do you augment or improve your customer's understanding of their business needs or potential solutions?</p> <p>When there is already an existing relationship</p> <p>When there is not an existing relationship</p>	<p>Never</p> <p>Rarely</p> <p>Sometimes</p> <p>Almost always</p>
29	<p>Do you think that suppliers understand your buying process?</p> <p>When there is already an existing relationship</p> <p>When there is not an existing relationship</p>	<p>Do you think that you understand your customer's buying process?</p> <p>When there is already an existing relationship</p> <p>When there is not an existing relationship</p>	<p>Not at all</p> <p>Partially</p> <p>Quite well</p> <p>Completely</p>
30	<p>When inviting a supplier to bid for business with you, what priority do you place on each of the following factors?</p>	<p>When inviting a supplier to bid for business, what priority do you believe the customer places on each of the following factors?</p>	<p>Previous history with supplier</p> <p>Recommendation from others</p> <p>Interaction with salesperson</p> <p>Information from social media channels</p> <p>Expected cost from supplier</p> <p>Information from supplier's website</p> <p>Expected quality from supplier</p>
31	<p>How important to the final selection decision is it for a supplier to be the first to engage with you?</p>	<p>How important do you think is it to be the first supplier to engage with the customer?</p>	<p>Not Important</p> <p>Important</p> <p>Very Important</p> <p>Critical</p>
32	<p>How important do you think supplier's salespeople will be to you in future buying decisions?</p> <p>When there is already an existing relationship</p> <p>When there is not an</p>	<p>How important do you think your role will be to your customer in their future buying decisions?</p> <p>When there is already an existing relationship</p> <p>When there is not an</p>	<p>Not Important</p> <p>Important</p> <p>Very Important</p> <p>Critical</p>

	existing relationship	existing relationship	
33	Do you believe that salespeople care about your business or are they only focused on making a sale	Do you care about your customer's business or are you only focused on making a sale?	Customer's Business Only make the Sale A Bit of Both
34	In which stages of the buying process does the salesperson add material value to you?	In which stages of the sales process do you add material value to your customer?	No Added Value Engagement Pre-project Project Identification Requirements Definition Solution Evaluation Preferred Supplier Selection Contract Negotiation
35	In which stages of the buying process does the business stakeholder in your company add material value to the process?	In which stages of the sales process does the customer's business stakeholder add material value?	As above
36	In which stages of the buying process does the procurement function in your company add material value to the process?	In which stages of the sales process does the customer's procurement function add material value?	As above



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