Buying and Selling Information
by Michael L. Gruenberg

EDITOR’S SUMMARY
While some individuals prefer to think they make decisions independently, uninfluenced by any salesperson, few major decisions are made without input from others. Considering another’s suggestion requires trust in the person, and selling products, including information products to libraries, depends on a trusting relationship between the buyer and seller. With limited budgets, libraries must be selective in choosing subscription-based products. Yearly renewals of a product depend not only on the quality and fit of the product but on a positive working relationship with the representative. Sales meetings demand careful preparation, with understanding of the organization’s long- and short-term goals and priorities. Efficient and professional meeting management and open communication demonstrate respect and reinforce trust, boosting sales and customer satisfaction.

KEYWORDS
information industry trust commerce decision making customers vendors

Early in my sales career, when I first began to enjoy a degree of success selling information products to libraries, I was drawn into a conversation one day at the home office by one of the more senior members of our company. He was pontificating about the influence salespeople have when making a sale to a customer. He was not employed in either the sales or marketing departments, which probably skewed his understanding of the buying and selling process.

“You know, I am 60 years old and I cannot ever remember a time when I was sold something,” he proudly said.

I was somewhat taken aback by his bold statement.

“Really?” I said. “How is that possible?” I asked incredulously.

“I know what I want, and no salesperson can sell me what I don’t want to buy,” he definitively said. “I always know everything I need to know about what I’m buying well in advance.”

“When you bought that new car sitting in the parking lot, did that vehicle just magically appear in your driveway without anyone describing anything about it to you? And did your wife, 18-year-old son and 20-year-old daughter have anything to say about the make, color, etc.? I asked.

“And that diamond ring you gave to your wife recently for your wedding anniversary, did that simply appear on her ring finger without the aid of someone being involved in helping you through the buying process?” My questions were met with silence. So I continued.

“So you’re telling me that you recently made two major purchases in your life, purchases that will have a profound effect on your wife and family and no one described in any detail what you were buying because you knew it all?” I asked. “You possibly may be an expert on Chevrolets, but please don’t tell me you’re an expert on diamond rings, and since I know your
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wife, I am certain that she had input on the purchase of that beautiful ring,” I said. “I am also quite sure that a salesperson was thoroughly involved in that purchase!”

His silence was deafening because in a few short seconds he realized how ludicrous his statement was. I was sorry to burst his unrealistic bubble when I went on to tell him that a myriad of people sell us a variety of goods and services every day and that sometimes we make sales in relation to ourselves. Those sales are not for goods and services, but for who we are and what we’ve accomplished so that our managers at our place of employment understand our contributions to the success of the organizations we work for.

In our professional careers, we learn very early the art of the “internal sell,” by which we positively position ourselves within our organizations paving the way for us to obtain higher salaries, better jobs and secure employment. The reality is that we are buying and selling every day. Some of those sales involve the act of self-promotion so that our organizations’ management further understands the length and breadth of our contributions to the betterment of the company. But for the most part, we are actively involved in the buying and selling of products/services each day, usually with the assistance of one or more people who influence our decisions.

I have been fortunate to have a long sales career representing information industry company database products that are used in libraries. I have sold to many different types of libraries—university libraries, public libraries, government libraries, corporate libraries, medical libraries legal libraries and technical libraries. The bottom line is that whatever product or service is being sold to any of these institutions, the one indisputable axiom that governs every sale of every product is that “people buy from people; they do not buy from companies.”

It’s all about the relationship between two people: the buyer and the seller. In our everyday lives, when we encounter a selling situation, we may ask ourselves, “Do I trust the car salesperson to tell me the truth about that shiny new convertible?” “Can I be really sure that the shirt and pants I am probably going to purchase actually look good on me, or is the salesperson just saying I look good, only to make a sale?” “Does that diamond shine ever so brightly only because the person on the other side of the counter is showing it to me under a special light?” It comes down to trusting the other person.

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All organizations that buy products and services are watching their spending budgets more carefully today than ever before. Libraries typically have limited amounts of money to spend in healthy economic times. When those times include the fiscal stress the world has currently felt, budgets to buy products and services are even more closely examined. Since we are still in a state of uncertain economic growth, library budgets continue to suffer, so that not only do information professionals have to be fastidious in selecting the appropriate titles to buy, but they also must be aware that every dollar spent needs to be spent wisely and that the salespeople they work with should be trustworthy.

That’s why the relationship between the buyer and seller of information products is perhaps the keystone for success if both parties are intent on reaching their respective goals: for the salesperson, to make a sale and, for the librarian, to buy an appropriate product/service for a reasonable price.

Since the buying and selling of subscription-based products is an integral part of the library business, the salesperson realizes that the renewal of the subscription is perhaps even more important than achieving the initial sale. This is an annuity business, which means that a database sold in 2014 translates to the salesperson that he will be back in 2015 to renew that
subscription. That repeat business is why it is important for both parties to establish a harmonious working relationship. They will be speaking to one another for many years to come.

In my recently published book, Buying and Selling Information: A Guide for Information Professionals and Salespeople to Build Mutual Success, one of the aspects of the process that I examine is how both parties prepare for their meetings. By understanding the preparatory process of all participants, both sides will come away with a better appreciation of their counterparts and be better prepared to begin a productive journey resulting in both parties achieving their goals.

Some have suggested that the path to a successful negotiation is to be adversarial. In my many years of negotiating contracts with libraries, I have never seen an adversarial relationship succeed. Not that I am suggesting that every negotiation I have been a part of was all hearts and flowers. And I certainly can vividly recount negotiating sessions where strong opinions were voiced on both sides of the table, but I choose to believe that no one entered those meetings expecting to browbeat the other person into submission. Each person began the sales discussion with the most honorable of intentions.

I choose to believe that a good negotiator understands that not all demands by the other side will be met and that a significant aspect of the discussion will be to find the middle ground so that both sides can come away with a win.

Preparation

In order to have a successful meeting, a certain amount of preparation needs to be done by both parties. For the salesperson, it is important to have basic understanding about the organization that will be the recipient of her sales efforts. Going to the organizations’ website prior to the meeting gives the salesperson a basic idea of the organizations’ goals, objectives and usually its mission.

For example, most library websites have a message from the director. That message may talk about new initiatives, a new addition to a current collection or even a goal for the future. Some sites may even include a three-to-five-year growth plan for the library. Talking about the director’s goals for the library is the most powerful statement a salesperson can make at the presentation and selling meeting, goals that may, coincidentally, be helped by the products offered by the salespersons’ company.

Similarly, before meeting with the salesperson, the information professional should examine the company’s website. What is the CEO of the company saying about its future direction? What are the new products being developed? Have there been any significant acquisitions? What crucial issues is the company dealing with? If both the buyer and seller have, at the very least, an overview of each other’s organizations, then the meeting will have much more significance and result in a quicker resolution to the topics under discussion.

Perhaps the most important aspect to establishing the groundwork for a successful meeting is the use of an agenda. Either the buyer or the seller needs to take control of the meeting even before a substantive meeting takes place. An agenda distributed prior to the meeting spells out the reason for the meeting. Logically, the seller needs to take this initiative. For example an agenda sent in advance by the seller may look like this:

“I will be visiting your library next Tuesday at 11:00 a.m. I want to introduce you to our new Whiz Bang database. I will be bringing Bill, the product manager who is intimately involved in the development of this product and its future updates. He can accurately tell you all about it. I would also like to discuss your upcoming renewal.”

The agenda e-mail should conclude by asking the information professional if there is anything else to be added to the agenda. Engagement has begun!

Providing the proposed agenda ahead of time gives the buyer an opportunity to accept, reject or modify it. No matter what they choose to discuss, both parties are beginning their conversations well before each of them ever sits down across a table from one another.

The buyer may say in response to the proposed agenda, “I am happy to see you next Tuesday at 11:00 a.m. and thank you for bringing Bill. I know him quite well and have always been impressed with his knowledge. I will be bringing Lynn Marie, our subject specialist to the meeting, who is very excited about seeing your new offering. I would prefer not to speak about the upcoming renewal and confine our discussion to the Whiz Bang database.”
In one quick response the buyer has acknowledged interest in the new product, informed the salesperson that another person on their side would be joining the discussion, gladly accepted Bill, the product manager, to the discussion and has rejected a proposed agenda item about the renewal and has set the ground rules. Similarly, the sales rep can now prepare by making sure that all questions related to the topic at hand will be clearly covered by the rep and the product manager. An air of efficiency and professionalism has been easily established by the use of an agenda sent prior.

The last thing anyone wants is a surprise at the meeting. If the rep brings the sales VP or CEO of the company unannounced, it shows a lack of respect for the buyer causing a lack of trust and will not sit well with the client/prospect for future meetings. Moreover, the buyer should know if the seller is bringing a high-level executive to the meeting. If the buyer knows in advance, then arrangements can be made for the director or chief executive to balance the rank and stature of the attending participants. No one wants to be overwhelmed by the other side. Bringing a high-level executive unannounced to a meeting can be perceived as a bullying tactic, which has no place in the negotiation process. After all, it is all about trust and openness. It is difficult to trust someone who surprises you.

**What’s Next?**

The agenda has been sent and approved by both parties. The meeting takes place. The seller presents a product/service and the buyer listens intently. It looks like a sale is imminent. What happens next?

A major issue these days is for the seller to understand the purchasing procedures of the organization that might be buying. We are all living in a time where money to buy new resources may not be as readily available as it used to be. As a result, organizations, especially libraries, are elongating the purchasing process so that many more people are involved in the final buying decision. What used to take 60-90 days for approval and finalization, now takes 90-120 days or more to get the purchase order in hand.

To shorten the approval cycle, some sales managers instruct their reps to say that the currently quoted price will only be in existence for a short time and that if a decision for buying the product/service is made after that time, the quoted discounted price will not apply. Sometimes that tactic is truthful – and sometimes not. The salesperson needs to know what the buying procedure is for each organization that she’s attempting to sell her products to. Timing is everything and the salesperson needs to know this information.

“Jane, we love your new database product you showed us, and we have the funds to buy it for the agreed upon price,” the buyer may say. “My boss has given approval, but now it goes to the acquisitions committee for the final OK. It’s not a sale until they approve the paperwork to be sent to you” may be the buyers’ advice.

It is the buyers’ responsibility to tell the seller what it takes to buy something in his organization. The proper response from the seller is to thank the buyer for the insight and then ask about the timeframe that the approval process will take. Because when the salesperson returns to the office and reports to the manager the details of the meeting, the first thing the manager will ask is for a prediction of when that sale will become final.

The salesperson cannot say it was a productive meeting without knowing when the sale will be finalized. Salespeople and their managers live in a world of monthly quotas dictated by financial goals and objectives. As long as the sellers’ company knows with a high degree of accuracy when the sales will likely come in, the management of the company can make intelligent predictions of future revenue for their shareholders, employees and investors. It is all about the accurate and timely flow of information to and from both parties.

In the workshops that I conduct on negotiation skills, I often ask the participants to tell me about the current state of information processing and how it differs from 100 years ago. Everyone immediately tells me about newspapers on paper vs. newspapers online as a prime example. They cite cable television stations like CNN and MSNBC as having the ability to
cover conflicts in the world literally as those events unfold before our eyes as opposed to reading about those events days later in a weekly magazine. They cite printing presses vs. the Internet. Twitter, IM, LinkedIn and the ever-growing list of today’s miracle communications devices, which always amazes me.

But then I ask, “So, what is the same in the flow of information today that was also present 100 years ago?” That answer is not as easily forthcoming, and yet it is the easiest question to ask. The answer is that we had 24 hours a day to transmit information 100 years ago and we still have 24 hours a day to transmit information today. For both the buyer and seller, the answer revolves around how we use that time efficiently each day.

In our fast-paced world, we only have time for meetings that make sense. We do not have time to sit in on senseless meetings. By communicating effectively with one another, buyer and seller establish a framework of efficiency and trust. By openly communicating, the meetings make sense and a decision is effectively made on whether to buy or not. And after all, isn’t it in everyone’s interest to achieve resolution as opposed to wishing and hoping?

For Additional Reading
