

# Business Development Part 1: Breaking down the “Buying Process”

By Bruce McTague

## Potential Clients

I don't know who you are

I don't know your firm

I don't know what your firm stands for

I don't know your firm's customers

I don't know your firm's record

I don't know your firm's reputation

Now... what was it you wanted to sell me?



I had been peripherally involved in business development activity until 2001 or so. In my industry most mid to senior level people only get involved on a specific meeting basis. Then in 2001, I took over specific business development responsibilities and it remained a significant responsibility for a number of years afterwards.

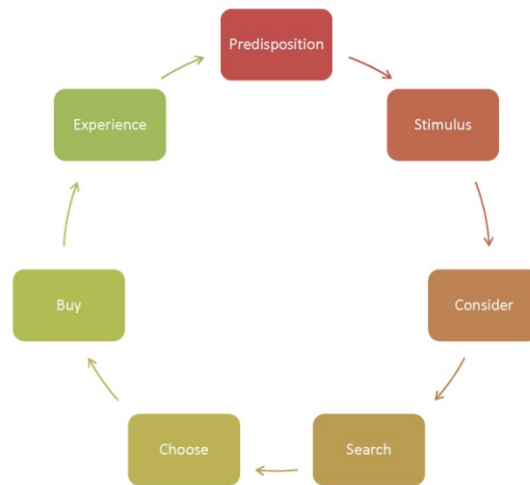
Overall I was very surprised by a number of things when I assumed the responsibility (and, frankly, ongoing as I talked with more experienced business development people and consultants).

1. Most companies in the consumer and B2B arena know so much about gaining new customers and yet they don't apply one iota of that knowledge to their business development program
2. Most companies advise their clients on prudent growth strategies (and even apply logic) and yet they don't apply one iota of that knowledge to their business development program

Something wacky happens as soon as the words “business development” or “new business” are uttered. It's like everyone forgets traditional customer acquisition knowledge and some common sense business building knowledge.

People within an organization should be able to seamlessly step into a business development program maybe on a specific assignment and contribute. How? The easiest way is to have the same process and same vocabulary so they can apply the same things they are doing (and how they are thinking) to the ad hoc project they are being pushed into (typically in a crisis pressure cooker where “seamless” is treasured). Rarely happens. Oops. Never happens.Ok. Breaking down the “Buying process”.

# The Consumer Buying Process



Clients or call them 'Prospective Clients' all go through the same process (I will talk about lists or building a client base in part 2). Go ahead and use whatever terms you use in your own industry (or your own organization's thought process) on how you treat your clients' customer buying process when thinking about it. These are the words I typically use:

## **Predisposition**

They either know you, know something about you or know nothing about you. Deal with it. Group your list into those who think similarly. Some will gravitate together. And even if you don't know, guess. When in doubt assume they know nothing. I worked for one of the largest ad agencies in the world. Maybe 50 percent of general population knew who they were (it helps to remind yourself that your little corner of the world is exactly that ...your little corner). Of those who recognized the name maybe over 75 percent actually knew one of our clients. That is with one the world's largest agencies. Humbling but a good reminder. Thinking about this kind of stuff helps you think out what you actually want to say to people.

## **Stimulus**

You can either try to stimulate "a problem to solve" or simply make sure they know you can solve that kind of problem (when and if they ever have that type of problem).

It is here where I have seen the best laid plans go astray with business development people. Under pressure from their own organization ('why won't they meet with us?', 'we should be working with them', 'we need business!') a business development person tries to create dissatisfaction in the client's current situation (Notice I don't call it overselling. It helps to be specific on what is actually happening so you can clearly address the situation) which if they succeed puts increased expectations (sometimes unreasonable) on the table for the organization to deliver (Or anyone who gets thrown into the consideration set). This translates into an increased likelihood that whatever "it" is cannot be consistently delivered in the experience phase (assuming you actually get there). So forced "stimulus" creates some big issues later on. Does that mean you can't generate stimulus thoughts? Nope. Sure can. They just

have to be thoughtful and relevant. And the best situation is that the prospect doesn't feel like it was forced but rather it reached the conclusion on its own.

Oh. Here's another thing. If they are happy in an existing relationship, that means they are...well...happy. Trying to make them unhappy is difficult and it shows more about your own character (or lack thereof) than it does any competence. Show respect for great relationships. You would like others to show you the same respect.

And if they don't have a problem they typically aren't motivated to be "stimulated".

Simply put - No problem. No listen.

Uh oh. The senior leadership team in your organization:

"Why won't they work with us?"

Well. They don't really seem to have a problem we can solve right now.

"Bruce, do something, don't they know we have the new antimatter intergalactic social networking gizmo?!?!"

Nope. Probably not. And they probably don't care because they don't have a problem.

"Well, we don't care, call them. Set up a meeting. I want us to invest a lot of wasted energy and time we don't have so we can tell them about our gizmo they don't know they need."

Ok. Yeah. On random occasions that tactic can work in your favor. Have you ever noticed the "oh let me tell you about the time" war story of success that is told over and over again? - that's cause they don't want to tell about the 25 other times they forced their way in and the prospect said "nice gizmo but I am happy with what we are doing and working with right now".

Oh. Lastly. On the messaging. You don't need to solve just one problem. Your organization can actually be good at solving a variety of issues. Remember that.

### **Consider**

This is obvious. You are either in a consideration set or you are not. And if you are not, and should be, you can try to fight your way into the consideration set (which is tough because there are a boatload of qualified alternatives out there for people in general...oops...sorry...hate to tell you...[odds are you are not unique](#)) or you can have a program set up in place that doesn't make it a last minute "please listen to what I have to say" but rather a phone call that says "hey, I have been sending you crap for over a year so I am reminding you that I can do this." Oh. Which call would you prefer to make?

### **Search**

This is making sure your website is updated and relevant. This is making sure that whatever you claim you back up (as opposed to, "hey, we understand social media, but, oh, we don't have an active blog set up yet."). This is making sure that your organization's employees can say the organization is good at the same thing the business development persona has said the organization is good at. This is just making sure you show up prepared to back up what you said you could do. Listen and respond. Listen very closely. That's all I have to say here.

## **Choose**

This is mostly pitching & presentation stuff. This is an entire post on its own. Maybe the closest I have written about this so far is my [Interviewing 1.5](#) & [2.0 stuff](#). It is very much like interviewing – a combination of competency and chemistry.

## **Buy**

I wrote something about this called "[the art of the deal](#)." But. After you have finished the business development "dance" sometimes people forget that the "buy" moment can dictate a lot of whether the relationship gets off on a good first step or a hesitant step or even worse you trip. Oddly, or interestingly, this is often the first time your CFO gets involved face to face. CFO's in general are not business development people (that's kind of why they aren't business development people) but they often end up in a lose/lose situation in that the first and only time they see prospective clients is over the "money negotiation." Feel free and plug in "accounting" instead of CFO if that is more relevant to your situation. Think about that.

## **Experience**

Experience is just that. The experience the prospect has as a client. Oh. And months 1 through 6 will set the tone for whatever the relationship ends up being(see my thoughts on this in a [previous post](#)). If they get treated like "hey, we really just wanted the sale" (and are ignored now), well, that's the kind of relationship you're gonna get (not so hot if I have to spell that one out). But. If the experience matches up with everything you have been saying consistently throughout the entire process you are rockin'.

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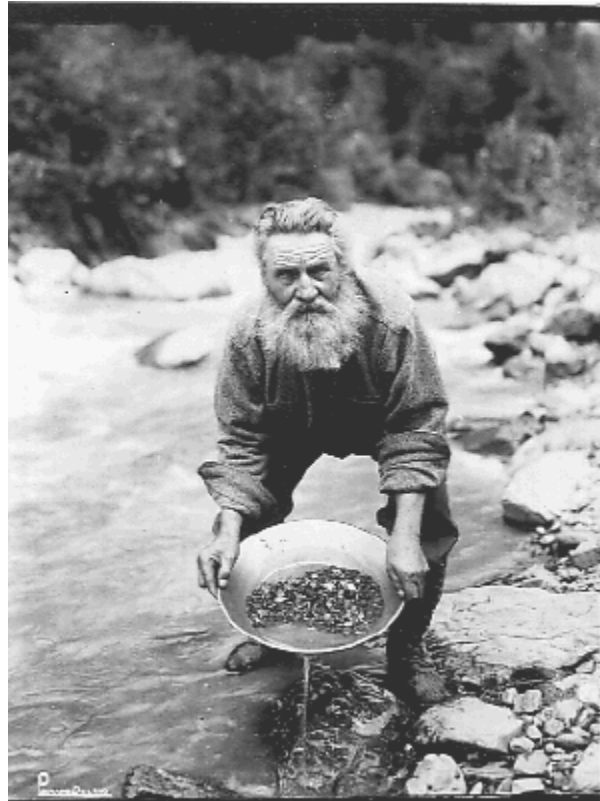
  

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## Business Development Part 2: Building your business

By Bruce McTague

Click here to read [“Business Development Part 1: Breaking down the buying process.”](#)



Jebidiah Jones, one of the early consultants specializing in new business prospecting.

Ok. It's like business leaders have a brain cramp when it comes to this discussion. Who should be on my list? How many prospects on the list is the right amount?

Consultants will say “pick your top 50 prospects.” Say what?

I don't get it. This may sound flippant but I don't care how many are on your list. If you use the idea below, your list will be more driven by your objectives and plan than by “here is who I want to go after.” And the sheer number will become irrelevant, ok, maybe less relevant, if you apply the total list against the buying process in part one, because all of a sudden instead of a zillion prospects the prospects will start dropping into slots in the buying process and group together instead of being one giant mass of prospects. So you can have a zillion but they will be grouped together in manageable numbers.

So. Here is what I suggest. (it is pretty simple and I cannot remember who in my past gave me the idea).

## Stack triangles.

Put your two largest clients at each of the two bottom points on the bottom triangle. Add them up. That is the size of the largest prospect on your first customer prospect list. It reflects a reasonable size your current process and capabilities can absorb. You can keep them happy. And you can keep the two (and all the others on the bottom) happy so they stay.

As soon as you get one that size (or close). You are now at the bottom of the next triangle. Slide that one to the bottom left (or right if that floats your boat). Put your next largest client on the other point and add them up and do it all over.

In the meantime go ahead and put all your clients in the triangle. Give them dots. Triangles with dots in them always look great. There you go. Your growth plan. You'll stop stacking triangles when you see a number that looks like what you want for your organization.

Oh. That also means your prospect business development list changes. Should you have had all these new guys on your original list? Of course not. Why waste your time preselling someone you like but probably weren't capable of properly servicing?

On occasion, do one of those not on the list track you down? Sure. And you deal with them if they do.

Is it good to change your prospect list like this? Sure. When you get to a certain size some prospects drop off your list because they aren't worth your while.

What do you say to the new prospects when you begin communicating? Easy. "Hey. We have grown. We always had the expertise, but now we have the process/infrastructure capabilities to work with you." (Prospects like that kind of stuff. It's called realistic truth or honesty)

The triangles plan of action shows two things (other than you actually have a plan):

1. A reasonable logical growth plan
2. How high or how big do you want to go plan of action (and how to get there).

Hey. I am not a big "5 year plan" type of guy. But. I do like a plan. I just believe you are adjusting the plan to accommodate reality more often than not (so the whole 5 year thing goes to hell in a hand basket pretty quickly).

Sure. There are exceptions. Sure. You make adjustments. Sure. Stuff happens (like you stop paying attention to a client who was on the bottom of one of your triangles, and they get pissed off and leave). But this is about a reasonable growth plan. And retention plays a role but that is a different post (but it is very easy to build retention into your business development plan because you know your average length of client relationship so you can factor that in. So. Just answered that. Excellent. I just eliminated something to write).

**(The close) So.** Those are two basic and relatively simple infrastructure ideas for a business development program.

Pretty simple huh? Yup.

You know what? Business development is fairly simple. It's not about cold calling (which really isn't that effective and in most business categories isn't really the way to jump start a relationship).



C'mon. How often do you pick up the phone to blindly call some girl (or guy) and say "Hey. You don't know me but I am guessing you have had a bunch of relationships that didn't work out but I am a really neat guy (or gal) so why don't we meet and go out some time?" Hmmmmmmmm. Imagine a dial tone somewhere in that scenario.

Does this work? Look. I almost guarantee if you play the numbers right in what I just described you should get a couple of meetings fairly fast (out of sheer dumb luck your message will hit a couple of people in the stimulus phase). You will generate some ongoing meetings without cold calls. And you will grow so you can revise your prospect list often enough to keep it fresh. But. Remember. It is a program not a tactic. So you gotta keep it going to make it work.

Oh. Also. Remember. A business development program should simply be an extension of everything else you are doing as an organization. Not some mysterious voodoo program where everyone looks askance at the biz development people (I have been looking for an opportunity to write askance for awhile). They shouldn't be using wacky business development words and phrases that make people think they bumped their head on a dumb stick, but rather use words and process the entire organization uses.

### **Last warning.**

Beware the business development person or consultant who comes in with “here is the process and what we do.” Just shoot them then and save yourself a lot of heartache. They should be coming in saying “I know the principles to have a successful program, but let’s talk about what makes you successful – and vocabulary – with existing clients and I will build a business development program around that (Don’t shoot that person. At least right away).

There you go. Good luck. Add some business.

### **About Bruce McTague:**

*In a career spanning over 20 years, I’ve been involved with a wide range of industries including packaged goods, restaurant, pharmaceutical, retail, business-to-business and tourism. I won’t bore you with all the details, but the bottom line is I have touched so many businesses across so many categories the headline for my career should probably be “Collector of experiences and knowledge.”*

***If you would like some additional work experience details and see what a number of people have said about me, visit my [LinkedIn Profile](#) my blog, [Enlightened Conflict](#) or contact me directly by [email](mailto:bruce@brucemctague.com) at [bruce@brucemctague.com](mailto:bruce@brucemctague.com).***