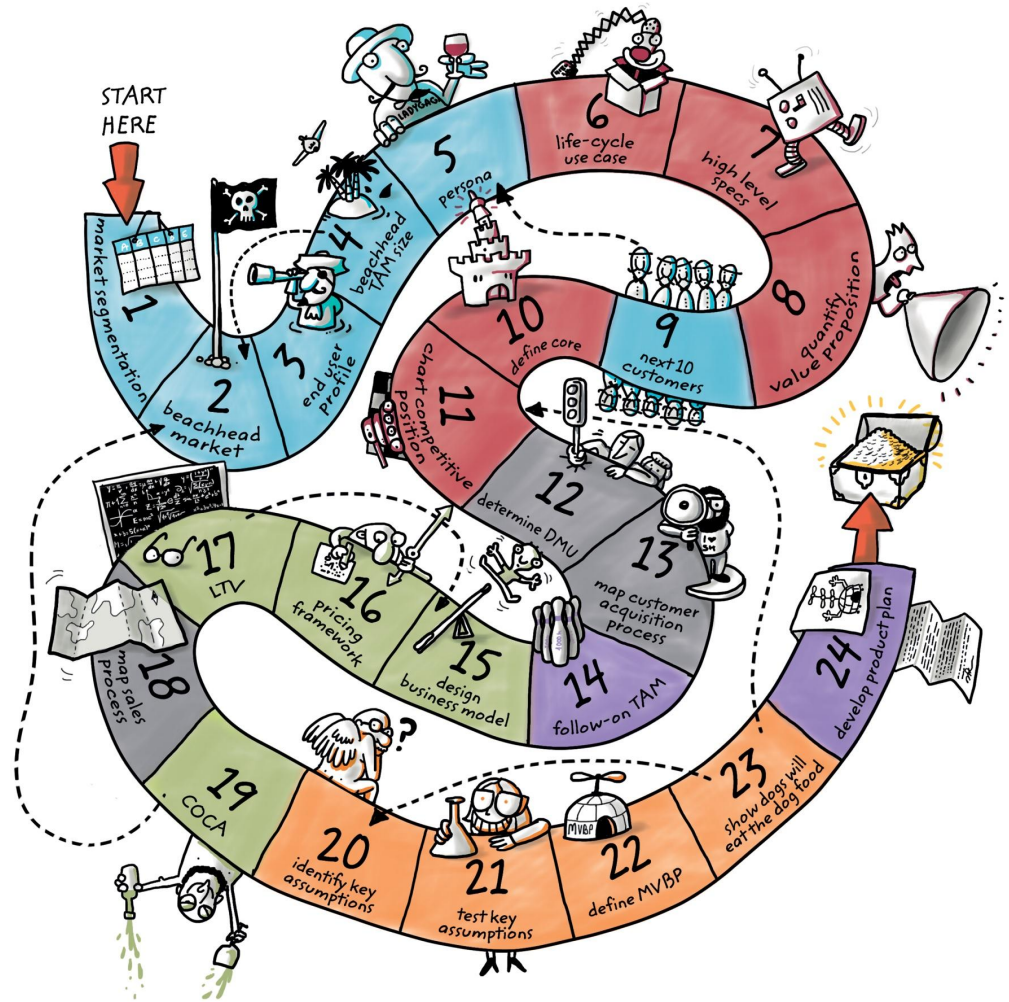


How Does Customer Acquire?

Lecture 7
GSL Peru 2014

HOW DOES YOUR CUSTOMER ACQUIRE YOUR PRODUCT?

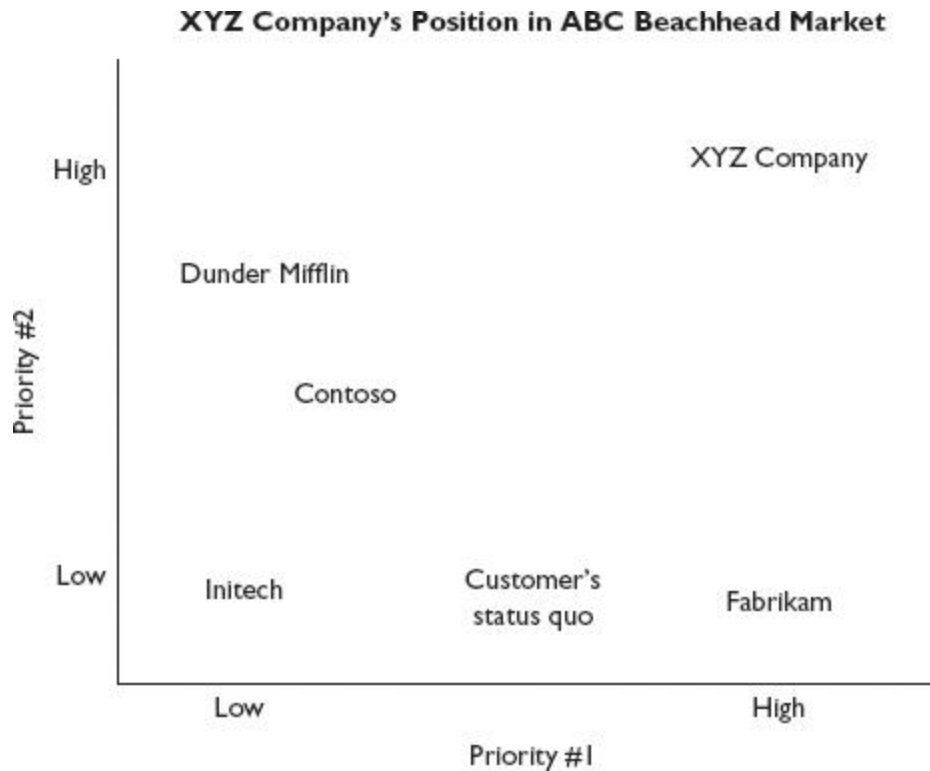
- 12 Determine the Customer's Decision Making Unit (DMU)
- 13 Map the process to acquire a paying customer
- 18 Map the sales process to acquire a customer



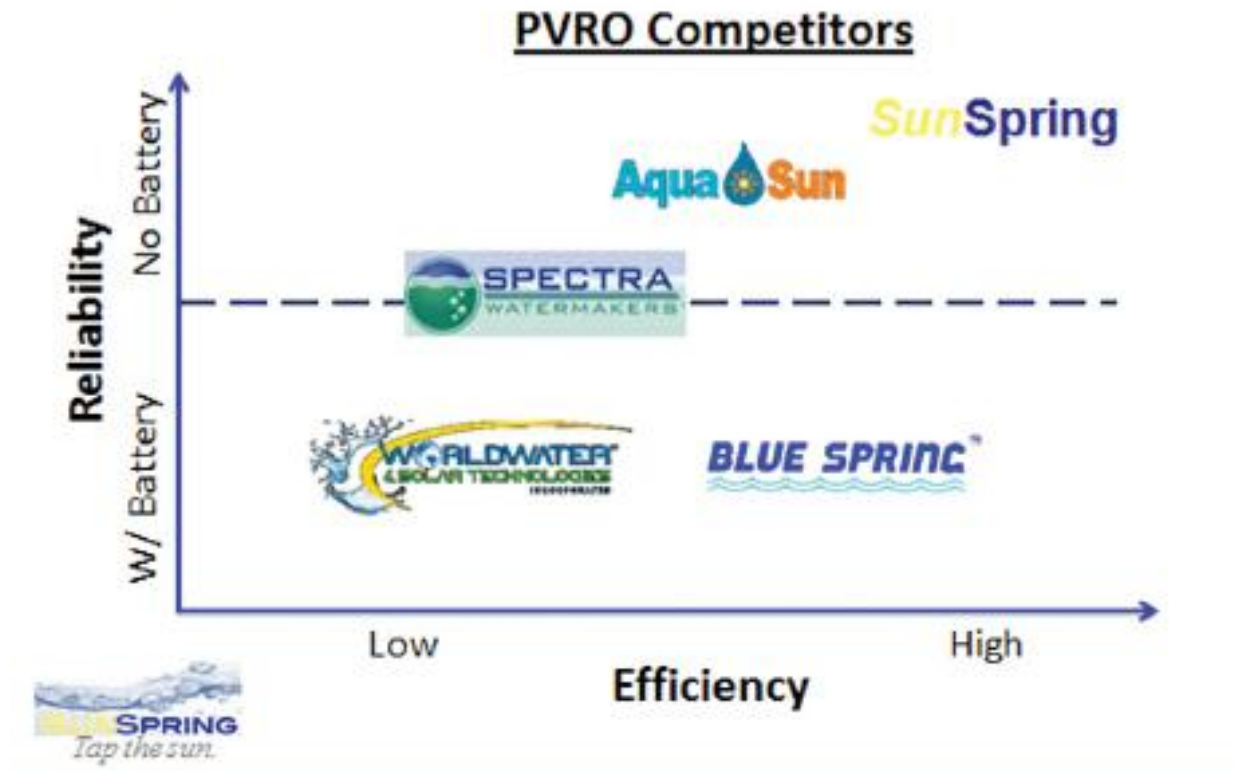
Uniqueness

- What is it that makes you unique compare to the alternatives?
- Most specifically, what makes you most valuably unique to your persona?
- This will come directly from the persona's priorities.
- How do you sustain the uniqueness?

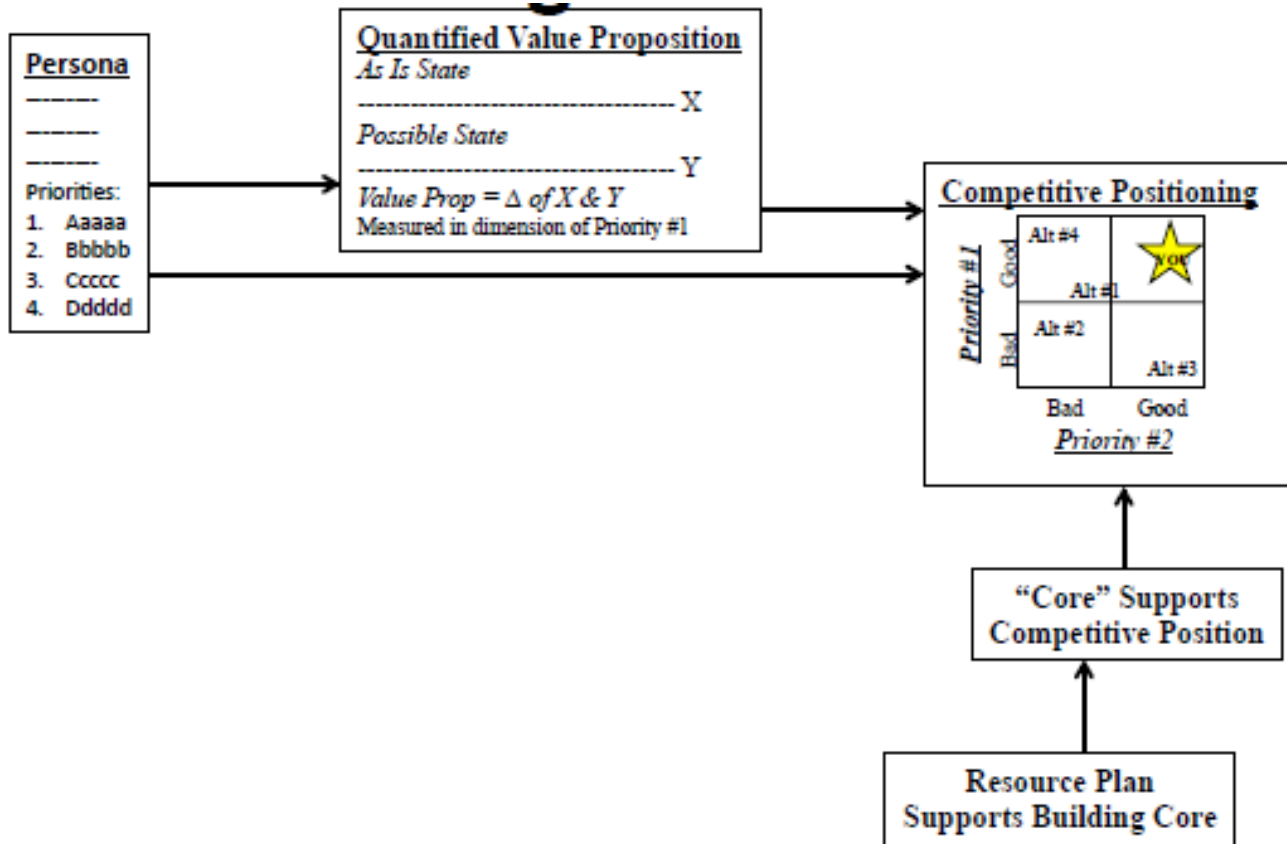
Chart Your Competitive Position



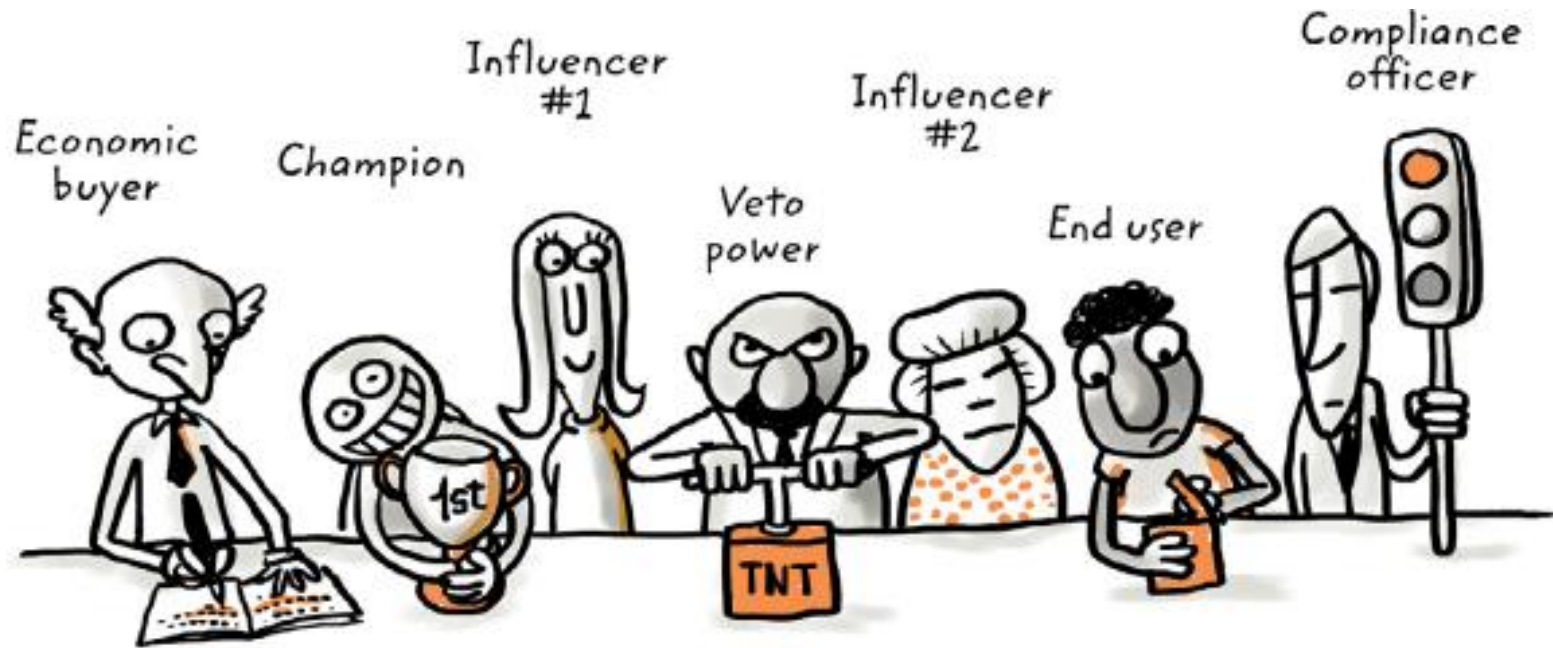
- SunSpring's value proposition is increased efficiency, flexibility, mobility, reliability, and operation simplicity vis-à-vis its competitors



How they all link together...



The Decision Making Unit (DMU)



DMU

The DMU (Decision Making Unit) for the target customer is the people involved and influencing the purchase decision of your product. Carefully map each party and the nature of power in the acquisition process.

Roles

- Primary
 - Champion
 - End User
 - Primary Economic Buyer
- Additional
 - Primary and Secondary Influencers
 - Person with Veto Power
 - Purchasing Department

Champion

“The champion is the person who wants the customer to purchase the product, typically but not necessarily your end user. Multiple people can play this role. The champion is the ‘straw that stirs the drink.’ The champion can also be referred to as the ‘advocate.’”

End User

“This is the person who will actually use the product to create the value that is described in Step 8, Quantified Value Proposition. Hopefully this person is your champion as well; regardless, the end user typically plays a significant role in the purchase of a product.”

Primary Economic Buyer

“This is the primary decision maker, as everyone else looks to this person to sign off on spending money to purchase your product. Most often, this person controls the budget. Sometimes, the primary economic buyer is also the champion and/or the end user, which makes your job easier, but does not completely neutralize influencers or individuals who object to the purchase.”

Primary and Secondary Influencers

Subject matter expert that can influence the DMU. The primary has major influence while the secondary has indirect or minor role in the process. They may have direct or indirect veto power.

Some secondary influencer can be from press, outside “trusted” contractors, friends, family, or any other party that the DMU look for input.

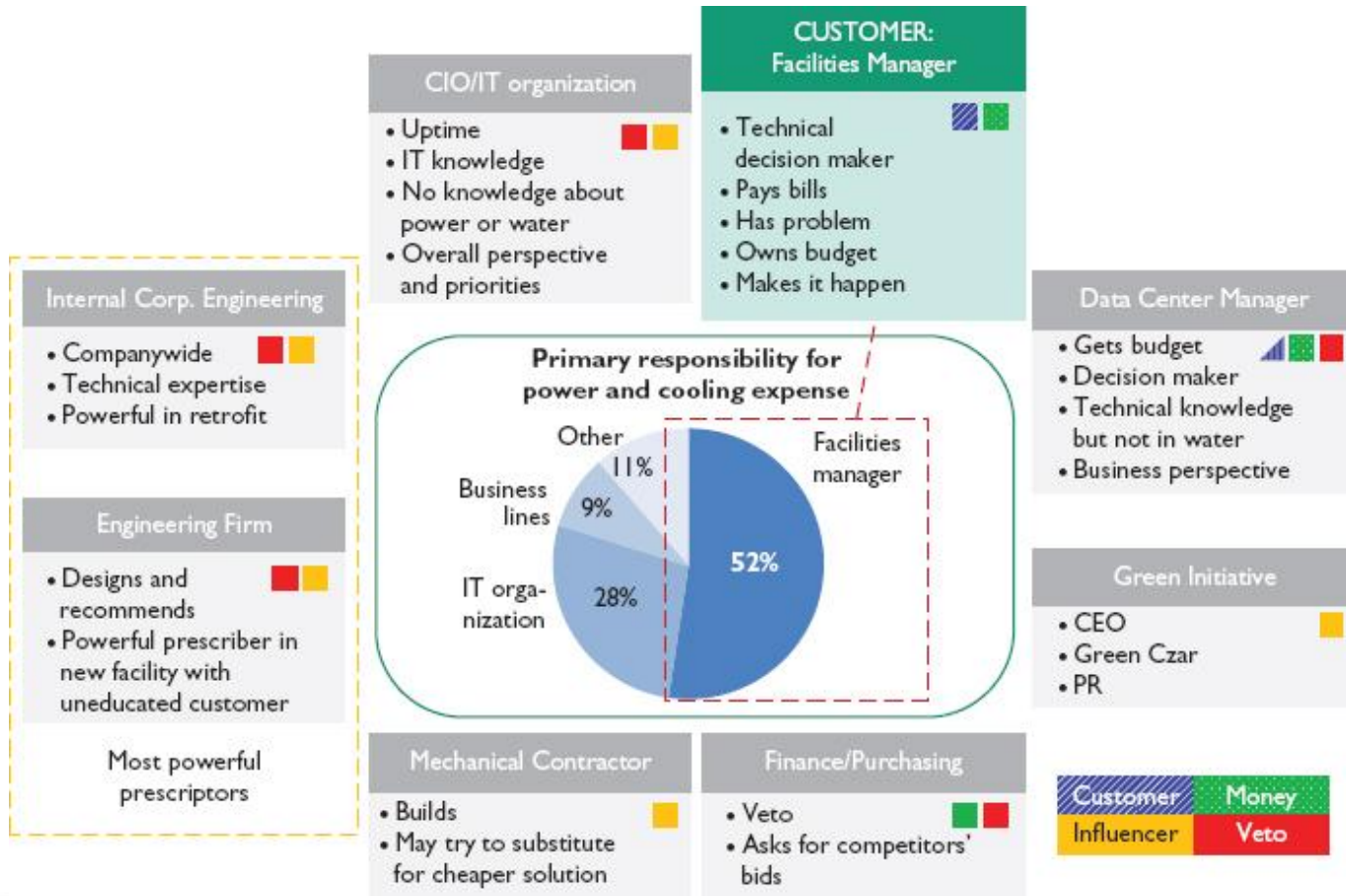
Person with Veto Power

They have the power to stop the purchase for any reason. Typically, because they have power within the organization.

Purchasing Department

The purchasing process is handled by this department. They have the power to stop any purchases in a company which does not follow procedure. Multi-bids, lowest price requirement, etc.

Water Filtration System



Map the Process to Acquire a Paying Customer

*Once they see my product,
they are going to have to have it
and sales will immediately
go to the moon!*

*Actually it doesn't work
that way... companies have
a process to buy things
and it takes a while.
I suggest you learn it
and more realistically
manage expectations*



Decision Making Process (DMP)

Various steps and approvals needed from all of the player in the purchase process.

Map these steps out and give a reasonable estimate of time for each part. There may be additional unaccounted time such as budgeting process, regulatory approval, etc. Understand the internal purchasing procedure.

Description of the acquisition process

New project

- Contact CIO to get approval and gain access to internal company specialist
- Contact internal company specialist / green czar / Corporate Facilities Manager to influence Engineer
- Contact design engineer to work together in definition of water system, give specifications, and have them prescribe MWFS
- Contact general contractor and Purchasing to ensure purchase and proper installation

Retrofit

- Contact Facilities Manager and help him sell to Data Center Manager
- If necessary, contact CIO to get approval and gain access to Data Center Manager and internal company specialists
- Contact Facilities Manager / Data Center Manager/ Purchases to ensure purchase of our product and proper installation

New project

Lead generation	Access to influencers	Access to design engineers	Design phase	Construction phase: actual sale to contractor	Installation
1-2 months	2-4 months	2-4 months	6-12 months	12-15 months	1 month

Retrofit project

Lead generation	Access to facility manager	Access to influencers	Negotiation with Purchases and Budget Owners	Installation
1-2 months	4-6 months	2-4 months	2-3 months	1 month

References

New Enterprises Lecture Notes - Bill Aulet

Disciplined Entrepreneur - Bill Aulet