

# How People Decide

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**By Tom Reilly, author of Value-Added Selling**

Salespeople who sell to the buyer's needs and wants are three times more likely to close the deal at a higher gross margin than salespeople who sell only to the buyer's needs.

Buying decisions, like all motivated behavior, are the outcome of internal and external forces operating on the individual. The internal forces are emotion and cognition. The external forces are contextual or environmental factors that affect the decision. Studying these three forces helps you understand better why buyers decide what to purchase.

First, humans are feeling, thinking creatures—driven by emotion and moderated by reason. Though people fancy themselves as rational beings, humans are emotional at their core. This means that emotion drives most decisions we make. Emotions are subjective. The only thing predictable about emotional decisions is that they will be irrational. Understanding the emotions of your buyer will help you tap into the emotion driving the behavior.

Second, emotions drive wants; reason drives needs. Needs reflect objective buying criteria. These rational concerns must be addressed with the purchase. Wants are more individual and needs are more organizational. Understanding needs helps you understand what the buyer must have in a solution to satisfy the needs of the organization.

Third, external forces affect the decisions people make. These forces are the context in which people decide. For example, market conditions, outside pressures, supply and demand, and economic concerns are a few of the things that affect buying decisions. If you want to close quicker and more profitably, study the internal and external forces that affect the buyer's decision.

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