Innovate to Overcome Buyer Apprehension

Buyer apprehension is the nemesis of every sales organization. There are many causes of buyer apprehension, but nowhere is this customer behavior more visible than in the high tech sector and rightly so. Technology is changing so quickly that products are already becoming obsolete by the time they hit the sales floor.

Who hasn’t experienced buyer remorse, when within a very brief period after making an expensive technology purchase, you see news that a ‘newer technology’ is just being released. Ugggh! That does not make for happy customers.

After several recurrences, it is no surprise to see buyer’s apprehension set in. “Why buy today when, very shortly, I can have newer technology and very possibly at a cost savings, as technology advancements continue to drive prices down.”

The flip side of this argument is, “Whenever you decide to buy, a newer, improved technology will invariably be right around the corner.’ Today, technology advancement is a continuous cycle, where the cycle times are ever shorter, all driven by technological innovation. The fact is that there is never a ‘right time to buy’. Waiting for the perfect moment is a myth!

It is proving to be a very expensive myth, however, for those selling technology. Each postponed purchase results in a lost opportunity now as well as reduced total sales over the full product life cycle.

Whether it’s corporate sales or retail, in order to overcome buyer’s apprehension, it is critical that sales organizations apply innovative solutions. Failing a timely innovative response, it is likely that buyers’ tendency toward apprehension will not only continue, but grow into a even greater problem for sellers.

The question becomes ‘how to innovate a solution’? This will vary by industry and between corporate and retail sales, but there are some innovative solutions that can straddle both.

Feeling the brunt of buyer apprehension, Best Buy Corporation has created an innovative approach to meet this challenge head-on. ‘FUTURE-PROOF YOUR TECHNOLOGY WITH THE BUY BACK PROGRAM’ is their answer. Applicable to any mobile phone, laptop, netbook, tablet computer or TV, Best Buy will buy back your ‘outdated’ product when you upgrade to the latest technology innovation.

Not exactly a new idea, as most of us have been trading in our cars, SUV’s and trucks for decades. But still a very powerful response in a new industry to the same problem automakers began facing in the 1930’s. Customers want the ‘newest’, but feel tied to
their investment in the ‘old’. To sell them ‘new’, sales organizations must relieve them of the ‘old’ in such a manner that customers do not feel they have squandered their money.

As in most of these ‘deals’, the devil usually lurks in the details and this is no exception. The basics of the program enables a purchaser to return the previously purchased item and in return, receive a Best Buy gift card valued at a percentage of the original purchase price depending upon the item, with a maximum credit of 50%. This return period begins thirty-one days after the initial purchase and extends for six months thereafter.

Losing 50% or more of the original purchase price is still a high price to pay for the ability to instantly upgrade when innovative new technologies arrive, however there are instances where this could make economic sense. Of course, Best Buy hopes that trendsetters, those customers who always want the latest in new technology, will rationalize the buy-back program as sufficient justification to dive in and keep buying, buying and buying.

The important lesson here is not in the specifics of the Best Buy program, but rather its example as an innovative response to a very real and growing sales dilemma impacting the hi-tech and other marketplaces. All sales organizations need to devise equally innovative responses to similar problems to keep sales moving and so overcome the spoiler of buyer apprehension.

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