



E-News

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Are You “Optimizing” When You Should Be “Satisficing?” *by Dan Trudell, President*

A few weeks ago, I learned an unusual word – *Satisficing*. Satisficing is the combination of **satisfy** and **suffice**, or **satisfice**. Nobel Prize winning economist Herbert Simon coined this word in 1957. He used this word to describe a kind of decision-making strategy by which an individual chooses the first choice that is both satisfactory and sufficient. This compares to a strategy of **Optimization**, or choosing the “best” strategy.

Many times, we hear clients and salespeople complain about how they lost and or continue to lose sales to “inferior” quality competition. They may be right! The client used a strategy of “**Satisficing**” versus “**Optimizing**” and selected the first adequate resource that met the **minimum requirements** they had identified.

Has that ever happened to you?

Instead of complaining about your competition, learn how to compete successfully with those segments that use a satisfice buying strategy. Here are some ideas.

- 1) **Better understand the prospect needs AND priorities.** Is this decision critical to a core business process, or not. Is this a large purchase commitment for that company or not? Are they experienced in buying this type of product or service or not? Non-critical, small investment/small risk and experienced buyers are more likely to use a “satisfice” strategy than an optimization strategy. Therefore, you may want to closely examine what you are proposing and offer choices and options for the client to choose from.
- 2) **Create a new or different product line.** If your core product line is positioned as a high end product, you may want to consider creating a unique line that can have less features and lower price points as a way to win some of that business that will not be able to justify an “optimized” solution.
- 3) **Unbundle.** Where possible, break your product into “chunks”. This enables customers to buy only what they need and no more than they need. It also allows you to go back to the customer with add-ons and upgrades.
- 4) **What is the Buying Pattern of this Prospect?** In many cases, knowing how this prospect has made decisions similar to this in the past can provide insight into current and future buying behavior. Ask your customer how they typically go about making decisions like this!

This is not meant to be an exhaustive list of alternatives, but rather a place for you to begin to examine what and how you might begin to change your approach in certain cases to win more business. Don’t try to “optimize” when your prospect is content to “satisfice!”

Introducing “The Sane Person’s Guide To Working With Everyone Else™”

Have you ever worked with someone and wondered if that person was absolutely CRAZY! You’re probably not alone. However, do you really think that people wake up each morning and wonder, “Hmmm, who’s day can I screw up today?” Probably not! Each of us intend to do the right thing but others interpret our behaviors and comments differently than we originally intend. So how do we make sense of it all and figure out how to communicate and work effectively with other people? You turn to the Guide.... “The Sane Person’s Guide to Working With Everyone Else.”

Peak Performance Associates is pleased to announce the release of “The Sane Person’s Guide to Working With Everyone Else.” This entertaining, CD-Rom based program enlightens with vital information on communication & behavioral styles. Participants learn how to identify their own individual styles, how to identify people of different styles and how to maintain their sanity by adapting their styles to those who are different from them.

The Sane Person's Guide to Working With Everyone Else™ is appropriate for people at all levels of the organization. For more information on how you can bring The Sane Person's Guide to Working With Everyone Else™ into your organization, contact Monica Trudell at Peak Performance Associates, Inc. – 608-835-9288 or monicat@peakperform.net – please put “Sane Guide” in the subject field.

Peak Performance Associates aligns the people strategy with the business strategy to accelerate growth!

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