

Understanding Customer Psychology

Why customers think, feel and buy.



THE PSYCHOLOGY BEHIND CUSTOMER DECISIONS

Learning Objectives

MOTIVES

Understand customer motivations and expectations

VALUE

Recognise perceived value, risk and emotional influences

ETHICS

Apply customer psychology ethically in sales and service

THE PSYCHOLOGY BEHIND CUSTOMER DECISIONS

Why Customer Psychology Matters



What Actually Drives a Decision?

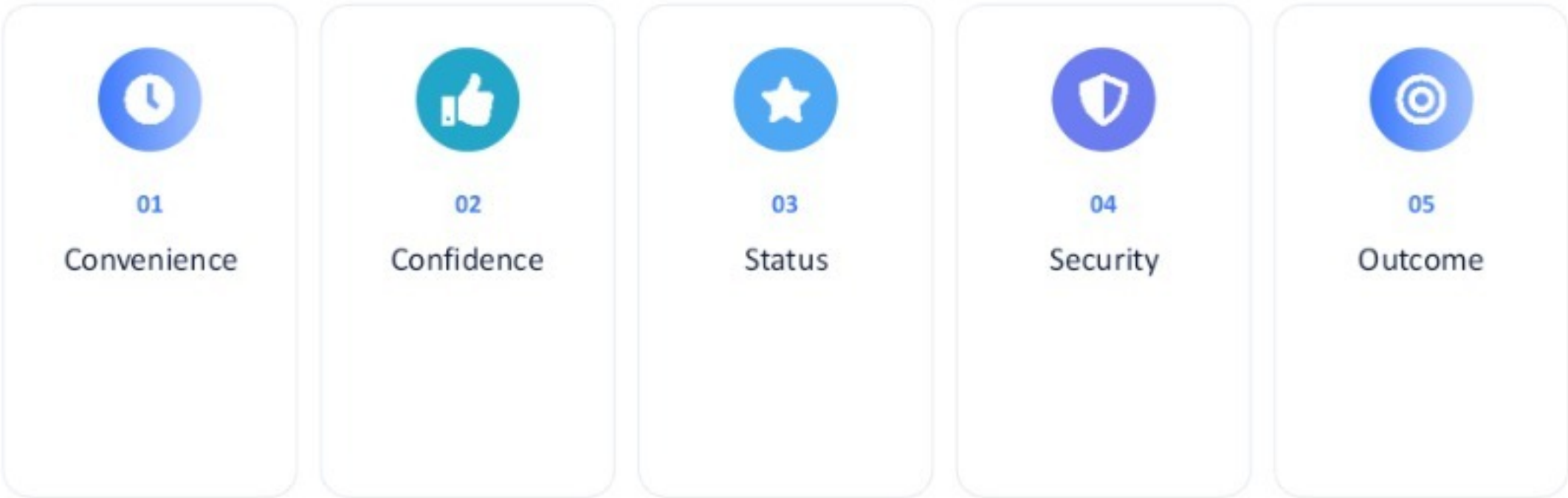


- 1 Needs**
what the customer must achieve
- 2 Emotions**
how they feel about the choice
- 3 Logic**
how they weigh the evidence
- 4 Trust**
how far they believe you
- 5 Timing**
when the decision must happen
- 6 Constraints**
budget, rules and approvals

The Customer Decision Journey



Customers Do Not Buy Products Alone



They buy software to cut reporting time, not to own another tool.

Understanding Customer Needs

STATED NEED

- “I need a cheaper solution.”
- What the customer says

→

UNDERLYING NEED

- “I need to justify this expense.”
- What may sit underneath

Distinguish stated needs from underlying needs.

Functional, Emotional and Social Needs

THREE KINDS OF NEED

- Functional**
What the solution does
- Emotional**
How the customer wants to feel
- Social**
How the choice affects reputation or belonging

Strong decisions often meet all three.

Understanding Customer Psychology

Section 2 of 8

11

Explicit Needs vs. Hidden Needs

WHAT YOU HEAR

“I need a quote.”

“It must be quick.”

“We want something simple.”

WHAT MAY LIE UNDERNEATH

What they mean

What they have not yet recognised

Concern they have not voiced

Outcome they really want

Listen for what lies beneath what is said.

Price Is Not Value

ILLUSTRATIVE INDEX: PRICE VS TOTAL COST



- A lower price may not give the best outcome
- Cheaper equipment can cost more to run
- Compare the full cost over time
- Link price to the result delivered

The Value Equation

PERCEIVED BENEFITS

Outcomes

Time saved

Confidence

Convenience

PERCEIVED SACRIFICES

Money

Effort

Time

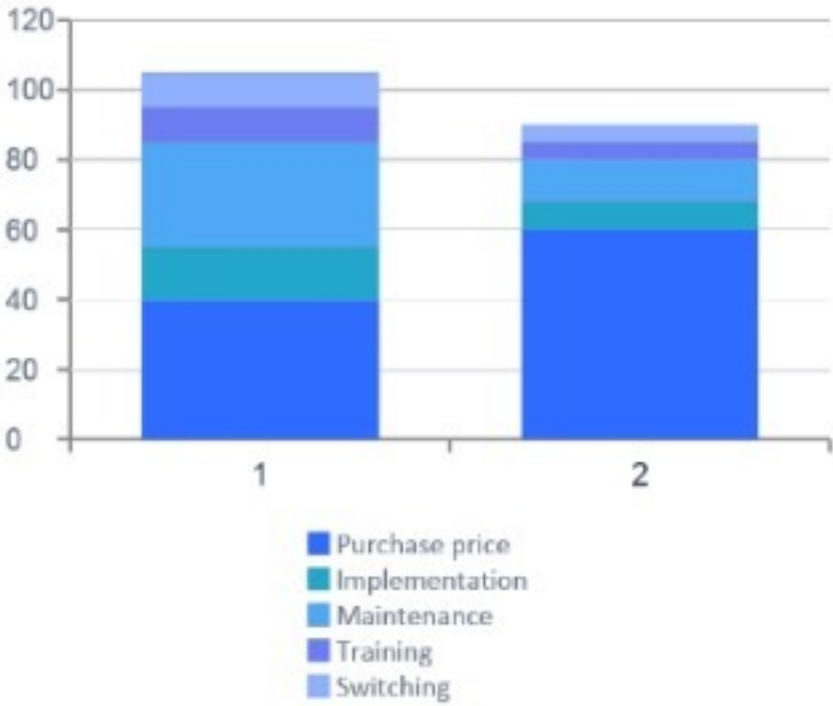
Uncertainty

VALUE = PERCEIVED BENEFITS vs PERCEIVED SACRIFICES

Understanding Total Cost

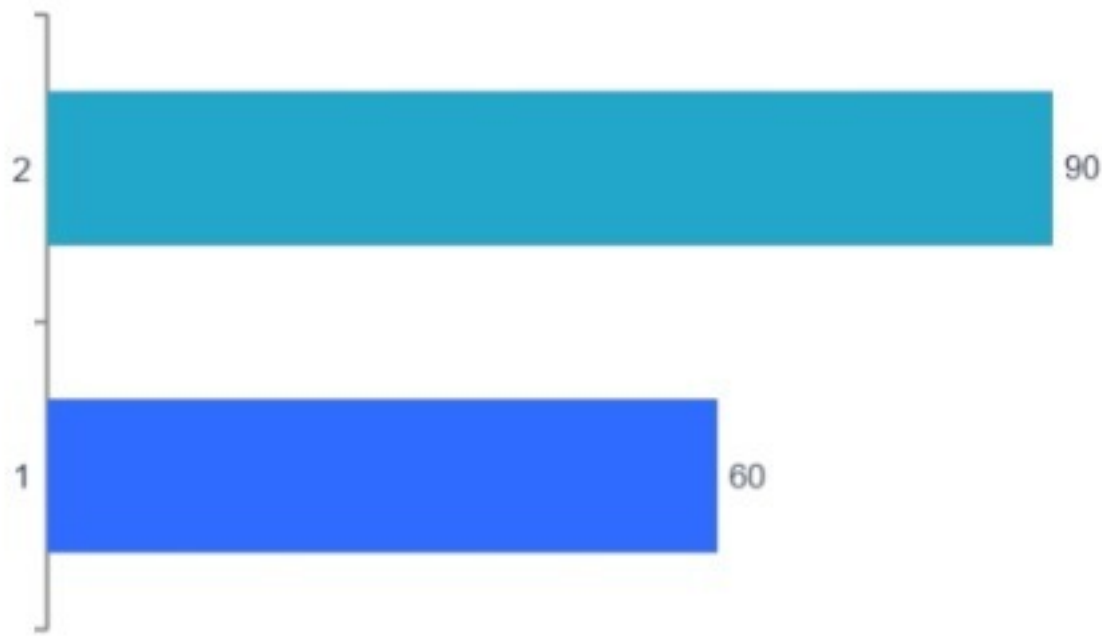
Cost element	Option A	Option B
Purchase price	40	60
Implementation	15	8
Maintenance	30	12
Training	10	5
Switching	10	5
Total cost	105	90

ILLUSTRATIVE FIGURES, THOUSANDS



Anchoring Bias

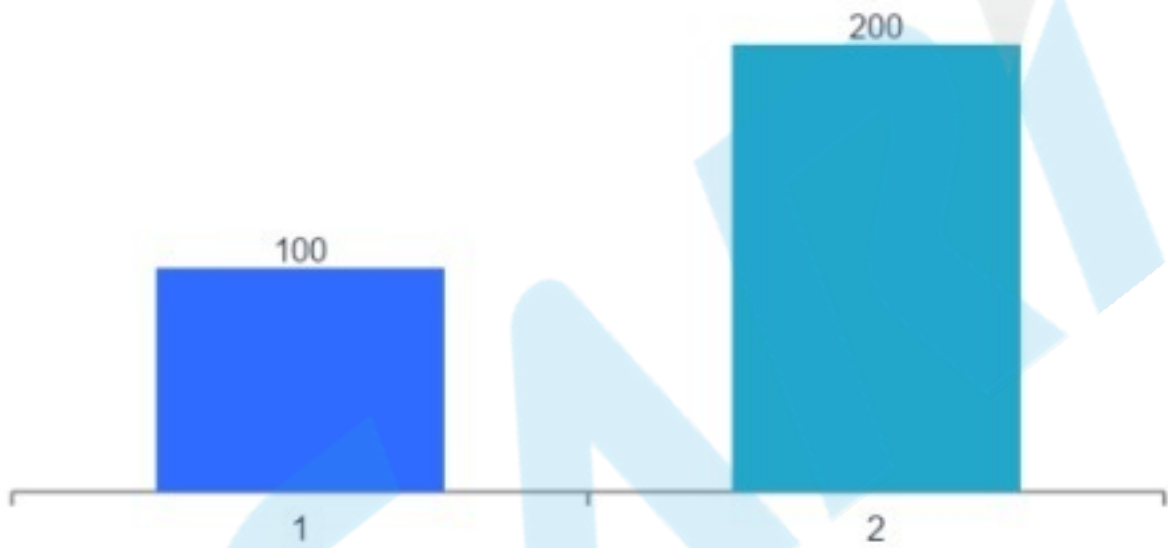
ILLUSTRATIVE: HOW EXPENSIVE THE SAME OFFER FEELS



- Initial information shapes later judgments
- An initial quote frames a revised offer
- Introduce reference points deliberately and fairly
- Keep comparisons accurate

Loss Aversion

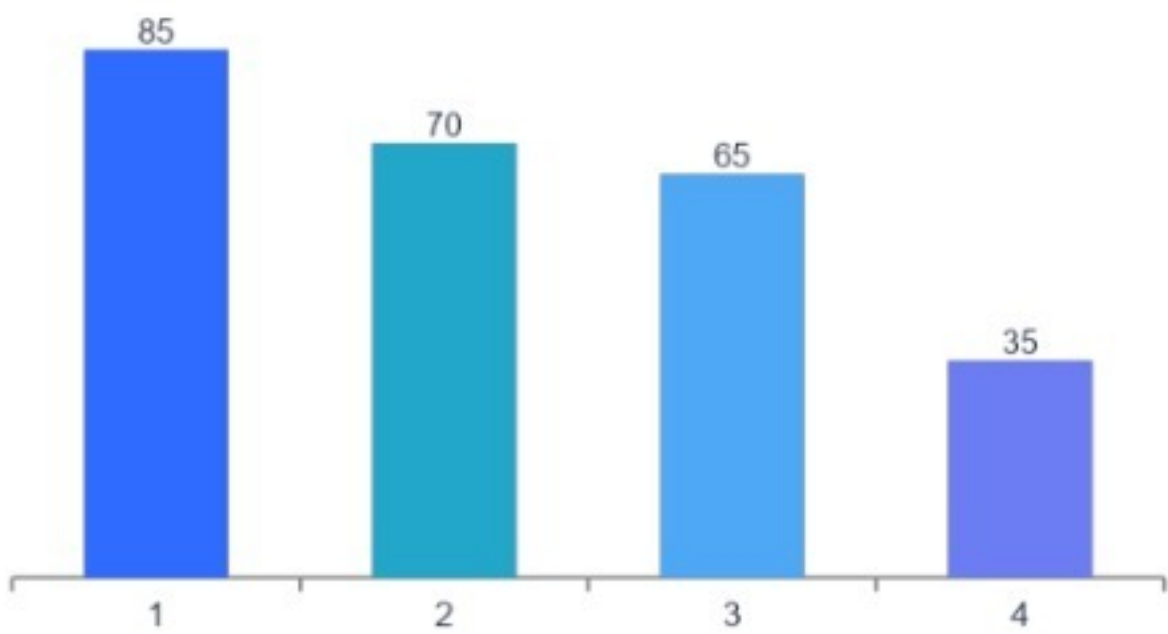
ILLUSTRATIVE FELT INTENSITY



- Potential losses feel larger than equal gains
- Explain the genuine costs of inaction
- Do not manufacture fear
- Keep it factual

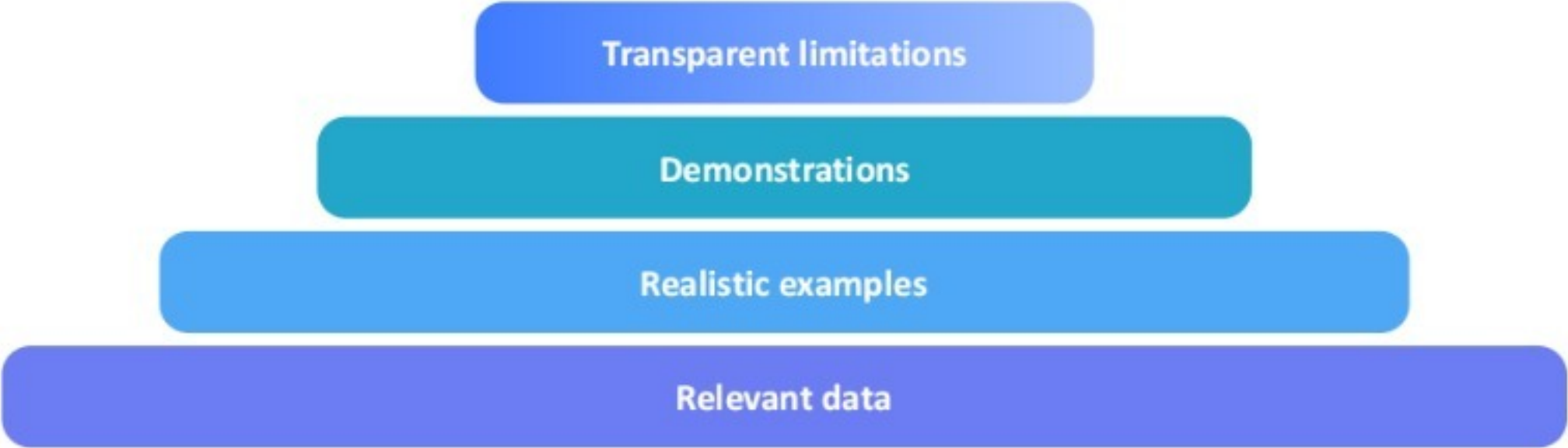
Social Proof

ILLUSTRATIVE TRUST IN EVIDENCE



- Reviews and peer experiences
- Relevant customer evidence
- Choose references that match the customer
- Do not fabricate or exaggerate

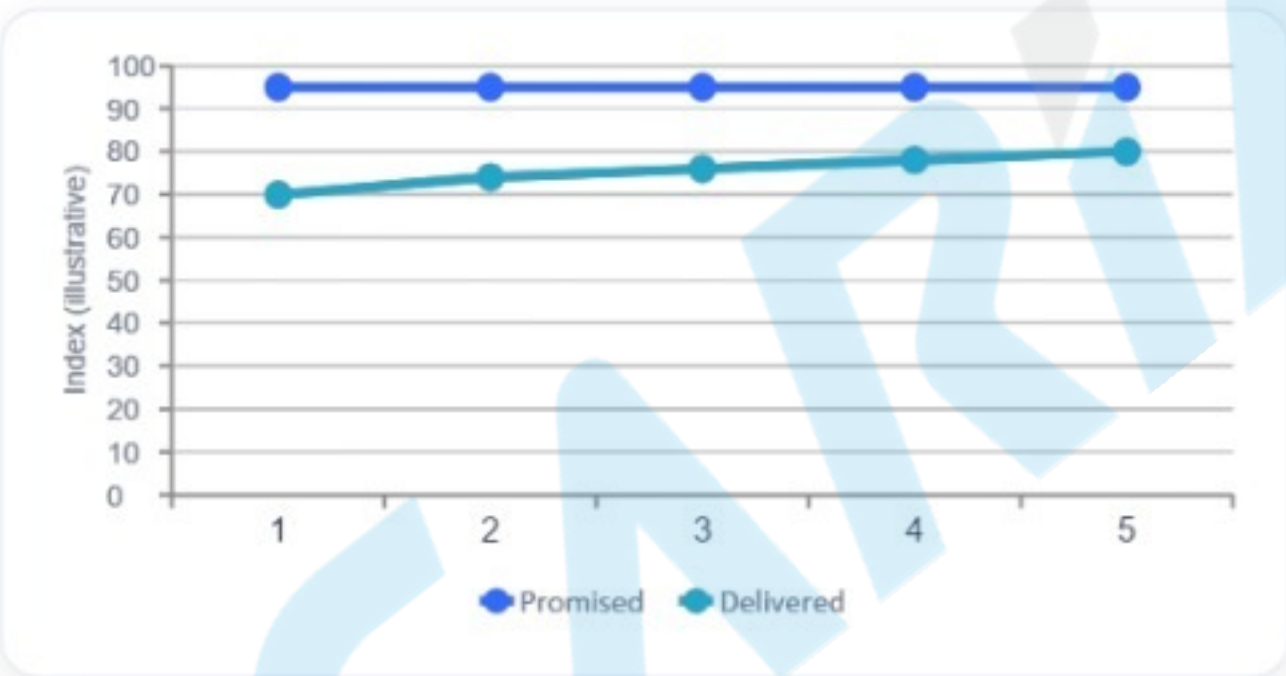
Credibility Through Evidence



VERIFIED EVIDENCE BEATS OPINION

Consistency Between Promise and Delivery

Overpromising opens a gap that erodes trust



- Avoid overpromising
- Accurate expectations build trust
- Delivering less than promised costs the relationship
- Under-promise slightly; deliver reliably

Creating Confidence Without Pressure



Clarify. Answer. Invite.

Handling Customer Objections

Turn hesitation into progress.



1. Understand Why
Real versus surface concerns.



3. Handle the Big Ones
Price, timing, trust, rivals.



2. Use LAER
Listen, Acknowledge, Explore, Respond.



4. Practise
Cases, roleplays, playbooks.

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UNDERSTANDING CUSTOMER OBJECTIONS

Learning Objectives



UNDERSTAND

See why customers raise objections



RESPOND

Use a clear, respectful framework



ADVANCE

Turn concerns into next steps

Handling Customer Objections

Section 1 of 8

2

UNDERSTANDING CUSTOMER OBJECTIONS

Why Objections Matter

OBJECTION

CONCERN

RESPONSE

PROGRESS

01

A concern is voiced

02

The real worry is understood

03

Relevant evidence is given

04

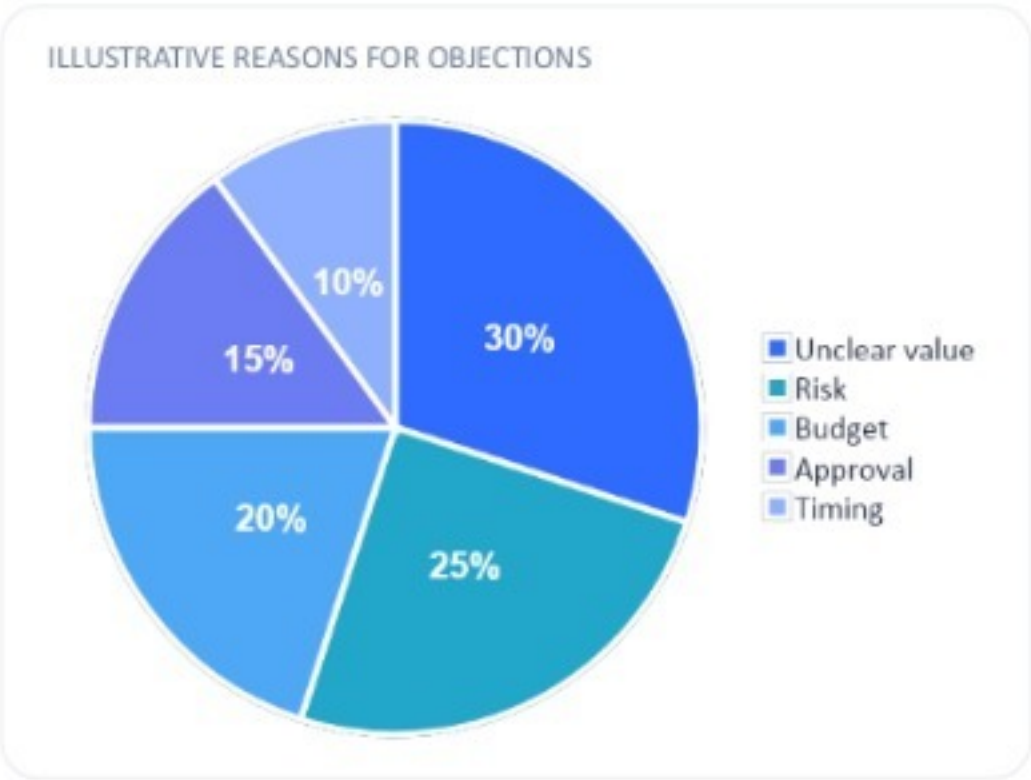
The conversation moves on

Handling Customer Objections

Section 1 of 8

3

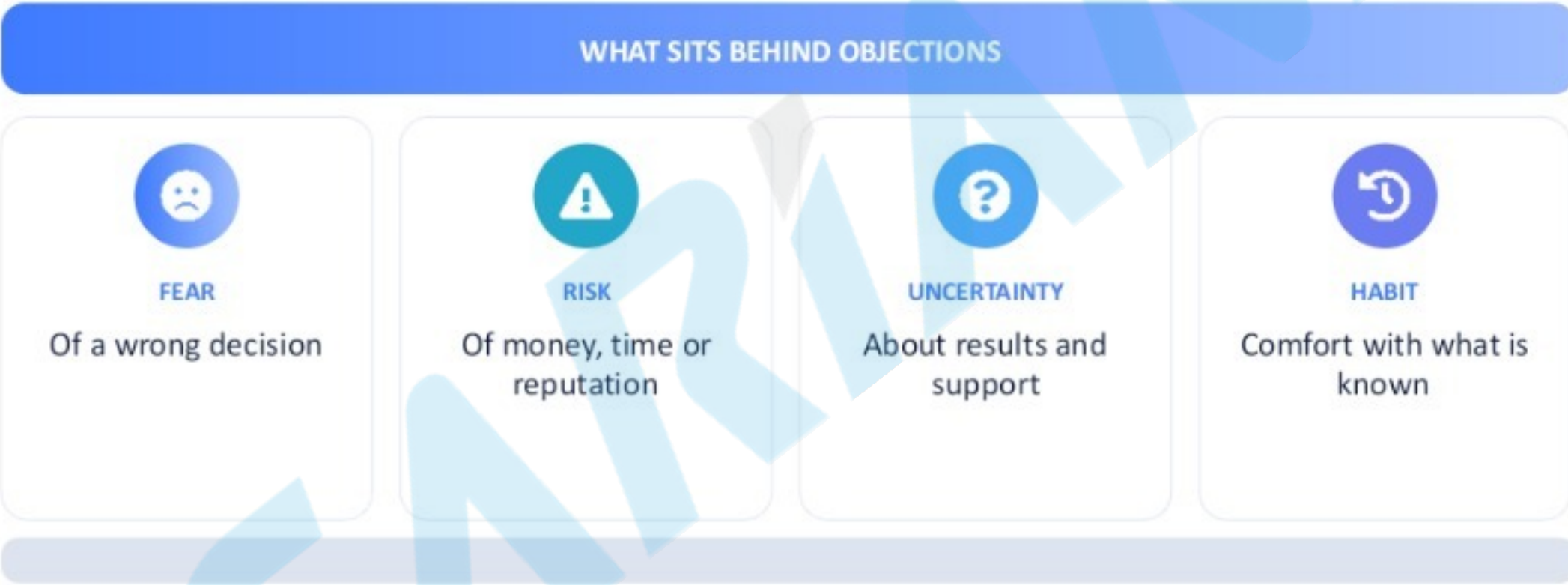
Why Customers Object



- Unclear value
- Perceived risk
- Budget limits
- Need for approval or timing

THE PSYCHOLOGY OF OBJECTIONS

Fear, Risk and Uncertainty



THE PSYCHOLOGY OF OBJECTIONS

Emotional vs. Logical Objections

Type	What it sounds like	How to respond
Logical	"What is the total cost?"	Give clear facts and evidence
Emotional	"I'm worried this won't work."	Acknowledge, then reassure with proof
Mixed	"It costs a lot and I'm not sure."	Separate the two, answer each

Respond to the feeling first, then the facts.

Price vs. Value Conversation

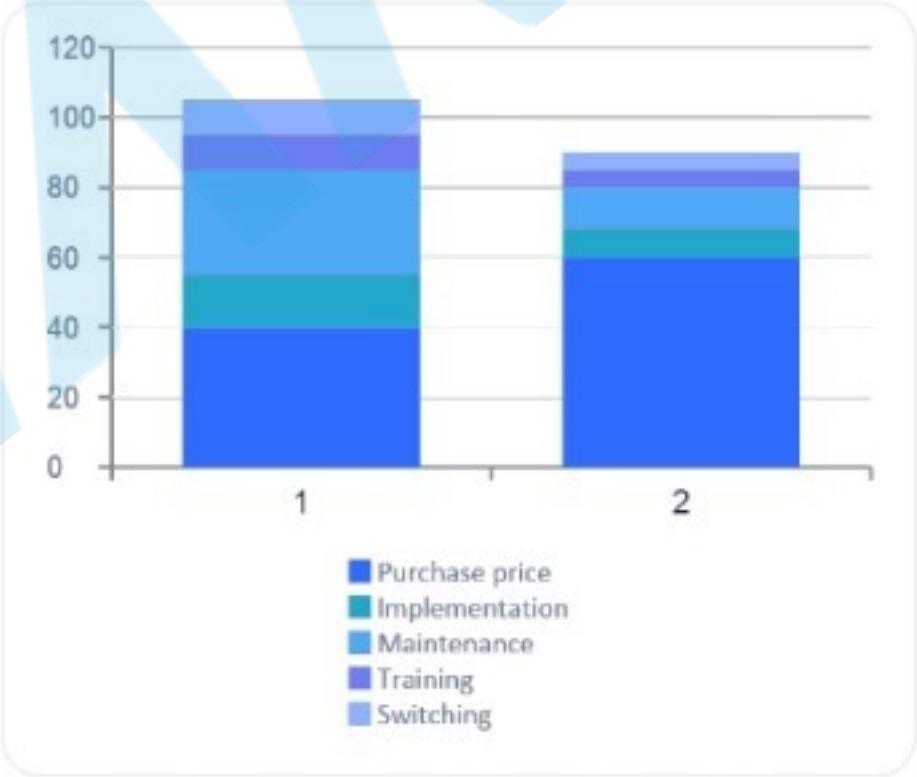


- Compare the full cost over time
- Link price to outcomes
- Do not apologise for the price
- Use the customer's own measures

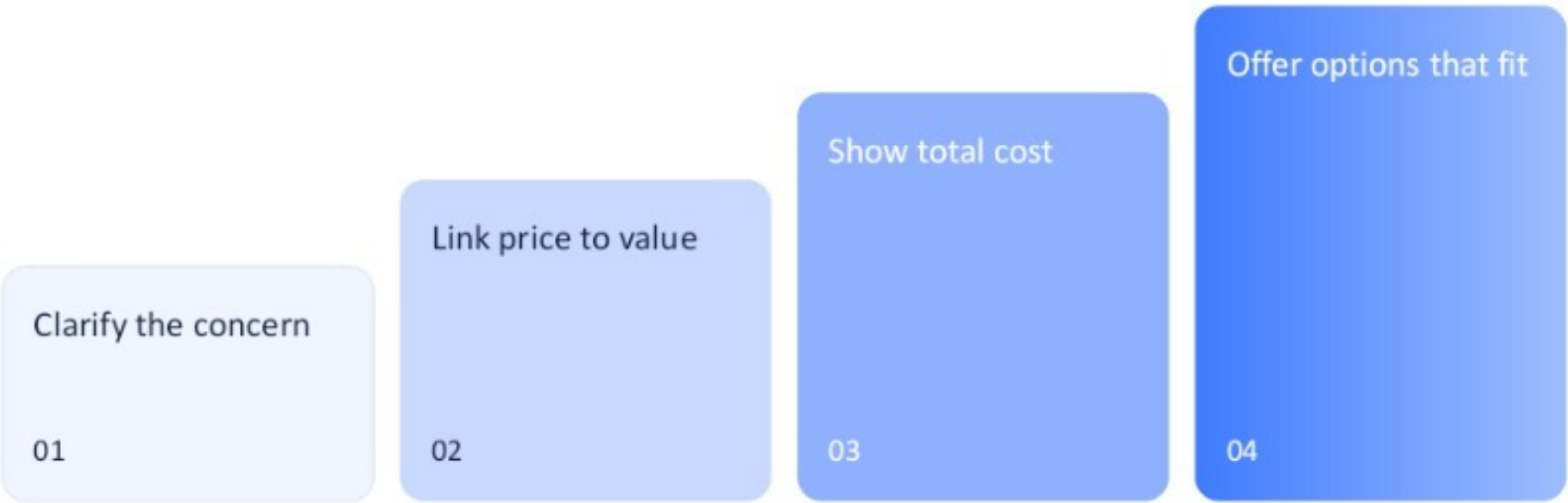
Total Cost of Ownership

Cost element	Option A	Option B
Purchase price	40	60
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Total cost	105	90

ILLUSTRATIVE FIGURES, THOUSANDS



A Ladder of Price Responses

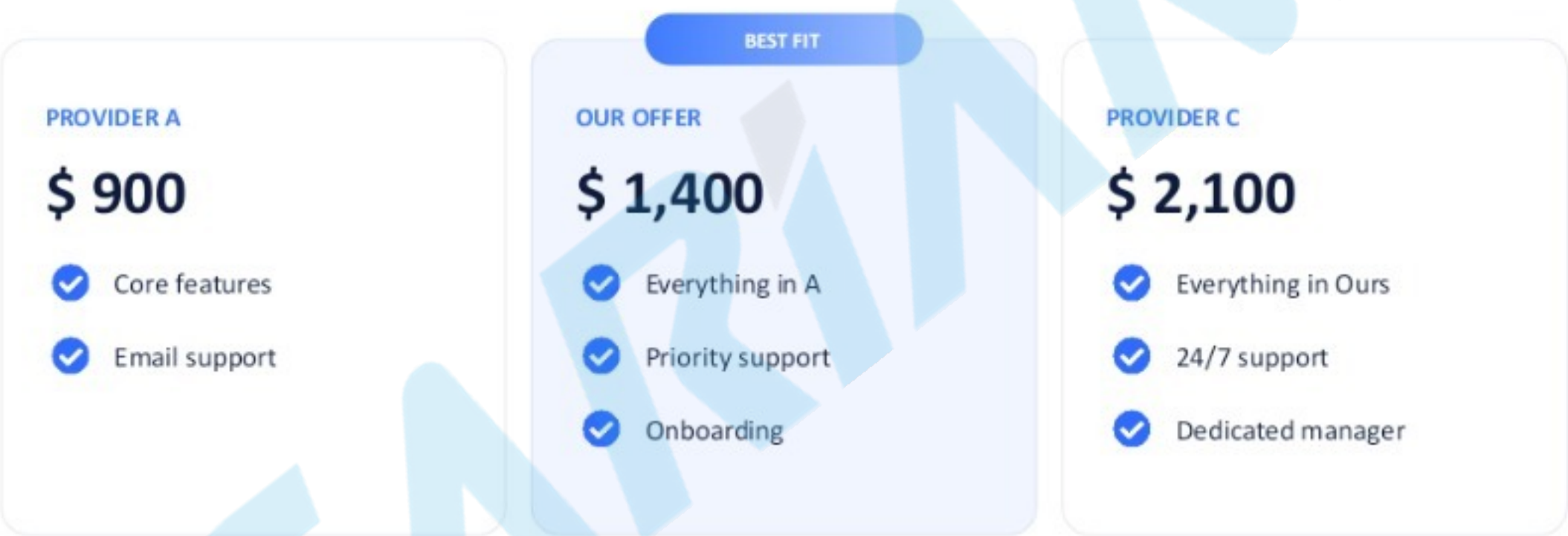


Evidence That Reduces Risk



STRONGER EVIDENCE BUILDS CONFIDENCE

Competitor Objections



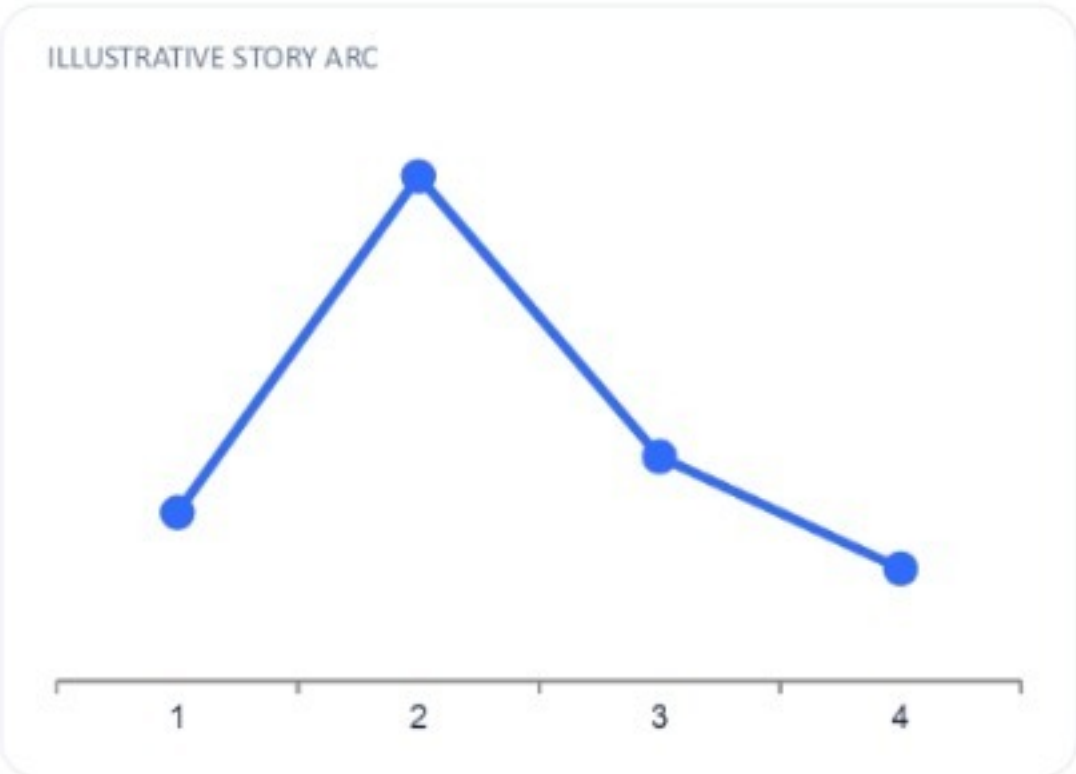
Compare on what matters, not on price alone.

Comparing Alternatives Fairly

Criterion	Us	Competitor
Total cost	Higher upfront, lower overall	Lower upfront
Support	Priority	Standard
Onboarding	Guided	Self-serve
References	Same industry	Mixed

Use the customer's criteria, not yours.

The Power of the Pause



- 1

Hear
Take it in
- 2

React
Hold your response
- 3

Breathe
Pause
- 4

Respond
Answer with care

Handling Multiple Objections



Objections in Writing

- 1

Thank
Thank them for raising it
- 2

Echo
Restate the concern
- 3

Answer
Give the evidence
- 4

Next
Propose a clear next step

NEW MESSAGE

TO

SUBJECT Re: Your question about total cost

THANK

ECHO

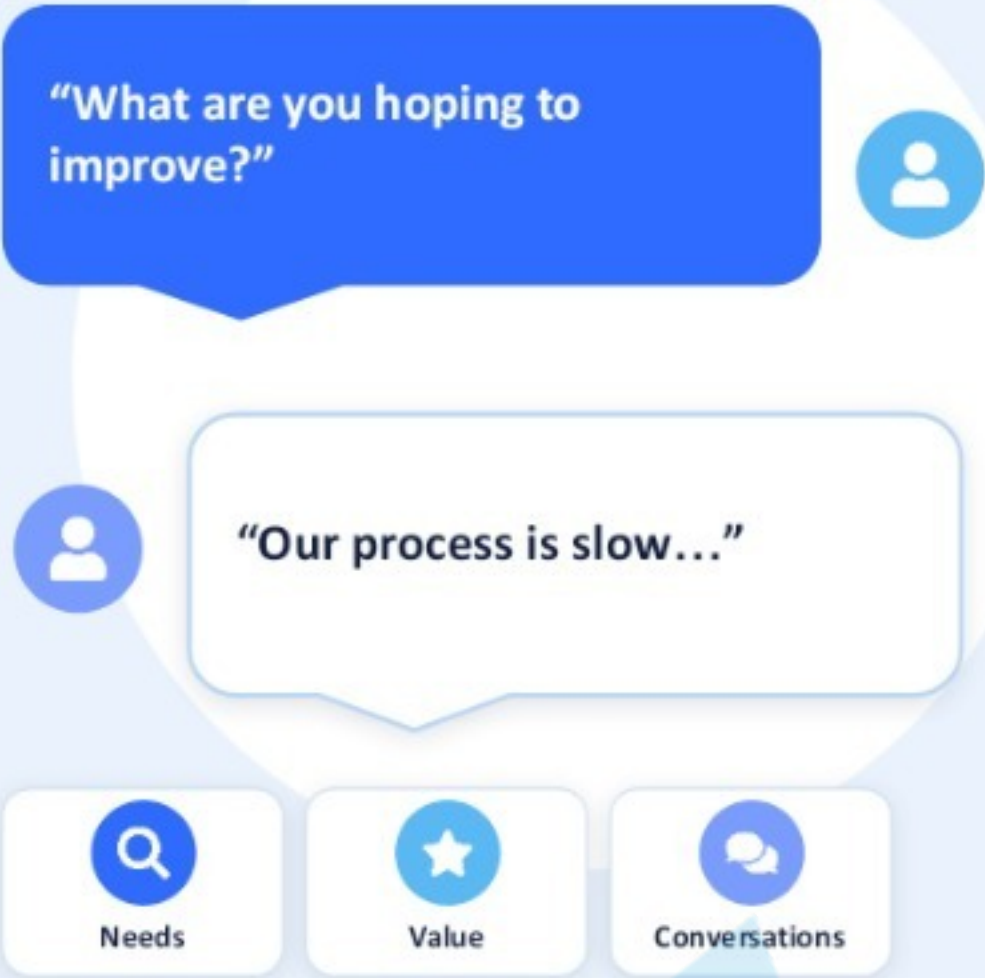
ANSWER

NEXT

The Art of Asking Better Sales Questions

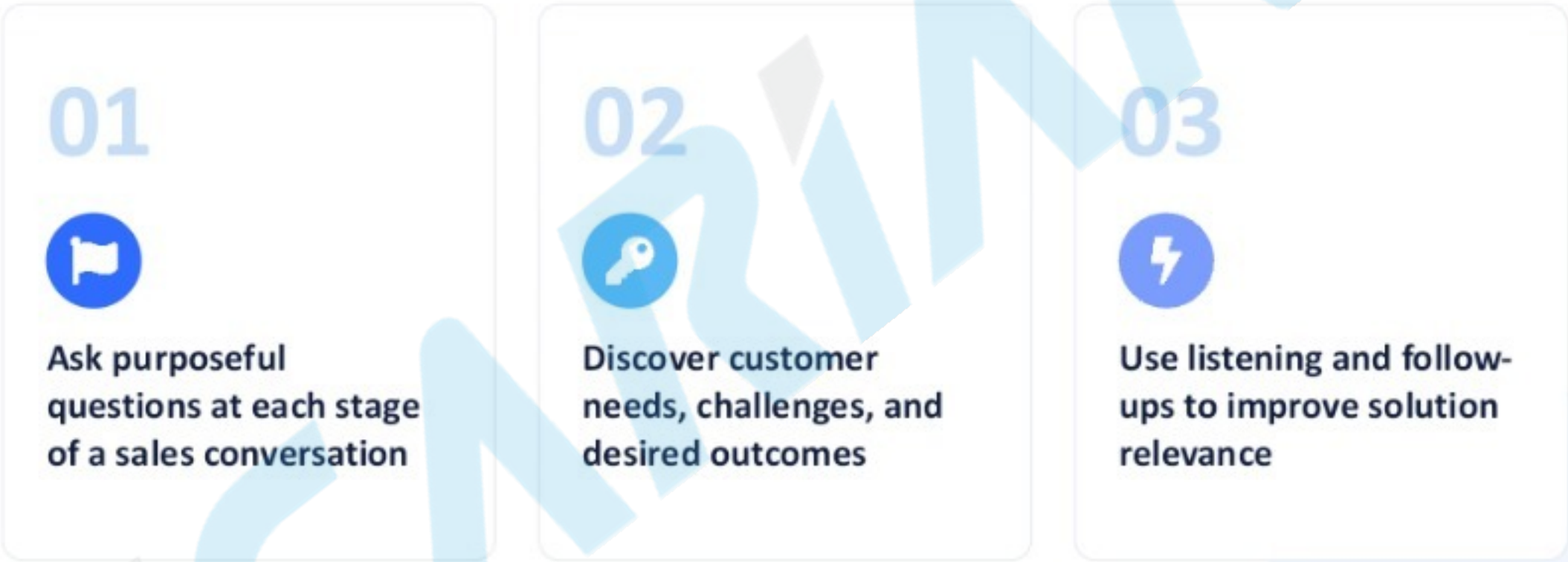
Discover Needs. Create Value. Build Better Conversations.

🕒 1 day · 5–6 hours



THE POWER OF BETTER SALES QUESTIONS

Learning Objectives



THE POWER OF BETTER SALES QUESTIONS

Why Questions Matter in Sales



Better questions uncover what a presentation alone cannot reveal

From Pitching to Discovering

Approach	Salesperson behaviour	Customer experience	Likely outcome
Product-first	Presents features early	Feels talked at	Generic proposal
Customer-first	Asks and listens first	Feels understood	Relevant solution

The Cost of Poor Questions



Sample scale for discussion – not research data



Example: pitching a premium solution before understanding the budget.

What Makes a Question Effective?

The question-quality checklist:

- ✓ Clear
- ✓ Relevant
- ✓ Neutral
- ✓ Purposeful
- ✓ Easy to answer

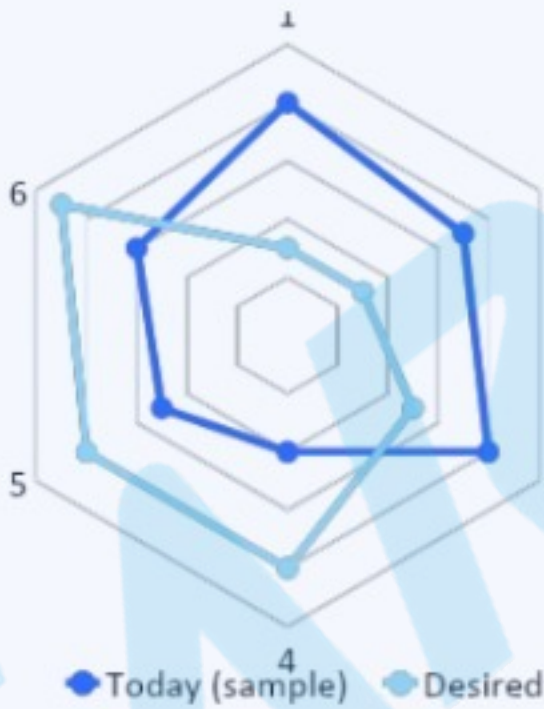


Understanding Business Impact

Sample rows. Complete with real customer information:

Problem	Impact	Evidence	Who is affected
Slow responses	Lost enquiries	Ask for an example	Service team
Manual rework	Higher cost	Ask how often	Operations
Late reporting	Weak decisions	Ask what changed	Managers

Exploring Emotional Impact



Sample profile for illustration



Ask how the problem affects people. Never assume.

Discovering Desired Outcomes

EXAMPLE QUESTION

“What would a successful outcome look like six months from now?”



Define what improvement looks like



Set the timeframe



Agree how success is judged

The 5W1H Question Set



Who
is involved



What
is happening



When
does it occur



Where
does it happen

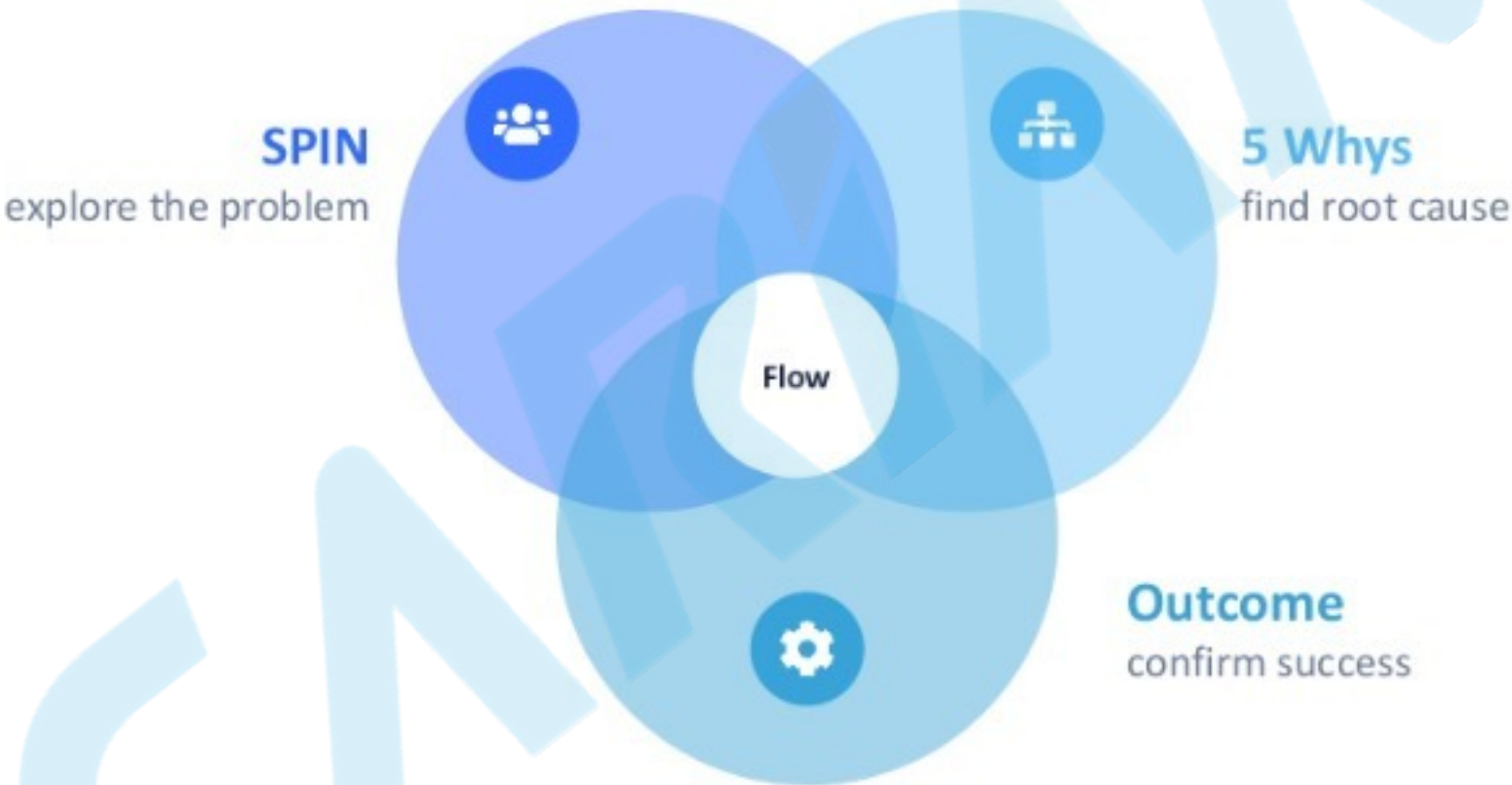


Why
does it matter



How
does it work today

Combining Frameworks Naturally



Practice: Design a Discovery Sequence

ACTIVITY

25 min

FORMAT

Pairs

OUTPUT

A six-question sequence

01 Receive a customer situation

02 Write six questions

03 Arrange them in a logical order

04 Test the flow with a partner

Roleplay: From Problem to Outcome

ACTIVITY

10 min

FORMAT

Trios, rotating roles

OUTPUT

A needs summary

- 01Explore the root problem
- 02Uncover business impact and success measures
- 03Summarise needs before recommending
- 04Receive feedback

Questioning Skills Scorecard

Rate 1–5 against observable behaviours:

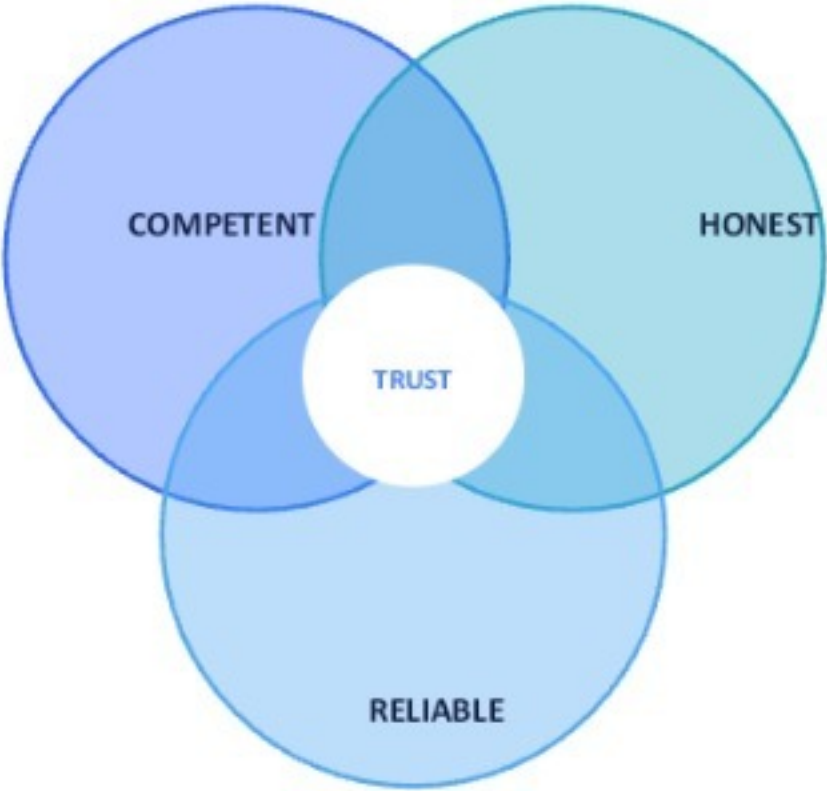
Question quality	Clear, neutral, open	1	2	3	4	5
Relevance	Linked to their situation	1	2	3	4	5
Listening	Builds on their answers	1	2	3	4	5
Probing	Goes deeper with care	1	2	3	4	5
Empathy	Acknowledges feelings	1	2	3	4	5
Summary accuracy	Reflects needs correctly	1	2	3	4	5

Debrief and Replay



Repeat a short section using improved questions

What Does Customer Trust Mean?



THREE PARTS OF CUSTOMER TRUST

- Competent**
Able to do what is promised
- Honest**
Accurate and open about limits
- Reliable**
Consistent over time

Trust is not familiarity, popularity or satisfaction.

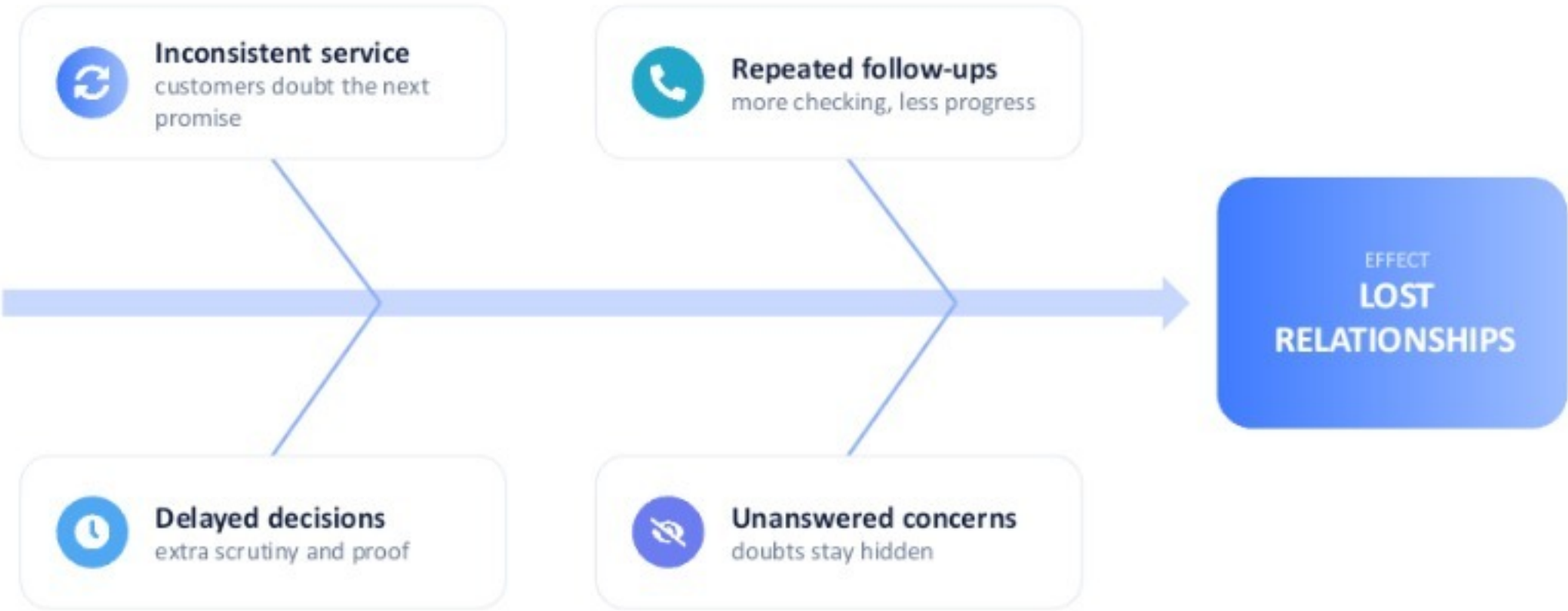
How Trust Shapes Buying Decisions

	AWARENESS	EVALUATION	DECISION	RENEWAL
Credibility	3	4	5	3
Perceived risk	2	5	4	2
Value	2	4	4	3
Reliability	1	3	5	5

ILLUSTRATIVE HEAT MAP: HOW MUCH EACH FACTOR MATTERS, 1 TO 5

Trust matters at every stage.

The Cost of Low Trust



Integrity: Be Honest and Fair

✓ HONEST

• Accurate claims

• Relevant limits disclosed

VS

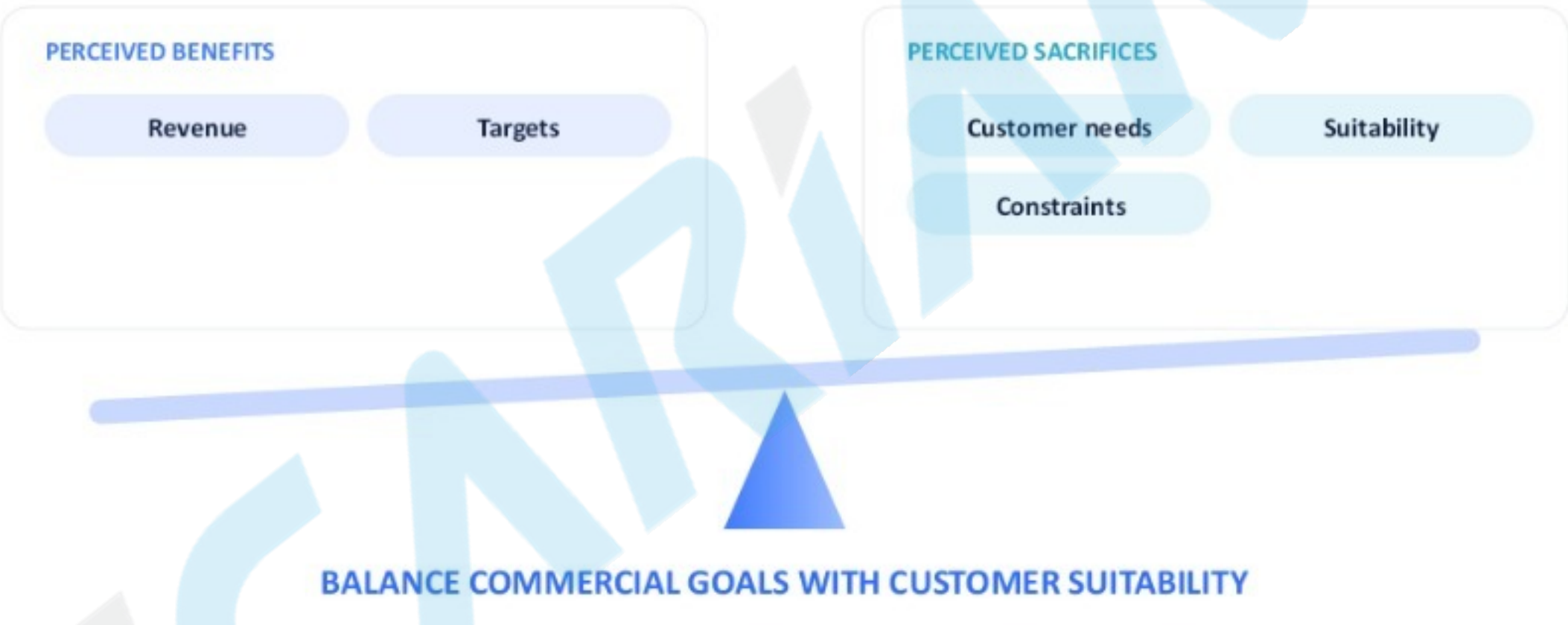
✗ MISLEADING

• Overstated results

• Hidden conditions

Honesty may cost a sale today and protect the customer tomorrow.

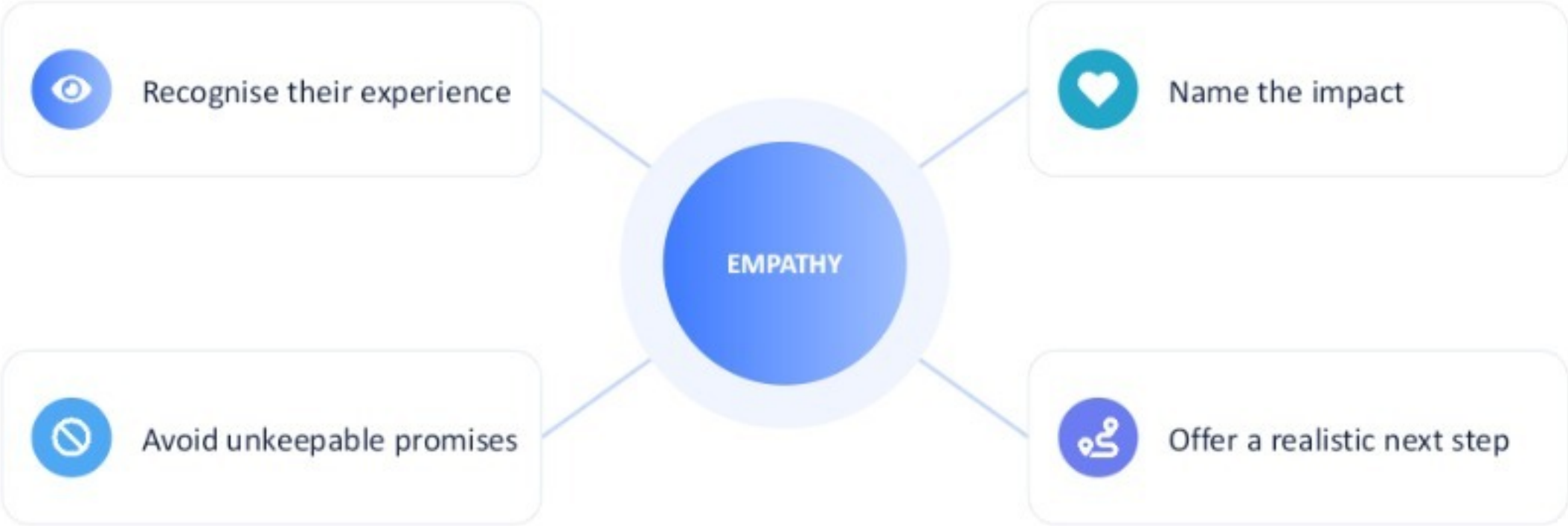
Customer Care: Show Genuine Consideration



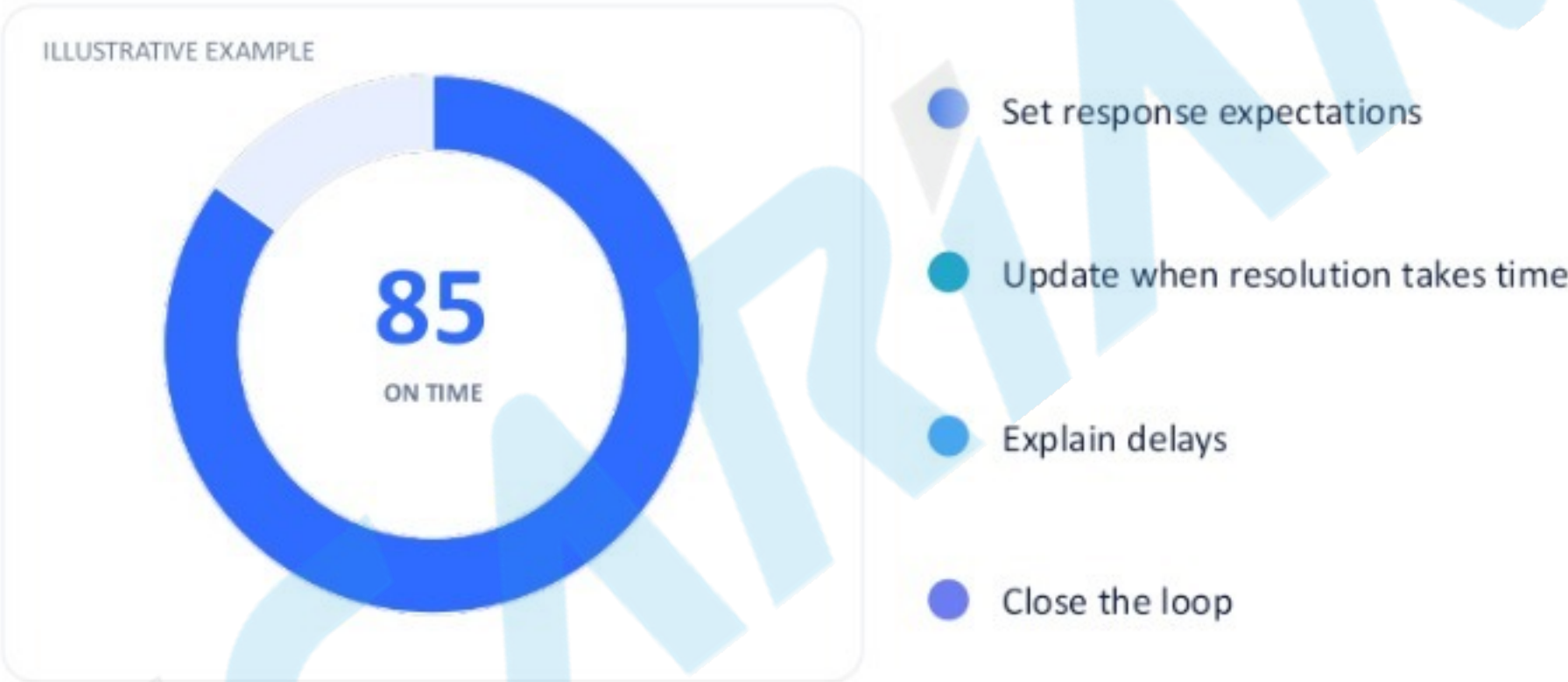
Consistency Builds Confidence



Demonstrate Empathy



Respond Promptly and Professionally



Match Words with Actions

Commitment	Owner	Due	Update
Send proposal	Sales lead	Fri	Sent
Confirm delivery date	Operations	Mon	In progress
Share training plan	Service	Wed	Not started
Review pricing	Account manager	Next Fri	Scheduled

Track every promise to completion.

Responding to “Can I Trust You?”

“

THE IDEA

“What would help you feel confident?”

HOW TO DO IT

- 01Welcome the concern
- 02Ask what would help them evaluate
- 03Provide verifiable evidence
- 04State clear commitments

Handling Mistakes Transparently



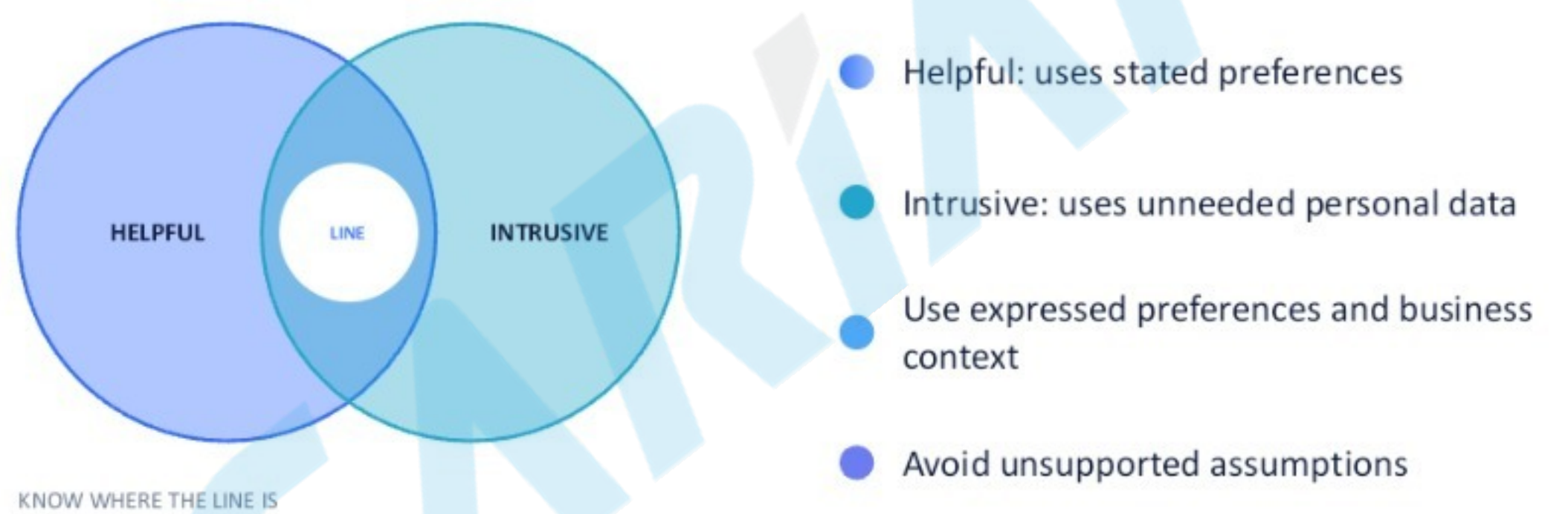
The Trust Recovery Process



Understand Beyond the Sale

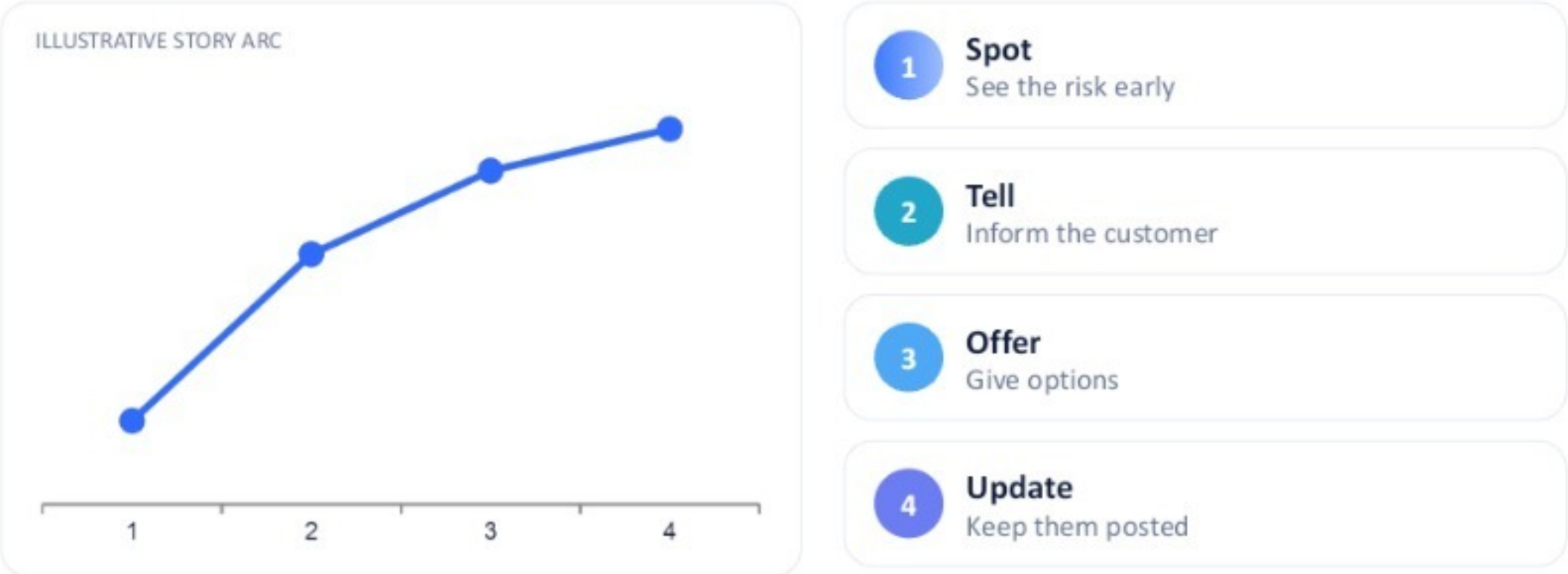


Personalisation Without Intrusion



KNOW WHERE THE LINE IS

Proactive Communication



Turning Complaints Into Opportunities

Resolve problems. Restore confidence. Improve experiences.



1. Understand Complaints
Causes, emotions and needs.



3. Recover Confidence
Fair, fast, accurate fixes.



2. Use Five Steps
Listen to follow-up.



4. Learn and Improve
Root causes and trends.

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UNDERSTANDING CUSTOMER COMPLAINTS

Learning Objectives



UNDERSTAND

Why customers complain and what they need



APPLY

A structured five-step process



IMPROVE

Resolve well and learn from every case

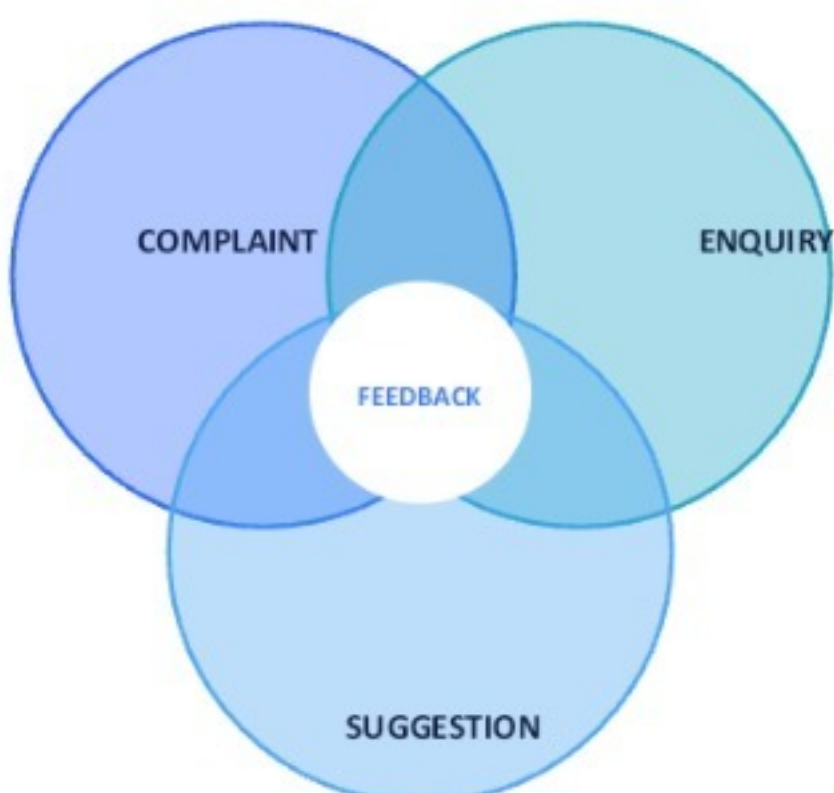
Turning Complaints Into Opportunities

Section 1 of 8

2

UNDERSTANDING CUSTOMER COMPLAINTS

What Is a Customer Complaint?



THREE KINDS OF CUSTOMER FEEDBACK



Complaint

Dissatisfaction with an experience



Enquiry

A request for information



Suggestion

An idea to improve

Each needs a different response.

Turning Complaints Into Opportunities

Section 1 of 8

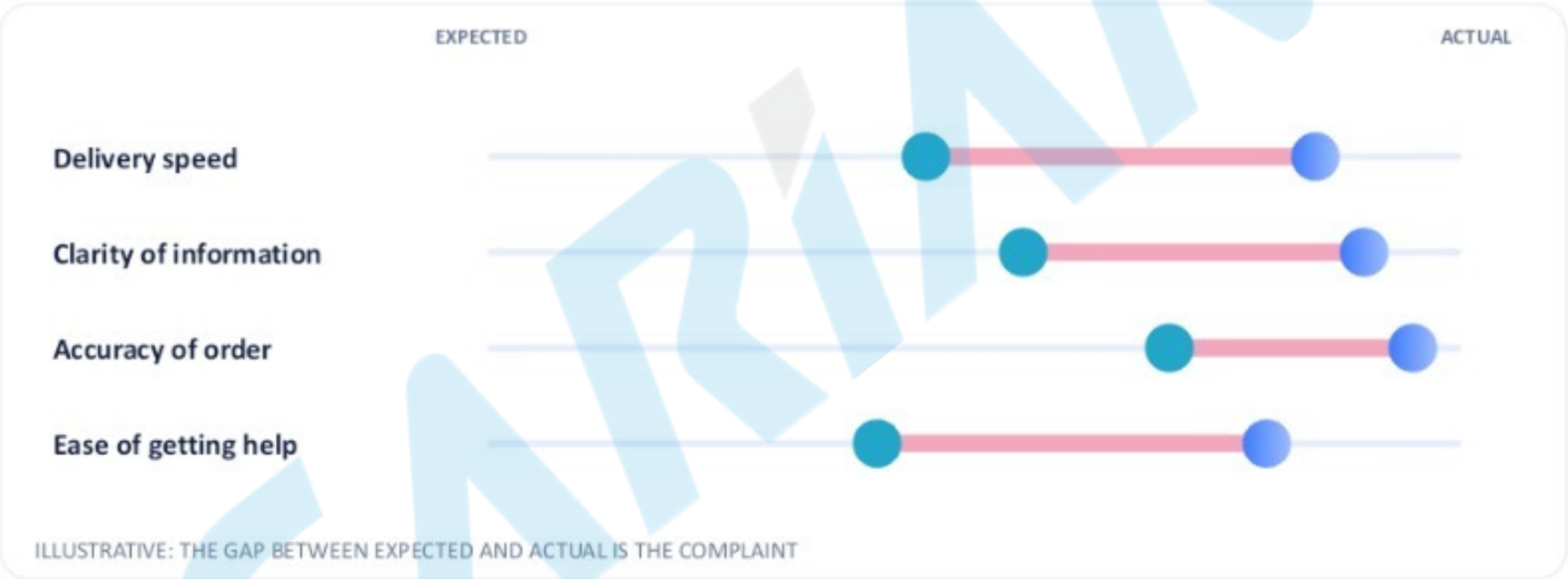
3

Why Customers Complain



- 1 Expectations**
unmet promises
- 2 Failures**
service or product
- 3 Errors**
wrong charge or order
- 4 Delays**
late delivery or reply
- 5 Unclear**
confusing information
- 6 Process**
hard to get help

A Complaint Is a Signal



The Cost of Ignoring Complaints



- Unresolved issue
- Repeated effort
- Wasted time
- Declining confidence

Activity: Identify the Emotion and Need

ACTIVITY

20 min

FORMAT

Teams of 3

OUTPUT

Problem, emotion and best next response

- 01

Read three customer statements
- 02

Name the problem and likely emotion
- 03

Choose the most helpful next response
- 04

Share one answer each

A STRUCTURED COMPLAINT-HANDLING PROCESS

The Five-Step Resolution Model



A STRUCTURED COMPLAINT-HANDLING PROCESS

Step 1: Listen Fully

- Let them explain
- Capture the facts
- Note the impact
- Ask for the outcome they want



Activity: Apply the Five-Step Model

ACTIVITY

25 min

FORMAT

Teams of 4

OUTPUT

A five-step plan for a delayed order

- 01Read the delayed-order complaint
- 02Plan Listen, Acknowledge, Investigate, Resolve
- 03Add the follow-up
- 04Present in two minutes

Choosing Words That Reduce Tension



Helpful Phrases for Complaint Handling

UNDERSTAND

"Let me make sure I understand."

ACT

"Here is what I can do next."

COMMIT

"I will update you by the agreed time."

Say it in your own words.

Matching the Remedy

Issue	Possible response	Approval
Wrong item	Replace or refund	Team lead
Late delivery	Explain, expedite	Own authority
Billing error	Correct and credit	Finance
Product fault	Repair or replace	Warranty check
Poor service	Apologise, retrain	Manager

Know what you can authorise.

Speed and Accuracy



Going Beyond the Immediate Fix

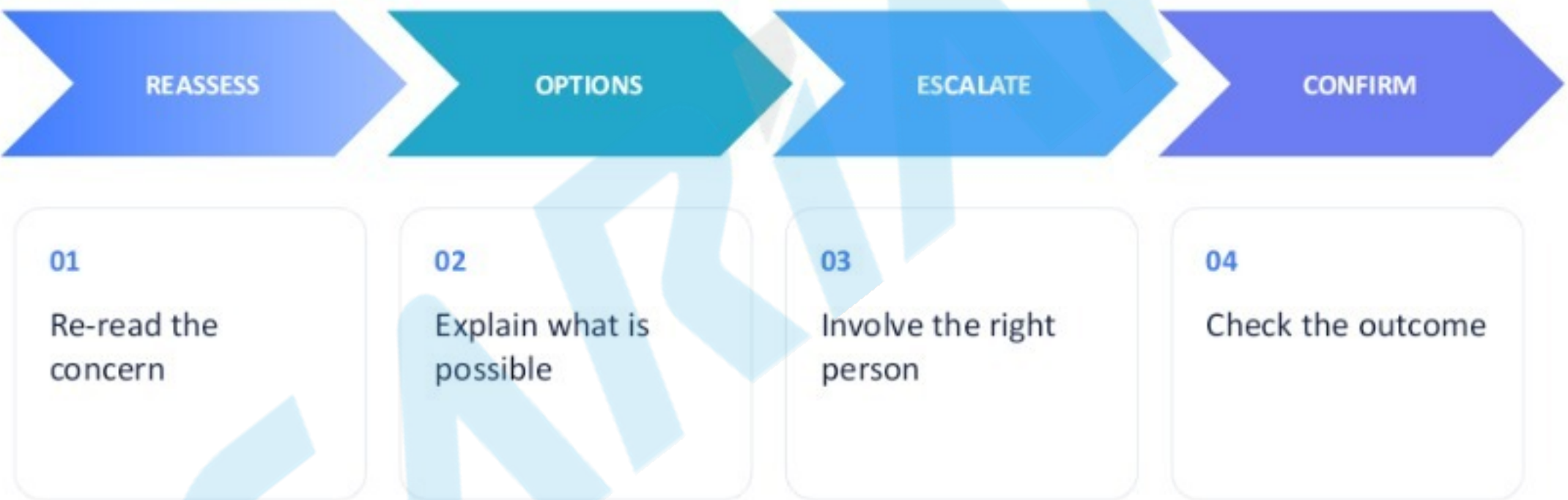


Following Up After Resolution



ILLUSTRATIVE FOLLOW-UP RATES

When a Customer Remains Dissatisfied

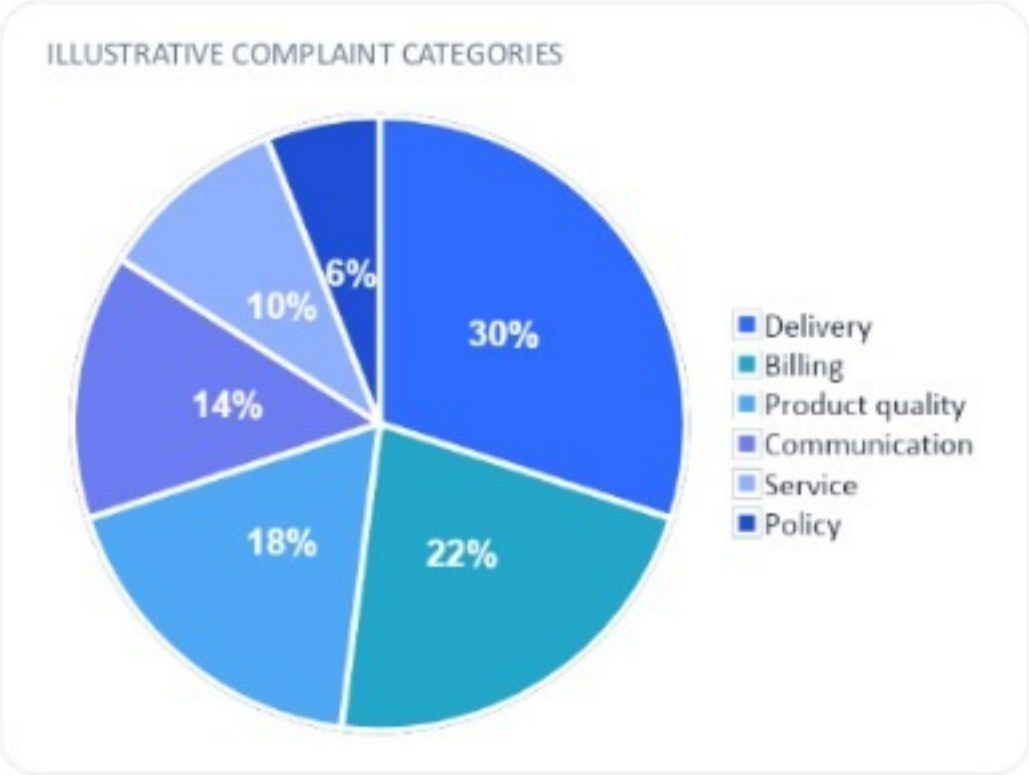


Recovery and Long-Term Trust



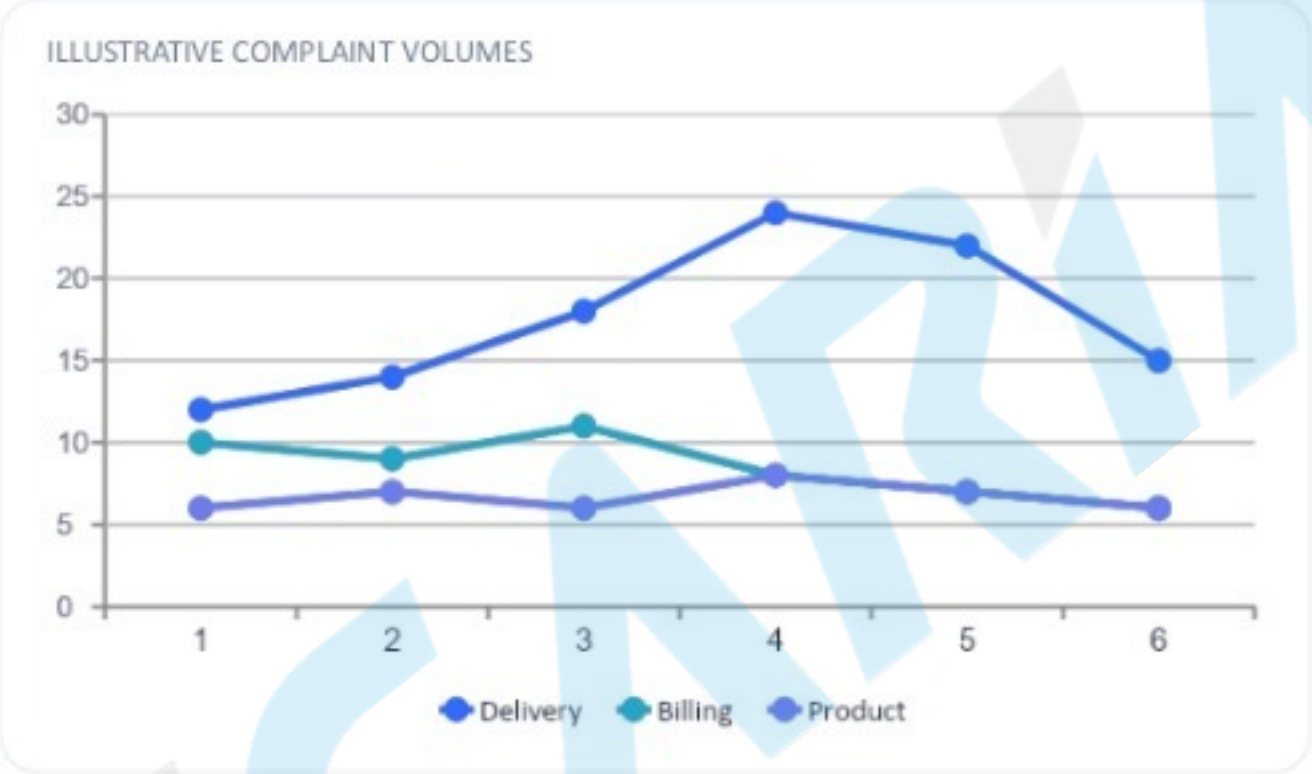
- Fix the problem
- Keep every promise
- Update proactively
- Be accountable

Categorising Complaint Data



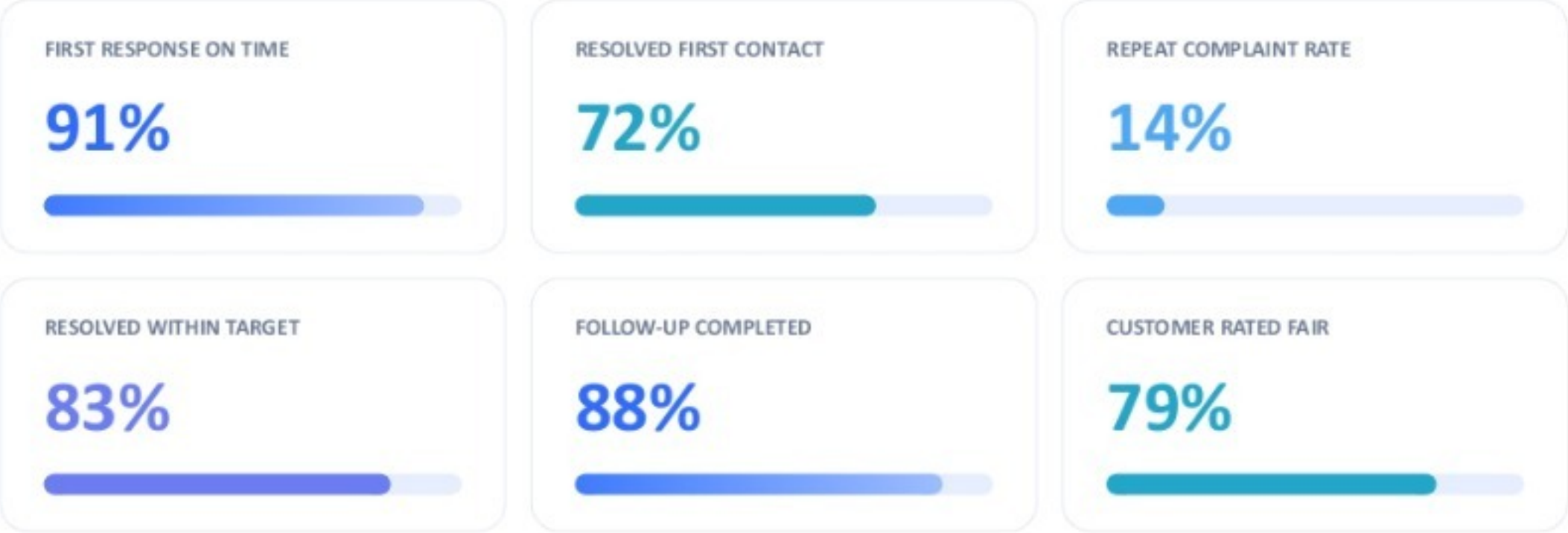
- Product quality
- Delivery
- Billing
- Communication

Identifying Complaint Trends



- Compare volumes by month
- Look for recurring issues
- Check resolution patterns
- Act on the biggest driver

Useful Complaint Metrics



Consultative Selling Essentials

Understand the problem. Create the right solution.



1. Know the Customer
Context, priorities, stakeholders.



3. Shape the Solution
Fit, options, trade-offs.



2. Diagnose the Problem
Questions, causes, impact.



4. Win Buy-In
Value, evidence, next steps.

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FOUNDATIONS OF CONSULTATIVE SELLING

Learning Objectives



EXPLAIN

The principles of
consultative selling



DIAGNOSE

Customer problems and
desired outcomes



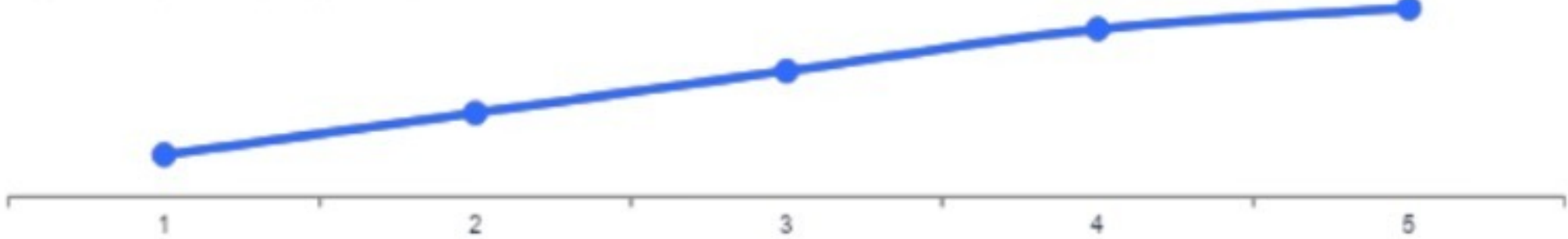
RECOMMEND

Suitable solutions and
their value

FOUNDATIONS OF CONSULTATIVE SELLING

What Is Consultative Selling?

ILLUSTRATIVE: CLARITY BUILDS STEP BY STEP



1 Understand
The customer

2 Diagnose
The problem

3 Recommend
The fit

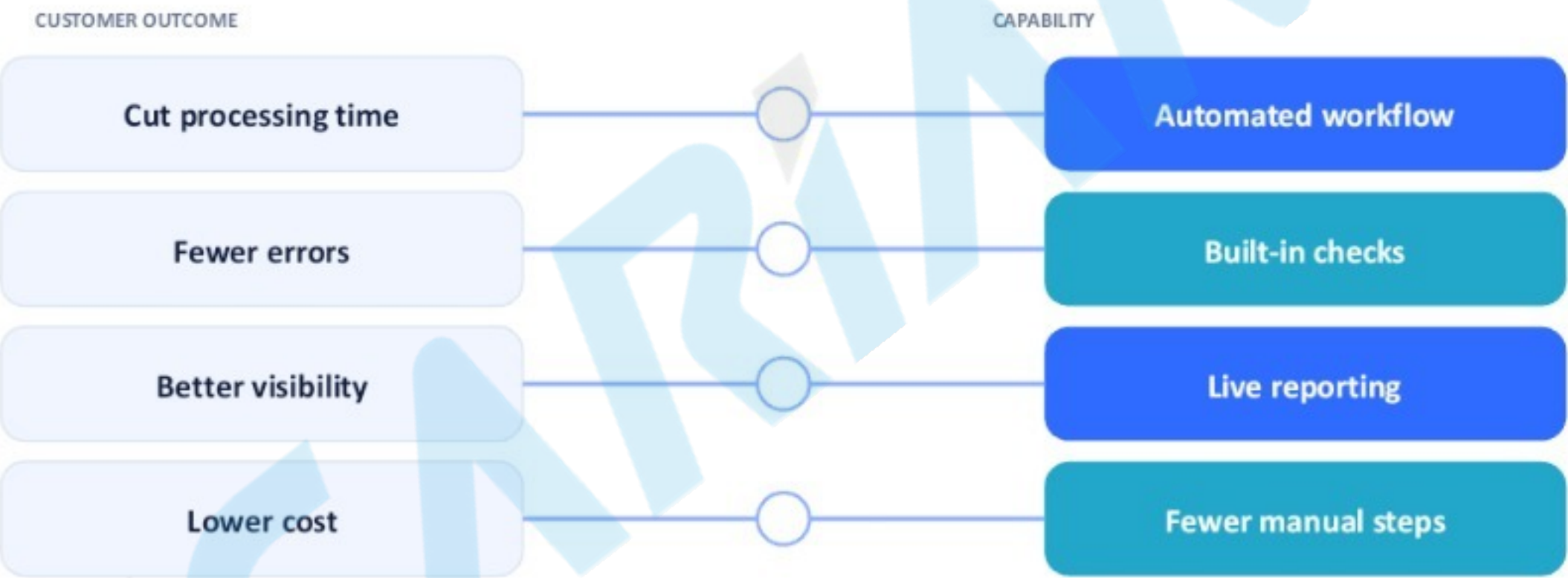
4 Validate
The choice

5 Follow through
Deliver

The Principles of Consultative Selling



Outcomes Before Features



Trust and Commercial Responsibility



Understand Constraints



FIVE COMMON CONSTRAINTS

1

Budget
limits on spend

2

Capacity
time and people

3

Technology
current systems

4

Timelines
key dates

5

Policies
rules to follow

Build a Customer Context Profile

MAIN PRESENTATION

Objectives and priorities

ESSENTIAL CONCEPTS

Challenges and impact

BACKUP SLIDES

Stakeholders and constraints

One page, reused for every opportunity.

Activity: Analyse a Customer Business

ACTIVITY

20 min

FORMAT

Teams of 3

OUTPUT

Priorities and questions for a fictional business

01

Read a fictional business profile

02

Identify strategic priorities

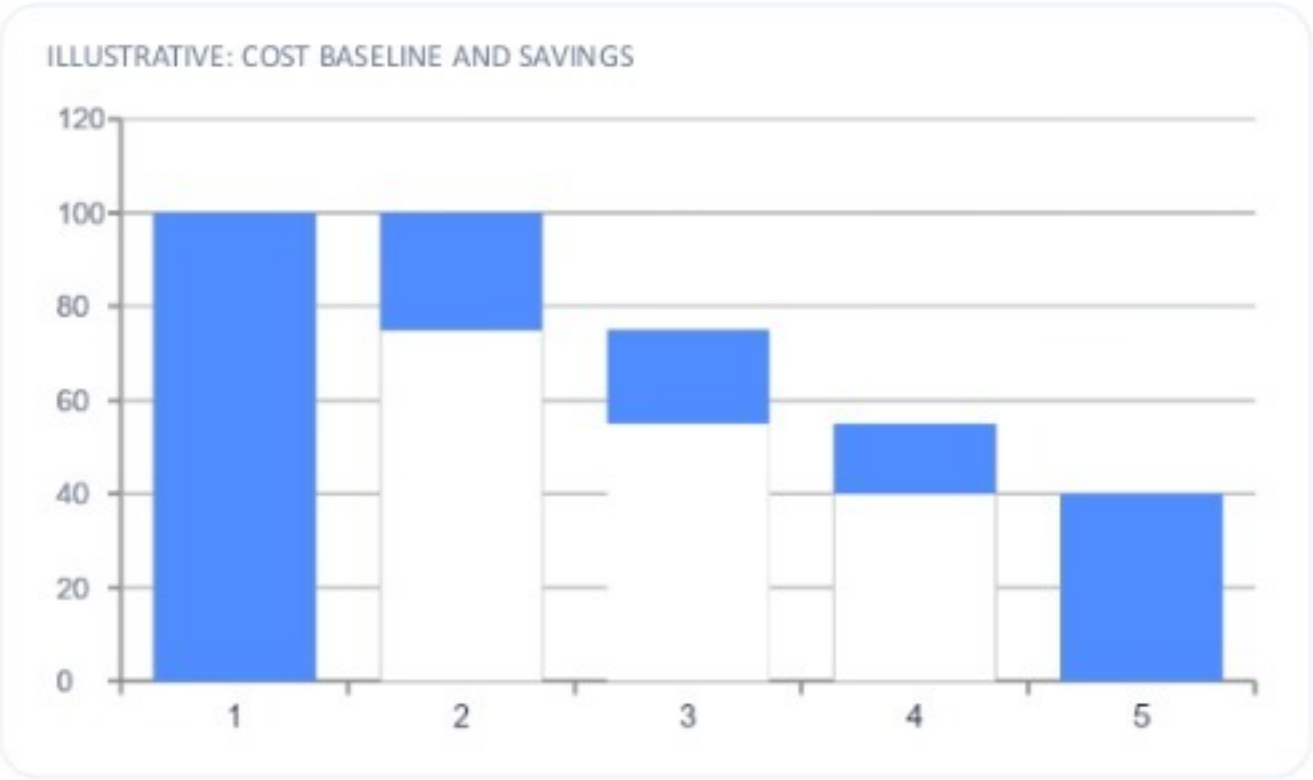
03

List the questions you would ask

04

Share your top three

Quantify the Opportunity



- Use verified customer data
- State assumptions clearly
- Set a baseline
- Pick relevant measures

Define the Desired Future State



Establish Success Criteria



ILLUSTRATIVE TARGETS: REDUCED PROCESSING TIME WITH NO DECLINE IN QUALITY

Activity: Design a Solution-Fit Matrix

ACTIVITY

25 min

FORMAT

Teams of 3

OUTPUT

A matrix with a justified recommendation

- 01

Pick three possible solutions
- 02

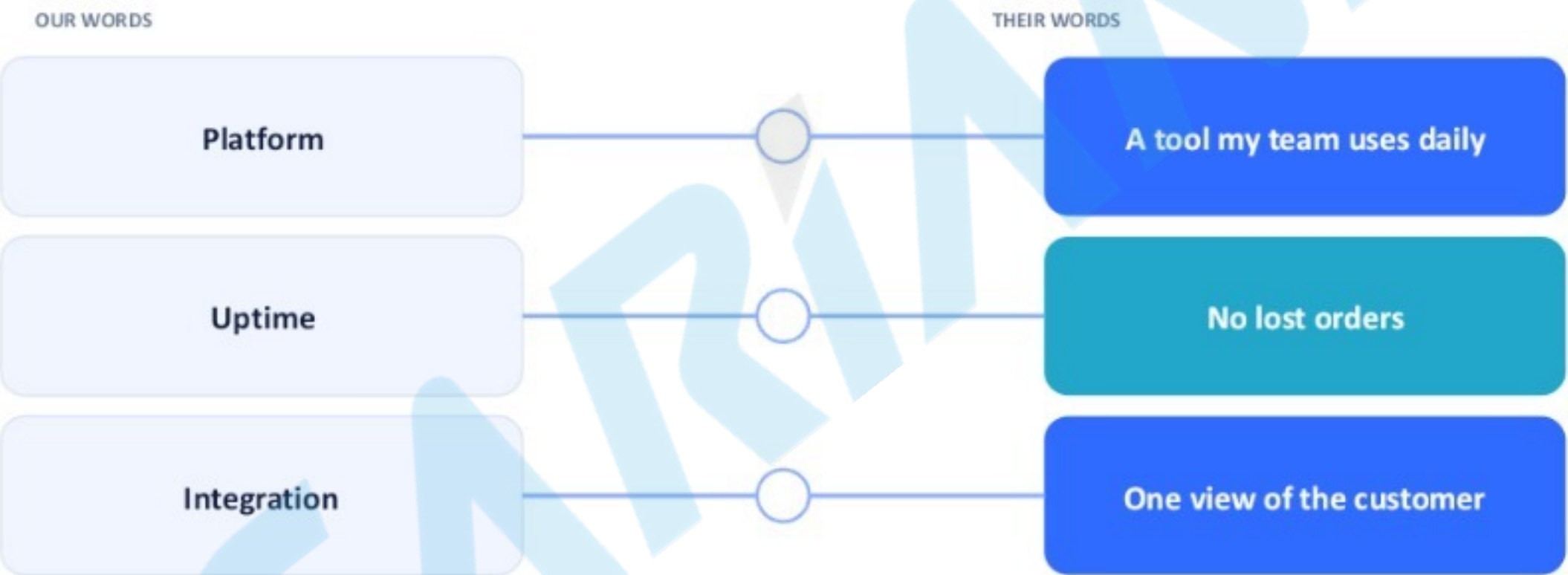
Choose customer-defined criteria
- 03

Score and justify
- 04

Name unresolved risks

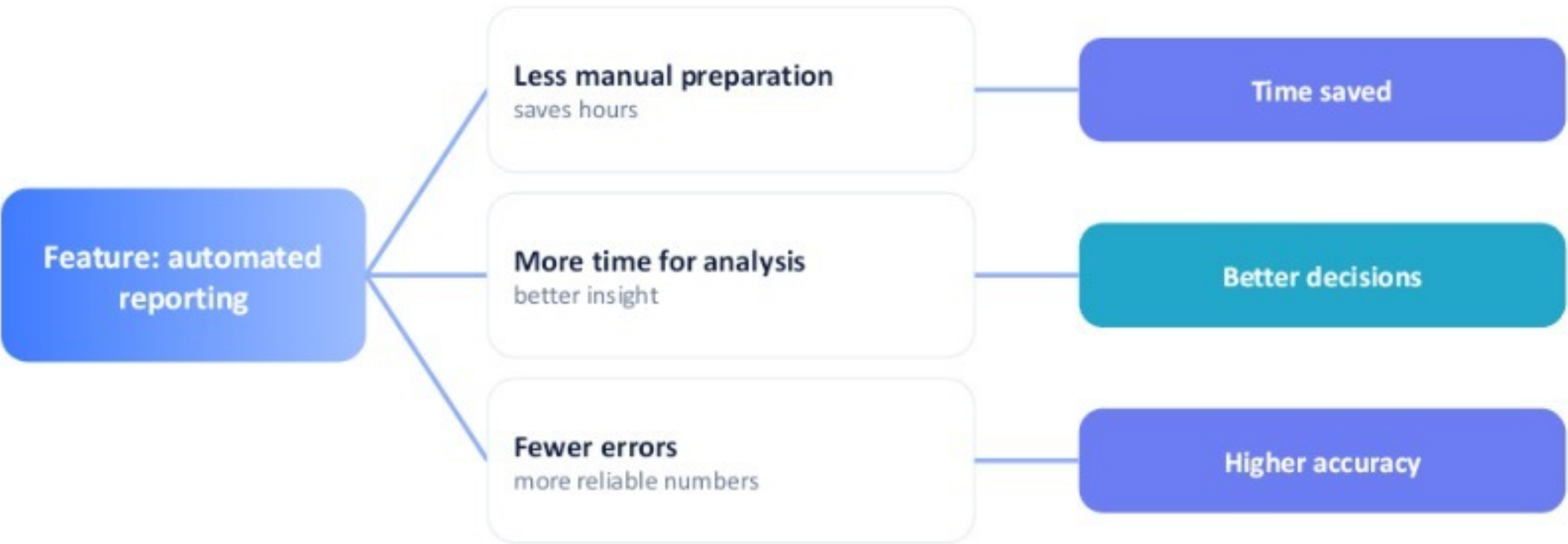
COMMUNICATING VALUE AND BUILDING BUY-IN

Communicate Value in the Customer's Language



COMMUNICATING VALUE AND BUILDING BUY-IN

Features, Benefits and Outcomes



Follow Through After the Sale



Activity: Map the Sales Opportunity

ACTIVITY

25 min

FORMAT

Teams of 4

OUTPUT

A sales plan for a sample account

- 01 Take a sample account
- 02 Name the current stage
- 03 List risks and stakeholders
- 04 Agree the next action

Practice Lab Briefing



Diagnose before you prescribe.

Negotiation Skills for Professionals

Prepare strategically. Communicate confidently. Create better agreements.



1. Prepare Strategically
Goals, BATNA, leverage.



3. Bargain Wisely
Offers and concessions.



2. Create Value
Interests and trade-offs.



4. Hold Your Ground
Pressure, deadlock, ethics.

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FOUNDATIONS OF PROFESSIONAL NEGOTIATION · SECTION

01

SECTION 1 OF 8

Foundations of Professional Negotiation

Understand the principles behind effective agreements.

SLIDES 2 TO 10

Negotiation Skills for Professionals

Section 1 of 8

Interests



Agreements

2

FOUNDATIONS OF PROFESSIONAL NEGOTIATION

Learning Objectives



PREPARE

For negotiations with clear objectives



IDENTIFY

Interests, options and alternatives



HANDLE

Offers, concessions and difficult talks

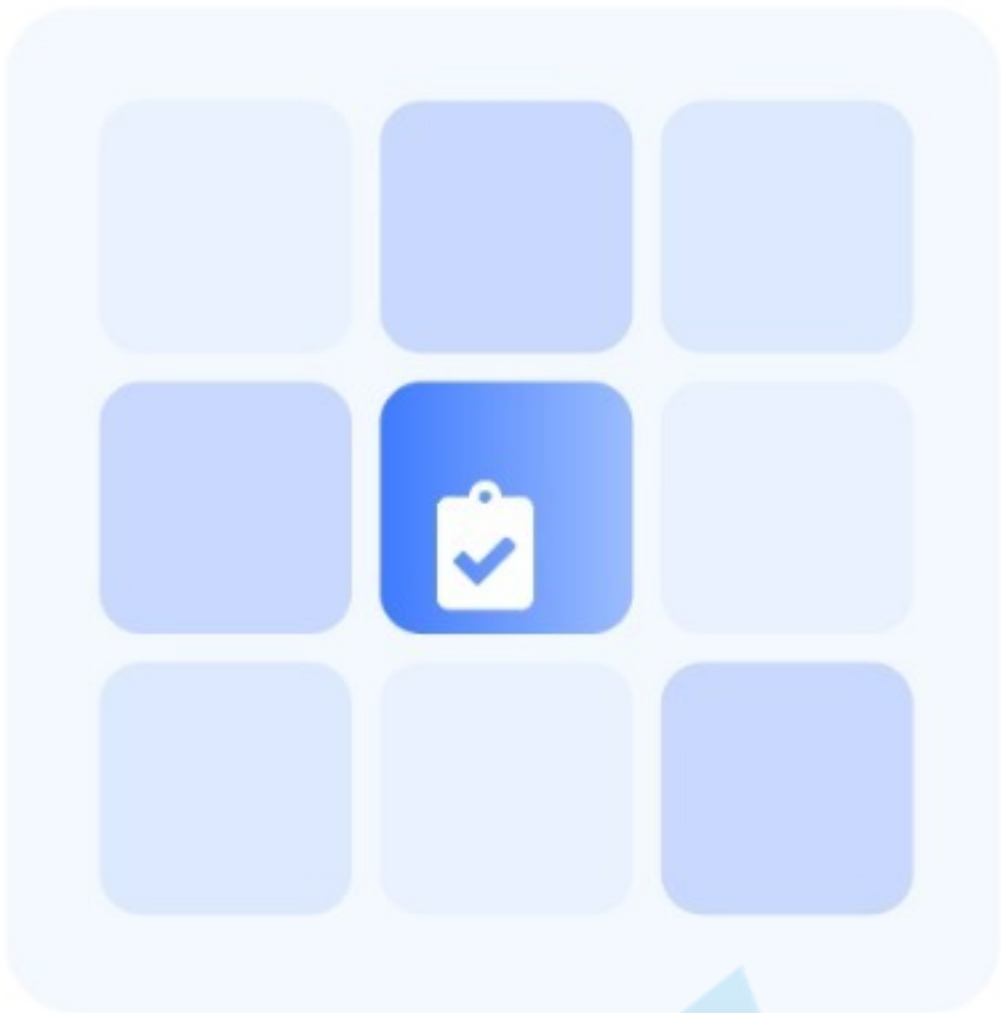
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SECTION 2 OF 8

Preparation and Strategy

Your strongest negotiation begins before the meeting.

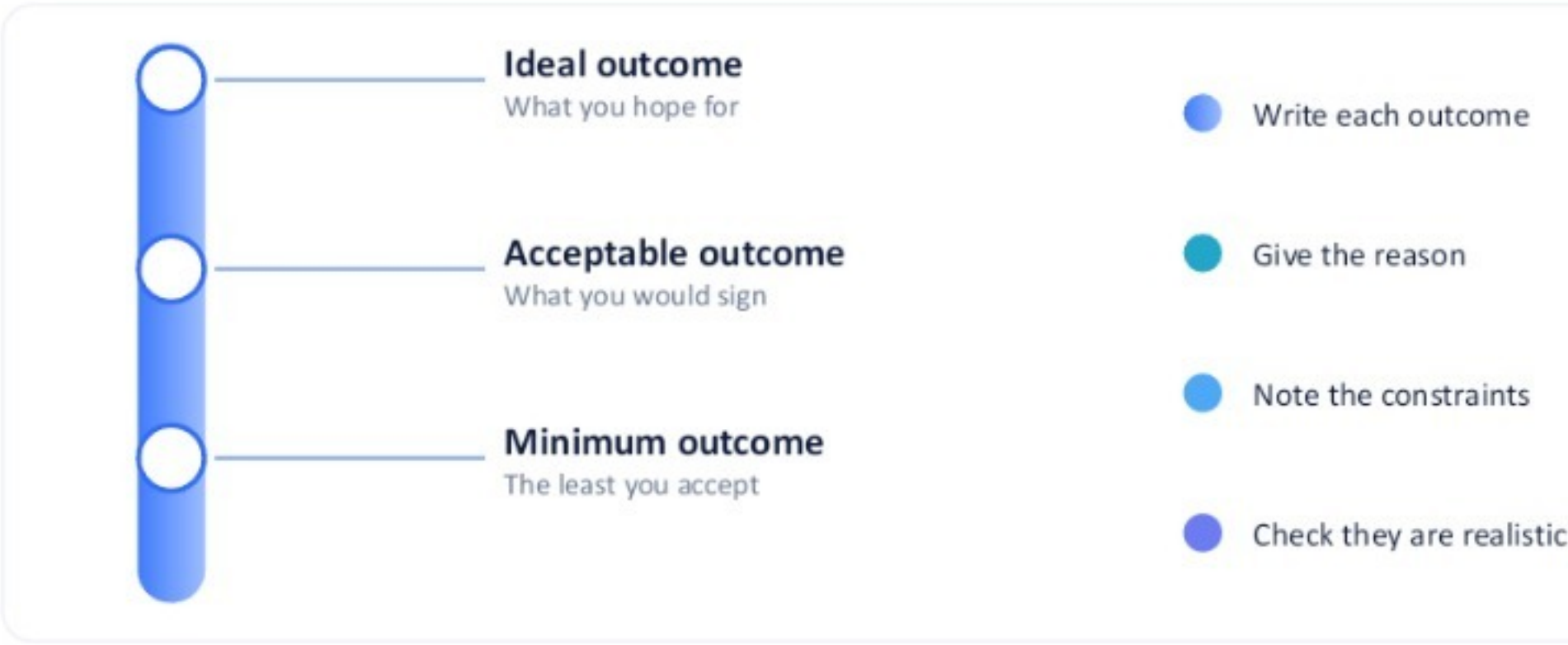
SLIDES 11 TO 20



Why Preparation Matters



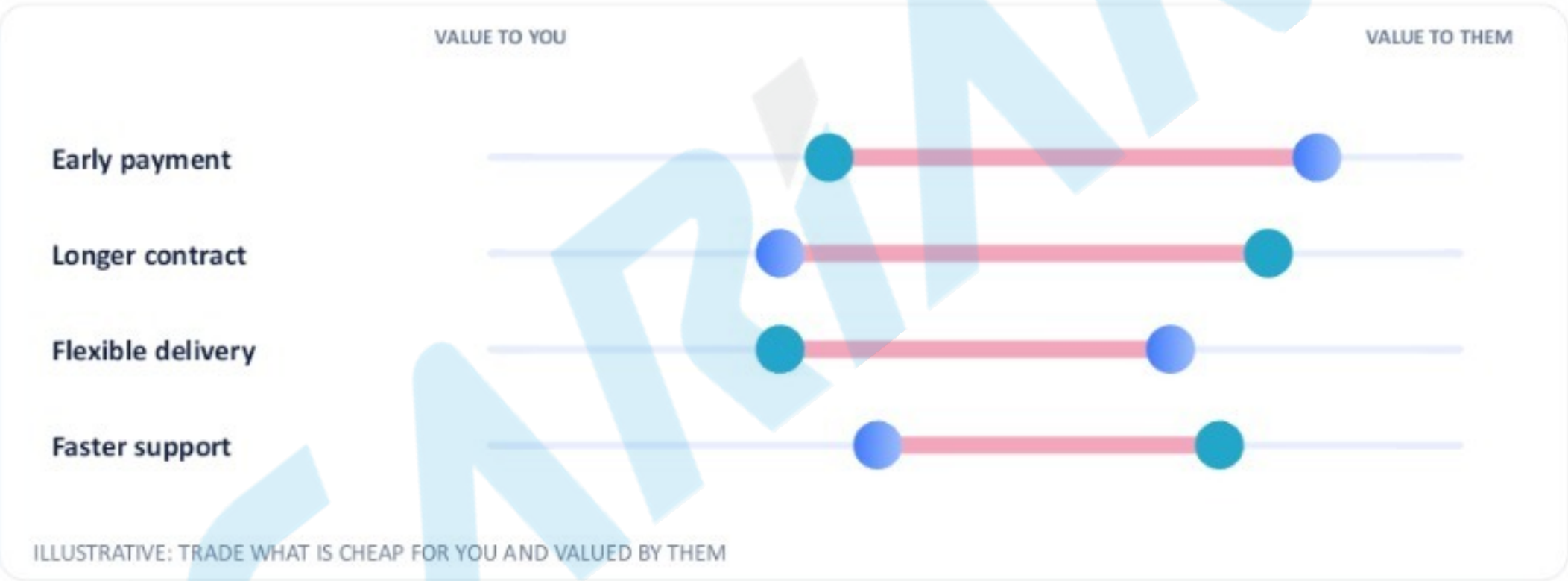
Define Your Objectives



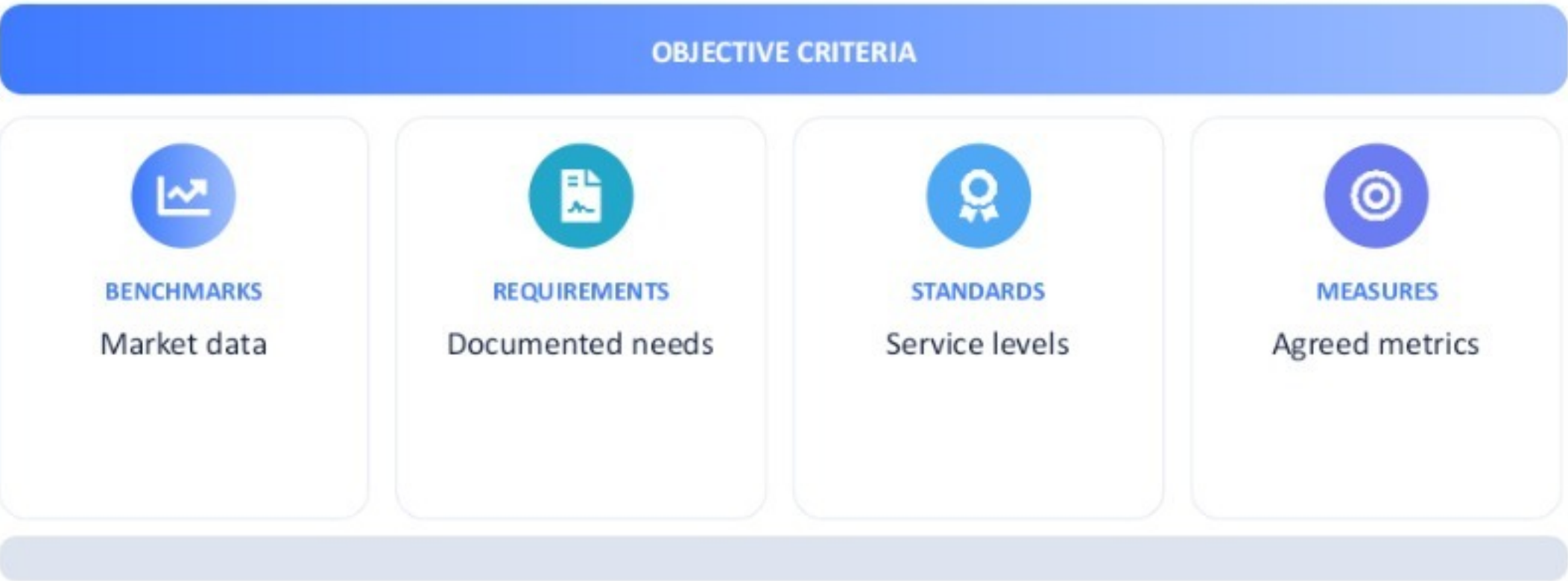
Expand the Negotiation



Create Mutual Gains



Use Objective Criteria



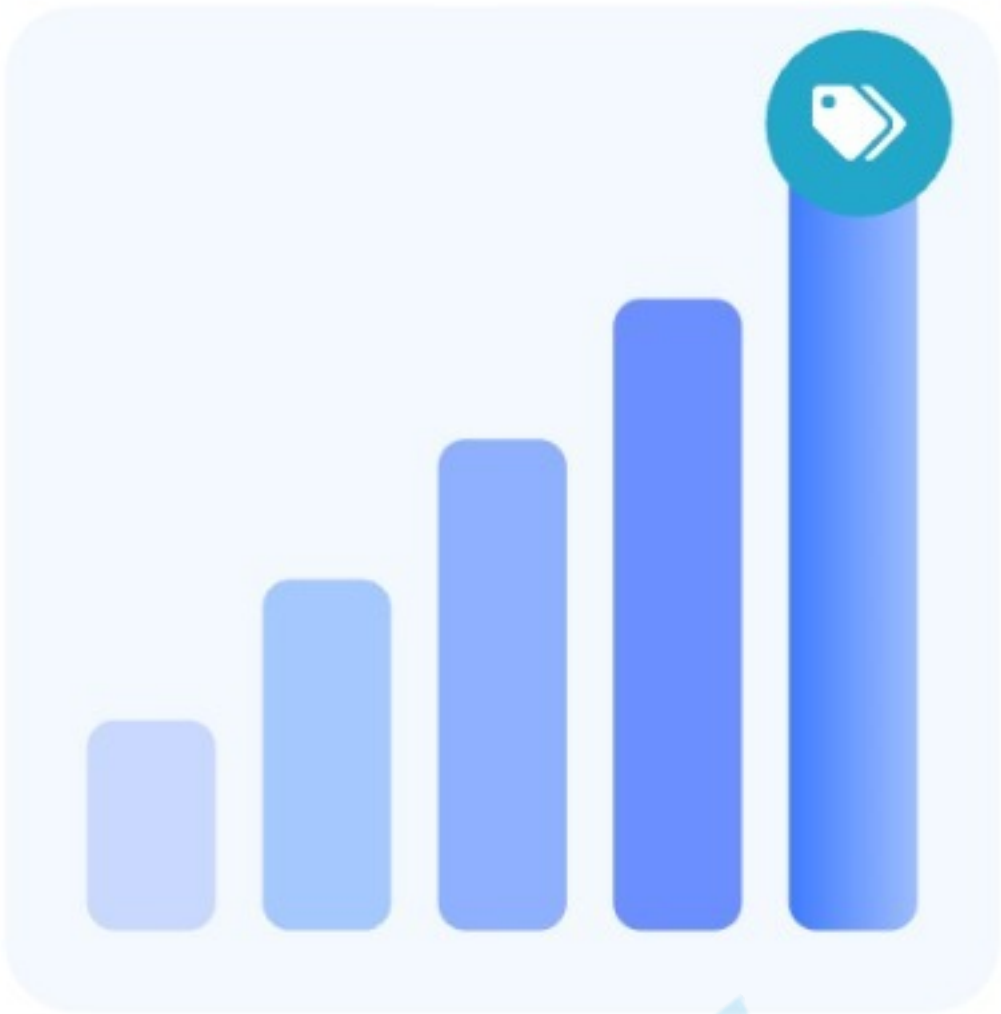
05

SECTION 5 OF 8

Offers, Bargaining and Concessions

Exchange value deliberately, not impulsively.

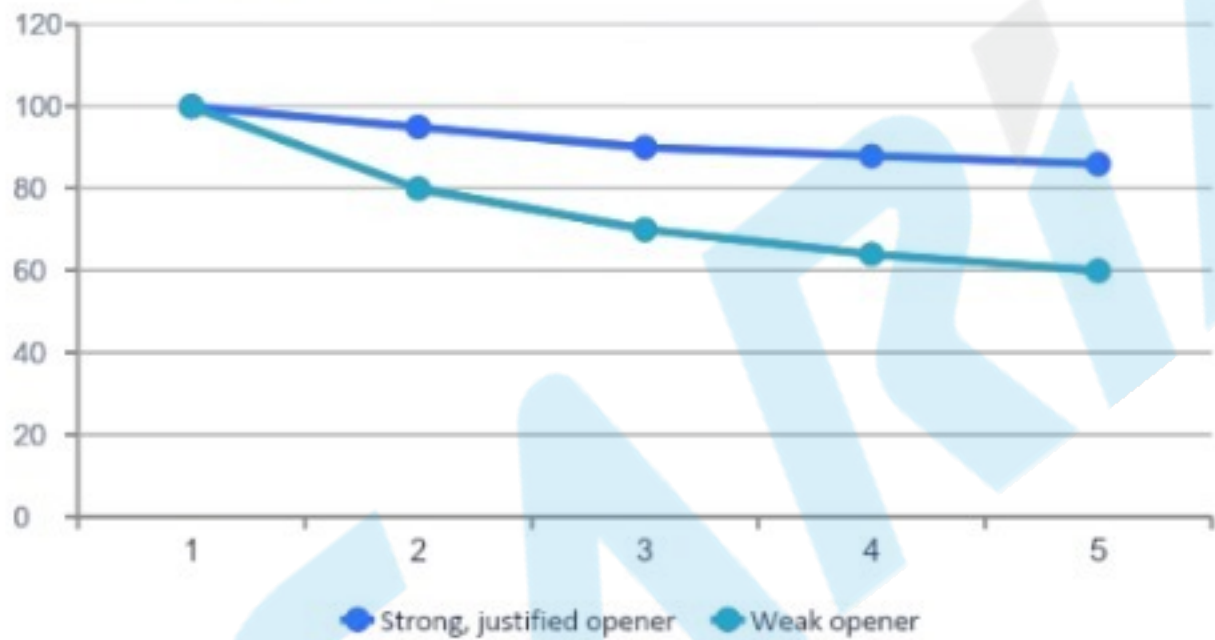
SLIDES 41 TO 50



MANAGING OFFERS, BARGAINING AND CONCESSIONS

Making the First Offer

ILLUSTRATIVE: WHERE TALKS SETTLE



- Set a reference point
- Use credible information
- Justify the figure
- Stay open to discussion

MANAGING OFFERS, BARGAINING AND CONCESSIONS

Anchoring and Reference Points

ILLUSTRATIVE: FINAL SETTLEMENT BY ANCHOR (INDEX)



Recognise anchors without accepting them automatically.

Building a Customer-Centric Culture

Turning customer focus into everyday organisational behaviour.



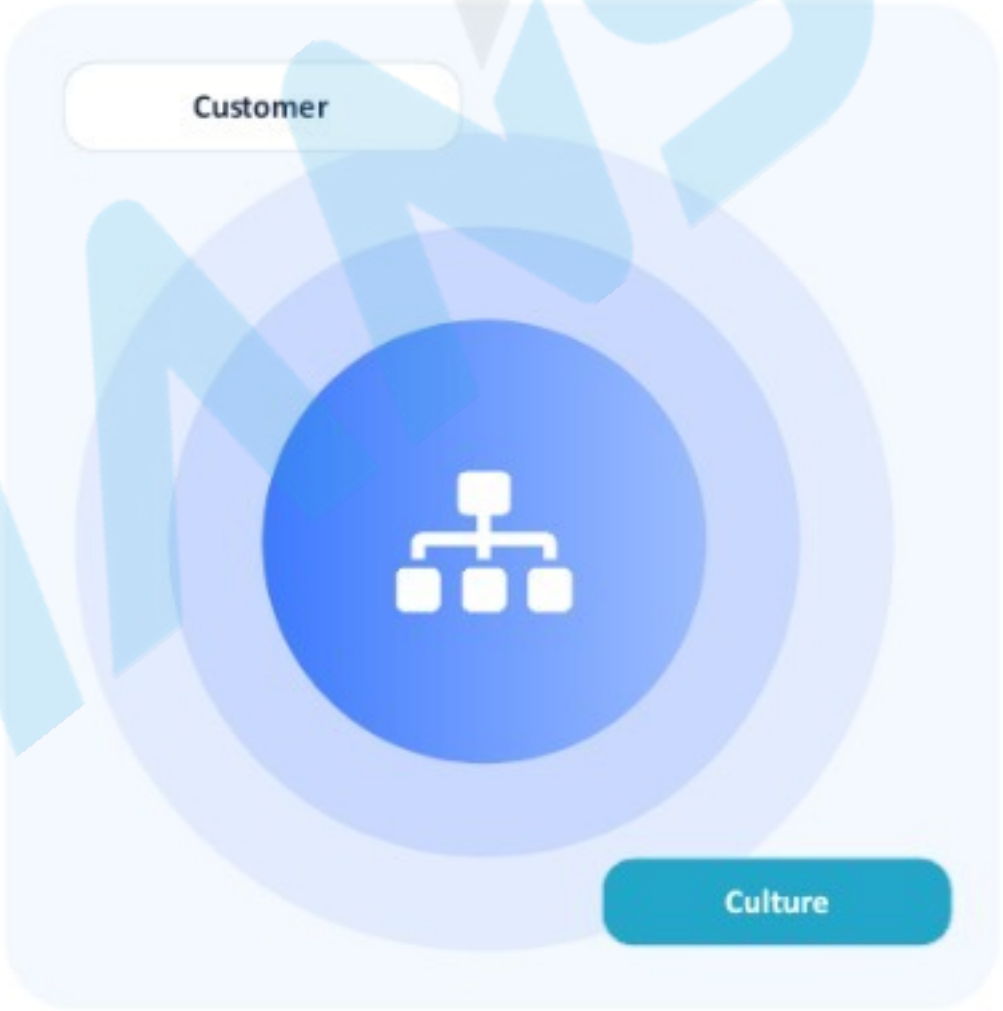
UNDERSTANDING CUSTOMER-CENTRIC CULTURE · SECTION

01

SECTION 1 OF 8

Understanding Customer-Centric Culture

Customer centricity is how an organisation operates.



SLIDES 2 TO 10

Building a Customer-Centric Culture

Section 1 of 8

UNDERSTANDING CUSTOMER-CENTRIC CULTURE

Learning Objectives

DEFINE

Customer-centric culture

IDENTIFY

Behaviours and systems that support it

DEVELOP

Practical actions to strengthen focus

Culture Diagnostic: Where Are We Today?

	EMERGING			EMBEDDED	
Leadership alignment	1	2	3	4	5
Employee behaviours	1	2	3	4	5
Process design	1	2	3	4	5
Customer feedback	1	2	3	4	5
Measurement	1	2	3	4	5
Accountability	1	2	3	4	5

02

SECTION 2 OF 8

Knowing and Prioritising Customers

Better decisions begin with understanding the customer.

SLIDES 11 TO 20

Who Is Our Customer?



WHO IS ULTIMATELY AFFECTED BY THE DECISION?

03

SECTION 3 OF 8

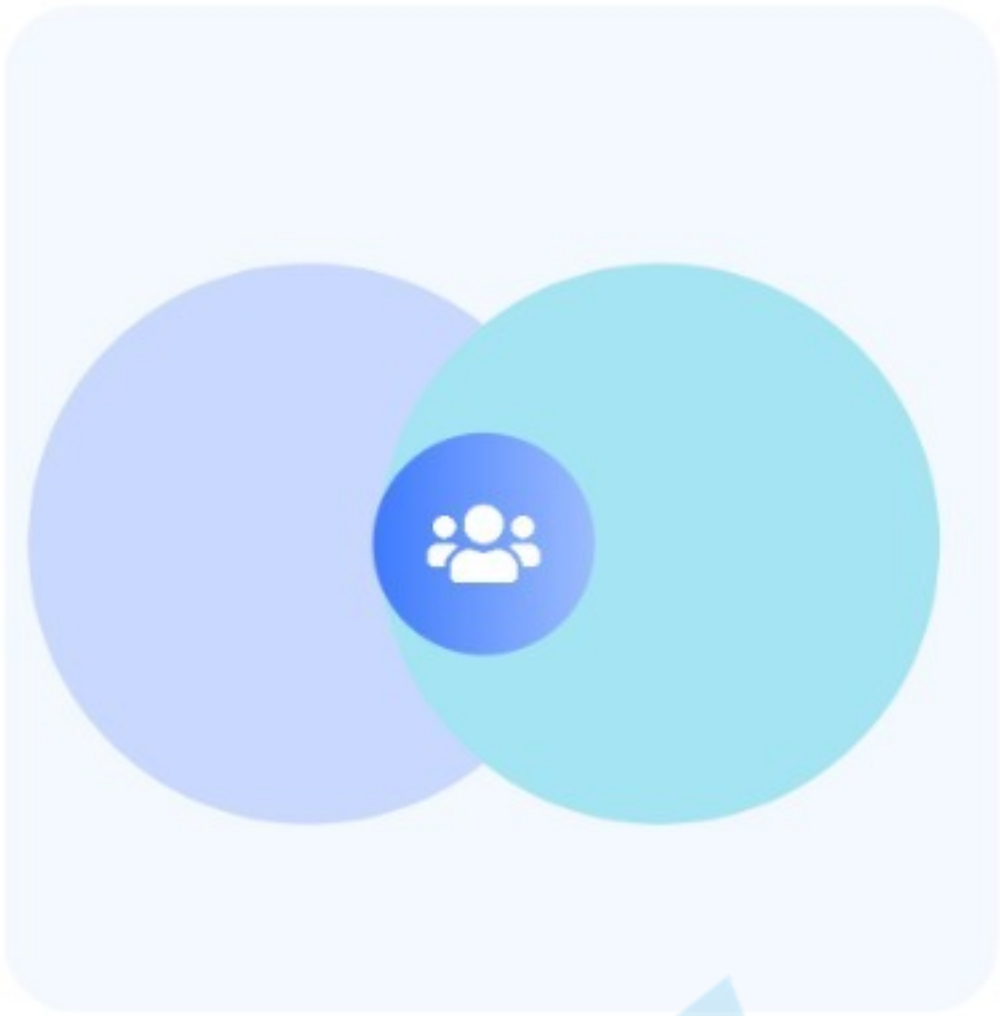
Values, Behaviours and Mindset

Culture becomes visible through repeated actions.

SLIDES 21 TO 30

Building a Customer-Centric Culture

Section 3 of 8



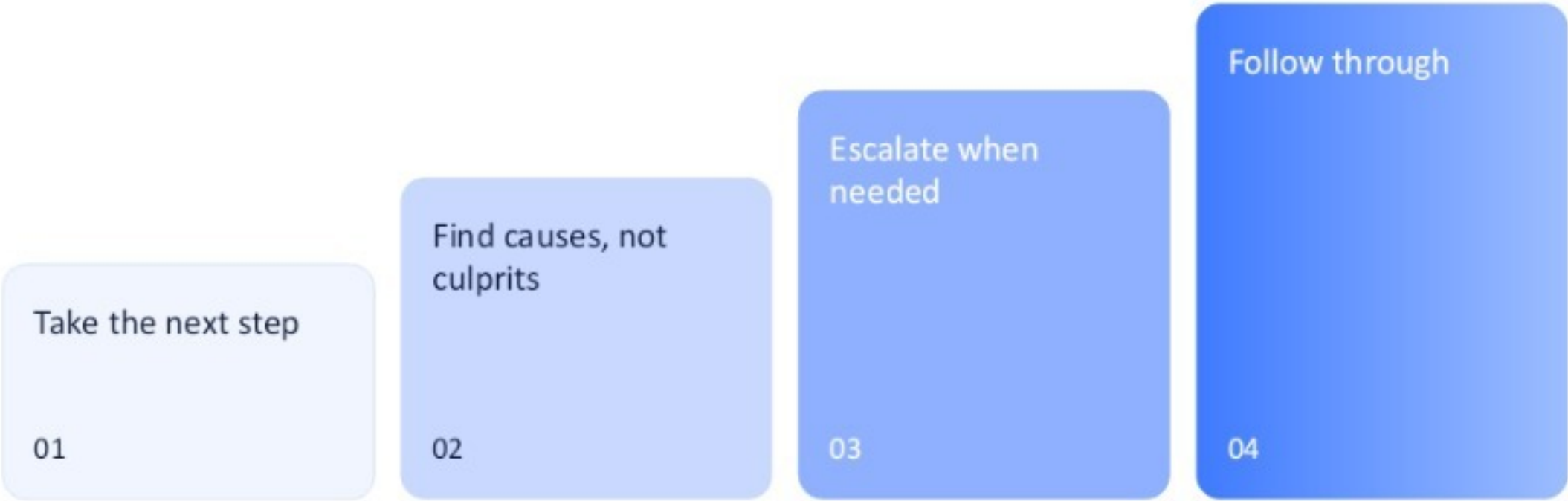
Turning Values Into Observable Behaviours



Building a Customer-Centric Culture

Section 3 of 8

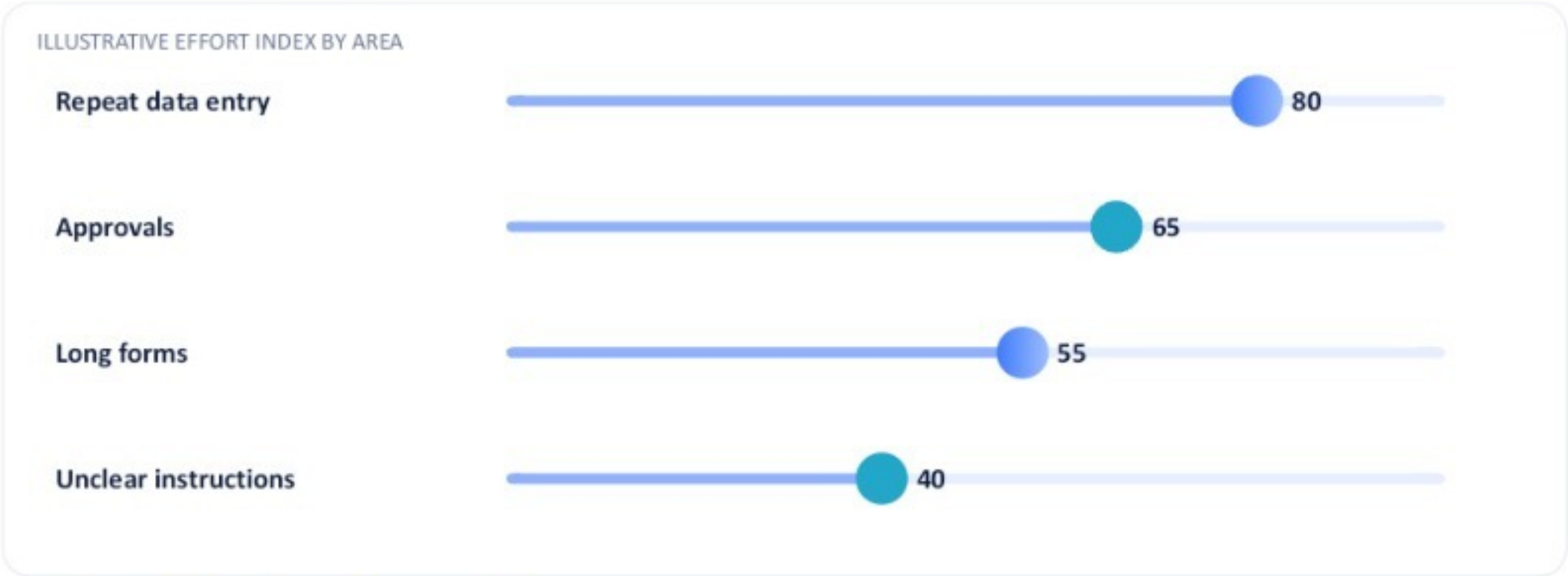
Ownership Without Blame



Building a Customer-Centric Culture

Section 3 of 8

Removing Unnecessary Customer Effort



Test changes with real users where possible.

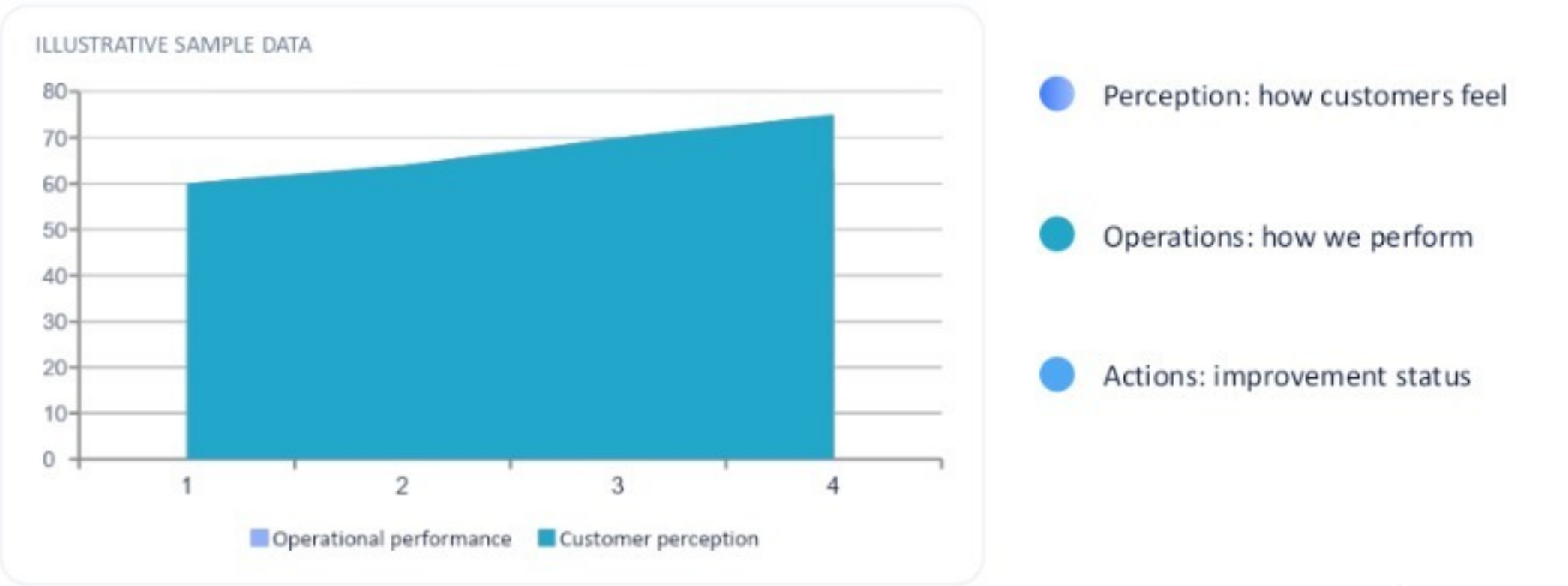
Balancing Efficiency and Personalisation



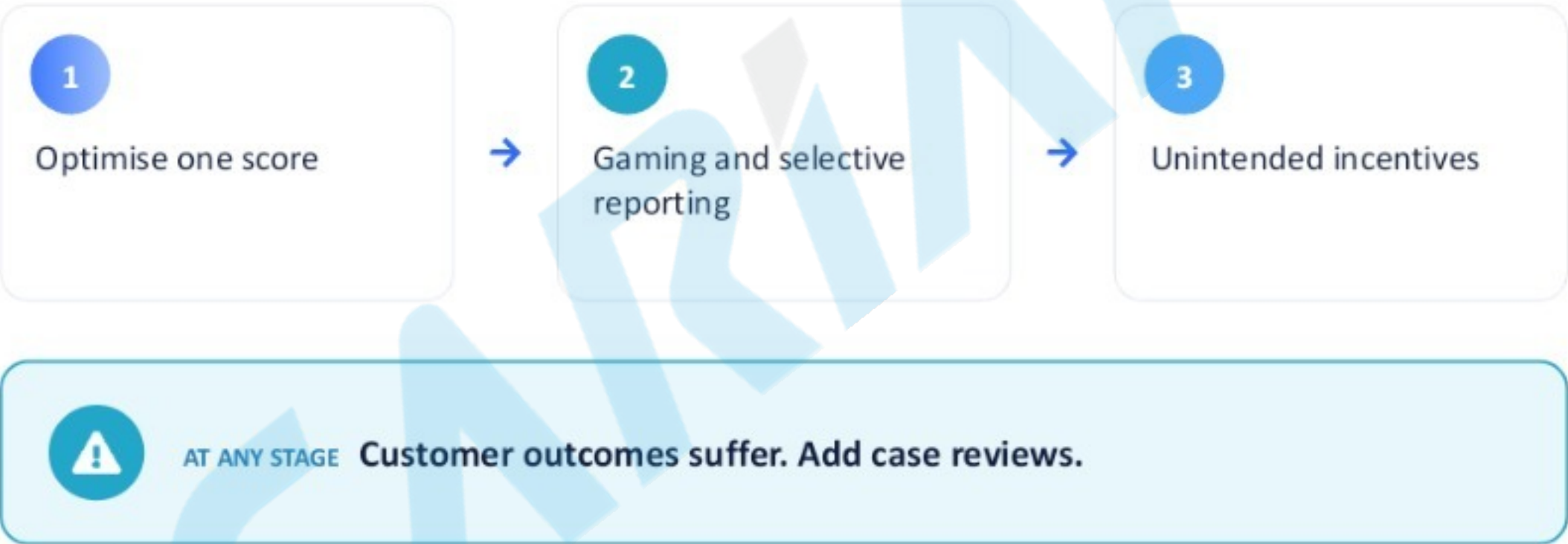
Service Blueprint: Frontstage and Backstage

	REQUEST	CHECK	FIX	CONFIRM
Customer	Ask			Receive
Frontstage	Greet	Verify		Reply
Backstage		Route	Resolve	
Systems		Log	Update	Alert

Building a Customer-Centric Dashboard



Avoiding Metric Manipulation



Activity: Create a CX Improvement Scorecard

ACTIVITY

20 min

FORMAT

Pairs

OUTPUT

A scorecard with baseline, target and owner

01

Select a customer problem

02

Choose an outcome measure and an operational measure

03

Define baseline and target

04

Set owner and review cadence

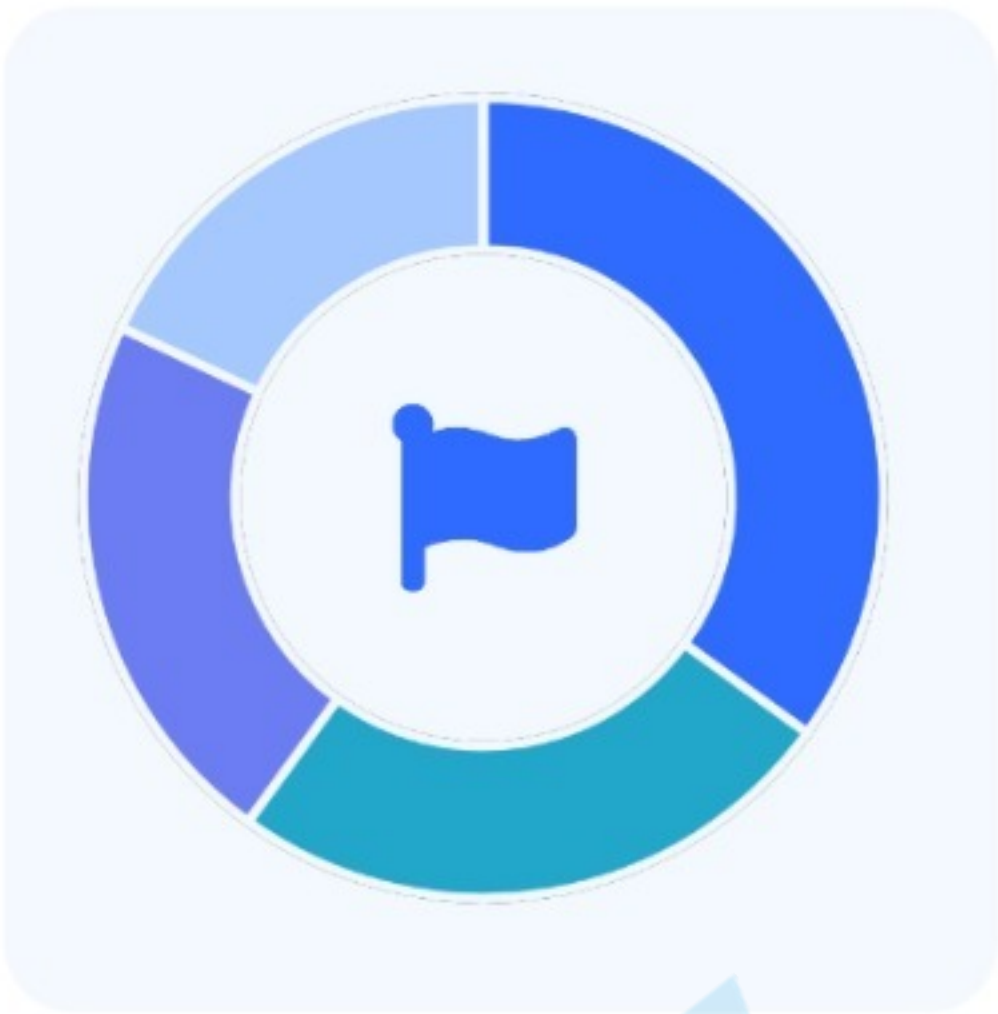
08

SECTION 8 OF 8

Assessment and Implementation Roadmap

Culture changes through consistent action and review.

SLIDES 73 TO 80



Knowledge Check



Signs of a customer-centric culture



Behaviours vs slogans

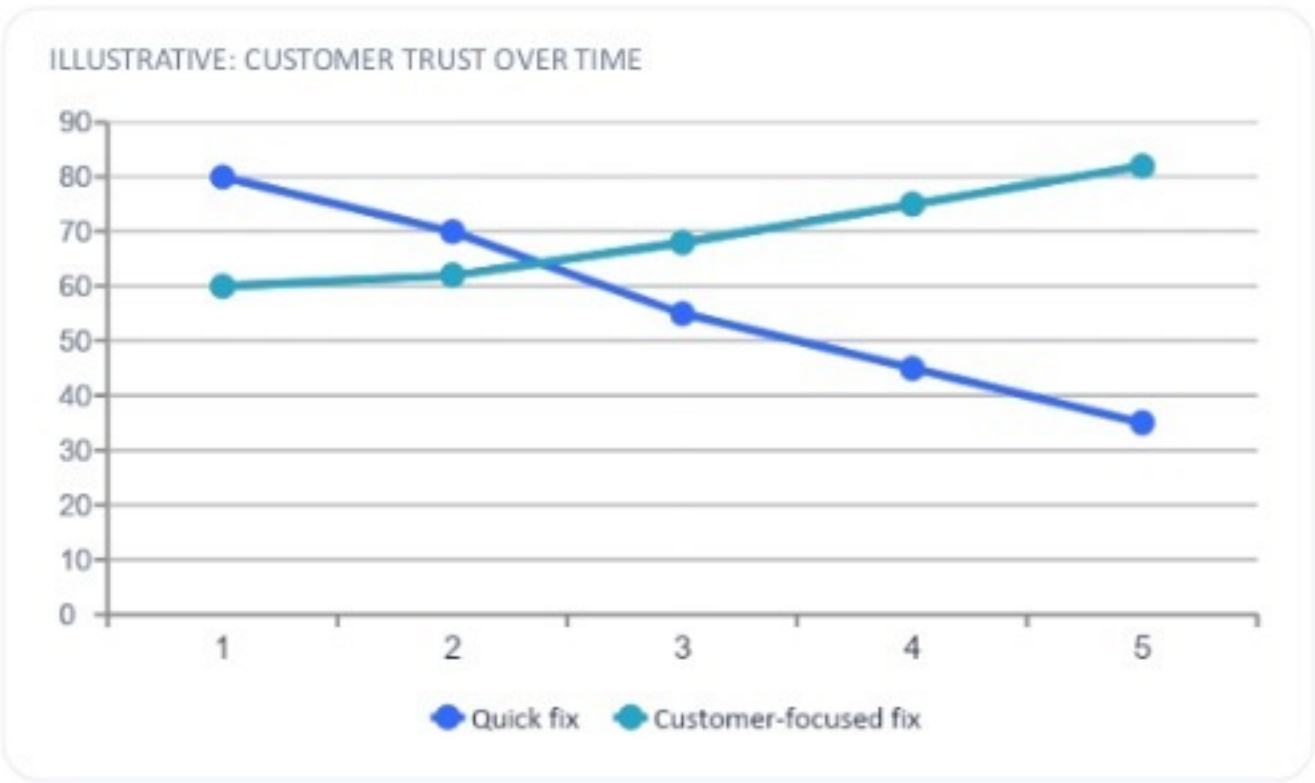


Role of leadership



Systems and metrics

Scenario-Based Assessment



- Short-term gain can cost trust
- Long-term effects matter
- Choose the customer-focused response