

# Customer first thinking.



## Buyer Personas

An Interview with Jim Kraus, President, Buyer Persona Institute

### Jim Kraus:

Jim Kraus is President of the Buyer Persona Institute and the co-author of the book "Buyer Personas"



You may have seen them displayed on large wall posters in your building hallways and common areas. Maybe you were given laminated one-page summaries of them. Or possibly been handed a richly illustrated reference booklet prior to a brainstorming session. Quite likely you were asked to attend a kick-off event or been taken through an overview slide presentation. Perhaps you were directed to an internal web site dedicated to explaining them. Or given promotional trinkets like coffee mugs, mouse pads and key chains, even trading cards, in a company-wide effort to heighten awareness of them.

Whatever form they take, buyer personas have been widely embraced by all kinds of businesses to help foster customer first thinking. They are a way to gain insight into the needs and motivations of customers –their goals and aspirations – their beliefs and values. To understand what bothers them – what pleases them. To know, in brief, who they are, and what makes

them different. That insight, or so the theory goes, should breed empathy for customers, ultimately leading to better products, more intuitive interfaces, more persuasive messaging.

In theory. But only if they yield meaningful insight. And therein lies the challenge. Because if they are too superficial or too general or too vague they stand little chance of being widely adopted.

The concept of a buyer persona was first introduced and popularized in a book called "The Inmates Are Running the Asylum" back in in 1998 by the software pioneer Alan Cooper. In those days software applications were based on extensive "user requirements" compiled by business analysts and converted into design specifications. A more productive approach, Cooper felt, was to center design thinking around the needs of a single primary user who could be personified as a fictional character based on the synthesized needs of actual people. That concept resonated with the technology community and personas soon became a standard tool in software development.

Product managers and designers also saw the value in using personas to guide the innovation and development process by minimizing assumptions about what buyers might want while keeping the focus on the needs of "the ideal customer". And then, as more and more people began to interact across multiple media channels in the 2010s, marketers began to recognize the importance of personas as a means of developing deeper insight into the lives and digital habits of the target audience. Personas became the crucial jumping off point for customer journey design.

Today rich, incredibly detailed personas can be generated automatically using machine learning and artificial intelligence which hoovers up publicly available data from open sources and

combines it with internally generated behavioural and survey data. These personas can then help to drive marketing messaging and content creation.

Yet no matter how much time and effort goes into the creation of buyer personas, no matter how enthusiastically they are merchandised, they are only useful if they lead to more buyers willing to buy more of what marketers are trying to sell. Which is why, according to persona design expert Jim Kraus, persona development should revolve around the buying decision and not the buyer. Otherwise all that effort can easily go to waste, no one really sure how to make optimal use of them.

Ten years ago Jim Kraus' company published a groundbreaking book called "Buyer Personas" by the founder Adelle Revella which called for a novel approach to persona design based on a thorough exploration of buyer decision making rather than the invention of fictional buyer profiles. And now a revised and expanded edition of the book has come out which takes into account the more complex business decision making environment of today.

SS

**Stephen Shaw (SS):** The first edition of your book came out almost ten years ago. What led you to publish a revised edition at this time?

JK

**Jim Kraus (JK):** There were a few reasons. The main driver was we've learned so much from our clients over the past ten years, specifically how to use buyer persona insights to improve marketing and sales performance. We also wanted to include some additional ways to get buyer insights. So we added a chapter on doing survey research. We wanted to include where and how to leverage AI when developing buyer personas. So it was a way to include more ways to make buyer personas actionable.

SS

What's your definition of a buyer persona?

JK

The traditional way of viewing a buyer persona is a fictional avatar of an individual involved in a buying decision based on demographic or firmographic characteristics. But when you think about marketing and sales, the objective is to influence a buying decision. So the buyer personas that we've been doing for the last 15 years focus on developing deep insights around a very specific buying decision. The buyer persona will identify five things: we call them the "Five Rings of Buying Insight".

The first one is "priority initiatives". And priority initiatives are the triggers. These are the things that are pushing buyers to look for your particular product or service at this moment in time. The second is "success factors". These are the benefits and outcomes that buyers are looking for from your solution. The third we call "perceived barriers". These are the concerns, fears, or trepidations buyers have about making the buying decision or making it with certain providers. Fourth is "decision criteria". These are all the really detailed questions that buyers actually use to evaluate your solution and the different competitive alternatives they may be looking at. And the fifth and final one is "buyer's journey", which includes typical steps in the buyer's journey, who the key influences are, and the information sources they use.

So if you step back for a minute and look at those five rings in totality, you can develop a forensic understanding of the buying decision you're trying to influence. Now, those are the types of insights you can really do something with from a marketing and sales perspective, as you're thinking about how you connect with buyers in a really powerful way and make them feel assured and confident that you're the best choice for them.

SS

Your objection to the more traditional role-based persona is that it's mostly descriptive and can't really be leveraged for selling and marketing purposes very effectively, is that correct?

JK

Exactly. So the simplest example I can give is if you think about a buyer persona for, let's say, a CIO. Traditionally, you might have certain characteristics of CIOs in terms of demographics, firmographics, maybe what their priorities and goals are. But I can tell you unequivocally, having done these studies, that what's really important to CIOs will vary if they're looking at a CRM solution versus servers for their data center, versus an IT security solution, versus a communication solution. These are all different buying decisions. And unless you understand what's important to the CIO in those specific cases, it's going to be really hard to market to them effectively.

SS

A buyer and a customer are not necessarily synonymous, is that right?

JK

We don't want to ignore customers. But there are buyers who bought from a competitor but never looked at you. And then there are those who did look at you but chose a competitor. And the reason to include those two types plus your customers is that it provides a full view of your target market so that when you develop your buyer persona, you can feel confident that it is literally the bible in terms of what the buyers in your market want.

SS

What do you say to companies who tell you their sales people know their buyers better than anyone, so why would they even need a buyer persona?

JK

Sales professionals have this great vantage point because they get to talk to prospects regularly and get to understand what makes them tick. But they only have a narrow view of the market. Even the best salesmen are only talking to so many customers. They don't have a full view of the market. They have their slice of the prospects that they're interacting with. The other challenge is that sales professionals aren't trained in how to do persona interviews and then analyze the data from those interviews. And that's not a knock on them at all. That's not their job. Their job is to develop one on one relationships, and they do it very well. The third challenge is just inherent biases. You really want to be able to interview buyers very objectively so that they can tell you the unvarnished truth and not have to worry about maybe there'll be a sales call or something coming up afterwards.

SS

Does sales resist going down this path?

JK

Not usually, because we don't want to just talk to current customers. We want to find buyers using good recruiting and screening practices. And because of that, sales teams really don't resist because they're getting a vantage point that they haven't had before where the buyer is free to say anything, whether it's good, bad, or ugly about the particular organization or a particular solution. They're just able to be very objective. So it just enhances the knowledge that the sales folks have. So we rarely get any resistance from them.

SS

Can you provide an overview of the main steps in developing a buyer persona?

JK

So the first thing is to define two things: One, what is the buying decision that your buyer persona is focused on? The second thing is what the target market is. In a B2B setting, it could be certain geos or industries or company sizes or other characteristics of organizations. That's the first step.

The second step is going out to identify, recruit, schedule, and conduct those interviews. You want to find organizations that have made a buying decision pretty recently. And you want to find people who had significant involvement in that buying decision.

The interview is the third step. These are 30 minute qualitative interviews. And what I mean by that is they're open ended. There's a certain structure to them because we're trying to get to those five "rings of insight". But we're not trying to lead the witness. We're not trying to have people rate or rank lists or anything like that. We are trying to understand the buyer's story. They have a story to tell, which is their journey. From that, you record and transcribe all the interviews, typically a minimum of ten. You want to analyze the data across the interviews so you can find patterns in the data, and those really become your buying insights.

You definitely want to include buyer quotes in your buyer persona. So for example, let's say you identify a particular success factor that is really important. It's a key outcome that they want. You want to support that with actual quotes from the interviews that you did because it adds incredible credibility to your findings - it's the buyer saying this stuff. It also provides such a deeper, richer understanding of your buyers by actually hearing and seeing the words and phrases that they actually use.

SS

What follows the interview phase?

JK

Typically we do a readout meeting in the organization where we walk through the persona in detail, including going through many of the actual buyer quotes. And the reason that's so important is because it just galvanizes the organization around one source of buyer truth. Let's really dig in and understand what it is that buyers are looking for. So that's a really important step and those calls can go anywhere from 90 minutes to even 2 hours to really get in depth.

SS

In those sessions where you're debriefing folks internally around your findings, are there a lot of "AHA" moments, or is it more a confirmation of their own intuitive understanding of the market?

JK

It's both. I can tell you that confirming information is pretty darn valuable because it just makes people feel a lot more confident that they're shooting in the right direction. But there's also "AHA" moments for sure. Or there are things that they suspected, but they weren't really sure how important it was. It helps do all those things.

SS

Let's go back to the process a little bit. How do you figure out which of the job functions and stakeholders in that buyer journey should be the ones that you talk to?

JK

So when we kick off a study design meeting, you usually have a sense of who the key decision makers are. What we always recommend is getting a cross section of buyers. By interviewing multiple types of roles involved, the buyer persona ends up being representative of the buying committee. And that is the critical thing. We don't want to miss an important viewpoint. We want to make sure they're all included.

SS

How many personas should a company develop?

JK

You should have one buyer persona per buying decision. So if you're looking to do a buyer persona for a particular product or service, you should have one buyer persona who represents that buying decision. Now maybe there's two different roles and you think there are differences by industry or company size, as an example, then what you want to do is do enough interviews in each one of those categories so that your buyer persona will be representative of both. So in that case, it would be still one buyer persona, but it would be segmented by industry.

SS

Effectively you've got one persona who represents the collective decision buying process within a company. So you're creating a composite profile. Is it possible when you're interviewing different job functions that those people will have unique perspectives on company needs?

JK

One of the challenges we often find is we'll have an organization come to us and they've got too many personas that they know what to do with. We had one organization that had 20 personas, and they were all role based and the

challenge with that is you probably don't have the resources to be able to uniquely market to them all differently in the first place and number two is you're creating unnecessary complexity. We've done hundreds of buyer persona studies, and we don't find differences by role nearly as much as some people think you would. Because when you're galvanized around a particular buying decision in an organization, there are going to be a core set of needs, challenges, benefits, decision criteria that they're all using. And you just want to make sure that you get those. You don't want to miss any of them. They're really important, but it's not necessary to have to customize it or tailor it by role. You're just introducing complexity that you'll have a hard time dealing with, or even worse, it ends up actually hurting your marketing because you're trying to bend over backwards to tailor something or customize something that really doesn't need to be.

SS

Let's say by way of example you have to get the buy-in of the IT department, the buy-in of end users, and the buy-in of finance. Are you creating a composite profile across those three very diverse functions?

JK

So let's take one of the "rings of insight" just to simplify this. One of the first ones is "priority initiatives", and these are the triggers. So this is where we identify the reasons your buyers are even looking for the type of solution that you offer. The key thing is you want to know what those are. You don't need to know them specifically for three different roles. You want to know in totality, that's the really important thing. Now, there may be differences by those roles that you just mentioned. That's rarely the case. What is much more common is, the organization overall collectively finds that this is a key buying trigger.

SS

The other thing I want to understand is, what's the ideal ratio between the number of interviews that you've actually got to conduct and creating that one persona? Earlier you mentioned the number ten.

JK

What we have found is after ten interviews, we start getting diminishing returns. Certainly we're always happy to do more interviews. Every buyer we talk to is going to make you smarter about them. But after ten, we start to hear a lot of the same things. So usually ten is kind of the minimum. And then the only reason you'd want to do more would be if we did a segmented study where there are different markets.

SS

As far as a number of interviews go, is there an ideal mix between customers and non customers?

JK

We don't typically have a hard and fast rule. It's just something we keep an eye on so that when we're done, there's a decent mix across all three of them.

SS

Now I know I'm hung up on this a little bit, but you have one persona per buying journey per industry, I think is what you said. What if there are multiple products in different product categories?

JK

Just quickly, it doesn't have to be per industry. It's only per industry if you think a couple of industries are vastly different, right? Which generally isn't the case. But to your point, you define a buyer persona based on a buying decision. Now, the beauty of this is you can define the buying decision however you want, right? So it could be something like a specific piece of technology, for example, or very specific service. You could also make the buying decision broader. As an example, we did a study for a client that offered managed services for different types of security offerings. So it was actually more helpful to look across the different solutions.

SS

Now, you also mentioned that the optimal interview time is 30 minutes. It's hard to imagine that in half an hour you can squeeze that much information out of an individual. It has to be, presumably, a tightly structured interview.

JK

Yes, it is pretty tight because you want to know the "five rings" that you're trying to get at. The thing to remember, you're not just doing one interview. So it's not uncommon that we'll do an interview and maybe we don't get to everything. Maybe there's one of the "rings of insight", let's say "perceived barriers", that we didn't dig in quite as much as we would have ideally hoped for. You just have to keep track of how the interviews are going, where you may need a little more, a little less. What happens is at the end of the ten interviews, you end up having a pretty complete picture.

SS

One of the points you make in the book is that the people you're interviewing are always delighted to share their story.

JK

The nice thing about it from the buyer standpoint is that you're not asking them to think big, grand thoughts. You're just literally asking them, what happened? What was your mindset? They don't have to come up with something super

creative or provocative. They're just literally kind of acting like a voice box for the organization, saying, here's how it went down and here's the things that were really important. So we find that they actually enjoy doing it.

SS

What's the output from the process? In the end, what does the client get as a result of the work? What form does the buyer persona take?

JK

What you have is for every one of the "five rings", you have each one of the insights that we've identified, and then you have buyer quotes that support each one. A typical buyer persona study has 30 to 55 buying insights across the "five rings". So that's the core deliverable, right? This is the forensic understanding of the buying decision. And then there's specific things that you can do to actually activate those insights in your marketing.

SS

Are there creative ways to bring those personas to life, beyond the initial presentation of your findings?

JK

Think about a simple Venn diagram, two interlocking circles. One of the circles is buyer wants and needs. And these are all the insights that you just got in your buyer persona. You know exactly what your prospective buyers want. The other circle is your capabilities. These are your features, functions, your support, whatever it is, these are the things that you do well. You want to interlock those two circles because at the middle of those things is your sweet spot. So if you're developing value proposition themes, you should be able, just from that exercise alone, to identify five or six winning value proposition themes. So how to do that? You list your capabilities to meet each particular buyer need. Now, you may have some where you're like, oh, this is a home run, we kill it here. You may have others where we have no answer to this, and a lot of them are somewhere in between. So you do that exercise. And then the next thing you want to do is as objectively as you can figure out how well you can differentiate yourself on each one of those capabilities based on your knowledge of your competitors. And from that you're going to develop value proposition themes at the intersection point. And then now that you've done this hard, objective work on your capabilities, you've got all your proof points. So it's a great way to develop value proposition themes and proof points.

SS

Should market research be the starting point to this whole process? Or is it best used after the fact to prove that the insights you've gleaned are in fact valid?

JK

There's a couple of reasons to do survey research. One is if you do want to validate the findings. What you do is you go out and survey a broader audience and actually give them the list of your "five rings" and you ask them how important these things are. The other thing that quantitative survey research is great for is to figure out how important each thing is. So earlier I mentioned that we typically have 30 to 55 buying insights. You would be able to look at those 30 to 55 and find out the ten most important or the ten least important.

SS

You describe in the book a message strategy workshop to create more layered, more segmented, more personalized messaging that speaks directly to the needs of an end buyer. That seems to be the big payoff.

JK

Yeah, exactly. So, you know, the process I told you with the Venn diagram, is that messaging workshop - that's how you come up with the value proposition themes. So, yeah, that's a great step to do. It's a fantastic step to do because it takes all the insights, and it really gives you focus and clarity about what's important and what you're going to focus on.

SS

Once the buyer personas are created, how are they socialized within the organization?

JK

So it depends on the audience, right. So from a marketing perspective, we typically just focus on going through the persona readout with the insights and the buyer quotes. When you start getting into sales, we would never advocate showing them the persona because it'll look like a piece of research to them. You're better off introducing them as conversation starters where you say, "Here's five things that we can tell you that your prospects are going to care about. And here we're going to equip you with a proof point where we actually differentiate our selves".

SS

When is it time to update that persona and what's the trigger to update it?

JK

You have to think about how dynamic your particular industry is. So if you see there's a lot of changing dynamics in customer needs, if you see there's a lot of changes in the types of ways or solutions that can address those needs in a particular market, that's when you want to update your personas more frequently.

SS

How hard is it for companies to do it themselves?

JK

Just finding buyers and knowing how to recruit and screen them is probably the hardest thing that we do. We use over 40 global recruiters. How well you can screen and qualify and recruit buyers is pretty important because if you can't get them, then that becomes a challenge. The second thing is doing the interviews themselves. It is a skillset, and it's something that you get better at as you go. And there's little booby traps to avoid in terms of not introducing bias unintentionally or not questioning and probing enough to get the insight you really need. And then the third thing is how to analyze the data and to pull the buyer quotes through your buyer persona. Again, it's not rocket science, but it is a skill and it's something that you get better at with experience.

SS

And when you're hiring staff to do that work, are you looking for ex-journalists? How do you pick a good interviewer?

JK

That's a great question. I rarely get that question. The interviewers that I look for typically are people who have an innate curiosity. I want somebody that when they talk to a buyer, they're almost a blank slate, right? They're literally going into it saying, "This buyer's got a story to tell. And my entire job in the next 30 minutes is to make sure I understand their viewpoint and their organization's viewpoint as well as I can. And everything I'm going to do in this interview and all the questions I'm going to ask is to make sure I understand it as deeply as I can, and I'm going to ask good questions and give them air time to really voice what's important." Those tend to be the best interviewers, because that's the foundation of it all.

SS

I'm going to move on to AI. Do you see a time when AI can get to the point where it's so sophisticated that it can actually build personas on its own?

JK

I don't know. That's the honest answer. No matter what model AI is using, it's going to be pulling from publicly available data unless it's an internal model. What you're trying to do is you're trying to get information that is deep in the minds of buyers. This is "behind the curtain" stuff. What tends to happen is AI tends to pull in everything. It misses certain nuances that are really important. So we

would never use it for source data, at least not yet. Where AI is pretty useful is helping analyze transcripts. So if you're looking to get a quick lay of the land on the key challenges people are facing, AI can certainly help you get a jump start. The other place which we're using it a lot for now is to help clients with messaging, because it does a great job of identifying the words, phrases, and terminology that buyers actually use.

SS

Toward the end of the book, you say there is a lack of buying insight in most organizations – you call it a “a vacuum”. Why is that?

JK

It's really just having the wherewithal to go out and actually talk to recent buyers. What we've been talking about in this conversation is a highly achievable thing to do. The other thing is they need to stop thinking about their specific offerings, their capabilities, all the things they're trying to do, and try to understand prospective buyers in the purest way. That's where the gold is.



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