

MKET130  
Lecture Notes Ch6

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## Chapter 6

## Business Market and Business

## Buyer Behavior.

\* **Business Market**: Resellers of market product & services.   
 مَبْتَاعَات و مَبْتَاعَات

← مَبْتَاعَات مَبْتَاعَات مَبْتَاعَات مَبْتَاعَات مَبْتَاعَات

\* **Business Buyer Behavior** :-

Final Consumer ← Final Product   
 Buyer behavior product or services

← مَبْتَاعَات مَبْتَاعَات مَبْتَاعَات مَبْتَاعَات مَبْتَاعَات

Business to Business → sold, rented, supplied to other.

\* **Business Buyer process** :-

Consumer process

determine products & services are needed to purchase, evaluate, alternative Brand.

\* **Business Market structure & Demand** :-

- ① Fewer & larger buyers   
 قَلِيلٌ مِنْ كَثِيرٍ
- ② Derived Demand   
 مُبْتَاعَات مَبْتَاعَات
- ③ Inelastic Demand   
 مُبْتَاعَات لا تَبْأَثَرُ بِتَغْيِيرِ السَّعْرِ
- ④ Fluctuating Demand   
 مُبْتَاعَات مُتَغَيِّرَةٌ

↳ summer season ↑ مُبْتَاعَات ↑

winter season ↓ مُبْتَاعَات ↓



\* **Nature of Buying Unit** طبيعة الوحدة الشرائية  
more complex.

- ① more decision participants.
- ② more professional purchasing effort.
- ③ More buyer & seller interaction.

\* **Decision process** : Complex.

**Supplier Development** تطوير الموردين

**Network of Suppliers** شبكة الموردين

**Supplier Development Department** قسم تطوير الموردين

\* **Model of Buying Behavior** :-

→ **Environment** - (A) **Marketing Stimuli**

- ① product, Price
- ② Place, promotion.

(B) **Other stimuli** : Economic, Technology  
Political, culture, competitive.

→ **Buying organization** :-

**Buying center (Interpersonal & individual influence)**

→ **Buyer Responses** ① **Product or service choice**

- ② Supplier choice
- ③ order quantities.
- ④ Delivery terms
- ⑤ Services term.
- ⑥ Payment.



## \* Types of Buying situations :-

- ① **Straight Rebuy** : Buyer Routinely reorder sth ~~without~~ without any modifications. نفس الطلبية
- ② **Modified Rebuy** : modify products price, term, or Suppliers. تغيير السعر أو المورد
- ③ **New Task** : Buyer purchases a product or services for the first - time. طلب جديد

\* **Systems Selling** :- Buying complete solution to a problem from single seller.

\* **Buying center** (Participant)

all of individual or units that play a role in the Business purchase decision making process.

- ① **users**, ② **Influences**, ③ **Deciders**, ④ **Purchasers**
  - ⑤ **gate keepers**
- المستخدم (user) / Approver or Approver  
المؤثر (influence) / Formal Authority  
المقرر (decider) / Approver or Approver  
المشتري (purchaser) / Formal Authority  
الحارس (gatekeeper) / Information

\* Who Participant in the decision?

- ① Relative influence,
- ② evaluation criteria,
- ③ Informal participant.



## \* Major influences on Business Behavior

- ① **environmental** <sup>البيئة الخارجية</sup>  
 → economy, supply condition, Technology <sup>والموارد</sup>  
 Regulation <sup>القوانين</sup>, Policy, Competition, culture. <sup>التقنية</sup>  
 custom <sup>العميل</sup>
- ② **Organizational** :- <sup>المنظمة</sup>  
 → objective, strategy, structure <sup>الهدف</sup>  
 System, procedure <sup>العمليات</sup>
- ③ **Interpersonal** :- <sup>العلاقات الشخصية</sup>  
 Influence, expert, Authority <sup>المؤثر</sup>  
 Dynamics <sup>الديناميكيات</sup>
- ④ **Individual** :- <sup>الفرد</sup> Deciders <sup>المقررون</sup>  
 Age, education, Job, motives, Personality <sup>العمر، التعليم، الوظيفة، الدوافع، الشخصية</sup>  
 Preferences, Buying style, Attitude <sup>التفضيلات، أسلوب الشراء، الاتجاه</sup>
- ⑤ **Buyers** :-

- ① **Economic** → Price, Service
- Personal** → Emotion

## \* Steps Business Buyer Behavior

- ① Problem Recognition, <sup>الاعتراف بالمشكلة</sup>
- ② general need description. (user) <sup>وصف الحاجة العامة (المستخدم)</sup>
- ③ Product specification. (2020) <sup>مواصفات المنتج (2020)</sup>
- ④ Supplier Search. <sup>البحث عن الموردين</sup>
- ⑤ personal Socialization. (proposal) <sup>التواصل الاجتماعي الشخصي (العرض)</sup>
- ⑥ Supplier Selection. <sup>اختيار الموردين</sup>
- ⑦ order routine <sup>الروتين للطلب</sup>
- ⑧ Performance Review. (Report) <sup>مراجعة الأداء (التقرير)</sup>

### \* Institutional Markets :-

Schools, hospital, nursing, homes,  
→ low budgets, Captive patrons.

### \* Government Market :-

domestic Suppliers, normal award.

— Affected by environmental factors.

— Non-economic Factor.

↳ Minority firms.

↳ Depressed →

↳ Small Business.

The end of chapter 6



### ⑧ Order - routine Specification :-

Chosen Supplier & list of Specification & terms of the purchase.

### ⑨ Performance Review :-

involve critique of suppliers performance to order routine specification.

بمراجعة الأداء، تقييم الأداء، تقييم الأداء.

### \* E - procurement & Online purchasing

- online purchasing

- company buying sites.

- Extranets.

شبكة / إنترنت / شبكة / شبكة

**Advantages :-** ① New Suppliers, low cost

② speed order & delivery, ③ Enhances

information sharing, ④ Improve sales

⑤ Facilitates services & support.

**Disadvantages :-**

Erodes Relationship as buyers search

for new suppliers.



## ① Problem Recognition.

Internal Stimuli → Need for new product.

External Stimuli → Idea trade show, Advertising

## ② General Need description:-

Characteristics & quantity of needed item.

## ③ Product Specification:-

describe Technical criteria.

## ④ Value Analysis:-

cost reduction, redesigned, standardized, made with less costly method of production.

## ⑤ Supplier search:

compiling a list of suppliers to find best vendors

## ⑥ Proposal solicitation:

Process of requesting proposal from qualified Suppliers.

## ⑦ Suppliers selection:

Buying center create list of desired supplier attributes & negotiates for favorable term and conditions.