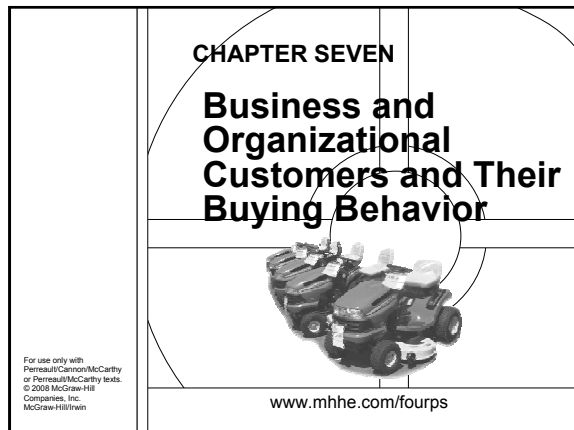


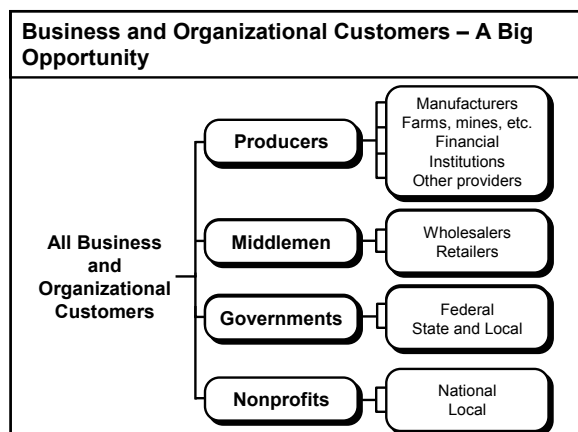
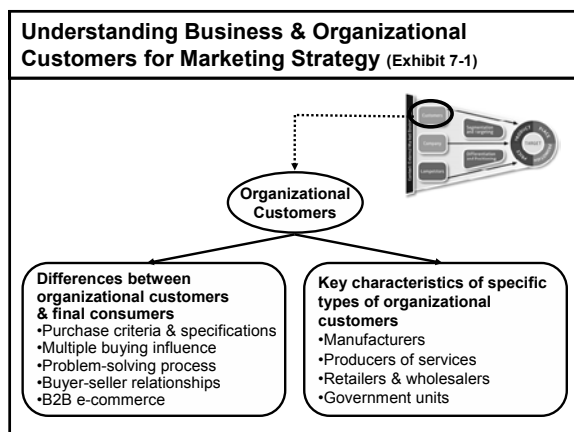


When we finish this lecture you should

1. Describe who the business and organizational buyers are.
2. See why business and organizational purchase decisions often involve multiple influences.
3. Understand the different types of buyer-seller relationships and their benefits and limitations.
4. Understand the problem-solving behavior of organizational buyers.
5. Know the basic e-commerce methods used in organizational buying.

When we finish this lecture you should

6. Know about the number and distribution of manufacturers and why they are an important customer group.
7. Know how buying by service firms, retailers, wholesalers, and governments is similar to—and different from—buying by manufacturers.



Serving Small Business Customers

At BB&T,
we don't think there's
anything small
about your business.



Proud to be named the
nation's #1 Small Business Friendly Bank.

We were honored when The U.S. Small Business Administration recently ranked BB&T the nation's top bank for small business. Our success is due to our commitment to small business, our dedication to helping companies like yours, and our focus on the people who make up the backbone of our nation. BB&T is proud to be a part of the small business community. We are committed to helping you grow your business and we are committed to helping you succeed. BB&T is proud to be a part of the small business community. We are committed to helping you grow your business and we are committed to helping you succeed.

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Organizational Customers Are Different

Sure, your site
has a search tool.
But what your
customers need
is a find tool.

Fact: 89% of online shoppers have trouble finding what they want.

The way online search tools are used is changing. Customers are looking for a more powerful search tool that can find what they want.

In contrast, EasyAsk intelligently organizes your content, finding up-to-date results and photos. There is no other search engine that can find what you need. EasyAsk can even find products from multiple e-commerce sites with a single search.

Business Link: With EasyAsk, you can also make it easy for your customers to find what they want. That's a 100% guarantee.

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Serving International Markets



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Specifications and Quality

Specifications
Describe the
Need



Quality
Certification
- ISO 9000

Many Different People May Influence a Decision (Exhibit 7-2)



Checking your knowledge

Consuela Velasquez is a receptionist for a group of seven physicians. As she controls the calendars for the physicians, any sales representatives from pharmaceutical companies wanting to call on the physicians have to go through Consuela. As a result, it is very important for sales reps to cultivate a good relationship with her. In the buying center, Consuela would be best described as a:

- A. buyer.
- B. user.
- C. influencer.
- D. gatekeeper.
- E. decider.

Checking your knowledge

Ahmed Jamison is a purchasing specialist for a large company. He has the authority to execute purchase orders for amounts up to \$100,000. On a purchase order for a higher amount, Ahmed arranges the terms of sale, but the transaction has to be approved by the company president. In the buying center for a purchase in excess of \$100,000, Ahmed is a _____ and the president is a _____:

- A. buyer; influencer.
- B. influencer; buyer.
- C. buyer; decider.
- D. gatekeeper; decider.
- E. user; influencer.

Evaluating Organizational Buying Influences



Vendor Analysis
Considers All Influences

Behavioral Needs Are
Important Too

Ethical Conflicts
May Arise

Purchasing May
Be Centralized

Organizational Buyers Are Problem Solvers (Exhibit 7-4)

Characteristics	Type of Process		
	New-Task Buying	Modified Rebuy	Straight Rebuy
Time required	Much	Medium	Little
Multiple influences	Much	Some	Little
Review of suppliers	Much	Some	None
Information needed	Much	Some	Little

Checking your knowledge

Nikita Jackson, a sales representative for an industrial supply house, calls on a prospective business customer. The customer has an established relationship with another supplier, but says that there have been some reliability problems with deliveries. Nikita seizes the opportunity to describe her company's state-of-the-art logistics and transportation system that provides outstanding delivery reliability at low shipping costs. Nikita is encouraged because her customer seems to be in a _____ situation.

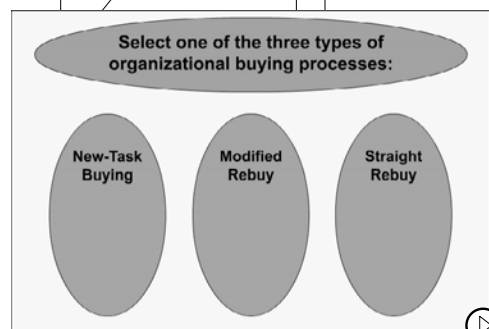
- A. straight rebuy
- B. modified rebuy
- C. new-task
- D. extensive problem-solving
- E. limited problem-solving

Checking your knowledge

Auto parts wholesaler Fixem, Inc. decides to invest in a new data management system to increase the efficiency of its warehouse operations. Previously, all record-keeping was done via printed documents, but now all transactions will be electronic. This change will require Fixem to expend a significant amount of money for hardware, software, and training. However, in the long run, the cost savings should exceed the up-front investment. Fixem has arranged for presentations to be made by three different vendors. Fixem seems to be facing a _____ buying situation.

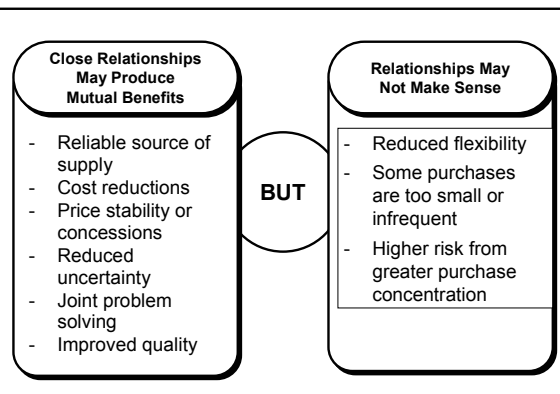
- A. straight rebuy
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- C. new-task
- D. extensive problem-solving
- E. limited problem-solving

Interactive Exercise: Organizational Buying

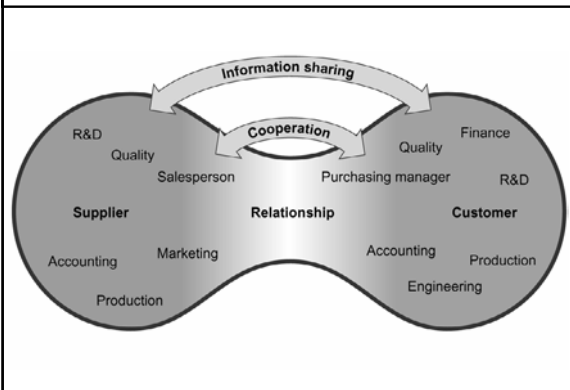


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Buyer-Seller Relationships in Business Markets



Relationships Have Many Dimensions (Exhibit 7-6)



Relationships Have Many Dimensions (Exhibit 7-6)

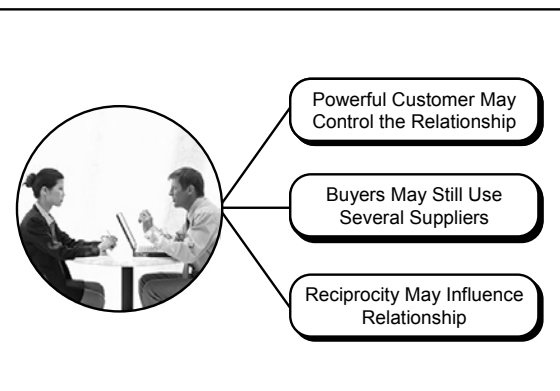


Checking your knowledge

Gotcha! is a chain of trendy stores catering to the urban contemporary market. As part of its close relationship with suppliers, Gotcha! has an Internet site that is accessible only by suppliers, and it provides up-to-the minute point-of-sale information from all of the Gotcha! stores. Suppliers can see how their products are doing at retail during any time of the day or night. In the relationship between Gotcha! and its suppliers, the Gotcha! supplier site is an example of:

- A. information sharing.
- B. legal bonds.
- C. reciprocity.
- D. operational linkages.
- E. negotiated contracts.

Dynamics of Buyer-Seller Relationships



Technology Is Reshaping Many Business Markets

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Present the right product at the right time

IntelliSolve your clients
Using everything from web to mobile, IntelliSolve can help you build a better relationship with your customers and intelligently serve products and services that are needed, when needed, and where needed.

Works great, on your website or in your customer service center
IntelliSolve lets you manage your entire customer relationship. We make it so easy to use, you can get the most from this tool in the palm of your hand. In the customer service center, IntelliSolve makes it so easy to manage your entire relationship with your customers. IntelliSolve makes it so easy to manage your entire relationship with your customers.

Marketers need more
IntelliSolve lets you manage your entire customer relationship. We make it so easy to use, you can get the most from this tool in the palm of your hand. In the customer service center, IntelliSolve makes it so easy to manage your entire relationship with your customers. IntelliSolve makes it so easy to manage your entire relationship with your customers.

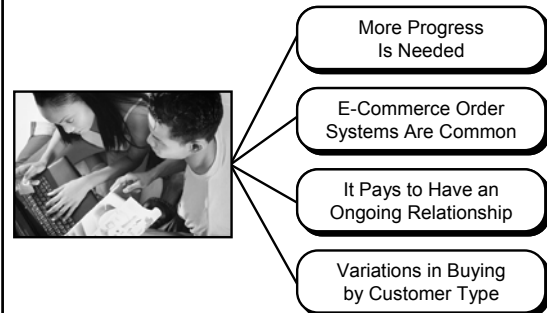
Call 800.234.5913
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CLARITAS
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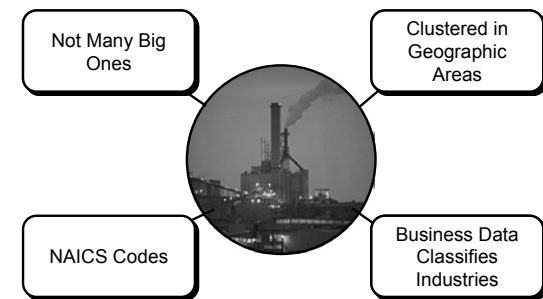
E-Commerce Tools in the B2B Market



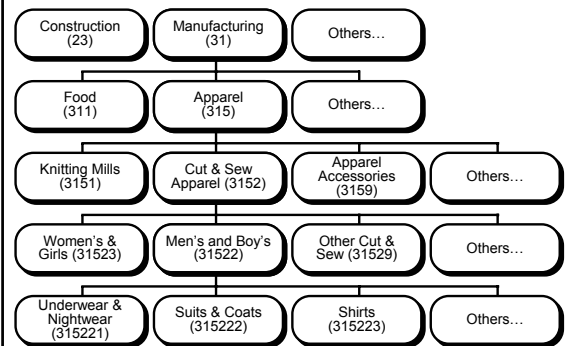
Emerging Issues in B2B E-Commerce



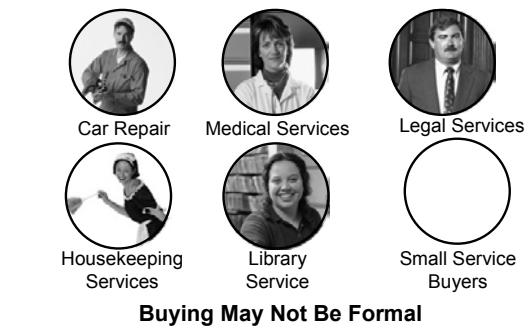
Manufacturers Are Important Customers



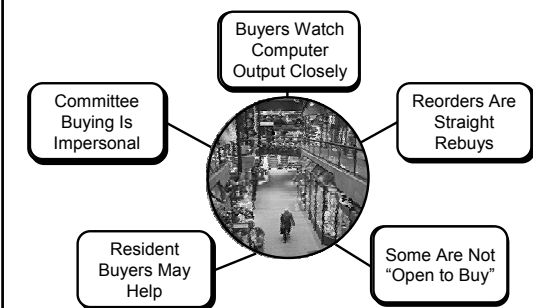
An NAICS Code Example (Exhibit 7-8)



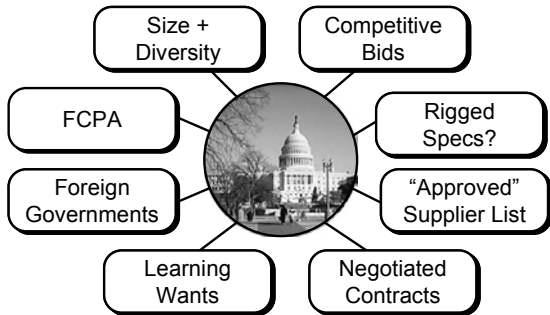
Producers of Services – Smaller and More Spread Out



Retailers & Wholesalers Buy for Their Customers



The Government Market



You now

1. Describe who the business and organizational customers are.
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Key Terms

- | | |
|---|---------------------------------|
| • Business and organizational customers | • Straight rebuy |
| • Purchasing specifications | • Modified rebuy |
| • ISO 9000 | • Just-in-time delivery |
| • Purchasing managers | • Negotiated contract buying |
| • Multiple buying influence | • Outsource |
| • Buying center | • Reciprocity |
| • Vendor analysis | • Competitive bids |
| • Requisition | • NAICS codes |
| • New-task buying | • Open-to-buy |
| | • Resident buyers |
| | • Foreign Corrupt Practices Act |