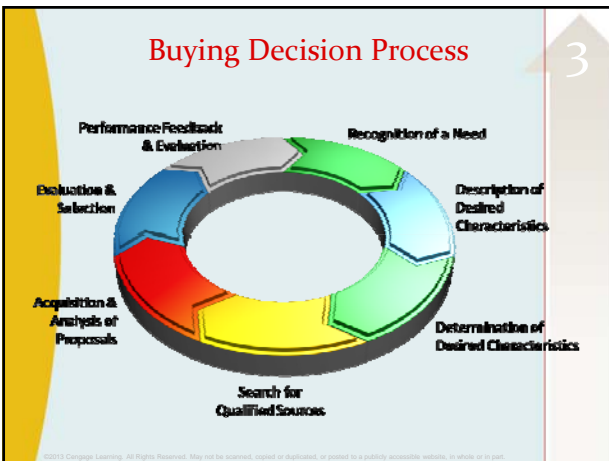




Group Activity

In many ways, recruiting process is very similar to the buying process. From the recruiters' perspectives,

- 1) identify the type of job your team would like to obtain after graduation.
- 2) describe each of the phases of the buying process (outlined in the chapter) in the context of recruiting for the desired position. (e.g., how the position became available, qualifications of candidates, etc).



Video Exercise

3

- Comment on the assertiveness and responsiveness communication style in this interaction between Jim and Mark.
- Discuss the buying influences that are impacting Mark's decision making in this sales situation.

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Categories of Buyers

3

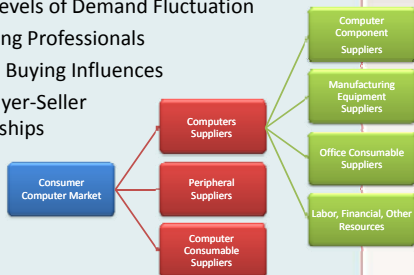


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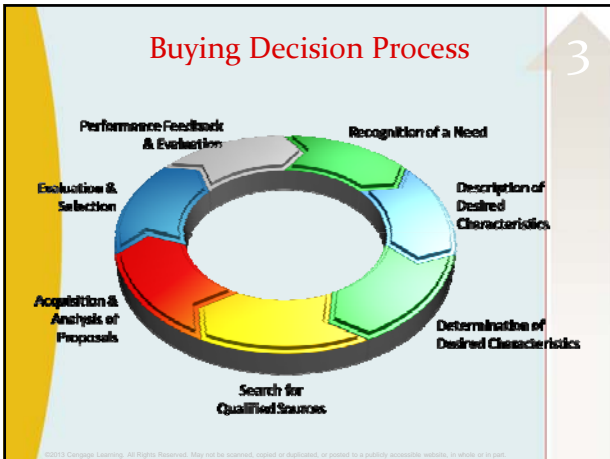
Distinguishing Characteristics of Business Markets

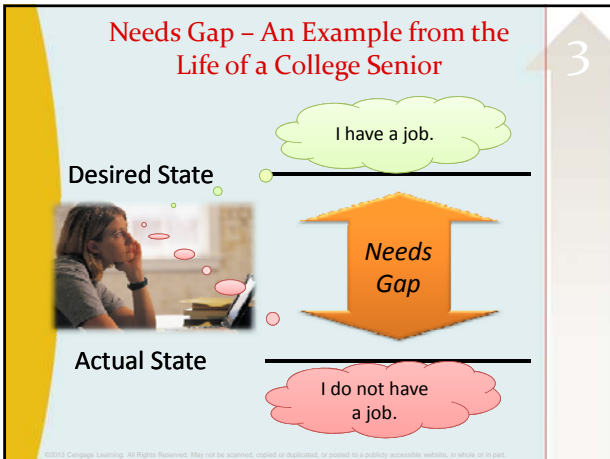
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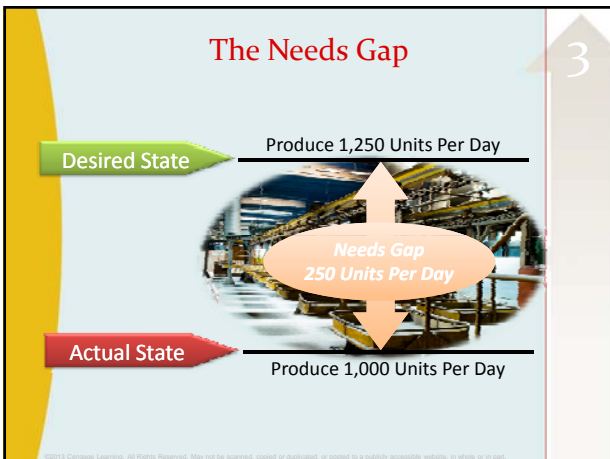
- Concentrated Demand
- Derived Demand
- Higher Levels of Demand Fluctuation
- Purchasing Professionals
- Multiple Buying Influences
- Close Buyer-Seller Relationships



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Types of Buyer Needs

3

Situational Needs	<i>I need a new cell phone now because mine is broken and I am heading out-of-town.</i>
Functional Needs	<i>I need a cell phone with a keyboard.</i>
Social Needs	<i>I need a state-of-the-art cell phone so I will be recognized as a technology-savvy person.</i>
Psychological Needs	<i>I need a cell phone with an extended warranty.</i>
Knowledge Needs	<i>I need comprehensive training on how to use a new cell phone.</i>



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Buyer Needs and Benefit-Based Solutions

3

CHAPTER 12
Example Worksheet for Organizing Buyer Needs and Benefit-Based Solutions


Primary Buyer Buyline Organization: Primary Industry:	Buyer's Specific Needs
Buyer's Situational Needs	<ul style="list-style-type: none"> • Requires an 18 percent increase in production to meet increased sales • Customer/industry will not invest production/delivery funds • Tight cash flow pending initial deliveries and receipt of payment
Buyer's Functional Needs	<ul style="list-style-type: none"> • Equipment to provide a flexible and efficient increase in production • Expedient delivery and installation in six weeks or less • Equipment from top-selling producers beyond a local region
Buyer's Social Needs	<ul style="list-style-type: none"> • Expansion requires knowledge from the top-level industry • Belonging to user group of companies using this equipment • Feeling that they are an important customer of the supplier
Buyer's Psychological Needs	<ul style="list-style-type: none"> • Confidence that selected equipment will meet needs and do the job • Assurance that seller can complete installation in six weeks • Selling the unit to a buyer concerning the equipment's success
Buyer's Knowledge Needs	<ul style="list-style-type: none"> • Evidence that this is the right choice • Understanding new technology used by the selected equipment • Training program for production employees and maintenance staff

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Organizational vs. Individual Needs

3

FIGURE 9.3
Complex Mix of Business Buyer Needs



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Request for Proposal

RFP:
A form developed by firms and distributed to qualified potential suppliers that help suppliers develop and submit solution proposals.

3

Procedures for Evaluating Suppliers and Products

Descriptive Rating

EXHIBIT 3.3
Important Product Information

Characteristics	Bondit #392	AdCo #45	SilkFast #217
Ease of application	Excellent	Good	Very good
Bonding time	8 minutes	10 minutes	12 minutes
Durability	10 years	12 years	15 years
Reliability	Very good	Excellent	Good
Non-toxic	Very good	Excellent	Very good
Quoted price	\$/lb per gal.	\$/Z per gal.	\$/6 per gal.
Shelf life in storage	6 months	4 months	4 months
Service factors	Good	Very good	Excellent

3

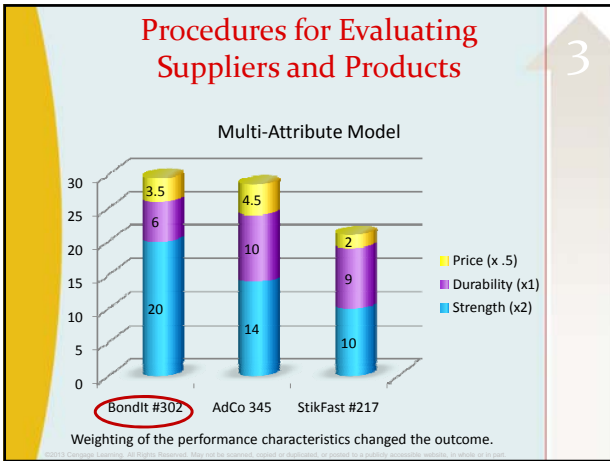
Procedures for Evaluating Suppliers and Products

Multi-Attribute Model

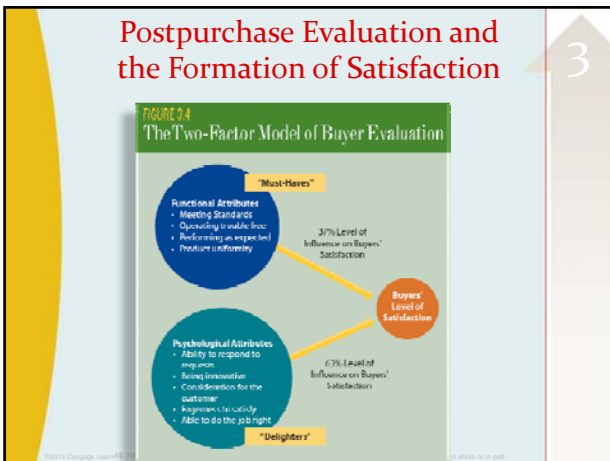
EXHIBIT 3.5
Descriptive Rating
Weighted Averages for Performance (P) Times Importance (I) and Overall Evaluation Scores

Characteristics	Bondit #392			AdCo #45			SilkFast #217		
	P	I	P x I	P	I	P x I	P	I	P x I
Ease of application	10	8	80	8	8	64	8	8	64
Bonding time	8	6	48	6	8	48	4	6	24
Durability	6	9	54	8	9	72	9	9	81
Reliability	8	7	56	10	7	70	5	7	35
Non-toxic	8	6	48	10	6	60	8	6	48
Quoted price	5	18	90	9	10	90	7	18	126
Shelf life in storage	9	6	54	6	6	36	6	6	36
Service factors	5	8	40	8	8	64	10	8	80
Overall evaluation score	410			468			446		

3



- ### Employing Buyer Evaluation Procedures to Enhance Selling Strategies
- 3
- Modify the Product Offering Being Proposed
 - Alter the Buyer's Beliefs about the Proposed Offering
 - Alter the Buyer's Beliefs about the Competitor's Offering
 - Alter the Importance Weights
 - Call Attention to Neglected Attributes
-
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Buying Decision Types

FIGURE 3.5
Continuum of Types of Buying Decisions

Straight Rebuy	Modified Rebuy	New Task
Habitual and Routine Decision Making		Extensive Consideration and Decision Making

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Types of Purchasing Decisions

EXHIBIT 3.6
Three Types of Buying Decisions

	Decision Type		
	Straight Rebuy	Modified Rebuy	New Task
Newness of problem or need	Low	Medium	High
Information requirements	Minimal	Moderate	Maximum
Information search	Minimal	Limited	Extensive
Consideration of new alternatives	None	Limited	Extensive
Multiple buying influences	Very small	Moderate	Large
Financial risk	Low	Moderate	High

Electronic Data Interchange (EDI):
Transfer of data electronically between two computer systems.

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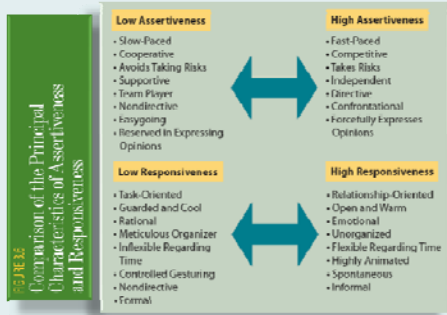
Communication Styles Matrix

FIGURE 3.7
Communication Styles Matrix

	High Responsiveness		
Amiables • Relationship-Oriented • Slow-Paced	Expressives • Relationship-Oriented • Fast-Paced		
Analyticals • Task-Oriented • Slow-Paced	Drivers • Task-Oriented • Fast-Paced		
	Low Responsiveness		
Low Assertiveness			High Assertiveness

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Understanding Communication Styles 3

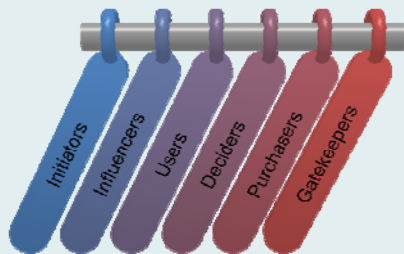


Communication Style Flexing 3

The process by which the salesperson adjusts his/her communication style to fit that of the customers in order to facilitate effective communication.



Buying Teams 3



Employees from one or more departments fill the roles in the buying center and work together to affect the outcome of the purchase decision.

Current Developments in Purchasing

3

- Target Pricing
- Increased Outsourcing
- Supply Chain Management
- Increasing Use of Information Technology
- Increased Importance of Knowledge and Creativity
- Buyers' Access to and Demand for Relevant Information
- Relationship Emphasis on Cooperation and Collaboration



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