

In the exam, the key thing is to show that:

- You are using the right model or models.
- You are using the whole model(s).
- You put lots of evidence in the model(s).
- You answer the particular question that is being asked.

=> If there is no evidence in the case study for part of a model – write “No evidence. I assume that .....” and write what you assume is happening here (based on your understanding of the industry).

=> There are particular periods on interest in the Sonance business case:

- Pre 2000
- 2000 – 2004
- Post 2004

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## CHAP 1: THE SIGNIFICANCE OF B2B MKT

### 1) Why segment ?



### 2) B2B Marketing Segmentation:

Business Markets	Market Characteristic (Macro Segments)	Customer Location	Geographic or regional location => group customer in specific area/ have similar regional needs.
		Customer Size	Grouping customer with similar purchasing power or specific needs associate with size

		Market served by customer	How will the product/ service be used ?
		Usage rates	How often do they buy, how much do they buy ?
		Purchase situation	E.g: New customers need more help in buying process
	Buyers characteristic (Micro segments)	Purchasing strategies	Do they buy from a panel or from single source ? Do they form long term rela with supplier?
		Purchasing policies	Is purchasing centralised or decentralised ? Green purchasing ? Local suppliers ? Innovation needs ?
		Importance of purchase	How important the product/service to the core business of customer
		Attitude to risk	Are they willing to take risks for long term gain ? or they will only buy tested products ? Somewhere in btw ?
		Personal characteristics of buyer	What is their business culture ?



**What are the Macro Segments ?**

**What are the Micro Segments ?**

**How does Sonance segment its market ?**

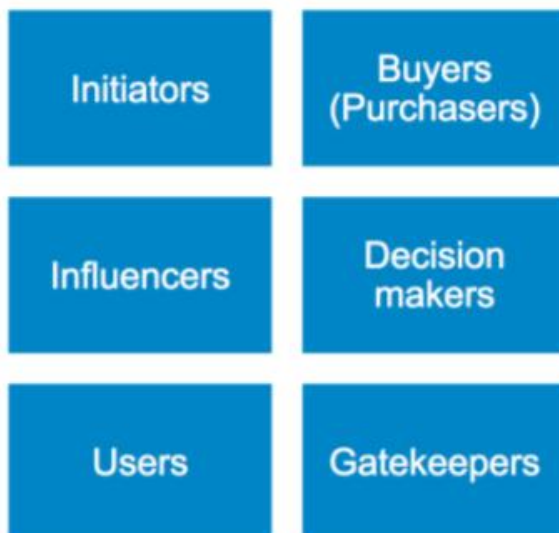
**How has this changed in 3 period ?**

- **Before 2000 :**
- **2000 - 2004 :**
- **After 2004 :**

## **CHAP 2: ORG BUYING BEHAVIOUR**

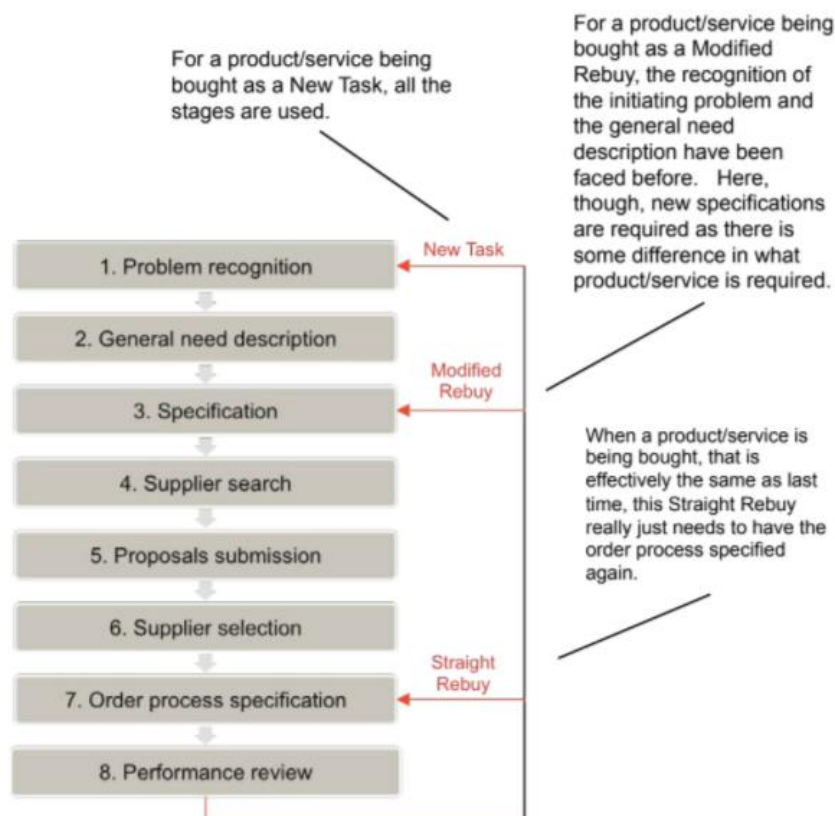
### **1) Buying Centre/ Decision Making Unit**

- Contribute specialist/ expert knowledge
- Evaluate different factors of the suppliers and products/ services
- Become active at different stages of the buying process
- Require:
  - + ) Different MKT Comm approach
  - + ) Different rela building activities



**Fig 2.5 – Potential members of the DMU**

## 2) The Gridbuy framework :



1) New Task	<ul style="list-style-type: none"> <li>- There is a problem/ need that is totally different from previous exp.</li> <li>- Significant amount of info required</li> <li>- Buyers <ul style="list-style-type: none"> <li>+) lack well defined criteria</li> <li>+) lack strong predisposition toward solution</li> </ul> </li> </ul>
2) Modified Rebuy	<ul style="list-style-type: none"> <li>- Decision makers feel benefits to be derived by reevaluating alternatives</li> <li>- Buyers have well defined criteria</li> </ul>
3) Straight Rebuy	<ul style="list-style-type: none"> <li>- The problem/ need is recurring or there is a continuing requirement (operate in routine problem-solving stage)</li> <li>- Buyers have experience in area and need little to no new info</li> </ul>

## 3) Influences on org purchasing decision

External	Internal	Individual	Relational
<ul style="list-style-type: none"> <li>- Social-economic:</li> <li>+) Derived demand from consumer markets</li> </ul>	<ul style="list-style-type: none"> <li>- Nature of business</li> <li>+) Products or service</li> <li>+) Custom made/ mass</li> </ul>	<ul style="list-style-type: none"> <li>- Perception of consequences:</li> <li>+) Risk analysis</li> </ul>	<ul style="list-style-type: none"> <li>- Relational approaches</li> <li>+) Long term commitment</li> </ul>

<ul style="list-style-type: none"> <li>+ ) Increased shortage of key resources</li> <li>+ ) Knock-on effect</li> <li>- Globalization:</li> <li>+ ) Supply chain efficiency and competition</li> <li>+ ) Sourcing and Manufacturing choices</li> <li>- Increasing customer knowledge and power: <ul style="list-style-type: none"> <li>+ ) Research, info, network</li> <li>+ ) Mergers and strategic alliances</li> </ul> </li> <li>- Stagnant versus emerging market</li> <li>- Process mentality</li> </ul>	<ul style="list-style-type: none"> <li>- produced</li> <li>- Structure of purchasing: Centralise/ decentralised</li> <li>- Purchasing policy: <ul style="list-style-type: none"> <li>+ ) Lower cost</li> <li>+ ) Guaranteed supply</li> <li>+ ) Integrated purchasing for differentiation</li> <li>+ ) Risk mana</li> </ul> </li> <li>- Ethics</li> <li>- System <ul style="list-style-type: none"> <li>+ ) Linked to logistics and distribution</li> <li>+ ) E-commerêc capability</li> </ul> </li> <li>- Tech: <ul style="list-style-type: none"> <li>+ ) E-commerce</li> <li>+ ) Access to electronic marketplaces</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>+ ) Outcome uncertainty</li> <li>- Personal influence: <ul style="list-style-type: none"> <li>+ ) Inf flow</li> <li>+ ) Role in DMU</li> </ul> </li> <li>- Social rela: <ul style="list-style-type: none"> <li>+ ) Personal vs B2B rela</li> <li>+ ) Cultural expectations</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>+ ) High levels of trust</li> <li>+ ) Mutual support</li> <li>+ ) Cooperative</li> <li>- Transactional approaches <ul style="list-style-type: none"> <li>+ ) Short term</li> <li>+ ) Multiple suppliers</li> <li>+ ) Limited interaction</li> <li>+ ) High level of choice</li> </ul> </li> </ul>
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#### 4) Buyer Behavior Analysis Table

=> Purpose: Collect evidence for Analysis ?

	Actions (What is the DMU thinking about doing ?)	DMU (Who is involved)	Criteria (What is important ?)	Influences
1.Problem Recognition	<p>Someone in the customer org recognises that there is a problem</p> <p>Source of the problem to be fixed</p> <ul style="list-style-type: none"> <li>- Internal needs</li> <li>- Staff needs</li> <li>- Marketing strategies</li> <li>- Research</li> <li>- Competition</li> <li>- Customer demand</li> </ul>		x	
2.General need description	<p>The customer work out how to fix the problem (general means they need to buy the product)</p>		x	
3.Specification	<p>How do they search for potential suppliers ?</p>		<p>What are the actual specifications of the product or service ?</p> <p>-Industrial product users value :</p> <ul style="list-style-type: none"> <li>+ ) Prompt delivery</li> <li>+ ) Efficient and effective service</li> </ul> <p>-Engineering values :</p> <ul style="list-style-type: none"> <li>+ ) Product quality</li> <li>+ ) Standardization</li> <li>+ ) Testing</li> </ul> <p>-Purchasing values:</p> <ul style="list-style-type: none"> <li>+ ) Price ads</li> <li>+ ) Shipping and forwarding</li> </ul>	
4.Supplier search	<p>How do they search for potential supplier ?</p>		x	