

Chapter 2 Understanding Business Market and Environment



DINH Tien Minh (Ph.D.)

Objectives



- 01 Understand types of business customers and classification of industrial goods and services.
- 02 Know purchasing orientations and practices of business customers.
- 03 Understand environmental analysis in business marketing.

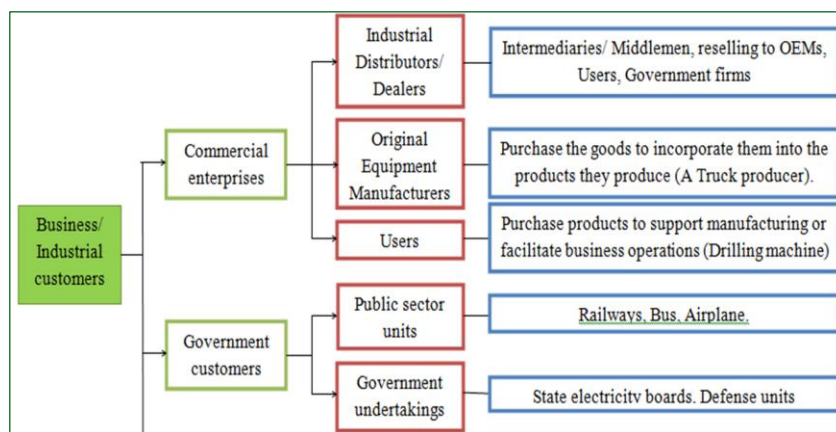
Content

- 01 Types of business customers (B.C)
- 02 Classification of industrial product
- 03 Purchasing orientations of B.C
- 04 Types of buying situations
- 05 Environmental analysis of B.M
- 06 Questions and Homework



1. Types of Business Customers

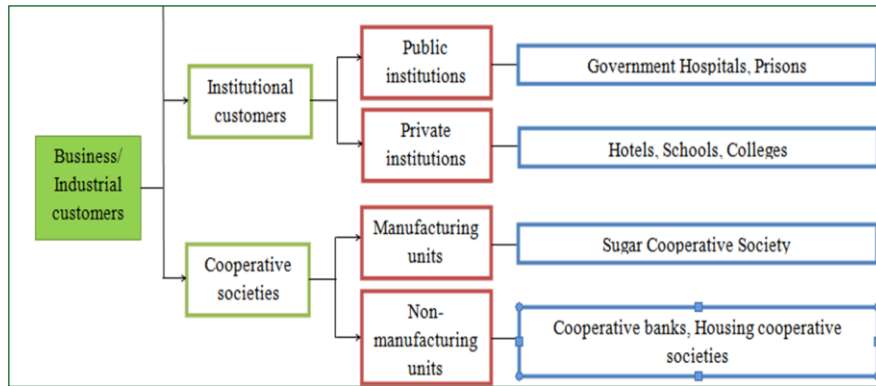
01



Krishna K Havaladar (2010), *Business Marketing*, McGraw Hill, 3rd edition, p16.



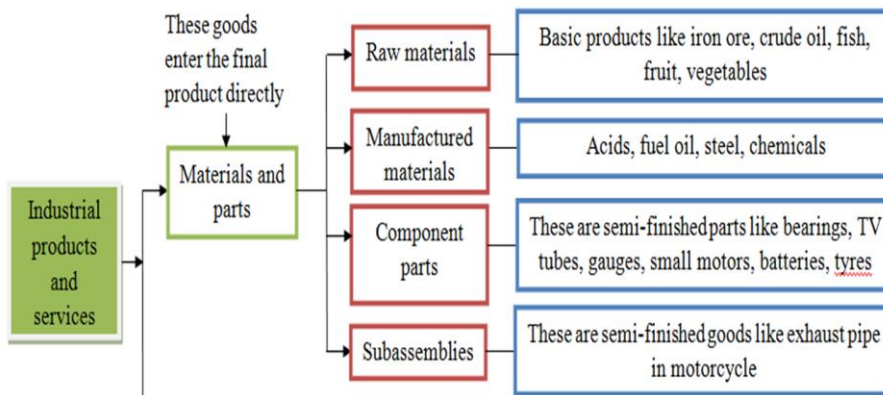
1. Types of Business Customers



Krishna K Havaladar (2010), *Business Marketing*, McGraw Hill, 3rd edition, p16.



2. Classification of Industrial Product



Krishna K Havaladar (2010), *Business Marketing*, McGraw Hill, 3rd edition, p18.



2. Classification of Industrial Product

02

Hàng hóa đầu vào (Materials and Parts):

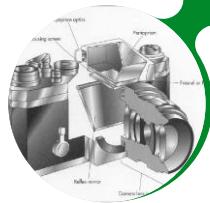


Nguyên vật liệu thô (Raw Materials)

- Sản phẩm nông nghiệp (cà chua, lúa mì, hoa quả).
- Sản phẩm khai thác từ thiên nhiên (quặng sắt, gỗ).
- Vd: AT&T mua khối lượng đáng kể đồng, vàng, bạc để sản xuất điện thoại và các thiết bị liên lạc.



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Vật liệu và phụ tùng sản xuất

- Vật liệu đã qua gia công (acids, fuel, steel).
- Phụ tùng dùng lắp đặt trực tiếp vào sản phẩm (electrical motor, batterie).
- Vd: Ford và GE chi hàng triệu USD hàng năm cho nguyên liệu thép.



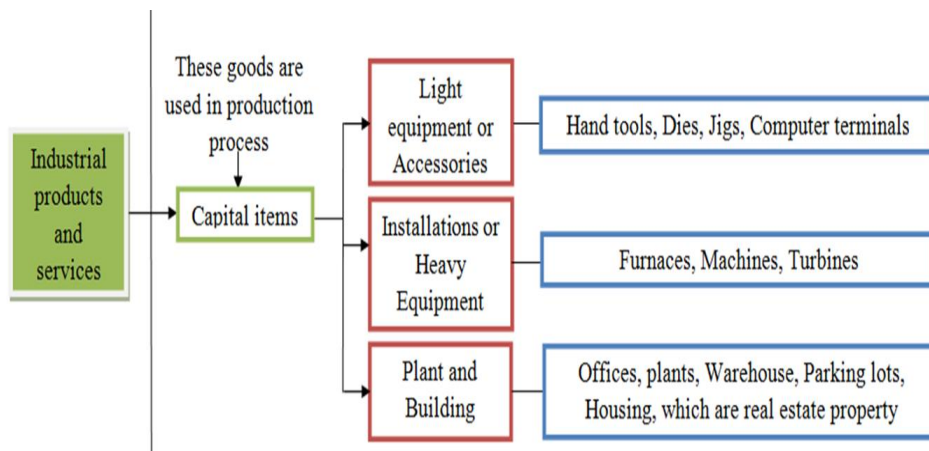
Vật liệu phụ (Subassemblies)

- Vật liệu phụ thường được sản xuất và cung cấp bởi những nhà bán hàng.
- Vd: Ống khói (ống pô – exhausted pipe) của xe máy hay xe ô tô đường dài (passenger car).



2. Classification of Industrial Product

02



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Krishna K Havaladar (2010), *Business Marketing*, McGraw Hill, 3rd edition, p18.



2. Classification of Industrial Product

Hàng hóa vốn (Capital Items):

Hàng hóa thuộc danh mục đầu tư vì được sử dụng hết hoặc khấu hao.

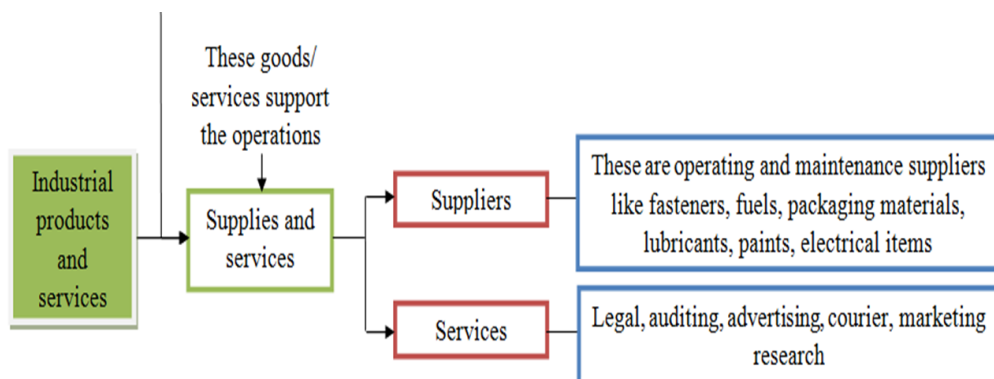
- Thiết bị nhẹ/ linh kiện (**Light Equipment**): Xe đẩy hàng, máy khoan.
- Thiết bị nặng (**Heavy Equipment**): Hệ thống máy móc, lò luyện kim, Turbines.
- Quyền sử dụng nhà xưởng, đất đai (**Plant and Building**): Văn phòng, nhà kho, bãi đậu xe.



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2. Classification of Industrial Product



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Krishna K Havaladar (2010), *Business Marketing*, McGraw Hill, 3rd edition, p18.



2. Classification of Industrial Product

Hàng hóa hỗ trợ:

Là các dịch vụ hoặc thiết bị văn phòng hỗ trợ cho hoạt động của tổ chức.

❖ Hàng hóa, Thiết bị văn phòng (Supplies):

- Hàng hóa hỗ trợ hoạt động (máy in, máy chụp hình, giấy, mẫu đơn kinh doanh, văn phòng phẩm).
- Thiết bị sửa chữa và bảo trì (sơn, ốc vít).

❖ Các dịch vụ (Services):

- Dịch vụ sửa chữa và bảo dưỡng (sửa chữa máy tính).
- Dịch vụ tư vấn kinh doanh (tư vấn quản lý, luật pháp, quảng cáo).



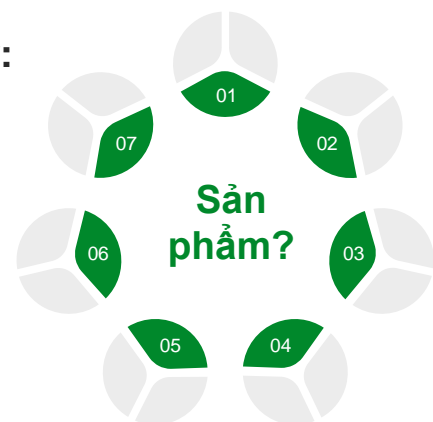
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Bài tập

Hãy phân loại các sản phẩm dưới đây:

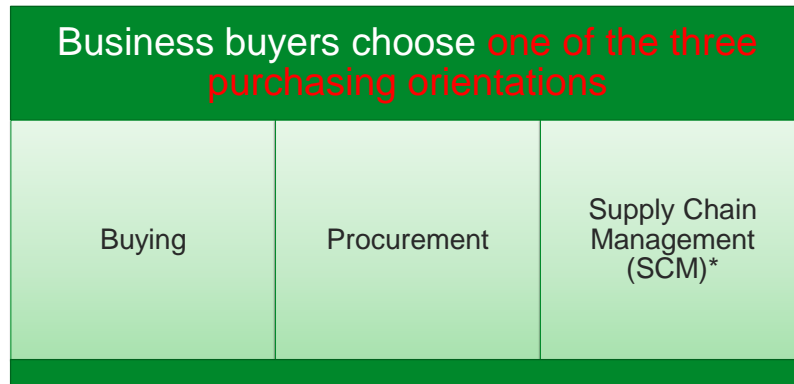
- Bút, viết, kéo, băng keo.
- Máy bào, máy khoan.
- Dịch vụ dọn dẹp vệ sinh, tư vấn pháp lý.
- Máy cán thép, máy cuộn thép.
- Xe nâng hàng, xe đẩy hàng.
- Tòa nhà văn phòng, nhà xưởng lắp ráp.
- Động cơ, ống pô xe máy.
- Vải, động cơ điện, thép.
- Salad, cà chua, hành ngò, bưởi cam.



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3. Business Customer's Purchasing orientation



(*)James C. Anderson & James A. Narus, *Business Market Management*, Pearson Education, Inc., 2004, 91-105.

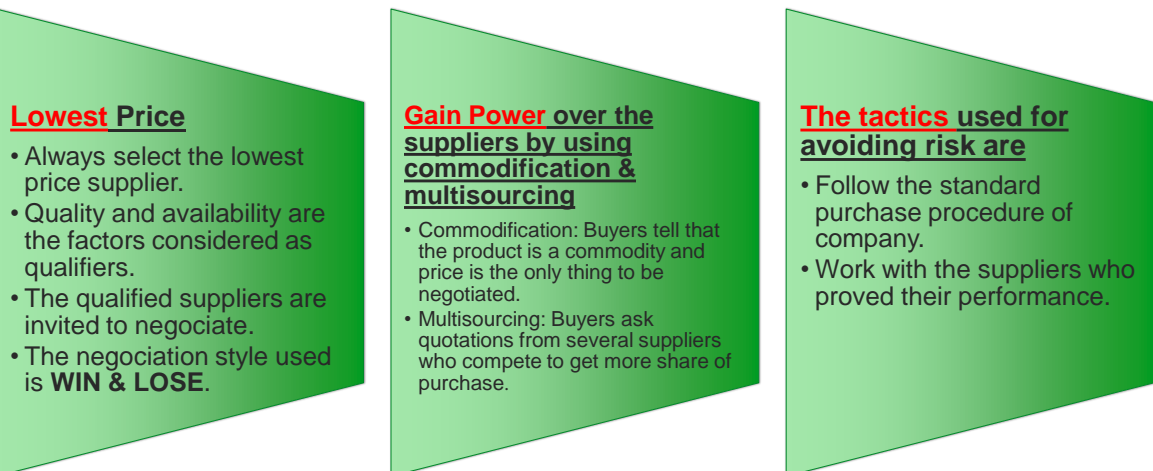


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3. Business Customer's Purchasing orientation

3.1 Buying orientation: This purchasing firm has a narrow and short-term focus. The buyers follow the practices as below:



3. Business Customer's Purchasing orientation

03

3.2. Procurement orientation: This purchasing firm has a long-term focus. The buyers seek both quality improvements and cost reductions.

❖ **Collaborative relationship with major suppliers:**

- Both Supplier and Buyer must trust one another.
- Have inter-firm team who implements J.I.T and quality assurance.
- The integrative negotiation includes focusing on common interests and goals.

❖ **Working closely with other functional areas:**

- Clarify the specifications of the products or services.
- Ensure the quality of purchased goods.
- Keep timely availability of products or services.
- Work closely with manufacturing group on Materials Requirement Planning (MRP).

3. Business Customer's Purchasing orientation

03

3.3. Supply Chain Management Orientation:

- It concludes coordinations and integration of many functional teams within the company and with other organisations in the whole value chain.
- The company focus on how to improve the whole value chain from raw materials to end-users.

3. Business Customer's Purchasing orientation

03

3.3. Supply Chain Management Orientation:

Deliver Value to End-Users

- Study to understand the requirements of end-users.
- Direct the entire supply chain to deliver superior value to them.

Outsource Non-core Activities

- Identify the core competence of the company.
- Group its products and services into strategic and nonstrategic systems.
- Outsource those systems that has become non-competitive.

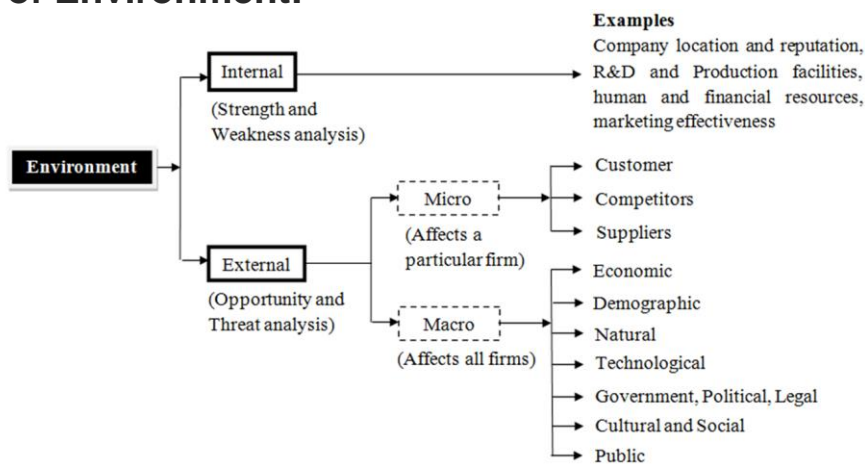
Support collaborative relationship with major Suppliers

- Work with major suppliers in partnering relationship that require cooperation, communication, trust and commitment.
- The objective is to lower total cost, increase value in order to achieve mutual benefits.

5. Environmental analysis in B.M

05

Types of Environment:



5. Environmental analysis in B.M

05

❖ Organizational Factors:

- Successful marketers must understand their customers' structures, policies, and purchasing systems.
- Some firms have centralized procurement, others delegate it throughout the units.
- Many companies use multiple sourcing to avoid depending too heavily on a sole supplier.



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5. Environmental analysis in B.M

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❖ Environmental Factors:

- Economic, political, regulatory, competitive, and technological considerations influence business buying decisions.
- Example: Natural disasters, such as Katrina; Rising fuel prices.



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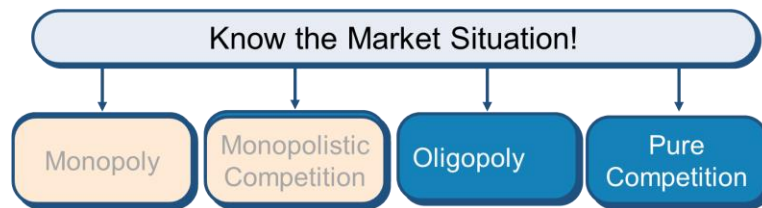


5. Environmental analysis in B.M

Example of Competitors:



Avoid Head-On Competition!



5. Environmental analysis in B.M

Example of Competitors:

		Quality		
		High	Medium	Low
Price	High	1	2	3
	Medium	4	A	5
	Low	6	7	8

Based on your industry/ product chosen, what are your cells and why?

5. Environmental analysis in B.M

05

❖ Interpersonal Influences:

- Many different people influence B2B buying decisions, sometimes as individuals and sometimes as part of a committee.
- Marketers must know who the influencers are and understand their priorities.
- Sales personnel must be flexible and have a good technical understanding of their products.



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5. Environmental analysis in B.M

05

❖ The Role of the Professional Buyer:

- Many organizations rely on professionals, often called merchandisers, who implement systematic buying procedures.
- Firms usually buy expense items with little delay but carefully consider capital purchases.
- Corporate buyers often use the Internet to identify sources of supplies.



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6. Questions and Homework

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1. Explain with an example an OEM (Original Equipment Manufacturer) customer, 'how an OEM customer is different than a user customer?'
2. What are the major differences between supply chain management orientation and buying orientation?
3. Why companies carry out environment analysis? Mention major micro and macro environment factors or forces.
4. Can a customer be classified as an OEM as well as user customer? Explain with an example.
5. A major electrical equipment (like transformers and switch-gear) manufacturer try to have collaborative relationships with high business potential government organizations like State Electricity Boards. What are the possibility of success of this strategy? Explain the reasons.


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