

Chapter 7.

Your answers must reflect the definitions and information in my lecture.

1) In 200 words discuss Levi Strauss.

Levi Strauss had to change the type of process that they used for their jeans because nowadays, the world is changing and so as the way people care about climate change or what is put in the food, what the process used for the products they purchase, if companies are being eco-friendly. Levi Strauss changed the amount of water they were using in the process of making their jeans to something more sustainable, not only to be more eco-friendly with the world as a clothing company but because there is more and more people who are starting to care about the process the products are put through before getting into their hands, buying from a non-sustainable brand means you are supporting what they do and with the money you pay for the products, they keep on investing on making those products. So, what's the best option you have when you are against their non-sustainability they are using? To stop buying. Levi Strauss didn't want their eco-friendly costumers to stop buying from them so the strategy they used was a movement very smart and also very helpful for the situation we are having with the climate change and the global warming.

2) Who is the end user in the lemon scenario and why?

The old couple because they made the lemonade that **they** are going to consume.

3) Name the wide range of businesses participating in the B2B markets.

Resellers, institutions, government, manufactures and service providers.

4) Describe each item in #3.

Manufactures: they buy materials, components and parts to make their own products.

Resellers: they sell products already made to retailers and consumers

Institutions: schools, museums, religious organizations, they purchase products differently than the others.

Governments: they spend a lot of money on purchasing products and there are firms who sell them exclusively.

Service providers: they offer a service that other (or themselves) do/make.

5) List the six items in the B2B buying process.

Recognition, product specification, RFP, proposal analysis, specification and vendor analysis.

6) Describe each item in #5.

Recognition: when you realize you need something.

Product specification: costumers express their specifications to the suppliers.

RFP: this allows suppliers to know about their customers and their needs.

Proposal analysis: is about negotiation and selection.

Specification: terms are negotiated to have the detailed purchase.

Vendor analysis: the buyer makes an analysis to know if they should keep on purchasing from the vendor.

7) List, in order, the items in the buying center.

Initiator, Influencer, user, buyer, the decider and the gatekeeper.

8) Talk about the example of the doctor/patient relationship. Describe how each area of the relationship apply to the buying center.

Initiator: the doctor.

Influencer: the doctor's medical device supplier because he will be using the materials the hospital bought from them.

Decider: the hospital, they decide what they want to buy for the hospital.

The buyer: the hospital's material manager because the takes care of buying the products for the OR.

User: the patient, he will use the product.

Gatekeeper: the insurance company, they will want to know if the material they used for the patient was good enough for the price.

9) List and define each item in the buying culture.

Democratic buying culture refers to the majority rules.

In consultative, one person makes the decision or asks other their opinion before making their decision.

Consensus is when you ask others involved to make the decision.

Bureaucratic one person makes the decision.

10) List and define each item in the buying situation.

New buy: purchasing for the first time.

Modify re-buy: purchasing the same product but with different modifications.

Straight re-buy: the same products you already bought.