INDUSTRIAL MARKETING: BUYING CENTER CONCEPT

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Abstract: Marketing as a young scientific discipline strives to keep building its own quality literature that investigates exchange behaviors of individuals and organizational entities. However, there are some areas and topics in the marketing literature that still remain almost untouched. The topic buying center in the area of industrial marketing is one of them which requires attention of marketing scholars. In line with this gap in the concept of buying center, this study aims to make a conceptual contribution to fill this aforementioned gap in the literature. Contrary to consumer markets, buyers in the industrial markets need much more detailed information to solve the specific problems with which the business faces. Buyers, hence, demand in-depth information from the sellers because the service or product to be bought is in large quantities in terms of volume, cost and continuity of both the order and the relationship built. Each functional unit in the organizational structure of the firm has different expectations from and concerns on the product and/or service to be bought. These expectations and concerns might range from price, purchasing risk, financial risk, disposal to quality, functionality, guarantee refund policies, etc. For example, marketing department focuses on quality and serviceability, while finance department may make overemphasize on price. Hence, there is a great need for the participation of the functional units in the buying organization with different expertise. To evaluate different product/service propositions made by sellers and to find the best alternative in many terms is only possible through the participation of functional units in the buying organization. This is the idea lying behind the formation of the buying center. Buying centers are composed of fluid, temporary and transaction-based teams with expertise and in-depth knowledge that include departments such as finance, purchasing, production, engineering, R&D and marketing based on the importance, complexity and volume of the buying process. By making the integration of these functional units under the buying center roof, different expectations of the functional units in the organization on quality, price, service and distribution from the purchase shall be reached in a more efficient way.

Key words: Industrial Marketing, Buying Center, Integration of the Functional Units.

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