The Buying Intention Of The Buying Centres In The Manufacturing Industry, Klang Valley

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ABSTRACT

Understanding the buying intention of any particular company is very crucial to marketers so that they are able to supply the products or provide the services to meet customers' requirements. In the manufacturing industry, the decision of buying the right products and services by the company buying centre is influenced by several features. These features include price, transaction value, repeat purchase, market orientation and degree of customer-supplier relationship.

The study examines how these features influence the buying decision of the buying centre. The correlations between dependent variables of these features are also included in the study. The dependent variables include four items related to price, four items related to transaction value, five items related to repeat purchase, eight items related to supplier – customer relationship and twenty six items related to customer orientation.

Data from a random sample by survey method via personal interview approach were obtained from a group of manufacturing companies in the Klang Valley, which are listed in the FMM directory. The five-point-likert-scale measurement is used to indicate the perception of the respondents for questions set in the questionnaires.

The findings of the study indicate that some features could influence the buying decision process of the buying centre of the company. The study also confirms the hypotheses related to these features. These hypotheses are as follows:

Hypothesis 1, H ₀₁ :	The decision of an industrial buying centre is influenced by the prices of the products or services.
Hypothesis 2, H ₀₂ :	The decision of an industrial buying centre is influenced by recommendations from end users who have had experienced using the products or services.
Hypothesis 3, H ₀₃ :	The decision of an industrial buying centre is influenced by Customer loyalty to the products or services.
Hypothesis 4, H ₀₄ :	The decision of an industrial buying centre is influenced by the value of the products or services.
Hypothesis 5, H ₀₅ :	The decision of industrial an buying centre is influenced by the type of relationship developed between customer and supplier.
Hypothesis 6, H ₀₆ :	The decision of industrial buying centre is influenced by the market orientation of selected variables.

Finally, the study concludes these hypotheses are fully supported and substantiated. Also highlighted in the study are recommendations as well as future studies relating to the buying decision of the buying centre of the company.

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