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Training on Identifying Buyer Behavior in the Business Market for SMEs

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ABSTRACT

In today's era, business actors purchase goods and services for use in the production of their products and services with varying behaviors. In the business market, there are various buyer behaviors that require more consideration in making purchasing decisions. There are four factors that can influence purchasing decisions in the business market. The partner in this activity operates a mochi snack business located in Kemayoran, Central Jakarta. In its operations, the partner faces challenges, particularly in identifying buyer behavior in the business market. The training activity for the partner was conducted online via Zoom. The purpose of this activity is to assist the partner in enhancing their knowledge of identifying buyer behavior in the business market. The method used in this activity involves training on identifying buyer behavior in the business market, focusing on how the partner interacts with their surroundings, so that the problems faced by the partner can be addressed through the training and solutions provided. The outcomes of the activity include publications in journals and intellectual property rights (HKI).

Keywords: Buyer Behavior, Business Market, Training, SMEs

1. Introduction

An organization that wants to succeed must consider buyer behavior when developing the marketing mix. The factors that actually influence business buyers are environmental factors, organizational factors, interpersonal factors, and individual factors. Environmental Factors, business buyers are significantly influenced by factors in the current and expected economic environment, such as the level of primary demand, economic prospects, politics, and others. When economic uncertainty increases, business buyers reduce their new investments and try to utilize existing inventory. Organizational Factors, all purchasing organizations have their own goals, policies, procedures, structures, and systems. Business marketers must understand all these factors well because so many questions are related to these factors.

Interpersonal issues have received much attention in many academic fields and from business media over the past few years (Chen et al., 2022; da Fonseca Guerreiro, 2020; Wei & Yuan, 2019). Under such modes, interpersonal interactions are often considered alongside presence to help enhance consumer value and achieve value exchange. Additionally, interpersonal interactions help build a positive image of the company's products and services in the eyes of consumers. It also helps strengthen consumer brand awareness, grow, and build a stable base of loyal consumers for the company (Bai et al., 2022; Liu et al., 2021; Chen et al., 2021; Zhang et al., 2017).

The activity involves the owner of a mochi food SMEs. The main issue faced by the partner in buyer behavior in the business market is the lack of knowledge regarding the characteristics of buyer behavior in the current market. As a result, buyers with various behaviors can easily turn to competing businesses that offer similar products but at more affordable prices and with better quality. This can be an ongoing problem for the partner if not addressed promptly. Therefore, to ensure the sustainability of this SME, the Untar team needs to provide knowledge on identifying buyer behavior in the business market. The core issue to be resolved is how to optimize the partner's knowledge on identifying buyer behavior in the business market.

To address the problems faced by the partner, the solution targeted by this training is to provide knowledge on what the partner needs to consider when identifying buyer behavior. The solutions that the partner needs to focus on to identify buyer behavior include the following:

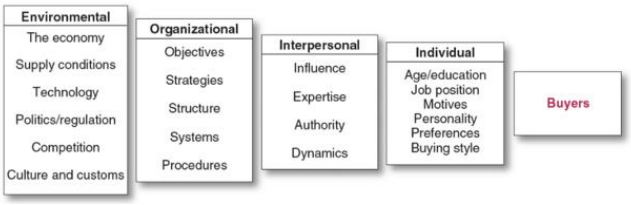
a. Understanding Buyer Behavior Buyer

Behavior in the business market is the process businesses go through to purchase all the products and services needed for their operations. This includes research, evaluation, negotiation, and finalizing deals with suppliers. Business purchases involve organizations with dozens of individuals from various backgrounds and motivations involved in the purchasing process (Lilien, 2016). Buyer behavior begins with recognizing the needs of the customer, such as raw materials or finished goods, equipment, or services.

b. Purpose of Understanding Buyer Behavior

In deciding to make a purchase, buyer behavior is a crucial factor that business owners need to develop and maintain to achieve a competitive advantage. The final decision has a significant impact on the continuity of the business, so it is highly recommended to conduct research and understand the characteristics of the target buyers in each market.

c. Factors Influencing Buyer Behavior



Source: https://images.app.goo.gl/8JX7LcKZeK4YVnueA

Figure 1. Infuences on Business Buyers

d. Strategies for the Purchasing Decision-Making Process



Source: : https://images.app.goo.gl/jC3aMMDzYVPZkUp67

Figure 2. Purchasing Decision-Making Process

2. Methodology

To carry out the socialization activity, several steps need to be taken:

a. As the tutor conducting the activity, the first step is to contact the business owner to request permission to conduct the socialization.
b. After obtaining permission from the business owner, the next step is to coordinate with the owner to participate in the socialization activity.
c. During the socialization activity, the tutor will delegate tasks to students who assist with the event.
d. Next, the activity facilitator will present the socialization material through various methods, such as lectures, discussions, and online Q&A via Zoom.
e. The activity facilitator will explain what needs to be done to gather marketing information.
f. The facilitator will provide the partner with an opportunity to ask questions if there are any aspects of the material that they do not understand.
g. The facilitator will respond appropriately to the partner's feedback regarding the material presented.

3. Results and Discussion

3.1. Activity Description

The activity was conducted on May 15, 2024, via Zoom meeting. It involved three students who acted as hosts and prepared the Zoom meeting. The first step of the activity was to explore the partner's issues in understanding the business market, followed by preparing a PowerPoint presentation (PPT) which was shared with the partner through the Zoom meeting. During the activity, the partner listened to the material presented with enthusiasm. Discussions and Q&A sessions between the partner and the team were communicative and engaging.

3.2. Partner Profile

The partner hosting the activity is Mochifuku, a mochi snack business. Melani Kartika is the owner, and the business is located in Kemayoran, Central Jakarta. The products are single-serving mochi snacks packaged individually and marketed on social media for the general public. The history of Mochifuku began with Melani's love for mochi and the difficulty in finding mochi that suited her taste. This led to the idea of starting a mochi business to create flavors that would appeal to the wider audience. The mochi business started in September 2023 and continues to the present. Some product samples from the partner include:



Figure 3. Partner's Products



Figure 4. Partner's Business Location

3.3. Science and Technology (IPTEK) Methods Transferred to the Partner

In order to maintain the sustainability of their SME, the partner needs to understand buyer behavior in the business market through the training provided. Here are the key elements of the training:

a. Understanding Buyer Behavior

Buyer behavior in the business market is the process businesses go through to purchase all the products and services needed for their operations. This involves research, evaluation, negotiation, and finalizing agreements with suppliers. The purchasing process includes recognizing customer needs, such as raw materials or finished goods, equipment, or services. Subsequently, research must be conducted to identify potential suppliers who can meet these needs with competitive prices and high quality standards. Evaluation is then performed by considering aspects such as the supplier's reputation, reliability, technical capabilities, and pricing structure.

b. Purpose of Understanding Buyer Behavior

Understanding buyer behavior is crucial for business owners to develop and maintain a competitive edge. The final purchasing decision significantly impacts the business's sustainability, so it is highly recommended to research and understand the characteristics of target buyers in the market.

c. Factors Influencing Buyer Behavior

- Environmental Factors

Business buyers are influenced by factors in the current and expected economic environment, such as primary demand levels, economic prospects, politics, and others. Increased economic uncertainty can lead buyers to reduce new investments and make use of existing inventory. Other environmental factors include economic development, supply conditions, technological changes, political and regulatory developments, competitive developments, and cultural practices. These factors directly or indirectly impact the business market.

- Organizational Factors

Each purchasing organization has its own goals, policies, procedures, structure, and systems. Business marketers need to understand these factors well, as many questions relate to them. For example, how many people are involved in the purchasing decision? Who are they? What are the evaluation criteria? What are the company's policies and restrictions for buyers?

- Interpersonal Factors

The buying center typically includes many participants who influence each other. Therefore, interpersonal factors also affect the business purchasing process. Although it is challenging to assess interpersonal factors and group dynamics, managers do not label participants as important or unimportant, and influential figures are often behind the scenes. Interpersonal factors may include authority, status, empathy, and persuasive abilities of participants in the purchasing process.

- Individual Factors

Individuals play a significant role in the business purchasing process. Each participant brings personal motives, preferences, and perceptions. Individual factors are influenced by personal characteristics such as age, education, income, professional identification, job status, personality, and risk attitudes. Each buyer has a different purchasing style.

d. Strategies in the Purchasing Decision-Making Process

- Problem Recognition: The initial step in the purchasing process where someone in the company identifies a problem or need that can be fulfilled by acquiring goods or services. Problem recognition can occur due to internal or external stimuli. External stimuli may include economic, political, or cultural factors.
- General Need Description: The stage where the buyer describes the general characteristics and quantity of the needed goods.
- Product Specification: The stage where the business buyer decides and determines the best product characteristics for the required goods/services.
- Supplier Search: The stage where the buyer tries to find the best suppliers for the needed products.
- Request for Proposal: The stage where the buyer invites qualified suppliers to submit proposals.
- Supplier Selection: The stage where the buyer reviews proposals and selects the most suitable supplier.
- Order Routine Specification: The stage where the buyer places an order with the chosen supplier, specifying details such as specifications, quantity, delivery time, return terms, and warranties.
- Performance Review: The stage where the buyer assesses and reviews the performance of the selected supplier.



Figure 5. Documentation During the Training

4. Conclusion

The training on identifying buyer behavior in the business market was conducted through a PowerPoint presentation (PPT) covering key aspects such as understanding buyer behavior, the purpose of identifying it, the factors influencing buyer behavior, and strategies for identifying it. The training and socialization with the partner were successfully conducted online via Zoom, facilitated by four students. The partner actively participated by providing information about their business and effectively received and understood the material presented through the PPT. A Q&A session was also involved during the socialization process.

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