

Higher National Unit Specification

General information for centres

Unit title: Organisational Buyer Behaviour

Unit code: DV8R 34

Unit purpose: This Unit is designed to enable the candidates to analyse the influence of organisational buyer behaviour on the marketing process. It will introduce the candidate to current theories and concepts.

On completion of the Unit the candidate should be able to:

- 1 Explain the distinctive characteristics of organisational buyer behaviour.
- 2 Evaluate the main factors influencing organisational buyer behaviour.

Credit points and level: 1 HN Credit at SCQF level 7: (8 SCQF credit points at SCQF level 7*)

**SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.*

Recommended prior knowledge and skills: Access to the Unit would be at the discretion of the centre. However, it would be beneficial if the candidate had prior knowledge in the basic concepts of marketing. It would also be beneficial if the candidate had competence in communications. These recommendations may be demonstrated by possession of:

- ◆ Core skill communications at SCQF level 5
- ◆ Marketing: An Introduction (DE3C 34) or equivalent

Core Skills: There are opportunities to develop the Core Skill of Communication at SCQF level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

Context for delivery: If this Unit is delivered as part of a Group Award, it is recommended that it should be taught and assessed within the subject area of the Group Award to which it contributes.

Assessment: In order to achieve this Unit, candidates must provide sufficient evidence that they have satisfied the minimum Evidence Requirements for each Outcome:

The Outcomes may be assessed by sets of structured questions, based on case study material that is suitable for both Outcome 1 and Outcome 2. It is recommended that the responses to the sets of questions should be 800–1,000 words in length for both Outcomes.

General information for centres (cont)

The assessment for Outcome 1 and Outcome 2 could be completed under restricted open-book conditions. (Restricted open-book conditions mean that the candidates are allowed access to a limited amount of materials, eg one A4 sheet of notes.)

Higher National Unit specification: statement of standards

Unit title: Organisational Buyer Behaviour

Unit code: DV8R 34

The sections of the Unit stating the Outcomes, knowledge and/or skills, and Evidence Requirements are mandatory.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the knowledge and/or skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

Outcome 1

Explain the distinctive characteristics of organisational buyer behaviour

Knowledge and/or skills

- ◆ Definition of organisational buyer behaviour
- ◆ Types of organisational markets
- ◆ Characteristics of organisational buyer behaviour
- ◆ Targeting of business-to-business (B2B) markets

Evidence Requirements

Candidates will need to provide evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ define and explain the term organisational buyer behaviour
- ◆ explain the types of organisational markets, for a minimum of **two** from the following list:
 - producer
 - reseller
 - government
 - institutional
- ◆ explain the distinctive characteristics of organisational buyer behaviour, for a minimum of **four** from the following list:
 - nature and size of customers
 - link between organisational buyer behaviour and the objectives of the organisation
 - derived demand
 - process of B2B buying
 - concentrated purchasing
 - types of purchases
 - direct dealings
 - specialist activity
 - multiple purchase influences
- ◆ describe a minimum of **three** bases used for targeting in B2B markets

Higher National Unit specification: statement of standards (cont)

Unit title: Organisational Buyer Behaviour

Assessment guidelines

This Outcome may be assessed by a set of structured questions based on a case study or other piece of stimulus material. The case study/stimulus material should encourage the candidate to relate the theory of organisational buyer behaviour to a business situation and in so doing it should be possible to generate evidence which indicates that the candidate understands the nature and purpose of organisational buying behaviour.

The same case study/stimulus material could be used in the assessment of Outcome 2.

The candidate may have advance knowledge of the case study but not the questions. The assessment will be completed under restricted open-book conditions. Restricted open-book conditions mean that the candidates are allowed access to a limited amount of materials, for example, one A4 sheet of notes. Assessment questions should encourage the candidate to relate his/her knowledge to a particular business situation rather than merely regurgitate theory.

It is envisaged that the expected response in this assessment would be a total of 800–1,000 words, elicited from five or six structured questions, but the final decision regarding the number of questions is at the discretion of the individual centre.

It is suggested that candidates should be given two hours to complete the assessment. This is only an approximate figure and it need not be adhered to as rigidly as in a formal examination situation. The time allowed is merely indicative as it is accepted that some candidates may require a little longer to complete the assessment. A flexible and pragmatic approach is encouraged and any additional time given to a candidate is at the discretion of the centre.

Outcome 2

Evaluate the main factors influencing organisational buyer behaviour

Knowledge and/or skills

- ◆ Buying decision process
- ◆ Buyer/Seller relationships
- ◆ Impact of new technology

Evidence Requirements

Candidates will need to provide evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ describe the buying decision process, for a minimum of **three** from the following list:
 - external influences
 - internal influences
 - buying centre
 - a current buying decision model
 - buying decision outcomes

Higher National Unit specification: statement of standards (cont)

Unit title: Organisational Buyer Behaviour

- ◆ compare the influence of buyer/seller relationships in business to business markets in terms of:
 - Transactional relationships
 - CMR customer relationship marketing

- ◆ evaluate the influence and benefits of new technology on organisational buyer behaviour, for a minimum of **three** from the following list:
 - E-commerce
 - Internet
 - Extranet
 - Networking trading links
 - Internet market places

Assessment guidelines

This Outcome may be assessed by a set of structured questions based on a case study or other piece of stimulus material. The case study and/or stimulus material should encourage the candidate to relate the theory of organisational buyer behaviour to a business situation and in so doing it should be possible to generate evidence which indicates that the candidate understands the nature and purpose of organisational buying behaviour.

The same case study/stimulus material will be used in the assessment of Outcome 1.

The candidate may have advance knowledge of the case study but not the questions. The assessment may be completed under restricted open-book conditions. Restricted open-book conditions mean that the candidates are allowed access to a limited amount of materials, for example, one A4 sheet of notes. Assessment questions should encourage the candidate to relate his/her knowledge to a particular business situation rather than merely regurgitate theory.

It is envisaged that the expected response in this assessment would be a total of 800–1,000 words, elicited from five or six structured questions, but the final decision regarding the number of questions is at the discretion of the individual centre.

It is suggested that candidates should be given two hours to complete the assessment. This is only an approximate figure and it need not be adhered to as rigidly as in a formal examination situation. The time allowed is merely indicative as it is accepted that some candidates may require a little longer to complete the assessment. A flexible and pragmatic approach is encouraged and any additional time given to a candidate is at the discretion of the centre.

Administrative Information

Unit code:	DV8R 34
Unit title:	Organisational Buyer Behaviour
Superclass category:	BA
Date of publication:	August 2005
Version:	01
Source:	SQA

© Scottish Qualifications Authority 2006

This publication may be reproduced in whole or in part for educational purposes provided that no profit is derived from reproduction and that, if reproduced in part, the source is acknowledged.

SQA acknowledges the valuable contribution that Scotland's colleges have made to the development of Higher National qualifications.

Additional copies of this Unit specification can be purchased from the Scottish Qualifications Authority. Please contact the Customer Contact Centre for further details, telephone 0845 279 1000.

Higher National Unit specification: support notes

Unit title: Organisational Buyer Behaviour

This part of the Unit specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 40 hours.

Guidance on the content and context for this Unit

This Unit is an optional Unit within the HN Marketing Group Award. It provides candidates with the opportunity to develop underpinning knowledge for the study of business-to-business marketing.

The Unit is designed to provide candidates with a basic knowledge and understanding of organisational buyer behaviour and its influence on the marketing process. It also touches upon the growing importance of new technology and its influence on organisational buyer behaviour. This is an area of rapid change and the deliverer of the Unit will need to keep abreast of new developments.

Reference could be made to Webster and Wind Model (1992).

Relationship marketing is defined as the activities an organisation uses to build, maintain and develop customer relations. The trend toward long term relationships has resulted in relationship management. This process encourages a match between the seller's competitive advantage and the buyer's requirements over the life cycle of the item being purchased. The five markets model of relationship marketing by Payne and Ballantyne (1991) emphasise that long term commitment stems not only from treating customers differently but also from addressing the core audiences of influencers, referrals, employee recruitment markets, suppliers and internal markets.

Electronic commerce (E-commerce) is the general term for a buying and selling process that is supported by electronic means. Internet market places allow sellers to offer their products electronically. Buyers search for information, identify what they want and pay by electronic means. There has been an explosion in electronic commerce which has affected all B2B relationships. Advances in internet technology have changed the face of the business to business marketing process. Increasingly, business buyers are purchasing all kinds of products and services electronically, either through data interchange (EDI) links or on internet sites. This gives buyers access to new suppliers, lowers purchasing costs and hastens order processing and delivery. In turn, business markets are connecting with customers online to share market information, sell products and services, provide customer support services, and maintain ongoing customer relationships. Companies are also establishing extranets that link a company's communications and data with its regular suppliers and distributors. Network trading links provide a central website through which all business Units of an organisation can make their purchases.

Guidance on the delivery and assessment of this Unit

It is envisaged that an integrated approach to teaching the Unit will be adopted whereby the candidates will appreciate the strong link that exists between the two Outcomes.

Higher National Unit specification: support notes (cont)

Unit title: Organisational Buyer Behaviour

It is envisaged that the Unit may be delivered to a variety of candidate groups and whenever possible the teaching should be slanted towards their individual needs. Marketing is an integral part of all organisations and as such it should be possible to make the Unit relevant to any client group. Where possible the theory of organisational buyer behaviour should be related to situations that are relevant to the specific group of candidates.

The latest materials and examples from current marketing and business practice should be used to illustrate and highlight marketing theory. In addition to exposition, explanation and discussion, candidates should be given the opportunity to gather information for themselves and they should be encouraged to make use of relevant academic websites and other on-line resources.

Opportunities for developing Core Skills

There are opportunities to develop the Core Skill of Communication at SCQF level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

Although communication skills are not formally assessed, candidates will be expected to:

- ◆ produce and present written reports to a professional standard
- ◆ express essential ideas and complex information accurately and coherently
- ◆ use a formal structure and recognised format
- ◆ check language, spelling, punctuation and syntax

The availability of suitable software packages to support accuracy and professional presentation of written work could be advantageous.

Open learning

The Unit could be delivered by distance learning. However, it would require planning by the Centre to ensure the sufficiency and authenticity of candidate evidence. For further information and advice please refer to the SQA guide: *Assessment and Quality Assurance for Open and Distance Learning* (A1030, February 2001).

Candidates with disabilities and/or additional support needs

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering alternative Outcomes for Units. For information on these, please refer to the SQA document *Guidance on Alternative Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs*, which is available on SQA's website: www.sqa.org.uk.

General information for candidates

Unit title: Organisational Buyer Behaviour

This Unit introduces you to the study of organisational buyer behaviour. The Unit provides you with an understanding of the theories behind organisational buyer behaviour and how you should apply these theories to organisational situations.

The Unit will look at different types of organisational markets, the distinctive characteristics of organisational buyer behaviour and the selection and analysis of business-to-business (B2B) markets. The Unit will also examine the buying decision process, buyer/seller relationships and the impact of new technology on the organisational buying process.

Throughout the Unit you will be encouraged to relate the theories of organisational buying to specific business situations.

On completion of the Unit you will be able to explain the distinctive characteristics of organisational buyer behaviour and the main factors influencing organisational buyer behaviour.

The Unit may be assessed by two sets of structured questions, one for each Outcome, based on a case study or other piece of stimulus material. Ideally, the same case study/stimulus material will be used for both Outcomes and each assessment will last approximately two hours.