

# Inside an ISMM Study Guide

The unit	
Title:	Understanding buyer behaviour
Level:	2
Credit value:	3
Learning outcomes	Assessment criteria
The learner will:	The learner can:
1. Understand how to identify the consumer and organisation decision-making units	1.1 Describe the consumer decision-making unit 1.2 Describe the organisational decision-making unit
2. Understand how to interpret buyer needs and wants	2.1 Explain the differences between buyer needs and wants 2.2 Explain how to find out buyer needs and wants
3. Understand consumer and business to business decision making processes	3.1 Describe the consumer buyer decision-making process 3.2 Describe the business-to-business buyer decision-making process
4. Understand the influences motivating the buyer	4.1 Explain the influences motivating the consumer buyer 4.2 Explain the influences motivating the organisational buyer 4.3 Differentiate between the motivation of business to consumer buyers and business to business buyers
Unit aim(s)	This unit aims to develop knowledge and understanding of buyer decision-making units, processes and motivation.



These slides show you some sample pages from one study guide to give you an indication of what's inside the guides.

This guide is for Unit U203 Understanding buyer behaviour.

You can order the guides by sending us an order form from our website at [www.ismm.co.uk/education](http://www.ismm.co.uk/education)

The Study Guide's include:

- Key Terms
- Activities
- Glossary
- Overview of Learning Outcomes
- Recommended Reading
- Explanations for Assessment Criteria

## The unit

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This page shows the QCF unit which the study guide is supporting.

The unit shows the QCF level and the QCF credit value. One Credit is equivalent to ten learning hours.

The Learning Outcomes are the knowledge, understanding and skills the learner will take away with them as a result of taking a course of learning for the unit.

The Assessment Criteria indicate what the learner must show they can do to pass the unit. The learner must show evidence that they have met each of the assessment criteria.

## LO1 Understand the consumer and organisation decision-making units

### Overview

Buying groups are usually split into consumer buying/ business-to-consumer (B2C) and business-to-business (B2B).

Being able to identify the different groups of buyer, gives you the opportunity to focus on the needs of each group. You will also be able to think about the likely buying behaviour of each group and prepare for the different ways buying decisions are made.



#### Consumer buying group (B2C)

Buys goods and services for personal use.

#### Business-to-business group (B2B)

Trading between businesses.

The grid below identifies the differences between the two buying groups.

B2C	B2B
Mass	Few
Close contact is less likely; consumers have some influence on new product development; brand switching is frequent	Close, long term relationships
More emotional	More rational, though emotion impacts long-term contracts
Products developed for segments, not individuals	Buying to specific requirements
Some personal risk	Greater organisational (and some personal) risk
More straightforward	More complex
Generally fixed prices and terms though some negotiation possible eg car purchase	More scope for negotiation

Table 1 Differences between B2B and B2C buying

### AC1.1 Describe the consumer decision-making unit

The consumer decision-making unit is the group of people who decide on the purchase of a product or service. In the consumer decision-making unit there is an information gatherer, influencer, decision maker, purchaser and consumer.

Using each of these categories, let's look at a family wanting to buy a DVD player.

**Information gatherer:** will find out what is currently available on the market. They will research all information on DVD players eg cost, brand, functions. They might visit stores, read specialist magazines or browse the Internet to make sure they choose the best DVD player for the family.

**Influencer:** will influence the family about the purchase. This may be the person who has identified a need for a DVD player or a person who wants certain features.

**Decision maker:** will have the final say in buying the DVD player. They will weigh up the advantages and disadvantages of one over another and make a decision based on the facts and financial circumstances.

**Purchaser:** will buy the DVD player. The purchaser is closely linked to the decision maker and looks after the money; this person will advise on available funds for the product or service and purchase the product.

**Consumer:** is the end-user. In our example the entire family is likely to be the consumer.



A family is buying a computer, who might take on the following roles?

**Information gatherer:**

**Influencer:**

**Decision maker**

**Purchaser:**

**Consumer:**

This page is a double page spread showing an example of an explanation of knowledge needed for a Learning Outcome and an Assessment Criterion. It also shows an Activity the learner can do to consolidate their knowledge.

## Action plan

Target for improvement	What will I do to achieve the improvement?	How will I measure the improvement?	Outcome	Date for reviewing progress

The Action Plan is a blank grid for the learner to use by themselves or with a tutor/trainer, to identify actions needed to fully understand the unit.

## Glossary

B2B	Business-to-business
B2C	Business-to-consumer
Business	A trade, professional, industrial or commercial organisation
Buyer	Customer or customer's representative
Commercial	Embraces purchase and sale of goods and services, engaged in commerce for profit
Concept	Idea, notion, something formed in the mind or thought about
Consumer	The end-user of the product / service
Desk research	Research from books or online
Domestic	Household buyers or consumers / customers
Industrial	Organised economic activities concerned with the manufacture and processing of materials and the output of specified products
Objective	A projected goal that a person or organisation intends or plans to achieve
Organisational	May be in the private or the public sector, eg a wholesale or retail outlet, charity or local authority, or any significant operating unit, with a relative degree of autonomy, within a larger organisation. These could be B2B or B2C, profit making or not-for-profit organisations
Scope	An area in which something or someone operates or has power or control
Segmentation	The art of discerning and defining meaningful differences between groups of customers to form the foundations of a more focused marketing effort
Socio-economic	Social and economic factors
Target	The specified number of sales aimed for within a specified period of time
Trade	A specified market in business eg plumbing trade, tailoring trade

The Glossary is an at-a-glance reference explaining terms used within the study guide.

## Recommended reading

### Books

Brassington, F., and Pettitt, S. (2007), *Essentials of Marketing*, 2<sup>nd</sup> ed., Harlow: Pearson Education

Cooper, S. (1997), *Selling: Principles, Practice and Management*, Harlow: Pearson Education

### Journals

ISMM *WinningEdge*

### Websites

[www.businessballs.co.uk](http://www.businessballs.co.uk): Businessballs is a free ethical learning and development resource for people and organizations.

[www.ismm.co.uk](http://www.ismm.co.uk): The Institute of Sales & Marketing Management (ISMM) is the UK's only professional body for salespeople.

[www.marketingteacher.com](http://www.marketingteacher.com): Marketing Teacher is *for marketing learners*. The site uses plain language to describe the key marketing topics and has an international appeal to marketing learners, teachers and professionals.

[www.tutor2u.net](http://www.tutor2u.net): tutor2u is the leading publisher of e-learning resources for Economics, Business, Politics, Enterprise, Law, Sociology, History, Religious Studies and related subjects.

This page gives suggestions for the learner to be able to find out more about the topic.