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A General Model for Understanding Organizational Buying Behavior

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The authors suggest a model of industrial and institutional buying behavior as an organizational decision-making process. The major dimensions of the model are defined and some implications for marketing strategy are developed.

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INDUSTRIAL and institutional marketers have often been urged to base their strategies on careful appraisal of buying behavior within key accounts and in principal market segments. When they search the available literature on buyer behavior, however, they find virtually exclusive emphasis on consumers, not industrial buyers. Research findings and theoretical discussions about consumer behavior often have little relevance for the industrial marketer. This is due to several important differences between the two purchase processes. Industrial buying takes place in the context of a formal organization influenced by budget, cost, and profit considerations. Furthermore, organizational (i.e., industrial and institutional) buying usually involves many people in the decision process with complex interactions among people and among individual and organizational goals.

Similar to his consumer goods counterpart, the industrial marketer could find a model of buyer behavior useful in identifying those key factors influencing response to marketing effort. A buyer behavior model can help the marketer to analyze available information about the market and to identify the need for additional information. It can help to specify targets for marketing effort, the kinds of information needed by various purchasing decision makers, and the criteria that they will use to make these decisions. A framework for analyzing organizational buying behavior could aid in the design of marketing strategy.

The model to be presented here is a *general* model. It can be applied to all organizational buying and suffers all the weaknesses of general models. It does not describe a specific buying situation in the richness of detail required to make a model operational, and it cannot be quantified. However, generality offers a compensating set of benefits. The model presents a comprehensive view of organizational buying that enables one to evaluate the relevance of specific variables and thereby permits greater insight into the basic processes of industrial buying behavior. It identifies the *classes* of variables that must be examined by any student of organizational buying, practitioner, or academician. Although major scientific progress in the study of organizational buying will come only from a careful study of specific relationships among a few variables

within a given class, this general model can help to identify those variables that should be studied. It can be useful in generating hypotheses and provides a framework for careful interpretation of research results that makes the researcher more sensitive to the complexities of the processes he is studying.

Traditional Views

Traditional views of organizational buying have lacked comprehensiveness. The literature of economics, purchasing, and, to a limited degree, marketing has emphasized variables related to the buying task itself and has emphasized "rational," economic factors. In these economic views, the objective of purchasing is to obtain the minimum price or the lowest total cost-in-use (as in the materials management model¹). Some of the models focussing on the buying task have emphasized factors that are not strictly economic such as reciprocal buying agreements² and other constraints on the buyer such as source loyalty.³

Other traditional views of organizational buying err in the opposite direction, emphasizing variables such as emotion, personal goals, and internal politics that are involved in the buying decision process but not related to the goals of the buying task. This "nontask" emphasis is seen in models which emphasize the purchasing agent's interest in obtaining personal favors,⁴ in enhancing his own ego,⁵ or in reducing perceived risk.⁶ Other nontask models have emphasized buyer-salesman interpersonal interaction⁷ and the multiple relationships among individuals involved in the buying process over time.⁸ The ways in which purchasing agents attempt to expand their influence over the buying decision have also received careful study.⁹ These

TABLE 1
CLASSIFICATION AND EXAMPLES OF VARIABLES INFLUENCING ORGANIZATIONAL BUYING DECISIONS

	Task	Nontask
Individual	desire to obtain lowest price	personal values and needs
Social	meetings to set specifications	informal, off-the-job interactions
Organizational	policy regarding local supplier preference	methods of personnel evaluation
Environmental	anticipated changes in prices	political climate in an election year

views have contributed to an understanding of the buying process, but none of them is complete. To the extent that these models leave out task or nontask variables they offer incomplete guidelines for the industrial market strategist and researcher. The tendency in interpreting research results based on these simple models is to overemphasize the importance of some variables and to understate or ignore the importance of others.

An Overview of a General Model

The fundamental assertion of the more comprehensive model to be presented here is that organizational buying is a decision-making process carried out by individuals, in interaction with other people, in the context of a formal organization.¹⁰ The organization, in turn, is influenced by a variety of forces in the environment. Thus, the four classes of variables determining organizational buying behavior are *individual*, *social*, *organizational*, and *environmental*. Within each class, there are two broad categories of variables: Those directly related to the buying problem, called *task* variables; and those that extend beyond the buying problem, called *nontask* variables. This classification of variables is summarized and illustrated in Table 1.

The distinction between task and nontask variables applies to all of the classes of variables, and subclasses, to be discussed below. It is seldom possible to identify a given set of variables as exclusively task or nontask; rather, any given set of variables will have both task and nontask dimensions although one dimension may be predominant. For example, motives will inevitably have both dimensions—those relating directly to the buying problem to be solved and those primarily concerned with personal goals. These motives overlap in many important respects and need not conflict; a strong sense of personal involvement can create more effective buying decisions from an organizational standpoint.

Organizational buying behavior is a complex *process* (rather than a single, instantaneous act) and involves many persons, multiple goals, and potentially conflicting

¹Dean S. Ammer, *Materials Management* (Homewood, Illinois: Richard D. Irwin, Inc., 1962), pp. 12 and 15.

²Dean S. Ammer, "Realistic Reciprocity," *Harvard Business Review*, Vol. 40 (January-February, 1962), pp. 116-124.

³Yoram Wind, "Industrial Source Loyalty," *Journal of Marketing Research*, Vol. 7 (November, 1970), pp. 450-457.

⁴For a statement of this view, see J. B. Matthews, Jr., R. D. Buzzell, T. Levitt, and R. Frank, *Marketing: An Introductory Analysis* (New York: McGraw-Hill Book Company, Inc., 1964), p. 149.

⁵For an example, see William J. Stanton, *Fundamentals of Marketing*, Second Ed. (New York: McGraw-Hill Book Company, Inc., 1967), p. 150.

⁶Theodore Levitt, *Industrial Purchasing Behavior: A Study of Communications Effects* (Boston: Division of Research, Graduate School of Business Administration, Harvard University, 1965).

⁷Henry L. Tosi, "The Effects of Expectation Levels and Role Consensus on the Buyer-Seller Dyad," *Journal of Business*, Vol. 39 (October, 1966), pp. 516-529.

⁸Robert E. Weigand, "Why Studying the Purchasing Agent is Not Enough," *JOURNAL OF MARKETING*, Vol. 32 (January, 1968), pp. 41-45.

⁹George Strauss, "Tactics of Lateral Relationship," *Administrative Science Quarterly*, Vol. 7 (September, 1962), pp. 161-186.

¹⁰The complete model is presented and discussed in detail in Frederick E. Webster, Jr. and Yoram Wind, *Organizational Buying Behavior* (Englewood Cliffs, New Jersey: Prentice-Hall, Inc., in press).

decision criteria. It often takes place over an extended period of time, requires information from many sources, and encompasses many interorganizational relationships.

The organizational buying process is a form of problem-solving, and a *buying situation* is created when someone in the organization perceives a problem—a discrepancy between a desired outcome and the present situation—that can potentially be solved through some buying action. Organizational buying behavior includes all activities of organizational members as they define a buying situation and identify, evaluate, and choose among alternative brands and suppliers. The *buying center* includes all members of the organization who are involved in that process. The roles involved are those of user, influencer, decider, buyer, and gatekeeper (who controls the flow of information into the buying center). Members of the buying center are motivated by a complex interaction of individual and organizational goals. Their relationships with one another involve all the complexities of interpersonal interactions. The formal organization exerts its influence on the buying center through the subsystems of tasks, structure (communication, authority, status, rewards, and work flow), technology, and people. Finally, the entire organization is embedded in a set of environmental influences including economic, technological, physical, political, legal, and cultural forces. An overview of the model and a diagrammatic presentation of the relationships among these variables are given in Figure 1.

Environmental Influences

Environmental influences are subtle and pervasive as well as difficult to identify and to measure. They influence the buying process by providing information as well as constraints and opportunities. Environmental influences include physical (geographic, climate, or ecological), technological, economic, political, legal, and cultural factors. These influences are exerted through a variety of institutions including business firms (suppliers, competitors, and customers), governments, trade unions, political parties, educational and medical institutions, trade associations, and professional groups. The nature of these institutional forms will vary significantly from one country to another, and such differences are critical to the planning of multinational marketing strategies.

As Figure 1 illustrates, environmental influences have their impact in four distinct ways. First, they define the availability of goods and services. This function reflects especially the influence of physical, technological, and economic factors. Second, they define the general business conditions facing the buying organization including the rate of economic growth, the level of national income, interest rates, and unemployment. Economic and political forces are the dominant influences on general business conditions. Some of these forces, such as economic factors, are predominantly (but not exclusively) task variables whereas others such as political variables may be more heavily nontask in nature.

Third, environmental factors determine the values and norms guiding interorganizational and interpersonal relationships between buyers and sellers as well as among competitors, and between buying organizations and other institutions such as governments and trade associations. Such values and norms may be codified into laws, or they may be implicit. Cultural, social, legal, and political forces are the dominant sources of values and norms. Finally, environmental forces influence the information flow into the buying organization. Most important here is the flow of marketing communications from potential suppliers, through the mass media and through other personal and impersonal channels. Information flows reflect a variety of physical, technological, economic, and cultural factors.

The marketing strategist, whose customers are organizations, must carefully appraise each set of environmental factors and identify and analyze the institutions that exert those influences in each of the market segments served. This kind of analysis is especially important in entering new markets. For example, economic factors as revealed in measures of general business conditions must be continually assessed where market prices fluctuate and buyers make decisions to build or reduce inventories based on price expectations. Similarly, the impact of technological change in markets served must be considered as the basis for strategic decisions in the areas of product policy and promotion. The necessity of analyzing institutional forms is most readily apparent when markets are multinational in scope and require specific consideration of government policies and trade union influences. Environmental factors are important determinants of organizational buying behavior, but they can be so basic and pervasive that it is easy, and dangerous, to overlook them in analyzing the market.

Organizational Influences

Organizational factors cause individual decision makers to act differently than they would if they were functioning alone or in a different organization. Organizational buying behavior is motivated and directed by the organization's goals and is constrained by its financial, technological, and human resources. This class of variables is primarily task-related. For understanding the influence of the formal organization on the buying process, Leavitt's classification of variables is most helpful.¹¹ According to Leavitt's scheme, organizations are multivariate systems composed of four sets of interacting variables:

Tasks—the work to be performed in accomplishing the objectives of the organization.

Structure—subsystems of communication, authority, status, rewards, and work flow.

¹¹Harold J. Leavitt, "Applied Organization Change in Industry: Structural, Technical, and Human Approaches," in *New Perspectives in Organization Research*, W. W. Cooper, H. J. Leavitt, and M. W. Shelly, II, eds. (New York: John Wiley and Sons, Inc., 1964), pp. 55-71.

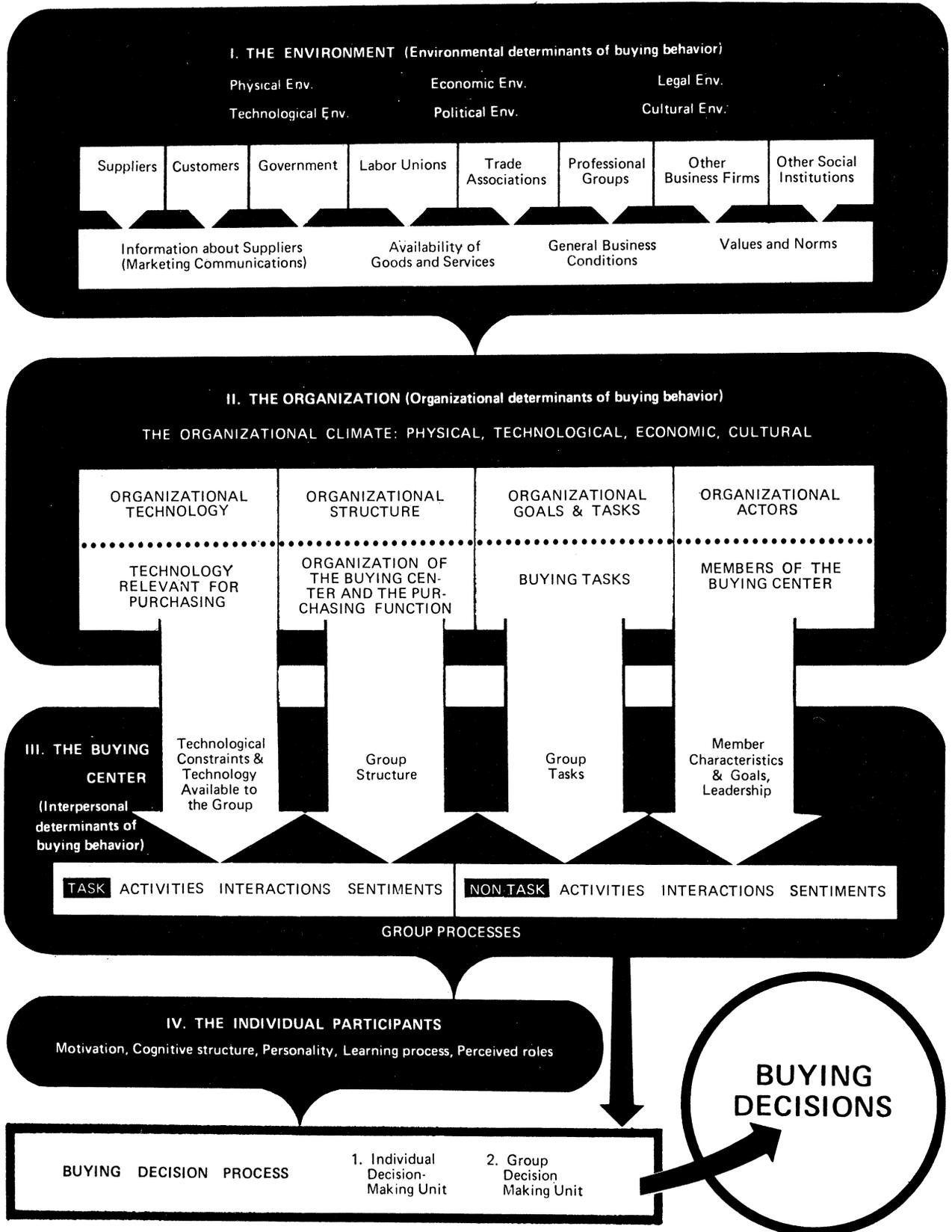


FIGURE 1. A model of organizational buying behavior.

Technology—problem-solving inventions used by the firm including plant and equipment and programs for organizing and managing work.

People—the actors in the system.

Each of these subsystems interacts with, and is dependent upon, the others for its functioning. Together, these four interacting sets of factors define the information, expectations, goals, attitudes, and assumptions used by each of the individual actors in their decision making. This general model defines four distinct but interrelated sets of variables that must be carefully considered in the development of marketing strategies designed to influence that process: buying tasks, organization structure, buying technology, and the buying center.

Buying Tasks

Buying tasks are a subset of organizational tasks and goals that evolves from the definition of a buying situation. These are pure task variables by definition. The specific tasks that must be performed to solve the buying problem can be defined as five stages in the buying decision process: (1) Identification of need; (2) establishment of specifications; (3) identification of alternatives; (4) evaluation of alternatives; and (5) selection of suppliers.¹² Buying tasks can be further defined according to four dimensions:

- (1) The *organizational purpose* served—e.g., whether the reason for buying is to facilitate production, or for resale, or to be consumed in the performance of other organizational functions.
- (2) The *nature of demand*, especially whether demand for the product is generated within the buying organization or by forces outside of the organization (i.e., "derived" demand) as well as other characteristics of the demand pattern such as seasonal and cyclical fluctuations.
- (3) The *extent of programming*; i.e., the degree of routinization at the five stages of the decision process.
- (4) The *degree of decentralization* and the extent to which buying authority has been delegated to operating levels in the organization.

Each of these four dimensions influences the nature of the organizational buying process and must be considered in appraising market opportunities. At each of the five stages of the decision process, different members of the buying center may be involved, different decision criteria are employed, and different information sources may become more or less relevant. Marketing strategies must be adjusted accordingly. There are rich research opportunities in defining the influence of different mem-

bers of the buying center at various stages of the buying process.¹³

Organizational Structure

The formal organizational structure consists of subsystems of communication, authority, status, rewards, and work flow, all of which have important task and nontask dimensions. Each of these subsystems deserves careful study by researchers interested in organizational buying. The marketing literature does not include studies in this area. A beginning might be several rigorous observational or case studies.

The *communication* subsystem performs four essential functions: (1) Information; (2) command and instruction; (3) influence and persuasion; and (4) integration.¹⁴ The marketer must understand how the communication system in customer organizations *informs* the members of the buying center about buying problems, evaluation criteria (both task and nontask related), and alternative sources of supply. He must appraise how *commands and instructions* (mostly task-related) flow through the hierarchy defining the discretion and latitude of individual actors. The pattern of *influence and persuasion* (heavily nontask in nature) defines the nature of interpersonal interactions within the buying center. Organizational members may differ in the extent to which they prefer either commands and instructions or more subtle influence and persuasion to guide the actions of subordinates. The *integrative* functions of communication become critical in coordinating the functioning of the buying center and may be one of the primary roles of the purchasing manager.

The *authority* subsystem defines the power of organizational actors to judge, command, or otherwise act to influence the behavior of others along both task and nontask dimensions. No factor is more critical in understanding the organizational buying process because the authority structure determines who sets goals and who evaluates (and therefore determines rewards for) organizational performance. The authority structure interacts with the communication structure to determine the degree of decentralization in the decision process.

The *status* system is reflected in the organization chart and defines the hierarchical structure of the formal organization. It also expresses itself in an informal structure. Both the formal and the informal organization define each individual's position in a hierarchy with

¹³For research on the influence of organizational actors and information sources at various stages of the decision process, see Urban B. Ozanne and Gilbert A. Churchill, "Adoption Research: Information Sources in the Industrial Purchasing Decision," in *Marketing and the New Science of Planning*, Robert L. King, ed. (Chicago, Ill.: American Marketing Association, Fall, 1968), pp. 352-359; and Frederick E. Webster, Jr., "Informal Communication in Industrial Markets," *Journal of Marketing Research*, Vol. 7 (May, 1970), pp. 186-189.

¹⁴Lee Thayer, *Communication and Communication Systems* (Homewood, Ill.: Richard D. Irwin, Inc., 1968), pp. 187-250.

¹²A modified version of this model is presented in P. J. Robinson, C. W. Faris, and Y. Wind, *Industrial Buying and Creative Marketing* (Boston: Allyn & Bacon, Inc., 1967), p. 14.

respect to other individuals. Job descriptions define positions within the organization and the associated dimensions of responsibility and authority. Knowing the responsibility, authority, and the position in the internal status hierarchy of each member of the buying center is a necessary basis for developing an account strategy for the organizational customer. A complete theory of organizational buying will permit accurate predictions of an organizational actor's influence based upon his position and role.

The *rewards* system defines the payoffs to the individual decision maker. It is intimately related to the authority system which determines the responsibilities of organizational actors for evaluating other individuals. Here is the mechanism for relating organizational task accomplishment to individual nontask objectives. Persons join organizations in anticipation of the rewards given by the organization and agree to work toward organizational objectives in return for those rewards. A careful analysis of the formal and social reward structure of the organization as it affects and is perceived by the members of the buying center can be most helpful in predicting their response to marketing effort. The key fact is that people work for organizations in order to earn rewards related to personal goals, both economic and noneconomic.¹⁵

Every buying organization develops task-related procedures for managing the *work flow* of paperwork, samples, and other items involved in the buying decision process. The flow of paperwork also has nontask aspects which reflect the composition of the buying center as well as the authority and communication subsystems of an organizational structure. Needless to say, marketers must understand the mechanical details of buying procedures. Such procedures also provide documentation of the buying process that can provide useful data for the academic researcher.

Buying Technology

Technology influences both what is bought and the nature of the organizational buying process itself. In the latter respect, technology defines the management and information systems that are involved in the buying decision process, such as computers and management science approaches to such aspects of buying as "make or buy" analysis. More obviously, technology defines the plant and equipment of the organization, and these, in turn, place significant constraints upon the alternative buying actions available to the organization. It is a common failing of industrial marketing strategy, especially for new product introductions, to underestimate the demands that will be placed upon existing technology in customer organizations.¹⁶ A new material, for example, may require new dies and mixing equipment, new

skills of production personnel, and substantial changes in methods of production.

Buying Center

The buying center is a subset of the organizational actors, the last of the four sets of variables in the Leavitt scheme. The buying center was earlier defined as consisting of five roles: users, influencers, deciders, buyers, and gatekeepers. Since people operate as part of the total organization, the behavior of members of the buying center reflects the influence of others as well as the effect of the buying task, the organizational structure, and technology.

This interaction leads to unique buying behavior in each customer organization. The marketing strategist who wishes to influence the organizational buying process must, therefore, define and understand the operation of these four sets of organizational variables—tasks, structure, technology, and actors—in each organization he is trying to influence. The foregoing comments provide only the skeleton of an analytical structure for considering each of these factors and its implications for marketing action in a specific buying situation. The marketer's problem is to define the locus of buying responsibility within the customer organization, to define the composition of the buying center, and to understand the structure of roles and authority within the buying center.

Social (Interpersonal) Influences

The framework for understanding the buying decision process must identify and relate three classes of variables involved in group functioning in the buying center. First, the various roles in the buying center must be identified. Second, the variables relating to interpersonal (dyadic) interaction between persons in the buying center and between members of the buying center and "outsiders" such as vendors' salesmen must be identified. Third, the dimensions of the functioning of the group as a whole must be considered. Each of these three sets of factors is discussed briefly in the following paragraphs.

Within the organization as a whole only a subset of organizational actors is actually involved in a buying situation. The buying center includes five roles:

Users—those members of the organization who use the purchased products and services.

Buyers—those with formal responsibility and authority for contracting with suppliers.

Influencers—those who influence the decision process directly or indirectly by providing information and criteria for evaluating alternative buying actions.

Deciders—those with authority to choose among alternative buying actions.

Gatekeepers—those who control the flow of information (and materials) into the buying center.

Several individuals may occupy the same role; e.g., there may be several influencers. Also, one individual

¹⁵ Yoram Wind, "A Reward-Balance Model of Buying Behavior in Organizations," in *New Essays in Marketing Theory*, G. Fisk ed. (Boston: Allyn & Bacon, 1971).

¹⁶ Frederick E. Webster, Jr., "New Product Adoption in Industrial Markets: A Framework for Analysis," *JOURNAL OF MARKETING*, Vol. 33 (July, 1969), pp. 35-39.

may occupy more than one role; e.g., the purchasing agent is often both buyer and gatekeeper.

To understand interpersonal interaction within the buying center, it is useful to consider three aspects of role performance: (1) Role *expectations* (prescriptions and prohibitions for the behavior of the person occupying the role and for the behavior of other persons toward a given role); (2) role *behavior* (actual behavior in the role); and (3) role *relationships* (the multiple and reciprocal relationships among members of the group). Together, these three variables define the individual's *role set*. An awareness of each of these dimensions is necessary for the salesman responsible for contacting the various members of the buying center. It is especially important to understand how each member expects the salesman to behave toward him and the important ongoing relationships among roles in the buying center.

As illustrated in Figure 1, the nature of group functioning is influenced by five classes of variables—the individual members' goals and personal characteristics, the nature of leadership within the group, the structure of the group, the tasks performed by the group, and external (organizational and environmental) influences. Group processes involve not only activities but also interactions and sentiments among members, which have both task and nontask dimensions. Finally, the output of the group is not only a task-oriented problem solution (a buying action) but also nontask satisfaction and growth for the group and its members.

In analyzing the functioning of the buying center, it helps to focus attention on the buyer role, primarily because a member of the purchasing department is most often the marketer's primary contact point with the organization. Buyers often have authority for managing the contacts of suppliers with other organizational actors, and thus also perform the "gatekeeper" function. While the buyer's authority for selection of suppliers may be seriously constrained by decisions at earlier stages of the decision process (especially the development of specifications), he has responsibility for the terminal stages of the process. In other words, the buyer (or purchasing agent) is in most cases the final decision maker and the target of influence attempts by other members of the buying center.

In performing their task, purchasing agents use a variety of tactics to enhance their power which vary with the specific problems, the conditions of the organization, and the purchasing agent's personality. The tactics used by purchasing agents to influence their relationships with other departments can be viewed as a special case of the more general phenomenon of "lateral" relationships in formal organizations—those among members of approximately equal status in the formal organizational hierarchy.¹⁷ These include *rule-oriented* tactics (e.g., appealing to the boss for the enforcement of organizational policy; appealing to rules and formal statements of authority); *rule-evading* tactics (e.g., compliance with requests from users that violate or-

ganizational policies); *personal-political* tactics (e.g., reliance on informal relationships and friendships to get decisions made and an exchange of favors with other members of the buying center); *educational* tactics (e.g., persuading other members of the organization to think in purchasing terms and to recognize the importance and potential contribution of the purchasing function); and finally, *organizational-interactional* tactics (e.g., change the formal organizational structure and the pattern of reporting relationships and information flows).

Buyers who are ambitious and wish to extend the scope of their influence will adopt certain tactics and engage in bargaining activities in an attempt to become more influential at earlier stages of the buying process. These tactics or bargaining strategies define the nature of the buyer's relationships with others of equal organizational status and structure the social situation that the potential supplier must face in dealing with the buying organization. An understanding of the nature of interpersonal relationships in the buying organization is an important basis for the development of marketing strategy.

The Influence of the Individual

In the final analysis, all organizational buying behavior is individual behavior. Only the individual as an individual or a member of a group can define and analyze buying situations, decide, and act. In this behavior, the individual is motivated by a complex combination of personal and organizational objectives, constrained by policies and information filtered through the formal organization, and influenced by other members of the buying center. The individual is at the center of the buying process, operating within the buying center that is in turn bounded by the formal organization which is likewise embedded in the influences of the broader environment. It is the specific individual who is the target for marketing effort, not the abstract organization.

The organizational buyer's personality, perceived role set, motivation, cognition, and learning are the basic psychological processes which affect his response to the buying situation and marketing stimuli provided by potential vendors. Similar to consumer markets, it is important to understand the organizational buyer's psychological characteristics and especially his predispositions, preference structure, and decision model as the basis for marketing strategy decisions. Some initial attempts to develop categories of buying decision makers according to characteristic decision styles ("normative" and "conservative") have been reported.¹⁸ Cultural,

¹⁷David T. Wilson, H. Lee Mathews, and Timothy W. Sweeney, "Industrial Buyer Segmentation: A Psychographic Approach," paper presented at the Fall, 1971 Conference of the American Marketing Association. See also Richard N. Cardozo, "Segmenting the Industrial Market," in *Marketing and the New Science of Planning*, Robert L. King ed. (Chicago: American Marketing Association, 1969), pp. 433-440.

¹⁷Same reference as footnote 9.

organizational, and social factors are important influences on the individual and are reflected in his previous experiences, awareness of, attitudes and preference toward particular vendors and products and his particular buying decision models.

The organizational buyer can, therefore, be viewed as a constrained decision maker. Although the basic mental processes of motivation, cognition, and learning as well as the buyer's personality, perceived role set, preference structure, and decision model are uniquely individual; they are influenced by the context of interpersonal and organizational influences within which the individual is embedded. The organizational buyer is motivated by a complex combination of individual and organizational objectives and is dependent upon others for the satisfaction of these needs in several ways. These other people define the role expectations for the individual, they determine the payoffs he is to receive for his performance, they influence the definition of the goals to be pursued in the buying decision, and they provide information with which the individual attempts to evaluate risks and come to a decision.

Task and Nontask Motives

Only rarely can the organizational buyer let purely personal considerations influence his buying decisions: In a situation where "all other things are equal," the individual may be able to apply strictly personal (nontask) criteria when making his final decision. In the unlikely event that two or more potential vendors offer products of comparable quality and service at a comparable price, then the organizational buyer may be motivated by purely personal, nontask variables such as his personal preferences for dealing with a particular salesman, or some special favor or gift available from the supplier.

The organizational buyer's motivation has both task and nontask dimensions. Task-related motives relate to the specific buying problem to be solved and involve the general criteria of buying "the right quality in the right quantity at the right price for delivery at the right time from the right source." Of course, what is "right" is a difficult question, especially to the extent that important buying influencers have conflicting needs and criteria for evaluating the buyer's performance.

Nontask-related motives may often be more important, although there is frequently a rather direct relationship between task and nontask motives. For example, the buyer's desire for promotion (a nontask motive) can significantly influence his task performance. In other words, there is no necessary conflict between task and nontask motives and, in fact, the pursuit of nontask objectives can enhance the attainment of task objectives.

Broadly speaking, nontask motives can be placed into two categories: achievement motives and risk-reduction motives. Achievement motives are those related to per-

sonal advancement and recognition. Risk-reduction motives are related, but somewhat less obvious, and provide a critical link between the individual and the organizational decision-making process. This is also a key component of the behavioral theory of the firm¹⁹ where uncertainty avoidance is a key motivator of organizational actors.

The individual's perception of risk in a decision situation is a function of uncertainty (in the sense of a probabilistic assessment) and of the value of various outcomes. Three kinds of uncertainty are significant: Uncertainty about available alternatives; uncertainty about the outcomes associated with various alternatives; and uncertainty about the way relevant other persons will react to various outcomes.²⁰ This uncertainty about the reaction of other persons may be due to incomplete information about their goals or about how an outcome will be evaluated and rewarded.

Information gathering is the most obvious tactic for reducing uncertainty, while decision avoidance and lowering of goals are means of reducing the value of outcomes. A preference for the status quo is perhaps the most common mode of risk reduction, since it removes uncertainty and minimizes the possibility of negative outcomes. This is one explanation for the large amount of source loyalty found in organizational buying and is consistent with the "satisficing" postulate of the behavioral theory of the firm.

The individual determinants of organizational buyer behavior and the tactics which buyers are likely to use in their dealings with potential vendors must be clearly understood by those who want to affect their behavior.

Summary

This article has suggested the major dimensions and mechanisms involved in the complex organizational buying process. The framework presented here is reasonably complete although the details clearly are lacking. It is hoped that these comments have been sufficient to suggest a general model of the organizational buying process with important implications for the development of effective marketing and selling strategies as well as some implicit suggestions for scholarly research. The model is offered as a skeleton identifying the major variables that must be appraised in developing the information required for planning strategies. Hopefully, the model has also suggested some new insights into an important area of buying behavior presently receiving inadequate attention in the marketing literature.

¹⁹Richard M. Cyert and James G. March, *A Behavioral Theory of the Firm* (Englewood Cliffs, N. J.: Prentice-Hall, 1963).

²⁰Donald F. Cox, ed., *Risk Taking and Information Handling in Consumer Behavior* (Boston: Division of Research, Graduate School of Business Administration, Harvard University, 1967).