INFLUENCES ON ORGANIZATIONAL PURCHASE: A CASE STUDY OF AN AUTOMOTIVE INDUSTRY

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Submitted in Partial Fulfillment of the Requirement for the Bachelor of Business Administration (Hons) Marketing

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BACHELOR OF BUSINESS ADMINISTRATION (HONS) MARKETING FACULTY OF BUSINESS MANAGEMENT UNIVERSITI TEKNOLOGI MARA MELAKA

"DECLARATION OF ORIGINAL WORK"

I, Noor Baizura Binti Mat Yusof, (I/C Number: 850222-07-5480)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature:	Zuffo	Date:	May 2007

LETTER OF SUBMISSION

11 May 2007

Dr. Nooraini bt Mohd Sheriff
The Head of Program
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Dear Madam

SUBMISION OF PROJECT PAPER

Attached is the paper titled "INFLUENCES ON ORGANIZATIONAL PURCHASE: A CASE STUDY OF AN AUTOMOTIVE COMPANY" to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you

Yours sincerely

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ABSTRACT

The goal of the study to analyze the industrial/ organizational buying behaviour, whereby focusing on automotive industry. This research tries to analyze how the purchase decision making process within an organization is determined by the conditions of purchase situation and also the characteristics of organizational structure. The aim of the research is also to improve the knowledge of buying industrial process in the automotive industry, thus provide a better understanding on the variables that are involved in the buying center of an organization in purchasing decision-making.

This research focuses on the characteristics of the organizational structure and also the conditions of the purchase situation in an automotive industry organization. Besides that, the study will investigate some of the factors that affect automotive industry organizations in making the decision in product purchases.

A descriptive research will be used as a framework in conducting the marketing research project and distribution of questionnaire forms among the HWS main customers in Selangor area is conducted. A correlation analysis will be used to identify the significant relationship between the variables.

For findings, there are two factors which influence the need recognition of an organizational purchase decision making process. In conclusion, for conditions of

purchase situations (IV1), result shows that the two sub-components in the conditions of purchase situation (buying situation complexity and buying importance) was the most important factors while for structural characteristics of organization (IV 2), result shows that sub-component which is specialization, was the most important factors. Internal stimuli are the factors the highly influenced the need recognition of an organization in the purchase decision making process. Both of the independent variables (IV1 & IV2) have a positive significant relationship with the dependent variables.