

**FACTORS THAT INFLUENCE ORGANISATIONAL
BUYING BEHAVIOUR: A CASE OF COFFEE DEALERS IN
NAIROBI**

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ABSTRACT

The objective of the study was set out to identify important factors that influence coffee dealers buying behaviour. The factors were grouped into five categories, the product choice, the supplier choice, processes factor, demographic factors of the buying centre, and the environmental factors.

A census survey was conducted in Nairobi through the use of a questionnaire. A total of 26 coffee dealers responded out of 32 active coffee dealers trading in Nairobi.

Data was analysed through the use of mean score to rate the variables in order of importance. Factor analysis technique was also used to establish whether some underlying pattern of relationships existed between variables.

As concerns product choice, the results of the study have shown that product quality is the highest rated variable followed by price and buyers knowledge on the product respectively.

The results have also indicated that product quality and consistency in quality are highly positively correlated.

With supplier choice, reliability of the supplier was rated the highest while location of the supplier (planter) was rated as number two. Reliability of the planter in deliveries of the coffee to the market place is regarded to be important to the buyer for the purpose of forward planning on their buying and roasting.

The study has shown that the size of the supplier and reliability and size of the supplier and experience are highly positively correlated.

As for processes factors, availability of samples to the buyers was considered as very important. Speed of confirmation of bids which is done electronically was also considered to be important. Speed of bids confirmation and levels of technology used by the supplier have high levels of positive correlation. The study also found out that sitting arrangement and presence of auctioneers in the auction hall was least important.

As concerns demographic factors, the study found out that experience of staff in the buying centre was very important followed by professional training of the buyers. Gender and age of staff was rated the lowest.

The study also found out that all the environmental factors were very important as buyers consider them in investment decision making. Political stability was rated the highest followed by credit terms and interest rates.