

**A STUDY ON ORGANIZATIONAL BUYING BEHAVIOR OF
SELECTED LEATHER FOOTWEAR EXPORTING COMPANIES
IN ADDIS ABABA, ETHIOPIA**

By

Rahwa Aregawi

ADDIS ABABA UNIVERSITY

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By

Rahwa Aregawi

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**A Study on Organizational Buying Behavior of Selected Leather Footwear
Exporting in Addis Ababa, Ethiopia**

By: Rhawa Aregawi

Approved by Board of Examiners

Advisor

Signature

Internal Examiner

Signature

External Examiner

Signature

Statement of Certification

This is to certify that Rahwa Aregawi has carried out this research paper titled as “Organizational Buying Behavior of Selected Leather Footwear Exporting in Addis Ababa, Ethiopia”. The work is original and is appropriate for the award of Master’s Degree in Marketing Management.

Advisor: _____

Signature: _____

Date: _____

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List of Abbreviations and Acronyms

CSA ---- Central Statics Agency

DGM ---- Deputy General Manager

EDI ---- Electronic Data Interchange

ELIA ---- Ethiopian Leather Industry Association

GTP ---- Growth and Transformation Plan

ISIC ---- International Standard Industrial Classification

LIDI ---- Leather Industry Development Institute

MIS ---- Management Information System

PLC ---- Private Limited Company

QC ---- Quality Control

UNIDO ---- United Nation Industrial Development Institute

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Abstract

The major objective of this study was to assess the buying behavior of the Ethiopian leather footwear exporting companies in terms of supplier selection criteria, buying center, and the factors affecting the purchasing process. In order to achieve the stated objective, multiple case study approach in the Ethiopian leather footwear manufacturing industry was used by selecting three companies. These companies are Anbessa Shoe Share Company, Tikur Abbay Shoe Share Company and Pickcock Shoe Company. The source of case evidence was personal interview conducted with the responsible managers at each case company. Furthermore, the data was evaluated using within-case analysis followed by a cross-case analysis for easy data reduction, data display and drawing and verifying conclusions. The results showed that quality and delivery are the most important criteria by the case companies. Production facilities and capacity, financial position, procedural compliance and communication system are considerably important. Besides, the buying centers communication network and player in straight rebuy is the same as in modified rebuy. In addition, the roles in the buying center in both straight rebuy and modified rebuy is similar. The environmental, organizational, buying center and individual factor influences the buying process of the case companies. Thus, managers should clearly realize their buying center activities and internal and external factors in order to have smooth relationships with the finished leather suppliers and improve their footwear export performances.

Keywords: *organizational buying behavior, supplier selection criteria, buying center*

CHAPTER ONE

INTRODUCTION

This chapter presents the background of the study by stating the problem and associated research questions and objectives. Additionally, definition of used terms, significance of the study, scope of the study and organization of the study are presented.

1.1. Background of the study

Ethiopia possesses one of the largest populations of livestock in Africa, which provides the major raw material for the production of leather products including footwear (CSA, 2012/13a). This huge potential resource is the major input for the leather sector to be further flourished. Accordingly, the leather sector is the one that is believed to play a significant role in the enhancement of the overall economy of the country. In addition, the sector is expected to contribute a paramount part towards the five-year goal of the Growth and Transformation Plan (GTP) being implemented by the Government of Ethiopia. The leather sector includes leather footwear, leather processing, leather garment, and leather goods manufacturing industry (LIDI, 2013).

Leather footwear industry is considered an important sub-sector that leads the whole sector's modernization. The leather sector is envisaged to generate export income amounting to USD 500 million at the end of the plan year (2014/15). And the exporting footwear manufacturing companies are expected to achieve the plan (LIDI, 2013). However, achieving the plan can be a big challenge for the footwear industry. Studies on Ethiopian leather footwear industries made by UNIDO and Japan Embassy shows that, the footwear manufacturing companies' export performance is unsatisfactory and also face some difficulties. The reason is characterized by low productivity (material and labor), improper utilization of resources, and weak relationship with suppliers and poor management (Tomas, 2011).

Therefore, this paper intended to clearly describe the Ethiopian leather footwear exporting companies' buyer behavior when purchasing finished leather. The researcher was motivated to conduct the study on the specific area for the reason that; the leather sector is having a strategic support and attention provided by the government. So, describing the organization's buying

behavior is not only benefiting case companies but also provides huge advantage to the government. Furthermore, the leather industry especially the footwear products are one of the major source of foreign currency through export. And from the prior investigation conducted, the researcher understands a knowledge gap on organizational buying behavior by the footwear companies as well as the leather industry or government.

1.2. Statement of the problem

As the livestock survey study made by CSA (2012/13) shows, Ethiopia has 53.99 million cattle, 25.5 million sheep and 24.06 million goats. However, according to Mekonnen and Gezahegn (2008); Mulualem (2002) the resource is not fully utilized and the leather industry has still room for development by utilizing the abundance of the resource. And the major challenges hampering the utilizations in Ethiopian leather sector are: poor relationship among buyers and suppliers', poor livestock management, and poor quality raw material. As a result, the supply chain of finished leather in the industry is facing huge challenges. To this effect the overall export performance of the companies is affected (Ibid). Moreover, Series of studies conducted on the Ethiopia leather footwear industry, conformed that such problems are affecting the overall purchasing activities of the companies. For instance, study by Japan Embassy revealed that proper utilization of finished leather for footwear production is low. This is because the footwear manufacturing companies are facing a shortage of quality finished leather, long procurement lead time, and inefficient utilization of resources i.e. material, machine, and labor (Tomas, 2011).

In addition, a preliminary investigation conducted with two (2) footwear exporting companies, result revealed that a shortage finished leather, availability of leather quality expert and relationship creation was the major factors challenge their purchasing behavior. The shortage is mainly related to supplier loyalty, quality and quantity of the leather. In addition, excessive delaying of the leather material is obstacle for the organizations in goal attainment. Even companies which are upward integrated facing such problems. And it is getting worse as new footwear companies are on the way of establishment. In general, the researcher realized from the preliminary investigation that though the footwear industry is facing many challenges related to leather purchasing processes, they did not clearly understand and gave attention to their buying activities.

Besides the causes can be the selection criteria used, the buying center activities and other internal and external factors that can affect the purchasing process.

On the other hand, several authors and researchers explained that the importance of understanding the organization's buying behavior by company managers. Besides, considering the criteria's companies use to select the suppliers, buying center activities and factors that affect their process can be a great strategic concern and can improve companies' performance. According to Buvik, (2001) organizational buying behavior is knowledge about how purchasing departments and buying centers organize purchasing process making conditions that influence their purchase. Specifically, Weber and Bonton (1991) consider the selection of suppliers to be the most important part of the buying process of buying behavior in an organization. This is since the selection criteria are at the core of the selection of suppliers (ibid). Moreover, Wind and Thomas (1980) explained that considering the buying centers action and process, can achieve a successful purchasing practice. What is more is organizational buying behavior takes place in an environment which can change quickly and dynamically (Fill and Mckee, 2011). Thus, the organization's buying process and activity can be influenced easily by the forces (ibid).

Therefore, the main purpose of this study was to describe the buying behavior of Ethiopian leather footwear exporting companies. Likewise, the research tried to identify the understanding gap occurred in the leather footwear companies of buying behavior and clearly describes the components included in the process. Specifically, the selection criteria's, company relationships, roles played in achieving the purchasing objective and the influencing factors were the major focuses. It was believed that describing these components provides a clear understanding of footwear companies buying behavior.

1.3. Research questions

Considering the aforementioned challenges that are facing the footwear manufacturing companies, this study attempted to find answers for the following research questions.

RQ.1: How can the buying behavior of Ethiopian leather footwear companies be described in terms of the buying center?

RQ.2: What criteria footwear manufacturing companies use when they select suppliers for purchasing the finished leather?

RQ.3: How can the factors affecting Ethiopian Leather Footwear Company's buying process be described?

1.4. Objectives of the study

1.4.1. General Objectives

To assess the buying behavior of Ethiopian leather footwear exporting companies in order to describe their purchase of finished leather from different suppliers.

1.4.2. Specific Objective

- To examine the buying center activities in the Ethiopian leather footwear manufacturing companies of purchasing finished leather.
- To describe the criteria leather footwear manufacturing companies use when they select suppliers in purchasing finished leather.
- To identify factors affecting the purchasing process of Ethiopian leather footwear manufacturing companies.

1.5. Definition of key Terms

The definitions adopted by researchers are often not uniform. Therefore, this section clearly explain the conceptual and operational definitions used throughout this paper.

- **Organizational Buying behavior:** is a complex process over time that involves interaction between several persons, both within and outside an organization (Webster and Wind, 1972).

- **Buying center:** refers to all those members of an organization who become involved in the buying process for a particular product or service (Robinson et al., 1967).
- **Raw material:** include all raw and auxiliary materials, parts and containers which are consumed during the reference year (CSA, 2012/13b).
- **Manufacturing:** according to International Standard Industrial Classification (ISIC Revision -3.1) manufacturing is defined as “the physical or chemical transformation of materials or components into new products, whether the work is performed by power - driven machines or by hand, whether it is done in a company or in the worker’s home, and whether the products are sold at wholesale or retail (CSA, 2012/13b).

1.6. Significance of the study

The researcher believed that, describing the footwear exporting company’s buying behavior including the influencing factors is important in the leather footwear industry. Moreover, the study has a practical significance of filling the understanding gap by identify and suggesting means for the problems at hand.

Thus, the study primarily helps the export oriented footwear manufacturing companies by showing their buying activities especially, to the purchasing managers. Furthermore; buying center activities, selection criteria, and the factors influencing the purchase process are explained in detail. To this effect, the companies can get comprehensive information by identifying their gaps evidenced from the theoretical explanations.

The finding of this study also provides information to the concerned government bodies about the buying behavior of leather footwear industry. As primary focus was given by the government to the industry, the researcher believed the knowledge gap occurred between the government and companies could be narrowed. This can give an idea of on how to support and control the footwear companies.

Finally, the researchers and students who wish to conduct studies related to this research area can get an input for their studies. As there is a paucity of published researches on the specific field i.e. the Ethiopian leather footwear manufacturing companies with respect to the buying behavior. The results generated from this research provide appropriate help on the matter.

1.7. Scope of the study

Considering the resource and time constraint, the study was mainly limited to three Ethiopian leather footwear exporting companies which were located in Addis Ababa, Ethiopia. Moreover, it was focusing on the companies buying behavior with respect to the purchasing of finished leather. Though there are other types of input materials under the companies buying practice, the study was only examining the finished leather material. Due to the objective, the study used a descriptive research design to gain deep understanding in the issue. Besides, an interview was major instrument for collection of data. Therefore, as the study was only conducted on leather footwear exporting companies, the findings may not be generalizable to the non-exporting leather footwear companies which are located in Addis Ababa, Ethiopia.

1.8. Organization of the study

Chapter two deals with the literature review of relevant previous studies, mainly consisting of different suggested models and theories of industrial or organizational buying behaviour under the theoretical framework. This chapter lastly provides the conceptual framework of the study. Chapter three clearly elaborates the research design and methodology, and the reason for selecting various research strategies and the rationale for sample selection process. It also deals with the issues of why the particular survey instrument was selected as being appropriate for the current study. Furthermore, presents the research strategies, methods and other related designs which give a direct way to the study.

Chapter four primarily presents the case study evidence statement of the case companies. The data related to suppliers selection criteria, buying center and influencing factors of case companies presented in accordance with the theoretical variables. Moreover, it presents the analysis of the case data compared with the frame of reference (within-case analysis). And the analysis of the case companies' data compared to each other (cross-case analysis). Chapter five finally presents the conclusion and recommendation of the study, and the conclusions drawn out from the case study evidence or results. In addition, research limitations and future research suggestions were forwarded on the specific study area.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This chapter contains concepts and theories regarding organizational buying behavior by which the researcher reviews earlier studies in the research purpose area. The aim was to provide the relevant literature in the field of industrial buying behavior, and to come up with a suitable conceptual framework. The study part starts by introducing the concept of organizational buying behavior, and then clearly describes the buying process, the supplier selection criteria, and the buying center. In addition, Factors affecting the buying process and the buying center were also discussed. This chapter ends with a conceptual framework which is developed by the conceptualizing of the research questions relating with the written literature.

2.1. Theoretical Framework

2.1.1. Organizational Buying Behavior

Over the past decades, researchers have studied the behaviors and processes used by organizations in their purchasing activities. Marketers, in particular, have encouraged these investigations as an aid to better understand, serve, and retain their organizational customers. As a result, scores of theoretical and case articles have examined the constructs associated with organizational buying behavior (Lewin and Donthu, 2005).

Organizational buying, according to Webster and Wind (1972) is ‘the process making process by which formal organizations establish the need for purchased products and services and identify, evaluate and choose among alternative brands and suppliers’. One of the important aspects of this definition is that organizational buying behavior is a process rather than a static, one-off event. There are a number of stages, or phases, associated with product and service procurement, each one often requiring a key process to be made. Additionally, it usually involves many people in the process process with complex inter-actions among people and among individual and organizational goals. Thus, requires information from many sources, and encompasses many inter-organizational relationships (ibid).

Much of the buying and selling in advanced economies is between organizations, that is, industrial rather than consumer market exchange thus, it is important to understand organizational buying behavior (Anderson et al. 1987). Those who supply goods and services to consumer markets are themselves in need of goods and service to their business. These organizations can be producers, resellers, and government-make up vast marketing organizations that buy a large variety of products, including equipment, raw material, and labor and other services. But according to Ali and Talwar (2013) buying behavior differs greatly for different types of products and services.

Buying processes in a business-to-business (B2B) context differ substantially from those made in the consumer market (Dirk et al. 2012). In order to succeed in business-to-business markets, selling firms must possess an understanding of customer firms' buying behavior. However, such an understanding may be difficult to achieve, because organizational buying behavior is often a multi-phase, multi-person, multi-departmental, and multi-objective process. This dynamic and intricate process frequently presents sellers with a complex set of issues and situational factors that directly or indirectly influence buying firm behavior (Johnston and Lewin 1996).

Furthermore, buyers face a complex set of issues and their behaviors are confounded by many situational factors (Bunn, 1993). It is important to understand what influences that are being involved and how they are likely to impact the buying process to be able to understand why buyers make particular choices (Kotler et al. 1996).

According to Webster and Wind (1972), Organizational buying behavior is a complex process over time that involves interaction between several persons, both within and outside an organization. Many have researched this issue and there is a general agreement that the major components of organizational buying behavior are: the buying process, the buying center and factors affecting the buying process and the buying center. Furthermore, Wind and Thomas (1980) as cited by Goncalved and Vaquer (2006) characterized the industrial buying behavior (IBB) in to three major aspects: The Buying Process, The Buying Center and Factors Affecting the Organizational Buying center and Process. The extensive amount of research conducted consolidated the existence and relevance of the three dimensions;

- The Buying Process
- The Buying Center and
- Factors Affecting the Buying Center and the Process

Thus, in this chapter these three dimensions will be discussed through reviewing of research conducted on each one.

2.1.2. The Buying Process

The industrial purchasing process can be considered to be affected by a multitude of complexities induced by the nature of purchased products, the organizational structure and the influence of the external environment (Kotteaku et al. 1995). The buying process can vary from highly formalized to an approximation depending on the nature of the buying organization, the size of the deal and the buying situation.

Webster (1965) as cited by Krig and Stenstrom (2001) has developed a model of organizational buying process by interviewing 135 individuals in 75 companies. The model comprises four stages: 1) problem recognition, 2) organizational assignment of buyer responsibility, 3) search procedures for identifying product offerings and establishing selection criteria, 4) choice procedures for evaluating and selecting among alternatives.

Two years later, in 1967, the Canadian, American and Israeli marketing researchers, Robinson, Faris and Wind, introduced the buy grid framework as a generic conceptual model for buying processes of organizations. They saw industrial buying not as single events, but as organizational process-making processes where multiple individuals decide on a purchase (Krig and Stenstrom, 2001). According to Hass (1995) of all the models of organizational buying behavior that have been developed, the buy grid has been the most enduring.

Wind and Thomas (1996) stated that the model follows the marketing concept and emphasizes that how organizations requires to understanding three important dimensions of buyer behavior; the buying situation (weather the purchase status of a particular product of service is new task, a straight rebuy, or a modified rebuy), the buying process (through what phases or process is buying conducted), and the buying center (who is involved in buying process) (ibid).

The framework for analysis of industrial buying situations combines eight buy phases with three types of buying situations (buy classes). And the eight buy phases are:

Table 2.1: The Buy Grid Analytic Framework for Industrial Buying Situation

Buy phases \ Buy classes	New task	Modified rebuy	Straight rebuy
1. Anticipation or recognition of a problem (need) and a general solution			
2. Determination of characteristics and quantity of needed item			
3. Description of characteristics and quantity of needed items			
4. Search for and qualification of potential sources			
5. Acquisition and analysis of proposals			
6. Evaluation of proposals and selection of supplier(s)			
7. Selection of an order routine			
8. performance feedback and evaluation			

Source: Adapted from Robinson et al, p.14 (1967)

The most complex buying situations occur in the upper left portion of the buy grid matrix, when the largest number of process makers and buying influencer are involved. Thus, a new task in its initial phase of problem recognition generally represents the greatest difficulty of management.

2.1.2.1 Buy phases

The eight buy phases in the buy grid framework by Robinson et al. (1967) are:

Phase one consists of two parts: the recognition of a problem and awareness that the solution may take the form of filling the need with a purchase. In phase two the process makers that are involved must in a specific way determine how the problem is to be solved. The buying

influences seek answers to questions such as: “What application requirements must be met? What type of goods and services should be considered? In what quantities?” The third phase is in the beginning an extension of the previous phase. The phase entails a translation of the need into a solution, which can be communicated to others. Phase four is related to the qualification of suppliers. The criteria for qualifying suppliers vary with the buying organization, the buying situation and the influences involved. The alternative sources are at this stage screened and evaluated.

Phase five may in standardized procurements just involve checking a catalogue or telephoning the supplier in order to obtain information about prices and deliveries. In more complex situations the interaction may involve a series of counter-proposals and new offers with activities extending over many months. In phase six the offers from potential vendors are weighted and analyzed. During this phase the supplier is selected when the buying organization approves a proposal and rejects the others. Phase seven begins when an order is given to a vendor. However, the procurement is not completed until the item actually is delivered and accepted for use. The other routine involves internal and external activities. Phase eight includes questions such as how well the product solved the problem and how well the vendor performed. The feedback is of high importance if future procurement problems are to be handled more effectively (ibid).

2.1.2.2 Evaluations of Proposals and Selection of Suppliers

Depending upon the complexity and value of the potential order(s), the proposal is a vital part of the process and should be prepared professionally. The proposals of the short-listed organizations are reviewed in the context of two main criteria: the purchase order specification and the evaluation of the supplying organization. If the organization is already a part of the network, little search and review time need be allocated. If the proposed supplier is new to the organization, a review may be necessary (Fill and Mckee, 2011).

The major objective of the buy phase number six in the buy grid framework is to determine the optimal supplier who offers the best all-around package of a product. The vendor selection has long been recognized as important and has been a central focus for much of the industrial marketing research over the past three decades (Patton, 1996). According to Cheraghi et al. (2004) supplier selection problem is of vital importance for operation of every firm because the

solution of this problem can directly and substantially affect costs and quality. For organizations effective supplier evaluation and purchasing processes are critical success factors. A great deal of research has been conducted to determine what criteria should be used to evaluate suppliers.

Selection Criteria

When the process of purchasing a product is taken, the members of the buying center establish a set of evaluation criteria or methods that can be used when comparing potential suppliers. The methods chosen are extremely important to the overall selection process and can have a significant influence on the selection results (Gregory, 1986).

It is important to understand why a firm chooses one method (or a combination of different methods) over another. Several well-known selection methods have been developed and classified by numerous scholars over the years. Certain methods have been popular selection choices for years, while other methods have only emerged recently. Usually when a company sets out to develop or choose a supplier selection method, the result is a combination of several different methods with different strengths suited to meet the company's specific selection needs. Therefore, it is important to explore a range of different selection methods and to discuss their different applications (Tahriri et al. 2008).

An interesting work, which is a reference for the majority of papers dealing with suppliers or vendor selection problem, was presented by Dickson in 1966. Dickson's study was based on a questionnaire sent to 273 purchasing agents and managers selected from the membership list of the National Association of Purchasing Managers. The list included purchasing agents and managers from the United States and Canada. A total of 170 (62.2) of Dickson's study regarding the importance of 23 criteria for supplier or vendor selection. The 23 criteria are ranked with respect to their importance observed in the beginning of the sixties. At that time (1966), the most significant criteria were the "quality" of the product, the "on-time delivery", the "performance history" of the supplier and "the warranty and claim policy" used by the supplier (Benyoucef et al. 2003). Out of the 23 criteria's of Dickson, the top 10 ranked criteria's are presented below in table 2.2.

Table 2.2: Dickson’s vender selection criteria

Rank	Factor	Mean Rating	Evaluation
1	Quality	3.508	Extreme importance
2	Delivery	3.417	
3	Performance history	2.998	
4	Warranties and claim policies	2.849	
5	Production facilities and capacity	2.775	Considerable importance
6	Price	2.758	
7	Technical capability	2.545	
8	Financial position	2.514	
9	Procedural compliance	2.488	
10	Communication system	2.426	

Source: adapted from Dickson, 1966

Weber et al. (1991) as cited by Krig and Stenstrom (2001) reviewed, and classified 74 purchasing articles published since 1966. Weber’s study concerning vendor’s selection criteria and methods claimed that out of 74 articles that tended to stress in selection criteria, many of the articles considered Dickson’s 23 criteria (please refer appendix C).

The majority of the articles ranked more than one criterion and the top ten criteria ranked are shown below in the figure. The research claimed that net price, delivery and quality factors are the most important factors since these factors represented the highest percentage (please refer appendix B).

2.1.2.3. Buy classes

The buying situation has long been recognized as vital in industrial buying behavior (Robinson et al. 1967). Thomas and Spekman (2011) stated that the central contributions of the Robinson, Faris and Wind is “Buy Grid” framework in which the buying process was divided into straight rebuy, modified rebuy and novel purchase. The more novel the purchase, the greater the degree

of uncertainty associated with it. Greater uncertainty results in more people getting involved in the buying process or the buying center. The three basic buy classes which were developed by Robinson et al. (1967) are discussed below:

New tasks

The first-time buyer seeks a wide variety of information to explore alternative purchasing solutions to his organizational problem. A greater perceived risk is included in the purchase. According to Fill and McKee (2011) the risk is inevitably large at this point as there is little collective experience of the product/service or of the relevant suppliers. As a result of these factors there are normally a large number of process participants.

Straight rebuy

The straight rebuy situation is the most common in industrial purchasing (Robinson et al, 1967). The buyer routinely reorders a product with no modifications. The buyer retains the supplier as long as the level of satisfaction with the delivery, quality and price is maintained. New suppliers are considered only when these conditions change. In this buy class a list of acceptable suppliers exists, suppliers not on the list are not considered. In a straight rebuy there may occur some variations from time to time in the quantity, physical or chemical properties, delivery time, method of shipment or the price, so long as these changes does not entail a re-evaluation of the purchasing alternatives nor cause any changes in the procurement process and patterns.

Modified rebuy

The buyer wants to replace a product the organization uses. The process making may involve plans to modify the product specifications, prices, terms or suppliers as when managers of the company believe that such a change will enhance quality or reduce cost. The modified rebuy does not necessarily infer that the buyer will change either the item purchased or its source. The result may be that the buyer purchases the same item from the same source. The distinctive element is the re-evaluation of alternatives.

Every buying situation can be characterized according to three factors: the newness of the problem, the information requirements, and the consideration of new alternatives (Robinson et al. 1967). The following table illustrates that how the characteristic influence the three types of classes

Table 2.3: Characteristics of buying situation

Type of Buying Situation (Buy class)	Newness of the problem	Information Requirements	Consideration of new alternatives
New task	High	Maximum	Important
Modified rebuy	Medium	Moderate	Limited
Straight rebuy	Low	Minimal	None

Source: Robinson et al. (1967).

As it is evidenced from the above table, the new task is high on all three dimensions. The modified rebuy is midrange on all three, which has a mix of new task and straight rebuy feature. And the straight rebuy is low on all three and is the most common purchase situation (Anderson et al. 1987).

2.1.3. The Buying Center

The concept of the buying center refers to all those members of an organization who become involved in the buying process for a particular product or service (Robinson et al. 1967). While the major buying roles (e.g., initiator, influencer) remain constant over all purchases, but the participants can and do change over purchase types and categories. The buying center notion has been one of the most important conceptual contributions made in the study of industrial buying behavior (Johnston and Bonoma, 1981).

From the buyer's point of view it is important that members of a buying center understand the needs of their organization and the capabilities of potential suppliers. From a supplier perspective, salespeople need to identify which managers participate in the buying center across the various stages of the buying process (Dowling, 2008).

Johnston and Bonoma (1981) justifies that it was Robinson et al. who first used the concept of buying center in 1967. According to them concept buying center implies to all those members being part of the buying process or the individual who are related directly to the purchasing process, whether users, buying influences, process makers, or actual purchasers. McNally (2002) elaborate buying center as a group of people that collectively make buying choice process for an organization is known as the buying center. The group needs to search for similarities among vendors that have successfully provided products to the organization in the past but they also need to consider the current and future organizational requirements.

2.1.3.1 Dimension of Buying Center

From their theoretical perspective, Johnston and Bonoma (1981) suggested the five (5) interactive dimensions of buying center. These dimensions are: vertical involvement, lateral involvement, extensivity, connectedness, and centrality;

Vertical involvement: in the buying center's communications: refers to the number of levels of the organization's authority hierarchy exerting influence and communicating within the buying center. The author defined six authorities in their study: ownership (board of directors), top management (CEO, president, executive vice president), policy level management (functional vice presidents, general managers), upper level operating management (e.g., directors, managers), lower level operating management (e.g., supervisors, product managers), and production work/clerical employees. According to Lewin and Donthu (2005) the purpose of determining vertical involvement is the identification of all buying members who will influence the process, so that marketing efforts may be directed toward all appropriate participants.

Lateral involvement: of different departments and divisions in the buying communications: This dimension can be operationalized as the number of separate departments, divisions, or firm functional areas involved in the purchase process.

Extensivity: or the total number of individuals involved in the buying communication network: Communication and information processing systems can be described in terms of the number of parts (e.g., people, departments) at work in a system. The Authors operationalized that buying center extensivity as the total number of individual involved in the buying process.

Connectedness: of those involved in the buying communication network: This concept and its associated measure indicate the degree to which the members of the buying center are linked with each other by direct communications concerning the purchase.

Centrality: of the purchasing manager in the buying communication network: refers to the degree of the buying manager influence on the process.

2.1.3.2 Roles in the Buying Center

Webster and Wind (1972) has concluded that the buying center includes all members of the organization who play any of five roles in the buying process. The importance of the different organizational roles varies by the buy phase and the size of the organization is an important factor. The five roles are:

Influencers: The persons that affect the buying process for example by providing information and criteria for evaluating alternative buying action.

Deciders: People who got formal or informal power to select or approve the final suppliers.

Buyers: The persons that got formal authority to select the supplier and arrange terms of purchase.

Users: Members who will use the product or service.

Gatekeepers: The organizational members who control the flow of information in to the buying center.

The buying center participants in different functions or roles within the group have also been noticed by Bonoma in 1982. He added one role (initiator) to the five, and this makes set of six roles. The Six roles explained by Bonama (1982) are discussed as follows:

Initiator: refers to the individuals within the organization who first recognize the need for a service for a service or product.

Gatekeepers: one or more gatekeepers can be involved in the purchase process. These individuals, who may have the title of buyer or purchasing manager, usually act as problem or product experts. They are paid to keep up with the range of vendor offerings.

Influencers: are those who "have a say" in whether a purchase is made and what is bought.

Decider: those who say yes or no to the contemplated purchase. Often with major purchases many of a company's senior manager's acts together to carry out the decider role.

Purchaser or Buyer: those concerned respectively, with obtaining the product or service.

User: those concerned respectively, with consuming the product or service.

2.1.4. Factors that Affects the Buying Process

There are a number of forces that shape the way organizations purchase products or service. Organizational buying behavior takes place in an environment which can change quickly and dynamically (Fill and Mckee, 2011). Thus, the organization's buying process and activity can be influenced easily by the forces.

A buying process which is influenced by factors can be arise from the organization itself and individuals or buying centers that are involved or can be the overall environment. Webster and Wind developed four classes of variables influencing the buying center and the buying process in 1972. These four factors are:

Environmental Factors

According to Webster and Wind (1972) 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. Furthermore, the authors' states that the environmental influences include economic, technological, 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.

Wind and Thomas (2010) stated that the impact of the changes of the business environment puts pressure on organizations for reconfiguring the market, services, and product offerings and its price, which can alter the number of firms that might be considered as the nature of the evaluation process.

Organizational Factors

The organization itself has been addressed to have an impact on the process of a buying choice. Organizational factors cause individual process makers to act differently than they would if they were functioning alone or in a different organization. Based on the organizations goals, the organizational buying behavior are becoming motivated and prescribed as well as constrained by its financial, technological, and human resources.

According to “Harold J. Leavitt's 1964 scheme, organizations are multivariate systems composed of four sets of interacting variables: tasks, structure, technology and people” (quoted from Webster and Wind 1972).

- Tasks- the work to be performed in accomplishing the objectives of the organization.
- Structure- subsystems of communication, authority, status, rewards, and work flow
- 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

These four interrelated subsystems together determinate which set of information, goals, attitudes, and assumptions that are to be used by each individual in the buying process. Kotler et al. (1996) stated that sellers need to learn about each buying organization's objectives, policies, procedures, structure and systems to be able to understand their specific behavior and needs. They further needs to learn about the organization's buying center and their evaluation criteria to succeed.

Buying Center Factors

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. According to Dirk et al. (2012) the most connected people in the organization may be assumed to have a strong informal influence and thus are most important to the process process, and the roles of these individuals merit particular recognition.

Individual Factors

Group interaction becomes a new input in the buying process on its own, the group processes often depend on the concentration of individual's characteristics brought into the group setting (Johnston and Lewin, 1996). Each participant in the buying process process brings in personal motives, perceptions and preferences according to Kotler et al. (1996). According to Webster and Wind (1972) 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 (ibid).

2.1.5. Case Studies in Organizational Buying Behavior

Krig and Stenstrom (2001) carried out a study on buying behavior in Swedish heavy truck industry. A multiple case study involving two major companies namely Volvo and Scania Truck Corporation. The main source of case evidence consisted of an interview performed at each company. The study raised three research questions; the description of supplier selection criteria, the dimensions and roles in the buying center, and the advantage and disadvantage of implementing Electronic Data Interchange (EDI) in the automotive industries. Their finding shows that the most important supplier selection criteria shared by both corporations are quality, delivery and commutation system in Swedish Heavy Truck Industry. The industry purchase of component divided in to two buy classes (modified and straight rebuy) and not three as suggested by Robinson et al. (1967) model. And the dimensions and roles in the buying centers for the two corporations showed a perfect match. In both less vertical and lateral involvement as well as fewer individuals to participate in the straight rebuy than in the modified rebuy. There was also a reduction of the roles in the center (i.e. influencers and gatekeepers roles are eliminated) in the straight rebuy. Lastly, both corporations share the same advantage of EDI implementation to reduce cost, better planning, time efficiency, and increased data quality.

Chisakulo (2002) undertook a study on organizational buying behavior of lubricants in Zambian industry, KITWE based companies. The research distributed a total of 35 questionnaires were distributed to lubricant using companies. The finding shows that the buying process of lubricants undertaken in different customer firms in Zambia follows a relatively standard process (Buy phases) in most cases as developed by Robinson et al. (1967). Furthermore, the major type of the buy situation noted in the firms is straight rebuy and is performed on routine basis with vertical involvement originating from buyers who orders on a regular basis. The selection criteria by the buyer firms for the lubricant venders are not well documented and standardized; they follow informal process or arrangement. Thus, the large lubricant consuming firms adhere to stringent specifications, quality and contractual arrangements for the supply of lubricants while the small firms consider the lowest price. The factors identified affecting the procurement of lubricants are both internal (the buying centers who are involved in making of the process and the organizational polices and structures) and external factors (i.e. government policies and regulation, and the economic and social factors).

2.2. Conceptual Framework

To come up with an appropriate conceptual framework for the study, the researcher clearly presented the selected theoretical concepts from the reviewed literature, which was related to each research question. The researcher believed that the selected concepts are crucial in answering the questions and conceptualization the theory.

The selected theories for first research question “How can the buying behavior of Ethiopian leather footwear industry described in terms of the buying center?” are the buy classes, the dimensions and roles of buying center.

Evidence indicates that the buy class influences both the composition and size of the buying center (Dholakia and Johnson, 1993). Therefore, the researcher believes it is important to include the buy classes which were developed by Robinson et al. (1967). Furthermore, the five dimensions of the buying center which was developed by Johnston and Bonoma (1981), and the different roles of the buying center of Bonoma, (1982) were used while answering the first research question. Bonoma’s role concept is considered to be an important framework for the analyzing buying centers in the B2B marketing literature, since it helps to make successful deals with customers and to optimize communicative processes between buyers and sellers (Dirk et al. 2012).

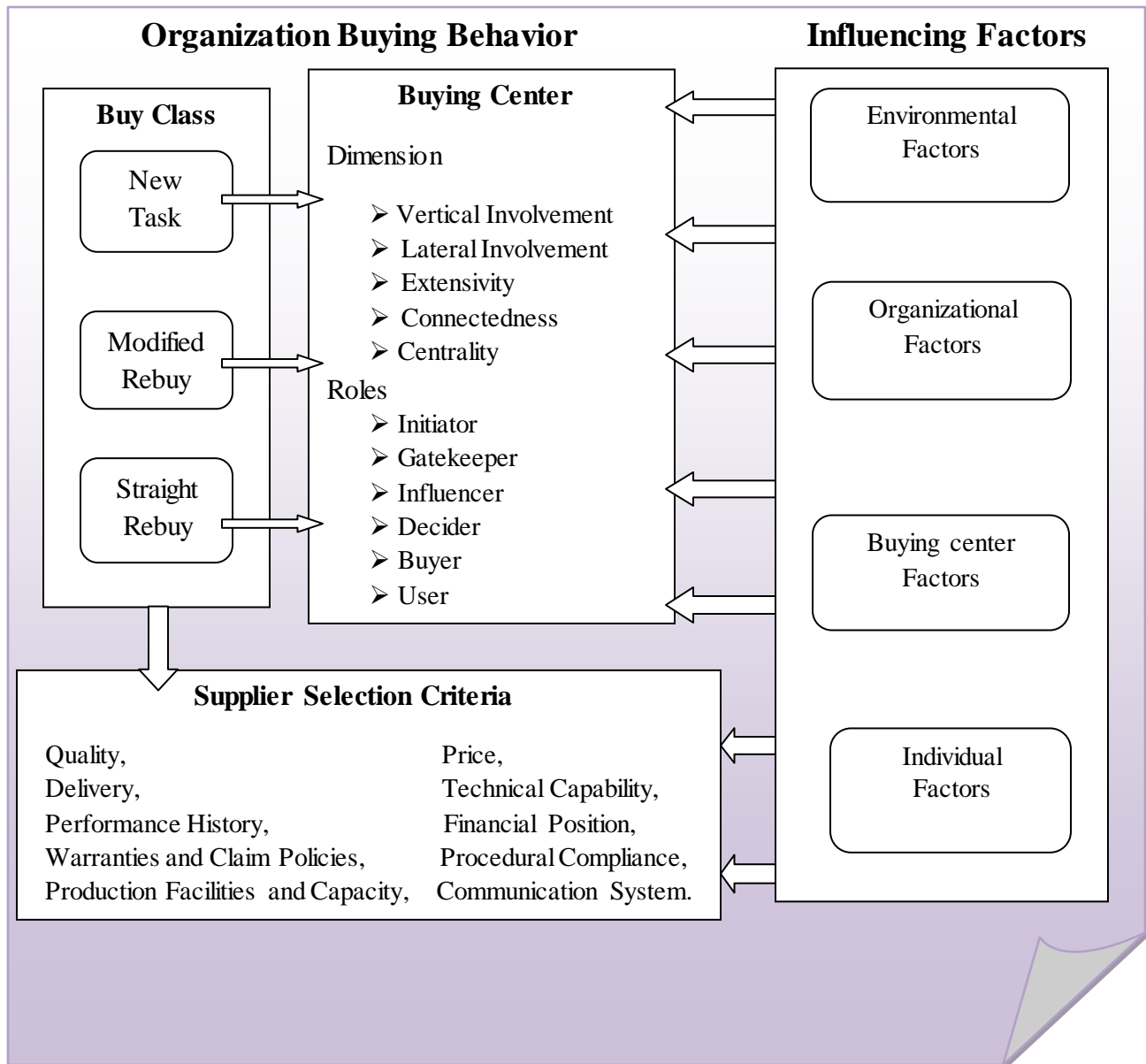
The selected theory for the second question “What criteria’s footwear manufacturing companies’ use when they select suppliers in purchasing finished leather?” is the supplier selection criteria which is listed by Dickson in 1966. Thus, to answer this question the buy grid analytic framework which is developed by Robinson et al. (1967) will be used. Finally, the chosen theory for the third question “How can factors affecting the Ethiopian leather footwear industry buying process described when they purchase finished leather?” was the classes of variables that influence the buying center and the buying process. Moreover, the discussed theoretical variables and models help to provide an appropriate conceptual framework for the study undertaken. The detailed explanation is provided in table 2.4 below.

Table 2.4: Theoretical areas and selected models for the study's conceptual framework

Theoretical Area Described	Selected Models or Concepts
Buying Centre	<p>Buy classes: New task, Modified rebuy and Straight rebuy (Robinson et al., 1967).</p> <p>Dimension of the Buying Centre: Vertical involvement, Lateral involvement and Extensivity, Connectedness, and Centrality (Johnston and Bonoma, 1981).</p> <p>Roles in the Buying Centre: Initiator, Gatekeeper, Influencers, Decider, Purchaser, and Users (Bonoma, 1982).</p>
Supplier Selection	<p>Supplier Selection Criteria: quality, delivery, performance history, warranties and claim policies, production facilities and capacity, price, technical capability, financial position, procedural compliance and communication system (Dickson , 1966).</p>
Influencing Factors	<p>Factors influencing the buying process and buying center: Environmental factors, Organizational factors, Buying center factors and Individual factors (Webster and Wind, 1972).</p>

Source: Compilation from Multiple Sources

Based on the literature review undertaken, the researcher developed a conceptual model. The model uses conceptualized the theoretical variables of the study. As it is evidenced from the above table each research question has paired with the theoretical variable and become an input in building the framework.



Source: Compilation from Multiple Sources

Figure 2.1: Conceptual Framework of the Study

CHAPTER THREE

RESEARCH METHODOLOGY

Research methodology refers to the procedural framework within which research is conducted. It also deals with the issues of why the particular instrument was selected as being appropriate for the study. Thus, this chapter provides a fully detailed account of research design followed by research approach and appropriate strategy. In addition, population and sampling technique, source and instrument of data collection, procedures of data collection and method of data analysis were presented. Lastly, quality of research and ethical consideration were discussed.

3.1. Research design

The purpose of a research can be exploratory, descriptive or explanatory. Exploratory design is carried out when there is not much knowledge about the situation. Descriptive design is appropriate to get a good understanding of a phenomena and explanatory design explains which causes that are produced with what effect (Yin, 2003). To clearly assess the buyer behavior of footwear export companies in purchasing finished leather, a descriptive research design was used supported by an interview. Descriptive research design is chosen because it can provide detail information by describing the area of study in theory as well as in reality.

3.2. Research approach

There are two types of approach i.e. qualitative and quantitative research approaches. The main distinction is that according to Silverman (2000), a qualitative approach tends to apprehend words and use them as the main factor for analysis while quantitative approach tends to use figures. For this study, a qualitative approach was chosen due to the nature of the research purpose. Moreover, the researcher aims to identify and describe the research questions in form of words and explanations instead of collection of results in numerical data. Thus, using a qualitative approach offered an opportunity to look up everyday situation by being close to the source of information and the researcher regards this as crucial for gaining information reliable information.

3.3. Research strategy

A research strategy is a plan that will clarify to the reader how the researcher has gone about to answer the research questions. There are five ways of doing research in social science i.e. case, survey, experiments, archival and histories strategies (Yin 1994).

Thus, bearing in mind the research problem and research questions, a case study was carried out. A case study selected because there is no possibility to control the behavioral events related to the research purpose and the study is focused on contemporary events. Additionally, According to Yin (2003) a case study can involve a single and multiple-case study. In multiple-case study, two or more entities are studied which give the opportunity of comparisons and the researcher will have the opportunity to better understand the finding than if they come from a single case (ibid). Considering Yin's explanation, a multiple or multi-case study were used.

3.4. Population and sampling technique

3.4.1. Population:

The target population of the study includes the export orientated leather footwear manufacturing companies. It is obtained from the list of leather and leather product companies' annual export performance report, 2012/13. Ten (10) export oriented companies were identified by LIDI (2013) those are engaged with leather footwear exports, as given hereunder:

1. Anbassa Shoe Share Company
2. Bostex Shoe Company
3. Jamaica Shoe Company
4. Kangaroo Shoe Company
5. New Wing Shoe Company
6. Pickcock Shoe Company
7. Ramsay Shoe Company
8. Ras Dashen Shoe Company

9. Tikur Abbay Shoe Share Company

10. Waliya Shoe Company

This research focused only on export orientated leather footwear manufacturing companies. This is because the pilot study reveals, these companies purchase huge amount of finished leather comparing to non-export footwear companies. Furthermore, these export companies have high government attention and support in playing a significance role in five year Ethiopian government plan.

3.4.2. Sample selection:

Miles and Huberman (1994) argue that sampling in qualitative research involves two actions: *Boundary Setting*: which helps the researcher to define aspects of the case that will be manageable to study. Given the time and research approach, the study focused on three (3) exporting companies among the ten (10) mentioned above. In choosing the case companies, their export market and export performance share were decisive. According to the 2005 E.C. one year leather and leather products export performance, the three companies found to have an effective achievement. In addition, the researcher decided to study on the three companies due to company's working experience, working capacity and number of employee they acquire (Please refer appendix D). The three selected companies are:

1. Anbassa Shoe Share Company
2. Tikur Abbay Shoe Share Company
3. Pickcock Shoe Company

Anbessa Shoe Company has been selected as a third sample due to the experience, working capacity and high number of employees though it has less percentage of market share comparing to New Wing Shoe Company (Please refer appendix D).

Creation of a frame: This action enables the researcher to uncover, confirm and qualify the fundamentals of the study. Since the research was a multiple-case study providing more strong and compelling results would be essential. So, the cases were selected using replication logic, in accordance with Yin (2003). The researcher anticipated that a multi-case study will produce

somewhat similar results. And the assumption is based on the similarity of the companies in terms of input, process and output, and operating in one leather industry. Also basing company's performance and activity a sample is selected purposively. Thus, the researcher was able to find detail information regarding the purchasing behavior of the leather footwear industry.

3.5. Source of Data and Instruments of Data Collection

When gathering data and information to meet the objectives for the research questions, a researcher can have two options; primary and secondary data. Primary data is collected by the organization itself for a particular purpose. Whereas Secondary data is collected by other organization for other purpose or it may be collected by the organization itself for another purpose. Manuscripts

In this case, both primary and secondary sources of data were used. The instruments that used to collect the primary data were a face- to-face interview with three purchasing managers. The interview was conducted using a semi-structured interview guide on the study's emerged frame of reference. Thus, the researcher was able to focus directly on the case study's topic and retrieve related results. The interview response was also supported by research's direct observation. Moreover, the interview of dialog was recorded by tape recorder in order not lose any valuable information. Besides, the respondents were informed at hand before recording their dialog.

With regard to the secondary data, the researcher used documentations which were collected from accepted sources. Thus, the researcher used publications from articles, journal, and books. Moreover, websites and non-published material i.e. annual company reports were also be used. Written documents have been used in combinations of aforementioned listed source of evidences, mainly to gain background or profile information and to raise questions.

3.6. Data collection Procedures

The interview was conducted on the selected case companies, in order to describe their purchasing behavior. As the interview questions had semi-structured character, enabled the researcher to uncover a list of topics, while still leaving space for probing and allocating the time for each question according to the situation.

The interview questionnaires were checked by three leather experts and pre-tested by selected one (1) footwear exporting company for any inconsistency, ambiguity and errors. And it helped in adding up very crucial information which was helpful in knowing the companies purchasing activity. The pilot company was chosen based on years of experience and the confidentiality or trust the researcher has of providing convenient and related information.

Though the interview was written in a clear and vivid English language, basing on the condition the researcher used Amharic language with the selected case companies for more clarification and explanations. The researcher believed that as Amharic is a national language, and all the case companies are Ethiopia firms both the respondents and interviewees can interact and discuss without any language barrier. Finally, the interview was conducted by the researcher in the three selected leather footwear manufacturing companies sequentially.

3.7. Methods of data analysis

In order to answer the research questions, the collected data needs to be thoroughly analyzed. According to Miles and Huberman (1994) a qualitative nature of a study determines the necessity of three steps of data analysis: Data reduction, Data display and drawing and verifying conclusions. To do this, first the collected data was structured according to the selected theories. Moreover, the analysis of this study also followed Holme and Solvang's (1991) recommendation as cited by Saunders et al. (2009), to perform a systematic qualitative analysis, beginning with a within-case analysis followed by a cross-case analysis.

The within-case analysis aimed in reducing data so that only the important and relevant ones can be discussed. Moreover, the researcher was able to sharpen, sort, focus, discard and organize data in a more efficient manner. For the cross-case analysis, the reduced data of within case analysis were compared. And the data was displayed in an organized and compressed way in order to find out whether the result support or contradict the frame of reference. Lastly conclusions were drawn and verified the finding with explanations and possible configurations.

3.8. Validity and Reliability of the Study

Due to the fact that a research design supposed to represent a logical set of statement, it became important to study its quality. And in order to get the right meaning of the answers, paying attention to the validity and reliability is crucial. Yin (1994) developed four types of quality test criteria's of a research design. The criteria are:

Construct Validity: concerns with the establishment of correct operational measures for the concepts being studied. To increase the construct validity yin's (1994) tactics for improving the quality of the research were followed. Multiple sources of evidence (i.e. Documentation, interviewing and observation) were used in accordance with the principle of triangulation. What is more is that chain of evidence was established throughout the entire report. And the interview questions were reviewed for allowing feedback and comments from three (3) leather experts. Moreover, the questions were pre-tested by one reliable leather footwear manufacturing company before interviewing the other two selected case companies, sequentially. Besides, the researcher tried to be as objective as possible while collecting data.

External Validity: establishes the domain to which a study's finding can be generalized. A study alone cannot offer a good basis for generalizations. Furthermore, a case study do not rely on statistical but on analytical generalizations (Yin, 1994). The researcher therefore tries to infer a specific set of results to some broader theory and not to other case studies. In designing the research, replication logic has been considered as proposed by Yin (1994) when selecting suitable cases.

Reliability: refers to whether other researchers would have gotten the same results if they performed the same research with same methods. In other words, reliability indicates the stability and consistencies with the used instruments in measuring the issue studied and help assess the quality of the study. If the result varies a great deal from time to time the reliability can be considered as low. Low reliability can be caused by a lot of reasons such as the respondent, the investigator or the instrument by itself.

Therefore, the researcher has tried to improve the reliability by carefully describing the procedures and steps being followed and also records were kept properly. Besides, the researcher tried to make as many steps as operational as possible and conducted the research as if someone were always looking over the shoulders. Researcher's knowledge and skill on the specific field together with prior understanding about the company's activities minimizes communication gap. Furthermore, the interviews with the respondents were taped in order to reduce the errors and bias.

Nevertheless, Internal Validity which is the fourth criteria was neglected as the design of the study was descriptive. Yin (1994) define internal validity as the establishment of a causal relationship whereby certain conditions are shown to lead to other conditions, as distinguished from fake relationships (applies only for explanatory or causal studies, not for descriptive or exploratory studies).

3.9. Ethical Considerations

This research mainly depended on the interviewee's response, specifically Ethiopian leather footwear professionals. And as the participants are representing the footwear companies as well as the overall leather footwear industry, consideration of consent, confidentiality and data protection ought to be decisive. These ethical considerations are essential in achieving the purpose of the study by ensuring the security and confidentiality of the participants. Thus, these considerations were identified in advance so as to prevent future problems that could have risen during the research process.

In order to secure consent of the selected participants, the researcher first communicated the objective of the research so that they have a clear picture of the study. Beside the interview questions were forwarded to respondents before conducting the interview, for clear understanding and avoiding errors in their answers. Furthermore, the researcher gave an explanation regarding the confidentiality of their identity and the information that they did not wish to disclose. Thus, only relevant information that helped in answering the research questions were included.

CHAPTER FOUR

RESULTS AND DISCUSSION

This chapter presents the case study evidence followed by within-case analysis (i.e. the data of the case results are compared with the theoretical framework provided in chapter two). Then data of the three cases are compared with each other (cross-case analysis). During the entire data interpretation and analysis where there is a match between the variables compared, the cell is shaded in grey. In occurrence of data retrieved in one case, having no equivalence in the other case or theory, displayed as not applicable (N/A).

4.1. Case Study Evidence Statement

The evidence presented in this chapter concerns the case studies of Anbessa, Pickcock and Tikur Abbay shoe companies. The study presents data related to company's supplier selection criteria, buying center (buy classes, dimension and roles) and factors influencing buying process. Moreover, the case study evidence is organized and presented consequently in accordance with the theoretical variables presented in the conceptual framework. The variables are supplier selection criteria, the buying center and factors affecting the buying process.

4.1.1. Case one: Anbessa Shoe Share Company

As the researcher reviewed from the company profile document, Anbessa Shoe Share Company was established in 1931 E.C. The objective of the company is to produce qualitative ladies, gents and children's shoe which can make the company competitive in the global market. Its export destination is Italy, France, USA, Sudan and Kenya. Even though Anbessa's market destination is both local and export market, the company purchase all the finished leather from local market or local suppliers. The company has 927 workers dividing in to seven departments namely; Production division, Procurement and Supplies division, Quality division, Technical division, Sells division, Finance division, and Administration division.

The respondent for the interview at Anbessa Shoe Company holds the title as procurement and supply director. He has been working in the division of the company for the past two years. Currently he is leading the overall purchasing activity of the company. The procurement and

supply division is responsible for purchasing the required materials that has been asked from the production division basing their material requisition. Basically the production division will request the needed material by filling the requisition form and pass it to the store person, who is working under the procurement and supplies division. Then the store person will check the stock and issue to the production division by getting an approval from procurement and supplies director. In order to perform this activity the division should have enough stock of materials in the store by formally communicating with the qualified suppliers.

4.1.1.1. Anbessa's Supplier Selection Criteria

The company follows written procedure prepared by procurement agency of Ethiopia for selecting suppliers. The company first prepare list of qualified suppliers and contact them. Then the contacted suppliers will write a letter mentioning their overall schedule. Finally, the qualified suppliers will be contacted and get the order of the needed finished leather. Thus in choosing the correct supplier the company follows certain criteria which make the purchasing process effective. The extreme important criteria with equal weight are quality and delivery. Price is considered as substantially important by the company because small price difference can be negotiated so long as the leather quality and delivery are superior. But the rest seven criteria mentioned above are evaluated in relation to the aforementioned three criteria.

Furthermore, the respondent explained that new suppliers are found at special events like trade fairs and other events. He added that All African Leather Fair prepared by ELIA, in the millennium hall each year in Addis Ababa is the main source for new suppliers. The suppliers are introduced by the procurement and supplies division to the company. Then the quality and design division together with the production division assesses potential suppliers. After getting approval from the two divisions, the qualified suppliers will enter in to the list of Anbessa's qualified finished leather suppliers.

4.1.1.2. Buy classes, Dimensions and Roles at Anbessa Shoe Company

A) Buy Class Practices

Anbessa Shoe Company follows two types of purchases; straight rebuy and modified rebuy. The respondent explained that most of the time the company purchases similar kind of leather

without any modification. Sometimes due to the customers' preference or change of design of the shoe, the company does re-evaluations on the leather specification, price, terms, even some times suppliers etc.

B) Dimensions of Buying Center

The respondent explained that the company uses both repetitive and modified types of purchase situations. The upper level manager is not involved in every repetitive purchase because the purchase is same as previous ones. But the middle and lower level personnel are involved in both purchases. Regarding the department participating in both purchases, the respondent discloses that the procurement and supplies and the quality and design department are always involved. Totally six individuals are involved in the whole buying process. Moreover, as it can be evidenced from the researcher's observation, the buying center uses more of written and less of verbal communication in their purchasing activities. The procurement and supplies director takes a central position in the communication of the leather purchase.

C) Allocation of Roles in Anbessa's Buying Center

As of the respondent's response, the allocation of roles in Anbessa is similar for both groups of purchases. The supervisor or store clerk from the production division incites the repetitive purchase. The designer or the production manager incites the modified purchase. The purchasing manager decides the straight rebuy and the general manager makes the modified purchase process. And all people who are involved in the purchasing process from the various divisions influences both purchase situations. In addition, the procurement and supplies director (purchasing manager) is the one who handles the information regarding the purchase. After getting the process from the general manager, the procurement and supplies director assigns personnel from his division to buy the finished leather. Finally, the needed leather will be transferred to the production units via the store clerk for usage of daily production.

4.1.1.3. Factors Affecting Anbessa's buying process

The respondent told the researcher that the environmental, organizational, buying center and individual factors influences the buying process of the company.

Environmental factors

Environmental factors like economy, politics, legal, culture, and technology are the major ones; for example, the country economic is booming so the leather industry is the first one to be benefited in any means as the industry is the major focus by the government. The political situation of the country is helping the company to perform their task without any fear. However, Logistics in terms of the rules and procedures is one major factor which is hindering the export performance from hitting its target in terms of time and quality of delivery. Furthermore, in fasting season there is shortage of leather and this influences the buying activities of the company. Finished leather finishing is the other influence which is related with the finishing chemical and technology the leather tannery obtained. But other technological activities like internet, telecom, and infrastructure are the good things that the company is benefited from. Which means it is positively affecting the company.

Organizational factors

The respondent added that if the quality control could have been in the procurement and supplies division, the purchasing activity of the company will be fast in terms of communication and process. This shows that the organizational factor by is self has an influence on the buying behavior of the company.

Buying center and Individual factor

The buying centers personal motives, age, education and experience in the specific field is also another factors which is affecting the purchasing process of the company. Specifically lack of knowledge on the quality aspects of finished leather is hampering the company from hitting its export target.

4.1.2. Within Case-Analysis: Anbessa Shoe Share Company

In this section the second research question was analyzed, stated as “What criteria footwear manufacturing companies use when they select suppliers in purchasing finished leather?”

4.1.2.1. Anbessa's Supplier Selection Criteria

Table 4.1: Within-Case Analysis: Anbessa's Supplier Selection Criteria

No.	Anbessa's Evaluation	Criteria	Dickson's (1966) Evaluation
1	Extreme importance	Quality	Extreme importance
2	Extreme importance	Delivery	Extreme importance
3	Considerable importance	Performance history	Extreme importance
4	Considerable importance	Warranties and claim policies	Extreme importance
5	Considerable importance	Production facilities and capacity	Considerable importance
6	Considerable importance	Price	Considerable importance
7	Considerable importance	Technical capability	Considerable importance
8	Considerable importance	Financial position	Considerable importance
9	Considerable importance	Procedural compliance	Considerable importance
10	Considerable importance	Communication system	Considerable importance

Source: own survey, 2014

The most important criteria the company uses when selecting finished leather suppliers are quality and delivery. Price is seen as considerable important in the company. The researcher realized that there are some mismatch concerning the priority the criteria are given. The selection criteria of Anbessa is presented in table 4.1 and also compared with Dickson's selection criteria's. Both quality and delivery are found to be the same in Anbessa and Dickson's study being extreme important, which is not surprising as the criteria's has been the back bone in industry buying. The third criteria which the company focus is price, also in line with Dickson's study. As price can be negotiated in the company thus it is the second important criteria following the other two.

Furthermore; communication system, production facilities and capacity, technical capability, financial position, procedural compliance, performance history and warranties and claim policies are considerable criteria's by the company. And this criteria's are in line with the Dickson's study expect Performance history and warranties and claim policies which are extreme important

in the Dickson study. The researcher believed that this mismatch occurred due to the long term relationship company have with venders and most of all it due to the nature of the leather.

As Anbessa's evaluation of selection criteria has matched with most criteria's proposed by Dickson and this shows that his study is an effective description of the supplier selection criteria for the selected cases. But as it can be evidenced from the result it needs and adjustments to be able to consider the current situation in the industry and also to be matched with the leather industry system.

4.1.2.2. Buy classes, Dimensions and Roles at Anbessa Shoe Company

Here the research provides a within-case analysis related to the first research question, which was stated as "How can the buying behavior of Ethiopian leather footwear industry described in terms of the buying center?"

A) Buy Class Practices

Anbessa's buying behavior is characterized in two group of purchase, (i.e. repetitive purchase and modified purchase). Hence, the study only applies the two buy classes proposed by Robinson et al in 1967. The result shows that "new rebuy" buying situation at Anbessa Company is irrelevant to the study. Thus, an analysis of this buy class would not be meaningful and therefore it is not included in analysis of dimensions and roles of the buying center.

B) Dimension of Buying Center

With respect to the dimensions, the study presents the following analysis with respect to the five involvements (i.e. Vertical, Lateral, Extensivity, Connectedness, and Centrality).

Vertical Involvement

- Upper level operating management (e.g. procurement and supplies manager)
- lower level operating management (e.g. designer, or quality assurance and store clerk)

The aforementioned involvement are the same for modified rebuy situation, the only difference is that the general manager (policy level management) involved in deciding the modified purchase. Ownership (Board of directors) not involved in the purchase leather for any of the two buy classes.

Lateral Involvement

The procurement and supplies department, production department and the quality and design departments are always involved in both buy classes.

Extensivity

Total numbers of people involved in a repetitive purchase are six, and for modified rebuy the figure is seven.

Connectedness

The buying center uses written with less verbal communication in their purchasing activities for both group of purchases.

Centrality

For both groups of purchase the procurement and supplies director takes a central position in communicating the buying centers and influencing the purchase process of finished leather.

The researcher found that the five interactive dimensions described by Johnston and Bonoma (1981) be significant help in describing the dimensions of Anbessa's buying center, which enables the researcher to explain the qualitative information. All dimensions are practiced by Anbessa Shoe Company in their day to day purchasing behavior. Moreover, no much difference between modified and straight rebuys, there is only less sensitivity in straight rebuy.

C) Allocation of Roles in Anbessa's Buying Center

Referring to the roles in the buying center cited by Bonoma (1982) the study presents the following analysis.

Straight rebuy

Either the store clerk or the supervisor incites the repetitive purchase of finished leather from production division. Procurement and supplies director is the one who decide of the purchase. The influencers are all peoples who are involved in the purchasing process from the various divisions. The procurement and supplies director is the one who handles the information regarding the purchase or the gatekeeper in this matter. And anyone from the procurement and supplies division purchases the finished leather. Finally functional units in the production department will use the finished leather as an input to make the leather shoes.

Modified rebuy

Either the designer or the production manager incites the modified purchase of finished leather. The general manager makes the purchase process discussing with the procurement and supplies director. All peoples who are involved in the purchasing process from the various division influences the process. However, the procurement and supplies director is the one who handles the information regarding the purchase or act as a gatekeeper in this matter. And one from the procurement and supplies division purchases the finished leather. Finally the functional unit from production department uses the finished leather as an input to make the leather shoes.

4.1.2.3. Factors Affecting Anbessa's buying process

Lastly, the third research question was analyzed, stated as "How can factors influencing the Ethiopian leather footwear industry be described when they purchase finished leather?"

As it is stated by Webster and Wind in 1972, the company buying activities are similarly influenced by environmental, organizational, buying center and individuals factors, as stated below:

The positive and negative factors which are displayed below are indicated with star sign (*).

Table 4.2: Factors Affecting Anbessa's buying process

Factors	Positive affect	Negative Affect
Environmental Factor		
➤ Economical	*	
➤ Technological	*	*
➤ Cultural		*
➤ Political	*	
➤ Legal		*
Organizational Factor		
➤ Structure		*
➤ Task	*	
Buying Center and Individual Factor		
➤ perceptions	*	
➤ Interest	*	
➤ Age		*
➤ Education	*	
➤ Experience		*

Source: own survey, 2014

Environmental factors

The political stability in addition to booming country economy, the leather industry is the first one to be benefited in any means as the industry is the major focus by the government. The political situation of the country is helping the company to perform their task without any fear. However, Logistics in terms of the rules and procedures is one major factor which is hindering the export performance from hitting its target in terms of time and quality of delivery. Furthermore, in fasting season there is shortage of leather and this influences the buying activities of the company. Leather finishing is the other influence which is related with the finishing chemical and technology the leather tannery obtained. However, other technological activities like internet, telecom, and infrastructure are the good things that the company is benefited from.

Organizational factors

The organizational structure in terms of communication and supervising is major activity in the buying process. For instance, as the company's QC role is very important in the purchasing of finished leather, putting it in the procurement and supplies division can make easy flow of communication in the purchasing activity.

Buying center and Individual factor

Buying centers or individuals personal motives, age, education and experience in the specific field are factors which are affecting the purchasing process of the company. Specially, lack of knowledge in the purchasing division is affecting the process heavily.

In general the above explanation shows that Webster and Wind's variables are very much important in finding the influencing factors. They can be positively or negatively influencing the buying behavior of the company as it is shown in table 4.2.

4.1.3. Case Two: Tikur Abbay Shoe Share Company

The company profile revealed that, Tikur Abbay Shoe Share Company was established in 1940 E.C. It is a share company having an objective of producing different types of shoe to local and export market. The company's export markets are Italy, Canada, USA, Sudan and Uganda. Thus to satisfy the local as well as the foreign market, the company utilizes all needed finished leather from local vendors. Tikur Abbay mostly produces military shoe which can be used for local and export market. 572 employees are working currently in the company dispersing in different sections and departments.

There are four sections (marketing and operation section, administration and finance, product development and quality control section and planning and information section), which are directly called to the general manager of the firm. Under each section there are departments named procurement and supplies department, production department, technique department and marketing department which are under the control of marketing and operation section. Besides finance department and administration departments are under the responsibility of administration and finance.

The procurement and supplies department is responsible for the leather purchases and employs three people. Besides the product development and quality control section assists the department from the leather quality point of view. The respondent for the research interview at Tiur Abbay works in the procurement and supplies department holds a title as purchasing manager. While he has been in the company for more than 20 years in different departments like sales and finance but he only has three years of experience in the purchasing department.

In this company a personnel from the production department will check whether the leather is available in the store or not. If the material is available then will take without contacting the purchasing department but if the needed leather is out of stock then the department will fill a request form and transfer it to the purchasing department.

4.1.3.1. Tikur Abbay's Supplier Selection Criteria

As it can be evidenced from the respondent response, the purchasing activity related with the suppliers is mostly depends on the long term relationship the company have with the potential suppliers. However, as a process, first the purchasing manager will receive a list of potential suppliers from marketing and operation section, the manager will check and contact the qualified vender which satisfies the company's requirement. Then whoever fill the criteria will be the final vender to supply the finished leather.

Credit (post-date check) facility, Quality, delivery, and price are the most important factors for selection qualified venders in Tikur Abbay. The financial position and production facilities and capacity of venders are considered as an important criterion in order to select among potential suppliers. After the company fulfills seeing the most important and important criteria's, the afterwards other criteria's put up as an additional factors which help to strengthen the selection.

4.1.3.2. Buy classes, Dimensions and Roles at Tikur Abbay Shoe Company

A) Buy Class Practices

The leather purchase in Tikur Abbay divided in to straight rebuy and modified rebuy purchases thus the researcher knows that the company has two groups of purchases. The straight rebuy involves the procurement of finished leather that has been purchased before. The modified rebuy

of the company occurs when the company wants to re-evaluate the purchased leather and purchase it with modifications like price, specifications, delivery, etc. nevertheless the company excludes the third group which is the new rebuy purchase.

B) Dimension of Buying Center

The respondent explained that irrespective of the buying situation or group, the purchasing manager is always responsible for the purchase of the material like of finished leather. The two purchases that Tikur Abbay employs are:

Repetitive purchase

The researcher understood from the interview that all the three level of personnel are involved for instance, the deputy general manager, purchasing manager, assistance purchasers are who exert influence and participates in the communications network. But it is uncommon that the general manager of the company involved in the repetitive purchase, as it is same and repeated action. With respect to the departments participating in the repetitive purchase, the manager responded that there are three departments involving in the purchase i.e. procurement and supplies, production department and finance departments. Furthermore, seven individuals are totally involved in whole buying process. Four are from the procurement and supplies department, and the rest two are from production and finance department. And the last one is the deputy manager. The buying centers in the departments use formal written communication with less verbal contact and the purchasing manager is the one who plays a central role in the commutation process.

Modified purchase

In this purchase, the respondent explained that all the three levels are participating in the leather purchase as same as repetitive purchase. The change is only the general manager is included as the leather requirement will be modified and the involvement and process is decisive. Correspondingly, four departments are involved in this purchase by adding the product development and QC department to the three departments mentioned in the repetitive purchase. This gives a total of eight individuals participating in the whole buying process. Written

communication is used with the central player of the purchasing manager in the contact of the buying center in purchasing process.

C) Allocation of Roles in Tikur Abbay's Buying Center

The placement of the roles in Tikur Abbay is almost similar for the both repetitive and modified purchases. Either the production manager or the store clerk from production department initiates the repetitive purchase but either the designer or the production manager incites the modified purchase. The marketing and operation deputy general manager discussing with the procurement and supplies director makes the process of repetitive purchase and the general manager decide the modified purchase. The person influencing the purchase is all the individuals involved in the purchasing from various departments. The purchasing manager is the one who handles the majority of the information in the purchasing process of the company. Anyone from the procurement and supplies department purchases the leather. The units from the production department finally use the purchased leather.

4.1.3.3. Factors Affecting Tikur Abbay's buying process

According to the respondent's response that factors like environmental, organizational and individual or buying center action does influence the purchasing process. But he explained that the most central and indicative factor that heavily and negatively affecting the company's purchasing activity are the organizational and individual factors.

Environmental factors

He said it is obvious that the economic condition and performance of the country even the industry is one major factor that influences the purchasing process of the company. Though the political stability of the country is benefiting the company, the import and export regulation of the country is also hindering the company from exporting its products up to the maximum level. However, facilitates like construction, telecom service, internet facilities are the positive aspects which supports the purchasing activity of the company. The knowledge of the peasants and brokers on how to handle the raw hide and skin is minimal and is affecting the overall buying situation.

Organizational factors

Organizational factors like profitability and shortage of working capital does affect the company. The major objective of the company is getting profit but it is practicing shortage of capital and even forced to purchase leather with credit.

Buying center and individual factors

The buying centers personal motives, age, education and experience in the specific field is also another factors which is affecting the purchasing process of the company.

4.1.4. Within Case-Analysis: Tikur Abbay Shoe Share Company

In the section the second research question was analyzed, stated as “What criteria’s footwear manufacturing companies’ use when they select suppliers in purchasing finished leather?”

4.1.4.1. Tikur Abbay’s Supplier Selection Criteria:

Table 4.3: Within-Case Analysis: Tikur Abbay’s Supplier Selection Criteria

No	Tikur Abbay ’s Evaluation	Criteria	Dickson’s(1966) Evaluation
1	Extreme importance (TP)	Credit facility	N/A
2	Extreme importance	Quality	Extreme importance
3	Extreme importance	Delivery	Extreme importance
4	Slight importance	Performance history	Extreme importance
5	Slight importance	Warranties and claim policies	Extreme importance
6	Considerable importance	Production facilities and capacity	Considerable importance
7	Extreme importance	Price	Considerable importance
8	Slight importance	Technical capability	Considerable importance
9	Considerable importance	Financial position	Considerable importance
10	Considerable importance	Procedural compliance	Considerable importance
11	Considerable importance	Communication system	Considerable importance

Source: own survey, 2014

The purchasing activity of Tikur Abbay is characterized mostly by the long term relationship the company has with the actual suppliers. However, the most important criteria the company uses when selecting the finished leather suppliers are credit facility, quality, delivery and price. Financial position of vendors is considered as a significant importance in the company's buying activity. There are some mismatch concerning the priority the criteria's are given.

The selection criteria of Tikur Abbay is presented in table 4.3 and also compared with Dickson's selection criteria's. Credit facility is however not included in the Dickson's study, is very important. It has been given top priority (TP) in the company as working capital is the major bottleneck. Both quality and delivery are found to be the same in Tikur Abbay and Dickson's study. They resulted as extreme important, which is not surprising as the criteria have been the back bone in industry buying.

Besides because of enormous cost wise pressure in the company, price is an extreme important for the company in selecting listed leather suppliers. However, price as criteria is not in line with Dickson's study's supplier selection criterion which is considered as important. In line with the Dickson study the company also sees financial position, communication system, procedural compliance, and production facilities and capacity of vendors considerably important.

The rest criteria's; technical capability, performance history and warranties and claim policies are slight important in the company. And this criteria's are not in line with the Dickson's for the reason that having the focus on the extreme and considerable important criteria's the company believes this criteria's can be slightly considered. As per the evaluation of Tikur Abbay's leather suppliers' selection criteria, the researcher believed that most of Dickson's selection criteria are in line with the case company's selection criteria.

Thus Dickson's study is being an effective description of the supplier selection criteria for the selected case company. But as it can be evidenced from the result it needs an adjustment to be able to consider the current situation in the industry and also to be matched with the leather industry system.

4.1.4.2. Buy classes, Dimensions and Roles at Tikur Abbay Shoe Company

Here the research provides a within-case analysis related to the first research question, which was stated as “How can the buying behavior of Ethiopian leather footwear industry be described in terms of the buying center?”

A) Buy Class Practices

Tikur Abbay’s buying behavior characterized in two group of purchase, (i.e. repetitive purchase and modified purchase). Hence, the study only applies the two buy classes proposed by Robinson et al in 1967. The result shows that “new rebuy” buying situation at Tikur Abbay Company is irrelevant to the study. Thus an analysis of this buy class would not be meaningful and therefore it is not included in analysis of dimensions and roles of the buying center.

B) Dimension of Buying Center

With respect to the dimensions, the study presents the following analysis with respect to the five involvements (i.e. Vertical, Lateral, Extensivity, Connectedness, and Centrality).

Vertical Involvement

- policy level management (e.g. marketing and operation deputy general manager)
- upper level operating management (e.g. purchasing manager)
- lower level operating management (e.g. assistance purchasers)

The aforementioned involvement are the same for modified rebuy situation, the only difference is that the general manager (policy level management) involved in deciding the modified purchase. Ownership (Board of directors) not involved in the purchase leather for any of the two buy classes.

Lateral Involvement

The procurement and supplies department, production department and finance departments are involved in the repetitive purchase. However, product development and quality control department is additionally included in the modified purchase of leather.

Extensivity

Total numbers of people involved in a repetitive purchase are seven, and for modified purchase the figure is eight.

Connectedness

The buying center uses written with less verbal communication in leather purchasing activities in both group of purchases.

Centrality

For both groups of purchase the purchasing manager plays a central role in communicating and influencing the purchase process.

The five interactive dimensions described by Johnston and Bonoma (1981) are significant help in describing the dimensions of Tikur Abbay's buying center, which enables the researcher to explain the qualitative information. Almost similar number of levels involved in the companies buying center as of the model. Moreover, no much difference between modified and straight rebuys, there is only less sensitivity in straight rebuy.

C) Allocation of Roles in Tikur Abbay's Buying Center

Referring to the roles in the buying center cited by Bonoma (1982) the study presents the following analysis.

Straight rebuy

Either the production manager or the store clerk incites the repetitive purchase of finished leather from production department. The marketing and operation deputy general manager discussing with the procurement and supplies director makes the purchase process. The influencers are all peoples who are involved in the purchasing process from the various departments. The purchasing manager is the one who handles the information regarding the purchase or the gatekeeper in this matter. And anyone from the procurement and supplies department purchases the finished leather. Finally, the units in the production department will use the finished leather as an input to make the leather shoes.

Modified rebuy

Either the designer or the production manager incites the purchase and the general manager makes the purchase process. The influencers are all peoples who are involved in the purchasing process from the various divisions. The purchasing manager is the one who handles the information regarding the purchase or act as gatekeeper in this matter. And anyone from the procurement and supplies department purchases the finished leather. Finally the units in the production department will use the finished leather as an input to make the leather shoes.

4.1.4.3. Factors Affecting Tikur Abbay's buying process

The third research question was analyzed as follows, stated as "How can factors influencing the Ethiopian leather footwear industry be described when they purchase finished leather?" As it stated by Webster and Wind in 1972, the company buying activities are similarly influenced by environmental, organizational, buying center and individuals factors, as analyzed below:

The positive and negative factors which are displayed below are indicated with star sign (*).

Table 4.4: Factors Affecting Anbessa's Buying Process

Factors	Positive affect	Negative Affect
Environmental Factor		
➤ Economical	*	
➤ Technological	*	*
➤ Cultural		*
➤ Political	*	
➤ Legal		*
Organizational Factor		
➤ Structure	*	
➤ Task		*
Buying Center and Individual Factor		
➤ perceptions		*
➤ Interest		*
➤ Age	*	
➤ Education		*
➤ Experience	*	

Source: own survey, 2014

Environmental factors

Though the economic condition together with political stability of the country is benefiting the company but the import and export regulation of the country is also hindering the company from exporting its products up to the maximum level. The knowledge of the peasants and brokers on how to handle the row hide and skin is minimal and is affecting the overall buying situation. However, the technological facility of the country is making the purchasing activity more accurate and easy to transform.

Organizational factors

The organizational structure of the company is effective in any way of communication and reporting. Low profitability and shortage of working capital is affecting the buying behavior of the company.

As major objective of the company is getting profit, practicing shortage of capital is major sign of organizational factors. Thus, the company is even forced to purchase finished leather with credit.

Buying center and Individual factor

Buying centers or individuals personal motives, age, education and experience of the purchasers in the specific field is also another factor which is affecting the purchasing process of the company. Specially, lack of knowledge in the purchasing division is affecting the process heavily.

In general the above explanation shows that Webster and Wind's variables are very much important in finding factors. They can influence the company positively or negatively with respect to their buying behavior activities as it is shown in table 4.4. Besides, problems occurred from the nature of the finished leather by itself.

4.1.5. Case Three: Pickock Shoe Company

As the researcher reviewed from the company profile document, Pickock Shoe Company is a privately owned company which was established in 1982 E.C. The major aim of the company is to compete in the global market by producing gents, ladies, and children shoe. Though the company exports its products to USA, Italy, Spain and KSA all its input leather is supplied from local suppliers. The company is vertically integrated with its own two local sister leather suppliers named Dire tannery and Mojo tannery. Thus, other leather tanneries located in Ethiopia are excluded from supplying finished leather to this company. But Pickock uses the criteria suggested by Dickson among the two sister companies.

Pickock Shoe Company has 320 workers divided in to three services and nine departments; the three services are deputy general manager operation service, deputy general manager corporate service, and deputy general manager support service. And the departments are production, administration, product development center, warehouse, MIS, relationship, local procurement, logistics, and central service departments. Besides each section controls three departments consequently and the planning and programing service supervises the three sections.

The interviewee at Pickcock Shoe Company holds a title of production planning head. He is leading the production planning of the company since last seven years and he is working under the planning and programing service. The production planning head follow and leads all the resources which are necessary to run the production starting from procurement of the finished leather to the sales of the shoe products. Basically the planning and programing service follows every resource from the data sheet prepared by the MIS department. If the data shows shortage of finished leather stock, the purchasing director will automatically orders the sister companies to restock the warehouse together with other responsible departments.

The researcher also observed that the MIS department's activity in handling all the day to day data recodes of the items, production, human resources, available stock and other related tracks. This recodes help the production planning head what to plan, what and when to pass to the production and when to purchase the finished leather.

4.1.5.1. Pickcock's Supplier Selection Criteria

The interviewee explained that Pickcock Shoe Company does not have to prepare list of finished leather suppliers. But as formality the production planning head will check the activity of the production and the available finished leather from the MIS department and pass a written request to the local procurement director. The local procurement director will contact the two sister companies; Dire and Mojo tanneries. Among the two the one which fits the criteria will be chosen and will supply the finished leather as per the agreement.

However, after the leather is reached the shoe company the local procurement director will inform about the purchase to the accountant who is found in the head office (Dire Industries PLC). Finally the accountant will process the payment of the qualified supplier.

Even though Pickcock Company only uses the two suppliers but it uses criteria's to choosing the best among them. The company gives equal weight to the quality and delivery. Price is considered as considerable important by the company because small price difference can be negotiated.

In addition, the rest seven criteria's are considerable important to the company as of the company and tanneries have long term relationship and most of all being under one owner. The respondent added that the company is not searching for new leather supplier because the two tanneries are satisfying the companies demand without any bottleneck. But he said the company uses new suppliers most of the time in purchasing accessories and materials other than finished leather.

4.1.5.2.. Buy classes, Dimensions and Roles at Pickcock Shoe Company

A) Buy Class Practices

Pickcock company practices both straight rebuy and modified rebuy purchases thus it can be concluded that the company has two groups of purchases. The straight rebuy involves the procurement of finished leather that has been purchased before.

The modified rebuy of the company is occurs when the company want to re-evaluate the purchased leather and purchase it with modifications like price, specifications, delivery etc. but the company is not practicing the new rebuy group of purchase.

B) Dimension of Buying Center

The number of individuals participating in the repetitive and modified purchase is different. The respondent discloses that the purchasing director is always handling the local purchases of any item or component. The two types of purchases that Pickcock Shoe Company follows are:

Repetitive purchase

The interviewee explained that all the three levels are involved in this purchase i.e. the deputy general managers, the production planning director, local procurement director, store clerk and the accountant. But it is uncommon in the company that the general manager (the owner) of the company involved in the repetitive purchase, as it is same and repeated action. What's more are four departments are involved in the repetitive purchase and this are planning department, production department (store clerk), local purchasing department and the MIS department. Six individuals are totally involved in whole buying process. The buying centers are linked with each other by written communication with less verbal contact concerning the purchase. It not the

purchasing manager, it is rather the deputy general manager from the corporate service plays a central role and influences the process.

Modified purchase

In this purchase, the respondent explained that all the three levels are participating in the leather purchase as same as repetitive purchase. The change is only in modified purchase the general manager is included as the leather requirement will be modified so the involvement and process is crucial. Five departments are involved in this purchase by adding the product development department to the four departments mentioned in the repetitive purchase. In this purchase a total of eight individual are participating in the whole buying process. The designer from the PDC is the seventh one and the general manager is the eighth. But sometimes even the customers are involved in the purchasing process but it is not often and this will increase the total participant to nine. Furthermore the buying centers are linked with each other by written communication with less verbal contact concerning the purchase. It not the purchasing manager, it is rather the deputy general manager from the corporate service plays a central role and influences the process.

C) Allocation of Roles in Pickcock's Buying Center

The respondents responded that the production planning head from the planning and programing service incites the repetitive purchase. And the designer from the PDC department together with the customer or the designer alone incites the modified purchase. Discussing with the production planning head and local purchasing manager; the deputy general manager corporate makes the repetitive purchase process and the general manager decides in the modified purchase. All peoples who are involved in the purchased from the various departments influence the purchasing activity. In addition, the local purchasing manager from support service is the one who handles the information (gatekeeper) regarding to both purchase. After getting the process, the local purchasing manager will send a driver with the necessarily document to the tannery for purchase of the finished leather. Finally, the purchased leather will be transferred to the production department for consumption through the store clerk.

4.1.5.3. Factors Affecting Pickcock's buying process

According to the respondent's response that factors like environmental, organizational and individual or buying center action does influence the purchasing process making of the company.

Environmental factors

Economic condition and performance of the industry one major factor that influence the purchasing process of the company. This day's footwear companies are neglecting the demand of local market because the government is pushing the companies to export more in order to get foreign currency. The knowledge of peasants in protecting the animals starting from the husbandry is poor and this has a huge impact on the quality of the leather as they burn and make a mark on the animals for identification purpose. But on the contrary, political stability and technology is benefiting in facilitating the purchasing activity. Due to advance technological availability, the company can assess any information about the supplier's history, industry index, information about leather etc.

Organizational factors

The goal and objective of the company influences the buying center activity as well as the purchasing process. The interviewee noted that the goal of the company is only focuses on profitability rather than on the human resource because understanding the importance of the worker is critical. . Furthermore, the complications the company is facing in the logistics service is other factor influence the shoe export which is directly related with the next shoe order and leather purchase. But on the contrary, he argued that the organization structure of the company is very much suitable in communicating and leading the employees. Moreover it is easy for the functional level personnel's to communicate with the middle level managers and likewise.

Buying center

The buying centers personal motives, age, education and experience in the specific field is also another factors which is affecting the purchasing process of the company.

4.1.6. Within Case-Analysis: Pickcock Shoe Company

In the section the second research question is analyzed, which was stated as “What criteria’s footwear manufacturing companies’ use when they select suppliers in purchasing finished leather?”

4.1.6.1. Pickcock’s Supplier Selection Criteria

Table 4.5: within-case analysis: Pickcock’s Supplier Selection Criteria

No.	Pickcock ’s Evaluation	Criteria	Dickson’s (1966) Evaluation
1	Extreme importance	Quality	Extreme importance
2	Extreme importance	Delivery	Extreme importance
3	Considerable importance	Performance history	Extreme importance
4	Considerable importance	Warranties and claim policies	Extreme importance
5	Considerable importance	Production facilities and capacity	Considerable importance
6	Considerable importance	Price	Considerable importance
7	Considerable importance	Technical capability	Considerable importance
8	Considerable importance	Financial position	Considerable importance
9	Considerable importance	Procedural compliance	Considerable importance
10	Considerable importance	Communication system	Considerable importance

Source: own survey, 2014

The company is supplied all the finished leather from its two sister companies called Dire tannery and Mojo tannery. This shows that the company is not in need of other leather supplies other than the mentioned two. The company uses different criteria in choosing of the qualified supplier among the two leather tanneies. The most important criteria the company uses when selecting the finished leather suppliers are quality and delivery. Price is considered as a significant importance. Though, there are some mismatches concerning the priority the criteria’s are given with the theory.

The selection criteria of Pickcock is presented in table 4.5 and also compared with Dickson's selection criteria's. Both quality and delivery are find to be the same in Pickcock and Dickson's study being extreme important, which is not surprising as the criteria's has been the back bone in industry buying. The third criteria which the company focus is price, which is seen as considerable importance is also in line with Dickson's study. The researcher understood that the price can be negotiated in the company thus it is regarded as second important following the two criteria's. Furthermore; communication system, production facilities and capacity, technical capability, financial position, procedural compliance, performance history and warranties and claim policies are considerable criteria's by the company. This criteria's are in line with the Dickson's study expect Performance history and warranties and claim policies which are considered as extreme important in the study.

The researcher believed that the difference happened due to the long term relationship and Transparency Company has with its sister tanneries. As Pickcock's evaluation of selection criteria has matched with all criteria's proposed by Dickson expect two criteria's. This shows that his study is could be an effective description of the supplier selection criteria for the selected cases. But as it can be evidenced from the result it needs and adjustments to be able to consider the current situation in the industry and also to be matched with the leather industry system.

4.1.6.2. Buy classes, Dimensions and Roles at Pickcock Shoe Company

Here the research provides a within-case analysis related to the first research question, which was stated as "How can the buying behavior of Ethiopian leather footwear industry be described in terms of the buying center?"

A) Buy Class Practices

Pickcock Shoe Company's buying behavior characterized in two group of purchase, (i.e. repetitive purchase and modified purchase). Hence, the study only applies the two buy classes proposed by Robinson et al in 1967. The research shows that "new rebuy" buying situation at Anbessa Company is irrelevant to the study. Thus an analysis of this buy class would not be meaningful and therefore it is not included in analysis of dimensions and roles of the buying center.

B) Dimension of Buying Center

With respect to the dimensions, the study presents the following analysis with respect to the five involvements (i.e. Vertical, Lateral, Extensivity, Connectedness, and Centrality):

Vertical Involvement

- policy level management (e.g. deputy general manager)
- upper level operating management (e.g. production planning and local procurement director)
- lower level operating management (e.g. store clerk, quality assurance and accountant)

The aforementioned involvement are the same for modified rebuy situation, the only difference is that the general manager (policy level management) who is the owner, involved in deciding the modified purchase. Ownership (Board of directors) not involved in any purchase the as the company is privately owned company or owned by one person.

Lateral Involvement

Four departments are involved in the repetitive purchase and this are planning department, production department (quality assurance), local purchasing department and the MIS department. And five departments are involved in this purchase by adding the product development department

Extensivity

Total numbers of people involved in a repetitive purchase is six, and for modified rebuy the figure will be eight to nine. The general manager, designer, even sometimes the customers are involved in purchasing process.

Connectedness

The buying center uses written with less verbal communication in leather purchasing activities in both group of purchases.

Centrality

For both groups of purchase is the local purchasing manager (purchasing manager), the one who plays a central role and influences the process.

The researcher found that the five interactive dimensions described by Johnston and Bonoma (1981) be significant help in describing the dimensions of Pickcock's buying center, which enables the researcher to identify the qualitative information. Almost similar number of levels involved in the companies buying center as of the model except ownership is not existed. Moreover no so much difference between modified and straight rebuys, there is only less sensitivity in straight rebuy.

C) Allocation of Roles in Anbessa's Buying Center

Referring to the roles in the buying center cited by Bonoma (1982) the study presents the following analysis.

Straight rebuy

The production planning head incites the repetitive purchase of finished leather from planning and programing service. Discussing with the production planning head and local purchasing manager; the deputy general manager corporate makes the repetitive purchase process. The influencers are all peoples who are involved in the purchasing process from the various divisions. The local purchasing manager is the one who handles the information regarding the purchase or the gatekeeper in this matter. The driver having the necessarily document purchases the finished leather. Finally units in the production department will use the finished leather as an input to make the leather shoes through the store clerk.

Modified rebuy

Either the designer from PDC department or the customer or both incites the modified purchase of finished leather. The general manager discussing with the deputy general manager from corporate service makes the purchase process. The influencers are all peoples who are involved in the purchasing process from the various divisions. The local purchasing manager is the one

who handles the information regarding the purchase or the gatekeeper in this matter. The driver having the necessarily document purchases the finished leather. Finally units in the production department will use the finished leather as an input to make the leather shoes through the store clerk.

4.1.6.3. Factors Affecting Pickcock’s buying process

Here the third research question is analyzed, which was stated as “How can factors influencing the Ethiopian leather footwear industry be described when they purchase finished leather?”

As it stated by Webster and Wind in 1972, the company buying activities are similarly influenced by environmental, organizational, buying center and individuals factors, as analyzed below: The positive and negative factors are displayed with star (*).

Table 4.6: Factors Affecting Pickcock’s buying process

Factors	Positive affect	Negative Affect
Environmental Factor		
➤ Economical	*	*
➤ Technological	*	
➤ Cultural		*
➤ Political	*	
➤ Legal		*
Organizational Factor		
➤ Structure	*	
➤ Task	*	
➤ Goal		*
Buying Center and Individual Factor		
➤ perceptions	*	
➤ Interest	*	
➤ Age	*	
➤ Education	*	
➤ Experience	*	

Source: own survey, 2014

Environmental factors

Economic condition and performance of the industry one major factor that influence the purchasing process of the company. This day's footwear companies are neglecting the demand of local market because the government is pushing the companies to export more in order to get foreign currency. The knowledge of peasants in protecting the animals starting from the husbandry is poor and this has a huge impact on the quality of the leather as they burn and make a mark on the animals for identification purpose. Furthermore, the regulatory complications the company is facing in the logistics service is other factor influence the shoe export which is directly related with the next shoe order and leather purchase. But on the contrary, political stability and technology is benefiting in facilitating the purchasing activity. Due to advance technological availability, the company can assess any information about the supplier's history, industry index, information about leather etc.

Organizational factors

The organizational structure of the company is suitable in the communication and controlling of any activity. However the goal of the company is only focuses on profitability rather than on the human resource, neglecting the human resource benefit. The task performed in accomplishing the objective is in the right manner of any purchase.

Buying center and Individual factor

Buying centers or individuals personal motives, age, education and experience in the specific field is also another factor which is affecting the purchasing process of the company. Specially, lack of knowledge in the purchasing division is affecting the process heavily. In general the above explanation shows that Webster and Wind's variables are very much important in finding factors. They can influence the company positively or negatively with respect to their buying behavior activities

4.2. Cross Case-Analysis

In this section a cross-case analysis is presented to identify similarities and differences of the three cases. The supplier selection criteria, dimensions and roles in buying center and lastly the factors influencing the buying process theoretical variables were discussed.

4.2.1. Selection Criteria

In table 4.7: Anbessa's, Tikur Abbay's and Pickcock's evaluation of supplier selection criteria are presented. .

Table 4.7: Cross-case analysis: selection criteria of the case companies

Criteria	Anbessa 's Evaluation	Tikur Abbay Evaluation	Pickcock 's Evaluation
Quality	Extreme importance	Extreme importance	Extreme importance
Delivery	Extreme importance	Extreme importance	Extreme importance
Performance history	Considerable importance	Slight importance	Considerable importance
Warranties and claim policies	Considerable importance	Slight importance	Considerable importance
Production facilities and capacity	Considerable importance	Considerable importance	Considerable importance
Price	Considerable importance	Extreme importance	Considerable importance
Technical capability	Considerable importance	Slight importance	Considerable importance
Financial position	Considerable importance	Considerable importance	Considerable importance
Procedural compliance	Considerable importance	Considerable importance	Considerable importance
Communication system	Considerable importance	Considerable importance	Considerable importance

Source: own survey, 2014

The quality and delivery are considered as extreme important criteria by the three cases. Though price as a criteria is extreme important in Tikur Abbay, it considerable important by the other two companies.

Communication system, production facilities and capacity, technical capability, financial position, procedural compliance, performance history and warranties and claim policies are prioritized to be of considerable important for both Anbessa and Pickock companies. Excluding technical capability, performance history and warranties and claim policies criteria's the rest are considerable important in Tikur Abbay. And these excluded criteria's are considered as slight important in the company.

4.2.2. Buy classes, Dimensions and Roles at Anbessa, Tikur Abbay and Pickock

A) Buy class practice

All three case companies apply similar group of purchase (i.e. repetitive purchase and modified purchase).

B) Dimensions of the buying center

The numbers of hierarchal levels in both straight rebuy and modified rebuy is exact same or equal in all the three cases. Again the three case companies have two similar lateral involvements in both rebuys but have totally different additional departments in both rebuys. However Anbessa and Tikur Abbay companies have exact similar department which is not totally named in Pickock Company. The extensivity in a straight rebuy for both Anbessa and Pickock is same and six in number but Tikur Abbay has seven individuals.

Furthermore, extensivity in a modified rebuy of Tikur Abbay and Pickock are sometimes equal but in Anbessa the individual involvement is totally different. With respect to the connectedness and centrality, the three case companies have exact the same moods of communication and similar personnel.

In the following table all the five involvements are listed and compared among the three case companies:

Table 4.8: Cross-case analysis: Dimensions of buying center

Dimensions	Anbessa	Tikur Abbay	Pickcock
Vertical involvement in straight rebuy	N/A Upper level Lower level	Policy level Upper level Lower level	Policy level Upper level Lower level
Vertical involvement in modified rebuy	Policy level Upper level Lower level	Policy level Upper level Lower level	Policy level Upper level Lower level
Lateral involvement in straight rebuy	procurement and supplies production quality and design N/A	Procurement and supplies Production Finance N/A	Local purchasing Production Planning MIS
Lateral involvement in modified rebuy	procurement and supplies production design and quality	Procurement and supplies Production PDC and quality Finance	Local purchasing Production PDC Planning MIS
Extensivity in straight rebuy	6	7	6
Extensivity in modified rebuy	7	8	8 - 9
Connectedness in straight rebuy	Witten with less verbal	Witten with less verbal	Witten with less verbal
Connectedness in modified rebuy	Witten with less verbal	Witten with less verbal	Witten with less verbal
Centrality in straight rebuy	Purchasing director	purchasing manager	purchasing manager
Centrality in modified rebuy	Purchasing director	purchasing manager	purchasing manager

Source: own survey, 2014

C) Roles in the buying center

The comparison of roles within the three case companies' buying center is illustrated below:

Table 4.9: Cross Case-Analysis: Roles of the Buying Center

Roles	Anbessa	Tikur Abbay	Pickcock
Initiator in straight rebuy	Store clerk or Supervisor	Store clerk or production manager	production planning head
Initiator in modified rebuy	Designer or production manager	Designer or production manager	Designer or customer
Decider in straight rebuy	Purchasing manager	DGM (marketing and operation)	DGM (corporate service)
Decider in modified rebuy	General manager	General manager	General manager
Influencer in straight rebuy	All people who involved in the process	All people who involved in the process	All people who involved in the process
Influencer modified rebuy	All people who involved in the process	All people who involved in the process	All people who involved in the process
Gatekeeper in straight rebuy	Purchasing manager	Purchasing manager	Local Purchasing manager
Gatekeeper in modified rebuy	Purchasing manager	Purchasing manager	Local Purchasing manager
Purchaser in straight rebuy	Any one from purchasing department	Any one from purchasing department	Driver of the company
Purchaser in modified rebuy	Any one from purchasing department	Any one from purchasing department	Driver of the company
Users in straight rebuy	Production units	Production units	Production units
Users in modified rebuy	Production units	Production units	Production units

Source: own survey, 2014

Considering the result from the cross-case analysis of the number of hierarchal levels, departments and individuals in addition to the central player and communication network involved. And in straight rebuy as compared to the modified rebuy, the similarity of the dimensions of the buying center between the three cases is visible. This occurs due to the organizational task likeness of the three case companies. Furthermore, the buying process of the finished leather is conducted in an industry wide standardized manner.

Straight rebuy

The initiator has similar position in Anbessa and Tikur Abbay but totally different position in Pickcock. The deputy general manager is the one who decide in Tikur Abbay and Pickcock companies rather the purchasing manager responsible in deciding in Anbessa Shoe Company. All people who involved in the process influences the leather purchase and the gatekeeper is the purchasing manager in the all three case companies. Any one from purchasing department buys the leather for both Anbessa and Tikur Abbay but the driver is the one who responsible for Pickcock. Finally, the cutting, stitching, lasting and finishing units in production department uses the purchased finished leather and produces shoes for export.

Modified rebuy

The initiator has similar position in Anbessa and Tikur Abbay but half similar in Pickcock with respect to the designer. The general manager decides the purchase in all three companies. All people who involved in the process influences the leather purchase and the gatekeeper is the purchasing manager in the all three case companies. Any one from purchasing department buys the leather for both Anbessa and Tikur Abbay but the driver is the one who responsible for Pickcock. Finally, the cutting, stitching, lasting and finishing units in production department uses the purchased finished leather and produces shoes for export.

Generally, in both straight and straight rebuy, the only difference in some part at initiator, decider and purchase of the finished leather. Surprisingly, in pickcock customers sometimes incites the modified purchase which is not practiced in the other two case companies.

4.2.3. Factors affecting case companies buying process

In table 4.10 factors influencing Anbessa's, Tikur Abbay's and Pickcock's buying process are presented:

Table 4.10: Cross case-analysis: factors influencing the case companies buying process process and the buying center

Factor	Anbessa	Tikur Abbay	Pickcock
Environmental	Economical, Technological, cultural, political and legal Factors	Economical, Technological, cultural, political and legal Factors	Economical, Technological, cultural, political and legal Factors
Organizational	Structure and Task Factors	Structure and Task Factors	Structure, Task and Goal Factors
Buying center	Interest and Perception Factors	Interest and Perception Factors	Interest and Perception Factors
Individual	Age, Education and Experience Factors	Age, Education and Experience Factors	Age, Education and Experience Factors

Source: own survey, 2014

As presented in the above table, the case companies have similar factors of influencing their purchasing process. However, goal which is shaded green in the table is an additional factor to the pickcock's company, not seen as a problem by the other two case companies. Depending on the result the researcher assumed that likenesses occurred because the companies act in one industry and they follow almost similar kind of purchasing practices. Furthermore, the professional workers who circulate in the industry bring similarity in terms of knowledge, experience and other individual factors.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

The previous chapter provides an analysis of the data collected. In this chapter, conclusions were drawn from the results and in the final part recommendations, research limitations and future research suggestions in the area were forwarded.

5.1. Conclusions

The selected theoretical variables were helpful in providing structure to the research. However, some of the variables (such as Dickson, 1966) to some extent failed to adequately reflect the current industrial buying behavior. In the following section the main finding presented in relation to the research questions stated in chapter one. The research questions are stated consequently:

- How can the buying behavior of Ethiopian leather footwear industry be described in terms of the buying center?

There happened to be a clash with the theory about the buy classes proposed by Robinson et al. (1967). As purchases in the three case companies divided into two groups (i.e. repetitive purchase and modified purchase) not three as proposed by the theory. The absence of new task occurred due to the fact that similar raw materials are purchased by the footwear companies all the time. Besides, a case study of Swedish Heavy Truck Industry by Krig and Stenstrom (2001) revealed that the two types of purchases are exercised by excluding the new task. Thus, it found that straight and modified rebuys are representative for how Ethiopian leather footwear industry categorizes their purchase. The result of dimensions and roles in the buying center shows that almost perfect match between the case companies. The vertical, lateral, individual, central player and the communication network involvement in the straight rebuy and modified rebuy is nearly the same. The difference among the cases occurred in the Extensivity (total numbers of individual involved). Furthermore, the study present that similarity of roles in the buying center in both straight and modified rebuys situations.

- What criteria's footwear manufacturing companies' use when they select suppliers in purchasing finished leather?

The finding showed that the supplies selection criteria of Anbessa and Pickcock companies are an exact match. Tikur Abbay's selection criteria are also similar with the two but with slight differences. The extreme important criteria's shared by the three case companies are quality and delivery, same as resulted in the heavy truck case study made by Krig and Stenstrom (2001). However, credit facility and price are considered as extreme important criteria's in Tikur Abbay company which makes a slight difference among the cases. The rest criteria's proposed by Dickson leveled as considerable and slightly important and are presented almost similar in the three case companies.

➤ How can factors affecting the Ethiopian leather footwear industry buying process be described when they purchase finished leather?

Lastly, the findings about factors affecting the buying process of the case companies appeared to be exact similar in all three leather footwear companies. The environmental factor, organizational factor, buying center factor and individual factor are presented as the factors which influences the overall purchasing process of leather footwear exporting companies. Moreover, a case studies of lubricants in Zambian industry, KITWE based companies by Chisakulo (2002) resulted in similar manner. The result showed that that the internal and external factors are affecting the lubricants purchasing process.

5.2. Recommendations

Applying the appropriate variable (i.e. selection criteria, buy class, buying center involvements and roles) can enhance the understanding of buying behavior by a company. The enhancement can be in terms of time management and efficient communication among the buying center and the suppliers. Moreover, knowing the influencing factors that affect the companies' buying process can be a good help in meeting company's objectives. Therefore, this research provides valuable information regarding purchasing behavior of Ethiopian leather footwear exporting companies. The researcher believed that, it is likely to contribute in a significant way to the managers of footwear companies by providing information that are most important to the buying centers. And the responsible person in purchasing of finished leather will get a way on how the process should be.

Considering the findings of the study, managers in leather footwear industry and the government bodies at large can particularly focus on the following managerial recommendations:

- Some managers prioritize credit facility criteria higher than quality criteria and this can create a huge gap in the production as quality of a product is a major issue in purchasing finished leather.
- New potential finished leather suppliers can bring better competition in the market so, if managers can consider searching new suppliers, they can better use the proposed selection criteria.
- It is recommended that if the purchaser of the finished leather can be one specific person in a company, who has skill and knowledge on the quality aspects of finished leather, will bring a huge difference on the finished leather shoes.
- The managers of the companies should give due attention to the factors that influences their purchasing process especially to the one which impacts negatively.
- Effectively communicating the importance of having efficient buying centers which can be met by securing the purchase of right quality leather, in the right quantity, from the right source, purchased for the right price and delivered at the right time should be given a major value by the footwear companies.
- If the Industry Ministry can monitor the purchasing process of footwear companies closely and taking prompt decision, the footwear export performance can be enhanced with effective communication and clear procedures.
- The Industry Ministry can ease the finished leather purchase process and increase the performance of the companies by closely identifying the external factors which affect the company. For instance, if effective technological advancement (machine, chemical) introduced in the industry, quality of the finished leather can be improved.
- If the government (Leather Industry Development Institute) can benchmark good practices from different countries which have efficient leather supply chain to the companies, as it is doing in the production process with India, the overall finished leather activity would in line with process and output performance. Furthermore, it should give due attention to the educational package of leather quality, by teaching the peasants and sellers as they damage the raw hide and skin unknowingly.

5.3. Limitations and Directions for Future Research

This study aims for better understanding of the organizational buying behavior of Ethiopian leather footwear companies. And it is exposed to the following limitations which future studies can address and clarify more on the subject matter.

Due to the qualitative nature of the study driven from the research purpose, the results are explained in word than in numeric evidence. Besides, the explanations are mainly depending on the researcher's analytical knowledge and skill thus, it might have limitation on exactly transferring the respondents' idea and interest.

In this study the samples have been selected purposively considering five parameters and the results are the reflection of those selected respondents who are involved. During the selection process of the respondents, bias might be occurred due to the wrongly applied selection parameters. Therefore, the study might have limited representativeness of the findings for the target population.

The description of leather footwear industry buying behavior was limited to listed theoretical variables (like selection criteria's, or buying center roles or influencing factors). Even though these variables were included and proven to be accurate in other studies, there could be other relevant variables that are likely to describe the organizational buying behavior more accurately. Consequently, future research should try to identify and include other relevant theoretical variables that were not considered in this study.

This study is only limited to one leather sector which is to leather footwear industry. The model could be modified to see the buying behavior of different industries like leather processing, garment and goods industries. This will enable to compare and see the overall leather sector purchasing practice and provide whole lot information for the managers to make correct leather purchasing process. Finally, Understanding and analyzing the buying behavior of end users is also very important and interesting to wholly comprehend the buying behavior aspects which this study failed to include. Thus, if future studies can include it, the result can be a whole sum of the buying behavior.

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APPENDICES

Appendix A

Semi- Structured Interview Guide

This interview questioner was designed to assess the buying behavior of leather footwear exporting companies located in Addis Ababa, Ethiopia. The results were communicated to the responsible stakeholders for any knowledge gap they have on purchasing behavior of the companies. Thus, your collaboration is very crucial for the success of this research. The questions of this interview are created for three (3) selected organizations.

Part I: Introductory questions about the respondents and the organization

Date: _____ Name of the firm: _____

- Could you please tell me about your position and department in the company? _____
- For how long have you worked for the company? _____
- What is your function in the company? _____
- How many people are working within the company? _____
- How many departments are there within the company? _____

Part II: Questions about the supplier selection criteria (that the company uses).

- How does your company go when selecting suppliers of finished leather?

- Which among the following are most important, considerable important and not important at all criteria when choosing a supplier?

No.	Selection criteria	Extremely important	Considerable important	Not important at all
1	Quality			
2	Delivery			
3	Performance history			
4	Warranties and claim policies			
5	Production facilities and capacity			
6	Price			
7	Technical capability			
8	Financial position			
9	Procedural compliance			
10	Communication system			
11	Any other (Pls. specify)			

Part III: Questions about the buying center

➤ Set of questions deals with the purchase of leather material based on previous purchase of similar material with no modification.

- How many people are participating when purchasing a leather material? (Vertical involvement). _____
- How many of departments/functional areas are involved when purchasing leather material? (Lateral involvement). _____
- How many individuals are totally involved in the whole buying process? (Extensively). _____
- How is your verbal contact during the purchasing? Or you prefer to use other communication tools? (Connectedness). _____
- Do you think the purchasing manager (if any) takes the central position in message sending and receiving? (Centrality). _____

- According to the following, who is/ are involved in the purchase? Which functions do they exert and to which department do they belong to?

No.	Who	Position/Title	Department
1	Incites the purchase		
2	Takes the process to buy		
3	Has the major influence		
4	Handles most of the information regarding to the purchase		
5	Buy the material		
6	Uses the material		

➤ Set of questions deals with the purchase of leather material as per pure replacement of product specification, price with the same brand and supplier.

- How many people are participating when purchasing a leather material identical with previously purchased one? (Vertical involvement).

- How many of departments/functional areas are involved when purchasing leather material? (Lateral involvement). _____

- How many individuals are totally involved in the whole buying process? (Extensively).

- How is your verbal contact during the purchasing? Or you prefer to use other communication tools? (Connectedness). _____

- Do you think the purchasing manager (if any) takes the central position in message sending and receiving? (Centrality). _____

- According to the following, who is/ are involved in the purchase? Which functions do they exert and to which department do they belong to?

No.	Who	Position/Title	Department
1	Intimates the purchase		
2	Takes the process to buy		
3	Has the major influence		
4	Handles most of the information regarding to the purchase		
5	Buy the material		
6	Uses the material		

➤ Set of questions deals with the purchase of leather material those have never been purchased before.

- How many people are participating when purchasing a totally new leather material never previously purchased by your organization? (Vertical involvement).

How many of departments/functional areas are involved when purchasing leather material? (Lateral involvement). _____

- How many individuals are totally involved in the whole buying process? (Extensively).

How is your verbal contact during the purchasing? Or you prefer to use other communication tools? (Connectedness). _____

Do you think the purchasing manager (if any) takes the central position in message sending and receiving? (Centrality). _____

- According to the following, who is/ are involved in the purchase? Which functions do they exert and to which department do they belong to?

No.	Who	Position/Title	Department
1	Intimates the purchase		
2	Takes the process to buy		
3	Has the major influence		
4	Handles most of the information regarding to the purchase		
5	Buy the material		
6	Uses the material		

Part IV: Questions about factors influencing the buying process or process

- How do you consider the environmental factors influencing the buying process? (e.g., economic, political, legal, technological, and cultural factors).

How do you consider the organizational factors influencing the buying process? (e.g., task, structure, people)? _____

- What do you think about the activities of buying center affecting the buying process in purchasing finished leather? (e.g., motives, perceptions, preference, roles etc.).

How do you consider the individual factors influencing the buying process? (e.g., Age, education, experience, etc.)_____

Thank you for your time! It has been appreciated!

Appendix B

Dickson's vender selection criteria

Rank	Factor	Mean Rating	Evaluation
1	Quality	3.508	Extreme importance
2	Delivery	3.417	
3	Performance history	2.998	
4	Warranties and claim policies	2.849	
5	Production facilities and capacity	2.775	Considerable importance
6	Price	2.758	
7	Technical capability	2.545	
8	Financial position	2.514	
9	Procedural compliance	2.488	
10	Communication system	2.426	
11	Reputation and position in industry	2.412	
12	Desire for business	2.256	
13	Management and organization	2.216	
14	Operating control	2.211	
15	Repair service	2.187	Average importance
16	Attitude	2.120	
17	Impression	2.054	
18	Packaging ability	2.009	
19	Labor relations record	2.003	
20	Geographical location	1.872	
21	Amount of past business	1.597	
22	Training aids	1.537	
23	Reciprocal arrangements	0.610	Slight importance

Appendix C

Weber's Selection Criteria

Rank	Rating	Criteria	Number of articles	Percentage (%)
6	1	Net price	61	80
2	1	Delivery	44	58
1	1A	Quality	40	52
5	1	Production facilities and capabilities	23	30
20	2	Geographical location	16	21
7	1	Technical capabilities	15	20
13	2	Management and position in the industry	10	13
11	2	Reputation and position in the industry	8	11
8	1	Financial position	7	9
3	1	Performance history	7	9

Ratings: 1A = Extreme Importance 2 = Average Importance

1 = Considerable Importance 3 = Slight Importance

Appendix D

Parameters to select the case companies

No.	Name of the companies	Years of experience	Manpower /number of workers	Actual production capacity (pairs/day)	Export market (%)	Export performance share in terms of Revenue (%)
1	Anbassa Shoe Share Company	75	927	2000	74	12.7
2	Bostex Shoe Company	1	120	250	58	11.2
3	Jamaica Shoe Company	5	84	200	20	1.9
4	Kangaroo Shoe Company	24	193	500	5	0
5	New Wing Shoe Company	2	316	1000	100	21.1
6	Pickcock Shoe Company	25	320	1500	90	25.0
7	Ramsay Shoe Company	19	282	1200	65	3.2
8	Ras Dashen Shoe Company	24	100	700	70	0
9	TikureAbay Shoe Share Company	66	572	3500	80	16.8
10	Waliya Shoe Company	10	100	400	75	0
11	Others	-	-	-	-	8.1

Declaration

I, the undersigned, declare that this research paper entitled “Organizational Buying Behavior of Selected Leather Footwear Exporting in Addis Ababa, Ethiopia” is my original work, prepared under the guidance of my advisor, Dr. Rakshit Negi. This research work has not previously submitted for a degree in this university of any other recognized educational organizations. All the materials used for the study have been fully acknowledged.

Rahwa Aregwi

May 2014