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BUYER INDUCEMENTS IN INDUSTRIAL
SALES PROMOTION

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Abstract

Almost no research has been done on the use of personal inducements as a form of sales promotion in industrial marketing. An exploratory study was conducted in this area and the results are reported in this article. The attitudes of buyers concerning inducements and the use of inducements by vendors were measured.

Profiles of relatively more receptive buyers were derived from the study data. Implications for managing the buying and selling functions and for further research are discussed.

I - INTRODUCTION

Today, over US\$ 20 billion is being spent annually on sales promotion [5, p.340; 11]. In fact, if all sales promotion costs were to be added together the total would be greater than all advertising costs [8, p.405]. Even though great sums of money are spent on sales promotion, very little research and managerial attention has been given to the use of sales promotion in industrial marketing [5,8].

The general role of sales promotion is to complement and support the personal selling and advertising efforts in the seller's promotional mix. Also, there are situations wherein sales promotion is the critical purchasing determinant. Kotler, with his "Hobbesian Model" holds that if a buyer is faced with two or more competing suppliers' offers that are equal in terms of meeting the needs of the organization, then the critical factor will be how well each vendor meets the personal needs of the buyer [4].

This article concerns the use of certain buyer inducements which are used as sales promotion tools in industrial marketing. Buyer inducements or personal inducements involve the use of promotional tools that are at least partly connected with an industrial buyer's own personal needs. The purpose of this article is to report the results of a study involving six types of personal inducements and how industrial buyers perceive both the intensity and the appropriateness of their use. The buyer inducements studied were: business lunches, advertising specialties, sports and entertainment tickets, extensive entertainment, business gifts under US\$ 25, and cash and expensive business gifts. Each of these types of personal inducement are briefly discussed below.

I.1. Personal Inducements

A. Business Lunch

The practice of salesmen taking buyers out for lunch is widely accepted and generally considered to

be appropriate. The overall dollar expenditures is not known. Halvorson and Rudelius [3] have estimated that the weekly cost per salesperson is about \$50. If their estimate is reasonable, then hundreds of million of dollars are involved each year.

B. Advertising Specialties

Advertising specialties are items such as calendars and pens upon which are imprinted the vendor's name or promotional message. Salesmen give these things to buyers with the expectation that the items will serve to remind the buyers about the salesmen's company or products.

C. Tickets

Sports and entertainment tickets are often given to customers by vendors. Little is known regarding the level of expenditures on this kind of promotion. However, it can be presumed that millions of dollars are involved. For example, large numbers of tickets for some major league professional teams are purchased by businesses and many of these tickets are given to customers.

D. Extensive Entertainment

Extensive entertainment includes activities like "an-evening-out-on-the-town", hunting and fishing trips, etc. Essentially nothing is known about the scope of use and cost of these forms of entertainment.

E. Merchandise Gifts

Business gifts are another type of personal inducement. It has been estimated by industry sources that about \$500 million is annually spent on business gifts [2]. Most of this is probably spent on gifts at

Christmas time. The maximum value of a gift tends to be \$25 because of Internal Revenue Service regulations [2].

F. Cash

The last type of personal inducement studied was cash. Offering cash to a buyer is unethical and illegal. Nevertheless, illegal practices involving improper payments, kickbacks and bribery may amount to as much as \$7 billion per year according to the U.S. Chamber of Commerce [7]. One expert has suggested that certain industries are more vulnerable to improper practices, noting for instance that in one industry, \$1 out of \$8 spent on raw materials is "tainted" and 20% of the purchasing agents are "on the take" [7].

I.2. Need for Research

The professional purchasing literature is strongly oriented against the more controversial personal inducements such as expensive entertainment, gifts and cash [1,6]. Even apparently acceptable inducements such as business lunches are sometimes viewed as an influence which should be controlled by purchasing policies [6]. From a marketing perspective, some writers feel that only a small minority of purchasing people will respond favorably to personal inducements [11, p.16]. Nonetheless, millions or perhaps even billions of dollars are being spent on personal inducements each year. Research is needed to clarify how buyers feel about personal inducements, to what extent are inducements offered, and what types of buyers are most likely to be favorably influenced by personal inducements. Therefore, an exploratory research study was conducted as a step toward developing more knowledge about inducements. The study reported here was based on several key questions which are presented in the next section.

II. STUDY

II.1. Questions

The following questions were used to guide the research efforts reported in this article.

A. Attitudes

What kind of attitudes do buyers have regarding various personal inducements?

B. Extent of Use

i) To what extent are various personal inducements used in industrial marketing, i.e., what percentage of salespeople offer particular inducements?

ii) Are personal inducements more likely to be offered by salespeople selling homogeneous products than by salespeople selling heterogeneous products? [The customer sees competitive offers as essentially similar for homogeneous products, and competitive offers as different for heterogeneous products, e.g., the same grade of raw materials (homogeneous) and different computer systems (heterogeneous)].

iii) Are there any differences among manufacturers, distributors, and agents as sellers in the offering of personal inducements to buyers?

C. Who is Most Likely to be Influenced?

Can buyer profiles be developed for those buyers who are most likely to be favorably disposed toward offers of personal inducements?

A questionnaire was completed by industrial buyers

in which they identified the nature of their job, some personal characteristics, their perceived exposure to various types of personal inducements, their attitudes toward various kinds of personal inducements, their estimates of the percentage of salespeople who use each kind of inducement, their judgments regarding which types of vendors and which types of products being promoted are most likely to be associated with each kind of inducement.

A stratified random sample of 240 manufacturing firms was selected from a list of firms in the mid-New Jersey area [9,10]. Questionnaires were personally delivered to purchasing agents in each firm and most questionnaires were collected on the same day of the delivery. A total of 111 usable responses, or 46%, of the original placement was returned. Characteristics of the respondents are shown in Table 1.

Table 1

Characteristics of
Buyers Interviewed for the Study

CHARACTERISTICS	NUMBER*	PERCENT**
Sex:		
Female	10	9
Male	99	91
Age:		
20-30	10	9
31-40	29	27
41-50	29	27
51-60	32	29
61-67	9	8
Experience:		
1- 5 Years	21	19
6-10 Years	22	20
11-15 Years	27	24
16-20 Years	10	9
21-25 Years	12	11
26 Years or More	19	17
Member of professional society:		
No	51	48
Yes	56	52
Number of employees:		
Up to 100	25	23
101 - 200	32	29
201 - 400	23	21
401 - 1000	16	15
1001 - 4000	13	12
13000	1	1

* Includes usable responses for each characteristic.

** May not total 100% for a characteristic because of rounding.

II.2. Results and Discussion

A. What Personal Inducements Do Buyers Think Are Unethical?

The buyers in this study were asked to indicate their attitudes with respect to several types of personal inducements. A summary of their responses is given in Table 2.

Table 2

Attitudes of Buyers Regarding
Types of Personal Inducements
Offered by Salespersons

TYPE OF PERSONAL INDUCEMENT	NUMBER AND (%) OF BUYERS BELIEVE THE INDUCEMENT IS APPROPRIATE						Mean Response
	Agree			Disagree			
	6	5	4	3	2	1	
Business lunch	67 (63%)	21 (20%)	7 (7%)	3 (3%)	2 (2%)	7 (7%)	5.19
Advertising specialty	48 (44%)	30 (28%)	13 (12%)	1 (1%)	7 (7%)	9 (8%)	4.78
Sporting or entertainment tickets	28 (21%)	27 (26%)	19 (18%)	10 (10%)	6 (6%)	15 (14%)	4.15
"An-evening-on-the-town"	15 (14%)	16 (15%)	17 (16%)	12 (11%)	17 (16%)	32 (29%)	3.12
Gift worth more than \$10	12 (11%)	14 (13%)	11 (10%)	10 (9%)	12 (11%)	48 (45%)	2.69

The buyers generally agree that business lunches and advertising specialties are appropriate forms of promotion as indicated by the percentages on the agreement end of the scale (90% and 84%). However, the salesperson

is not always on safe ground when he offers lunch or an advertising specialty or both to a buyer because about one out of eight buyers feels that those promotion tools are inappropriate. The buyers indicated that they typically accept 20% (median rate) of the lunch offers and 80% (median rate) of the advertising specialties.

Over two-thirds of the buyers feel that offers of sports or entertainment tickets are at least somewhat appropriate. However, offering tickets to buyers is definitely more dangerous as shown by the larger number of responses on the inappropriate end of the scale. The buyers were not asked about their acceptance of ticket offers because such inquiries would probably have lessened the cooperation of the buyers and provided a conservative bias in responses to other questions.

The last two personal inducements "an-evening-on-the-town" and a gift worth more than \$10, were both generally rated on the inappropriate end of the scale. Nonetheless, substantial percentages (45% and 34% respectively) of the buyers felt that these inducements were at least somewhat appropriate. In fact, it is quite possible that the real beliefs of the buyers are less slanted toward the inappropriate end of the scale since some respondents may have tended to give "professionally" acceptable responses for the more controversial inducements. Thus, the beliefs of buyers about these two inducements are fairly divergent.

Buyer's attitudes toward lunches and advertising specialties were as expected. However, the buyers' attitudes toward free tickets, extensive entertainment in the form of "an-evening-on-the-town", and an expensive gift were not in keeping with the academic

and the purchasing profession literature. It appears that the academic and purchasing profession literature is somewhat idealistic. Non-task related promotional tools such as free tickets, "an-evening-on-the-town", and a gift worth more than \$10 had significant support. (65%, 45% and 34% respectively considered the inducement to be ethical). Thus, buyers in practice do not overwhelmingly condemn these promotional tools as one would be led to believe by the academic and purchasing profession oriented literature.

B. How Widespread is the Use of Personal Inducements?

In this study, the buyers were asked to indicate, from their own experience, what percentage of all salespeople they see would offer each of six types of gratuities or entertainment. A summary of the responses is shown in Table 3. The business lunch invitation was more likely to be offered by salespeople than the other inducements.

Table 3
Sales Representatives Use of
Types of Promotion as Perceived by Buyers

TYPE OF PROMOTION OR INDUCEMENT	% OF SALESPERSONS WHO MAKE OFFERS			
	Mean	Median	Range	N
Invitation to lunch	27	20	2-100	109
Promotional premium item	18	10	0-100	109
Sports or entertainment tickets	6	3	0-50	107
"An-evening-on-the-town"	3	1	0-25	104
Gift worth more than \$10	3	1	0-55	106
Cash	1	1	0-10	102

The promotion category which includes relatively inexpensive advertising specialties such as pens, date books, and calendars is the second most likely type of tool used by salespeople. This is not surprising since an item such as a calendar is only effective as an offer once per year in connection with a given salesperson-buyer relationship, while the business lunch is a more flexible sales tool and can help create close bonds between the vendor and the buyer.

The "gray area" promotional devices including giving buyers sports or entertainment tickets, "an-evening-on-the-town", and a gift worth more than \$10 are all less likely to be offered by salespeople. A number of interrelated reasons can be given regarding why these types of offers are not made as often as lunches and promotional items. First, entertainment and valuable gifts are only indirectly connected with the buyer's task, thus the issue of appropriateness is raised. Second, many companies expressly prohibit buyers from accepting these kinds of inducements. Third, the vendor expense can often be relatively high as compared with business lunches and advertising specialties. Finally, there is general concern regarding business ethics and legality connected with using these forms of inducement. In fact, there seems to be no clear-cut widely held view associated with entertainment and gifts.

Buyers are more likely to be offered tickets to entertainment events than to be offered "an-evening-on-the-town" or a gift worth more than \$10. Perhaps this is due to the relative ease of distributing tickets versus gifts and the non-commitment of time and payment processing with distributing tickets versus taking clients out for "a-night-on-the-town." The average cost of giving tickets to clients is less than the

cost of "a-night-on-the-town" or a valuable material gift. Moreover, from the buyer's viewpoint, acceptance of entertainment tickets is probably easier in both moral terms and convenience.

Almost all (over 90%) of the buyers reported that no salespeople that they have dealt with offer cash inducements. The few who said some salespeople offer cash indicated that less than 1 percent of all salespeople make such an offer.

C. Which Vendors are Most Likely to Offer Certain Sales Promotion Techniques?

i) Vendors according to the type of product being promoted

The buyers were asked to indicate the likelihood of using each type of inducement which would be offered by six types of product vendors (1= most likely to use, 2= least likely to use). The research question involves whether different types of vendors offer different patterns of inducements. It is possible that certain types of products, such as raw materials, are undifferentiated in terms of objective criteria (price, delivery, quality, etc.), and this would place more burden on the promotion element of the marketing mix as the primary factor that generates sales.

From the results summarized in Table 4, there is evidence to suggest that vendors of relatively more homogeneous products are more likely to offer personal inducements than vendors of heterogeneous products. For example, raw materials are more homogeneous than types of capital equipment or minor equipment. The results shown in Table 4 also support

the contention that the more homogeneous a product is, the more likely it will be for inducements to be offered to the buyer.

Table 4
Product Vendors Most
Likely to Offer
Types of Inducements*

TYPE OF INDUCEMENT	TYPES OF PRODUCTS PROMOTED AND MEAN LIKELIHOOD OF AN INDUCEMENT OFFER ()**			
	More Likely	Less Likely	Sub- sample Size	Significance Level
Lunch	Raw material (1.8)	MRO *** (3.1)	21	.004
	Raw material (1.8)	Minor equipment (3.4)	16	.002
	MRO (1.9)	Services (4.4)	9	.020
	Component parts (2.4)	Services (4.9)	8	.049
Promotional item	Raw material (3.0)	Services (4.4)	5	.005
	MRO (1.9)	Services (4.2)	9	.045
Entertainment tickets	Raw material (2.1)	Component parts (3.5)	22	.018
	Raw material (1.8)	Minor equipment (3.9)	12	.013
	Component parts (2.8)	MRO (4.1)	17	.028
	Component parts (2.4)	Services (5.7)	17	.001
"Night-on-the- town"	Raw material (1.7)	Component parts (3.2)	14	.014
	Raw material (1.8)	MRO (4.1)	13	.000
	Raw material (1.9)	Minor equipment (4.4)	7	.022

* It was considered to be necessary to screen out responses for those buyers who had little or no purchasing decisions for a product (15% or less of his purchasing decisions).

** Mean rankings are shown in parentheses, 1= ranked most likely; 6= ranked least likely

*** MRO Mean maintenance, repair and operating supplies.

ii) Vendors according to the type of business

Three types of selling organizations were studied —manufacturers, merchant middlemen (distributors), and agents.

For each of the three types of vendor organizations, buyers were asked to indicate which type of organization was most likely to offer particular inducements. Table 5 summarizes the likelihood of each type of vendor giving inducements.

Table 5
Vendor Organizations Most
Likely to Offer Types
of Inducements

TYPE OF INDUCEMENT	TYPES OF VENDOR ORGANIZATIONS			
	MEAN LIKELIHOOD OF AN INDUCEMENT OFFER (*)		Subsample Size	Significance Level
	More Likely	Less Likely		
Lunch	Distributor (1.7)	Agent (2.0)	63	.021
Promotional item	Distributor (1.5)	Manufacturer (2.1)	59	.008
	Distributor (1.4)	Agent (2.2)	59	.000
Entertainment tickets	Manufacturer (1.6)	Agent (2.0)	56	.034
	Distributor (1.8)	Agent (2.2)	63	.008
"Night-on-the- town"	Manufacturer (1.6)	Distributor (2.2)	51	.009
Gift worth more than \$10	Distributor (1.7)	Agent (2.1)	62	.006

* Mean rankings are shown in parentheses, 1= ranked most likely; 3= ranked least likely.

In general, it appears that agents are less likely to give inducements than manufacturers and distributors. It also seems that manufacturers are more likely to give entertainment tickets than agents; manufacturers are more likely to sponsor "a-night-on-the-town" than distributors. Distributors are more likely to offer lunches to buyers than agents. Distributors are also more likely to offer advertising specialties to buyers than either manufacturers or agents. These results provide some evidence suggesting that manufacturers are more likely to use relatively more expensive inducements than distributors.

D. Which Buyers are Most Likely to be Influenced by Promotional Inducements?

The third research question concerns whether it is possible to predict who is most likely to be favorably influenced by personal inducements. From the vendor's perspective, the effective use of the more controversial inducements largely depends on the vendor's promotion policies and the ability of the salespeople to identify buyers who will not react negatively when offered such personal incentives. From the buying management viewpoint, effective control over vendor's inducements depends on purchasing policies and the enforcement of policies which, in turn, is dependent upon identifying both vendors which are most likely to make inappropriate inducement offers and buyers who are most likely to react favorably to such offers.

A number of stepwise discriminant analyses were made to develop profiles of buyers who are more likely to be receptive to personal inducements and those who are not. In general, significant discriminant

functions were obtained for a number of promotional tools. These findings are summarized in Table 6.

Table 6
Discriminant Analysis of Personal Inducements

		NUMBER OF LUNCH INVITATIONS OFFERED PER MONTH	
		5 or Less	6 or More
Z	Key discriminating variables	N=52	N=59
-.71	Lunch offers are appropriate (mean rating)	4.46	5.47
-.54	Number Telephone Sales Contacts	166.57	199.68
-.36	Percent of contact by manufacturer of goods (vs. distributor or agent)	34.33%	46.24%
-.35	Number of personal sales contacts	136.00	50.57
-.29	Professional society membership	62%	50%
	Accuracy	= 76.6%	
	Significance	= .000	
	Canonical correlation	= .500	

		PERCENT OF LUNCH OFFERS ACCEPTED	
		Low Acceptance = 25%	High Acceptance =26% or More
Z	Key discriminating variables	N=65	N=46
-.60	Advertising specialties offers are appropriate (\bar{x})	4.74	4.52
.58	Night-on-the-town offer is appropriate (\bar{x})	2.51	3.85
.47	Percent of advertising specialties accepted	49.03%	69.93%
.43	Percent of contact of manufacturer of goods	34.75%	49.00%
.41	Most sales people are ethical (\bar{x})	4.75	5.35
-.31	Purchasing experience in years (\bar{x})	18.12	13.41
-.27	Cash offers are appropriate	1.66	1.83
	Accuracy	= 75.7%	
	Significance	= .000	
	Canonical correlation	= .578	

Table 6 (Cont'd)

		NUMBER OF TIMES PER MONTH WHEN ADVERTISING SPECIALTIES ARE OFFERED	
		Light Receivers	Heavy Receivers
		5 or Less Times	6 or More Times
Z	Key discriminating variables	N=62	N=34
-.79	Percent of contact by manufacturer of goods	45.11%	32.18%
.73	"Night-on-the-town" offer is appropriate (\bar{x})	2.77	3.59
	Accuracy	= 60.4%	
	Significance	= .004	
	Canonical correlation	= .333	

		PERCENT OF THE TIME PROMOTIONAL GIFTS WERE ACCEPTED	
		Light Acceptance	Heavy Acceptance
Z	Key discriminating variables	N=44	N=67
-.68	Advertising specialty offers are appropriate (\bar{x})	3.95	5.10
-.52	Cash offers are appropriate (\bar{x})	1.25	2.04
.45	Most salesmen are ethical (\bar{x})	4.70	4.84
-.43	Ticket offers are appropriate (\bar{x})	3.30	4.34
-.33	Percent of contact by distributor of a goods or service	29.20%	41.90%
	Accuracy	= 70.3%	
	Significance	= .000	
	Canonical correlation	= .506	

Table 6 (Cont'd)

		IS IT APPROPRIATE FOR A PERSON TO OFFER A "NIGHT-ON-THE TOWN"	
		No	Yes
Z	Key discriminating variables	N=61	N=48
.83	Respondent sex*	1.97	1.79
-.58	Number of telephone sales contacts	141.18	220.98
-.42	Ticket offers are appropriate (\bar{x})	3.85	4.19
-.38	Percent of contact by manufacturer of goods	38.10%	43.73%
.32	Number of employees in respondents' firm	648.87	337.21
-.31	Percent of contact by raw material salesman	25.20%	35.08%
	Accuracy = 67.9%		
	Significance = .000		
	Canonical correlation = .489		
	*1 = Female; 2 = male		

		IS IT APPROPRIATE TO OFFER A GIFT WORTH MORE THAN \$ 10	
		No	Yes
Z	Key discriminating variables	N=70	N=37
-.91	Purchasing experience (\bar{x} years)	13.5	20.11
+.59	Number of personal sales contacts	51.73	40.24
-.48	Night-on-the-town offer is appropriate	2.84	3.51
	Accuracy = 65.4%		
	Significance = .005		
	Canonical correlation = .342		

i) Who is most likely to receive lunch offers?

To analyze this question, the sample was split into two nearly equal groups. The heavy receivers of lunch offers had six or more offers per month while the light receivers had five or less offers.

Heavy receivers of lunch invitations are likely to have little or no concerns regarding the appropriateness of lunch offers, are involved with relatively more telephone sales contacts but fewer personal sales contacts, and are involved with a relatively high proportion of manufacturers' salesmen. They also are less likely to be members of a professional society. Such a scenario permits 76.6% of the sample to be classified accurately into the high receiver versus low receiver group.

ii) Who is most likely to accept lunch offers?

The sample was divided into high acceptors who took more than 25% of the lunch offers and low acceptors who took 25% or fewer offers. Heavy acceptors of lunch offers tend to view salesmen more positively and consider advertising specialties as well as "nights-on-the-town" to be appropriate. They are more receptive to advertising specialty offers and have less ethical concerns about cash offers. Heavy acceptors also tend to have fewer years of experience in purchasing and have higher contact with manufacturers of goods. This profile allows a 76% classification accuracy.

iii) Who is likely to receive advertising specialty offers?

The sample was divided into two groups. Heavy receivers of offers were defined as receiving six

or more offers per month while light receivers had five or less offers per month.

The heavy receivers of promotional gift offers tend to believe that other offers such as a "night-on-the-town" is appropriate and tend to have relatively less contact with a manufacturer's salesman. Such information provides a classification accuracy rate of 60.4%.

iv) Who will accept promotional gifts?

There are two extreme groups here; 21% of the sample steadfastly accepts no promotional gifts while 47% of the respondents accept nearly all the gifts. For purposes of this analysis, the low acceptors took 25% or fewer of the promotional gifts and the high acceptors took more than 25% of the offers.

Acceptors tend to believe that advertising specialties and entertainment tickets are proper, and while they are negative about cash gifts, they are less strongly opposed to cash gifts than the low gift acceptor group. The high acceptors view salesmen as being very ethical and they have relatively more contact with distributors as opposed to manufacturer's salesmen or agents. This profile results in a 70.7% accuracy rate.

E. What Factors Differentiate Whether a Person Considers a Personal Inducement to be Appropriate?

While this is an important question, the sample size and the distribution of answers allow points of difference to be explored for only two of the six attitudes toward inducements, i.e., "night-on-the-town" and \$10 gift attitudes. The other four had 70% to 88% of the

responses on one or the other end of the scale. Therefore, it was not feasible to deal with dichotomized differences.

i) Is it appropriate to offer a "night-on-the-town"?

Fifty-six percent of the sample said no and forty-four percent said yes. Those who said yes when compared to the "no" group tend to have more female buyers, have a larger number of telephone sales contacts, have more contacts with manufacturer's salesmen and salesmen of raw materials. The "yes" group also tended to come from smaller firms and believed that entertainment and sports ticket offers are also appropriate. Having this information permitted a classification accuracy of 68%.

ii) Is it appropriate to offer a gift worth more than \$10?

Thirty-five percent of the sample said it is appropriate to offer a valuable gift. They tend to have more years of purchasing experience and also believe that it is appropriate for salesmen to offer "nights-on-the-town". However, they tend to have relatively fewer personal sales contacts than the group which thinks that such gifts are inappropriate. This information provides an accuracy rate of 65% for classification purposes.

II.3. Implications for Management

The results of the discriminant analysis show that it is possible to develop profiles of buyers who are more likely to respond favorably to personal inducements. Generally speaking, it appears that knowing whether a buyer responds favorably (unfavorably) to one kind of inducement can be used to predict whether that buyer will respond favorably

(unfavorably) to another kind of inducement. This is particularly important to both the management of selling and of buying, especially in connection with the more controversial inducements such as using expensive gifts and entertainment. For example, the buyer who tends to be more receptive to advertising specialties is also more receptive to an offer for a "night-on-the-town". Furthermore, review of bivariate correlations (not shown in this article) indicates that there is a general moderate positive correlation between the attitude of a buyer toward a type of inducement and the likelihood of receiving an offer.*

There is some evidence from the discriminant analysis that manufacturers' salesmen (vs. distributors and agents) are more likely to offer inducements and that buyers in smaller companies who have longer experience in buying are more likely to be receptive to personal inducement offers.

III. CONCLUSIONS

The results of the study reported in the article provide some insights on the use of personal inducements in industrial marketing.

First, buyers' attitudes toward the more controversial forms of inducements are not as negative as one might conclude on the basis of reviewing the industrial marketing and purchasing literature. In other words, the academic and professional literature provides a generally strong moralistic and normative stance on

* A review of the bivariate correlations is useful because a stepwise discriminant analysis produces a final set of results which may leave out some variables that are highly correlated with the predictor variables in the final solution. Some of the left-out variables may have more obvious meaning in a relationship with the dependent variable such as heavy vs. light acceptor of an inducement. The bivariate correlation will be made available to the reader upon request.

personal inducements. The results of this study seem to reflect more of what is actually occurring than what some experts think should be occurring in purchasing.

Second, the controversial inducements involving personal gifts, evening entertainment, and sports tickets are used at least to some extent as a form of sales promotion. Even though the percentages of salespeople who offer entertainment and gift related inducements are relatively low (3% to 6%), the use of these kinds of inducements cannot be dismissed as unimportant in dollar terms nor in terms of the impact such techniques have on buying decisions.

Third, results of this study provide some support for the traditional notion that homogeneous products (versus heterogeneous products) are more likely to be tied to the use of personal inducements.

Fourth, manufacturers appear to be more likely to use expensive personal inducements than distributors and agents.

Fifth, some of the seller's risk connected with offering controversial inducements could be reduced by knowing the profiles of purchasing agents who are more likely to accept personal inducements.

Finally, this study provides some information about purchasing agents who are more likely to accept personal inducements. This information might be useful in developing and implementing purchasing policies.

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