



## Determinants of Supplier's Power and Determinants of Buyer's Power

<i><b>Determinants of Supplier's Power</b></i>	<i><b>Determinants of Buyer's Power</b></i>
	<b>BARGAINING LEVERAGE</b> or <b>PRICE SENSITIVITY</b>
1. <i>Differentiation of Inputs</i>	1. <i>Differentiation of Products</i>
2. <i>Supplier Switching Costs relative to the firm switching costs</i>	2. <i>Buyer Switching costs relative to the firm switching costs</i>
3. <i>Presence of Substitute inputs</i>	3. <i>Presence of Substitute Products</i>
4. <i>Supplier Concentration</i>	4. <i>Buyer Concentration vs. Firm Concentration</i>
5. <i>Supplier Volume</i>	5. <i>Buyer Volume</i>
6. <i>Cost Relative/Total Purchases in the industry</i>	6. <i>Price/Total Purchases</i>
7. <i>Impact of inputs on cost or differentiation</i>	7. <i>Buyer Information</i>
8. <i>Threat of forward integration relative to threat of backward integration by firms in the industry</i>	8. <i>Ability to backward integrate</i>
	9. <i>Pull Through</i>
	10. <i>Brand Identity</i>
	11. <i>Impact on quality/performance</i>
	12. <i>Buyer Profits</i>
	13. <i>Decision makers' incentives</i>

