# They are the only supplier. What weaknesses might they have?

(reasons for agreeing to lower price than expected)

#### Maybe they are keen to sell

- Sales target
- They want a long term relationship, so this deal is important
- They have excess stock
- They want to make money from later orders, add-ons and services

#### Maybe they are weak

- The product is slow-moving
- They need the work (workforce or machines standing idle)
- Very high margin to start with
- They know the weaknesses in their product
- They don't realise that they are unique
- <u>They</u> know of other suppliers or substitutes

## Maybe you have power

- You are the only customer for this product
- Your custom is strategic for them
- They have a fear of you finding another supplier
- They have a fear of your changing the design so as to be able to substitute

### Maybe they are keen to sell to you

- You always pay on time
- They like you as a company
- He likes you as a person
- He has been told he has to sell to you
- Your business adds to <u>their</u> buying power