

While each of the types of purchases may occur frequently at Trek, the criteria that are used to select or evaluate a vendor may vary by the type of purchase and the type of product, making the buying process a dynamic challenge for managers.

ECO BUYING AND THE FUTURE AT TREK

One of Trek's criteria for evaluating existing and potential vendors is their environmental impact. Joslyn says it well: "We evaluate our vendors on many criteria including, increasingly, the elements that we would consider to be the 'green' part" of their offering. For example, Trek recently selected a supplier that (1) owned a quarry for extracting material, (2) used its own manufacturing facilities, and (3) used natural gas instead of coal in its production process. This was appealing to Trek because it suggested that the supplier had a "thorough understanding" of the impact of the product on the environment from start to finish.

Trek's organizational buying reflects the growing importance of its "Eco" perspective. Its bikes are becoming "smarter" as it adds electric-assist components to help them become a practical transportation alternative. Its bikes are also becoming "greener" as more low-impact materials and components are used and as packaging size and weight are reduced. Trek is also addressing the issue of recycling by building the bikes to last longer, using its dealers to help recycle tires and tubes, and funding a nonprofit organization called Dream Bikes to teach youth to fix and repair donated bikes.

In addition to changing bikes and the way it makes them, Trek faces several other challenges as it strives to improve its organizational buying process. For example, the growing number of suppliers and vendors necessitates constant, coordinated, and real-time communication to ensure that all components are available when they are needed. In addition, changes in consumer interests and economic conditions mean that Trek must anticipate fluctuations in demand and make appropriate changes in order sizes and delivery dates. As Mark Joslyn explains, "Everything we do all the time can and should be improved. So the search for ideas inside of our business and outside of our business, always looking for ways that we can improve and bring new technology and new solutions to the marketplace, is just a core of who we are."²³

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Questions

1. What is the role of the buying center at Trek? Who is likely to comprise the buying center in the decision to select a new supplier at Trek?