Bargaining Power of Buyers

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| Bargaining Power of Buyers are High when: | High | Medium | Low |
| Concentration of buyers relative to suppliers |  | ✔ |  |
| Switching costs |  |  | ✔ |
| Product differentiation of suppliers |  | ✔ |  |
| Threat of backward integration of buyers |  | ✔ |  |
| Extent of buyer’s profile | ✔ |  |  |
| Importance of suppliers input to quality of buyer’s final product | ✔ |  |  |

The bargaining power of buyers is medium-high. With the numerous available choices of fast-food in Philippines buyers are able to choose which restaurants they would want to patronize. Switching from eating at Jollibee to McDonalds has little impact on the buyers’ wallet and this poses one of the main blocks in determining if the firm is able to earn above-average returns.