

1-Supplier Power Definition In Porter's five forces, supplier power refers to the pressure suppliers can exert on businesses by raising prices, lowering quality, or reducing availability of their products. The idea is that the bargaining power of the supplier in an industry affects the competitive environment for the buyer and influences the buyer's ability to achieve profitability. When analyzing supplier power, you conduct the industry analysis from the perspective of the industry firms, in this case referred to as the buyers. All of these things represent costs to the buyer.