PGDM (2019-21) BUSINESS TO BUSINESS MARKETING - DM 532 Trimester V, End Term Examination: December 2020

Time Allowed: 2 Hrs 30 Min	Roll No:
Max Marks: 50	

<u>Instructions</u>: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as Unfair Means. All other instructions on the reverse of Admit Card should be followed meticulously.

Section A $(3 \times 10 = 30 \text{ Marks})$

All three (3) questions below have 2 options. Attempt one option from each question.

1. Differentiate between B2B & B2C markets with respect to (i) key promotion strategy (ii) type of negotiations, (iii) nature of channel, (iv) buyer seller relationship & (v) location of buyers. (CILO 1)

<u>OR</u>

Explain briefly how the nature of B2B business is different from B2C using an example of an industrial B2B product. (CILO 1)

2. "Commercial Enterprises" markets have unique characteristics. Please explain how they are different to "Government companies" and "institutions"? Explain your answer. (CILO 2)

<u>OR</u>

An Industrial product can be (a) Material / Part or (b) Equipment. Will the marketing strategy for them be same or different? Explain giving reasons . (CILO 2)

3. Government transcends the industrial marketing environment. In performing its various functions, government enables & facilitates, but also hampers the industrial action. (a) Explain the statement in detail and (b) what would in your opinion will be the key marketing strategy constituents in a government influenced market. (CILO 3)

<u>OR</u>

Please list down the 8 phases of purchasing decision process of an industrial firm? Also, describe each stage briefly using a suitable example. (CILO 3)

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SECTION B (10 + 10 = 20 Marks)

Read the following case study and answer both the questions that follow: Case Study: UNIVERSAL ROBOTICS

UNIVERSAL ROBOTICS, INDIA ELECTRONICS BUSINESS STRATEGY

Universal Robots is a Danish manufacturer of smaller flexible industrial collaborative robot arms, based in Denmark. The business volume in 2019 was USD 248 million. The company has 680+ employees & over 1,100+ distributor & partners around the world. Before 2005, the robotics market was dominated by heavy, expensive, and unwieldy robots. UR developed a small easy to use and programmable robot (COBOT) technology accessible to small and medium-sized businesses. The COBOTS are new generation robots that are used for different applications and capable of performing complex tasks. They are designed to interact with humans in a shared workspace physically. In 2015, UR was purchased by Teradyne for US\$285 million.

In almost every industry, COBOTS are taking on new tasks, helping companies stay competitive, and protecting workers. COBOTS serve various industries like Automotive, Education & Science, Electronics & Technology, Mobile phone, Food & Beverage, Medical & Cosmetics, Metal & Matching, and Plastics & Polymers etc. More than 50,000 COBOT are sold worldwide. In India, more than 1000 COBOTS are installed in Automotive, Metal & Matching and Plastics & Polymers. UR does not have a direct presence in India and is working through few distributors.

The global COBOT market is foreseen to progress from \$981 Million to \$7172 billion by 2025, expanding at CAGR of 41.8% over the next 5 year period (2020-2025). There is a huge growing adoption of COBOTS in small and medium sized enterprises (SME) in manufacturing process and large growth is seen through the Make in India and PLI (Production linked Incentive) campaigns.

As COBOTS offer very low price automation of manufacturing assembly lines, customer are making increasing investment in automation to enhance production. Added to this, there is a lack of skilled jobs and rising labour costs are now becoming the main factors that increase the industry to prefer COBOTS.

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The local Indian electronics hardware production is also growing. It has increased from INR 1,90,366 crore in 2014-15 to INR 3,87,525 crore (approximately USD 59 billion) in 2017-18, a CAGR growth of 26.7%. The share of domestic electronics production in India's GDP is 2.3%. The import of electronic goods was around USD 53 billion (approximately INR 3,44,500 crore) in 2017-18. It is expected to touch USD 400 billion (approximately INR 26,00,000 crore) by 2025.

In India, Electronics hardware production for Automotive, Mobile Handsets, Consumer Electronics (TV/White Goods/ AC's) etc. are main sectors which are experiencing growth and investment. Consumer Electronics, Cellular mobile handsets manufacturing have emerged as a flagship sector in the electronics manufacturing space. Under "Make In India" campaign, SME to Large scale enterprises could foreseeing a market of over 1000 Cobots units being deployed in the electronics manufacturing. There is an additional market of the growing eco-system of AI, 5G, IoT, Defense electronics, Additive Manufacturing, Photonics, Nano-based devices etc.

- 1. With the above background, what will be your recommended marketing strategy for next 5 years for Universal Robots in India? (CILO 1,2,3)
- 2. In continuation to above, which market segments out of (a) automotive (b) mobile and (c) consumer electronics, within electronics industry, will you recommend UR to focus first and why? (CILO 1,2,3)
