

**PGDM (IB) 2015-17**  
**Business to Business Marketing**  
**IB-412**

**Trimester – IV, End-Term Examination: September 2017**

Time allowed: 2 Hours-30 min.

Max. Marks: 50

Roll No: \_\_\_\_\_

**Instruction:** 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**. In case of rough work please use answer sheet.

**Note:** There are 3 sections in this paper. Answer briefly and to the point.

**Section A: Answer any 3 Questions (5 marks each)**

- Q.1 Cite at least 3 distinct differences between B2B marketing and B2C marketing situations. Do these represent fundamental variations in Marketing concepts or can they be viewed as "differences in degree". Provide one illustration to your submission.
- Q.2 Discuss the Universal Pricing Paradigm and the lessons that it holds for the pioneer innovators and the competing firms who enter the market for a product later. Why do most pioneers miss the logic that this paradigm offers?
- Q.3 Describe hard and soft technologies. In what state of an Industry's development would the respective technologies play a dominant role. Support your arguments with illustrative instances that you are aware of.
- Q.4 What do you think of Disruptive Innovation? Do the purveyors of this conceptual framework understand that Innovation means and what constitutes disruption. Can one develop a more realistic view of Innovation particularly the time required to bring a new/improved product into the market. Provide your views
- Q.5 The concept of Convergence of Technologies-what does it mean to you?. Provide an example of this through a familiar current market product. What other basic marketing framework does this phenomenon illustrate?

**Section B: Answer any 2 Questions (10 marks each)**

- Q.1 Dell Computers claimed that it was practicing Direct Marketing for all its customers which should have provided long term Strategic advantage for this firm. Yet it declined from Market Leadership to a loss making company. What were the flaws and inadequacies in actual practice which showed that this claim was a false one? What should Dell have done as a single marketing stratagem to avoid this collapse?
- Q.2 You have been exposed to the Bullwhip effect in Marketing. In your opinion are B2B buyers guilty of causing a larger part of this effect or are the seller- vendors the culprits? Does the assumption that the buyer always should have the dominant role explain this occurrence or are there other reasons as well. Buttress your submission with an example.

- Q.3 A major achievement of a leading decorative coatings company in India was the launch of Computerised Paint Mixing. Which company was this? Could this innovation be more applicable to B2B Markets or B2C Markets and why? Does it go against the concept of greater customization requirements for B2B customers? If not what could the reason?

### Section C (Compulsory Case Study, 15 marks)

Read the following Caselet and answer both the questions given below

#### TIMEX WATCHES IN PRECISION TOOLS- A CREATIVE MARKETING APPROACH

Set up in 1991 as a mass marketer of Watches in 1991, Timex Watches quickly built its Sales to 2.5 Mn units per year with an appropriate dual positioning of a Fashion accessory and a Wrist Instrument, both of which found favour with the Indian Customer. The company which was registered in New Delhi, has its manufacturing facilities in Noida Uttar Pradesh, a much favoured location because of its superior infrastructure and business friendly policies. While the firm had both the larger public as well as Industrial buyers as its customers, the focus was on delivering high quality products at competitive prices, backed by exemplary After Sales Service which ensured prompt and effective addressal of Customer complaints free of empty slogans like Customer Relations Management and Customer Delight.

While reviewing the larger manufacturing infrastructure in 1993, the senior management realised the firm had a large tool room facility with several high precision machines which were substantially underutilised. On taking this up with the promoter company, Timex U.S.A. they were informed that this was part of a policy to ensure complete captive capacity and capability to repair and maintain the various precision tooling required for watch making and assembly. On pointing out the large spare capacity available, they were advised to be thankful for this and not to expect any input or changes in the infrastructure. To the Timex India team, this was extremely unsatisfactory, since the company was constantly seeking ways to improve capacity utilisation of all facilities and seek opportunities to improve profitability( It was a matter of pride that the company had earned profit in the very first year of operation and the only way ahead was forward and up.

- Following discussions with the head of the Tool Room, the Senior Vice President Operations and the C.E.O. a two pronged approach was developed for leveraging the company facilities and Improving profit. The first was to progressively design, develop and build precision tools for captive consumption, which hitherto had come from a high cost/long lead time source. While the initial efforts were met with scepticism and lack of financial support(the U.S. parent insisted that orders from the existing source continue and the cost of developing tools were to be borne totally by the Indian venture), it soon became clear that Timex India could design and manufacture tools of high quality at a fraction of the price currently charged by the foreign associate. By the year 1995, all precision tooling for the Indian Subsidiary would henceforth be sourced captively. This itself produced a cost saving of Rs. 2 Crores a year which would increase as the firm's activity progressively increased including gaining progressively high market share in the organised Indian watch market( It is to be noted that while Titan, Timex dominated the branded space, the majority of watches sold in India came from the unorganised sector including Watch assemblers, and smuggled cheap fare claiming 2/3 of the total market for watches).