

PGDM (IB) 2015-17
Business to Business Marketing
IB-431

Trimester – IV, End-Term Examination: September 2016

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 What are the basic differences between B2B Marketing and B2C marketing in general especially in terms of Decision Influencers and Value analysis? Provide examples to justify your submission.
- Q.2 Technology has been identified as the main driver of competitive business and the key to understanding effective strategy. Present a brief on this concept. Describe the types of technology and under what circumstances each type would be critical to obtaining Competitive Advantage.
- Q.3 Describe the framework of the Universal Customer Expectation. Give an illustration of how this framework was used by a company to launch pioneering products which took the marketing world by storm. What is the order in which the three components of this model are considered by customers?
- Q.4 Provide an overview of the Industrial Sales force applicable to B2B Marketing in terms of hiring, Training and monitoring performance. What are your views on providing incentives to the salesforce at various levels? Are there some factors which should be avoided? If so what are these?
- Q.5 Discuss the various myths of Marketing Research. What are the several problems associated with the Questionnaire approach to M.R.? What would be your suggestions for better M.R.? Substantiate with a good illustration.

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

- Q.1 In the case of Paints(decorative coatings), would it be better for a company to concentrate on B2B markets rather than presence in B2C markets as well? In the case of Asian Paints, why you think that the company focused solely on B2C presence? Has it been good for this company? Is so why? If not why not?
- Q.2 While discussing B2B marketing in the context of International marketing, one model suggests that a country should progress from self sufficiency in Agriculture, then surplus to self sufficiency in Manufacturing, then surplus to Services. Mr. Nandan Nilekeni (ex. Infosys and master of the Adhar Card) has argued that India should proceed directly to Services. Do you find flaws in this argument. If so elaborate on the basis of inputs given during the Course on B2B marketing.

- Q.3 Briefly evaluate the differences on the individual areas of the 4P framework between B2C and B2B Marketing. In which of the specific areas are the distinctions widest. What would be the penalties for disregarding these for both buyer and seller? Provide an example.

Section C (Compulsory Case Study, 15 marks)

Read the following Caselet and answer both the questions given below

DOUBLE L. COMPANY

Double L, was founded in 1957 by Mary and Phil Lamount. It was born in the Lamount's garage as a part time business attempt to build a practical electric car. Though both Mary and Phil had considerable experience in the electrical field, the reality of building the car seemed always beyond their reach, and the business remained hidden behind the closed garage door. It wasn't till Phil Jr. graduated from college and undertook operation of the business as a full time job that Double L. moved into more conventional business quarters. Phil Jr. seemed to have his parents' expertise in technical competence. Initially he developed a number of inexpensive alloys (mixtures of two or more metals or of a metal and another material that adds some desirable quality to the original metal). These alloys allowed the company to produce inexpensive scissors, and over time, a number of inexpensive kitchen appliances. By 1981 Double L. employed thirty two people on its production lines and another five people who performed administrative duties including a marketing manager, Ralph Egerton, who primarily worked with industrial representatives and personally performed a small amount of direct marketing.

By 1984 Phil Jr. had started tinkering with the use of alloys in the development of an engine that could be used to power a lawn mower. In 1986 he completed work on the engine and given his innate inventive ability, he was able to make it fifty percent smaller and sixty percent lighter than conventional engines of equal power. The engine employed an entirely new and radically unconventional design. The improved alloys allowed the engine to withstand much higher temperatures than conventional lawn mower engines and thus permitted the improvement in the new design. The smaller and lighter engine promised to allow users to be able to lift the entire mower much more easily than conventional mowers. Since Double L's limited capital would not allow the company to produce a line of lawn mowers in addition to its existent products, Ralph Egerton was asked to contact the second largest mower manufacturer, one of ten major lawn mower producers in the United States. Breeze Inc. the number two company was chosen because of the weakening reputation of its mower's engine reliability. Though it owned thirty six percent of the company that supplied its engines, Breeze and its integrated supplier seemed to be unable to develop a competitive engine despite their best attempts. Phil Jr. might have asked Ralph to contact other companies in addition to Breeze, but he reasoned that in their oligopolistic market each producer would want to make the most of product differentiation.

In April of 1986, Ralph contacted Breeze. He spoke directly to Mary Mitchell, Breeze's purchasing agent. From the beginning, Mary seemed so taken with the possibilities of Double L's engine that she handled the entire matter herself, never allowing any other Breeze personnel to talk with Ralph. Egerton rationalized that Mary wanted all the credit once the Double L. engine was finally purchased and proved to be successful. He didn't object to Mary doing so.

As the weeks rolled by, Phil Jr. would occasionally become perplexed at the seemingly sluggish progress Ralph seemed to be making. Ralph had to constantly reassure the always impatient Phil Jr. though he, himself was satisfied with the progress. Since Mary never allowed him to talk to any other company personnel, or even see the factory operation,

Ralph became more and more convinced of her sincerity and determination to adopt the Double L. engine. He was sure she would buy.

Ralph reported the "big break" to Phil Jr. in March of 1990. He explained that Breeze was now so involved that Mary had asked that Double L. ship one of its new motors to Breeze for testing. Within the week the engine was sent to Breeze for testing.

After receiving the motor, Mary was as quiet as she had been all along, never initiating calls to Ralph. He reasoned that she was becoming increasingly concerned about the importance of his new motor and wanted to be even more sure of maintaining secrecy. In January 1991, when Mary did call, her voice was filled with concern and disappointment. She let Ralph know that Breeze's long time supplier, N.R. Sud and Co. would like to be continuing to supply engines in the future. She said that Sud even reported that it was working on a unique engine of its own.

Suddenly Ralph felt drained. He thought that Phil Jr. had probably set too high a tentative price on the Double L. engine, so that the Breeze account might be permanently lost, though he further reasoned, "why not try once again?" He jokingly asked Mary if Breeze has any openings for a good marketing manager. Mary laughed and said "I just bet we have. I'll have our personnel people get right back to you! We can always use an excellent addition to our staff."

Q.1 While the new lawn mower engine developed by Double L. seemed to be superior to Breeze's existing engine, should Double L. have relied on a single customer prospect? What were the options open to the Lamont family. Should the parents have contributed their experience and wisdom to the Marketing of this product and possible extensions?
8 Marks

Q.2 What are the marketing lessons that Double L. should have learned from this Experience? If you were a consultant what precautions and suggestions would you make to this company on both Strategic and Marketing initiatives to be taken?
7 Marks