

**PGDM (IB), 2017-19**  
**Business to Business Marketing**  
**IB-412**

**Trimester – IV, End-Term Examination: September 2018**

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 You have been exposed to the myths in the comparison between B2B and B2C marketing. Which according to you would be the most serious myths and what would be the consequences of a Marketing company believing them.
- Q.2 A company Marketing Air conditioners wishes to know about its competitors product offerings in terms of superiority/inferiority and consumer preferences on these products. What would be the best way to gain this information.
- Q.3 Are the skills required for B2B selling the same as those for B2C selling, completely different or are some of them common, while some are unique to each group. Where would one expect logistics and inventory management skills to be more applicable?
- Q.4 Where would one expect to find Pricing power in B2B marketing situations where the seller has the upper hand? What would be the specific strengths of the buyer. Provide one illustration.
- Q.5 Discuss the elements of the Universal Customer expectation. Where do most firms miss out on in terms of these elements. Provide one illustration where an extremely dominant firm missed out on one of the three.

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

- Q.1 Toyota Motors and Hero Motors have successfully implemented single vendor sourcing. In terms of B2B marketing who played the major role? Was it the sellers or buyers. What were the initiatives taken in each case. What myths did both companies successfully avoid believing in?
- Q.2 In international B2B marketing, what are the factors that should be considered in terms of Customer profile and pricing. Would these be the same in all situations? If you think so, establish your case with conceptual arguments and real life illustrations. If not similarly establish your case.
- Q.3 Cloud Computing has become one of the much talked about initiatives taken by the Software industry in the B2B Business space. What have been the hypotheses on the basis of which this movement has been based. Have they been validated in the real world of Information Processing? Substantiate your response with what you have heard or read of, regarding the outcomes to date of this movement.

### 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 this 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 From what you have learned in B2B marketing, what would you identify as the errors made by Double L in its marketing strategy for its Lawn Mower engine. Use the relevant aspects of the 4 P framework in answering this question. **7 Marks**

Q.2 Was it a good decision on the part of the company to entrust its marketing to one individual and to allow the interface between Double L and Breeze to be a one on one type? What would have been a better approach based on the fundamentals of Marketing in general and B2 B marketing in particular that could and should have been taken? **8 Marks**