

PGDM 2017-2019
Business to Business Marketing
DM-532

Trimester – V, End-Term Examination: December 2018

Time allowed: 2 Hrs 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**. All other instructions on the reverse of Admit Card should be followed meticulously.

Section A (3X5 = 15 Marks)

Attempt any three questions from the following:

1. Carefully compare and contrast the marketing strategy patterns and buying considerations for a Rs. 3 million air conditioning system to be used in a large factory versus photocopying paper for use in an office.
2. Along with consumer-goods names like Nike or Coca Cola, the world's most valuable brands include high-tech representatives such as Intel, HP, IBM, and Microsoft. Describe the attributes of a strong high-tech brand. Do the investments in building a high-tech brand pay off? Explain.
3. Research has isolated certain determinants of new product success in the business market. What factors are most important in determining the success of a new industrial product?
4. A medium-sized industrial firm plans to significantly expand their operations, and they are considering a change in channel structure. Discuss five (5) questions you would ask them to help you determine whether they should use their own sales force, reps, or industrial distributors.
5. If an aggressive competitor cuts prices, what action can a business marketer take to minimize the damage and respond in the most cost-effective way? Under what conditions should the marketer merely ignore an aggressive price move by a competitor?

Section B (2X10 = 20 Marks)

Attempt any two questions from the following:

6. "All business marketing decisions - product, price, promotion, and distribution are affected, directly or indirectly, by other functional areas. In turn, marketing considerations influence business decisions in R&D and in manufacturing and procurement, as well as adjustments in the overall corporate strategy." Discuss above statement with the help of suitable examples.
7. Members of the buying center assume different roles throughout organizational buying process. Discuss the nature of the five roles that a buying center member may assume. Provide an example of each role in the organizational buying context.

8. Procter and Gamble (P&G) India has substantial sales revenue each year from the institutional market (Hospitals, schools, restaurants etc.). Explain how a firm such as P&G might apply the concept of market segmentation to the institutional market.

Section C (15 Marks)

Read the following Case Study and answer the questions that follow

Foray into Reverse Auction: A case of e-Procurement Technology Limited

Reverse auction is a procurement strategy widely employed by buyers to encourage the sellers to offer the lowest prices. A comprehensive eProcurement engine by e-Procurement Technologies Limited (ePTL) is one of the most successful solution providers for online reverse auctions in Asia. Its application comprises of several online modules for auctioning, tendering, contracting, certification and reverse auctioning. ePTL has enabled several e-procurements worth billions of dollars. It has its corporate office based out of Ahmedabad (Gujarat). The company has access to global marketplace with a large supplier base. Offering a dedicated online sub-domain to its customers at flexible pricing models, the company generated an online marketplace that tracks nearly 1 million tenders per year.

ePTL has special expertise in conducting reverse auctions. Its tool, Reverse Auction Tiger, has successfully enabled reverse auctions in the range of Rs 500-5000 crore. Starting from configuring the business rules, qualifying and notifying bidders, Reverse Auction Tigers handles the complete bidding process from the bidder as well as the buyer's side. Apart from providing the auction results, the tool also generates reports of the events

The company has conducted reverse auctions that lasted just 10 minutes and some others that lasted upto 70 hours. The company has managed global reverse auctions dealing in multiple currencies as well as staggered auctions where each auction starts automatically as soon as the previous one concluded. ePTL also has the capability to support all types reverse auctions such as standard, rank, Dutch and preferential auction. With the reverse auctioning tool, the company has also enabled transportation contracts for more than 500 locations with around 100 transporters and various truck load sizes and specifications.

Reverse Auction Tiger, ePTL's negotiation tool, claims to promote savings of at least 7% in the procurement procedure of its clients, which comprise 1-3% of the clients planned budget, covering more than 2000 Goods, Works and Services categories. The company has enabled more than 10,000 reverse auctions, including a single reverse auction of Rs 400 crore (US \$ 80 million). It is also associated with the Government of Andhra Pradesh, enabling 50,000 eTenders annually. Complying with national and International guidelines such as IT Act 2008 – India, CVC guidelines – India, MDB eProcurement guidelines, and Uncitral Model Law on Public Procurement, ePTL has a vast network of suppliers from more than 50 countries and buyers from India, Srilanka, Malaysia, Middle East and Africa.

EPTL offers its reverse auction tool to its customers at three different pricing models, Reverse Auction Tiger can be used at a fixed fee per event for single usage. Also available at fixed annual licence fees, the tool is also offered for clients that conduct several auctioneering events. Another pricing model based on sharing a percentage of the savings made by the client by using the Reverse Auction Tiger, costs 10-30% of the savings. The company also offers the software licence for sale for adoption across the client's organization.

ePTL has worked with more than 200 governmental and private organizations in various industries including agriculture, automobiles, power supply, banking, heavy engineering, construction, healthcare, IT, defence, and infrastructure. Some of its governmental clients include State Bank of India, IDBI Bank, Bharat Petroleum Corporation Limited, Bharat Heavy Electricals Limited, National Textiles Corporation Limited, and Nuclear Power Corporation

Limited. In the private sector also, the company has served many clients such as ICICI Limited, Britannia Industries Limited, Essar group, Gujarat Gas Limited, Noida Power, Reliance Capital, Siemens Limited, and Zydus Cadila Limited etc.

Questions:

- 9. How relevant and successful is online reverse auction in B2B scenario?
- 10. What is the way forward for ePTL? Discuss the possible application of contemporary technologies such as Artificial intelligence, machine learning and Virtual Reality in Business Marketing.

SECTION-A