

Jagan Institute of Management Studies
End-Term Examination, September, 2016
Trimester IV – PGDM/PGDM (RM) 2015-17

Business-to-Business Marketing
ET_PG_B2B_2909

Time: 3 Hrs.

M. Marks: 70

INSTRUCTIONS: Attempt any FIVE questions including Q1 & Q7 which are compulsory.

- Q 1** Briefly explains about any **FOUR** of the following concepts applicable to B2B marketing:
- a) Role of personal selling.
 - b) Role of Market research.
 - c) Modified Rebuy.
 - d) Derived demand.
 - e) Zero level channel.
 - f) Perceptual map.
 - g) Use of qualitative techniques in industrial market forecasting.
 - h) Role of Advertising. **16**
- Q 2** For MRF tyres, highlight any five differences between B2B marketing and B2C marketing. **12**
- Q 3** Explain the salient features of B2B market segmentation. Take Boeing passenger aircrafts as an example to illustrate the same. **12**
- Q 4** Maruti wants to procure engine oil for its passenger cars. Some of the suppliers are Castrol, Indian Oil, etc. Maruti seeks your help in evaluating these suppliers. Recommend a system/technique to evaluate supplier. **12**
- Q 5** Voltas makes commercial refrigerators which are used by Hotels, Commercial Kitchens, restaurants etc. These are customized according to customer requirements and the prices start from 5 lacs onwards. The marketing manager has to decide whether Voltas should direct distribution or indirect distribution. Please recommend the method Voltas should use giving reasons for the same. **12**

- Q 6** McKinsey provides consultancy services to large and medium size organizations. Should it go for Skimming pricing method, penetration pricing method or going-rate method? If you have any other method to suggest, please provide the same with reasons to do the same.
- Q 7** Please go through the case-study and answer the questions given at the end of the case.

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Case Study-RAJ DOORS

Mr. Sunil Mathur, Director, Raj Doors Pvt Ltd, was not sure what kind of marketing strategies, segment and target market he should use in order to achieve the company goals on sales and profitability. The sales and profits were not growing as per expectations of Mr. Mathur.

Sunil Mathur joined the family business in 2006 after completing graduation in Electronics engineering and MBA from a reputed institution in India. The company manufactures and markets plastic doors (GTEX brand) for bedrooms, bathrooms, office rooms, balcony etc. These non-wood doors can be used for residential houses, institutions like schools, office, hospitals as well as commercial shops, malls etc.

The market for plastic doors was growing at the rate of 50% annum. Raj Door was having a market share of 14% in the year 2008. Kintex and Aptak were the leading players with market share approximately 28% and 20% respectively. Balance market was dominated by smaller players as well the players in the unorganized sector.

The market was overall dominated by wooden doors. The market was highly fragmented with no player commanding more than 4% of the market. Unorganized sector was the dominant player in the wooden door market.

Mr. Sunil was determined to make the company as market leader of the overall door market (both wooden and plastic) in the next ten years.

The company had segmented its market into the following segments (a) government organizations like CPWD, Ministry of Defence, Railways etc.; (b) Residential house built by builders ; (c) commercial organizations and institutions ; (d) individual house owners built by individuals ; (e) fabricators.

‘We have targeted all the above market segments for plastic doors, excepting those who want wooden doors’ said Sunil Mathur. He further added that their sales personnel regularly contacted contractors who get business from government organizations, where lowest price and good after-sales-service are the key buying factors. However when sales personnel call on builders for residential and commercial

complexes for getting orders, Superior product quality and services are the most important factors that they have to keep in mind. For house owners and fabricators indirect channel of dealers are used. They mostly look for low prices and delivery service.

The company developed three sub-brands under GTEX brand. These are Solidex, Fibrex and Lightex. Solidex brand was suitable for government firms, institutions, individual houses with medium quality and medium to low prices. Fibrex brand with high quality was suitable for builders and a few individual house owners. Lightex brand offered lower quality and low prices for replacement market and a few individual house owners.

You have been hired by the company as a marketing consultant. Please address the following questions. Make and state suitable assumptions wherever necessary.

Questions:

- a) Evaluate how the buying behavior is likely to be different in the Commercial offices from individual households. **6**
- b) Analyze the nature of competition and its implication on Raj Doors. **5**
- c) Develop a marketing strategy with focus on Strategic orientation (whether you would like to be leader, challenger and follower)? Discuss its implications. **7**
