

EASTERN UNIVERSITY, SRI LANKA
FACULTY OF COMMERCE AND MANAGEMENT
Final Year First Semester Examination in Bachelor of Business
Administration Honours in Marketing Management - 2021/2022
February 2024 – Proper

MKT – 4123 Business to Business Marketing

Answer all five questions.

Time: 03 Hours

Q1. Read the following case studies and answer the questions given below:

Case 1- SunPower's Go-to-Market Strategy

SunPower Corporation, a Silicon Valley-based manufacturer of solar cells and solar panels, is emerging as a potential leader in the rapidly growing, but still immature, solar industry. The firm is the leader in cell conversion efficiency, which means that its solar cells generate more electricity at a given size than its rivals. So, when space constraints and aesthetics are important considerations, this attribute makes Sun Power an ideal choice for business as well as home installations. To boost energy savings, the company has also developed its own tracking systems that allow its solar panels to follow the sun throughout the day. While costing only 5 percent more to install, this proprietary feature allows for 30 percent more energy generation than traditional solar systems.

Sun Power serves all sectors of the business market and its customer list includes Johnson & Johnson, FedEx, Toyota, the U.S. Postal Service, and Microsoft. The company has signed agreements with Macy's, Target, and WalMart to install solar systems at all of their California locations, and this may develop into a much larger opportunity, spreading to those customers' operations across the country.

In serving large corporate customers, like Macy's, Sun Power uses a direct channel that controls the complete value chain from the manufacturing of the solar panels to the installation of the system. However, the firm also sees a huge opportunity in selling its solar systems to small and medium-sized businesses (SMBs). For smaller commercial installations (less than 500 kW of peak power), Sun Power is developing an indirect channel—a network of commercial dealers that will serve those SMB customers. For customers in this market segment, Sun Power emphasizes these benefits:

- lowering the monthly electric bills for your business
- installing fewer panels that provide more power, thereby reducing your costs
- taking advantage of government incentives for solar installations
- Supporting the environment and your community

Questions;

- a. Channel design begins with an assessment of customer needs. What benefits or special services should a Sun Power commercial dealer provide in order to meet the unique requirements of an SMB customer? (07 Marks)

- b. To effectively implement channel strategy, what programs or strategies might SunPower take to better prepare and equip commercial dealers to serve SMB customers?

(08 Marks)

(Total 15 Marks)

Case 2- R.I.M.'s BlackBerry and Apple's iPhone: The Face-Off in the Business Market

Research in Motion Ltd. (R.I.M.), the maker of the BlackBerry, is the North American leader in building smartphones, the versatile handsets that operate more like computers than phones. Once the exclusive domain of e-mail-obsessed professionals and managers across the business market, smartphones are now prized by consumers who want easy access to the Web and digital music and video even more than a mobile connection to their e-mail inbox. The iPhone introduction shifted the contours of the smartphone market toward consumers. An industry once dominated by technical discussions about enterprise security is now dominated by buzz around video games, sleek handset design, and mobile social networks. "That means that R.I.M., which has historically viewed big corporations and wireless carriers as its bedrock customers, needs to alter its DNA in a hurry" in order to retain its leadership position. In the first quarter of 2008, R.I.M. held 45 percent of the U.S. market for smartphones, compared with a nearly 20 percent share for Apple. The breakdown in sales indicates that BlackBerry dominates the corporate market and Apple's iPhone is strong in the consumer market.

To capitalize on its strong brand and leadership position in the smartphone industry, R.I.M. introduced two phones aimed exclusively at the consumer market: the BlackBerry Pearl and the Curve. Well received by consumers, the products met R.I.M.'s performance expectations and now account for a majority of R.I.M.'s device sales. In response, Apple now includes a software upgrade to allow iPhones to connect directly to corporate e-mail systems—a dagger aimed at the heart of R.I.M.'s strength in the business market. The upgrade also allows iPhone users to run customized applications to track inventory, record expenses, and perform other corporate tasks. So, R.I.M. is trying to capture some of the consumer market with the BlackBerry and Apple is attacking R.I.M. on its home turf by driving demand for the iPhone among corporate customers.

Some experts suggest that R.I.M. offers several capabilities that Apple can't yet match including enhanced security and reliability for corporate users. For example, the company runs its own wireless network so it can make sure e-mails are delivered in a timely fashion. Yet, Apple demonstrates deep skills in product design, innovation, and branding. Simply stated, R.I.M.'s greatest challenge in the consumer-driven smartphone industry may come down to creating devices that people admire and embrace as much as the iPhone.

Questions;

- a. Suggest possible strategies that Apple might follow to strengthen the position of the iPhone in the business market. In turn, what strategies could R.I.M. follow to strengthen the performance of the BlackBerry brand in the consumer market?

(10 Marks)

- b. In your view, which brand will win the battle in the business market and the consumer market? (05 Marks)

(Total 15 Marks)

(Total 30 Marks)

Q2.

- a. What are the common B2B marketing channels? Select one marketing channel example and explain how B2B marketers use the channel to target their business customers.

(07 Marks)

- b. Discuss possible future directions for business information system to support business people and tasks. (08 Marks)

(Total 15 Marks)

Q3.

- a. How infrastructure barriers influence to successful B2B segmentation? Explain. (06 Marks)

- b. Discuss some of the key issues associated with the new product development process. (06 Marks)

- c. What are the seven types of organizational decision making risks? Explain any two of them with examples. (08 Marks)

(Total 20 Marks)

Q4.

- a. **“Many writers contend that one of the crucial factors associated with the development and maintenance of interorganisational relationships is trust”.**

What are the Elements of institutional trust? Briefly explain. (07 Marks)

- b. **“Distribution intensity refers to the number of outlets from which an end-user customer can buy a particular product”.**

Distinguish between Intensive Distribution, Selective Distribution, and Exclusive Distribution. (06 Marks)

- c. Using an organization (or product range) with which you are familiar, examine the different media used to reach organizational buyers and consider the effectiveness of this media mix. (07 Marks)

(Total 20 Marks)

Q5.

- a. **“Channel and interorganisational relationships can be regarded as a reflection of the balance of power that exists between organisations”.**

Explain the five sources of power cited by French and Raven that organisations can use. (08 Marks)

- b. **“In order to resolve conflict that has broken out between organisations, a number of approaches have been proposed. Many of these approaches have the potential to contain conflict as well as resolve conflict that has reached damaging proportions”.**

List out and briefly explain Conflict resolution strategies. (07 Marks)

(Total 15 Marks)