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10MBAMM311

Third Semester MBA Degree Examination, December 2012
Business Marketing

Time: 3 hrs.

Max. Marks:100

Note: 1. Answer any FOUR questions, from Q.No.1 to Q.No.7.
2. Q.No. 8 is compulsory.

- 1 a. Define Business Marketing. (03 Marks)
b. Explain the roles of buying centre. (07 Marks)
c. Briefly discuss the differences between the industrial and consumer markets. (10 Marks)
- 2 a. What is straight rebuy and modified rebuy? (03 Marks)
b. Explain the various strategies involved in conflict resolution. (07 Marks)
c. What are the bases for segmenting of industrial markets? Discuss. (10 Marks)
- 3 a. What is competitive bidding? (03 Marks)
b. Briefly explain the factors influencing the pricing strategies. (07 Marks)
c. Explain industrial product life cycle stratics, with suitable examples. (10 Marks)
- 4 a. What is learning curve? (03 Marks)
b. Briefly discuss the types of industrial intermediaries. (07 Marks)
c. Briefly outline the various phases in the purchasing decision making process, in industrial marketing. (10 Marks)
- 5 a. What is the role of E – Commerce in industrial marketing? (03 Marks)
b. What are the functions performed by industrial advertising? Explain. (07 Marks)
c. Explain the methods of evaluating supplier performance. (10 Marks)
- 6 a. What is value analysis? (03 Marks)
b. Discuss the different sales training areas required in – industrial marketing process. (07 Marks)
c. Briefly explain the special characteristics of government buying and purchasing. (10 Marks)
- 7 a. What do you understand by value added reseller? (03 Marks)
b. Explain the reasons why industrial customers buy from the industrial distribution. (07 Marks)
c. Discuss in detail, how industrial marketers organize their sales force. (10 Marks)

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.
2. Any revealing of identification, appeal to evaluator and /or equations written eg, 42+8 = 50, will be treated as malpractice.

8 CASE STUDY :

L.N.R. Products Limited (LPL) had invested Rs 20 crores for manufacturing and marketing of Aluminium extruded products. L.N.R products pricing objectives were derived from the corporate and marketing objectives, which included (a) Achieving a long term profits and (b) Maximizing sales volume and market share respectively. The pricing objectives as stated by marketing manager Mr. Raghu Ram was to achieve market penetration through low initial price strategy. He justified a low initial pricing strategy to the management by pointing out several market survey findings and these included : i) Various customer segments were medium to high levels of price sensitive ii) Competition was server from primary and secondary manufacturers and iii) As the production and sales volume increases, the unit cost will come down leading to achievement of long term corporate and marketing objectives.

On receiving the recommendation from Mr. Raghu Ram, the managing director called a meeting of key executives like works manager and financial controller to decide on pricing strategy. In the meeting the financial controller argued in favor of "Skimming strategy" through initial high price, which would give advantages of recovering the investment sooner by generating larger profits.

The works manager said that the workers and production supervisors were now to the Extrusion Technology and the concept of learning curve will be applicable, in terms of decline in cost per unit, after accumulated experience of production over a period of 6 to 12 months.

The Finance Manager pointed out that the break – even – volume was estimated at 350 tons of production and sales per month and wanted to know when would it be achieved. The managing director intervened to observe that all these points were important, but it was necessary to take a division on the Company's pricing strategy and policy immediately to enable Mr. Raghu Ram to plan for marketing efforts.

Questions :

- a. Identify the problem involved in the case. (05 Marks)
- b. Discuss the alternative methods to achieve the mentioned objectives in the case. (05 Marks)
- c. According the work's manager, learning curve will be applicable, what it means? Explain the concept. (05 Marks)
- d. If you were the M.D of the company, what would be your pricing decision? (05 Marks)
