# NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY FACULTY OF COMMERCE DEPARTMENT OF BUSINESS MANAGEMENT BUSINESS TO BUSINESS – CBU 4103

## SUPPLEMENTARY EXAMINATION – SEPTEMBER 2007 TIME ALLOWED 3 HOURS 30 MINUTES

#### INSTRUCTIONS TO CANDIDATES

- Answer any four questions.
- All questions carry 25 marks each.

#### **QUESTION 1**

"Because purchases made by Business to Business organizations are linked to purchases by final consumers, the economics of business (industrial) demand play an important part in the business market." Discuss. [25 marks]

### **QUESTION 2**

"The nature of the business product and its intended use by the organizational customer dictate the requirements of the marketing programme." Using the business goods classification system, discuss the validity or otherwise of this assertion.

[25 marks]

### **QUESTION 3**

Research indicates that an increasing number of buying organizations have adopted concepts such as material requirements planning, manufacturing resource planning and just in time systems. Briefly describe these concepts and outline the managerial implications that they raise for the business marketer.

[25 marks]

### **QUESTION 4**

An institution such as NUST falls somewhere between a commercial enterprise and government in terms of its characteristics, orientation and purchasing process. Explain, using examples to illustrate your arguments.

[25 marks]

## **QUESTION 5**

The National Railways of Zimbabwe (NRZ) recently awarded a Z\$1 billion contract to NCR to supply a new automation system of its signals. Top Tech Computers and Hi-tech Solutions lost out on the contract but an NRZ official noted that if NCR's products fail to measure up the contract would be cancelled.

- (a) What are some of the emotional and rational buying motives that might have entered this decision? [12 marks]
- (b) What strategies might Top Tech and Hi-tech employ when pursuing the NRZ account in the future? [13 marks]

#### **QUESTION 6**

A day in life of a Marketing Manager of a business to business organization demonstrates the critical importance of relationship management skills as the manager has to interact with other functional areas and representatives from both customer and supplier organizations.

- (a) What is the strategic significance of such relationships? [10 marks]
- (b) What are some of the associated problems of relationship marketing?

[15 marks]

# **QUESTION 7**

Discuss the segmentation process generally applied in business to business marketing explaining why it differs to that used in consumer goods marketing.

[25 marks]