

**NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**FACULTY OF COMMERCE**  
**DEPARTMENT OF BUSINESS MANAGEMENT**  
**BUSINESS TO BUSINESS MARKETING - CBU 4103**  
**FINAL EXAMINATION - JANUARY 2008**  
**TIME ALLOWED: 3 HOURS**

**INSTRUCTIONS TO CANDIDATES**

- *Answer Section A and any three questions from Section B.*
- *Questions may be answered in any order.*
- *As much as possible, use relevant examples.*

**SECTION A**  
**(Compulsory)**

**Question 1**

DH Auto, a supplier of fuel powered electricity generators has been focusing on the consumer market but business was not growing steadily as the company expected. The company decided to hire a sales executive to drive its sales function after a series of adverts in the classified section of national newspapers did not yield any meaningful response.

In his initial strategy presentation to the board, the sales executive noted that “there are huge opportunities in the business market hence it is necessary to design a special marketing strategy to target the business market.” The sales executive’s strategy was unanimously accepted by the board as a noble idea and he was tasked with crafting and implementing the strategy.

**Required:**

- (a) How does the company benefit by focusing on the business market? [6]
- (b) Do you think personal selling by the sales executive will yield better results than press adverts in the business market? Justify your answer. [10]
- (c) What bases can the sales executive use to segment the targeted business market for generators? [12]
- (d) What issues do you think should be included in the “special strategy” suggested by the sales executive in dealing with business markets? [12]

## SECTION B

*Answer any three questions from this Section*

### Question 2

Responding to his Sales Representative, the Managing Director of a manufacturing company said “marketing is marketing regardless of the product involved or the market being served.” Comment on the validity or otherwise of this statement. [20]

### Question 3

“Individuals not organisations make buying decisions.” Critically evaluate this statement explaining why product perception and evaluation criteria often differ between organisations and among organizational members who comprise the buying centre. [20]

### Question 4

Business products can be classified into four groups on the basis of intended use.

- (a) Briefly explain why it is necessary to classify business products. [4]
- (b) With the aid of examples, discuss the four groups, highlighting marketing implications for the business marketer of such products. [16]

### Question 5

There is a trend towards buyer-seller relationships in business to business marketing. How might the development of relationship marketing by a company operating in business to business markets be seen as a competitive tool in an increasingly complex environment? [20]

### Question 6

Innocent Chivinge of Technospot Construction had never considered dealing with the Government Market. However, a recent multi-billion tender caught his interest and he wants to go for it.

- (a) Advise him on the differences he is likely to face between procurement in the government market and procurement in commercial organisations. [10]
- (b) What strategies can he use to effectively deal with the challenges found in the government market. [10]

**Question 7**

Briefly explain the following terms as they pertain to business to business marketing strategy formulation.

- (a) Custom-built products [5]
- (b) Competitive bidding [5]
- (c) Channel conflict [5]
- (d) Sales call preparation [5]

**END OF PAPER**