MBMM 3003

M.B.A. DEGREE EXAMINATION, JUNE 2014.

Third Semester

Marketing

INDUSTRIAL MARKETING

Time: Three hours  Maximum: 100 marks

SECTION A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. What are the characteristics of industrial marketing?

2. What are the changes in industrial product strategy?

3. What are the stages of new product development process?

4. What are the classification of industrial new product?

5. Explain marketing of industrial services.

6. What are the nature of industrial channels?
2. Describe the industrial pricing strategies.


15. Explain the role of advertising in industrial strategies.

14. Explain the tasks of physical distribution.


12. Briefly explain the industrial marketing process.

11. Explain the scope of industrial marketing consumer markets.

10. What are the differences between industrial and services?

9. Explain classification of industrial products and

8. What is the hierarchy of marketing strategic planning?

7. What are the factors influence industrial pricing and

Questions:

Bangalore to Chennai personal who would be transferred from Rs. 30,000 towards travelling expenses of Rs. 40,000 towards salaries and detail of the proposal should be following:

(b) Do you feel the proposal of new sub-office is justifiable? If Yes, why? If No, economically justifiable against the stated place of Mr. Nathan?

(a) What decision would you take if you were in
He had discussed this matter at length with the sales manager, Mr. Nathan realized that some tightrope walking was needed if he had to steer and clear this problem. Mr. Nathan was, however, anxious to do somethings about it and one idea was to open an office at Chennai, the headquarters of the distributor. While this would be for the declared purpose of helping the distributor in his marketing effort, it would also put an automatic check on undesirable practices. Moreover, the sub-office could collect more factual information that could be used to put up a convincing case against the distributor, if such a need arose. Accordingly, the regional manager had now submitted a detailed proposal for opening a sub-office at Chennai, which would look after TN to start with.

The company had a strict policy of insisting on the regional office to achieve a fixed ratio of sales per rupee of expense. For the Bangalore office this ratio was 50 in the previous year when the sales were Rs. 2 crore and expenses Rs. 4 lakh. Of this, the sales in TN were Rs. 50 lakh. The proposal stated that a sales forecast of Rs. 60 lakh could be expected in TN at next year and estimated expenses of the Chennai sub-office at Rs. 1.2 lakh, then achieving a ratio of Rs. 50 sales per rupee of expenses. Among other things, the

SECTION C — (1 × 20 = 20 marks)
Compulsory.

17. Case study:

Industrial Marketing

Apex Electrical Company Ltd.

Mr. Nathan, sales manager of Apex Electrical Co. Ltd. received a proposal from his regional manager at Bangalore for opening a sub-office in Chennai and was considering what the best decision would be in the Company's short run as well as long-run interest. The company was in the business of manufacturing and marketing electronic motors of a wide range of horse power that could be used as a prime mover in numerous applications. The company factory and head office were situated in Mumbai and it had branch offices at New Delhi, Kolkata and Bangalore, each headed by a regional manager.

The regional office at Bangalore was responsible for sales in Karnataka, Tamil Nadu and Kerala. The company also maintained a godown at Bangalore, which, was used as the stocking centre for feeling sales to the entire region. The company's distribution network had grown several years and as such there was no one rule by which the arrangements could be explained. In Karnataka, due to the proximity of
The company could not control the distributor, especially when they realized that the agent of the distributor complained to him. He felt it would case against the distributor. He had always been a customer of the distributor, yet he could not just stop the distributor's complaints. Any information he had not rpt a contract with the distributor, the distributor, in the absence of suppliers, became the distributor's feedback. He had received could play a role. The regional manager felt that the little distributor preferred to leave the distributor undisrupted. But at the same time, they were not interested. The top management was prepared to switch to another company. The reason was, given the consideration of the shareholders, there was no information about the distributor. He was also an important shareholder, and thus, had connections in the region. The distributor's recommendations, especially those who requested specifically by the Kr and regional office, were used to visit the states of TN and the regional office. The sales and service personnel of the company would interact with the distributor. This was a fair deal for the company, where there were more than one dealer. They collected more data about the region and the company. However, in the cities of Banglore and Hyderabad, there were new dealers, and the company discovered that the distributor was not even aware of certain distributors. The occasional reports that the distributor received reports that the distributor was not able to exploit the full potential of the distributor. He had the impression that the company tried to bring the distributor under closer scrutiny. The distributor operated almost independently. On the exact marketing set-up, the distributor saw that the regional manager had a different view. The distributor's turnover was quite different. Due to some historical reasons, all the sales in this region were handled through one distributor. The distributor in turn had appointed his own dealers to cover the cities of Chennai and Kochi.