



EXAMINER'S REPORT

MAY 2003

BUSINESS-TO-BUSINESS MARKETING

General Comments

The breakdown of the grades is as follows.

A – 1.6%, B – 13.4%, C – 27.6%, D – 26%, E – 8.7%, F – 22.8%

This represents a pass rate of 69%.

Overall, the pass rate is satisfactory and is slightly higher than in previous years. This in part, is due to students putting more work into preparing a considered answer to the topic in section A. This is worth forty per cent of the available marks and an effective answer can generate a high proportion of marks. Weaker candidates often made the traditional mistake of attempting to answer all aspects of a particular topic while not addressing the specific issues raised in the question. Students appear to have heeded the recommendation that they make use of Irish examples to support their line of argument. This enhanced the quality of the answers in most cases. However, some students do not appear to be able to distinguish between a “detailed” example (as requested in question one) and short anecdotal references.

Question 1

The weaker answers to this question quite simply did not devote enough time to exploring the issues. Given that this is worth forty per cent of the available marks, it is not unreasonable to expect students to devote more effort to this question. Yet some candidates managed to write only two pages in a very superficial manner.

Stronger answers grounded the discussion in the context of B2B products and services and explored the elements that make up the brand relationship, focusing on issues such as trust, long term relationships, competence, continuity and value resonance. They correctly identified with the view that in many instances, buyers are looking for a solution to a problem. The purchasing decision will depend on the prospect's faith that the selected company has the competence to solve this problem. Thus they attach great importance to post-purchase, feedback processes.

Question 2

Weaker answers treated this topic in a very superficial manner; focusing on general guidelines about how to conduct marketing research, but failing to place the discussion in the context of B2B products / services. They failed to recognize that in B2B markets, there is a multiplicity of sources of information. Likewise, there is an issue of confidentiality and the challenge of identifying the people in the organisation that possess the relevant information.

Stronger answers recognized that while the general marketing research process is the same, the methods used are different in many cases. This is evidenced by the less frequent use of quantitative techniques. They focused on techniques such as the Delphi method and the importance of the sales force and qualitative research. It can also be difficult to generate a meaningful sample.

Question 3

This question produced a sharp dichotomy between strong and weak answers. The latter provided a very superficial identification of the three typical buying situations: routine rebuy, modified rebuy and new task, together with a brief description of each. By contrast, the stronger answers identified the importance of building up trust and the need to adapt to meet the customer's specific requirements. They also focused on the different categories of uncertainty: need, market and transaction-based uncertainty.

It was important to recognize that the sales force retain a powerful influence over purchase decisions and brand commitment. They then went on to outline specific strategies that can build up trust and overcome any anxiety experienced by the buyer.

Question 4

Answers to this question generated a wide variation in terms of quality. A large percentage of candidates misunderstood the question and focused their discussion on issues pertaining to the management of the supply chain, not the channels. This left very little room for me to award any meaningful marks for the answer. Indeed a number of candidates received a zero mark.

The stronger answers focused on issues such as cost control, competition, and the fact that no single channel can hope to satisfy every customer's requirements in an increasingly customised and sophisticated business environment. Indeed, some made the logical argument that the customers should choose the correct channel and not have it imposed on them.

Question 5

This answer required students to focus on the proposition that the customer has a critical role to play in new product development. This demanded a balanced and 'rounded' approach where the merits of including the customer as a central focus should be identified. This should include the following observations: customers are likely to be committed to the development process because they will benefit from improved performance. Often customers will initiate developments by searching out and working with potential suppliers. It can also be the other way around – where suppliers seek a lead user to work on a potential development.

Weaker answers failed to ground the discussion in the context of B2B markets and provided a brief synopsis of the new product development process. Stronger answers argued for an approach that involves a number of different functions and external parties – not just the customer.

Question 6

Many candidates failed to mention the concept of the marketing strategy centre. Such an initiative is a useful way to overcome some of the functional conflicts that arise in many organisations. Too many candidates relied on a brief regurgitation of the 'balanced scorecard'. This is a tool – not a process. Other weak answers proceeded to write on all aspects of the control process, without any focus on the proposition contained in the question. This is a clear weakness and leaves little scope for the award of higher marks.