



**DELHI SCHOOL OF BUSINESS**  
By Vivekananda Institute of Professional Studies - TC

**PGDM Program**  
**TRIMESTER - VI (Batch: 2023-25)**  
**END-TERM EXAMINATION, APRIL 2025**

Course Name	B2B MARKETING	Course Code	
Duration	Three Hours	Max. Marks	60

**Instructions:**

1. All questions are compulsory
2. The maximum word limit for the answer to each question is 200 words.
3. There are 4 cases, and each case carries 15 marks.

**(1) CASE 1 = (8+7=15 Marks)**

**RIL Challenge: How to Serve a Diverse Mix of Demanding Customers**

RIL's offerings cover a wide spectrum of the technology industry, including hardware, software, and services. The company faces a different set of rivals in each sector. Still, it maintains a leadership position in most areas through a combination of investments in R&D, worldwide distribution, and a respected brand.

RIL serves a diverse set of business customers and devotes special attention to the Global 1000—the world's 1000 largest enterprises. Across these organizations, however, different perspectives and approaches are used in making information technology (IT) purchases. This diversity across customer groups presents a host of challenges for RIL.



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- Customer Group A demands a wide variety of IT products, routine maintenance support, and customized services. These customers value the relationship with RIL and are willing to pay a premium for product and service quality.
- Customer Group B wants high-quality IT products (e.g., storage systems, servers), but, most of all, these customers want a rock-bottom price and choose suppliers on that basis.
- Customer Group C demands both quality products and extensive service support but wants all of this for a “rock-bottom” price. These customers will freely switch from one supplier to the next. As competition intensifies for RIL and others in the IT sector, more customers are moving into this group each month.

**Questions:**

- ✓(1) Describe how RIL might develop a portfolio of relationship strategies to meet the needs of such diverse customer groups. Some customers in each group are more costly to serve than others. How should such cost differences be reflected in the particular relationship strategies that RIL follows?

(8 Marks) (CO 01, 02, 03)

- ✓(2) What strategies can RIL follow to increase ‘switching costs’ of customers in Group B and Group C, or to increase the profit it derives from these customer groups?

(7 Marks) (CO 01, 02, 03)





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**(2) CASE 2 (8+7=15 Marks)**

**SELL's Move from B2C to B2B**

SELL Inc. is one of the leading technology companies today, offering a broad range of products, including desktops, personal computers (PC), servers, networking products, storage, mobility products, software & peripherals, and services.

SELL catered to large enterprises, public, small, and medium enterprises (SMEs), and retail consumers. When it started in 1984, SELL developed a more direct relationship with the final customer by inverting the route of distribution. SELL also delivered customized products to consumers by communicating directly with them and assembling slightly differentiated systems. Following the "Just-in-time" manufacturing process, SELL receives customers' orders before actually building a computer. The company's direct marketing approach was a result of the founder, Michael SELL's, door-to-door sale of computers in the beginning, and led the company to grow by about 80% each year for the first eight years.

When SELL started catering to businesses and corporations, it decided to adapt the same strategy used in B2C to B2B. SELL operates a true pull system for pre-assembly inventory and distribution, rather than a pre-assembly pull system and a distribution push system. Customers can place orders via phone, fax, or SELL's website. Based on the orders, production orders are prepared and sent to the production facility, and the requisite parts are ordered from the vendors. Parts and components are delivered from vendor warehouses to the SELL factory. The finished PCs are then packed and shipped directly to the final consumer or a system integration contractor, nearly immediately after the assembly process is completed.

This approach had some major advantages that gave a boost to SELL in the PC market. The company can reduce the number of steps from the factory to the delivery of the finished PC to the customer. The company is also protected from a decline in the value of the components due to extended inventory holding. The value of components declines at 1% per week. By reducing the inventory holding time to as low as 3 days, the components are moved out of the warehouse with minimal loss in value.



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Most of the B2B transactions and communications occur through the SELL website for corporate clients. The website is customized for each client so that they can select and place their order as per their requirement. Not only that, but SELL also makes the task of corporate orders simpler for the purchase manager by connecting to the client company's ERP system. Thus, when the purchase manager places an order with SELL, the system is automatically activated for approvals and budget plans.

However, the migration from the B2C consumers to the B2B clients required some effort. In the B2C market, advertising was done through print ads in computer magazines. The image of the door-to-door salesmanship was lingering. Such an image is not favourable for catering to corporate clients. Thus, a major branding campaign was carried out to modify the brand image of SELL. Today, the company is among the top 100 brands in the world.

**Questions:**

- (1) What are the factors that SELL has to take care of to maintain the reliability and scalability of its manufacturing model for B2B customers?

(8 Marks) (CO 01, CO 03)

- (2) What are the challenges of shifting from B2C to B2B?

(7 Marks) (CO 01, CO 02)





**(3) Case 3 (8+7=15 Marks)**

**The Fiat-Tata Joint Venture fails to work**

The Indian subsidiary of the Italian auto group, Fiat India, entered the Indian market with much enthusiasm, but after the first ten years of its operations, it was humbled with huge accumulated losses. Not only was the manufacturing facility at Kurla (Mumbai) pulling large operating costs, but a string of marketing and distribution glitches hurt its brand image as well. Having realized the need of a better understanding of the emerging market, Fiat India decided to enter into a joint venture with Tata Motors, the leader in Indian automobile industry.

Fiat's global strategy involves striking JVs with local companies in foreign markets. The auto major has recently tied up with Severstal-Auto for the Russian commercial vehicle market. In India, Fiat entered into 50:50 JV for distribution and service with Tata Motors. The companies planned to set up 100 Fiat-franchised Tata outlets across the country for both Fiat and Tata models.

The companies also struck a manufacturing deal for manufacturing their models together at Fiat's existing facility at Ranjangaon, Pune. Fiat India would introduce its premium cars for the B and C segments, namely the Fiat Grande Punto and the Fiat Linea. Tata Motors also benefited by gaining access to Fiat's world class technology for multi-jet diesel engines and transmissions. Tata could also exploit its association with Fiat to find an entry into new markets in Latin America.

Targeting the upcoming trend of small-car brands, Fiat India expects to leverage this partnership to compete against Ford, GM, Maruti, Hyundai, Nissan and Honda in the mid-sized car segment. Fiat and Tata planned their launches and car segments carefully to prevent cannibalization. The co-branded distribution dealership was expected to help Fiat exploit Tata's knowledge of the emerging market and its deep-reaching distribution network, while Tata found the opportunity to add a new variety of models to its existing range. So, customers were coming to the 178 Tata showrooms in 129 cities and enquiring for Fiat models.

However, later, both Fiat and Tata admitted to suffering from contractual though Fiat was most hard-hit, despite growth in the automobile sector. Fiat sold only 16073 units, declining by 23.87% in one year. In 2012, Fiat and Tata announced the end of the distribution deal but continued with the manufacturing alliance. The two companies planned to supply the small diesel engine to Maruti Suzuki as well. For marketing and sales activities, Fiat decided to set up an independent company and develop an entirely new product portfolio.



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**Questions:**

(1) What do you think was the cause of the failure of the Fiat-Tata distribution deal?

(8 Marks) (CO 03)

(2) What could have been done to prevent the failure?

(7 Marks) (CO 02, CO 03)





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**(4) Case 4 (8+7=15 Marks)**

**The Johnson Corporation**

The Johnson Corporation manufactures cooking equipment for restaurants and institutional kitchens. Its product line includes conveyor ovens, ranges, convection ovens, griddles, fryers, and food warming equipment. Recognised by Business Week as one of the top 100 Hot Growth companies and by Forbes as one of the Best Small Companies, the firm enjoys particular strength among fast-food companies. Among its customers are Subway, McDonald's, Mr. John's, and Yum! Brands, the parent company of KFC, Pizza Hut, Taco Bell, and others. Commenting on the firm's rapid growth, one industry expert observed: "As these franchises go to China and Indonesia, Johnson ovens go there too."

Johnson has developed a loyal customer base. For example, Johnson ovens are the only ones used in Mr. John's restaurants worldwide. For its excellence in customer service, quality, value, and relationship management, the firm was named the Yum! Brands Supplier of the Year and received the 2010 "Slice of Appreciation" award from Mr. John's International.

Johnson leads the industry in energy-efficient food-preparation equipment. The company offers a broad array of Energy Star-approved products that cook food efficiently without sacrificing quality. For example, Johnson's WOW! Oven represents the most energy-efficient, fastest-cooking conveyor oven on the market -35% faster, yet 30% more efficient than appliances offered by competitors.

To spur additional growth, Johnson is exploring the feasibility of adding casual dining chains to its targeted base. Casual dining comprises a market segment between fast-food establishments and fine dining restaurants. By offering a complete suite of products to revamp their kitchens, Johnson strategists believe that casual dining operators could cut labour and energy costs while increasing productivity. Such changes would represent a multimillion-dollar initiative in each restaurant. Johnson is currently conducting a test run with three casual dining chains to demonstrate the potential ROI that its products could deliver. Johnson refuses to divulge the names of the dining chains involved in the test, but reports that the results look very promising.



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**Questions:**

- (1) Describe how the value proposition that Johnson offers to a casual dining chain, like Outback Steakhouse, might differ from one that is offered to a fast-food customer, like Mr. John's International.

(8 Marks) (CO 01, CO 03)

- (2) In planning marketing strategy, what adjustments might be needed in serving potential casual dining versus fast-food organizations?

(7 Marks) (CO 04, CO 03)