



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF BUSINESS, ECONOMICS AND ACCOUNTING

DEPARTMENT OF BUSINESS ADMINISTRATION AND MANAGEMENT

EXAMINATION PAPER

COURSE CODE: CMA 401
COURSE TITLE: BUSINESS-TO-BUSINESS MARKETING
DURATION: 3 hours
DATE: 11 FEB 2022

INSTRUCTIONS TO CANDIDATES

- 1. Answer question one and any three questions.**
- 2. Start each question on a fresh page.**
- 3. Credit will be given for use of relevant examples.**
- 4. The number of marks for each question or part question is shown in brackets []**
- 5. No cell phones are allowed in the Examination room.**

Question 1 (COMPULSORY CASE STUDY)

R.I.M.'s BlackBerry and Apple's iPhone: The Face-Off in the Business Market

Research in Motion Ltd. (R.I.M.), the maker of the BlackBerry, is the North American leader in building smartphones, the versatile handsets that operate more like computers than phones. Consumers who want easy access to the Web and digital music and video even more than a mobile connection to their e-mail inbox now prize Smartphones. The iPhone introduction shifted the contours of the smartphone market toward consumers. An industry once dominated by technical discussions about enterprise security is now dominated by buzz around video games, sleek handset design, and mobile social networks. "That means that R.I.M., which has historically viewed big corporations and wireless carriers as its bedrock customers, needs to alter its DNA in a hurry" in order to retain its leadership position. In the first quarter of 2008, R.I.M. held 45 percent of the U.S. market for smartphones, compared with a nearly 20 percent share for Apple.⁴⁴ The breakdown in sales indicates that BlackBerry dominates the corporate market and Apple's iPhone is strong in the consumer market

New Strategy Directions

To capitalize on its strong brand and leadership position in the smartphone industry, R.I.M. introduced two phones aimed exclusively at the consumer market: the Black-Berry Pearl and the Curve. Well received by consumers, the products met R.I.M.'s performance expectations and now account for a majority of R.I.M.'s device sales. In response, Apple now includes a software upgrade to allow iPhones to connect directly to corporate e-mail systems—a dagger aimed at the heart of R.I.M.'s strength in the business market. The upgrade also allows iPhone users to run customized applications to track inventory, record expenses, and perform other corporate tasks. Therefore, R.I.M. is trying to capture some of the consumer market with the BlackBerry and Apple is attacking R.I.M. on its home turf by driving demand for the iPhone among corporate customers.

Some experts suggest that R.I.M. offers several capabilities that Apple cannot yet match, including enhanced security and reliability for corporate users. For example, the company runs its own wireless network so it can make sure e-mails are delivered in a timely fashion.⁴⁵ Yet, Apple demonstrates deep skills in product design, innovation, and branding. Simply stated,

R.I.M.'s greatest challenge in the consumer driven smartphone industry may come down to creating devices that people admire and embrace as much as the iPhone.

Source: Hutt, M.D. and Speh, T.W. (2016), *Business Marketing Management—A Strategic View of Industrial and Organizational Markets*, eleventh edition, The Dryden Press.

Required:

(a) Suggest possible strategies that Apple might follow to strengthen the position of the iPhone in the business market. In turn, what strategies could R.I.M. follow to strengthen the performance of the BlackBerry brand in the consumer market? (20)

(b) In your view, which brand will win the battle in the business market? In the Consumer market? (5)

[25 Marks]

Question 2

- a) What are the implications of technology adoption life cycle to a business marketer? (15)
- b) 'The CEO notes' no company in a tech based industry is safe from unanticipated bumps in the night (Discuss) (10)

[25 Marks]

Question 3

Research suggests that the greater the salesperson's satisfaction, the greater the customer satisfaction. Given the important relationship, what steps can a business-to-business firm take to nurture and sustain job satisfaction in the sales force?

[25 Marks]

Question 4

What are the chief differences between consumer goods marketing and business marketing? Use the following matrix as a guide in organizing your response:

	Consumer-Goods	Marketing Business
Marketing		
Market structure		
Buying Behaviour		
Marketing practices		

[25 Marks]

Question 5

Discuss market segmentation, targeting and positioning in the context of business-to-business marketing.

[25 Marks]

END OF PAPER