

# Business-to-Business Marketing – WS 2023

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## I – Focus and Objectives

This course explores the challenges of market-focused management in the business-to-business (B2B) realm. While firms operating in consumer markets often have a well-documented tradition of market-focused management, firms operating in business markets have received much less coverage in the academic and trade press. This is surprising and, ultimately, disconcerting because about 2/3 of the gross world product is transacted in business markets while only 1/3 is transacted in consumer markets. Ergo, roughly 2/3 of the graduates of a general business program will find themselves working for organizations that deal with business customers, while the remaining 1/3 will work for organizations that usually are themselves customers in B2B markets. A solid understanding of how B2B markets work is therefore an essential element of a well-rounded business education.

The purpose of the course is to give you a conceptual – and at the same time a practical – understanding of how market-focused management works in business markets and how leading business marketers succeed in their respective markets. The perspective of the course is that of managerial practitioners who need to make numerous interrelated decisions in the face of complex and often conflicting demands.

## II – Course Topics

- How do business markets differ from consumer markets?
- Segmenting business markets and adjusting the value proposition.
- Product decisions in business markets.
- Pricing in business markets.
- Managing customer engagement and satisfaction in business markets.
- Using technology to manage customer proximity.

## III – Bibliography (Required readings)

**Note:** The acquisition of these readings from The Case Centre is mandatory because the readings are copyrighted, and their publishers expect payment. Therefore, each course participant must purchase his or her copy of this reading material. To acquire these cases, register and login at [www.thecasecentre.org/students/course/registerForCourse](http://www.thecasecentre.org/students/course/registerForCourse) and enter the CoursePack code **C-5638-181501-STU**. Failure to register and pay will result in a delay of the recording of your final grade.

**K. Kashani** with J. Shaner (2002), *Tetra Pak (A): The challenge of intimacy with a key customer*, IMD Case Study, IMD 5-0604.

**K. Kashani** with J. Shaner (2002), *Tetra Pak (B): Hear me, know me, grow me: The customer satisfaction initiative*, IMD Case Study, IMD 5-0605.

**K. Kashani** with I. Francis (2006), *Xiameter: The past and future of a 'disruptive innovation'*, IMD Case Study, IMD 5-0702.

**K. Kashani** with A. DuBrule (2009), *Value selling at SKF Service (A): Tough buyer confronts strategy*, IMD Case Study, IMD 5-0751.

**D. Dubois** and **J.M. Moslonka** (2020), *Digitally-powered Customer-centricity in the Industrial Gas Sector: The Air Liquide-Airgas Merger*, INSEAD Case Study, 519-0042-1.

**W. Ulaga** with Athanasios Kondis. (2014), *GE Healthcare India (A): The marketing challenge of low-resource customers*, IMD Case Study, IMD-5-0800.

**J. Walsh** with A. Woolfrey and S. Coughlan (2008), *The Coca-Cola Company (abridged)*, IMD Case Study, IMD 5-0741.

#### **IV – Course Work and Methods of Evaluation**

The primary method of learning in this course is based on managerially oriented case discussions. Cases allow you to learn from the experience of managers operating in real-world companies and from immersion in practical management and business decisions. The cases capture the complexity faced by managers on all levels. The cases that will be assigned represent a diverse spectrum of strategic management issues. They have been selected for their relevance to the issues under discussion, as well as for their capacity and track records as good learning vehicles.

Thorough preparation of each case is a pre-requisite to learning – there are no short cuts! It is expected that you read and prepare the assigned case studies individually before coming to class. In your preparations, you may let yourself be guided by the questions posed at the end of this syllabus. We will also use small group discussions around specific assignments to further the analysis. However, group discussions are a complement to individual preparation and are not a substitute for it.

Each regular session will start with a short, multiple-choice quiz that will test your comprehension of the case facts. You will earn positive points for correct answers and negative points for incorrect answers. Hence, thorough preparation is required to obtain an overall positive score. (Please arrive in class on time, as there will be no make-up quizzes later on.)

Equally important to learning is the active involvement and contribution to class discussions. Class participation has multiple benefits. It helps you to sharpen your skills in developing a point a view, articulating this point of view and – in the face of challenges from your fellow students and your instructor – defending your point of view. It also benefits your classmates by sharing your analysis and insights with them. Thus, your contribution should be motivated by the substance of what you have to say. The quality of the contribution matters! You will earn positive points for positive contributions to class and group discussions, and negative points for distracting behavior, such as unexcused late arrival or texting and surfing the Web during class.

The final exam will be a written exam. On the day prior to the exam, I will send you a case similar to the cases that have been presented during the stream. On the day of the exam, you will get my questions at the beginning of the designated time period, and you will email me your analysis of the case – addressing my questions – at the end of the designated exam time. Naturally, the exam is open-notes and open-books. You can also use the internet.

For the course you will be evaluated based on your performance on the quizzes (1/3 of the overall grade), in-class contribution (1/3 of the overall grade) and the written final exam (1/3 of the overall grade). You receive a passing grade if you obtain at least 50% of the maximally attainable score.

One final reminder: Please note that **preparation and class attendance are not optional; they are mandatory**. If you cannot attend during the scheduled sessions shown below, this course is not for you. If you cannot attend a given session (as a result of illness or other emergencies), you should let me know in advance either in person or via email at: [martin\\_koschat@hotmail.com](mailto:martin_koschat@hotmail.com).

## **V – Course Director**

Instructor: Hon.-Prof. DDr. **Martin A. Koschat**  
email: [martin\\_koschat@hotmail.com](mailto:martin_koschat@hotmail.com)

## **VI – Language of Instruction**

Business English

## **VII – Schedule of Class Sessions**

All sessions have a weekly jour fix and take place Fridays from 11:30 to 14:45 in HS 12 at Oskar-Morgenstern-Platz 1. We will begin the course with a preview session on Friday, October 6, 2023, starting at 11:30, sharp, and ending before 13:00. I will present a brief overview of the course. You will have the opportunity to ask questions and to determine whether this course is for you. Subsequently, we will have six case discussions which will take place on October 13, October 20, October 27, November 10, November 17,

September 20, 2023

November 24 and December 1. (Note, these comprise 7 dates. One of these dates will be cancelled during the semester.)

The final exam with the format outlined above will take place on December 15 during the regular class hours from 11:30 to 14:45. Your participation is essential. Make-up exams will only be administered in case of documented force majeure.

You will have the opportunity to discuss the business issues raised in the final exam with me on Friday, January 19, 2023, from 11:30 to 13:00, if you so choose. If you wish to do so, you will have to give me advance notice. Note that the purpose of this session is not to discuss your grade. If you wish to contest your grade you will have to do so in writing.

### Session Dates

	Date	Time	Venue
Intro	6. Oct.	11:30 - 13:00	HS 12
	13. Oct.	11:30 - 14:45	HS 12
	20. Oct.	11:30 - 14:45	HS 12
	27. Oct.	11:30 - 14:45	HS 12
	10. Nov.	11:30 - 14:45	HS 12
	17. Nov.	11:30 - 14:45	HS 12
	24. Nov.	11:30 - 14:45	HS 12
	1. Dec.	11:30 - 14:45	HS 12
<b>Final</b>	<b>15. Dec.</b>	<b>11:30 - 14:45</b>	<b>virtual</b>
Debrief	19. Jan.	11:30 - 13:00	virtual

## VIII - Sessions

**Session 1:** How do business markets differ from consumer markets?

Preparation: Read the case *The Coca Cola Company* with the following questions in mind:

1. What are the functions performed by TCCC, its bottlers and retailers in bringing a bottle of Coca-Cola to a consumer?
2. What is TCCC's value proposition to its bottlers and the retailers that sell TCCC's products?
3. How and why has TCCC's approach to its customers changed over the last two decades?

**Session 2:** Segmenting business markets and adjusting the value proposition.

Preparation: Read the case *Xiameter: The past and future of a 'disruptive innovation'* with the following questions in mind:

1. What factors, internal or external, were responsible for Dow Corning's poor performance between 1995 and 2001?
2. What did the new segmentation reveal about customers beyond what the company knew already? In what ways was this scheme an improvement over the previous and traditional end-user segmentation?
3. Trace the development of Xiameter from its beginnings: In your opinion, what were the key decisions that shaped its business and marketing strategies?
4. Was the "dual-brand strategy" a good idea? If so, why? If not, why not?

**Session 3:** Product decisions in Business Markets.

Preparation: Read the case *GE Healthcare India (A): The marketing challenge of low-resource customers* with the following questions in mind:

1. What are the characteristics and needs of business customers in low-resource settings?
2. Should GE go after this market?
3. Is Lullaby Warmer the right solution for the Indian market?

**Session 4:** Pricing in business markets.

Preparation: Read the case *Value selling at SKF Service (A): Tough buyer confronts strategy* with the following questions in mind:

1. What are the dynamics in SKF's end-user market?
2. How do these dynamics affect SKF's market position?
3. In the current market environment, how sustainable is SKF's strategy of not pursuing "price seekers?"
4. Are reverse auctions a challenge to SKF's business model?
5. Should SKF participate in Steelcorp's reverse auction?

**Session 5:** Managing customer engagement and satisfaction in business markets.

Preparation: Read the cases *Tetra Pak (A): The Challenge of Intimacy with a Key Customer* and *Tetra Pak (B): Hear me, know me, grow me: The Customer Satisfaction Initiative* with the following questions in mind:

1. How serious is Pontero's problem in his market?
2. How well did Tetra Pak diagnose Pontero's problem?
3. How sensible is Tetra Pak's proposal to Pontero?
4. What do you make of the customer satisfaction survey result?

**Session 6:** Using technology to manage customer proximity.

Preparation: Read the case *Digitally-powered Customer-centricity in the Industrial Gas Sector* with the following questions in mind:

- 1) Why have Air Liquide and Airgas been successful while being so different in terms of growth strategy, culture, and organization?
- 2) Who are the customers of Air Liquide / Airgas?
- 3) What are their respective customers' expectations in terms of product and service?
- 4) Which digital technologies offer most value for Air Liquide and Airgas respectively.
- 5) Now that Airgas is part of the Air Liquide group, how would you best blend their respective approaches to customer centricity?
- 6) For growing markets such as China, what is the optimal go-to-market strategy? Should Air Liquide acquire local distributors, grow organically, or both?