

# Examen Global, B2B and Service Marketing Januari 2022

1h20 (way too less time) / Alexander Edeling

## **Global Marketing:**

**You work as an intern at a company that sells eco friendly coffee cups**

**1.1) Give the 6 dimensions of Hofstede and explain two of them (what do they mean and what does a high and low score mean). Which would you think is most important in the coffee cup case?**

1. Masculinity vs femininity
2. Individualism vs collectivism
3. Long term orientation vs short term orientation
4. Uncertainty avoidance
5. Power distance
6. Indulgence vs restraint

**1.2) You decide to export your cups to Scandinavian countries. Your boss does not like online research and wants that it goes quick. Which market research method would you recommend? What are the advantages and disadvantages?**

A telephone survey (other options also possible)

Advantages: quick answers, flexibility, can ask questions, limited interviewer bias

Disadvantages: high coordination, high international charges, different time zones,...

**1.3) Should the brand put “Made in Belgium” on the coffee cups? Explain by using the country of origin effect and ethnocentrism.**

Country-of-origin effect: Product's country of origin influences its image among customers in different countries in a positive or negative way. Not harmful as Belgian quality is not bad perceived but also not very helpful as it is not one of Belgium's specialities.

Ethnocentrism: Certain customer groups rate the image and product quality of products from their own country as more positive than products manufactured elsewhere. From this point of view, do not put in on the cups.

**1.4) You go for Sweden. The exchange courses changes from 1 euro = 10,60 SEK to 1 euro = 11 SEK. What implications has this? What are proactive ways to deal with these price differences?**

Devaluation of the international currency. As the billing takes place in the foreign country, the price for the consumer stays the same while the profit for the company decreases.

Proactive ways: 1) If a company influences this process, prices are being raised in countries that originally had a very low price level which leads to a decline in sales in those countries.

At the same time, prices are reduced in countries that originally had a high price level (?) 2) proactive hedging

## **B2B Marketing**

You work at a B2B electric car company

**2.1) industrial marketing but B2B is more broader. Explain this term and how it is broader. Your company is also a hidden champion, explain the criteria and give 4 strategic success factors.**

At the heart of B2B marketing are transactions between companies and organizational customers. It is broader as it also includes governmental organizations, non-profit and public companies such as the Defense, universities,...

Hidden champions are characterized by Top 3 in its market worldwide and number 1 on its continent (market share), revenues smaller than 5 billion EUR and small level of awareness in the general public. 4 strategic success factors are decentralization, focus, high performance employees and innovation.

**2.2) Give 4 characteristics of B2B marketing (which differ with B2C)**

1. High degree of formalization
2. LT relationship
3. Multiple buying influences (buying center)
4. High degree of interaction

**2.3) A criteria of the buying center is quality. Please explain 3 elements of quality and apply to this case. Purchase risk. Study by Brown. Why are brands important?**

Functionality / performance (e.g., output quantity per hour of a machine)

Reliability (e.g., error rate of a machine)

Durability (e.g., life time of a machine)

Brands can reduce the purchase risk. Study by Brown et al revealed that there is a U-shaped relationship between purchase risk and brand sensitivity.

**2.4) Trade fairs and exhibitions. Give 3 selling objectives and 3 non selling objectives. Next, your boss is also considering using social media. Which platforms would you recommend and who could serve as a social influencer?**

At trade fairs companies can present themselves to customers.

Selling objectives	Non-selling objectives
<ul style="list-style-type: none"> <li>• Introducing new products</li> <li>• Selling</li> <li>• Stimulating add-on sales</li> <li>• Testing new products</li> </ul>	<ul style="list-style-type: none"> <li>• Widening exposure</li> <li>• Identifying new prospects</li> <li>• Gathering competitor information</li> <li>• Image building</li> <li>• Enhancing corporate morale</li> </ul>

I would recommend LinkedIn and Twitter as the customers are companies. I would appoint the CEO as the influencer.

## **Service marketing**

You work at a hotel chain.

**3.1) What type of service is this? Give the according marketing strategies.**

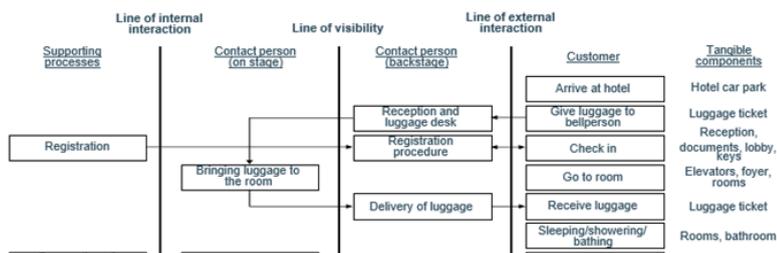
Service factory: low labor compared to infrastructure and low customization. Strategies: optimal capacity, emotional enrichment of services and quality management.

**3.2) It has a lot of competition of Airbnb and Tripadvisor. Explain why Airbnb has more positive ratings. Give the definition of such platforms and explain cross-side network effects.**

Airbnb has higher rating due to the dual review mechanism. Customers may rate hosts more positive as they fear receiving a bad review themselves. Business based on enabling value-creating interactions between external producers (e.g., Uber drivers) and consumers. Cross-side effects occur when the demand side influences the supply side of the network and/or vice versa.

### 3.3) Blueprinting. Make a graph for bringing luggage to the room. For what can this approach be used?

Internal line, line of visibility, line of external



1. Identifying potential quality problems (“fail points”) in the process steps
2. Identifying internal interfaces, which are vital for service quality (contact – support)
3. Usage in customer surveys: Guiding customers step-by-step through the service process and customer recaps his/her interaction with service provider (story telling)

### 3.4) Explain the implications of intangibility on product decisions and communication decisions. What is important in the hotel case?

Patenting not possible and branding more difficult (yet important due to the purchase risk)

Before-and-after visualizations, attractive staging of the physical environment.

For the hotel an attractive staging of the physical environment is very important.