



GRADUATE ACCOUNTING AND COMMERCE CENTRE

DIVISION OF ECONOMIC AND FINANCIAL STUDIES

MKTG807: BUSINESS-to-BUSINESS
MARKETING

UNIT OUTLINE

Semester 1, 2007
Location: W6B 320

ABOUT THIS UNIT

- Assumed knowledge: Principles of marketing.
- Unit description: A series of 12 lectures exploring the complexities of the buying and selling sides of modern business-to-business marketing. This unit carries 4 credit points.
- Unit objectives:

This unit aims to develop an understanding of the business-to-business [B-to-B] marketing environment and the application of marketing practices to create the optimum environment for sales to be made from business-to-business.

These B-to-B markets include producers of goods and services, intermediaries, government, non-profit organisations, and any group who purchases and uses inputs to produce or resell goods and services.

This unit examines marketing strategies that will result in achieving the awareness, comprehension, sales response objectives and stable profitable relationships essential to continuity of commercial success of supplier organisations.

TEACHING STAFF

- Teaching staff: Visiting Professor R.G. (Bob) Miller

Email: rmiller@efs.mq.edu.au

- WebCT <http://online.mq.edu.au>

Phone: 02 9516 3515 Mobile 0417 208 036

Consultation availability: Before or after lectures.

CLASSES

Number and length of classes: 12 x 3 hour lectures PLUS 1x 3hour exam:

Feb- 28; **March-** 7; 14; 21; 28 **April-** 4; 25 **May-** 2; 9; 16; 23; 30;
June- 6 (FINAL EXAM).

All sessions including examination 2pm to 5pm

Room **W6B 320**

Assignment due date – **May 9th**, 2007 at 2pm Submit in class W6B 320.

The timetable for classes can be found on the GACC web site at:
<http://www.gacc.mq.edu.au/ttable.htm>

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

Prescribed text:

Thull, J. (2006). *Exceptional Selling: how the best connect and win in high stakes sales*. New Jersey: Wiley.

Recommended texts and readings.

Bly, R. W. (1998). *Business-to-Business Direct Marketing*. Chicago: NTC/Contemporary.

Grey, A. & Skildum-Reid, K. (2001). *The Sponsor's Toolkit*. Sydney: McGraw-Hill.

Kaplan, S. (2005). *Bag the Elephant!* Austin, TX: USA: Bard,

Kordupleski, R. (2003). *Mastering Customer Value Management*. New Jersey: Randolph.

Liker, J. (2004). *The Toyota Way*. NY: McGraw-Hill.

Stallkamp, T. (2005). *SCORE! A better way to do business. Moving from conflict to collaboration*. New Jersey: Wharton / Pearson.

Reichheld, F. (2006). *The Ultimate Question*. Boston: Harvard Business School Press

Thull, J. (2005). *The Prime Solution*. Chicago: Dearborn Trade Publishing.

Recommended Journal Articles

Almquist, E., Wyner, G. (2001). Boost your marketing ROI with experimental design. *Harvard Business Review*. October. 135 – 141.

Elsbach, K. D. (2003). How to pitch a brilliant idea. *Harvard Business Review*. September. 117 – 123.

Kumar, N. (2006). Strategies to fight low-cost rivals. *Harvard Business Review*. December. 104 – 112.

- Ledingham, D. & Kovac, M. & Simon H.L. (2006). The new science of salesforce productivity. *Harvard Business Review*. September. 124 – 133.
- Loveman, G. (2003). Diamonds in the data mine. *Harvard Business Review*. May. 109 – 113
- Mitchell, C. (2002). Selling the brand inside. *Harvard Business Review*. January. 99 -102.
- Rao, A. R., Bergen, M.E., Davis, S. (2000). How to fight a price war. *Harvard Business Review*. March – April. 107 – 116
- Reichheld, F. F. (2003). The one number you need to grow. *Harvard Business Review*. December. 46 – 54.
- Ulwick, A. W (2002). Turn customer input into innovation. *Harvard Business Review*. January. 91 – 97.
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Recommended web sites.

- Australia Post: www.australiapost.com.au
- Australian Competition & Consumers Commission www.accc.gov.au
- Drayton-Bird www.draytonbird.com
- Mass Communications Group [PR] www.masscom.com.au
- Useful marketing tools
<http://cob.jmu.edu/flahertb/merlot/spreadsheets/spreadsheetresources.html>
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UNIT WEB PAGE

- WebCT <http://online.mq.edu.au>

LEARNING OUTCOMES

- The learning outcomes of this unit are for students to develop an understanding of how to apply modern marketing practices to create the optimum environment for business-to-business sales.

Students will gain an understanding of the different but complementary roles of sales and marketing practices. On completion of the unit they will be able to develop a marketing strategy aimed at creating the optimum environment for a business-to-business sale to be made, a customer to be evolved into a loyal client and how to manage the value in that relationship.

Students will learn how to conduct market research aimed at providing prospective commercial customers with the outcomes they are seeking as solutions to their particular problems.

They will be able to understand the importance of corporate culture and learn to manage it within their own business and within that of their customer so they can exercise a competitive advantage in business-to-business transactions.

The Macquarie experience is designed to lead students to a career in the city and a place in the world. It encourages life-long learning and links teaching to cutting-edge research.

Macquarie seeks to develop generic skills for students, building flexible outcomes for life and for the workplace over a life's career. These skills include:

- *foundation skills of literacy, numeracy and information technology;*
- *self-awareness and interpersonal skills, such as the capacity for self-management, collaboration and leadership;*
- *communication skills for effective presentation and cultural understanding;*
- *critical analysis skills to evaluate, synthesise and judge;*
- *problem-solving skills to apply and adapt knowledge to the real world; and*
- *creative thinking skills to imagine, invent and discover.*

Source: Macquarie University Handbook

TEACHING AND LEARNING STRATEGY

- The unit is taught by means of lectures and a single major individual assignment. WebCT, iLecture recordings, use of a web discussion page and e-mail bulletins from the lecturer answering individual questions and FAQ's support students.
- What is expected from students? Students are expected to read lecture notes and the prescribed text in advance of each lecture; follow current developments in B-to-B marketing in the Australian business press and trade publications.

- Week-by-week list of the topics to be covered:

Week	Date	Topic	Reading
1	WED Feb- 28	Review course content, textbook & set objectives Issue assignment & review purpose, relevance to course materials, format, and expectations.	Thull
2	WED Mar- 7	The <i>SCORE</i> process: moving from conflict to collaboration. Toyota Production System and supplier relationships. QUIZ: 3 marks	Stallkamp; Liker
3	WED Mar- 14	Solution selling	Thull (<i>Prime Solution</i>)
4	WED Mar- 21	Exceptional Selling Pt.I QUIZ: 3 marks Gaining insight & access; creating compelling offers; failure to communicate; presentation or diagnosis.	Thull (text)
5	WED Mar- 28	Exceptional Selling Pt.II QUIZ: 3 marks Commoditisation of value proposition; burden of proof; Translation skills; value triad; across the spectrum positioning; value relevancy; mutual self-esteem.	Thull (text)
6	WED Apr- 4	Trust in Retailer/Manufacturer relationships: Managing Modularity: <i>Li & Fung</i> Hong Kong case study	HBR
7	WED Apr-25	Outcomes-based market research: identifying new market opportunities competitors do not see. QUIZ: 3 marks	HBR
8	WED May- 2	Direct Marketing	Bly
9	WED May-9	Customer value management. ASSIGNMENT due today by 2pm	Kordupleski; Reichheld

10	WED May- 16	How to fight a price war.	HBR
11	WED May- 23	Overcoming resistance to cultural change: the Bill Bratton approach. QUIZ: 3 marks	HBR
12	WED May- 30	Review all course topics and prepare for examination.	
13	WED June-6	Final Examination. 2pm – 5pm ROOM W6B 320	

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

- Statement on the rationale for the modes of assessment:

The assessment tasks fulfill and evaluate the stated learning outcomes of the unit by providing students with the opportunity [via a practical 4000 word **individual – not group work** - assignment] to prove to themselves and the lecturer that they are capable of drafting a B-to-B marketing strategy that would in all likelihood be acceptable to a “real world” senior corporate executive as a means of creating a sale and thereby a loyal customer.

During lecture #2 students will be quizzed in writing on aspects of the buyer-seller relationships as identified in study of the Chrysler *SCORE* system and the Toyota Production System. Possible marks: 3.

During lectures #4 and #5 students will be quizzed in writing on practical selling techniques outlined in the **unit's set text**, *Exceptional Selling*. Possible marks: 3 for each.

During Lecture #7 students will be quizzed in writing on techniques to be applied to conduct of outcomes-based qualitative market research. Possible marks: 3.

During lecture #11 students will be quizzed in writing on the way to manage the difficult process of changing a corporate culture to enable one to meet personal marketing and sales goals. Possible marks: 3.

The Final Examination of students encourages them to demonstrate their comprehensive understanding of the avoidance of conflict in the business-to-business buyer-seller relationship and the profitability of a collaborative selling approach.

Assessment weights

Final Examination 50%

In-lecture quizzes 15%

Major Assignment 35%

All students are **required to pass the final examination to obtain a passing grade for the unit.**

All students are to complete a major individual assignment of 4,000 words.

PURPOSE of this assignment is to encourage students to apply, in a practical way, the lessons learned in our lecture series and from the set text.

Wise students will also apply some of the information gathered from the unit reading list.

TIMING

The vagaries of the timing of holidays etc during the semester mean that some of the topics useful to your assignment will not have been covered in the lectures by the time you need to hand in your assignment. However, you are encouraged to read ahead so you can draw from the lecture notes supplied on the website.

- Word length of each form of assessment.

Assignment: 4000 words [charts and diagrams are valued at 200 words]

Final Exam: answers to be 400 words or more.

- Due date for assignments. **Wednesday May 9th at 2pm.**
HAND personally to lecturer at the lecture theatre W6B 320.
- Expectations in relation to the presentation of written and/or oral work:
 - All written work to be submitted in typed format on A4 white paper, using only one side of the sheet, 12pt Arial typeface, 1.5-spaced.
 - Assignment to be contained securely in a ring or clip binder.
 - References to be in keeping with **APA** guidelines & Macquarie University guidelines as detailed on the student information website.
 - ERIC INDIVIDUAL ASSIGNMENT COVER SHEET is required for all assignments, available for download from the ERIC website
http://www.efs.mq.edu.au/__data/assets/pdf_file/12911/Individual_cover_sheet.pdf
- Work that is submitted late will lose 5 marks per day overdue, including weekends and holidays.

EXAMINATION

- Exam date: Wednesday, **June 6th**, 2007; time **2pm** to 5pm, **location in W6B 320**
- Exam duration 3 hours
- Format of exam: essay questions...select **any 5** questions from a choice of 8. Each question is valued at 10 marks.
- All students are **required to pass the final examination to obtain a passing grade for the unit irrespective of accumulated marks.**
- Digital/Electronic devices and Calculators are NOT permitted in the exam
- Dictionaries are NOT permitted in the exam

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. Information about unavoidable disruption and the **special consideration process is available at <http://www.reg.mq.edu.au/Forms/APSCon.pdf>**

You are advised that it is Macquarie University policy not to set early or delayed examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching semester, that is the final day of the official University examination period, and can attend the exam at the designated time and place.

PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Postgraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

UNIVERSITY POLICY ON GRADING

Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG).

On occasion, your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the Senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performances of their students should achieve similar results.

It is important that you realise that the policy does not require that a minimum number of students are to be failed in any unit.

The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another will also receive a higher final scaled mark.

For an explanation of the policy see
<http://www.mq.edu.au/senate/MQUonly/Issues/Guidelines2003.doc> or
<http://www.mq.edu.au/senate/MQUonly/Issues/detailedguidelines.doc>.

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can accessed at
<http://www.student.mq.edu.au>

MAJOR ASSIGNMENT

Imagine you are a senior sales executive for Boeing, the famous American passenger aircraft manufacturer.

Your challenge this year is to convince Australian airline Qantas to order 20 Boeing 787 *Dreamliner* passenger aircraft instead of choosing competitor Airbus Industries' spectacular new giant *Airbus 380*.

Each aircraft you sell will be priced at US\$280 million, so this is a significant (\$6 billion) deal, on which you will be awarded a handsome commission.

Develop a document outlining your approaches to this challenge.

Demonstrate that you are capable of employing what you have learned from our lectures on Jeff Thull's teachings regarding how to win and keep big customers. Show you can apply Thull's techniques/processes for diagnostic selling business-to-business.

Demonstrate you can apply the lessons of Chrysler's *SCORE* process and the famous Toyota Production System processes and philosophies to developing supplier/buyer relationships from which all participants can profit.

Can you show that you can see a way to apply the lessons of the *Li & Fung* system for managing modularity to the sale of your 20 aircraft to Qantas?

Could some components be manufactured and distributed in such a way that costs are reduced from what they might ordinarily be?

Would you conduct market research within your customer's executive population in order to identify the various outcomes expected by these executives, maintenance technicians, pilots and aircrew, catering suppliers, airport operators, financial management executives etc., if Qantas selects YOUR aircraft...or chooses Airbus 380?

Do you see a role for Direct Marketing aimed at Qantas employees, aircrew, senior executives, shareholders and the stock market analysts who recommend buying and selling of Qantas stock?

What would you plan to do with regard to customer value management...why, for instance would Qantas choose to buy from Boeing, or for that matter, from YOU personally? Would they be a source of future sales and referral sales for you?

Those competitive Europeans will probably launch a price war to win this important sale...how would you fight such a war?

Qantas has had a long-standing relationship with Airbus Industries...o much so that its Captains and maintenance chiefs have adopted many aspects of European culture. How would you go about attempting to change that culture?

Length of assignment – 4000 words

Value – 35 marks

To be submitted to lecturer May 9, 2007 at 2 pm at W6B 320

Use ERIC individual coversheet available for download from the ERIC website

http://www.efs.mq.edu.au/docs/student_support/Individual_cover_sheet.pdf