MIT Sloan School of Management
15.833Business to Business Marketing
Syllabus Fall 2008

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Nature and Purpose of the Course

This course applies marketing concepts, analyses and tools, to situations in which the customer is an organization such as a company, an institution, or a government agency. B2B marketing is critical as purchases by organizations account for more than half of the economic activity in the U.S. The course applies classical and contemporary concepts to the B2B marketplace. Major emphasis is placed on customer value delivery. An analytical framework is used to assess components of customer value and then translate them into actionable marketing strategies and programs. Customer value management is discussed as an approach to deliver superior value to targeted business segments while keeping in view the need for equitable return on the value delivered. Brand building, web and technology facilitation of the supply chain, and Customer Relationship Management are integral to the above discussion. Ethical issues are discussed as they arise. Through simulation, case studies, applied exercises, and readings, the course addresses the concepts in various contexts such as products and services, for-profits and non-profits, domestic and global markets. **Prerequisite**: 15.809, 15.810 or 15.812 or equivalent

To provide the background and analytical skills necessary to help place you at the forefront of the effective management of business markets, the course is organized around four basic modules as follows:

1. ***The fundamentals of business market management.*** We begin the course with an overview of the basic dimensions of *business market management* as distinct from *consumer market management*. This will provide the foundation for our understanding of the interactions involved in a firm's network of stakeholders.

2. ***Business market strategy.*** We then review in-depth the dimensions of what constitute value, and strategies that can be adopted by an organization to deliver value commensurate with its core competence.

3. ***Creating value***. Our goal is to understand the varied ways to deliver value and obtain equitable returns. We discuss ways to create value through appropriate market offering, value pricing, integrated communications, and effective channel management.

4. ***Relationship development and sustenance***. Last we discuss how to deliver value through the intricate web of relationships an organization develops and nurtures with its customers, suppliers and resellers.

The **objectives** of this course include the following:

1. Familiarize you with both theory (through lectures and readings) and practice (through business simulation, case analyses, exercises, videos, and industry speakers) involving key issues in business market management.
2. Prepare you to be able to critically evaluate and interpret complex cases depicting real life business situations such that you can make better decisions in your own organizational context.
3. Present you with an opportunity, through the simulation coupled with the term project, to make an independent assessment of the strategic thrust and value delivery of a firm's market offering.
4. Provide you with a forum, of engaging in team effort by working in a group.
5. Further develop your management communication skills, both written and oral, by presenting and defending analyses of marketing situations.
6. Let you experience the excitement, frustration, panic, euphoria, and occasional dismay at unplanned success, as a manager of an operating company without fear of firing, loss of income, or potential for future employment!!! (Oh yes, there is a grade to be obtained in the course)

To help attain the objectives outlined above, the course material will comprise of a mix of components as follows:

INDUSTRAT Simulation Game

INDUSTRAT has been developed as the business market management simulation that will give students the real flavor of the complexity, uncertainty, competition, heartbreak, and reward that "comes with the territory" of B2B marketing. Students learn in a realistic and dynamic environment which mirrors the complexity of business marketing, including the dynamics of supplier-customer relationships and the continual evolution of product technologies and applications. Working through years of an industry's evolution provides students with an opportunity to experience the long term implications of their actions, a perspective they rarely obtain in their day-to-day professional life.

The INDUSTRAT simulation is aimed at decision makers in business-to-business markets. This pedagogical tool allows you to experience, first hand, the use and value of strategic market orientation concepts. Given the realistically complex representation of the "real world," the skills developed and enhanced within this context should be easily transferable to your future careers. This exercise should be interesting, challenging and highly motivating given the competitive nature of the game. The participants bear the consequence of their own decisions which is an extremely effective learning tool. Teams will have to arrange a regular outside-of-class meeting time each week to work on the marketing simulation game.

Please note that you should devote about 3-4 hours for each decision as it is good to ration time. This is because in the real world you would operate under time constraints. You are likely to take longer during the first couple of decision periods; however you should take between three to four hours moving forward.

Lectures and Discussion

Lectures will highlight elements of the readings, provide an organizing framework for the topic of the day, and cover new material. *Oral* participation during the *lecture* sessions and *case* discussions will be very important. A substantial part of the benefit you will derive from the class is a function of your willingness to expose your viewpoints and conclusions to the critical judgment of the class, as well as your ability to build upon and evaluate the judgments of your classmates.

Guest Speakers

We will have industry experts as guest speakers during the course to help get insights into practice. Schedule permitting, we will arrange for a small group of students to go out with the speaker on a first come basis. Participation and quality of preparation for these meetings will count toward "class participation" grade.

Class Participation

Active, meaningful contribution to class discussion largely determines the class participation grade for this course. Although class attendance is necessary for class participation, the participation grade is not merely an attendance grade. Unfortunately, absences can have a big impact on your learning outcomes though I do understand that you have many demands on your time. As a result, you can use ***one "15.833 absence token"*** during the term. Please notify the TA when you use the above token.

Further, I have learnt from experience that cold calling really helps enhance learning outcomes for students. Therefore, I will cold call on you. If for some reason, you are not well prepared please feel free to tell me ahead of time on a case discussion day. You do not have to give me any reason for it. You can use this option **once** during the term on any case discussion day.

The two most important criteria in developing your participation grade are quality and threshold quantity, though quality is by far the most important criteria. The class participation grade is a grade that is built up through your contribution of insightful comments. In fact, beyond a threshold level of participation, much higher weight is placed on the depth of ideas presented and their contribution towards gaining new insights in the class discussion. Linking of concepts presented in class to current business events is highly valued.

Please bring your bio cards to the first class and give it to the TA. In addition, I request you to do the following every class:

1. Display your name cards to facilitate class discussion and receive appropriate credit for your remarks.
2. Please use the same seat from **September 24th**.

Brief Exercises

We will do 3-4 brief exercises during the term. The solution to these brief exercises will be discussed in class. However, it helps to have you review the details before you come to class and attempt to solve them. You will e-mail or hand in your solution to the TA at the start of the class. This is 5% of the class participation grade. ***You will get 100% credit just for turning in your solutions to these exercises***!!! Of course, you will need to ***show good faith effort***. You will get no credit if these are not turned in by the start of class **or** shows a lack of good faith effort.

Case Preparation and Analysis (Team Work)

Cases will illustrate and expand the lectures, introduce new material, and allow for practice in business market decision making. The cases have been carefully selected to make a series of points. Some cases may not be particularly recent. ***This is because a case is a pedagogical device designed to make a point, and these cases have been proven to do so well. They are not intended to be a summary of current events in a particular industry or market.***

The best way to prepare is to review the "Case Preparation Questions" listed in the syllabus. These questions also provide a good outline of how we will discuss the case in class. It is very helpful to have a case study group for your team. This is because one of the optimal ways to learn is by discussing issues with your peers, looking at alternative ways to address a given problem, and defending your ideas to others. ***However, you should not discuss any case with a student who has studied it in another class or consult any files or written materials pertaining to the analysis of the case***.

During case discussions, special attention will be paid to whether the comments show evidence of critical analysis of the case. Emphasis will also be placed on the ability of participants to listen to the comments made by other members and then linking of their own comments to those of others. The relevance of comments made to the discussion and willingness of the participant to interact with other class members will be emphasized. Student comments receive especially positive credit where they demonstrate creative analysis of case data.

When your team submits a write-up for a case please do not discuss the case with members outside the team. For other cases you are free to discuss it with any class member. You maximize your learning outcomes by thinking deep about issues outlined in a case and by challenging yourself to come up with a creative solution using theoretical concepts and analyses learnt in class. ***Please link theoretical concepts and analyses discussed in class, to your case write-ups.***

There are typically no right-or-wrong answers for a case and unanimous decisions in a class are very atypical; however the approach you take to address the issue(s) outlined in the case and the nature of analysis you undertake are very important. The more thoroughly you read and analyze a case the better off you will be in terms of what you learn.

A case analysis should usually comprise of the following components:

- Problem specification for the organization after examination of the important opportunities and/or threats facing the firm.

- Outlining of the available alternatives to resolve the organization's problem associated with the pros and cons of each. It will help to consider for each alternative the strategic goal(s), appropriate tactics, and required resources.

- Designate the preferred alternative/solution after careful analysis. Though relevant considerations vary from case to case, and are also contingent on available data, some plausible factors are competitor evaluation (strength and weaknesses), customer buying habits, customer satisfaction, price position, supply chain performance, product performance, profitability implications, and so forth.

Each case write-up is to be done in teams. Please note that all members of the team are expected to participate equally in every case analysis and preparation to maximize learning. Each team should submit **four** case write-ups. Any team can opt to submit an additional write-up in which case the four highest grades will be retained. **Please note that only cases identified in the schedule with a case write-up assignment are eligible for write-ups**.

The case write-up is due **prior to the case discussion**. The team can e-mail it prior to class and/or submit a hard copy in class. Please note that though you are **not required** to answer all case preparation questions in your write-up, detailed preparation and analysis using the case preparation questions as a guide will be very helpful in developing an effective case write-up. The answers to these questions often act as supporting analysis for your case write-up.

The case write-up should contain the identification of the main decision problem, alternatives with pros and cons, the chosen course of action and justification for the same. It usually helps to include *supporting quantitative analysis where applicable.* It is also helpful to **use subheads and prioritize** the more important from the less important considerations. Use of **bullet points** to communicate ideas is fine. It is important to clearly **spell out any assumptions** you are making. Please limit the case write-up to a **total of four** pages exclusive of appendices (11 or 12 points font, 1.5 line spacing, 1 inch page margins). Further, please do ***not replicate any case data "as-is"*** in the appendices as appendices should only contain supplementary analyses supporting the case write-up.

Case Preparation and Analysis (Individual Work)

In addition to the four case write-ups that you will submit in teams, you will also submit a one page write-up for two additional cases that are eligible for a write-up. ***These one page write-ups will not be graded and will only be used if you are a borderline case at the end of the term.*** You can attach one page of supporting analysis to the one pager above if you want. *The case write-up should contain the identification of the main problem, alternatives with pros and cons (bullet points please), the chosen course of action and justification for the same*. ***If your team does an optional fifth case then you will submit a one page write-up for only one additional case from those eligible for a write-up.***

Term Project (Team Work)

The term project is intended to bring to life the concepts and theoretical frameworks discussed in class and apply them in a holistic manner. This is because though the class modules are presented and discussed sequentially, to be really effective they have to work in unison in a cohesive and integrated manner. Given the realities of the business world, the project is also team based. The term project is a computer based simulation INDUSTRAT.

INDUSTRAT is designed to help teach strategic B2B marketing. Participants in the exercise actively employ ideas, analytical approaches and marketing research techniques which have been developed in recent years by the marketing profession.

Each participant acts as a member of a management team involved with strategic marketing decisions. Each team competes against four others for a number of iterations, or periods, each representing a year in the history of the industry. Each firm starts the simulation with its own set of strengths and weaknesses. The competitive scenario, while subject to some industry-wide parameters, evolves according to the interactions among the firms.

The INDUSTRAT simulation has been adopted by several Fortune 500 corporations as part of their seminars for senior executives from various functional areas. They have undertaken this investment in the light of intensifying competition, reflecting top management's resolution to become more market-oriented. The simulation is also used as the backbone of strategic business marketing courses and executive seminars in leading business schools in Europe and the United States (Source: I*NSEAD write-up for INDUSTRAT*).

There is no project report. Instead, there is a 10-15 minutes powerpoint presentation at the end of the term. A Market Research Table outlining research studies supporting each decision by order of importance will be due on ***09/24/08***. A matrix of team member name by primary decision responsibility by timeline is also due on ***09/24/08***. In addition, each team will submit two brief memos as follows. Each team will submit a brief memo on ***10/06/07*** at the end of period 3 outlining the objectives and strategies for their company. A second brief memo will be due on ***11/03/07*** at the end of period 6 when each team revisits its objectives and strategies after a review of past periods. Details of the memos will be posted on Stellar in ***mid September***.

B2B Hot Topics Exercise (Optional – Extra Credit!!!)

An excellent way to learn is by teaching!!! This short exercise is designed to do just that. In brief, you will pick a marketing topic that applies to the B2B domain, and is of special interest to you. You will then conduct some background research on it, and share your findings with the class by posting a brief write-up (**at most two pages**) on Stellar (11 or 12 points font, 1.5 line spacing, 1 inch page margins). This will count as **extra credit for your class participation** grade.

When picking the topic, you may select an innovation in the practice of B2B marketing that has been popularized during the past five years. This innovation may be a marketing strategy or tactic, a process for getting a marketing task done, the use of a technology, or an intriguing case study. You could have found out about this innovation in the course of reading an article or a book, watching a business program, attending a conference, listening to a speaker, or working in a company. Alternatively, you can pick a topic where there is disagreement with regard to its impact, take a position (agree or disagree) and justify the same. For instance, this could be a tool used effectively in the B2C domain and there is debate with regard to its application in the B2B domain. Finally, you can pick any marketing topic that you feel is important in the B2B domain and write about it. Some of the potential topics could be as follows:

- Blogging
- Podcasting
- Multicultural marketing
- Account-based marketing
- Relationship marketing
- Online advertising / search engine marketing
- Buzz / viral marketing
- Stealth marketing
- Permission / Consumer-controlled marketing
- Mobile marketing
- Measuring marketing ROI
- Marketing – Sales relationship
- Social Networking
- Customer lifetime value (CLV)
- Other topics as discussed in the previous paragraph

For your topic, please address the following questions:

- What is it and how does it work?
- What are some examples of the concept or practice in use?
- How prevalent is it in business today? What are the major trends?
- What marketing benefit or opportunity does it create?
- What risks or challenges does it entail?
- Where can we go to learn more (e.g., books, articles, websites)?

This exercise is to be **posted** on Stellar **latest by midnight on December 3rd**.

Team Formation

Each team will have four to six students contingent on class size. The exact team size will be announced in class. You will complete all your course requirements listed under "Team Work" in this team.

Please form your team by the end of the second day of class (**September 8th**). You can use the **Team Formation forum on Stellar** especially created for this purpose.

As a courtesy to your fellow students, please do not join a team on September 8th if you might drop the course. Remain a free agent instead.

Please email the TA the following information by the **midnight of September 8th**:

- If you have a full team, please provide the name of your team members, designated team contact with contact information, and the chosen team name. It is fun to name your team as that reflects upon who you are. It is your identity.
- If you have a partial team, please provide the names of your team members.
- If you are a free agent, please e-mail and say so.

A random matching will be conducted for the free agents and partial teams. The completed list of teams will be shared on **Wednesday, September 10th**. These teams will then need to provide the name of team members, designated team contact with contact information, and the chosen team name by **midnight of September 10th**.

At the end of the term, each member in each group will be asked to evaluate the contribution of his/her team members. This should take into account the level of effort expended and the quality of input. This feedback will serve as partial input in determining the grades of individual members of a team. The peer feedbacks will be due by fax or e-mail by **midnight of December 10th**. Please see **appendix I** for a sample of the confidential peer feedback form.

Course Materials

Recommended Text: Anderson, James C. and James A. Narus (2004), ***Business Market Management: Understanding, Creating, and Delivering Value***, Second edition, Pearson-Prentice Hall.

Course pack available at the MIT Copy Technology Center located in the basement of building E-52.

Article links posted on Stellar. **Make sure you join the class on Stellar!**

Please note that I have put most articles on Stellar, to reduce the cost of the course pack, copyright permitting. Many of these articles are background reading for those who want to delve more deeply into a given area. Even if you do not have time to read all of these articles during the term, it will be very helpful to download and put them in a folder by categories/modules such that you can read them at a later time. These are great articles and hence will be good to have as reference material.

Class Requirements (Grades)

Individual Work

- Class Participation 35%
- Simulation Quiz 5%

Team Work

- Four Case Write-ups 25%
- Term Project 35%

Please note that to be fair to all students, full credit will not be given to any deliverable submitted past the due date.

Ethics

Given the importance of ethical issues, we will discuss them as and when they arise in the course of our class discussion as well as cases and readings.

We subscribe to the ***MIT Sloan professional standards and MIT's standards of Academic Integrity***. Please arrive on time for class with uninterrupted attendance for the duration of the class. I will strive to end class on time. Please maintain a professional atmosphere. This includes, but is not limited to, using respectful comments and humor, employing appropriate manners and decorum, using technology suitably (e.g., silencing wireless devices, no use of laptops unless requested – so no e-mailing, web-browsing, or playing games), and refraining from distracting or disrespectful activities (e.g., avoiding side conversations and passing notes). For a complete description please visit *https://sloanspace.mit.edu/dotlrn/clubs/professionalstandards/one-community?page_num=0*

Please note that ***when you put your name on an assignment, it is understood that you have done a substantial amount of the work on that specific assignment.*** Rotation of the work between team members violates this guideline and really hurts your learning outcomes as well as that of your team members. When in doubt please follow the guidelines outlined at http://web.mit.edu/academicintegrity/

Tentative Course Schedule

Class	*Day*	*Day Planner*	*Assignment*
1	9/03	**Theory**: a) Fundamentals of Business Mkt. Mgmt. b) Understanding Value: Market Sensing	Ch. 1 & 2, A1 **Form Teams**
2	9/08	**Theory**: Understanding Value: Market Sensing **Q&A:** INDUSTRAT Simulation	Ch 2 Read Student Manual **Form Teams**
3	9/10	**Case**: Ring Medical	**Case Write-up due before discussion** **Finalize Teams**
4	9/15	**Simulation:** Practice Simulation Run	Read Manual Submit Mock Decision #1
5	9/17	**Simulation:** Decision Finalization in Class **Simulation:** Quiz	Decision #1 due Read Manual
6	9/22	No Class: Student Holiday	
7	9/24	**Theory**: Understanding Value a) Understanding Firms as Customer	Ch. 3, Skim A2 **Market Research & Team Member Responsibility Tables Due**
8	9/29	**Theory**: Understanding Value: Business Market Strategy **Simulation:**	Ch. 4, A3 Decision #2 due
9	10/01	**Case**: Becton Dickinson & Co.	**Initial offer due before discussion** **No Case Write-up**
10	10/06	**Theory**: Creating Value: Managing Market Offerings **Simulation:**	Ch 5, 6, A4 Decision #3 due **Industrat memo due**
11	10/08	**Case**: KONE: The Monospace Launch in Germany	**Case Write-up due before discussion**
12	10/13	No Class: Columbus Day	
13	10/15	**Theory**: Creating Value: Supply Chain Mgmt. **Simulation:** Update	Ch 7, A5 Decision #4 due
14	10/20	SIP: No Class	
15	10/22	SIP: No Class	
16	10/27	**Theory**: Creating Value: Supply Chain Mgmt. **Simulation:**	Ch 7, A5 Decision #5 due
17	10/29	**Case:** Bose Corp.: The JIT II Program (A)	**Case Write-up due before discussion**
18	11/03	**Theory**: Relationship Development & Sustenance: Customer Acquisition **Simulation:** Update	Ch 8 Decision #6 due **Industrat memo**

Class	*Day*	*Day Planner*	*Assignment*
19	11/05	**Case**: Arrow Electronics, Inc.	Skim A6 **Case Write-up due before discussion**
20	11/10	No Class: Veteran's Day	
21	11/12	**Theory**: Relationship Development & Sustenance: Reseller Relationships	Ch 9, Skim A7 Decision #7 due
22	11/17	**Case:** ENSR International	**Case Write-up due before discussion**
23	11/19	**Simulation:** **Q&A:** Industrat Simulation	Decision #8 due
24	11/24	**Case:** Siebel Systems: Anatomy of a Sale, Part I & II	**Case Write-up due before discussion**
25	11/26	**Simulation**: INDUSTRAT Debrief	Preliminary Decision #9
26	12/01	**Theory**: Relationship Development & Sustenance: Customer Relationships **Simulation:**	Ch 10, A8, Skim A9 Decision #9 due
27	12/03	**Case:** CMR Enterprises	A 10 **Case Write-up due before discussion** **Hot Topics Posting**
28	12/08	**Project Presentations**	**PPT Slides Due**
29	12/10	**Project Presentations** **Course Wrap Up**	**PPT Slides Due**
		Please note that the guest speaker dates are being finalized	

List of Assigned Readings

A1. Enright, Allison (2006), "It Takes a Committee to Buy into b-to-b," *Marketing News*, Feb 15, p 11-13.

A2. Zhou, K.J., C.K. Yim, and D.K. Tse (2005), "The Effects of Strategic Orientations on Technology and Market Based Breakthrough Innovations," *Journal of Marketing*, 69(2), 42-60.

A3. Keller, Kevin Lane (2000), "The Brand Report Card," *Harvard Business Review*, Jan/Feb.

A4. Dutta, Shantanu, Mark Bergen, Daniel Levy, Mark Ritson, and Marc Zbaracki (2002), "Pricing as a Strategic Capability," *MIT Sloan Management Review*, Spring, 55-65.

A5. Anderson, Erin, George S. Day, and V. Kasturi Rangan (1997), "Strategic Channel Design," *Sloan Management Review*, 38(4), 59-69.

A6. Thurm, Scott (1999), "Vision Test: Caught in the Middle, Marshall Tries to Turn the Web into an Ally," *Wall Street Journal*, March 26, A1.

A7. Dunfee, Thomas W., N. Craig Smith and William T. Ross Jr. (1999), "Social Contracts and Marketing Ethics," *Journal of Marketing*, July, 14-32.

A8. Kale, Sudhir H. (2004), "CRM Failure and the Seven Deadly Sins," *Marketing Management*, September/October, 42-46.

A9. Winer, Russell S. (2001), "A Framework for Customer Relationship Management," *California Management Review*, 43(4), Summer, 89-105.

A10. Shapiro, Benson P., V. Kasturi Rangan, Rowland T. Moriarty, and Elliott B. Ross (1987), *Harvard Business Review*, Manage Customers for Profits (Not Just Sales)," September-October.

Please note that all articles will have links on Stellar except for A3 and A10 which will be in the coursepack.

Case Preparation Questions

Ring Medical

1. What is the problem in the case?
2. What is your recommendation for product positioning?
3. What is your recommendation for channel selection?
4. What have we learnt from the sale of the first five systems?
5. How will you fund the $300,000 sales-force costs?
6. Does the distribution option have any merits?
7. Will we be doing the right thing making deliberative strategies when surviving tomorrow seems to be a problem at Ring Medical?
8. Which solution is likely to be most acceptable to Scanvest Ring? Why?
9. Will you buy this company? What will you do after you have bought the company?

KONE: The MonoSpace Launch in Germany

1. KONE has targeted MonoSpace directly at Europe's largest new-equipment market segment: low rise residential elevators. Put yourself in Hatala's shoes and develop a detailed marketing plan for launching the MonoSpace in Germany. Set a price for the MonoSpace (to facilitate comparison with prices of existing products as given at the bottom of case page 4, price a low-rise, 4-floor elevator) and specify clearly how it is to be positioned relative to the current product line (PH, PT, PU or PS). Based on the pricing and positioning decisions, propose a marketing and sales effort. Justify your decisions and investments with anticipated sales and the associated contribution relative to the amount you plan to spend.
2. How important is this product launch for KONE? What are the implications of the success or failure of the MonoSpace launch?
3. What can be learned from the test market and market launches in the other three countries? How does the German market (and KONE's position in and approach to it) differ from the other markets? What are the implications of these differences for transferring experience gained in the other markets?

4. How do you expect competitors to react to your launch plan? How do you plan to manage competitors' reactions?
5. Where does the MonoSpace fit price- and performance-wise relative to KONE's and its competitors' current product lines? Or does it potentially change anything? If yes, how? What are the short term and long term implications of your approach?
6. What key weaknesses in KONE'S current capabilities will need to be managed to ensure the success of the product launch?

Bose Corp.: The JIT II Program (A)

1. How do Bose's history, strategy, and sourcing policies affect supplier relations? Is Bose a good buyer?
2. Where is the buying and selling done in this context?
3. Should Bose participate in the JIT II program? Should G&F? What are the potential benefits and risks for both companies?

Arrow Electronics, Inc.

1. How do the Arrow/Schweber (Arrow) salespeople build their relationships with their customers? Specifically, how do they leverage Arrow's product line BAS versus VA products to add value to their customers?
2. What is Arrow's business model? What value does it add for its suppliers? What value does it provide its customers?

   - In order to understand Arrow's customer management model, it is important that we have an answer to the questions of "what does Arrow sell to whom," and "where does it make money." The following information should give you some directions to develop a matrix of sales of book-and-ship and value added products to transactional and relational customers.
   - On page 11 of the case, it is mentioned that, under the optimistic scenario, Arrow would lose all its transactional customers. In case exhibit 7, we find that under the optimistic scenario Arrow will cannibalize $293 million of BAS sales.
   - On page 11 of the case, it is mentioned that, under the pessimistic scenario, Arrow would lose all of its transactional customers and 40% of its relationship customers. In exhibit 7, we find that under this scenario Arrow will cannibalize $601 million of its BAS sales.
   - With the matrix of what Arrow sells to whom, and the fact that Arrow makes 10% to 15% gross margins on VA products (case page 8 – last paragraph) – (for your analysis, you could take an average of 12.5%); and on page 6, it says that Arrow makes 20% to 25% on standardized (or BAS) products (assume an average of 22.5%), you can now calculate the impact on Arrow's profitability under different scenarios if it were to work with Express.

3. How does Express affect Arrow's business model and its selling effort? Will Arrow be able to keep its margins above 15% - the objective set by Steve Kaufman (case pg. 11)?
4. What is your action plan? How should Arrow respond to the Express proposal? Should they accept or reject it? What other measures should they take?
5. Explore the relationship between Arrow and its distributors. How do the suppliers reward franchised distributors? What are design wins? Jump balls?

6. How does the Arrow salesperson build his/her relationship with customers that buy BAS and VA products from Arrow? What is the impact of the internet on the Arrow salesperson?
7. Do you think the internet is a friend or a foe to Arrow? In what ways can Arrow leverage the Internet to facilitate its sales effort?

ENSR International

1. What is the buying and selling process?
2. What is the nature of the customer base?
3. What is the firm's organization structure?
4. What is the compensation plan?
5. Which of the proposed solutions do you prefer and why?
6. What is the ideal client for ENSR?
7. Are they getting "enough" of their ideal clients?
8. What is the ideal client for a CSC manager?

Siebel Systems: Anatomy of a Sale, Part 1 and 2

1. What do Greg Carman and Cathy Ridley
    a. Want to accomplish
    b. Bring to the potential relationship
    c. Give to the other
    d. Expect to get from the other
    e. Do next if they were in each other's shoes
2. What was Tom Siebel's vision for his firm? What do you think of that vision?
3. What do you think of Siebel's Target Account Selling (TAS) process?
4. Does Carman follow the TAS process as he starts to chase the Quick & Reilly transaction?
5. How is Greg Carman doing to this point?

CMR Enterprises

1. What should CMR do about the Blackstone account now?
2. How much profit is being generated by CMR's commercial relative to its residential business? By the Blackstone account?
3. Was CMR's decision to initiate a relationship with Blackstone a good one?
4. What is the nature of CMR's business? How does it differ across the two market segments?
5. How did the CMR-Blackstone relationship evolve over time? Highlight important events and actions that influenced this evolution.
6. Why did CMR persist in the Blackstone relationship? How would you remedy such a situation?

APPENDIX I

Confidential Peer Feedback
Please be very Objective. Please do not let personal considerations affect your feedback

Please divide 100 points between your team members ***excluding yourself***. The evaluation should be based on their contribution to team assignments. When considering their contribution, please consider both quality and quantity, with quality getting more weight than sheer quantity. You can **e-mail the TA or fax this to me at (617)-258-7597 by midnight of the last day of class (December 10, 2008). If sending by fax please state Attn: Dr. Chatterjee on the cover page of the fax**. You can of course hand deliver this in class or put it in my mailbox in E40-166A.

Name ____

Signature ____

Team Members (***excluding yourself***)	Points
Name 1 ______________________________	_____
Name 2 ______________________________	_____
Name 3 ______________________________	_____
Name 4 ______________________________	_____
Name 5 ______________________________	_____
Total points	100

Comments (***if any***):