OUESTIONS CHAPTER SIX

- 1. Sales people from firms that manufacture office equipment often spend a good deal of their time talking with secretaries and office managers in the offices of potential customers. But those employees seldom have the authority to purchase major pieces of equipment. Is this an effective use of the sales person's time? Why or why not?
- 2. Suppose you are the vice president of marketing for a firm that makes printed circuit boards and other electronic components for manufacturers in a variety of industries. General Motors is about to choose a supplier of printed circuits and wiring assemblies for a new car model they are going to produce for the first time next year. You would like to win the contract to supply those circuits and assemblies. How are each of the following groups of people within GM likely to influence the firm's purchase decision concerning the new circuits and assemblies? At which stages in the purchasing process is each group likely to be most influential?
- a. R&D managers
- b. Product design engineers
- c. Production managers
- d. Purchasing managers
- **3.** In view of your answers to question 3, outline the important elements of a marketing program that would communicate the appropriate information at the appropriate time to each group involved in the purchase decision at GM.
- **4.** Purchasing managers at IBM have faced a very unstable environment in recent years. The firm has developed a variety of new component parts and materials to be purchased from suppliers. The identity of those suppliers, in turn, keeps changing over time as new entrepreneurial start-ups emerge and as established firms make rapid technological advances in the design and production of components such as microchips and disk storage. How is this rapidly changing and unpredictable environment likely to affect the organization of IBM's purchasing function and the nature of the firm's purchasing procedures? What are the marketing implications for a firm that would like to become an approved supplier to IBM?
- 5. In the past year, companies and their suppliers have worked to reduce inventories through just-in-time programs which closely orchestrate delivery schedules and the delivery of zero-defect products. What does each party have to do to make such a program successful?
- **6.** How does selling to the U.S. government differ from selling to the household and commercial markets?
- 7. You are the marketing manager for an industrial robots company. What challenges would you expect to face in marketing such capital equipment? What parts of the marketing plan will be most critical in determining success?
- **8.** Suppose the marketing manager in the above question decides to consider leasing the company's robotics to companies around the world. How would such a program differ from a direct sale program with respect to its marketing?

9. You are a recently graduated MBA and your first job is assistant to the marketing manager of a large industrial coatings (paints) firm. Your first assignment is to draft, in outline form, a set of rules governing the behavior of the members of the firm's purchasing department. What major constraints would your list include?