

The Hong Kong University of Science and Technology  
School of Business and Management

**MARK 3510–BUSINESS TO BUSINESS MARKETING**

**(4 Units)**

Fall Semester 2019

**Instructor:**

Professor Eugene R. Raitt

generaitt@ust.hk

generaitt@yahoo.com

Mobile: 9097-7813

Office hours: LSK 4016c, by appointment

**Teaching Assistant:**

Pauline Chan

[paulinechan@ust.hk](mailto:paulinechan@ust.hk)

Phone: 2358-7705

**Class logistics:**

Mon-Wed

L1: 10:30 am-11:50 am

L2: 12:00 – 1:20pm

Location: LSK 1003

**Tutorial sessions:**

By appointment only. There will be no “night” sessions.

**Overview:**

Business-to-Business (B2B) Marketing refers to marketing activities that are directed towards businesses, governments, and institutions, in contrast to Business-to-Consumers (B2C) which are directed to end consumers. Companies like Procter & Gamble, Sony, HSBC and Accenture are manufacturers and service providers to consumers. But these companies are also buyers, spending trillions of dollars annually on products and services sold to them by other businesses. They buy raw materials and component parts; they make large investments in

buildings, equipment, and information technology; and they continually purchase supplies and business services—legal, financial, technical—to support their operations. This course will enable you to market to these buyers effectively.

We will apply many of the familiar marketing concepts and frameworks of such as segmentation, buying behavior, pricing and distribution strategies, demand generation, and customer relationships in a business context. We will also explore the specific and unique marketing issues and opportunities facing firms that sell to other firms/organizations as customers; and apply strategies and tactics that firms can use to analyze and tap into business markets.

Students will have the opportunity to apply principles they have learned directly via a business simulation game called Capstone, from Capsim. This game will be a key pillar of the course and will be conducted in groups. It's a simulation that is specifically oriented to B2B and a perfect adjunct to the textbook and lecture material.

#### Learning objectives:

1. Understand the nature, structure, and distinguishing characteristics of business-to-business markets.
2. Provide a framework for analyzing organizational buying behavior in all sectors of the business market—commercial enterprises (large and small) as well as government and institutional buyers.
3. Apply demand analysis and segmentation techniques to the business market.
4. Develop effective sales and marketing strategies and tactics in product and service management, pricing, promotion, distribution, and sales to take advantage of business marketing opportunities.

#### Course format:

*Classroom sessions --*

Guided by the course materials and instructor, we will interactively discuss the key issues, challenges and opportunities related to Business-to-Business Marketing. In addition to lectures, we will also have guest speakers and group activities during classroom sessions. You are expected to be in class and actively engaged for every class session. You are encouraged to raise questions related to class topics as well as to actively participate through relevant insights and examples.

### *B2B Business Simulation Game – Capsim*

Groups will be formed and will take part in a computer simulation game called Capstone. There will be a full practice round where teams can go through the full 8 periods (simulated years) of decisions and their consequences. After the practice round, teams will compete during the live round. Capstone provides a realistic B2B experience, focused on marketing, but also incorporates significant other operational elements necessary for marketers to understand in order to achieve the overall marketing objectives of the company.

The grade for Capstone will be comprised of actual performance, plus a group project report. More details will be given during class.

### *Trade Show attendance --*

As an international business hub, Hong Kong hosts a number of major business trade shows organized by the Hong Kong Trade & Development Council (HKTDC). To provide you with realistic exposure to B2B marketing, students will attend an actual trade show – you will be expected to attend a guided tour of a specific trade show, and prepare a team report on your observations and follow-up research of a team selected exhibitor company.

The trade show will be over 3 dates, so every student may attend according to your convenience.

All students are required to attend the trade show. For valid absences (based on school policy & guidelines), excused students will be expected to attend a subsequent trade show and submit a separate trade show report (in addition to contributing to the team report).

### Groups:

The trade show assignment and Capsim will be done in groups. Students are required to work within a group consisting of six members each. You will need to choose groups by the second class or the instructor will assign it. All groups will be final once the add/drop period is over.

**IMPORTANT:** Upon the formation of the group, group members are required to sit together in each class.

### Prerequisites:

Mark 2120: Marketing Management

### Textbook:

**Business Marketing Management B2B , 12th Edition:**

Michael D. Hutt; Thomas W. Speh (e-book version)

This is a new version of the book and the print copy is not yet available.

### Grading Scheme

Mid-Term:	25%
Final:	25%
Capsim:	30%
Trade show report:	8%
Class Participation	10%
Research Participation	2%

Final grades will be based on your performance versus the rest of the class, and may be curved in order to meet the standard distribution as required by ARO.

Grades will be numerical, converted to a letter grade after the final exam. If students have any concerns about grades they should notify me as soon as possible or practical so that we have time to address any issues.

<b>Points (4- scale)</b>	<b>Grade</b>	<b>Distribution</b>
4.3	<b>A+</b>	10-20%
4	<b>A</b>	
3.7	<b>A-</b>	
3.3	<b>B+</b>	25-40%
3	<b>B</b>	
2.7	<b>B-</b>	
2.3	<b>C+</b>	35-45%
2	<b>C</b>	
1.7	<b>C-</b>	
1	<b>D</b>	5-10%
0	<b>F</b>	0-5%

### **Academic integrity**

Academic integrity is a critical value of the university community. Integrity violations destroy the fabric of a learning community and the spirit of inquiry that is vital to the effectiveness the University. I have absolutely no tolerance for cheating or plagiarism and there are no acceptable excuses.

UST places a strong emphasis on academic integrity and has introduced regulations to back this up. To help students and staff to understand the policy, a website has been established that explains the regulations, provides assistance for students in avoiding plagiarism, and sets out the role of faculty and staff

when a case of cheating or plagiarism comes to their attention. Please visit the website at <http://acadreg.ust.hk/generalreg.html>

The penalty for cheating can range from failure of an exam or assignment to failure of the course. Cheating entails offering or receiving assistance from other people or sources. Exams are to be written without the assistance of notes or other people, unless I explicitly tell you otherwise. For assignments identified as group work, it is expected that all members of the group will have contributed, and that only members of the group will have contributed. A group may not collaborate with a group from another section of the course.

The penalty for plagiarism is course failure. Plagiarism is copying anything from another source without citing that source. You are required to provide appropriate citations when you use ideas and arguments or otherwise draw on others' work.

#### Important things to note

1. Please prepare a name tent and remember to bring it to every class.
2. Computers: We will refer to some material on CANVAS from time to time, and some of the in-class activities may require a computer or submission to Canvas, so please bring your laptop to class. But unless we are using the computers, please keep your lids closed and other devices off.
3. Phones: Please turn OFF your cell phones before the class begins. If you need to use the phone, please step outside the room.
4. Participation: We all learn from each other in a collaborative discussion format, so attendance, attention, and participation are important. I will publish class lecture materials, so please focus on staying engaged, not taking extensive notes. Classroom distractions and attention problems will hurt your class participation grade.

5. Attendance: I will not specifically grade on attendance, however if you do not attend you may miss material for the tests and miss in-class exercises and your participation grade will suffer.
6. Make-up sessions: It is your responsibility to ensure you can attend the classes and complete the assignments. If you must miss a class or an assignment, there is no provision for make-up sessions. You must plan in advance and balance your own schedule. I arrange for all sessions to be videotaped however, so you may make up a class in that manner.
7. Please complete the assigned readings before class. This is particularly important for discussion and participation.
8. All deadlines will be strictly enforced. Late submissions will not be graded and no make-up assignments will be allowed.
9. Always bring a calculator to classes and exams. Calculators CANNOT be shared during tests.

### Tests

There will be a midterm and final in this course. The tests will be in the format of true/false and multiple choice questions, and are designed so you will have plenty of time to complete them during a class session. No questions will be answered in the tests to prevent bias, unless it is about the literal meaning of a word or a technical issue.

In case you are not able to take the tests on the scheduled time due to serious illness or circumstances, the school policy on "Illness or Other Circumstances Affecting Assessment" will be followed. Only students with approved exceptions will be allowed to take a make-up examination. Students with denied exceptions will not earn any points for missing any exam.

### Class participation

Simple attendance is not sufficient to earn a good class participation grade. Learning in this class depends heavily on your willingness to expose your insights and viewpoints and

engage in discussion with your classmates. Thus, you are expected to be prepared for class by reading the assigned materials and contributing to class discussions.

To encourage discussions, I may randomly call on students/teams to volunteer their point of view about the assigned readings and discussion topics. During class sessions, we may have in-class activities. Your performance in these activities will also influence your class participation score.

Do not be afraid to express your opinions. Remember, there are often no absolute right or wrong answers in marketing problems. Instead, good answers and ideas are discovered via collaborative discussion together. There will be no negative points for class participation, only positive point scores. Every time you add to the discussion, no matter how minor, it will help your grade. Every comment is helpful because it can spur further discussion. Don't be afraid that a comment will be seen as "wrong" and hurt your grade. The grading system does not allow for this.

### Research credit

Students enrolled in this class are expected to earn 2 research credits (worth 2% of the grade). This can be done through participation in 2 marketing experiments (of 1 hour each) OR by completing 2 research assignments.

Marketing experiments will be scheduled throughout the semester and students can sign up for these experiments. Instructions on how to sign up will be given to you once the add/drop period is over. They will be posted on your course website. (It is your responsibility to familiarize yourself with the procedures so you are notified of experiments when they are posted). Note that all research experiments begin on time and if you are late, you will miss your chance. If you sign up and then fail to show up (and this occurs several times), you might be blocked from further participation.

If you choose to do research assignments, you can pick them up from the Marketing Department Office (room LSK 4018). These assignments can be turned in on the last day of class to the **MARKETING MAIN OFFICE**. Please do not give it to me (your instructor) since they are evaluated by the department. Questions about this component of the grade should be sent to [markexpt@ust.hk](mailto:markexpt@ust.hk).

### Trade Show Group Project Details

Attend a tour of HKTDC Hong Kong Optical Fair trade show, November 6-8, 2019 and pick ONE participating company that sells primarily to the non-consumer market (businesses, organizations, or government).

Evaluate the following:

1. Provide a brief description of the company. This will require a quick secondary information search.
2. Who is (are) the target market (s) of the company?
3. Evaluate the nature of the product or service that the company offers. Do you think it is a good product or a bad product?
4. Evaluate the tradeshow exhibit of the company.
  - a. What do you think is the objective(s) of the company in joining the trade show?
  - b. Is the company's value proposition clearly communicated in the trade show? Based on what is shown at the trade show, what do you think the value proposition is?
  - c. Evaluate the effectiveness of the trade show campaign of the company. You may devise your own performance indicators for factors you think are relevant such as traffic, location, attractiveness, etc.
  - d. State at least two recommendations to improve the company's tradeshow performance. Why?

NOTE: Prior to the trade show, teams should browse the list of exhibitors and choose a few “short list” companies to consider for the report. Then during or after the show tour, finalize on the one company you will choose. The list of exhibitors is publicized on the official webpage.

<https://event.hktdc.com/fair/hkopticalfair-en/HKTDC-Hong-Kong-International-Optical-Fair/>

### **Team Report Format**

- MS Word or PDF document – submit an electronic copy on Canvas and by email (ALL members must be listed on the document and copied in the email submission to signify team alignment/agreement)
- A4 size paper, normal margins (1”)
- Double-spaced, Calibri font, size 11
- Minimum of 4 pages and maximum of 6 pages in length (exclusive of title page, and appendices or exhibits)
- Note that format deviations will incur deductions
- Good Business English writing rules and spelling are expected, and will influence grading (Tip: use MS Word Grammar & Spelling function)

### **HKTDC Hong Kong Optical Fair**

<https://event.hktdc.com/fair/hkopticalfair-en/HKTDC-Hong-Kong-International-Optical-Fair/>

### **Student Non-attendance/Absences to Trade Show**

Trade show attendance for EACH student is a requirement for the class. If valid exceptions (per discussion with instructor) prevent attendance, the student must propose and attend an alternative trade show and submit another separate trade show report, in addition to contributing to the original team report.

## **Deadline for Guided Tour Slot Sign-up – Thursday, September 26, 2019**

- Guided tours will be November 6<sup>th</sup> through 8<sup>th</sup>, specific times will be announced prior to sign-up.
- It is highly recommended that members from the same team sign-up in the same tour slot
- Dress and behave professionally, you are representing HKUST, and trade show access is provided as a courtesy
- Tours usually last about 30 minutes, after which students can stay for 15-30 minutes to revisit booths/areas of interest
- Students are required to always stay in the tour group
- The scope of the exercise is to gather the relevant information only through observation, exhibit materials, and secondary data, so do not attempt to interview the show exhibitors at length during the visit or arrange subsequent meetings or interviews.
- Please note that taking photographs or videos at the trade show are not allowed without special permission. You may download pictures from public sites for your report if needed.
- Students must sign up for tour slots (first come, first serve). This will be done through Canvas (announced in class and on Canvas)

The team reports will be graded on the thoroughness of analysis and logical recommendations based on guide questions and guidelines. The deadline to submit the trade show report is Thursday, November 21st.

Equal participation and contribution to group projects is expected from each student. If you have problems with a group member not participating properly, please send email BEFORE the due date to the TA or the professor describing the situation. The professor may adjust the grades accordingly if the problem cannot be resolved.