

**PARUL UNIVERSITY**  
**FACULTY OF MANAGEMENT**  
**IMBA/MBA Winter 2019 - 20 Examination**

**Semester: 3****Subject Code: 06203203****Subject Name: International Marketing****Date: 04/12/2019****Time: 10:30am to 01:00pm****Total Marks: 60****Instructions**

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

**Q.1 Answer in Brief –Short Direct Questions (Attempt any Five out of Seven) (Each Question 3Marks) (15)**

1. What are different ways of defining or characterizing a Multi-National Corporation (MNC)?
2. Enlist different Foreign Market Entry strategies and explain one of these strategies.
3. What are the different Political risks which marketers must face in International Markets?
4. Explain how promotion mix may differ in international markets from that in domestic markets? (Use two elements of promotion mix for explanation.)
5. Distinguish among Ethnocentricity, Polycentricity and Geocentricity.
6. Explain how the legal environment can have an impact on an MNC's marketing mix.
7. Explain direct-channel intermediaries – (a) Foreign Distributor and (b) State Controlled trading company

**Q.2 Answer the following questions.**

**A).Case-let: "International Marketing requires a careful consideration of the marketing mix elements. In the 80's when personal computers made in USA were first introduced in Mexico, consumers didn't appreciate the product much, because they couldn't understand the length of instructions that needed to be memorized or written for making the computer operate. Further they didn't trust the results that the computer gave from the instructions. They were happier with the traditional use of calculators and typewriters and simple pen and paper based work – especially in the accounting and banking sector. For a banker it was customary to have his calculations verified by use of advanced calculators of that era. In the bankers' community, a general observation was that more of them used to use calculators and very few of them used computers – which were quite pricy." (10)**

1. What are the product specific factors that are mentioned in this case that could affect the rate of product adoption?

2. Give examples (other than that mentioned in the case) –explaining how the factors cause a low rate of product adoption.

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**B).Case-let: Two situations are given below: (10)**

1. "In the year 199X, US \$ was trading at Rs. 42 for a \$, compared to rate of Rs. 45 for a \$ in the year 199Y- where Y is the previous year and X is this year. Infosys Ltd. an Indian Software company had signed a consultancy project worth about 100 millions of dollars, in the previous year-Y, with a USA bank for delivering financial software to this bank in the year- X, and Infosys would receive the full payment in the year of delivery. Now in the beginning of this year X, the company's' shareholders were not happy with the project dealings and were insisting Infosys board to renegotiate the project contract terms. What changes the shareholder may be demanding and why? (make necessary assumptions if required)
2. As a Market Researcher, you have been hired by KFC. to make recommendations on how to market Burgers- both vegetarian and non-vegetarian in its franchise outlets in a number of Asian, European, and South American countries. What specific questions do you need to ask in order to understand the varying buying motives and consumption habits of consumers of this particular product?

C). Case-let: “The failure to consider Cultural Universals results in a tendency to overemphasize Cultural Differences. Human beings, regardless of race or religion, all have similar basic needs, and it is reasonable to expect that certain cultural traits transcend national boundaries. For example, people everywhere have a love for music and a need for fun. This is one of the reason that Disney Land in USA, has a successful international set- up in Europe and Japan. Another example is that of Superstition – like hotels in UK don’t have a room no. ‘13’ or the no. ‘17’ – is not there in certain hotels in Gulf Countries. Certain countries like India, Pakistan, Sri Lanka, Bangladesh, Nepal, UK , have a common system of driving on the left whereas most European nations (except UK), the US, Canada have a common system of driving on the right.”

1. Enlist five other Cultural Universals that exist across the countries in the world.
2. How can knowledge of Cultural Universals help an MNC to facilitate its international Marketing strategies?

### Q.3 Case Study

(15)

“The \$10-billion-a-year sugar industry in the USA enjoys a sweet deal. The US Department of Agriculture restricts the quantity of domestically produced sugar that may be sold in the country, while the US Government uses quotas and tariffs to discourage the importation of foreign sugar. Moreover, there is a federal loan program that essentially sets a minimum price for sugar. As may be expected, US sugar prices are about twice as much as the world market price. Not unexpectedly, US candy and soft drink manufacturers are unhappy about the high sugar prices. They are urging the government to make direct subsidy payments to sugar-cane growers instead of being in the business of restricting supply. The sugar industry naturally sees it differently. Being second to none historically in gaining protection, it is not going to give it up without a fight. It argues that the subsidy programs could further hurt its image of being dependent on corporate welfare. The subsidy will also shift the burden of \$1.3 billion from consumers to tax payers, and this move is not politically appealing. In addition, it may open the door for foreign producers to complain to the World Trade Organization that US sugar growers receive an unfair advantage. Certainly, the US sugar industry’s lobbyists are busy making the case.”

1. What are the marketing barriers talked about in this case?
2. How do these barriers restrict trade?
3. Why are the US candy and soft drink manufacturers unhappy? What are their suggestions?
4. What is the counter argument of the sugar industry for the suggestions of the candy and soft drink manufacturers?
5. Analyze the two critical arguments discussed in this case and explain which one of them you find more persuasive.