

Seat No.: \_\_\_\_\_

Enrolment No. \_\_\_\_\_

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA - SEMESTER- III • EXAMINATION – WINTER 2018**

**Subject Code: 2830006****Date: 06/12/2018****Subject Name: INTERNATIONAL BUSINESS****Time: 10:30 AM To 01:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

**Q.1 (A) Attempt the following Multiple Choice Questions****06**

- a. A multidomestic company is:
  - i) An organisation that attempts to standardise and integrate operations worldwide in all functional areas.
  - ii) The same as global company
  - iii) An organisation with multicounty affiliates, each of which formulates its own business strategy based on perceived market differences
  - iv) An organisation that standardise and integrates operations on a domestic basis.
- b. International business transactions include:
  - i) Sales
  - ii) Investments
  - iii) Transportation
  - iv) All of the above
- c. Which of the following is not a democratic country:
  - i) USA
  - ii) France
  - iii) India
  - iv) North Korea
- d. Current Account records transactions:
  - i) transaction related to export and import of goods and services
  - ii) Foreign direct investment flows
  - iii) portfolio investment inflows and outflows
  - iv) none of the above

- e. Special Drawing Rights (SDRs) is:
- i) an international reserve asset and the unit of account in which IMF keeps its financial records
  - ii) Special voting rights
  - iii) an exchange rate
  - iv) none of the above
- f. The Marketing mix consists of a set of strategy decisions for the purpose of satisfying the customers in a target market. These strategy decisions are in the areas of:
- i) product
  - ii) promotion
  - iii) pricing
  - iv) all of the above

**Q.1 (B) Explain the following terms: 04**

- 1) Globalisation
- 2) Intellectual property rights
- 3) Spot market
- 4) Common law system

**Q.1 (C) Explain parliamentary democracy briefly. 04**

**Q.2 (a) Briefly explain different types of economic systems. 07**

**(b) Explain economic rationales for governmental intervention in foreign trade. 07**

**OR**

**(b) Explain the various types of economic integrations with suitable examples 07**

**Q.3 (a) Discuss the role of central banks in influencing their exchange rates. 07**

**(b) What is common market? Discuss features of European Union as a common market example in brief. 07**

**OR**

**Q.3 (a) Discuss the advantages of doing export in foreign market. 07**

**(b) Define and Differentiate Multi-domestic strategy with International Strategy in detail with suitable examples 07**

**Q.4 (a) Discuss the potential obstacles in International Pricing. 07**

**(b) Define and differentiate franchising with joint-venture by giving suitable examples 07**

**OR**

- Q.4** (a) Before selecting any country to do business with, which information is scanned by managers? **07**
- (b) Explain why companies pursue global sourcing strategies? Give examples **07**

**Q.5** Goods made in China have established a vast retail network all over India down to the remotest villages without the help of media hype or publicity campaigns. The product adaptations by Chinese manufacturers is exemplary. 'Made in China' idols of Hindu gods and goddesses in all shapes, colours and sizes, even with fitted electronic gadgets and pre-recorded devotional music in most Indian languages apart from Hindi and Sanskrit, swamp the Indian markets during festive seasons. China-made idols of god Ganesha during the Ganpati festival in Maharashtra, goddess Durga during Puja festival in west Bengal, and goddess Lakshmi and a host of others Indian deities during Diwali are a common sight. The modus operandi of Chinese manufacturers is to send to the target market a team of experts who pick up the locally-made items which are in high demand. The visiting team of china takes back a variety of samples of locally manufactured popular products. Extensive innovation are made by the Chinese manufacturers and similar products are manufactured in bulk and sold in markets like India at much lower rates than domestically manufactured items. **14**

A few years back, a team of Chinese experts visited Mumbai to pick sample of clay Ganesha idols. Back in China, they manufactured Ganesha idols in different materials such as paper, plastic, fibre and glass, innovated them with latest electronic technology. The customers were delighted to get such beautifully designed idols at much lower costs. Such goods from China are available in wide ranges in India.

Questions:

1. Discuss international marketing strategy of Chinese manufacturers for making product adaptations for foreign market.
2. Discuss the cultural and religious reasons for companies to alter their products to fit the needs of customers in light of this case

**OR**

**Q.5** India's leading IT company, Infosys, works with alliance partners with best in class technologies in specific industries to develop business solutions for its clients. Infosys alliances can be characterised either - as a Marketing alliance for jointly developing, selling and delivering business solutions that leverage Infosys' industry, functional and technical expertise, global delivery model and the alliance partner's technology and services or - as a Technology alliance in which Infosys works with alliance partner in order to build business and technical competence in the alliance partner's technology through training, **14**

engagement with alliance partner's technical support and development teams, and the development of tools and methodologies

The Infosys' alliance partners include FileNet, IBM, Informatica, Intel, Mantas, MatrixOne, Microsoft, Oracle, SAP, Pinnacle, Sun Microsystems etc.

Questions:

1. What is Strategic alliance? Discuss the reasons behind such alliances.
2. Discuss major benefits of entering into business alliances by Infosys

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