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Total No. of Pages : 03

Total No. of Questions : 15

MBA(IB) (2014 to 2017) (Sem.-3)
INTERNATIONAL MARKETING
Subject Code : MBAIB-303
Paper ID : [C1194]

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTION TO CANDIDATES :

1. **SECTION-A** contains **SIX** questions carrying **FIVE** marks each and students has to attempt any **FOUR** questions.
2. **SECTIONS-B** consists of **FOUR** Subsections : Units-I, II, III & IV. Each Subsection contains **TWO** questions each carrying **EIGHT** marks each and student has to attempt any **ONE** question from each Subsection.
3. **SECTION-C** is **COMPULSORY** and consist of **ONE** Case Study carrying **EIGHT** marks.

SECTION-A

1. What is meant by “*global localization*”? Is Coca-Cola a global product?
2. Outline in brief Adam Smith’s theory of Global trade and understanding need for global markets.
3. What is a transfer price?
4. Outline global issues associated with physical distribution and transportation logistics.
5. How does the “*standardized versus localized*” debate apply to advertising?
6. Outline Control strategies in global marketing.

SECTION-B**Unit-I**

7. Discuss in detail the process of international marketing. How can a firm's overseas involvement be categorized?

8. Compare and contrast international market research with domestic marketing research. Highlight unique challenges faced in planning of international marketing research.

Unit-II

9. Discuss in detail the new product development process while highlighting the factors which influence the new product development targeted at global markets.
10. What are the basic factors that affect price in any market? What considerations enter into the pricing decision? Identify some of the environmental constraints on global pricing decisions.

Unit-III

11. Identify the four retail market expansion strategies. What factors determine the appropriate mode in international markets?
12. What are various global promotion strategies a company can choose from? Discuss in brief the Environmental issues and challenges that surface in implementing a personal selling strategy in global market.

Unit-IV

13. Discuss in detail various international market entry strategies. Give examples
14. What are the three organizational designs that make up international organizational structure?

SECTION-C

15. Case Study :

The beauty products industry encompasses make-up, skin, hair care, perfumes, cosmetic surgery, health clubs and diet pills, which is a \$160 billion-a-year global industry. In the past few years, the industry has been growing at 7 percent annually, more than twice the rate of the developed world's GDP. This annual growth has been fueled by a richer, aging baby boomers in developed countries and the increasingly affluent middle class in emerging economies, such as Brazil, China, India, Russia and South Korea.

Recently, there are three major changes that affect this beauty products industry. Though incumbent brands such as L'Oreal, Nivea, Shiseido, Elizabeth Arden and Max Factor still possess the remarkable staying power, the emergence of new entrants has intensified the

competition. Both luxury goods producers and consumer products companies pose significant threats to those incumbents. Second, there is also a change in consumer behaviour which consumers are now starting to buy products from discount retailers such as Wal-Mart. This change in consumer behaviour has hurt smaller players, such as Estee Lauder and Revlon, which heavily depend on department stores instead. Finally, incumbents are increasingly fighting back through emphasizing the uniqueness of their products. For example, the new Body Creator skin gel of Shiseido, which claims to be able to melt 2.4 pounds of body fat a month without any need to diet or exercise, was bought in Japan every 3.75 seconds during the first year of the launch.

While the market for traditional beauty products becomes more competitive, substantial future growth of the industry might come from areas outside the main players: cosmetic surgery and well-being products. This is basically because of the changing nature of cosmetic surgery, which is no longer reserved for celebrities and actresses. The cost has dropped significantly, from \$12,000 in earlier days to nowadays \$600. This trend is particularly true in the US, where cosmetic surgery has become a \$20 billion a year business and has grown by 220% since 1997. The other area of growth is well-being products, which include natural solutions such as spas, salons and clubs linking beauty with diet/exercise.

Questions :

1. Why do incumbents have long staying power in this industry?
2. How do new entrants overcome entry barriers? How do incumbents react to new entrants?
3. Should traditional competitors focus on expanding new country markets in emerging economies or on entering hot, new growth product markets in developing economies?