Code: **BA4T5**

PVP 12

II MBA - II Semester – Regular/Supplementary Examinations
MAY 2017

INTERNATIONAL MARKETING

Duration: 3 hours   Max. Marks: 70 M

SECTION-A

1. Answer any FIVE of the following: 5 x 2 = 10 M

a) International marketing
b) Franchising.
c) Customs in Business
d) Indirect Exporting.
e) International logistics.
f) Virgin markets.
g) Grey market goods.
h) Poly Centric Orientation.

SECTION – B

Answer the following: 5 x 10 = 50 M

2. a) What is the significance and scope of International Marketing?

OR

b) What is the need for International Trade in the global economy?

3. a) Differentiate between indirect and direct exporting.

OR

b) How is foreign marketing possible with direct investment?

4. a) What are the challenges faced by International companies in distributing their product?

OR

b) How do International companies manage their physical distribution of goods?

5. a) Can international brands counter product saturation levels in the global market?

OR

b) What are the strategic alternatives used by international companies to expand geographically?

6. a) What are the export procedures to be followed in International Trade?

OR

b) What are the alternative ways that can be employed by international companies in pricing their products?

SECTION – C

7. Case Study **1x10=10**

In early 1990s, Wal-Mart announced that it would go global. It wanted to look for international markets for the following reasons:

1. Wal-Mart was facing stiff competition from K-mart and Target , which had adopted aggressive expansion strategies and had started eating into Wal-Mart's market share.
2. Although Wal-Mart had the scope to expand in the US, it was becoming difficult for the company to sustain its double digit growth rate. Wal-Mart was suffering from soft sales and rising inventories, especially in respect of its Sam's Club divisions.
3. Wal-Mart also realized that the US population represented only 4% of the world's population and confining itself to the US market would mean missing the opportunity to tap potentially vast markets elsewhere.
4. In the early 1990s, globalization and liberalization opened up new markets and created opportunities for discount stores such as Wal-Mart across the world.

During the first five years of its globalization initiative (1991-1995), Wal-Mart concentrated on Mexico, Canada, Argentina and Brazil, which were close to its home market.
It started with Canada and Mexico due to the similarities in people's habits, culture and the business environments in these countries and also because the North American Free Trade Agreement (NAFTA) made it easier for US companies to enter these markets.

Wal-Mart's decision to enter Argentina and Brazil was based on the high growth rates of the Latin American markets...

Case Questions:

1. Did Wal-mart take the right decision to enter international markets?

2. What are the entry strategies used by Wal-mart ?