

July-August 2016

Master of Business Administration (MBA) Examination
IV Semester

International Marketing

Time : 3 Hours]

[Max. Marks : 80

Note : Attempt any four questions from Section A. Section B is compulsory.

Section A

1. (a) What is International Marketing ? Discuss the theories of international trade.
(b) Write a note on EPRG Framework.
2. (a) Why is it necessary to scan international environment ? Describe the legal and economic factors affecting international marketing,
(b) Enumerate the different types of regional agreements.
3. (a) Elaborate the salient features of EXIM Policy 2002-2007.
(b) Explain the various export documentation.
4. (a) What is International Product Planning ? How it is helpful in identifying new products ?
(b) Discuss the factors affecting international prices.
5. (a) Describe the role of Transfer Pricing in International Trade.
(b) What are the direct and indirect channels of distribution system for International Markets?
6. (a) What do you mean by Exchange Rates ? How it has an impact on pricing ?
(b) Elaborate the global advertising regulations.
7. Write short notes on any two of the following :
(a) Difference between Multinational and Global Markets.
(b) Branding Strategies.
(c) Standardization V/s Localization.

Section B

8. Analyse the case and answer the questions given at the end :

COOL-HEADS

Cool-Heads was established in 1985 to manufacture, distribute and market pharmaceutical soft drinks. It was purely an Indian company and had to face tough competition from multi-national companies during the initial years. The company in the last decade with the help of effective market

strategies, has set up a place for itself, amongst the leading pharmaceutical companies in the country.

In 1995, the Managing Director of the company stressed the need for diversification and addition of new products to its existing product range. He floated the idea of manufacturing and marketing coffee with milk, cocoa and sugar. His advisers suggested that such products enriched with cocoa, would be desirable, and should be a big success, specially in view of its competitors' brand. The marketing research department of the company also gave the green signal to the project after conducting a brief survey.

The company promoted its coffee with Choco-Coffee as the brand name. It was supplied in a 400 g. packet at the price of Rs. 74. The product was heavily advertised in the newspapers, health magazines, radio and television. The target audience was middle class, who it was believed could afford Choco-Coffee. Ordinary coffee was available in the market at the rate of Rs. 30 to Rs. 40 per kg. The thrust of Choco Coffee in the promotion campaign was that this contained cocoa, milk and sugar.

The company has 50 stockists covering all of the country and has a sales force of about 150 representatives, for promoting its products, tjauishp super markets and shops. The representatives of the company had very good rapport with supermarket and shops. to promote the coffee its representatives gave discount coupons to the stockists for passing over to their customers to induce them to buy their coffee. The buyer was entitled to Rs. 5 discount per packet of 400 grams. The scheme continued for about 6 months.

Despite heavy advertisement and canvassing by its representatives, the product was unable to attract customers. It was observed that launching of this product has not affected the market position of other branded coffee at all which was being sold at Rs. 90 for a pack of 275 gram. Rather, it was observed that the sales of the other brands of coffee increased marginally, consequent to the advertisement campaign by the Cool- Heads. The company could achieve only 25% of its sales target in the first year and it remained almost static for the next year.

Questions :

1. What do you think are the reasons for the failure of the company to achieve its target ?
2. Suggest a sales promotion plan for increasing the sales Volume of the company.
3. Can a change in the distribution Channel bring improvement in the sale of the product?

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