Roll No. Total No. of Pages : 05

Total No. of Questions : 15

MBA (2012 & Onwards) (Sem.–4)

INTERNATIONAL MARKETING

Subject Code : MBA-907

Paper ID : [A2527]

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

SECTION-A

1. Discuss the role of a subsidiary in international market.
2. Differentiate between joint venture and strategic alliance as entry strategies in international market.
3. What are major types of tariffs that nations use against imports?
4. What factors account for the unreliability of secondary data in foreign countries while conducting research?
5. Distinguish between obligatory and discretionary adaptation. Give example.
6. Explain various types of bill of lading.

SECTION-B

UNIT-I

7. What are different modes of entry in international market? What are relative advantages and disadvantages of each mode?
8. a) Why firms go for international marketing?

   b) What is the selection criteria followed for choosing foreign market?

UNIT-II

9. Write brief note on :

   a) SAARC

   b) ASEAN

10. Explain what kind of political risks an international marketing firm faces in the international political environment? How can international firm safeguard its interest?

UNIT-III

11. Explain recent trends in India's foreign trade? What steps need to be taken to boost our exports?

12. How are India's exports financed? How far has the Export Credit Guarantee Corporation helped the exporters in obtaining finance?

UNIT IV

13. a) What arguments favour a strategy of differentiated pricing in international markets?

    b) Under what circumstances dumping is useful to the people of the importing country? Explain.

14. Discuss the concept of an international product life cycle. Critically examine all four stages of an international product and the marketing strategy a firm should adopt at each stage.

SECTION-C

15. **CASE STUDY**

THE SAMSUNG GROUP

Samsung (www.samsung.com) is one of the world's biggest multinationals. Founded in 1938 in south Korea, it is currently chaired by Kun-Hee Lee, who also acts as its CEO. The group has 16 affiliated companies, each acting independently, covering electronics, engineering, hotels, communications and a host of other activities. Samsung also has academic and educational interests, including Samsung Human Resources and Samsung Fashion Industries. It has 285 overseas operations in 67 countries, split into three core businesses : electronics , finance and trade and services. Its essential financial details are given in Table. 1

Figure	1997	2002
Net sales	96.1	116.8
Total Assets	111.8	156.1
Total Liabilities	96.5	110.3
Stock holder equity	15.3	45.8
Net Income	0.29	8.9
Employees(000s)	175	267

Two of its largest affiliated companies are Samsung corporation and Samsung electronics.

Samsung Corporation

Founded in 1938 as Samsung trading, its main business is in trading, construction, housing development and the internet. It is one of Korea's leading overseas business and was designated by government as the first trading company (GTC) in 1975. In January 2001 it had a turnover of US$35 billion and in January 2003 employed 4105 worldwide. In 1996, Samsung Corporation merged with Samsung Engineering and construction and added retailing to its existing business portfolio of trading and clothing manufacturing. After spinning off its hypermarket stores in a joint venture with Tesco UK, it now has three major business groupings : trading, construction and housing development. With the advent of the internet, Samsung became the largest online shopping market in Korea

(www.samsungmall.co.kr) and industry specific e-marketplaces for chemicals and seafood products. It also operates an award winning online catalogue trading system, market intelligence system, for the export of industrial and commodity goods.

Operating from 82 overseas offices, the trading group is involved in a wide range of business projects worldwide. The company's main exports include semiconductors, plants, chemicals and textiles. Another part of the group exports energy, chemicals and machinery. In addition to international trade, the division carries out project engineering, organizing business, natural resources development and investment in privatization projects for developing countries as well as Promising start-ups.

The Construction Group carries out various construction, civil engineering, industrial plant and land development projects as well as nuclear process plant construction. One of its most notable achievements was the construction of the world's tallest building, the PETRONAS Towers in Kuala Lumpur, Malaysia.

Samsung Electronics

Samsung Electronics has 54, 000 staff operating in 46 countries. Samsung Electronics and its affiliates manufacture a vast range of electrical and allied products including television and audio equipment, videos, CCTV, home appliances, phones, electrical parts and components, next generation memory chips, color TV Picture tubes, glass bulbs as well as developing computer systems. One of its many typical operating subsidiaries is Samsung Electronics UK. Samsung entered the UK in 1984 and currently has its headquarters in surrey, a European customers service and distribution centre in Telford, a research centre in Middlesex and a manufacturing facility in Wyngard, Samsung UK has five product divisions : consumer electronics, telecoms, fax and printer, computer peripherals and notebook PC products. It is the market leader in many products including computer monitors, fax machines and digital cellular phones. Samsung's affiliates are independent companies but work together to produce Samsung products.

Samsung Electronics emerged as a global enterprise through projects with leading overseas companies, along with technology transfer arrangements and joint investments. Based on open management and the desire to bring the world together, Samsung Electronics, together with overseas companies which are leading electronics world businesses in their own right, make products which ' will help people have rich and more abundant lives'. Some of the more recent strategic alliances include those outlined in Table 2.

The Samsung group is a major world player, including in its portfolio many consumer and business-to-business products and services at the cutting edge of technology.

Case discussion questions

a. Identify and describe what you think are the reasons for samsung's different market entry strategies.

b. Samsung have utilized numerous market entry modes in their global expansion. Identify the product/market groupings under each entry mode and what you think are the reasons for this.

c. Identify, with reasons, what evolution is likely to take place in samsung's market entry strategies in the future.

Table 2 A Sample of Samsung's major strategies alliances

Company	Date	Product
Infineon Germany, www. Infineon.com	Feb.2003	Next generation semi-conductors for smart phones
Kent University	Mar,2003	CD fundamental technology
Mastushida	June,2003	DVD recorder
Microsoft	Nov, 2002	Pocket PC
Softbank Japan, www.softbank.co.jp	Nov,2002	IP set top box
Bell Canada, www.bell.ca	Nov,2002	Next generation wireless technology
HP,www.hp.com	Sept,2002	DDR DRAM
T-mobile, www.t-mobile.com	Aug,2002	Cellular phones
Sony	Aug,2001	Flash memory card (memory stick)
Yahoo	Mar,2001	Internet solutions
Thales, www.thalesgroup.com	Nov,1999	Defence industry