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UNIVERSITY OF PETROLEUM
AND ENERGY STUDIES



End Semester Examination, May 2017

Program/course: BBA-Foreign Trade (2015-18)
Subject: International Marketing
Code: BBCM 175
No. of page/s: 03

Semester: IV
Max. Marks: 100
Duration: 3 Hrs

Section-A. Very Short Answer/Objective Type Questions (20 marks)

1. Answer any one in 10-12 lines:

(a) What are the major reasons for which a firm may go international?

OR

(b) Mention David Allen Aaker's dimensions of market analysis.

(4 marks)

2. Answer any one in 10-12 lines:

(a) Briefly describe the elements of a Promotion Mix.

OR

(b) Arrange the various modes of entry in international markets in decreasing order of market commitment, control, risk, and profit potential for a firm.

(4 marks)

3. Objective type questions. Provide one-word answers:

(a) Fixing of prices, often to the disadvantage of the consumers, by a company in collusion with its competitors is called

(b) Non-paid form of promotion of a product/brand/company is called

(c) is a popular tool (or model) used by companies to assess competitive rivalry in a market.

(d) Which product strategy is a consumer electronics major (like, Sony) likely to adopt in new markets: (standardization/adaptation/invention)?

(e) Which dimension of a product is more important as a selling proposition in case of designer consumer products (like, fashion apparel) as compared to industrial products (like, textile machinery) (brand name / functional features).

(f) An FMCG company looking to enter a new fiercely competitive foreign market, with the objective of maximum unit sales, is likely to choose pricing strategy in the short term.

(6 x 2 = 12 marks)

Section-B. Short Answer Questions (2 x 10 = 20 marks)

4. Answer any one (in 15-20 lines only):

- (a) Why do most firms choose standardization strategy at the beginning of their international exposure?

OR

- (b) Mention the various types of international distribution channels and give actual examples of each.

5. Answer any one (in 15-20 lines only):

- (a) What are the various forms of product development for international markets? Give actual examples of each.

OR

- (b) Mention the objectives and describe the process of marketing communication giving real industry examples at each level.

Section-C. Subjective/Descriptive Type Questions (1 x 30 = 30 marks)

6. Answer any one in 60-70 lines only:

- (a) Using a real industry example, highlight the application and value of BCG Matrix.

OR

- (b) Arrange the following product categories in decreasing order of suitability of 'standardization of marketing mix' for international markets and give reasons and examples in support of each:

Fashion Apparel; Industrial Products; Food & Beverages; Commodities; FMCG; Consumer electronics.

Section-D. Case Study/Analytical Questions (1 x 30 = 30 marks)

Mahindra pulls the plug on electric car sales in UK

Mahindra & Mahindra has stopped selling electric cars in the United Kingdom due to weak sales and is winding up sales operations there, according to a document seen by Reuters, in a new setback to the Indian automaker's global ambitions. Mahindra's decision comes less than a year after it launched the e2o car in a market it considered a launchpad for selling electric cars in European countries like Norway, Sweden and the Netherlands. "The level of e2o sales achieved is at an untenable level for us to maintain the investment required, hence our decision to cease trading at Mahindra UK with immediate effect," Mahindra said in a letter dated April 10, addressed to one of its buyers in the country.

"Immediately post Brexit, the e2o has not met the desired sales targets as per the plans for the UK market," a Mahindra spokesman said in an emailed response, without explaining how

Britain's decision to leave the European Union hurt sales. "We'll reconsider the UK market at an opportune time," he said, adding that electric vehicles are poised for a take-off in India and Mahindra will focus on its home market. The move is a new setback for the company, part of the \$17 billion Mahindra group, which struggled to enter the United States a decade ago despite spending about \$100 million on launch plans. More recently, it was forced to stop selling pick-up trucks and sport-utility vehicles in Brazil in 2015 due to a sluggish economy and changes in local regulation. The automaker, however, continues to expand in other places. Its South Korean arm Ssangyong Motor is considering manufacturing in China, where import duties are high, and could make a decision by mid-2017.

Cancelled Orders

Mahindra, in the letter, said it has stopped the sale of all e2o cars in Britain with immediate effect, cancelled all pending orders and is buying back cars from existing customers at the price they paid for it. "It is with great sadness that we have had to make this decision, but ultimately the level of interest in the vehicle and the extremely low volume of sales has left us with no alternative," it said. Mahindra did not comment on its investment in the UK or the number of cars it has sold in the country. While Mahindra blames Brexit for its performance, car sales in the UK have continued to rise despite forecasts that demand would be hit by Britain's decision to leave the European Union.

UK car sales hit a record high of 2.69 million vehicles in 2016, industry data showed. Of this, alternative fuel models, primarily plug-in hybrid and electric cars, made up a little over 3 percent but are growing faster than conventional cars.

In April 2016, Mahindra launched two variants of the e2o car in the UK at a starting price of 12,995 pounds (\$16,793). Buyers could test drive the cars at a handful of locations, but the vehicles were only sold online and not through dealerships. Dubbed as India's Tesla, Mahindra sells the e2o in its home market and in the neighbouring countries of Nepal and Bhutan. Like in the UK, Mahindra has struggled to significantly ramp up sales of electric cars in India in part because of the lack of charging stations and low buyer interest.

(Source: Cohn, Carolyn and Aditi Shah, May 3, 2017. Reuters, AUTOS. London/New Delhi. Writing by Aditi Shah; Additional reporting by Costas Pitas LONDON; Editing by Euan Rocha/Randy Fabi/Susan Fenton. Retrieved 5-5-17 from <http://in.reuters.com/article/mahindra-britain-autos-idINKBN17Z0WY>)

Answer the case related question in 80-90 lines only:

7. As M&M's VP-Marketing (Passenger Cars - Electric & other Alternative technologies), what will your marketing objectives and strategy be from this point onwards? Present in the form of a Marketing Plan.

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