

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA

PGDM / PGDM (M) / PGDM (SM)

SIXTH TRIMESTER (Batch 2021-23)

END TERM EXAMINATION, APRIL 2023

Course Name	GLOBAL MARKETING	Course Code	20135
Max. Time	2 hours	Max. Marks	40 MM

INSTRUCTIONS:

- a. This question paper consists of **5 questions**. **Attempt any 4**. Each question is of 10 marks. Internal choices are provided in most of the questions.
- b. Please be specific / precise while answering each question.
- c. **A word of caution:** Time is precious. Please manage your time well.

1.

- (i) Look at the Hofstede scores of Mexico (PDI=81, IDV=30, MAS=69, UAI=82) and the US (PDI=40, IDV=91, MAS=62, UAI=46). Based on these scores, comment on the following with respect to Mexican and US managers. Justify your answers.
(a) Managerial Style (b) Interpersonal Trust and Confidence

- (ii) An ageing population is a recent demographic trend affecting both developed and developing countries. When compared to developed nations, developing countries are lagging in addressing the needs of senior citizens. Many of these countries lack social support for the elderly. What opportunities and challenges do you see in targeting the elderly in developing markets for companies such as Coca-Cola, Apple, and Procter & Gamble?

OR

- (i) In 1999–2000, Shell ran a £50 million co-branding campaign with Ferrari and LEGO. Some people thought it was mainly an attempt to persuade people in the West. However, it was an attempt at a ‘brand image transfer’ by the company. In the petrol retailer market, which is traditionally driven by price promotions, Shell wanted both Ferrari’s sexy, sporty image and the family values of LEGO. What were the benefits for Ferrari and LEGO? Discuss.

- (ii) IP laws cannot protect a business everywhere. The Chinese market is flooded with cheap imitations of Japanese motorcycles. As per one estimate, 7 million out of 10 million motorcycles produced in China every year are imitations. Do you think lowering product prices is a good strategy to protect oneself from local imitations and counterfeit products? Discuss

2.

- (i) Helmut Maucher, former chairman of Nestle, once said, “I don’t share the euphoria for alliances and joint ventures. First, very often, they are an excuse and an easy way out when people should do their own homework. Secondly, they create additional difficulties - you share power and cultures, and decisions take longer.” Do you agree? Justify

- (ii) China’s Geely unveiled plans to launch Lynk & Co (a new mass-market car brand) in 2016. Geely, founded in 1986, made international headlines in 2010 when it acquired the Volvo Group. The ‘Lynk’ part of the brand name refers to interconnected cars. The ‘&Co’ was added

to spice up the name but has no real meaning. The plan was to position the brand between the Geely and Volvo brands and compete against mainstream brands such as Ford, Hyundai, and Volkswagen. It would initially be manufactured in China and be priced higher than regular Geely cars but lower than Volvo. Distribution and communication strategies would deviate from traditional norms. Assess Geely's prospects in developed markets. Will it be the next Hyundai or Toyota, or is the project more like an expensive moonshot? Should resources be spent instead on its existing core brands Geely and Volvo? Discuss in brief.

OR

- (i) Tokyo Disneyland, the first Disney theme park outside the US, was opened in 1983. Operated under a licensing agreement, Oriental Land (OLC) pays royalties and licensing fees to Disney, amounting to 10% of admission revenues and 5% of food and merchandise sales. Disney's second international theme park, opened in 1992, was Euro Disney. This theme park at Paris is owned and operated by Disneyland Paris, a company in which Disney has a 40% stake, the Saudi prince has a 10% stake, and the remaining 50% is held by other shareholders. Hong Kong Disneyland was opened in 2005 and is operated through a JV (Disney 43%, Remaining HK Govt.). Shanghai Disney Resort, opened in 2016, is 43% owned by Disney, while the remaining 57% is owned by the Shanghai Shendi Group. What makes Disney opt for different entry-mode alternatives for its international expansion? Discuss.
- (ii) The MTV Network draws a worldwide audience and broadcasts in 17 languages in 140 countries. It set its first international footprint with MTV Europe in 1987. India's demographic dividend made MTV enter its market via a low-risk licensing agreement with Hong Kong's Star TV. The first few years of MTV in India were difficult. However, when it included Bollywood music in its programming, revenues soared. Other strategic moves were the inclusion of topics such as fashion, cricket, clothing, etc. By the late 1990s, MTV had localized its approach by creating MTV India. Further, in addition to Indian audiences, the programs were also distributed to viewers in Bangladesh, Nepal, Pakistan, the Middle East, and Sri Lanka. However, of late, MTV has been concerned with the lack of worldwide standardized programming, which has made it impossible to achieve economies of scale. Do you think MTV can achieve an optimum balance between program standardization and customization? How?
3. Mars Inc. is a diversified multifunctional company whose primary products include food, pet care, confectionery, electronics, and drinks. Owned and controlled by the Mars family, this US giant is one of the world's biggest private companies, but also one of the most secretive. Mars' decision (in 2000) to merge its food, pet care, and confectionery divisions across Europe, with its eventual headquarters in the UK, has split the marketing industry. The well-known brands within the 3 divisions are:
- Food: Uncle Ben's rice and sauces
 - Pet care: Whiskas, Pedigree and
 - Confectionery: M&Ms, Snickers, Milky Way, Mars Bar

Mars UK says the decision to pool the businesses was taken to strike at the company's international competitors in the food and confectionery divisions, such as Nestlé and Unilever. The move also coincides with plans to create a single European market and highlights the company's belief that its consumers' needs are the same across the continent. But the combination of food and confectionery with pet care is not clear to all industry observers. The only visible benefit appears to be an improvement in distribution. Tastes across European markets are very different, whether you are selling products for animals or people. If Mars starts laying down too many controls by merging all its businesses, and therefore, also its marketing and management strategies, it may streamline communications but could lose the creativity available in different regions. Did Mars Inc. do the right thing? Discuss.

OR (Attempt Above Que or Below i & ii both)

- (i) When emerging-market firms globalize, they typically start expanding into other emerging markets. A few firms are more audacious, though and are trying to establish themselves in more developed countries. One example is ZTE, which is now the fourth largest smartphone brand in the United States (behind Apple, Samsung, and LG). Likewise, another Chinese brand tried to tap into the North American market by acquiring Palm. However, other Chinese smartphone makers such as Xiaomi are focusing on emerging markets. What are the benefits for an EM firm in internationalizing in developed markets instead of emerging ones? What could be the possible risks and challenges here?
- (ii) According to Jagdish Sheth, "The rise of emerging markets is not only inevitable, but it will also have a disruptive impact on marketing practice and theory as well." Do you agree? Comment.

4.

- (i) Smoking is on the decline in high-income countries where the combination of higher life expectancy, education, income and legal action has created a powerful antismoking campaign. Global tobacco companies are shifting their focus from high income to emerging markets where the combination of rising income and the absence of antismoking campaigns is leading to ever-increasing demand for cigarettes. Is this shift in focus by global tobacco companies ethical? Comment.

- (ii) Calculate company demand and the penetration rate using the following statistics:

Market Potential: 130 million, Market Demand: 41 million, Company Sales: 17 million.
Explain what the numbers mean and why they are important?

Note: Company demand is also known as estimated market share and calculated in percentage terms. Penetration rate deals with potential and demand.

OR (Attempt Q (ii) or Below Que)

India is not included in Big Mac Index. Why? Justify your answer. Also, explain Gini Index in brief.

5.

- (i) The economy of US can be characterized by following 7 criteria:

Type of Economy: Advance Industrial State

Type of Government: Democracy, Multiparty System

Trade and Capital Flows: Incomplete Free Trade and Part of a Trading Bloc

The Commanding Heights: Mix of State and Pvt. Ownership

State Provided Services: Pensions and Education etc.

Institutions: Transparency, Standards, No Corruption, Free Press, Courts etc.

Markets: Free Market System, Entrepreneurial Dynamism

Use these 7 criteria to develop a profile of one of the BRICS nations. What implications does this profile have for marketing opportunities in the country? Discuss.

- (ii) The marketing mix is manipulated to meet target market needs and wants. How following companies need to use it to satisfy consumers:

a) Red Bull

b) Hyundai