

Name:
Enrolment No:



UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
Online Examination, December 2020

Course: International Marketing
Program: BBA – Foreign Trade
Course code: MKTG 3004

Semester: V
Time: 03 Hours
Max. Marks: 100

SECTION A – 30 Marks
1. Each Question will carry 5 Marks
2. Instruction: Complete the statement / Select the correct answer(s)

		Marks	CO
Q 1	The _____ has increased market access for cross border trade, reduction in Tariffs & rule based multilateral trading system	5	1
Q 2	The _____ approach puts product standardization within regions but not across them.	5	1
Q 3	Differences in the culture of home and host country gives rise to _____ criterion	5	1
Q 4	_____ happens when a firm permits another to use its intellectual property in exchange for royalties or some other form of payment	5	2
Q 5	Business expansion in a foreign country using the distribution network of another company is known as i. indirect exporting ii. switch trading iii. complementary exporting	5	2
Q 6	Evaluating a market on the basis of relative market growth and relative market share is done under i. GE Matrix ii. BCG matrix iii. Ansoff Matrix	5	2

SECTION B – 50 Marks
1. Each question will carry 10 marks
2. Instruction: Write short / brief notes

Q 7	Explain with examples, the difference between the waterfall & sprinkler approaches to product launch in the international markets.	10	3
Q 8	What are the branding alternatives in global markets? Provide examples of the same.	10	3
Q 9	Explain dumping and how does it act as a form of price discrimination in international markets.	10	3
Q 10	Explain the indirect marketing channel and a few actors facilitating distribution in international marketing.	10	3
Q 11	With the help of examples, explain the importance of culture in crafting advertisements in international markets.	10	3

SECTION C – 20 Marks
1. Each Question carries 10 Marks.
2. Instruction: Read the case and answer the questions at the end.

Q 12		20	3
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It was a nice, warm, Sunday afternoon when Michael had to rethink his selling strategies for his region. Michael was born in England and after studying for four years at a major UK University he joined a leading British pharmaceutical company. Following a successful career in sales within the UK, he was promoted to sales representative for Southeast Europe. Based in Thessaloniki, Greece, he was made responsible for selling the entire range of products for the company's division to pharmacists, doctors and hospitals. Michael went through a rigorous and intensive training program for three months and learned a lot about cultural differences between the British and Southern Europeans. Although he was responsible for covering three countries in the Balkan region (Greece, Bulgaria, and Yugoslavia), Michael had recently come to the conclusion that his selling strategies in Greece were somewhat inappropriate. After six months of hard work, Michael was happy with the progress that he made. He had managed to open several accounts with hospitals in all three countries and had built up a network of pharmacists and doctors, many of whom had either bought or agreed to buy his company's products. Recently, however, he noticed a change in the attitude of some of his most important customers, especially in Greece, which, in terms of priority, was the first market for development. Until a few months before, almost all of his customers showed a strong interest in his products and were happy to place orders. During the past two months, Michael noticed that the level of interest and willingness to buy deteriorated, to the extent that some of his customers were delaying reordering, despite the fact that their safety stocks were not allowing them such a relaxed attitude toward stock replenishment.

Constant feedback from customers indicated that there was nothing wrong with either the products or his selling approach. Both his customers and their patients were very pleased with the products and a lot of positive publicity in the relevant press was generated throughout the region since Michael went there. Sitting in his rocking-chair overlooking the Aegean Sea from his balcony, Michael was trying to find out what might have gone wrong. He thought he was consistent with his selling approach. He made professional presentations, used a problem-solving approach, followed up his sales, made sure that products were delivered on time. The service level that he offered was exceptional, and above all his strong interest in helping his customers by providing suggestions for growing their business was the best he could do to win the minds and hearts of all his customers.

His selling experience in the UK helped him immensely with the above approach. He scrutinized his behavior but did not find any shortcomings or reasons for the apparent customer loyalty problem that he saw as forthcoming. He played back mentally many of his encounters with his customers and was convinced that he always delivered a personalized and value-added solution to all of them. He could not recall any instance of not keeping his promises or not making an effort to see and discuss things from his customers' point of view. Being the only interface between the customers and the company in that region, his name became synonymous with the firm and this was something that his customers seemed to value. He believed that this approach was the most appropriate for establishing strong and lasting relationships with his customers that, in turn, could prove to be a significant barrier for competitors entering the market.

Michael remembered his training times and the interesting lectures about cultural differences between the North and South. He nodded his head in an affirmative way as if he wanted to say categorically that this was absolutely true. Then he recalled that profits come from repeat customers and customer retention can produce a disproportional return on his investment. He could afford no more time thinking! He had to take some sort of action. He realized that the solution (if there was one) to this problem was hidden somewhere in the cultural make-up of the customers with whom he was dealing. He decided to ring one of his customers (a Greek whom he had met in England during his university years) and invite him over to his house for dinner. This was the first time that Michael decided to socialize with a customer. His customer accepted the invitation and the following is an extract from their conversation after they had finished their dinner and Michael's problem had been discussed.

Customer Michael, I do not think that you fully understand our culture.

Michael I do not claim I do, but what do I miss or do wrong?

Customer I think there is nothing that you do wrong. The issue perhaps is "what you do not do right."

Michael What is it that I am not doing right then?

Customer A salesperson interested in developing long-term relationships with his customers has to do certain things. Other than being professional in his dealings with the customers, a salesperson is expected to interact frequently with doctors, pharmacists and hospital officials in a social context in order to build trust. Frequent social interaction (i.e., in a non-stressful environment) indicates commitment over and above what is required by the protocol, enhances the feelings of trust, contributes to satisfaction of the customer and facilitates conditions for building attitudinal loyalty. This is something that we used to call "relationship selling" in England, as far as I remember.

Michael I think I understand what you are trying to tell me. Much of the relationship-building activity takes place in social as opposed to work environments. Very much like the meeting we have here. I have got it, and I am ever so grateful to you for your help.

Customer You are, as I remember you from the university years, "a fast learner"!

1. *How should Michael use the principles of relationship selling especially its application among different cultures?*
2. *Would you agree that commitment and trust are qualities that can be sold in a similar way to that of products and services?*