PVP24

Code No: **24BA4T3MA**

II MBA - II Semester - Regular Examinations – JUNE 2026

GLOBAL MARKETING MANAGEMENT

Duration: 3 Hours Max. Marks: 70

Note: 1. This question paper contains two Parts: Part-A and Part-B.
2. Part-A contains 5 essay questions with an internal choice from each unit. Each Question carries 12 marks.
3. Part-B contains one Case Study for 10 Marks.
4. All parts of Question paper must be answered in one place

BL – Blooms Level CO – Course Outcome

PART - A

			BL	CO	Max. Marks
UNIT – I					
1.	a)	Explain the scope and significance of Global Marketing.	L2	CO 1	6 M
	b)	Discuss the importance of understanding Business Customs in International Markets.	L2	CO 1	6 M
OR					
2.	a)	Analyze the factors affecting foreign trade trends and their implications for global business strategies.	L4	CO 1	6 M
	b)	Describe the major Global Market Environment factors affecting international marketing decisions.	L2	CO 1	6 M
UNIT – II					
3.	a)	Compare the characteristics of marketing	L4	CO 2	6 M

		in transitional economies versus third-world countries, highlighting key challenges and opportunities.			
	b)	Explain Indirect Exporting and Domestic Purchasing as market entry strategies.	L2	CO 2	6 M
OR					
4.	Explain the various market entry strategies available for new firms and justify which strategies are most effective for startups.		L4	CO 2	12 M
UNIT-III					
5.	a)	Explain the factors influencing pricing in Global Marketing.	L2	CO 3	6 M
	b)	Apply the concept of the Global Product Life Cycle (GPLC) to a multinational corporation launching a new product in each stage of the cycle.	L3	CO 3	6 M
OR					
6.	a)	Discuss the challenges involved in managing new products and brands in global markets.	L2	CO 3	6 M
	b)	Explain the concepts of Dumping and Price Distortion in international trade.	L2	CO 3	6 M
UNIT – IV					
7.	a)	Discuss the principles of effective communication in international promotion.	L2	CO 4	6 M
	b)	Explain the criteria for selecting foreign country market intermediaries.	L2	CO 4	6 M
OR					

8.	a)	Explain the major Distribution Patterns followed in international markets.	L2	CO 4	6 M
	b)	Discuss the challenges in managing a Global Distribution Strategy.	L3	CO 4	6 M
UNIT – V					
9.	a)	Explain the process of Export Pricing and Costing in international trade.	L2	CO 5	6 M
	b)	Discuss the objectives and key features of the Export–Import Policy of India (2015–2020).	L2	CO 5	6 M
OR					
10.	a)	Introduce Export Marketing Documentation and explain its role in export procedures.	L2	CO 5	6 M
	b)	Analyze the impact of India's EXIM Policy (2015–2020) on export promotion and trade facilitation.	L4	CO 5	6 M

PART – B

	CASE STUDY	L4	CO3	10 M
11.	In 2018, Apple Inc. launched a new flagship smartphone positioned as a premium global product. The company followed a global standardization strategy, offering largely the same core product across North America, Europe and Asia while making minor adaptations such as dual-SIM capability and region-specific apps in select markets. During the introduction stage, Apple adopted a price skimming strategy, setting a high initial price to recover R&D costs and reinforce its premium brand image. In developed markets, strong brand loyalty and high purchasing power supported this approach. However, in emerging markets like India and Southeast Asia, demand was more price-sensitive			

	and competition from value-driven brands intensified. Competitors such as Xiaomi Corporation and Samsung Electronics adopted contrasting pricing strategies. Xiaomi emphasized penetration pricing by offering feature-rich devices at lower margins to rapidly expand market share. Samsung followed a mixed strategy—premium pricing for flagship models and competitive pricing for mid-range segments. As the product entered the growth and maturity stages of the Global Product Life Cycle (GPLC), Apple faced several challenges: Price Factors: Currency fluctuations, import duties, logistics costs and local taxation significantly affected final retail prices. Non-Price Factors: Brand equity, perceived quality, ecosystem lock-in, after-sales service and country-of-origin effect influenced consumer willingness to pay. Gray Markets & Price Distortion: Price differences across countries led to parallel imports, disrupting authorized distribution channels. Dumping Allegations: Some competitors were accused of selling devices below cost in foreign markets to eliminate local competition. Policy Alternatives: Apple evaluated uniform global pricing, dual pricing (developed vs. emerging markets) and market-based pricing aligned with local demand conditions. To sustain competitiveness, Apple localized financing options, partnered with regional e-commerce platforms and adjusted older model prices while maintaining premium positioning for new releases. **Questions:** i. Using the Global Product Life Cycle framework, analyze how pricing strategy should evolve across different stages of the product in developed and emerging markets. ii. Evaluate the impact of price and non-price factors on global pricing decisions. What pricing policy alternative would you recommend for premium brands operating in price-sensitive markets?

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PART - A

			BL	CO	Max. Marks
		UNIT - I			
1	a)	Explain the scope of Global Marketing. significance of Global Marketing.	L2	CO1	3M 3M
	b)	Discuss the importance of understanding Business Customs in International Markets.	L2	CO1	6M
		OR			
2	a)	Analyze the factors affecting foreign trade trends Foreign trade trends implications for global business strategies.	L4	CO1	3M 3M
	b)	Describe the major Global Market Environment factors affecting international marketing decisions.	L2	CO1	6M
		UNIT – II			
3	a)	• Compare the characteristics of marketing in transitional economies versus third-world countries • Highlighting key challenges and opportunities.	L4	CO2	3M 3M
	b)	Explain Indirect Exporting as market entry strategies. Domestic Purchasing as market entry strategies.	L2	CO2	3M 3M
		OR			
4		Explain the various market entry strategies available for new firms Justify which strategies are most effectively for startups.	L4	CO2	6M 6M
		UNIT – III			
5	a)	Explain the factors influencing pricing in Global Marketing.	L2	CO3	6M
	b)	Apply the concept of the Global Product Life Cycle (GPLC) to a multinational corporation launching a new product in each stage of the cycle.	L3	CO3	6M
		OR			
6	a)	Discuss the challenges involved in managing new	L2	CO3	3M

		products Challenges of brands in global markets.			3M
	b)	Explain the concepts of Dumping Price Distortion in international trade.	L2	CO3	3M 3M
UNIT – IV					
7	a)	Discuss the principles of effective communication in international promotion.	L2	CO4	6M
	b)	Explain the criteria for selecting foreign country market intermediaries.	L2	CO4	6M
OR					
8	a)	Explain the major Distribution Patterns followed in international markets.	L2	CO4	6M
	b)	Discuss the challenges in managing a Global Distribution Strategy.	L3	CO4	6M
UNIT – V					
9	a)	Explain the process of Export Pricing Costing in international trade.	L2	CO5	3M 3M
	b)	Discuss the objectives and key features of the Export-Import Policy of India (2015-2020).	L2	CO5	6M
OR					
10	a)	Introduce Export Marketing Documentation explain its role in export procedures.	L2	CO5	2M 4M
	b)	Analyze the impact of India's EXIM Policy (2015-2020) on export promotion and trade facilitation.	L4	CO5	6M

PART – B

11.	**CASE STUDY**	**L4**	**CO3**		**10M**

Introduction — 2M

Questions:

i. Using the Global Product Life Cycle framework, analyze how pricing strategy should evolve across different stages of the product in developed and emerging markets. — 4M

ii. Evaluate the impact of price and non-price factors on global pricing decisions. What pricing policy alternative would you recommend for premium brands operating in price-sensitive markets? — 4M

UNIT – 1

1(a) Explain the Scope and Significance of Global Marketing

Scope of Global Marketing

1. **Import and Export:** Buying and selling goods between countries.
2. **Re-Export:** Exporting imported goods to another country without major changes.
3. **Contractual Agreement:** Licensing or franchising between international companies.
4. **Joint Venturing:** Two companies from different countries form a new business.
5. **Fully Owned Manufacturing:** Company owns and operates a manufacturing plant abroad.

Significance of Global Marketing

- **Expansion of Market Size** – Firms sell beyond domestic borders. *Example:* Indian companies like Tata Motors sell cars in Africa, Europe, and Southeast Asia.
- **Higher Profitability** – Larger markets increase sales and profits. ***Example:*** Apple earns a major share of its revenue from international markets.
- **Competitive Advantage** – Global presence strengthens brand power. ***Example:*** Samsung competes globally and builds strong brand recognition worldwide.
- Economic Development – Creates jobs and earns foreign exchange. ***Example:*** IT exports from India generate employment and foreign currency earnings.
- **Consumer Benefits** – More choices, better quality, lower prices. ***Example:*** Indian consumers can choose between Nike, Adidas, Puma, and local brands.
- **Risk Diversification** – Loss in one market can be balanced by another. ***Example:*** When demand falls in Europe, Unilever offsets losses through Asian markets.
- **Cultural Exchange & Global Integration** – Promotes global understanding. ***Example:*** McDonald's adapts menus (McAloo Tikki in India) to suit local cultures.

1(b) Discuss the Importance of Understanding Business Customs in International Markets

"Business customs refer to the cultural norms and practices that influence how business activities are conducted in different countries." - **Charles W. L. Hill**

Importance:

- **Builds Trust and Relationships**

  Respecting local customs helps companies gain trust and long-term partnerships.

- **Avoids Cultural Misunderstandings**

  Ignorance of customs can lead to conflicts, deal failures, or reputational damage.

- **Enhances Negotiation Success**

  Understanding negotiation styles improves deal outcomes.

- **Improves Brand Image**

- Companies that adapt to local customs are perceived as culturally sensitive and professional.

2(a) Analyze the Factors Affecting Foreign Trade Trends and Their Implications for Global Business Strategies

- **1. Expansion of Global Trade**

  International trade volume has increased rapidly as countries open their economies and reduce trade barriers.

- **Example:**
  India's total merchandise and services trade crossed USD 1 trillion in recent years, reflecting growing global integration.

  2. Shift from Primary Goods to Manufactured Goods

- Developing countries are reducing dependence on agricultural and mineral exports and focusing on industrial products.

  Example:
  India now exports automobiles, pharmaceuticals, machinery, and electronics instead of raw jute, tea, or cotton.

  3. Rapid Growth of Trade in Services

- Services have become a major component of global trade, especially in developing economies.

Example:
India is one of the world's largest exporters of IT and software services to the USA, UK, and Europe.

4. Regional Trade Agreements (RTAs)

Countries are increasingly forming regional and bilateral trade agreements to promote trade.

Example:
India–ASEAN FTA and RCEP (Regional Comprehensive Economic Partnership) in Asia-Pacific.

5. Liberalization of Trade Policies

Reduction of tariffs, quotas, and licensing has encouraged exports and imports.

Example:
India's 1991 Liberalization Policy reduced import restrictions and boosted foreign trade.

6. Technological Advancement and Digital Trade

Technology has transformed global trade through e-commerce, digital payments, and logistics management.

Example:
Cross-border e-commerce platforms like Amazon Global and Alibaba facilitate international trade.

7. Increasing Role of Multinational Corporations (MNCs)

MNCs play a key role in production, marketing, and distribution across countries.

Example:
Apple manufacturing iPhones in India and exporting them to global markets.

8. Diversification of Export Markets

Countries are reducing dependence on traditional markets and exploring new regions.

Example:
India expanding exports to Africa, Latin America, and Middle Eastern countries.

9. Growing Importance of Emerging Economies

Emerging economies contribute significantly to global exports and imports.

Example:
China becoming the world's largest exporter; India becoming a major pharmaceutical exporter.

10. Sustainable and Green Trade Practices

Environmental concerns have influenced trade patterns, encouraging eco-friendly products.

Example:
Exports of electric vehicles, solar panels, and organic agricultural products.

11. Volatility and Trade Uncertainty

Global events such as pandemics, wars, and trade conflicts impact international trade.

Example:
COVID-19 pandemic disrupted global supply chains and reduced trade volumes.

12. Shift towards Knowledge-Based and High-Value Exports

Countries focus on innovation-driven, high-value products.

Example:
India exporting pharmaceuticals, biotechnology products, and space-related services.

13. Growth of South–South Trade

Trade among developing countries has increased significantly.

Example: India's trade with African nations and ASEAN countries.

2(b) Describe the Major Global Market Environment Factors Affecting International Marketing Decisions

. Economic Environment

income levels, economic growth, inflation, exchange rates, and purchasing power of consumers.

Example:

A luxury car brand like BMW targets high-income countries such as the USA, Germany, and Japan.

2. Social Environment

to social structure, lifestyle, education levels, family systems, and social values that influence consumer behavior.

Example:

In many Western countries, there is a preference for ready-to-eat and frozen foods due to busy lifestyles, whereas in India, **traditional home-cooked meals are still socially preferred.**

3. Cultural Environment

Culture includes beliefs, customs, traditions, language, religion, and attitudes that shape consumer preferences and buying behavior.

Example:

McDonald's avoids **beef products** in India and offers items like McAloo Tikki to respect local cultural and religious sentiments.

4. Demographic Environment

It covers population **size, age distribution, gender composition, literacy rate, and urban–rural split.**

Example:

Countries with a young population like India attract brands such **as Nike and Samsung,** which focus on youth-oriented products and marketing campaigns.

5. Technological Environment

The technological environment relates to the level of technological advancement, innovation, digital infrastructure, and adoption of new technologies.

Example:

The growth of e-commerce platforms like **Amazon and Alibaba** is driven by widespread internet access, smartphones, and digital payment systems.

6. Institutional Environment

The institutional environment consists of international organizations, trade bodies, financial institutions, and regulatory agencies that influence global trade.

Example:

The World Trade Organization (WTO) promotes free trade by reducing trade barriers and resolving disputes between member countries. **BRICs**

7. Legal / Political Environment

This environment includes government policies, political stability, laws, regulations, taxation, and trade restrictions affecting international business.

Example:

Strict import regulations and high tariffs in certain countries can discourage foreign companies from entering those markets.

8. Competitive Environment

The competitive environment refers to the nature and intensity of competition, including local and global competitors operating in the market.

Example:

Coca-Cola and Pepsi face intense global competition and continuously innovate their products, pricing, and promotional strategies to maintain market share.

UNIT – 2

3(a) Compare the Characteristics of Marketing in Transitional Economies versus Third-World Countries

- **Marketing in Transitional Economies**
  Marketing in transitional economies refers to the process of ***designing and implementing marketing strategies*** *in countries shifting from state control to market mechanisms, under conditions of institutional change, economic uncertainty, and evolving consumer behavior.*

Consumer Orientation

- *Example:* HUL conducting rural consumer research to design affordable FMCG products

Increasing Competition

- *Example:* Telecom sector with Jio, Airtel, Vodafone Idea.

Market-Determined Pricing

- *Example:* Airline ticket pricing in India using dynamic pricing models.

Product Differentiation & Branding

- *Example:* Smartphone brands offering budget, mid-range, and premium models

Expansion of Promotion & Advertising

- *Example:* Digital advertising campaigns by Swiggy and Zomato.

Segmentation, Targeting & Positioning (STP)

- *Example:* Automobile brands targeting youth, families, and luxury buyers.

Low Purchasing Power - limited disposable income:

- **Ex:** *Hindustan Unilever (HUL) - ₹1 or ₹5 instead of expensive bottles.*

Predominantly Rural and Informal Markets:

- **Ex:** *Coca-Cola uses a vast network of small local retailers*

Limited Infrastructure:

- **Ex:** *Godrej* developed refrigerators that can work without continuous electricity and are durable for rural conditions

Cultural Diversity and Social Norms:

- **Ex:** *Amul* adjusts its advertisements and products regionally — promoting special sweets during Diwali in North India

Low Brand Loyalty:

- - **Ex:** In the detergent market, consumers often switch between Surf Excel, Tide, and local brands based on discounts or availability, showing low long-term loyalty.

Informal Credit and Payment Systems

- **Ex:** Consumer durable companies often offer products on **EMI**

Promotion as Education:

- **Ex:** *ITC's e-Choupal* initiative educates rural farmers on quality seeds, fertilizers, and farming techniques using village kiosks and personalized demonstrations.

High Importance of Relationship Marketing:

- **Ex:** *HUL's Shakti Amma* program empowers rural women as direct-to-consumer distributors, leveraging personal relationships to sell products in remote villages.

Price Sensitivity with Social Considerations:

- **Ex:** Retailers often avoid sudden price increases in essential goods like cooking oil or rice, maintaining trust among regular customers.

3(b) Explain Indirect Exporting and Domestic Purchasing as Market Entry Strategies

Indirect Exporting

- **Indirect exporting** is a method where a firm **exports its products through domestic intermediaries**, who handle all international marketing activities.
- **Example**
- A small **Indian handicraft producer** sells products to an export house in Delhi. The export house then sells these handicrafts to buyers in Europe and the USA.

Domestic Purchasing

Domestic Purchasing refers to a method of international market involvement in which a firm **sells its products to buyers within its own country**, and those buyers **export the products abroad** on their own responsibility.

Key Characteristics

- Exporting happens indirectly
- No export documentation by the manufacturer
- Low risk and low cost

- No international marketing knowledge required
- Limited or no control over foreign markets

Example 1: Agricultural Products (India)

An Indian rice mill sells rice to a **Delhi-based export trading company**. The trading company exports the rice to Middle Eastern countries.

- Rice mill → domestic sale
- Exporter → handles international trade

The rice mill is involved **only in domestic purchasing**, not exporting.

OR

4. Explain the Various Market Entry Strategies Available for New Firms and Justify Which Strategy is Most Effective for Startups. (12 Marks)

Market Entry Strategies Market Entry Strategies are the plan, methods or channels available with the firm to expand their business in the new target market within and across nations.

Firms move to new markets to ***grab the growth opportunities*** *prevailing in different markets.*

Market Entry Strategies

1. **Indirect Exporting** – Selling through export intermediaries with low risk.
2. **Direct Exporting** – Selling directly to foreign customers for better control.
3. **Licensing** – Allowing a foreign company to use intellectual property for royalty.
4. **Franchising** – Expanding business through franchise agreements.
5. **Joint Venture** – Partnering with a local company to share resources.
6. **Contractual Agreement** – Agreements are entered into in the **form of :co-production, Franchising, licensing, and technical assistance.**
7. **Fully Owned Subsidiary** – Full ownership with maximum control and investment.
8. **Domestic Purchasing**: Domestic Purchasing refers to a method of international market involvement in which a firm sells its products to buyers within its own country, and those buyers export the products abroad on their own responsibility.

UNIT – 3

5(a) Explain the Factors Influencing Pricing in Global Marketing

Factors Influencing Pricing in Global Marketing

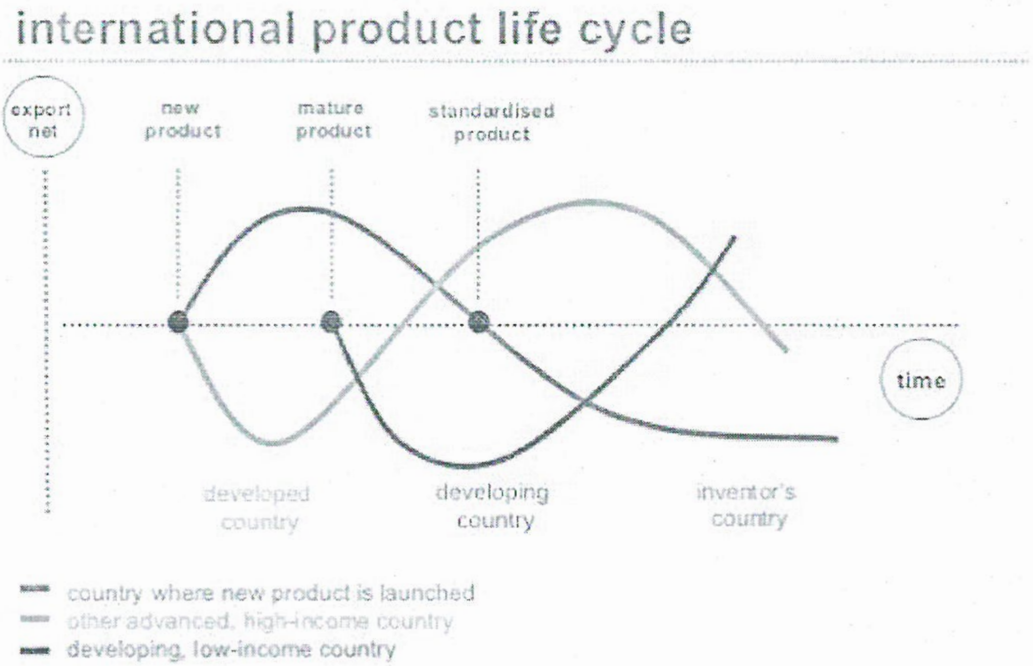
Pricing in Global Marketing refers to the process of fixing the selling price of a product in international markets. The price is influenced by economic, political, competitive, and market-related factors to ensure profitability while remaining competitive in different countries.

1. Cost-Driven Adjustments
2. The "Price Ladder
3. Price Discrimination
4. Dynamic Pricing
5. Brand Equity & Emotional Connection
6. Digital & AI Innovation
7. Sustainability (ESG)
8. Product Diversification
9. Distribution Dominance.

5(b) Apply the Concept of the Global Product Life Cycle (GPLC) to a Multinational Corporation Launching a New Product

Global Product Life Cycle (GPLC)

The Global Product Life Cycle (GPLC) explains how a product moves through different stages in international markets. As the product becomes popular, production and marketing strategies shift from developed countries to developing countries to maximize sales and profits.



Stages of GPLC

New Product (Innovation) Stage

- In this stage, the product is **newly invented and introduced** in a **developed country**.
- Production is limited and costly because the product involves **advanced technology and continuous improvements**.

Example

- **Apple iPhone** was first designed and introduced in the **USA**.
- **Advanced medical equipment** like MRI machines were initially developed in developed countries.

Export Stage

- After the product gains acceptance in the domestic market, the firm begins to **export it to other developed countries** where consumer preferences and purchasing power are similar.
- Production continues in the **home country**, but output increases to meet international demand.

Example

- **German automobiles (BMW, Mercedes)** exported from Germany to the USA and Europe.

- **US electronics and software products** exported to other developed nations.

Growth / Foreign Production Stage

- As demand expands globally, exporting becomes expensive and inefficient. To reduce costs and serve foreign markets better, firms start **manufacturing in other countries** through **foreign direct investment (FDI).**
- Competitors enter the market. Production is no longer limited to the home country.

Example

- **Samsung** setting up manufacturing plants in **Vietnam and India.**
- **Toyota** producing cars in the USA and other Asian countries.
- **Maturity / Standardization Stage**
- In this stage, the product is **fully standardized**, and market competition becomes intense. Price becomes the main competitive factor. Firms shift production to **developing countries** where labor and production costs are lower.
- The original innovating country may stop producing the product and instead **import it** from low-cost countries.

Example

- **Televisions** now mass-produced in **China and Vietnam.**
- **Textiles and garments** manufactured in Bangladesh and India.

Decline Stage

- The product enters the decline stage due to **technological advancements, substitutes, or changing consumer preferences**. Demand falls sharply in developed countries, but the product may still exist in **low-income or niche markets**.
- Production continues only in countries with the **lowest cost of production.**

Example

- **Feature phones**, replaced by smartphones.
- **DVD players,** replaced by online streaming platforms.

OR

6(a) Discuss the Challenges Involved in Managing New Products and Brands in Global Markets

Challenges in Managing New Products and Brands

Managing new products and brands in global markets is challenging because companies must satisfy customers from different countries with diverse cultures, laws, preferences, and competitive conditions while maintaining a consistent global brand image.

1. **Cultural Differences** – Customer preferences vary across countries.
2. **Language Barriers** – Brand names and advertisements require adaptation.
3. **Legal Regulations** – Different countries have different product laws.
4. **High Competition** – Competition from local and global brands.
5. **Pricing Differences** – Prices vary due to taxes and purchasing power.
6. **Distribution Challenges** – Efficient global supply chain is required.
7. **Brand Consistency** – Maintain the same brand image worldwide.
8. **Technological Changes** – Continuous innovation is necessary.

6(b) Explain the Concepts of Dumping and Price Distortion in International Trade

Dumping

Dumping is an international pricing strategy where a company exports a product at a price **lower than its "normal value"**—typically the price charged in its domestic market or its cost of production.

Predatory Dumping:

Intentionally selling at a loss for a short period to eliminate competition, with the intent to raise prices later.

Persistent Dumping:

- Continuously selling at lower prices abroad to maintain a strong presence, often supported by economies of scale.

Official Dumping:

- When government tax policies or subsidies allow companies to sell at artificially low prices in foreign markets.

Regulatory Response:

The World Trade Organization (WTO) allows member nations to impose **anti-dumping duties** if they can prove that dumping is occurring and causing "material injury" to their domestic industry.

Example:

- in **January 2026**, India extended anti-dumping duties on Normal Butanol imports from several regions, including the EU and the USA, through July 12, 2026.

Price Distortion

Price distortion occurs when the market price of a product does not reflect its actual value due to government intervention, subsidies, taxes, tariffs, or unfair trade practices. It affects fair competition in international trade.

1. Subsidies and Market Dominance

- Many global observers (including European business groups) say that China uses large government subsidies, overcapacity, and other supports to keep export prices artificially low.
- *This leads to distorted global prices in industries like steel, solar panels, batteries and electric vehicles, making competitors' products comparatively more expensive even when they have similar costs.*

2. Tariff Structure

- Recently, the United States changed its tariff system by imposing higher and differentiated tariffs on imports from many countries.
- This has increased the price of imported goods like rice, wine, wool, chemicals, and steel for US consumers, not because production costs changed but because of policy changes.
- This is a real global price distortion, especially affecting exporters from developing nations.

3. Anti-Dumping Measures & Duties

- To counter what it sees as dumping (**selling goods abroad below fair value**), India has imposed anti-dumping duties on certain Chinese imports such as **soft ferrite cores (used in EV and telecom components).**
- These duties raise the price of these imports — not because of market demand or supply — but due to regulatory action aimed at protecting domestic industry.

4. Trade Actions (Tariff Escalation)

- In 2025, the European Union prepared counter-tariffs against US imports after the United States imposed high tariffs on steel, aluminium, cars and other goods.
- Because of these actions, imported products can cost much more than their world market price once duties are applied.

UNIT – 4

7(a) Discuss the Principles of Effective Communication in International Promotion

Principles of Effective Communication

Principles of communication in global promotional marketing focus on delivering consistent brand messages while adapting to local cultural, linguistic, and legal environments. Key strategies include using Integrated Marketing Communications (IMC) for unity, ensuring cultural sensitivity, and employing tailored, resonant messaging (rational or emotional) for diverse target audiences.

Principles of communication.

- **Cross-Cultural Adaptation:** Messages must align with local norms, values, and humor, avoiding taboos and ensuring relevance.
- **Global Brand Consistency:** Maintaining a unified brand identity across all markets to build trust and recognition, even when tailoring content.
- **Language and Linguistic Accuracy:** Translating content accurately is necessary, but adapting for idioms and cultural nuance is critical for engagement.
- **Integrated Marketing Communication (IMC):** Using a mix of advertising, PR, sales promotions, and digital media to deliver a single, cohesive message.
- **Strategic Media Selection:** Choosing channels based on local availability, legal constraints, and target audience habits.
- **Ethical and Legal Sensitivity:** Adhering to local regulations regarding advertising, privacy, and marketing practices.
- **The 7 C's of Communication:** Ensuring messages are clear, concise, concrete, correct, coherent, complete, and courteous.
- **Understanding the Communication Process:** Managing how the sender encodes the message and how the international receiver decodes it, ensuring intended meaning is conveyed.

7(b) Explain the Criteria for Selecting Foreign Country Market Intermediaries

Selection of Foreign Market Intermediaries

Foreign market intermediaries are agents, distributors, wholesalers, or retailers who help companies sell products in international markets. Selecting the right intermediary ensures efficient distribution, better customer service, and successful business operations abroad.

1. **Market Knowledge** – Good understanding of the local market.
2. **Business Reputation** – Reliable and trustworthy partner.

3. **Financial Strength** – Ability to support business operations.
4. **Distribution Network** – Strong sales and delivery channels.
5. **Marketing Capability** – Ability to promote products effectively.
6. **Experience** – Previous success in similar products or industries.
7. **Customer Service** – Provides good after-sales support.
8. **Legal Compliance** – Follows local business laws and regulations.

OR

8(a) Explain the Major Distribution Patterns Followed in International Markets

Meaning

Global Marketing Distribution Patterns refer to the different ways companies organize and manage the movement of products from producers to customers across international markets. These patterns describe how firms structure their distribution channels, intermediaries, and logistics systems in different countries to deliver products efficiently.

Definition

Global Marketing Distribution Patterns can be defined as: *"The structured methods or arrangements used by multinational companies to distribute products and services through various channels and intermediaries across different countries and global markets."*

Key Distribution Patterns in Global Marketing

1. Direct Distribution – The company sells directly to foreign customers through its own offices, subsidiaries, or online platforms.
2. Indirect Distribution – Products move through intermediaries such as agents, wholesalers, and distributors in foreign markets.
3. Hybrid (Multi-Channel) Distribution – A combination of direct and indirect channels used simultaneously in different countries.
4. Regional Distribution Networks – Products are distributed through regional hubs that serve multiple countries.
5. Strategic Partner Distribution – Companies collaborate with local partners or franchises to distribute products internationally.

8(b) Discuss the Challenges in Managing a Global Distribution Strategy

Challenges in Global Distribution Strategy1. Logistics and Infrastructure

- **The Last Mile Problem:** Delivering products to customers is difficult due to traffic, remote locations, and weather, affecting delivery speed and costs.
- **Infrastructure Disparities:** Different countries have varying transport and storage facilities, requiring partnerships with reliable local logistics providers.

2. Cultural and Regulatory Differences

- **Cultural Nuances:** Consumer preferences, buying behavior, and communication styles differ across countries, so businesses must adapt accordingly.
- **Regulatory Compliance:** Startups must follow each country's import/export laws, taxes, and product standards to avoid legal issues.

3. Channel Selection and Adaptability

- **Choosing the Right Channels:** Businesses should select suitable channels like e-commerce, retail, wholesalers, or direct sales based on the market and product.
- **Agility and Flexibility:** Companies should quickly adjust distribution strategies to respond to changing customer needs and market conditions.

4. Supply Chain Resilience

- **Risk Mitigation:** Diversifying suppliers, maintaining inventory, and preparing backup plans help reduce supply chain disruptions.
- **Supplier Relationships:** Strong and transparent relationships with suppliers ensure a stable and reliable flow of products.

5. Pricing and Currency Fluctuations

- **Exchange Rate Volatility:** Currency value changes can affect product pricing and profits, making financial planning important.
- **Local Pricing Strategies:** Prices should match local purchasing power, competition, and customer perceptions in each market.

6. E-commerce Challenges

- **Cross-Border E-commerce:** International online selling requires managing payments, shipping, and customs efficiently.
- **Localization:** Adapting websites, language, and customer support to local markets improves customer experience and sales.

Example

A startup selling organic skincare in Asia must adapt to local customer preferences, follow regional regulations, and use popular local e-commerce platforms for successful distribution.

UNIT – 5

9(a) Explain the Process of Export Pricing and Costing in International Trade

Export pricing

- Export pricing and costing involve calculating the total cost of production plus export-specific expenses (logistics, documentation, duties) and adding a profit margin to set a competitive international price.
- **Export pricing** is the process of determining the price at which a company sells its goods or services in foreign markets.

Components of Export pricing

- Production cost
- Transportation and logistics cost
- Import duties, taxes, and tariffs
- Competitor pricing in the target market
- Exchange rate fluctuations
- Market demand and customer purchasing power

Steps in Export Pricing:

Calculate the Ex-Works Price:

- Product cost plus profit margin.

Add Logistic Costs:

- Freight, loading, and handling costs.

Incorporate Regulatory Costs:

- Documentation and customs fees.

Evaluate Market Conditions:

- Analyze local demand, competitor prices, and currency exchange rate volatility.

Use Incoterms:

Clearly define responsibility for costs and risks (e.g., FOB, CIF). Free On Board , (Cost, Insurance, and Freight)

Export Costing Export costing involves calculating the total cost of producing, packaging, and delivering goods to a foreign market.

Components of Export costing

- **Production Cost** – Raw materials, labor, overheads
- **Packing & Labeling Cost** – Adapted for international shipping and regulations
- **Transportation Cost** – Freight charges (sea, air, road)
- **Insurance Cost** – To cover loss or damage during transit
- **Customs & Duties** – Taxes imposed by importing country
- **Agent/Distributor Fees** – Commission or margin for intermediaries

9 (b) Discuss the Objectives and Key Features of the Export-Import Policy of India (2015–2020)

Export – Import (EXIM) Policy of India, 2015-2020

The **EXIM Policy** (also called **Foreign Trade Policy**) is formulated by the **Directorate General of Foreign Trade (DGFT), Ministry of Commerce, Government of India.**

Purpose:

- Promote exports from India
- Diversify the export basket
- Boost foreign exchange earnings
- Facilitate "Make in India" initiative
- Encourage foreign investment

Features and Highlights

- **Export Promotion Schemes:**
    - **MEIS (Merchandise Exports from India Scheme):** Replaced earlier incentive schemes to promote specific high-value goods.
    - **SEIS (Services Exports from India Scheme):** Replaced SFIS to increase service exports.

Duty Credit Scrips: Rewards issued under MEIS/SEIS, which are freely transferable and usable for paying customs duties.

"Make in India" Boost: Reduced Export Obligation (EO) by 25% for domestic procurement under the Export Promotion Capital Goods (EPCG) scheme to encourage indigenous manufacturing.

Ease of Doing Business:

Online Application: Digitization of applications for IEC (Importer-Exporter Code) and other licenses.

Streamlined Processes: Online integration of IEC with GST identification number, and reduction in the number of mandatory documents for imports/exports.

E-Commerce Exports: Handled via courier or postal, enabling exports of items up to a certain value (initially ₹25,000) under MEIS.

Special Focus Areas:

Districts as Export Hubs: Initiative to focus on local products in every district to promote exports.

EOU/EHTP/STP/BTP: Incentives for Export Oriented Units, Electronic Hardware Technology Parks, Software Technology Parks, and Bio Technology Parks.

Amnesty Scheme: A one-time relaxation for defaulting exporters to pay partial fees and close their pending export obligations.

OR

10(a) Introduce Export Marketing Documentation and Explain Its Role in Export Procedures

Export Marketing Documentation

Export marketing documentation consists of essential commercial, regulatory, and transportation documents needed to facilitate international sales, comply with customs regulations, and ensure payment

Role of Export Documentation

- **Legal Compliance:** Ensures compliance with international trade laws, foreign trade policies, and customs regulations (e.g., FEMA, Customs Act) to avoid penalties.

Customs Clearance & Regulatory Compliance: Documents like commercial invoices and packing lists are required by customs authorities in both countries to determine duty, taxes, and validity of the shipment.

Proof of Carriage & Title: Documents like the Bill of Lading serve as evidence of the contract of carriage and as a title to the goods.

Facilitates Payment: Essential for secure payment processing through banks by fulfilling documentation requirements.

Safety and Standards: Certifies that goods meet safety standards and conform to the description provided, reducing disputes.

Logistics Management: Ensures that the correct goods are shipped, delivered on time, and properly documented for transport, improving customer satisfaction.

10(b) Analyze the Impact of India's EXIM Policy (2015–2020) on Export Promotion and Trade Facilitation

Impact of EXIM Policy (2015–2020)

The EXIM Policy (2015–2020) significantly improved India's export performance by providing incentives to exporters, simplifying trade procedures, encouraging manufacturing, and promoting digital trade. It strengthened India's competitiveness in international markets and facilitated easier export operations.

1. **Boosted Export Growth** – Increased export opportunities.
2. **Simplified Trade Procedures** – Reduced documentation and delays.
3. **Encouraged Manufacturing** – Supported the *Make in India* initiative.
4. **Promoted Service Exports** – Increased IT and service sector exports.
5. **Improved Digital Trade** – Encouraged e-commerce exports.
6. **Enhanced Trade Facilitation** – Faster and easier export processes.
7. **Strengthened Global Competitiveness** – Improved India's position in world trade.
8. **Supported MSMEs** – Helped small businesses enter global markets.

CASE STUDY

11. CASE STUDY (10 Marks)

i. Using the Global Product Life Cycle (GPLC) framework, analyze how pricing strategy should evolve across different stages of the product in developed and emerging markets.

The Global Product Life Cycle (GPLC) explains how a product moves through Introduction, Growth, Maturity, and Decline stages in international markets. Pricing strategies should change at each stage based on customer demand, competition, purchasing power, and market conditions in developed and emerging countries.

Stages & Pricing Strategy

GPLC Stage	Developed Markets	Emerging Markets
Introduction	Price Skimming – High price to recover R&D costs.	Slightly lower or flexible pricing to attract customers.
Growth	Competitive pricing while maintaining premium image.	Promotional offers and financing options to increase sales.
Maturity	Price adjustments due to increased competition.	Competitive pricing and discounts for market expansion.
Decline	Price reduction and focus on older models.	Affordable pricing to clear inventory and attract new buyers.

Conclusion:
Pricing should change according to the product life cycle and local market conditions. Premium pricing works well in developed markets, while flexible pricing is more suitable for emerging markets.

ii. Evaluate the impact of Price and Non-Price Factors on Global Pricing Decisions. What pricing policy alternative would you recommend for premium brands operating in price-sensitive markets?

Global pricing decisions depend on both price-related factors (costs and taxes) and non-price factors (brand value and customer perception). A company should select a pricing policy that balances profitability with customer affordability.

Price Factors

1. **Production Cost** – Affects the base selling price.
2. **Currency Fluctuations** – Exchange rate changes impact prices.
3. **Import Duties & Taxes** – Increase the final retail price.
4. **Transportation & Logistics Cost** – Raises distribution expenses.

Non-Price Factors

1. **Brand Equity** – Strong brands can charge premium prices.
2. **Perceived Quality** – Better quality increases willingness to pay.
3. **After-Sales Service** – Builds customer trust and loyalty.
4. **Country of Origin** – Influences customer perception.
5. **Brand Ecosystem** – Encourages repeat purchases and customer retention.

Recommended Pricing Policy

Market-Based Pricing (Recommended)

Reason:

1. Matches local purchasing power.
2. Maintains premium brand positioning.
3. Improves competitiveness in price-sensitive markets.
4. Increases customer acceptance and sales.
5. Reduces the impact of gray markets and price distortion.
6. Supports long-term profitability and market growth.

Conclusion:
For premium brands like Apple, **Market-Based Pricing** is the most suitable strategy because it balances premium brand value with the affordability of different international markets.