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Sr. No. of Question Paper : 1409

F-7

Your Roll No.....

Unique Paper Code : 1091510

Name of the Paper : Transnational and Cross Cultural Marketing

Name of the Course : **Bachelors of Management Studies (BMS)**

Semester : V

Duration : 3 Hours

Maximum Marks : 75

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Answer any **four (4)** questions from **Q1** to **Q6**.
3. **Q7** (Case Study) is compulsory.
4. Each question carries **15** marks.

1. Answer **both** parts :

(a) How does globalisation affect domestic markets? How can this be checked? Support your answers with relevant examples. (7)

(b) Explain the various stages in the entry of a company into a new market. Support yourself with examples. (8)

2. "Usually companies bring in their established products into the new markets that they enter. However, not all global products succeed in local markets." What could be the factors that determine the success of a product in a new market? What can a company do to cater for the needs of the local customers? How can a company tackle the established brands in the new market that it has entered? Illustrate using examples.

*P.T.O.*

3. Explain the concept of Protectionism. How does it impact the domestic industry as a whole ? Taking examples, elaborate on some of the ways through which a country may keep out foreign competition. How can foreign companies enter protected markets ?
4. Write short notes on :
  - (a) Global Brand Presence
  - (b) Counterfeiting and intellectual piracy
  - (c) How can a company go about collecting data for a new, multicultural market that it wishes to enter ? Support with examples.
5. “Disputes, it seems are part and parcel of global trade.” What is your understanding ? Taking examples, elaborate on some of the causes of disputes and the available tools for resolving disputes on an international level.
6. “Going abroad and successfully establishing the company in a new market is never easy for any company, more so for a company trying to enter a socially and culturally different market than its own.” Elaborate upon this statement. What are the problems that the company can encounter and how can they overcome such problems ? Take examples to support your answer.
7. Case Study :

Philip Cheng, a 26-year-old financial analyst, has spent the past four Valentine’s Days with his girlfriend, Molly Lam. Last year, they flew to Shanghai together, taking photos of the city’s famous skyline and sharing a romantic meal at a cosy Italian restaurant.

This year, however, the young couple’s Valentine’s Day plans are under a new threat from Cheng’s 50-year old mother. For the first time in decades, Valentine’s Day this year falls on the first day of the Lunar New Year, the biggest holiday on the Chinese calendar. For most Chinese families, Chinese New Year is a major family occasion filled with family visits and big meals. Mrs. Cheng has plans. Her son’s choice: girlfriend or mother ?

The Chinese New Year shifts each year according to the lunar cycle. Its overlap with Valentine's Day, which hasn't happened since 1953 and won't recur until 2048, is forcing time-honoured Chinese and Western traditions to jockey for space with one another in Hong Kong, where both holidays are celebrated. Earlier in the week, Cheng and his two sisters got a text message from their mother, pleading with them not to miss the family Chinese New Year dinner. Says Cheng's mother, Anna, "Even though we're family, we're all so busy with our own things that we hardly ever see each other. On an occasion like this, I just think it's important for us to be able to share a meal together."

"When the message showed up on my phone, I couldn't believe it," Mr. Cheng recounts with a groan. "I had already been planning to spend the day with my girlfriend." In mainland China, one newspaper pitted the clash of dates as one between "the West's ideal of a paradise for two, and Chinese New Year's ideal of a reunited family."

The calendrical coincidence is frustrating restaurant owners and florists who look to Cupid's big day and the Chinese New Year as the biggest annual money-makers. "It's a huge blow to the industry," says Elizabeth Tse, chairwoman of the Hong Kong Flower Retailers Association. With Valentine's Day falling on Sunday, husbands and boyfriends won't have to send flowers to their partners' offices, where "having flowers on your desk is seen as a real status symbol," she says. She figures that because of the New Year, many people will visit their relatives and perhaps go to a temple, and then if they go out for a romantic evening, "many will say, 'Forget the flowers, let's just do dinner.'"

In mainland China, celebrating Valentine's Day is a more recent phenomenon, but 5 percent of respondents to a recent poll said they would ditch the lunar holiday to spend it with their lover, and another 5 percent admitted to being torn and confused. Elsa Ma, a 34-year-old telecom marketing manager from the interior mainland city of Wuhan, is traveling to her fiance's hometown for the long weekend to meet her future in-laws for the first time after an eight-month courtship, and to celebrate Chinese New Year. But she's not giving up Valentine's Day, which "is important to both of us," she says. "Definitely, I will see his parents when I wake up, but the whole day we are going to spend alone."

In Hong Kong, where Valentine's Day has been celebrated for much longer, some restaurants are ploughing ahead with their usual romantic offerings. At the French restaurant Gaddi's in the Peninsula Hotel, the Valentine's Day *prix fixe* menus are available for \$370 a person.

The saying in the Pearl River Delta area is, "They make the rules in Beijing, we interpret the rules here." So change in China has always flowed from the south to the north, since the former has greater exposure to Foreign ideas and has had for at least the last three centuries. Christmas and Valentine's Day holidays are catching on up north; however, we think it will be some time before \$370 per person dinners catch on in Guizhou province, where that amount is about 25 percent of annual per capita income.

**Questions :**

- (i) How important is culture to marketing activities ? (4)
- (ii) As a company affected by this situation, which side should it focus on – Chinese New Year or Valentine's Day ? Why ? (5)
- (iii) Suggest ways in which companies can capitalise on the business opportunities provided by both the Chinese New Year and Valentine's Day. (6)