

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA (IB)– SEMESTER III– EXAMINATION – WINTER 2019**

**Subject Code: 1539312****Date:03/12/2019****Subject Name: Global Marketing and Communication****Time: 10:30 Am to 1:30 Pm****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q.1** Definitions **14**
- (a) Export price escalation  
 (b) Gray Market Goods  
 (c) predatory dumping  
 (d) Supercenters  
 (e) Advertising Adaptation  
 (f) Piggybacking  
 (g) Offset
- Q.2** (a) Describe the four basic strategies in the product/ market growth matrix. Explain how a financial institution may use these strategies to grow its global business **07**
- (b) Selection of a market entry mode is the key decision companies have to take while expanding into overseas markets because it involves risk and a certain level of control. Explain how risk and control are affected by different entry methods. **07**
- OR**
- (b) Discuss various drivers of International Market Development. **07**
- Q.3** (a) Discuss Maslow's Needs Hierarchy which helps marketers understand how & why local products go beyond the home-country. **07**
- (b) If you were responsible for marketing to a new and potentially lucrative customer, would you lower the price to make it attractive or maintain the usual price? Should you choose to maintain the existing price, how would you justify the pricing using a target costing approach, cost plus pricing and value based pricing **07**
- OR**
- Q.3** (a) What is difference among ethnocentric, polycentric, and geocentric pricing strategies? Which would you recommend to a company that has global market aspirations? **07**
- (b) Distinguish between direct and indirect distribution channels in International markets. **07**
- Q.4** (a) Compare and contrast the difference forms of countertrade **07**

- (b) Describe the mechanisms involved in establishing channel design and working with intermediaries. **07**

**OR**

- Q.4** (a) In Marketing Communication Strategies, Push Strategy and pull strategy are effective and ineffective under some situation. Discuss. **07**
- (b) Describe the factors Influencing Communication Mix for an International Market **07**

**Q.5**

Case Study:

History Zippo ([www.zippo.com](http://www.zippo.com)) was founded in Bradford, Pennsylvania, in 1932 when George G. Blaisdell decided to create a lighter that would look good and be easy to use. Blaisdell obtained the rights for an Austrian windproof lighter with a removable top, and redesigned it to his own requirements. He made the case rectangular, attached the lid to the bottom with a welded hinge and surrounded the wick with a wind hood. Fascinated by the sound of the name of another recent invention, the zipper, Blaisdell called his new lighter 'Zippo', and backed it with a lifetime guarantee. The 80-year-old brand's fame took off during World War II, when Zippo's entire production was distributed through commercial outlets run by the US military. Zippo's current business model By June 2012 Zippo had produced over 500 million windproof lighters since its founding in 1932. Except for improvements in the flint wheel and modifications in case finishes, Blaisdell's original design remains virtually unchanged. The lifetime guarantee that accompanies every Zippo lighter still guarantees that 'It works or we fix it free. Although the windproof lighter is the most popular Zippo product, Zippo has been hurt by antismoking campaigns. Its business is fundamentally tied to smokers and it has suffered from US tobacco regulations. Cigarette makers order thousands of Zippos to promote their brands, distributing them to smokers in exchange for coupons. Due to significant decrease in sales from 18 million lighters a year in the mid-1990s to about 12 million lighters in 2011, combined with increasing pressure on people not to smoke, Zippo decided to try offering a wider variety of products using Zippo brands, such as watches, leisure clothing and eau de cologne. At the same time, Zippo has expanded its sales operations nationally and internationally through a wide network of sales representatives. In more than 120 countries throughout the world Zippo is synonymous with US made quality and craftsmanship. Zippo windproof lighters enjoy a widespread and enviable reputation as valuable collectibles. The company produces the Zippo Lighter Collectors' Guide, containing illustrations of the lighters and Source: reprinted by permission of Zippo Manufacturing Company. Zippo Manufacturing Company descriptions of the series, as well as an explanation of the date code found on the bottom of every Zippo lighter. Clubs for lighter collectors have been organized in the UK, Italy, Switzerland, Germany, Japan and the US. Zippo also sponsors its own collectors' club, Zippo Click.

- (a) What are the pros and cons of the product diversification strategy that Zippo has been following recently? **07**
- (b) What obstacles would Zippo Manufacturing Company face if it repeated the outdoor campaign in other countries? **07**

**OR**

- Q.5** (a) In a US marketing campaign in the late 1990s Zippo was repositioned as an essential tool for avid outdoorsmen. Individual tin and sleeve packaging was developed that reflected the 'tool' position of the lighter. For continuity, similar packaging and graphics were developed for the cans of Zippo lighter fluid, and the lighters and fluid were delivered to retailers in handy self- shipping counter top displays. To support the national rollout, the advertising company (Swanson russell) developed a communications programme that included direct mail to major outdoor product distributors, as well as advertising at both the trade and consumer levels (pictured here). However, the outdoor market was entirely new to the Zippo sales force, who were accustomed to calling on tobacconists and convenience stores. How would you use the product life cycle (PLC) concept for this case study? **07**
- (b) Zippo Manufacturing Company has product diversification strategy will it go beyond the lighter gone too far? **07**

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