



24/5/2014

**DOON UNIVERSITY, DEHRADUN**  
**Semester Final Examination, IV Semester, 2014**  
**School of Management**

**MBA-2 years**  
**Course: MMS 539 – International Marketing**

*Time Allowed: 3 Hours*

*Maximum Marks: 50*

*(Note: Attempt All Questions from Sections A, B and C.)*

**Section-A (16 Marks)**

**Case Study: How to Export Houses**

Prefabricated houses are not new. Some well-known mail-order retailers started selling such houses in the United States decades ago. One advantage of this type of housing is quick assembly-only a few days are needed. Another buying incentive is the lower price achieved through mass production. Another advantage of the assembly-line approach is better quality control. The major disadvantage is, of course, the product's image. There is no prestige in living in a prefab house and the uniform look does not enhance consumer perception. Although mass production has generally negative connotations, it does not appreciably hurt such durables as refrigerators, automobiles, and sound equipment. Yet, for housing the negative image is quite overwhelming.

In Japan, where land and housing costs are outrageous, prefab houses are a necessity to many. One Japanese firm that has acquired technical know-how in manufacturing prefab houses is Misawa Homes. One of its population designs is House 55. This model has ten capsules, requiring five large "containers" for transportation. The model's advantage is that rough assembly can be accomplished in just two hours. Strength is its price-20 percent less than wood houses and 30 percent less than concrete houses. The model was exhibited at trade fairs in Europe and received a great deal of interest. Encouraged, Miswa Homes wanted to Export its house 55 house to Europe and the United States.

**Questions**

1. Do you think that such prefab houses as House 55 can gain consumer acceptance in the United States and Europe?
2. Even supposing the absence of U.S consumer's negative reactions, are there any factors that pose no problem in Japan and yet would create difficulties in the United States?
3. What should be Misawa's strategy to enter overseas markets with the product?

**Section-B**

**(2\*5 Marks)**

**Q. Write short notes on the following:**

1. Cherry picking.
2. International product life cycle.
3. High tech & High touch positioning.
4. Global pricing alternatives.
5. Diffusion theory.

**Section-C**

**(8\*3 Marks)**

**Q1. What are the goals of marketing? Are these goals relevant to global marketing?**

OR

**Q1. What is meant by the term standard of living? Explain the differences among a market allocation economic system, a command allocation system and a mixed system.**

**Q2. What is the difference between a product and a brand? What criterion should global marketers consider when making product design decisions?**

OR

**Q2. What is a transfer price? What are three basic factors affecting price in any market? What considerations enter into pricing decision?**

**Q3. In what ways can channel intermediaries create utilities for buyers? Discuss different channel structure for consumer goods & industrial goods?**

OR

**Q3. What is international market segmentation? Do local brand has advantage over global brands? Support your views with example?**