

Date 3-10-25	International Business	Duration: 90mins	Max Marks: 50	Sem: IV	Branch: MBA
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Note: Part A - Answer Any Two Full Questions (20*02=40 Marks)

Part B - Compulsory (01*10= 10marks) SET - I

Part	Question #	Description	Marks Distribution	Max Marks
A	1	a) Define the term Economic Integration	Economic integration is the process where countries reduce or eliminate trade barriers to create a larger, more unified economic area. This	3
		b) Explain different types of TRIPS with suitable examples	The acronym TRIPS refers to the Agreement on Trade-Related Aspects of Intellectual Property Rights, a multilateral treaty that governs intellectual property (IP) for all member countries of the World Trade Organization (WTO). It sets minimum standards for the protection and enforcement of various types of intellectual property. The TRIPS agreement does not categorize types of "trips" in the travel sense. The different types refer to the specific areas of intellectual property that the agreement covers. Here are the different types of intellectual property protected under the TRIPS Agreement, with examples: Copyright and related rights These rights are given to authors and creators for their literary and artistic works, and to performers, producers of sound recordings, and broadcasting organizations. Literary and artistic works: The legal protection for an original book, song lyrics, a sculpture, or a painting. TRIPS also specifically includes computer programs and databases as protected literary works. Related rights: The rights held by a music producer for a sound recording or by a television broadcaster for its broadcast. Trademarks	7

				Trademarks are distinctive signs that differentiate the goods or services of one company from those of another. Product or service marks: A company's name, logo, or slogan, such as the Nike swoosh or the Coca-Cola logo, which distinguishes their products from competitors.		
		c)	Outline the role of ASEAN, SAARC in current scenario	In the current geopolitical climate, the Association of Southeast Asian Nations (ASEAN) is an active and influential regional organization, while the South Asian Association for Regional Cooperation (SAARC) is largely dormant. The primary difference lies in the political will of their member states to overcome internal tensions and advance regional cooperation. The current role of ASEAN ASEAN is a dynamic and integrated bloc of ten Southeast Asian nations that serves as a central player in Asia-Pacific diplomacy and economic development. Economic powerhouse: As a global hub for manufacturing and trade, ASEAN is one of the world's fastest-growing economic regions and the fourth-largest exporter globally. Its internal market, strengthened by agreements like the ASEAN Free Trade Area and the Regional Comprehensive Economic Partnership (RCEP), fosters intra-regional trade and attracts foreign investment. Central diplomatic forum: The "ASEAN Way" emphasizes consensus, consultation, and non-interference, which allows the bloc to function as a neutral and essential convener for major powers. Through forums like the East Asia Summit (EAS) and the ASEAN Regional Forum (ARF), it sets the agenda for political and security discussions involving global powers like the United States, China, and India. Regional stability: The organization has been a crucial factor in maintaining peace and stability in Southeast Asia, though challenges remain, particularly regarding the South China Sea disputes and internal issues like the political crisis in Myanmar.	10	

2	a)	Describe Organizational structure of MNCs	MNCs use various organizational structures to manage their global operations, most commonly Product, Area, Functional, and Matrix structures. The choice of structure depends on balancing global integration with local adaptation and can involve a combination of these models. Each structure has advantages and disadvantages, impacting a company's strategy, responsiveness, and control.	3	20
	b)	Evaluate factors that contributed to positive growth of MNCs	Factors contributing to the positive growth of multinational corporations (MNCs) include access to superior technology, large financial resources, and expanded market access, which allows for economies of scale. These companies benefit from favorable government policies, strategic location choices for cheaper production and resources, and global economic liberalization, which has reduced trade barriers and integrated financial markets. Strategic and operational advantages Technological superiority: MNCs invest heavily in research and development (R&D), leading to advanced technology and innovation that gives them an edge over domestic companies. Financial strength: They have significant capital, easy access to global financial markets, and can mobilize resources efficiently to fund expansion and growth. Market expansion: As domestic markets mature, MNCs seek new growth opportunities in emerging and developing economies, expanding their overall market share. Economies of scale: Operating on a global scale allows MNCs to lower their average costs through mass production and a wide distribution network.	7	
	c)	Compare and Demonstrate	Global competitiveness is central to multinational	10	

			the role of Global Competitiveness in MNCs corporations (MNCs) as it drives their core strategies for gaining market share through efficient operations, innovation, and adapting to global markets. MNCs use competitiveness to achieve cost leadership through economies of scale and standardization, or to maximize local market share through adaptation (localization). Effective management of global competition, including the integration of local and global strategies, is crucial for their success, profitability, and long-term survival. Roles of global competitiveness Driving strategic decisions: Managers must choose between global standardization for efficiency and cost savings, or localization to meet specific local needs, with a "transnational strategy" attempting to balance both. Enabling operational efficiency: To stay competitive, MNCs must constantly work to improve production and efficiency through the transfer of technology, research, and management techniques across their global operations. Fostering innovation: The need to compete globally encourages MNCs to innovate in their products, services, and business models to gain an edge over rivals and adapt to dynamic market conditions. Adapting to market conditions: Global competitiveness requires MNCs to be market-oriented, adapting their offerings to local tastes, regulations, and cultural preferences to succeed in different countries. Impact on financial performance: A company's ability to compete globally directly affects its bottom line through productivity gains, market share, and profitability, as detailed in studies on strategies and the effectiveness of people management,		
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			note ScienceDirect.com and ResearchGate.net. Attracting talent and investment: A strong global competitive position, supported by social responsibility like good working conditions and transparency, attracts talented employees and new capital investments, both of which are key to long-term success. Influencing exchange rates: Fluctuations in exchange rates are a major factor in global competitiveness, as they affect the cost of exports and imports, and thus influence a company's pricing and profitability in international markets. In summary, global competitiveness is the lens through which MNCs conduct		
3	(a)	Discuss the term Global Finance & Global Human Resource	Global finance involves managing financial activities and markets across borders, while Global Human Resource Management (GHRM) focuses on managing people in a company's international operations. Global finance encompasses activities like cross-border investments, international trade, and currency exchange, and it is influenced by global economic trends. GHRM deals with recruiting, training, compensating, and ensuring legal compliance for employees in different countries, navigating cultural and legal differences to support the global business strategy. Global Finance Definition: The system of financial activities, markets, and relationships that span across different countries. Key components: Cross-border investments: Businesses investing in operations outside their home countries. International trade: The exchange of goods, services, and capital between nations. Global currency markets: The trading of different national currencies.	3	20

			Impact: Decisions made in one country's financial markets can have ripple effects worldwide, influencing international economies, job creation, and technological development.		
		(b) Elaborate functions of International Marketing	International marketing encompasses functions of market expansion by tapping into larger global customer bases to increase sales and market share, resource utilization by exporting surplus production and accessing new technology, and risk diversification by spreading operations across different markets. It also includes adapting products and marketing strategies to diverse cultures and regulations, fostering global brand awareness, and promoting economic development through foreign exchange and industrial growth. For Businesses Market Expansion: Businesses can access larger customer bases, leading to increased sales, higher profitability, and expanded market share. Economies of Scale: Operating on a global scale allows for larger production volumes, which can lower costs per unit and strengthen competitive pricing.	7	

			Risk Diversification: Spreading operations across different international markets helps to mitigate risks associated with reliance on a single domestic market. Access to Resources: Companies can gain access to new resources, including raw materials, advanced technologies, and skilled talent from other countries. Enhanced Brand Image: International marketing efforts help to build a positive global brand image and increase brand awareness among a wider audience.		
		(c) Analyse the Functions of IHRM in MNC's	International Human Resource Management (IHRM) involves managing human resources across multiple countries to align with an MNC's global strategy while adapting to diverse local environments. The functions of IHRM are more complex and wide-ranging than those of domestic HRM, encompassing global staffing, training, compensation, and risk management. Strategic functions Aligning HR with global strategy: IHRM links a company's human resources activities with its overall international business strategy to ensure global growth and competitiveness. This includes aligning HR policies with strategic initiatives like market entry and operational efficiency. Global talent management: IHRM develops strategies to acquire, develop, and retain high-performing talent from a global pool. This function is vital for leveraging diverse skills and creating a competitive advantage in the global market. Building a global corporate culture: It is the function of IHRM to create a unified and inclusive corporate culture across all international operations. This helps foster a sense of belonging and shared vision among	10	

				diverse teams, bridging cultural divides and reducing conflicts. Enhancing organizational agility: Effective IHRM practices make it easier for MNCs to adapt to the fast-changing needs of different markets. Agile HR policies related to hiring, relocation, and labor regulations help companies remain responsive and competitive. .		
B	4	(a)	What sort of marketing functions carried out by the company to meet international market demand. Discuss.	To meet international market demand, companies perform a wide range of marketing functions that are significantly more complex than those for domestic markets. These functions must adapt to diverse cultural, legal, and economic environments to build a global brand presence while satisfying local customer needs. Foundational marketing functions These core functions are the basis of any international marketing strategy, guiding all subsequent decisions. International market research: This function provides the critical insights needed to operate outside of a home market. It involves gathering and analyzing data on foreign markets to understand: Consumer behavior: Local preferences, buying habits, and cultural nuances. Competitive landscape: The strengths, weaknesses, and strategies of local and international rivals. Regulatory environment: Trade barriers, import/export regulations, and legal compliance.	5	10
		B	Explain challenges Pepsi had to face, If Pepsi would not follow the cultural factors in international marketing environment?	If Pepsi ignored cultural factors in international marketing, it would face challenges including advertising backlash, brand image damage, consumer rejection, difficulty competing with adaptable rivals, legal and ethical issues, and significant financial losses due to marketing missteps like misinterpreting local values or legal restrictions on comparative advertising. Specific Challenges: Advertising Backlash and Miscommunication: Ads could be unintentionally offensive, confusing, or irrelevant to local audiences, leading to backlash. For example, a "Come Alive" campaign translated poorly into Chinese, implying the resurrection of dead ancestors, according to a JMU Scholarly Commons article. Damaged Brand Image and Reputation:		

				A brand's image can be harmed if its campaigns appear disrespectful or insensitive to local customs and traditions. Consumer Rejection: Consumers are unlikely to purchase from a brand they don't emotionally connect with. Without aligning marketing with local values and lifestyles, products may be rejected, notes Brainly.in. Loss of Market Share: Companies like Coca-Cola, which adapt better to local cultures, could gain market dominance, allowing Pepsi to lose valuable market share, according to Brainly.in. Legal and Ethical Issues: Marketing practices, such as the comparative advertising used in the "Pepsi Challenge," are sometimes illegal or socially unacceptable in other countries, potentially leading to legal trouble or government bans, says Brainly.in.		
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