

**K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH,**  
**Vidyavihar, Mumbai- 400077**

**Program: PGDM-Marketing (Batch2017-19), Trim-V**  
**Subject: International Marketing**  
**(End Term Examination)**

**Maximum Marks: 50**

**Duration: 3 hours**

**Date: 16<sup>th</sup> January, 2019**

**Instructions**

1. Question 1 is compulsory.
2. Attempt any TWO from rest of the questions.

**Q1. Analyze the case study ‘Netflix: International Expansion’ and answer the following questions: (30 Marks)**

**Questions:**

- A. Define Netflix competitive advantages? Why is Netflix so successful? (Marks 10)
- B. How would you recommend that Netflix overcome its challenges in international markets? (Marks 10)
- C. Moving forward, what future strategic initiatives might CEO Hastings consider, specifically with respect to diversification and varying pricing models? (Marks 10)

**Q 2:** Emerging market (EM) consumer growth is one of the world’s most compelling investment themes. Surging working-age populations, rapid urbanization and a rising middle class continue to drive this economic megatrend. Over half of the global population under 30 live in these EM countries. These increasingly wealthy, tech-savvy consumers have a voracious appetite for technology. Technological disruption has created a paradigm shift in the opportunity set for EM.

**Identify at least two firms doing business in emerging markets successfully leveraging the technological disruptions. (10 Marks)**

**Q 3. Explain the following statements with suitable examples: (Any 1) (10 Marks)**

- A. “More than tolerance for alien culture is required; there is a need for affirmative acceptance of the concept ‘different but equal’ ”.
- B. Countertrade is a form of Pricing.
- C. A quality issue of growing importance the world over, especially in Europe and USA is Sustainability. State some of the initiatives by MNC’s for Sustainability.

**Q 4.** Natura Brasil is Brazil's number 1 cosmetics manufacturer, and the country's leader in the direct sales sector. Natura was founded in 1969 by Antonio Luiz Seabra (now a billionaire) as a door-to-door business. Based in Cajamar, São Paulo, the company employs around 7000 staff in seven countries: Brazil, Argentina, Chile, Mexico, Peru, Colombia and France. Using the sustainability argument, the company transformed the image of cosmetics from futile and dispensable into necessary products, able to connect people with Nature, with themselves and with the small farmers from Amazon that grow the nuts and plants used for the production of their shampoos, soaps and moisturizers.

That way, the brand is strongly associated with the preservation of the environment, using only inputs of plant origin, investing in the family agriculture, reforestation projects, cardboard packaging, refills among other green initiatives. In Asian markets French and American cosmetics brands like L'Oréal, Avon, Revlon are popular choices.

**How can 'Natura' overcome provenance paradox in Asian Markets? (10Marks)**

**Q 5. Short Notes (Any One) (10 Marks)**

- a) Parallel Imports
- b) Protectionism
- c) Product Components for adaptation

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