Sanjay Ghodawat University, Kolhapur

2020-21

Established as State Private University under Govt. of Maharashtra. Act No XL, 2017

EXM/P/09/00

Year and Program: 2020-2021 SYBBA	**School of Commerce and Management**	**Department: Management**
Course Code: MBC206	**Course Title: International Business**	**Semester : IV**
Day and Date:	**End Semester Examination**	**Time:2 Hrs. Max Marks:50**

Instructions: 1) All Questions are compulsory.

Q.1	**Answer the following (any Two)**	**Marks**	**Bloom's Level**	**CO**
a)	'Huawei goes International'	8	L4	CO206.1

After two decades of development, many Chinese technology enterprises stride their first step in internationalization. Among them, the Huawei Technologies P/L is a typical representative. Huawei is a private hi-technology company. It is a leading telecommunication equipment manufacturer in China. In 2005, the contract sales of Huawei are USD8.2 billion, of which, nearly 58% (USD4.8 billion) comes from foreign markets. Compared with 1999, only less than 4% of the total sales of Huawei came from foreign markets. Indeed, Huawei has achieved great success in internationalization in the past few years.

In the first stage of Huawei's internationalization, South America is also selected as a target market. However, Huawei employs export method as the entry mode. The influence factors are the issues of geographical distance and local market conditions. From 2000 onwards, Huawei started to enter Asia, Mid-east and North Africa market, in this area, where Huawei also use export method to enter this market. Huawei sent out many of sales and service engineers from home country to setup branches and service centers in these countries. The selection is based upon the characteristic of export entry mode: High flexibility, low resource commitment and low dissemination risk.

Huawei also employs different entry modes flexibly to different products. For example, in traditional advantaged products, such as switching network, telecommunication power, Huawei often uses joint-venture and export methods. In the products without advantages, for instance in 2G mobile networks, Huawei cooperates with Giants of this area. For the products with technological advantage and without market resource, it uses the modes of joint

venture, franchising or co-research.
Analyze the modes of entry mentioned in the above case.

b) Critically analyze the cultural environment that affects International Business. 8 L4 CO206.2

c) Geocentrism makes no special distinction between the domestic and foreign markets. The market strategies are rather based on using a variety of opportunities in the best possible way. Managers are searched in the principle that the person must be the most competent in the particular field. No geographical, cultural, etc. preferences arepresent. Moreover, local managers are not assumed to have higher competence on the local markets, in comparison to managers from abroad. The differentiation of countries fades. The essence of this orientation is to take from each of the country what it has the best.
Evaluate a firm that has adoptedgeocentrismapproach and determine the advantages and disadvantages of the same. 8 L4 CO206.2

Q.2 Answer the following (any two)

a) The table presented below shows the number of Bottles and Books that the country A and B can produce. 8 L3 CO206.3

Country	Watch	Calculator
A	10	20
B	25	75

1. Which country has an Absolute Advantage in :
a) Watch b) Calculator and Why?
2. Calculate the Opportunity costs of both products incurred by both countries respectively.
3. Which country has an Comparative Advantage in :
a) Watch b) Calculator and Why?
4. If country A and B decide to trade amongst each other, what will be the terms of trade? (1 Watch =_____ Calculator)

b) Illustrate the stages of Product Life Cycle with appropriate example. 8 L3 CO206.3

c) "Globalization is not something we can hold off or turn off. It is the economic equivalent of a force of nature -- like wind or water."-Bill Clinton
Do you agree with the above statement? And Why? 8 L3 CO206.4

Q.3 Answer the following (any two)

a) Discuss the functions and roles of WTO. 9 L2 CO206.5

b)	Differentiate between Tariff and Non-Tariff barriers.	9	L2	CO206.6
c)	Demonstrate the various levels of Regional Economic Integration with suitable examples.	9	L2	CO206.6

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