

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA – SEMESTER -III– EXAMINATION – WINTER 2021**

**Subject Code: 1539312****Date: 25-02-2022****Subject Name: Global Marketing & Communication****Time:10:30 AM TO 01:30 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. Global Localization
  - b. Undifferentiated Target Marketing
  - c. Differential Advantage
  - d. Anti-dumping duty
  - e. Political Environment
  - f. Packaging
  - g. Global Advertisement
- Q.2** (a) Explain the management orientations of global companies that are based on both conscious and unconscious assumptions and beliefs about the nature the world. **07**
- (b) What are the strategic alternatives available for a company that wants to expand geographically in a global market. **07**
- OR**
- (b) Explain ERPG orientation in International Marketing **07**
- Q.3** (a) Explain the factors influencing the choice of channel of distribution in International Marketing **07**
- (b) Detail the product design considerations that global marketers need to consider. **07**
- OR**
- Q.3** (a) Identify and describe the driving and retaining forces that affect global integration and communication.. **07**
- (b) Explain product standardization and adaptation in context of Global Marketing **07**
- Q.4** (a) Suggest a suitable 'Foreign Market Entry Strategy for following. Justify your answer **07**
- a. An Indian steel company planning to get into Overseas- markets.
  - b. A ready-made garment small-scale Indian Manufacturer willing to enter US market
  - c. An Internationally reputed Fast Food Chain – Quick Service Restaurant (QSR)' willing to enter Indian Markets.
- (b) List the global pricing strategies, to be followed when the domestic currency is weaker than the host country's currency. **07**
- OR**
- Q.4** (a) Elaborate various 'Product Strategies' for International Markets. **07**
- (b) Discuss various factors affecting 'International Pricing'. **07**

## Q.5

With its original restaurant located just a stone's throw from Tiananmen Square in Beijing, KFC became the first American fast-food to set foot in China, all the way back in 1987. The three-story branch, with room for up to 500 diners, was KFC's largest at the time, and the grandiosity of this move set the tone for the success the chain would find in China over the next few decades.

As the first window into American-style dining for many, KFC was an immediate hit, with lines stretching for blocks even months after the branch opened its doors. A year later, the Beijing restaurant was still going strong, outperforming all other KFC's in the entire world. To this day, KFC reigns supreme in China, its 5,000-plus restaurants doubling the market share of its closest competitor McDonald's.

KFC has retained its hold on the Chinese market through a continued willingness to adapt to the unique conditions of the country. In many ways, KFC allows the context of China to inform and direct not only its marketing strategies, but the overall administration of the company. In 2016, KFC's parent company Yum Brands spun its China operations off into Yum China, a wholly separate entity. By putting its success in the hands of local executives, KFC empowered itself to thrive thanks to the practical experience and insights of these leaders.

At first, KFC's success could be largely attributed to novelty. It was a western food chain selling western food, but at the same time, fried chicken was already known to Chinese eaters. The chain's first-mover advantage combined with its new-yet-familiar product worked fantastically, and though

KFC's prices were higher than local options, this was often interpreted as a sign of quality.

Gradually KFC began to seed its menu with increasingly Chinese-styled options. Now, the chain boasts a full Chinese breakfast menu alongside fish and shrimp burgers, vegetable soups and full-plate meals with vegetable sides. Given KFC's shift to a dine-in experience, this menu variety caters to local tastes while offering enough variety to encourage repeat visits. Still, despite all the Chinese options on the menu, the trusty Zinger chicken burger remains the country's favorite. In recent years, Yum China president and COO Joey Wat has led the company through an aggressive push to capture **China's millennial consumers** — known domestically as the post-90s generation. After a spot of low performance in 2012-13 triggered by a food safety scare, KFC's sales were slow to rebound to prior levels. Since Wat's tenure began in 2016, KFC has embarked on a relentless campaign, reinventing its brand as a trendy connoisseur of millennial Chinese culture.

Chief amongst Wat's strategies has the company's headlong dive into the realm of celebrity endorsements. KFC introduces new products with the aid of hugely popular entertainers including Lu Han, Joker Xue and TFBoys, a three-member boy band with a combined following of over 100 million on Chinese social network Weibo. One of the company's latest campaigns features model Xing Lu in support of the Mojito Girl, a new alcohol-free drink targeted towards younger women.

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In addition to these high-profile cosigners, KFC has also begun experimenting with **new dining concepts**. In Hangzhou, the company recently opened health-focused restaurant KPRO, which allows diners to order with their mobile devices and pay via the "Smile to Pay" facial recognition software by Chinese tech giant Alibaba.

- (a) First mover is advantage or disadvantage for any form in foreign markets. Justify your answer in reference to the case study. **07**
- (b) Which strategy KFC has applied to run their operations in CHina **07**

**OR**

- Q.5**
- (a) Standardization verses Localization which is more suitable in case of KFC in China. **07**
  - (b) Explain promotion mix used in case study with its strategy. **07**

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