

Q.P. Code – 57233

Final Year M.Com. Degree Examination, OCTOBER/NOVEMBER 2016

(Directorate of Distance Education)

Commerce

(DPB 530) Paper VII — INTERNATIONAL BUSINESS

Time : 3 Hours]

[Max. Marks : 70/80

Instructions to Candidates :

- 1) Sections-A, B and C are common and compulsory for the students of both new and old schemes.
- 2) Section-D shall be answered by only the students under new scheme (with 20 internal assessment marks).

SECTION – A

1. Answer **ALL** the sub-questions and each sub-question carries **2** marks. Answer to each sub-question shall not be in more than six sentences : **5 × 2 = 10**
 - (a) How does International trade different from Domestic trade?
 - (b) What is Green field investment by FDI?
 - (c) What is Strategic Planning in International business?
 - (d) What is Renegotiation?
 - (e) What is Technology Diffusion?

SECTION – B

Answer any **THREE** questions and each carries **10** marks. Answer to each question shall not be more than five pages : **3 × 10 = 30**

2. Why is international business not a bed of roses? Elucidate your answer with suitable examples.
3. How do political factors decide FDI? Cite India's example.
4. Discuss the global strategic rivalry theory of international trade.
5. How is environmental scanning useful to international business?
6. What is international franchising? Explain the basic issues involved in franchising and franchising agreement.

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SECTION – C

Answer any **TWO** questions and each question carries **15** marks. Answer to each question shall not be more than eight pages : **2 × 15 = 30**

7. Discuss the need for FDI and advantages and disadvantages of FDI.
8. Discuss the significance of negotiation involving cross-border and cross-cultural transactions. Give example.
9. Read the following case study carefully and answer the questions given at the end of the case :

Coca-cola was the first-ever sponsor of the Olympic games, at the 1928 Summer Olympics in Amsterdam and has been an Olympics sponsor ever since. This corporate sponsorship included the 1996 Summer Olympics hosted in Atlanta, which allowed Coca-Cola to spotlight its hometown. Since 1977 starting with the 1978 FIFA World Cup in Argentina Coca-Cola is the main sponsor of FIFA and has sponsored each FIFA World Cup and other competitions organized by FIFA. In fact, one of the FIFA tournament trophy: FIFA World Youth Championship from Tunisia in 1977 to Malaysia in 1997 was called “FIFA-Coca-Cola Cup”. In addition, Coca-Cola sponsors the annual Coca-Cola 600 for the NASCAR Nextel Cup Auto Racing series at Lowe’s Motor Speedway in Charlotte, North Carolina. Coca-Cola has a long history of sports marketing relationship, which over the years have included Major League Baseball, the National Football League, National Basketball Association and the National Hockey League, as well as with many teams within those leagues. They have been a long-time sponsor of the Australian Football League, at one stage holding naming rights to the Premiership season. They also sponsor the International Rules football test game played between Australia and Ireland every year as well as the Football League in England.

Questions :

- (a) How did Coca-Cola’s franchise model help it to grow at a fast rate?
- (b) How Coca-Cola did’s advertising strategy help for the growth of its business?
- (c) How did Coca-Cola adapt the sports sponsoring strategy?

SECTION – D

This section is only for the students of New Scheme (with **20** internal assessment marks). Answer any **ONE** question and it carries **10** marks. Answer to the question shall be not more than five pages : **1 × 10 = 10**

10. What is a strategic alliance? Bring out its benefits and pitfalls.
11. State the different approaches to international business.