

International Pre-Master's in Business
Quartz ID: 1274

Unit ID: 2347

International Marketing

Global Examination

Sample Assessment

Marking Scheme

Markers are advised that, unless a task specifies that an answer be provided in a particular form, then an answer that is correct (factually or in practical terms) **must** be given the available marks. If there is doubt as to the correctness of an answer, the relevant NCC Education materials should be the first authority.

This marking scheme has been prepared as a **guide only** to markers and there will frequently be many alternative responses which will provide a valid answer.

Throughout the marking, please credit any valid alternative point.

Each candidate's script must be fully annotated with the marker's comments (where applicable) and the marks allocated for each part of the tasks.

Candidate Name and ID number:		
Marker's comments:		
Moderator's comments:		
Mark:	Moderated mark:	Final mark:
Penalties applied for academic malpractice:		

Question 1

a) What is global marketing?

2

Mark Scheme

Global marketing is “a firm’s commitment to coordinate its marketing activities across national boundaries (1 mark) in order to find and satisfy global customer needs better than the competition (1 mark)”.

To a maximum of 2 marks.

b) Outline THREE (3) reasons why firms go international.

3

Mark Scheme

The reasons why firms go international are:

- **Companies go international to seek opportunities for growth.**
- **To earn higher margins and profits than available in their domestic markets.**
- **To gain new ideas about products, services, and business methods.**
- **To be closer to supply sources, benefit from global sourcing advantages, or gain flexibility in the sourcing of products.**
- **To invest in a potentially rewarding relationship with a foreign partner.**
- **To gain access to lower-cost or better-value factors of production and raw materials.**
- **To develop economies of scale in sourcing, production, marketing, and research and development.**
- **To better serve key customers that have relocated abroad.**
- **To confront international competitors more effectively or thwart the growth of competition in the home market.**

Any reason with a clear rationale may be awarded marks. 1 mark for each correct reason, up to a maximum of 3 marks.

- c) Define *standardisation* and explain FOUR (4) factors that favour standardisation. 10

Mark Scheme

Standardisation means that a product and the way in which it is marketed in different countries of the world are largely uniform (1 mark), with little variation in the marketing mix from country to country (1 mark).

To a maximum of 2 marks.

Hollensen (2020) identified the factors favouring standardisation as:

- **Economies of scale in research and development, production and marketing**
- **Global competition**
- **Convergence of tastes and customer needs**
- **Centralised management of international operations**
- **A standardised strategy is used by competitors**
- **Competitive advantage can be easily transferred from market to market**

1 mark for each correct factor, plus 1 mark for each correct explanation.

To a maximum of 8 marks.

- d) Define *globalisation* and explain FOUR (4) drivers of globalisation. 10

Mark Scheme

Globalisation refers to “the interconnectedness of national economies (1 mark) and the growing interdependence of buyers, producers, suppliers, and governments, around the world (1 mark)”.

To a maximum of 2 marks.

The main drivers of globalisation are:

- **Rise in and application of technology**
- **Liberalisation of cross-border trade and resource movements**
- **Services that support international business**
- **Growth in consumer pressures**
- **Increase in global competition**
- **Changes in political situations and government policies**
- **Expansion of cross-national cooperation**

1 mark for each correct driver, plus 1 mark for each correct explanation.

To a maximum of 8 marks.

Total 25 Marks

Question 2

- a) Identify TWO (2) economic variables that affect international business. 2

Mark Scheme

The economic factors that affect international business are:

- **Real income per head (standard of living)**
- **Economic growth (rate of increase of real income per head)**
- **Exchange rate**
- **Inflation rate**
- **Unemployment rate**
- **Tax and subsidy levels**
- **Technological change**

Any economic variable with a clear rationale may be awarded marks. 1 mark for each correct economic variable, up to a maximum of 2 marks.

- b) Outline THREE (3) functions of the International Market Researcher. 3

Mark Scheme

The main functions of the researcher are to:

- **Scan international markets to identify and analyse the opportunities**
- **Build marketing information systems to monitor environmental trends**
- **Conduct primary marketing research studies to inform the development of marketing strategies and to test the feasibility of the possible marketing mix options.**

Any function with a clear rationale may be awarded marks. 1 mark for each correct function, up to a maximum of 3 marks.

- c) Explain FIVE (5) challenges faced by companies in using secondary research for international marketing. 10

Mark Scheme

The issues faced by companies in using secondary research include:

- **Availability of data**
- **Accessibility of data**
- **Accuracy of available data**
- **Scarcity of data**
- **Timeliness of data collection**
- **The way that data is reported**

1 mark for each correct challenge, plus 1 mark for each correct explanation. To a maximum of 10 marks.

d) Define *culture* and explain FOUR (4) components of culture.

10

Mark Scheme

Culture is “The sum total of learned beliefs, values and customs (1 mark) that serve to direct consumer behaviour in a particular country market (1 mark)”.
To a maximum of 2 marks.

According to Terpstra et al. (2012) there are eight components for examining culture from a marketing perspective:

- **Education: Level of education has direct impact on sophistication of target customers.**
- **Social organisation: How a society considers kinship, social institutions, interest groups status systems.**
- **Technology and material culture: Local market’s ability to handle and deal with modern technology.**
- **Law and politics: Legal and political environment in a foreign market**
- **Aesthetics: Local culture’s perception of various things.**
- **Values and attitudes: How consumers value things like time, achievement, work, health, and risk taking.**
- **Religion: Significant but not always apparent effect on the marketing strategy.**
- **Language: Two major elements: spoken and silent language. Spoken language is an important means of communication.**

1 mark for each correct component, plus 1 mark for each correct explanation.
To a maximum of 8 marks.

Total 25 Marks

Question 3

- a) Discuss the FOUR (4) main factors that affect the international communications process. **12**

Mark Scheme

Hollensen (2020) identifies a number of factors that affect the international communications process:

- *Language differences*
- *Economic differences*
- *Sociocultural differences*
- *Legal and regulatory conditions*
- *Competitive differences*

*1 mark for each correct factor, plus 2 marks for each correct explanation (2 marks for full explanation, 1 mark for partial explanation).
To a maximum of 12 marks.*

- b) Define *digital marketing* and explain FOUR (4) digital marketing tools that could be used as part of a company's international marketing activities. **13**

Mark Scheme

Digital marketing involves "Achieving marketing objectives through applying digital technologies and media (1 mark)." (Chaffey, 2020)

To a maximum of 1 mark.

Digital marketing activities include:

- *Search Engine Optimisation (SEO)*
- *Paid Search Marketing or Pay-per-click (PPC) Advertising*
- *Content Marketing*
- *Email Marketing*
- *Social Media Marketing*
- *Voice Search Optimisation*
- *Video Marketing*

*1 mark for each digital marketing tool, plus 2 marks for each correct explanation (2 marks for full explanation, 1 mark for partial explanation).
To a maximum of 12 marks.*

Total 25 Marks

Question 4

- a) What is a *global brand* and what steps do managers need to take when trying to build a global brand? 13

Mark Scheme

Global products meet the wants and needs of a global market and are offered in all world regions at each stage of development (1 mark).

To a maximum of 1 mark.

Global brand development involves:

- ***Create a compelling value proposition, beginning with the home-country market.***
- ***Think about all elements of brand identity and select names, marks, and symbols that have the potential for globalisation.***
- ***Develop a company-wide communication system to share and leverage knowledge and information about marketing programmes and customers in different countries.***
- ***Develop a consistent planning process across markets and products. Provide a process template to managers in all markets.***
- ***Assign specific responsibility for managing branding issues to ensure local brand managers accept global standards and best practices.***
- ***Implement brand-building strategies that leverage global strengths and respond to relevant local differences.***

1 mark for each correct step, plus 2 marks for each correct explanation (2 marks for full explanation, 1 mark for partial explanation).

To a maximum of 12 marks.

- b) Discuss the FOUR (4) main factors that influence pricing decisions in international marketing. 12

Mark Scheme

Hollensen (2020) outline the main factors that influence international pricing decisions as firm-level factors, product factors, environmental factors and market factors.

- **The firm-level factors are the company's corporate and marketing objectives, competitive strategy, firm positioning, product development, manufacturing locations, market entry modes and Country of Origin (COO).**
- **The product factors are stage in Product Life Cycle, product's place in product line, most important product features, product's USP and product cost structure.**
- **The environmental factors are government influences, constraints, import controls, taxes and price controls, inflation, currency fluctuations and business cycle stage.**
- **The market factors are customers' needs and tastes, customers' ability to pay, nature of competition, competitors' objectives, strategies and relative strengths/weaknesses and grey market appeal.**

1 mark for each correct factor, plus 2 marks for each correct explanation (2 marks for full explanation, 1 mark for partial explanation).

To a maximum of 12 marks.

Total 25 Marks

Learning Outcomes Matrix

Question	Learning Outcomes / Assessment Criteria assessed	Marker can differentiate between varying levels of achievement
1	1.1, 1.3	Yes
2	2.1, 2.2, 2.3	Yes
3	3.2, 3.3	Yes
4	4.1, 4.2	Yes

Grade Descriptors

Learning Outcome	Pass	Merit	Distinction
1. Be able to analyse and evaluate the underlying principles and theories of international marketing	Demonstrates an adequate level of understanding of the underlying principles and theories of international marketing	Demonstrates a robust level of understanding of the underlying principles and theories of international marketing	Demonstrates a highly comprehensive level of understanding of the underlying principles and theories of international marketing
2. Be able to describe the marketing research process and evaluate information sources for assisting in international business decision making	Demonstrates an adequate level of understanding of the marketing research process and the information sources for assisting in international business decision making	Demonstrates a robust level of understanding of the marketing research process and the information sources for assisting in international business decision making	Demonstrates a highly comprehensive level of understanding of the marketing research process and the information sources for assisting in international business decision making
3. Be able to apply principles of cross-cultural communication for effective marketing communication in a multi-cultural market environment	Demonstrates an adequate level of understanding of the principles of cross-cultural communication for effective marketing communication in a multi-cultural market environment	Demonstrates a robust level of understanding of the principles of cross-cultural communication for effective marketing communication in a multi-cultural market environment	Demonstrates a highly comprehensive level of understanding of the principles of cross-cultural communication for effective marketing communication in a multi-cultural market environment
4. Be able to identify and apply contemporary knowledge from international marketing to develop well-informed alternative solutions to problems that challenge international marketers	Demonstrates an adequate level of understanding of contemporary knowledge from international marketing to develop well-informed alternative solutions to problems that challenge international marketers	Demonstrates a robust level of understanding of contemporary knowledge from international marketing to develop well-informed alternative solutions to problems that challenge international marketers	Demonstrates a highly comprehensive level of understanding of contemporary knowledge from international marketing to develop well-informed alternative solutions to problems that challenge international marketers