



EXAMINER'S REPORT

MAY 2004

INTERNATIONAL MARKETING MANAGEMENT & STRATEGY

General Observations

1. There is some evidence to suggest that students are once more neglecting to read the questions carefully. Some papers were received which, while they contained excellent material, failed to address the questions asked. This is unfortunate. Students are strongly advised to read the questions carefully before attempting answers and then to read the question again prior to completing the answers. Answers which do not address the question asked simply squander the chance to earn marks.
2. Many students believe they can transfer general theory studied as part of other subjects on the syllabus to the international arena without modification. This is seldom possible, invariably identifiable and seldom of any use in earning marks.

Careful examination of every question asked on the paper will show clearly that the Examiner expects clear and appropriate application of theory to the management of the international marketing effort and not merely the exposition of knowledge of the theory itself.

Many answers to Questions 3 and 7 contained materials which had obviously been transferred from other subjects - especially Sales Management - without any attempt to apply the points made to the international marketing environment.

3. There is also some strong evidence to suggest that students are using a text other than that which is recommended. Many answers received to Question 3 and Question 8, while technically correct, contained materials and approaches which were not consistent with the essential text.

Using a text other than Albaum is dangerous and could disadvantage students when it comes to certain elements of the syllabus. The essential text has been chosen for many reasons but especially because it is frequently updated and in keeping with the syllabus. Where the essential text is deficient, too complex or a little out of date, it has been supplemented by Institute readings.

Students are taking something of a risk by relying on textbooks other than that which is recommended.

Question 1

This question worked well for every candidate who had studied the reading provided by the Institute and especially for those who concentrated on answering the question asked. Unfortunately, quite a number of candidates provided answers which were quite peripheral to the question. Many papers contained material which referred to the benefits of having an efficiently operating website rather than to the objectives which such a site might seek to achieve for the enterprise. Many papers did not mention the use of extranets or intranets probably because the candidates had not studied the reading.

Very few papers mentioned the objective of using e-Business to enhance **company and brand image**. Candidates were not deducted marks for not doing so but it should be pointed out that, especially in the last few years as graphics and communications technologies have improved, and advertising agencies have become more expert in the use of the Internet for this purpose, the use of the Internet to enhance brand image has become almost a specialist area of e-Business.

Normally, examples taken from the real world of international business are welcome and obtain extra marks for candidates who mention them. However, papers on the topic of e-Business commonly suffer from an oversupply of examples many of which have no bearing on the question which was asked on the paper. Judging from the content of many of the papers submitted, it may be that candidates are relying on their general knowledge of the Internet obtained as users to bring them a pass mark in this topic of e-Business. This is a major mistake, as e-Business looks different – and a good deal more complex – from the International Marketing Management perspective. Also, it is very easy for the Examiner to spot situations where candidates are trying to bluff their way through this topic. However, it must be said that the vast majority of candidates who attempted this question did very well.

Question 2

The answers to this question were – by and large – extremely disappointing and the marks earned by most candidates were very low. Common problems with papers submitted were threefold:

1. Candidates insisted on devoting up to half their answers in writing about advertising despite the fact that the question was phrased deliberately to exclude advertising from the question
2. Candidates threw everything but the kitchen sink into answers without specifying their roles in international marketing
3. Candidates omitted completely to address the issue of how the use of components of the promotions mix other than advertising differed in their use in the international rather than the domestic fields.

The essential text tackles the issues of modifying the promotions mix for use in international marketing very well and at some length. However, it appears that many candidates mistakenly assume that there is very little difference between the mix in international markets as opposed to domestic markets. It also appears that candidates simply do not read the questions properly before answering much less check what has been written against the question once the answer had been written.

As an aid to candidates who wish to tackle the promotions mix question in the future it might be as well to allocate the various promotional tools to one of the classical five components of the promotions mix:

1. Advertising
2. Personal Selling (with particular emphasis on International Sales Management and on managing and supporting the selling efforts of agents and distributors)
3. Publicity & Public Relations
4. Sales Promotions (including atmospheres and events such as exhibitions and trade shows).
5. Internet e-Marketing

Again, it is important to remember that their management and use is quite different in a multi-location international context than it is in a purely single location domestic context.

Question 3

This question posed problems for many candidates who quoted wide and diverse motivation theories but failed totally to apply them in any detail to the motivational problems of the **Global Marketing Manager**. This topic is not covered in the essential text to any degree but is well covered in one of the Institute's readings. The Examiner was hoping that papers would mention:

1. The tendency for centrifugal disintegration inherent in the global organization:
2. The need for a mix of tangible and psychological motivators, the mix to be determined by the degree of economic development of particular countries and the cultural factors which might apply in particular situations.
3. The importance of vision, leadership and communications:
4. The essential requirements for training, multicultural understanding and exposure to an appropriate corporate culture at individual manager level throughout the organization.

Most papers insisted on writing up Hertzberg, Maslow and others without making any reference to any of the above issues. The Examiner was not examining students' knowledge of motivation theory but its application in the global marketing organization.

Question 4

This question proved to be very popular and most answers were precise and to the point. The second part of the question was not always answered and this cost some candidates marks.

Question 5

Again, this question proved popular and most answers covered the points quite well despite the fact that there seems to be some confusion about the precise differences between management contracts and turnkey operations.

Question 6

For some reason, this question did not prove as popular with candidates as in previous years. Traditionally, this question has proved to be a 'banker' in terms of providing weak papers with the extra marks necessary to achieve at least a pass and strong candidates with marks to bring them from C to B or A status.

The page references for the topics raised in this question are given below for candidates who may wish to look them up.

Cluster similarity – page 99 essential text

WTO – World Trade Organization – page 106 essential text
Keiretsu – page 58 essential text
The Phasing continuity matrix – page 403 essential text
Exporting combinations – page 290 essential text
Export Credit Insurance/ECGD pages 118/119 – 485, 500/1 essential text
Linguistic relativity/Whorf hypothesis – pages 100/101 essential text

Question 7

All a candidate had to do to obtain a pass mark in this question was to draw Fig. 9.2, page 390, of the essential text. Many papers did so and managed to expand well on each of the stages. There was some confusion between NPD and the modification of existing products but almost everyone who attempted this question achieved at least a pass mark.

Question 8

This was probably the best answered question on the paper and candidates had obviously studied methods of payment in great detail. Despite the complexity of the topic, many candidates provided excellent diagrams including diagrams of the security pyramid.