

Enrollment No.: _____

Seat No.: _____

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA - SEMESTER - III EXAMINATION - WINTER 2025

Subject Code: 4539281

Date: 20-12-2025

Subject Name: International Business

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.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

- Q.1 Definitions / short questions (Explain with examples) 14**
- (a) Repatriation
 - (b) Cultural Shock
 - (c) Procedural Risk
 - (d) Certificate of Origin
 - (e) Switch Trading
 - (f) E commerce
 - (g) Laissez-Faire
- Q.2 (a) What is IB? Describe reasons for companies to engage in International Business? 07**
- (b) Write a short note on EPRG framework in International Business? 07**
- OR**
- (b) Explain the meaning of Legal risk. Determine various Legal issues involved in IB 07**
- Q.3 (a) Categorize various International Trade Theories. 07**
- (b) Articulate various business implications of exchange-rate changes in International Business. 07**
- OR**
- Q.3 (a) What do you mean by Export & Import? What are the advantages of export and import? 07**
- (b) Which Factors does a manager should consider in analyzing country related risk? 07**
- Q.4 (a) Exemplify Value Chain Analysis in context of IB. 07**
- (b) How a company manages pressure for global integration and local responsiveness in IB? 07**
- OR**
- Q.4 (a) Why the difference between total market potential and companies' sales arises? Explain with a hypothetical example. 07**
- (b) Write a short note on Global Marketing Strategies. 07**

Netflix took a phased approach to its global expansion strategy. It first started with the countries that were relatively close geographically/physically and also the markets with similarities to the U.S. At the second phase of its expansion, Netflix rolled out its services to another 43 countries, mostly in Latin America and Western Europe. During the third and final phase, Netflix ramped up entry into the remaining markets, to bring it to 190 countries. Netflix adopts a transnational approach: the company launches the same basic concept of the product globally, but also localizes content and marketing efforts to respond to the local consumers.

Although Netflix is available in over 190 countries, **China** is still not one of them (Lashinsky, 2017). Although an attractive market, China is known to be more difficult to enter for other countries, especially media and entertainment companies, given the government's tendency to control the content its consumers see and to promote local players (Lashinsky, 2017). This is a political risk for Netflix.

However, Netflix has slowly introduced its originally produced content in China via a licensing deal with one of China's largest video streaming services, iQiyi.com. This was Netflix's way of slowly entering China. By doing this, Netflix was able to get a better understanding of Chinese market and indirectly introduce itself to local consumers. Although the partnership with iQiyi.com has ended, there are many other local partners that Netflix could partner with to introduce its content to an even wider audience. For example, Youku and Tencent Video are other large streaming services comparable to iQiyi (Canaves, 2019).

Netflix could also look to partner with companies in parallel industries such as with telecommunication and mobile phone companies like it has done with some other markets. This would give it more exposure and would allow the company to create more ties with local partners, and eventually, government bodies and regulators to pave its way into the market.

The entrance into China may take time and investment in local content; however, given the potential volume of revenue, it remains a market that has a high potential. This is especially so as competitors at other markets continue to rise as it happened in the U.S., causing Netflix's customer base to slowdown in growth. Therefore, by keeping an eye on Chinese market, Netflix could be the first international video streaming company to enter and benefit exponentially from the first-mover advantage.

- | | | |
|-----|---|-----------|
| (a) | Critically analyze the strategies adopted by Netflix in China. | 07 |
| (b) | Which are the issues and challenges faced by Netflix company in growing its international business? | 07 |

OR

- | | | |
|-----|--|-----------|
| (a) | Analyze Netflix's Global Business strategies. | 07 |
| (b) | Examine the challenges faced by Netflix in gaining a presence in the intensely competitive China market. | 07 |
