

International marketing in times of sustainability and digitalization

This set includes 132 multiple choice questions and solutions.

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Chapter 1: Scope and challenges of international marketing

1. Which statement about globalization is correct?
 - a) Globalization is a modern phenomenon that emphasizes the transfer of products across borders.
 - b) Globalization includes not only trade of services, capital and investment but also cross-border developments of social and political dimensions.
 - c) Scientific research indicates that the negative globalization effects outweigh the positive effects.
 - d) There is no relationship between the current global challenges such as climate change and loss of biodiversity with globalization.
2. Only large multinational corporations benefit from globalization.
 - a) True
 - b) False
3. A company in the aviation industry seeks to incorporate the UN Global Sustainability Goals within the process of their strategy development.
 - a) They may only refer to Goal 12 about sustainable consumption and production.
 - b) They may only refer to Goal 7: about affordable and clean energy.
 - c) They may refer to many of the 17 SDGs
 - d) The UN Global Sustainability Goals are not intended to provide guidance for companies, but to shape the government policies of countries.
4. There are several indices and measurement methods for assessing the sustainability of countries. Which statement(s) are correct? (Multiple answers possible)
 - a) The Global Sustainability Competitiveness Index (GSCI) is the most comprehensive model for measuring the sustainability of countries.
 - b) The Environmental Performance Index (EPI) incorporates 16 indicators from the areas of environmental health, air quality, water, biodiversity, natural resources and energy that are assessed on a country-specific level.
 - c) There is a relationship between gross domestic product and the sustainability ranking.
 - d) Countries with low rankings suffer from political instability or war.
5. How are rankings for assessing the sustainability of countries relevant to marketing?
 - a) The country ranking gives the marketing department an initial indication of the different challenges to be expected in terms of logistics, distribution, production and product design, among other things.
 - b) These rankings are not relevant to marketing.
 - c) Companies have the power to strongly influence the country-specific ranking and thus they must aim to do business in countries where they can make a strong contribution.
 - d) The European Green Deal and the National Program for Sustainable Consumption in Germany limit the development opportunities for companies. Thus, they must look for countries where those rules won't apply.
6. There are complaints towards globalization. Which is not one of them?
 - a) Loss of local culture
 - b) Unsustainable consumption
 - c) Unhealthy dietary patterns
 - d) Loss of legal rights

7. Corporate Social Responsibility (CSR) involves various aspects, except for _____.
 - a) Reducing the environmental impact of business activities, such as reducing greenhouse gas emissions, using renewable energy, minimizing waste and pollution, and conserving natural resources.
 - b) Ensuring that business activities promote social justice and equity, such as providing fair wages and working conditions, supporting community development initiatives, and respecting human rights.
 - c) Inducing macroeconomic factors such as interest rates, inflation, and economic growth as well as promoting strong competition, changes in consumer preferences or technological advancements.
 - d) Conducting business with integrity and transparency, such as avoiding corruption and bribery, respecting intellectual property rights, and adhering to ethical standards and codes of conduct.
 - e) Supporting charitable organizations and community service initiatives, such as donating money and resources to non-profit organizations, and encouraging employees to volunteer in their communities.
8. In international business, especially in developing or emerging countries, companies from industrialized countries are often confronted with pressing problems that they do not encounter in this form in their home market. What is not an example of these problems?
 - a) Existential poverty and lack of health care
 - b) Child labor and inadequate education systems
 - c) Saturated markets and highly differentiated products
 - d) Lack of environmental protection regulations
9. Which argument favors adaptation over standardization?
 - a) Customers appreciate brands that "get" their culture.
 - b) It empowers a company to globalize while leveraging economies of scale Customers like being treated the same by your brand, no matter where they live.
 - c) It eases efforts in product management and controlling.
10. Digitalization provides many applications useful and used by marketing, except for _____.
 - a) Marketing Automation
 - b) Blockchain Technology
 - c) Artificial intelligence
 - d) Technical debt

Chapter 2: Assessment and selection of international markets

1. The SLEPTS analysis gives an overall picture of the macro environment and supports to identify threats and opportunities that can be used in SWOT analysis. What does the acronym stand for?
 - a) Social, Legal, Economic, Political, Technological and Sustainability Factors
 - b) Shared, Local, Ecological, Parochial, Technical and Social Factors
 - c) Solid, Legitimate, Economic, Provincial, Technological and Scientific Factors
 - d) Social, Legitimate, Ecological, Parochial, Technological and Sustainability Factors
2. A market research study of soft drink consumption and distribution in Hungary commissioned by an American company indicated that soft drinks were available in drugstores. However, Western-style drugstores do not exist in Hungary. This illustrates an important issue in global marketing research, namely:

- a) using multiple dimensional scaling
 - b) inflated data
 - c) market estimation by analogy
 - d) comparability of data
 - e) using convenience samples
3. What is the problem with the use of scoring models?
- a) Scoring models are not a systematic approach to decision making.
 - b) They are highly subjective.
 - c) The selection criteria are strictly normed.
 - d) Often the data needed is not available, outdated or inaccurate.
4. What explains the importance of a personal visit to potential markets for expansion?
- a) Companies need to deal out contracts with competitors in person.
 - b) Management likes to travel.
 - c) A marketing plan for the foreign market usually requires the co-operation with a local agent or distributor.
 - d) Lobbying with local governments is mandatory.
5. What is a characteristic of the international marketing research process?
- a) The international marketing research process is way more complex because it poses challenges to the company in terms of design and methodology.
 - b) The international marketing research process is easier because blue-prints from other markets can be used thus a fundamentally new approach is not necessary.
 - c) The international marketing research process is less costly as it relies primarily on secondary data.
 - d) The international marketing research process involves more steps than the local marketing research process.
6. The AAA Triangle stand for the three distinct types of international strategy. Which statement about these strategies is incorrect?
- a) Through Adaptation, companies seek to increase revenues and market share by maximizing their local relevance.
 - b) Through Aggregation, companies try to deliver economies of scale by creating regional, or sometimes global, operations.
 - c) Through Arbitrage, companies exploit disparities between national or regional markets, often by locating different parts of the supply chain in different places.
 - d) Successful companies usually follow all three strategies evenly and simultaneously when building competitive advantage.
7. Porsche and Siemens Energy have built a plant in Chile to produce synthetic, virtually climate-neutral fuel. The project "Haru Oni", as it was called, takes advantage of the favorable climatic conditions for wind energy in the province of Magallanes in southern Chile to produce the CO₂-neutral fuel with the help of low-cost green wind power. This is an effort to improve the sustainability of car driving with classic combustion engines. What is the motivation of companies for their internationalization in Chile?
- a) Market seeking
 - b) Follow key customers
 - c) Resource seeking

- d) Efficiency seeking
- 8. VW promoted its supposedly "clean diesel vehicles" in an advertising campaign. In 2015, it was revealed that Volkswagen had been cheating on emissions tests for its diesel vehicles in the U.S. for the past seven years. This is an example of _____.
 - a) Undertaking deceptive marketing practices
 - b) Engaging in pricing that is discriminatory or predatory
 - c) Deceiving or abusing intermediaries in international channels
 - d) Engaging in activities that abuse their employees
- 9. What is a benefit of digitalization?
 - a) Decreasing energy demand
 - b) Fewer personnel in the IT department needed
 - c) New revenue and value-producing opportunities
 - d) Lower requirements to data security
- 10. If psychic distance for a country is high a firm will _____.
 - a) be able to enter the market more quickly and with fewer resource
 - b) be motivated to expand into this country by means of foreign investments
 - c) be encouraged to standardize its products and marketing strategies for this country
 - d) possibly refrain from expanding into a that country

Chapter 3: Consumer behavior in international markets

- 1. Clairol once launched a curling iron called "Mist Stick", which sounds nice in English, but in German, the word "mist" means "excrement" and did not lead to the expected success in the German market under that name. This is an example of _____.
 - a) Language barriers in international marketing
 - b) Differences in business practices, legal and regulatory frameworks in international marketing.
 - c) Lack of linguistic proficiency of German customers.
 - d) Marketing decisions being made by corporate headquarters
- 2. Generally speaking, when and by whom do people experience the strongest influence on their cultural imprinting?
 - a) During early childhood by parents
 - b) In the teenage by peers and friends
 - c) During the school years by teachers
 - d) At work by superiors and colleagues
- 3. Health, freedom, patriotism, solicitude and honesty are examples of _____.
 - a) Norms
 - b) Rules
 - c) Customs
 - d) Values
- 4. Which of Hofstede's dimensions shows up through exaggeration, persuasion, dreams, great expectations, and comparative advertising?
 - a) Individualism
 - b) Femininity
 - c) Masculinity
 - d) Collectivism

5. According to Holt, Quelch and Taylor (2004) global brands share three characteristics that explain 64 percent of the variation in brand preference. What are the three?
 - a) Status symbol, quality myth, social responsibility
 - b) Quality signal, global myth, corporate philanthropy
 - c) Quality promise, global awareness, environmental responsibility
 - d) Quality signal, global myth, social responsibility
6. Which of the following is true about the link between attitudes and behavior?
 - a) The attitude towards sustainability does not predict the purchase behavior of a person.
 - b) Attitudes are reliable predictors of behavior.
 - c) The relationship between attitudes and behavior is unknown.
 - d) A person's buying behavior allows to draw a conclusion about their attitude towards sustainability.
7. _____ suggests that we can be influenced to do something via suggestions or positive reinforcement.
 - a) Behavioral economics
 - b) Nudging
 - c) Labeling
 - d) Advertising theory
8. Which statement is incorrect?
 - a) Collectivistic values positively influence anti-consumption behaviors.
 - b) In low power distance and low uncertainty avoidance cultures, people's behavior is more active with respect to the environment.
 - c) There are large differences in relation to carrying out environmentally activities between European countries.
 - d) LOHAS can be identified sufficiently by sociodemographic characteristics.
9. The digital divide refers to
 - a) Age and Income groups of people
 - b) Internet access and age of users
 - c) Wealth and internet access of users
 - d) Interest and Attitude of user groups
10. What is the Attitude Behavior Gap with regard to sustainable products?
 - a) The gap between a consumer's intention to purchase sustainable products and their actual purchase behavior.
 - b) The gap between a company's CSR commitments and their actual implementation of sustainable practices.
 - c) The gap between a consumer's awareness of sustainable products and their willingness to pay a premium for them.
 - d) The gap between a company's advertising claims about sustainable products and their actual environmental impact.

Chapter 4: International marketing research

1. Which of the following is a key challenge in conducting international marketing research projects?
 - a) Maintaining consistency in data collection across different countries.
 - b) Limited availability of secondary data sources.

- c) Standardization of research objectives across different countries.
 - d) Similarity in consumer behavior and preferences across different countries.
2. Which statement about secondary data in international marketing is incorrect?
- a) Secondary data may not be relevant to the research objectives.
 - b) Secondary data may be incomplete and suffer from a lack accuracy.
 - c) Secondary data is trustworthy without limitations.
 - d) Secondary data is usually too expensive to obtain.
3. Through facial recognition software a retailer captures customers' emotional traits such as how long they looked at and examined a particular product, in which segment of the store did they spend more time, their facial expressions on seeing a product, whether they are happy, unhappy or confused etc. and measure their overall levels of satisfaction (dissatisfaction) during the checkout process. These findings will enable the retailers to fine tune in-store displays, improve real-time promotions, and identify the pain points that have caused those disappointed looks on a customer's face. By understanding shoppers' sentiments and evaluating their emotional responses, retailers can discover factors that influence buying decisions such as product pricing, packaging and branding, inventory availability and replenishment, shelf placement, store and aisle layouts, arrangement and display of goods etc. This type of research is called
- a) Biometrics
 - b) CATI
 - c) CAPI
 - d) Face-to-face
4. If people answer online surveys for the sake of getting the incentive after they have completed the survey, not with a desire to contribute to the advancement of the study is an example of which problem of online surveys?
- a) Criminal fraud of participants
 - b) High cost for achieving a sufficient sample size
 - c) Lack of control due to self-selection of participants
 - d) Low response rates requiring strong incentives for participants
5. Which parameter is not relevant in domestic marketing research
- a) Brand awareness
 - b) Customer satisfaction
 - c) Exchange rates
 - d) Market interest rates
6. YouGov Direct is a self-service research platform. Consumers can use it to provide their opinion and behavioral data for target group research and receive compensation for their participation. It also allows survey participants direct control over their data. Companies benefit from YouGov Direct in terms of speed to obtain the data as well as control over survey participants that follows the DSGVO. What technology enables YouGov Direct?
- a) Marketing automation
 - b) CRM technology
 - c) Blockchain
 - d) Neural networks
7. If similar products and activities may perform different jobs in different countries, the requirement of _____ is not fulfilled.

- a) Scalar equivalence
 - b) Functional equivalence
 - c) Categorial equivalence
 - d) Conceptual equivalence
8. What is a bottleneck for many companies that want to use Big data and data driven applications in marketing?
- a) The availability of data
 - b) Server space for the storage of the data
 - c) Appropriate software for the analysis of data
 - d) The shortage of data scientists
9. What is a characteristic of the international marketing research process?
- a) The international marketing research process is considerably longer and involves more steps than the local marketing research process.
 - b) The international marketing research process is easier because blue-prints from other markets can be used thus a fundamentally new approach is not necessary.
 - c) The international marketing research process is way more complex because it poses challenges to the company in terms of design and methodology.
 - d) The international marketing research process is less costly as it relies primarily on secondary data.
10. What is a marketing dashboard?
- a) The marketing dashboard offers, at a quick glance, all the information necessary for a marketing team to make informed decisions.
 - b) The marketing dashboard is a static screen showing the status of the KPIs for the marketing team.
 - c) A marketing dashboard is an electronic screen, that lists the names of employees in the marketing department.
 - d) A marketing dashboard is used by company management to rank and show customers with the highest customer lifetime value.

Chapter 5: Segmentation, targeting and positioning

1. The World Bank's country classification uses what type of segmentation?
- a) behavioral segmentation
 - b) psychographic segmentation
 - c) geographic segmentation
 - d) demographic segmentation
2. Which statement about psychographic segmentation is incorrect?
- a) Psychographic segmentation is often more appropriate than demographics alone
 - b) Psychographic segmentation is very reliable
 - c) Hundreds of psychographic segmentation approaches exist.
 - d) Psychographic segmentation enables segmentation across country borders
3. Procter & Gamble has identified a group of consumers in Europe who are willing to pay premium prices for pet food that will improve the health of their pets. This is an example of
- a) behavioral segmentation
 - b) benefit segmentation

- c) psychographic segmentation
 - d) geographic segmentation
4. What is a disadvantage using the countries-as-segments strategy to target markets?
 - a) only one country can be targeted at a time
 - b) lack of field teams
 - c) segments may not be homogeneous with respect to customer needs and preferences
 - d) necessary data may not be available
 5. Which approach to targeting may lead to a proliferation of segmentation schemes?
 - a) segments–across-countries
 - b) countries-as-segments
 - c) regions-as-segments
 - d) segments–within-countries
 6. Which of the type of products below is more likely to be successful using a standardized global positioning?
 - a) High-Tech Products only
 - b) High-Touch products only
 - c) High-Tech and High-Touch products
 - d) None of them, standardized global positioning hardly works
 7. Which statement about the country of origin effect is incorrect?
 - a) The country-of-origin effect refers to a consumers' perceptions of the product's quality, credibility, and overall value.
 - b) The country-of-origin effect can have a significant impact on a company's success in international markets.
 - c) Buyers know exactly where the country-of-origin is for well-known brands.
 - d) The country-of-origin effect can have either a positive or a negative impact on the demand for a product, depending on what consumer think about the quality, reputation, and culture of the country of origin.
 8. What is the set of rules that tracks how sales and conversions get credited based on touch points in the conversion path?
 - a) Attribution modeling
 - b) Channel tracking
 - c) Conversions funnels
 - d) Multi-channel funnels
 9. What is true about retargeting?
 - a) Goes down well with customers as they feel well taken care of by the companies.
 - b) It is highly strategic and rarely done by local marketing.
 - c) It is rather operational and commonly done by local marketing.
 - d) It is an illegal activity by companies.
 10. There are a number of problems with social media, and some countries have enacted laws that prevent social media from being used without restriction around the world. Which is not one these issues?
 - a) Adblocking
 - b) Privacy concerns

- c) Hate speech and harassment
- d) Government censorship

Chapter 6: Foreign operation modes

1. Dunning's OLI model posited that entry mode decisions are based on three conditions or advantages, which are _____.
 - a) operations, location, and internationalization
 - b) operations, logistics, and internationalization
 - c) ownership, logistics, and integration
 - d) ownership, location, and internalization
2. What is a disadvantage of exporting?
 - a) High risk compared to other options
 - b) Tariffs and other trade barriers apply
 - c) Transfer pricing problems
 - d) Lack of IP protection
3. Which statement about exporting services is incorrect?
 - a) Pure services cannot be stored in a physical form.
 - b) Retailing, as a service business, always requires physical stores for international expansion.
 - c) Services often require wholly owned subsidiaries or joint ventures.
 - d) Services cannot be exported
4. Which of the following forms of foreign direct investment is a co-operative agreement between firms?
 - a) Export
 - b) Licensing
 - c) International joint venture
 - d) Franchising
5. The Uppsala model of internationalization assumes that firms _____.
 - a) expand their international activities with increasing experience.
 - b) view their international expansion into a country as a one-time decision.
 - c) prefer lower-risk options for their international expansion.
 - d) decision makers show a lack of rationality in international expansions.
6. Franchising refers to:
 - a) the transfer of patented information and trademarks, information and know-how as well as information needed to sell a product or service.
 - b) licensing new technologies to business partners in foreign markets.
 - c) the permission to use a business concept, with corresponding operational guidelines, to non-domestic parties in return for a fee.
 - d) greenfield investment in a completely new facility, or acquisition of or merger with an already established local firm.
7. What type of contractual agreements for market expansion is the Walt Disney Company known for? Compared to all other providers of this type of contract, WDC has by far the largest share.
 - a) Export
 - b) Licensing
 - c) International joint venture

- d) Franchising
- 8. Some governments allow foreign companies to participate in its market only if those companies agree to establish operations with local enterprises. Which market entry mode would be the appropriate choice under these circumstances?
 - a) Outsourcing
 - b) Acquisition
 - c) Joint venture
 - d) Exporting
 - e) Offshoring
- 9. What is not an example of a sustainable export strategy?
 - a) Investing into packaging reduction and efficient transportation infrastructure
 - b) Offering recycling possibilities for products after use
 - c) Educating the local government about sustainable practices
 - d) Developing sustainable products
- 10. What is not a limitation to international e-commerce?
 - a) Cultural diversity and language
 - b) The need to sell in multiple currencies and payment preferences
 - c) Tax laws and government regulations
 - d) Achieving awareness and generating traffic
 - e) Different climate and geographic conditions

Chapter 7: International product and service decisions

- 1. Generally speaking, which element of the international marketing mix has the highest level of standardization?
 - a) Product
 - b) Price
 - c) Promotion
 - d) Place
- 2. If an automobile manufacturer guarantees its customers the supply of original spare parts for the entire life of the vehicle, this is an example of the _____.
 - a) core product
 - b) actual product
 - c) extended product
 - d) future product
- 3. What is a common counterargument against product standardization?
 - a) Local competition
 - b) Legal issues
 - c) Experience curve effects
 - d) Increasing complexity
- 4. A farm equipment manufacturer is developing a line of relatively inexpensive, basic tractors for farmers in developing countries who still use ox plows. It turns out that this equipment can also be marketed to hobby farmers and gardening companies in industrialized countries. This is an example of which strategy?

- a) product-communications extension
 - b) product extension-communications adaptation
 - c) product adaptation-communications extension
 - d) dual adaptation
 - e) product invention
5. When should innovations in international marketing be considered?
- a) Before existing product concepts are being evaluated
 - b) After existing product concept failed
 - c) When fundamental differences in requirements between current markets and new markets exist
 - d) When management has a breakthrough idea
6. The use of the corporate name or an umbrella brand strategy in international product marketing build on which psychological concept?
- a) The halo effects
 - b) The attribution theory
 - c) The diffusion of innovation
 - d) The paradox of choice
7. Which of the following statements holds true for a global brand?
- a) It refers to the brand name of a product that has worldwide recognition.
 - b) It refers to the marketing strategy in which a firm marketing a product with a well-developed image uses the same brand name in a different product category.
 - c) It refers to products that make the world less flat because of a lack of recognition across countries.
 - d) It refers to the product that is distributed nationally under a brand name owned by the producer or distributor.
 - e) It refers to the changing the identity of a product, relative to the identity of competing products, in the collective minds of the target market.
8. Which international agreement provides a framework for the protection of trademarks across multiple countries?
- a) Paris Convention
 - b) World Trade Organization Agreement
 - c) Madrid Protocol
 - d) North American Free Trade Agreement
9. Which of the following is not a requirement for trademark protection under the Paris Convention?
- a) The trademark must be distinctive.
 - b) The trademark must be registered in the country of origin.
 - c) The trademark must be used in commerce.
 - d) The trademark must not be deceptive.
10. Which statement about the blockchain is incorrect?
- a) The blockchain promises tamper-proof records that corrupt clerks or bureaucrats cannot modify.
 - b) In the blockchain the distribution of a ledger and the consensus mechanisms also make it difficult for one entity to falsify entries.
 - c) The blockchain cannot provide a secure tracking system from the beginning of the supply chain (procurement of raw material) to the very end (where the end user gets the finished product).

- d) The blockchain helps in tackling counterfeiting by identifying products proof of origin.
11. Assume a company producing household cleaners is in the process developing a new product for the international market. Which of the following would not fit to sustainable product development?
- a) Ingredients: The ingredients used in the cleaner should be environmentally friendly and non-toxic. Ingredients should be carefully selected to ensure they do not harm the environment, people, or pets.
 - b) Packaging: The packaging should be made from sustainable materials that are easily recyclable or biodegradable. Minimal packaging should be used to reduce waste.
 - c) Production: The production process should be designed to minimize energy consumption, water usage, and waste generation. The production should also aim to reduce the carbon footprint of the cleaner.
 - d) Effectiveness: The cleaner should be strong as possible at cleaning to prevent users from spending unnecessary time for cleaning.
 - e) Certification: The cleaner should be certified by relevant organizations, such as the Environmental Protection Agency (EPA) or the Forest Stewardship Council (FSC), to ensure that it meets sustainability standards.
 - f) Education: Education and instructions on how to properly use the cleaner should be provided to users to ensure that they are using the cleaner in a sustainable manner.
12. How are products ideally designed when considering the circular economy?
- a) With the whole product life cycle in mind
 - b) With the amount that can be sold in mind
 - c) With the benefits of the product for the users in mind
 - d) With the recyclability of the product in mind

Chapter 8: International pricing decisions

1. A company that manufactures electronic gadgets in Country A wants to expand its business into Country B. However, it is facing challenges in setting prices for its products in Country B. There are a number of factors that the company should consider when setting prices for its products in Country B. Which one is not relevant for the decision?
- a) Currency exchange rates
 - b) Development and production cost
 - c) Local competition and demand
 - d) Import and export taxes and tariffs
2. What is transfer pricing?
- a) The process of setting prices for goods and services sold internationally
 - b) The process of setting prices for goods and services sold in a particular geographic region
 - c) The process of setting prices for goods and services sold within a company or group of companies
 - d) The process of setting prices for goods and services sold in a particular industry
3. Why do companies use transfer pricing?
- e) To allocate profits between different units or divisions of the company
 - a) To avoid paying taxes in certain countries
 - b) To comply with international tax laws and regulations

- c) To increase the price of their products in certain markets
- 4. Which of the following is a factor that can contribute to export price escalation?
 - a) A strong domestic currency
 - b) Low transportation costs
 - c) Low labor costs in the importing country
 - d) Import tariffs in the importing country
- 5. A company in Country A wants to assess the acceptance of their products in Country B and aims to export its products to Country B. However, it is facing challenges in pricing its products competitively in the foreign market due to export price escalation. Several strategies can be used by the company use to overcome this challenge. Which one is not an option?
 - a) Shift the production to Country B.
 - b) Increase the price of the product to cover the cost of export
 - c) Implement cost-saving measures to reduce the cost of production
 - d) Use a different distribution channel to reduce export costs
- 6. A company in Country A has agreed to sell goods to a customer in Country B on credit. Which of the following payment terms would offer the lowest risk to the seller?
 - a) Payment in advance
 - b) Open account
 - c) Documentary collection
 - d) Letter of credit
- 7. A company is selling a software product in a highly competitive market. Which of the following pricing strategies is likely to be most effective in this context?
 - a) Cost-plus pricing
 - b) Price skimming
 - c) Penetration pricing
 - d) Premium pricing
- 8. A company is selling a digital service through a subscription model. Which of the following pricing models is likely to be most effective in this context?
 - a) Pay-per-use
 - b) Freemium
 - c) Dynamic pricing
 - d) Price bundling
- 9. A company is negotiating a countertrade agreement with a customer in a developing country. Which of the following types of countertrade is likely to be most suitable in this context?
 - a) Barter
 - b) Counter purchase
 - c) Offset
 - d) Switch trading
- 10. A company is selling goods to a customer located in another country. Which of the following Incoterms is most suitable for the company to use if it wants to transfer the risk of loss or damage to the goods to the buyer at the port of shipment?
 - a) FOB
 - b) CIF

- c) DDP
 - d) EXW
11. A company is buying goods from a supplier located in another country. Which of the following Incoterms is most suitable for the company to use if it wants to minimize its transportation and insurance costs?
- a) FOB
 - b) CIF
 - c) DDP
 - d) EXW
12. A company in consumer electronics is considering exporting its products to a foreign market. It has discovered that a third party has been importing and selling its products in that market without its authorization. The company is concerned that this could damage its reputation and that its legitimate distributors in that market may suffer from unfair competition. Which of the following measures could the company take to address this issue?
- a) Offer discounts to its legitimate distributors
 - b) Inform customers about the loss of warranty when buying from unauthorized channels
 - c) Reduce the quality of its products in the destination market
 - d) Increase the price of its products in the destination market

Chapter 9: International distribution decisions

1. Which of the following is a common factor that affects the choice of distribution channels in different countries?
- a) The level of economic development in the country
 - b) The size of the target market in the country
 - c) The political stability of the country
 - d) The level of competition in the country
2. Which of the following is a reason that private label brands have a lower market share in emerging markets?
- a) Reduced control over manufacturing processes
 - b) Limited potential for cost savings
 - c) Decreased brand loyalty from customers
 - d) More fragmented retail landscape
3. A manufacturer of electronics goods based in the United States wants to expand its operations to Europe. The manufacturer is concerned about the environmental impact of its products and is considering implementing a reverse logistics program. Which of the following is a potential challenge the manufacturer might face in implementing a reverse logistics program in Europe?
- a) Limited availability of recycling facilities
 - b) High transportation costs for returned products
 - c) Lack of awareness among consumers about the importance of recycling
 - d) Legal restrictions on the return of electronic goods
4. What is the "New Silk Road"?
- a) A proposed high-speed railway connecting Europe and Asia
 - b) A network of trade routes connecting China with Europe and Africa

- c) A new global trade agreement among Asian countries
 - d) A joint venture between China and Russia to develop oil and gas pipelines
5. What is a potential impact of the "New Silk Road" on global trade?
- a) Increased competition from Western countries in Asian markets
 - b) Decreased reliance on shipping lanes and seaports for international trade
 - c) Reduced investment in infrastructure and transportation in China
 - d) Greater political instability in Central Asia and the Middle East
6. What is a potential challenge for businesses in implementing 3D printing technology?
- a) a) Limited availability of raw materials for 3D printing
 - b) b) Increased costs of production compared to traditional manufacturing methods
 - c) c) Difficulty in maintaining quality control of printed products
 - d) d) Limited potential for customization and personalization of printed products
7. A fashion retailer is considering implementing smart mirrors in their fitting rooms. What is a potential challenge the retailer might face in implementing this technology?
- a) Limited availability of skilled personnel to install and maintain the mirrors
 - b) High costs of installing and maintaining the mirrors
 - c) Concerns over privacy and data security for customers
 - d) Difficulty in integrating the mirrors with the retailer's existing technology infrastructure
8. A cosmetics company is planning to introduce smart mirrors in their retail stores. What is a potential benefit the company might realize from implementing this technology?
- a) Reduced costs of hiring personnel to assist customers with product selection
 - b) Increased revenue from the sale of smart mirrors to other retailers
 - c) Greater control over pricing and promotion of their products
 - d) Enhanced customer experience through personalized recommendations and virtual try-ons
9. An online retailer based in the United States is planning to expand its operations to Asia. The retailer is considering implementing a mobile commerce (m-commerce) strategy to target customers in Asia. What is a potential challenge the retailer might face in implementing an m-commerce strategy in Asia?
- a) Limited availability of mobile devices among Asian consumers
 - b) High costs of developing and maintaining an m-commerce platform
 - c) Difficulty in localizing the platform for different languages and cultures
 - d) Lack of interest from Asian consumers in mobile shopping
10. What is social commerce (s-commerce)?
- a) A form of e-commerce that involves buying and selling products through social media platforms
 - b) A form of traditional retail that involves in-person shopping at physical stores
 - c) A form of wholesale that involves bulk purchases of products for resale
 - d) A form of marketing that involves advertising products through print media
11. What is a potential benefit of implementing an s-commerce strategy for businesses?
- a) Reduced costs of product development and manufacturing
 - b) Greater control over product pricing and distribution
 - c) Enhanced customer experience through personalized recommendations and social media interactions
 - d) Increased sales revenue from traditional retail channels

12. What is a potential application of augmented and virtual reality in the retail industry?
 - a) Creating virtual product catalogs for customers to browse and purchase items
 - b) Increasing product prices by adding a "premium" AR or VR feature
 - c) Decreasing the need for physical retail stores and sales associates
 - d) Limiting the customer experience by removing the ability to touch and feel products

Chapter 10: International communication decisions

1. What is a potential barrier to standardizing international advertising?
 - a) Cultural and linguistic differences between countries
 - b) Similar consumer preferences across different regions
 - c) Technological advancements that make it easier to create and distribute standardized ads
 - d) Lack of competition in the global advertising market
2. What is a potential impact of not standardizing international advertising?
 - a) Increased costs of advertising production and distribution
 - b) Reduced effectiveness of advertising in reaching global audiences
 - c) Greater ease of adapting advertising to local markets and consumer preferences
 - d) Increased competition in the global advertising market
3. A global clothing brand wants to create a new advertising campaign to promote its products in different countries. However, the brand's marketing team is struggling to come up with a concept that will be effective across all markets. What is the most likely barrier to standardizing international advertising that the team is facing?
 - a) Lack of knowledge about local consumer preferences and cultural differences
 - b) Limited budget for creating and distributing ads in different languages
 - c) Difficulty in coordinating with local advertising agencies and media outlets
 - d) Lack of technological infrastructure to support global advertising campaigns
4. A multinational electronics company wants to create a new advertising campaign to launch a new product line in different regions. However, the company is facing official restrictions on certain types of advertising in some countries, which would limit the effectiveness of a standardized campaign. What is the most likely barrier to standardizing international advertising that the company is facing?
 - a) Lack of knowledge about local consumer preferences and cultural differences
 - b) Limited budget for creating and distributing ads in different languages
 - c) Legal and regulatory differences between countries
 - d) Difficulty in coordinating with local advertising agencies and media outlets
5. What is pattern advertising?
 - a) adverts for designer clothes
 - b) adverts that do not show the product being advertised
 - c) a sequence of adverts that tell a story
 - d) adverts that look similar but use different images and slogans for different audiences
6. What is an important factor to consider when developing an international advertising campaign?
 - a) Focusing solely on the product features and benefits
 - b) Using a standardized advertising message across all markets
 - c) Adapting the advertising message to local cultural and linguistic nuances
 - d) Ignoring local market preferences and relying solely on the company's existing brand image

7. In terms of the strategic alternatives for international marketing planning the dual extension strategy refers to
 - a) Standardizing product and communication
 - b) Standardizing pricing and communication
 - c) Adaptation of product and communication
 - d) Adaptation of product and distribution
8. When setting an international advertising budget, what is an effective way to allocate resources to different markets?
 - a) Allocating equal resources to all markets
 - b) Allocating resources based on market size
 - c) Allocating resources based on the cultural similarities of the target markets
 - d) Allocating resources based on the company's existing brand image in each market
9. What is a common legal constraint of digital advertising in international markets?
 - a) Restriction on the use of certain advertising platforms
 - b) Limitations on the types of products or services that can be advertised
 - c) Requirements for advertising in the local language
 - d) Restrictions on the frequency of advertising messages
10. Which of the following is a limitation of digital advertising in international markets?
 - a) Difficulty in tracking the effectiveness of digital advertising campaigns
 - b) Limited options for customization of digital ads for different target markets
 - c) Higher cost of digital advertising compared to traditional advertising
 - d) Limited reach of digital advertising compared to traditional advertising
11. What is a potential limitation of digital advertising in terms of customer engagement?
 - a) It allows for more interactive and personalized customer experiences
 - b) It can be easily ignored or blocked by customers
 - c) It only reaches a limited number of customers in the target market
 - d) It requires customers to have access to the internet and digital devices
12. How has the DSGVO impacted international marketing practices?
 - a) It has made it easier to collect and use personal data for marketing purposes.
 - b) It has made it more difficult to collect and use personal data for marketing purposes.
 - c) It has had no impact on the collection and use of personal data for marketing purposes.
 - d) It has only impacted marketing practices within the European Union.

Chapter 11: International sales management

1. Personal selling is very effective in international marketing for several reasons. Which one is not one of these reasons?
 - a) Personal selling allows salespeople to build personal relationships with potential customers in international markets. This can be especially important in cultures where personal relationships are highly valued, as trust and rapport can be critical factors in building successful business relationships.
 - b) Personal selling allows salespeople to tailor the sales message to the specific needs and interests of individual customers in international markets. This can be especially important when selling complex or high-value products or services, as salespeople can address any concerns or objections that potential customers may have.

- c) Personal selling can be effective in overcoming language and cultural barriers that may exist in international markets. Salespeople who are fluent in the local language and familiar with local customs and cultural norms can help build rapport with potential customers and communicate the value of the product or service being sold.
 - d) Personal selling can provide a personal touch that may be lacking in other forms of marketing communication, such as advertising or direct mail. Salespeople can listen to customer feedback and provide personalized recommendations or solutions to meet their needs.
 - e) Personal selling can be very effective, particularly in international markets where travel and other expenses may be higher. If a company has limited resources, personal selling can be a more cost-effective way than other marketing tactics such as advertising or digital marketing.
2. A company that sells medical devices is targeting a new international market. The buying center in this market is composed of individuals who have different roles and responsibilities in the companies they work for. Which of the following is a potential problem the company may face when dealing with this buying center?
- a) Difficulty in identifying key decision-makers
 - b) Inability to compete on price
 - c) Lack of product differentiation
 - d) Limited distribution channels
3. In which situation is the establishment of key account management not appropriate?
- a) Key account management is particularly appropriate in international markets where a company's customers may have different cultures, business practices, and needs. In such cases, key account management can help the company to build long-term relationships with its most important customers and gain a competitive advantage.
 - b) When a large percentage of a company's revenue comes from a few customers, it becomes critical to manage those relationships effectively to ensure continued revenue growth and business stability.
 - c) When the sales cycle is long, it can take a significant amount of time and resources to close a deal. Key account management can help to shorten the sales cycle by building trust and understanding with the customer.
 - d) When a company offers complex solutions, it can be difficult to sell to customers who do not fully understand the value of the solution. Key account management can help to educate customers and demonstrate the value of the solution over time.
 - e) When a company has a large number of customers that contribute significantly to the company's revenue and profitability. These customers are usually smaller than average and require a more personal treatment and strategic management.
4. What is the correct order of the steps in the strategic/consultative sales model typically?
- a) Develop a personal selling philosophy – Develop a relationship strategy - Develop a product strategy – Develop a customer strategy - Develop a presentation strategy
 - b) Develop a product strategy – Develop a relationship strategy - Develop a personal selling – Develop a customer strategy - Develop a presentation strategy
 - c) Develop a presentation strategy – Develop a relationship strategy - Develop a product strategy – Develop a customer strategy - Develop a personal selling philosophy
 - d) Develop a customer strategy – Develop a relationship strategy - Develop a product strategy – Develop a personal selling philosophy - Develop a presentation strategy

5. Which statement about the strategic/consultative sales model is correct?
 - a) The strategic/consultative sales model is used when selling complex or high-value products or services that require a customized approach to meet the specific needs of each customer.
 - b) This model is particularly effective in B2C (business-to-consumer) sales, where the sales process is longer and more complex than in B2B (business-to-business) sales.
 - c) The strategic/consultative sales model is most appropriate in situations where the salesperson is viewed as a trusted advisor to the customer, rather than simply a product salesperson. This approach requires the salesperson to understand the customer's business, industry, and challenges, and to develop customized solutions that address the customer's specific needs.
 - d) When the sale involves a low-value product or service, it is important to build a relationship with the customer and understand their needs in order to close the sale.
 - e) Overall, the strategic/consultative sales model is most effective in transaction-based selling, also known as traditional selling or product-focused selling, that is focused on closing a sale by highlighting the features and benefits of a product or service.
6. At which stage of the international negotiation process extreme positions or desired results are expressed by the negotiators?
 - a) Preparation
 - b) Relationship building
 - c) Exchange of task related information
 - d) Conviction
 - e) Concession and conclusion of contract
7. When should a company select home country nationals for the sales force in an international market?
 - a) When it is important to have a good understanding of the company's products, services, and target market in the home country.
 - b) When it is important to have existing relationships with customers and partners that can be leveraged to build new business opportunities.
 - c) When it is important to have a native-level fluency in the local language, which can help to build rapport with customers and understand their needs and preferences.
 - d) When it is important to be more culturally attuned to the nuances of doing business in the market.
 - e) When it is important to save cost.
8. Which of the following is a benefit of sales automation?
 - a) Reduced sales productivity
 - b) Increased manual data entry
 - c) Improved data accuracy
 - d) Improved sales productivity
9. Which of the following is an example of sales automation software?
 - a) Microsoft Word
 - b) Google Sheets
 - c) Salesforce CRM
 - d) Adobe Photoshop
10. The implementation of sales force automation (SFA) can face several challenges. Which is not a challenge of introducing SFA?

- a) Salespeople may resist the adoption of new technology, fearing that it will replace their jobs or make their work more difficult.
 - b) Sales force automation systems may need to integrate with existing technology and software, which can be complex and time-consuming.
 - c) Sales force automation systems rely on accurate and up-to-date data, which can be a challenge if the data is spread across different systems or if there are data entry errors.
 - d) Taking a long-term perspective implementing sales force automation is not yielding a sufficient return of investment.
 - e) Salespeople may need training and support to effectively use the new technology, which can be time-consuming and costly.
11. What is the potential risk of offering a bribe to a foreign official in order to secure a large contract?
- a) Increased profits and revenue for the company
 - b) Improved reputation in the international market
 - c) Legal and reputational risks for the company
 - d) Enhanced relationships with government officials
12. A salesperson in an international market is asked by a potential customer to provide a bribe in exchange for the customer's business. What should the salesperson do?
- a) Refuse the bribe and report the request to their supervisor or company's compliance department
 - b) Offer a smaller bribe to the customer to secure their business
 - c) Accept the bribe and use it to increase their own compensation
 - d) Ignore the request and continue with the sales process.

Chapter 12: Organization, leadership and control in international marketing

1. A well-designed organizational structure can support the execution of a company's marketing strategy by ensuring that the right people are in the right roles, that there is clear communication and collaboration between different departments, and that there is a shared vision and understanding of the company's goals and priorities.
- a) False
 - b) True
2. Which organizational structure is most appropriate when a multinational company operates in multiple regions or countries and when there are significant differences in market conditions, consumer preferences, regulatory environments, and cultural factors between these regions or countries.
- a) A functional organizational structure
 - b) A geographical organizational structure
 - c) A product structure
 - d) An organizational structure with an export department or division
3. A company is experiencing communication breakdowns and coordination issues between its various departments and teams across different countries. Which benefit of a matrix structure is most likely to address this problem?
- a) Improved decision-making
 - b) Greater innovation
 - c) Efficient use of resources
 - d) Cross-functional collaboration

4. A company is experiencing conflict and power struggles between its various departments and teams in different countries. Which downside of a matrix structure is most likely contributing to this problem?
 - a) Complexity and ambiguity
 - b) Difficulties in decision-making
 - c) Lack of accountability
 - d) Communication breakdowns
5. A company is struggling to balance the demands of its various projects and initiatives across different countries, leading to resource inefficiencies and delays. Which downside of a matrix structure is most likely contributing to this problem?
 - a) Lack of clarity and focus
 - b) Role ambiguity and confusion
 - c) Difficulty in managing conflicts
 - d) Resource constraints and competition
6. A network organization is a type of organizational structure in which different individuals, groups, or entities are connected through various communication and information technologies. Instead of being arranged in a traditional hierarchical structure with a strict chain of command, a network organization operates through decentralized decision-making processes, shared knowledge, and collaborative efforts.
 - a) False
 - b) True
7. Which statement about temporary project teams is true?
 - a) Temporary project teams are commonly used in organizations to complete long-term goals or objectives that require a high degree of expertise, coordination, and collaboration across different departments or functions.
 - b) Temporary project teams are groups of individuals who come together to work on a specific project or task, with a defined start and end date.
 - c) Temporary project teams will be carefully formed and dissolved so that organizations can consistently respond to changing business needs.
 - d) Temporary project teams are composed of individuals with uniform skill sets, thus they promote creativity and innovation.
8. What is a method commonly used in agile work?
 - a) Agile XE
 - b) Koban
 - c) Scrum
 - d) LearN
9. Agile work is a popular and widely used approach to project management, however, it is not without criticism. What is seen as important to enfold the benefits of agile work?
 - a) Training of employees
 - b) Stop agile work projects quickly when not well received by all employees
 - c) Use agile work in larger, more complex projects or organizations.
 - d) Assess project members on individual contributions and achievements.
10. What would prevent firms from Greenwashing?
 - a) Comparable standards and measures for reporting

- b) Governments promoting organizations as green
 - c) Bad press about Greenwashing
 - d) A list of Greenwashing firms published by the government
11. How does diversity in international marketing teams impact decision making?
- a) It leads to more homogenous decision making processes.
 - b) It leads to more creative and innovative decision making processes.
 - c) It has no impact on decision making processes.
 - d) It leads to more conflict and slower decision making processes.
12. How can companies support the implementation of sustainability in a company?
- a) Foster a Culture of sustainability
 - b) Avoid collaboration with stakeholders outside of the company
 - c) Pay premiums to employees for sustainable behavior
 - d) Outsource CSR to a well-known consultancy
13. A company is planning to expand its business to a new international market. The company has conducted extensive market research and developed a comprehensive marketing plan, but it is concerned about how to ensure effective control over its international marketing activities. What is the most important factor to avoid information system-related problems in planning and controlling the international marketing activities?
- a) Developing a detailed marketing plan
 - b) Conducting extensive market research
 - c) Hiring local employees to manage marketing activities
 - d) Establishing clear performance metrics and reporting systems