

UNIVERSITY OF SWAZILAND
FACULTY OF COMMERCE
DEPARTMENT OF BUSINESS ADMINISTRATION
SECOND SEMESTER EXAMINATION 2015
FULLTIME AND I.D.E.

TITLE OF PAPER : GLOBAL MARKETING MANAGEMENT
COURSE : BA 323/ IDE BA426
DEGREE AND YEAR : BCOM 3 & IDE BCOM 6
TIME ALLOWED : THREE (3) HOURS

INSTRUCTIONS:

- 1. THIS PAPER CONSISTS OF SECTIONS (A) AND (B)**
- 2. SECTION (A) IS COMPULSORY**
- 3. ANSWER ANY THREE (3) QUESTIONS FROM SECTION B**
- 4. THE TOTAL NUMBER OF QUESTIONS IN THIS PAPER IS FIVE (5)**

NOTE: MARKS WILL BE AWARDED FOR GOOD COMMUNICATION
IN ENGLISH AND FOR ORDERLY PRESENTATION

**THIS EXAMINATION PAPER SHOULD NOT BE OPENED UNTIL INVIGILATOR HAS
GRANTED PERMISSION**

should not have taken measures in the past 15 years to protect their legitimate export interests,” he said.

According to the South African Poultry Association (Sapa) the US has had over 15 years to challenge the alleged unfairness and CEO, Kevin Lovell, told Fin24 that they do not have a case.

“The anti dumping tariff is not allowed to be punitive. It allows us to correct the market distortion so that the two parties can compete on a level playing field. The Americans are not excluded, they simply have to compete in the proper way [which doesn’t interest them],” Lovell said.

Adapted from: <http://www.fin24.com/Economy/Poultry-industry-accused-of-holding-Agoa-hostage-20150313>

QUESTION 1

- a) Explain why South Africa has imposed anti-dumping tariffs on certain products derived from the chicken carcass imported from the United States of America.
(20 MARKS)
- b) What other non-tariff barriers can South Africa use to deter imports of poultry from the United States of America?
(20 MARKS)

SECTION A (COMPULSORY)**READ THE FOLLOWING CASE AND ANSWER THE QUESTIONS BELOW****POULTRY INDUSTRY ACCUSED OF HOLDING AGOA HOSTAGE**

Cape Town – The Association of Meat Importers and Exporters of SA has accused the local poultry industry of holding the African Growth and Opportunity Act (AGOA) agreement with the US hostage.

AMIE has decried the actions of the local poultry industry in a statement saying “the local poultry industry cannot hold the entire African Growth and Opportunity Act renewal process hostage”.

Two United States senators have threatened to try to block South Africa from a lucrative US-Africa trade agreement if Pretoria doesn't lift import duties on cheaper cuts of chicken.

South Africa has imposed "anti-dumping" tariffs since 2000 of above 100% on certain products derived from the chicken carcass.

In the US white-meat, more commonly known as chicken breasts, fetch a premium price due to market demands. Brown-meat, or bone-in chicken, is a surplus product which allows the US to enter the SA market with cheaper prices.

AMIE CEO, David Wolpert, quoted an argument made by US ambassador Patrick Gaspard in a **Business Day** column in which he said that SA has made better use of AGOA to create jobs and support growth than any other country.

“South Africa exported over R23bn (\$2.3bn) worth of cars to the US, in turn supporting some 30 000 workers in Port Elizabeth and Gauteng,” Wolpert said.

“As South Africa faces potential exclusion from AGOA renewal, it is nothing more than manipulative obfuscation to debate whether or not the US poultry industry should or

SECTION B (ANSWER ANY THREE QUESTIONS)**QUESTION 2**

- a) What is meant by the phrase global strategic partnership? In what ways does this form of market entry strategy differ from more traditional forms such as joint ventures?
(10 MARKS)
- b) Explain what countertrade is and then deliberate on the different types of countertrade.
(10 MARKS)

QUESTION 3

Discuss the factors that need to be taken into account when making packaging decisions for international and global products.
(20 MARKS)

QUESTION 4

Discuss the difference between ethnocentric, polycentric, and geocentric global pricing strategies? Which one would you recommend to a company that has global market aspirations?
(20 MARKS)

QUESTIONS 5

- a) Compare the concepts of push versus pull in international marketing communication.
(10 MARKS)
- b) How can buyer attitudes about a product's country of origin affect marketing strategy?
(10 MARKS)