



UNIVERSITY
OF SKÖVDE

School of Technology and Society

WRITTEN EXAMINATION

Course: International Marketing

Sub-course

Course code: FÖ529G

Credits for written examination 10 ECTS

Date: 2026-01-12

Examination time: 08:15 -12:30

Examination responsible: AFM Jalal Ahamed

Teachers concerned: AFM Jalal Ahamed

Aid at the exam/appendices: German to English, French to English, Swedish to English, Korean to English

Other

- Instructions
- Take a new sheet of paper for each teacher.
 - Take a new sheet of paper when starting a new question.
 - Write only on one side of the paper.
 - Write your name and personal ID No. on all pages you hand in.
 - Use page numbering.
 - Don't use a red pen.
 - Mark answered questions with a cross on the cover sheet.

Grade points

Letter Grade	Explanation
A	Excellent (<i>Utmärkt</i>)
B	Very good (<i>Mycket Bra</i>)
C	Good (<i>Bra</i>)
D	Satisfactory (<i>Tillfredsställande</i>)
E	Sufficient (<i>Tillräckligt</i>)
F	Fail (<i>Otillräckligt</i>)

Examination results should be made public within 18 working days

Good luck!

Total number of pages



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Question #1

Explain the key elements of the sociocultural environment that influence international marketing.

[Hints: In your answer, you should:

- Describe culture and its importance in international marketing
- Explain major cultural elements (such as values, language, religion, customs, and social norms)
- Discuss cultural dimensions, with reference to Geert Hofstede's cultural dimensions
- Explain the concept of cultural distance
- Provide simple, relevant examples to support your explanation]

(20 points)

Question #2

- 2(a). Explain the purpose of a legal system and discuss its role in maintaining order, justice, and stability within a country. (4 points)
- 2(b). Identify and explain the most common legal systems in the world. (*Hints: Your answer should briefly describe at least four major legal systems and highlight their key characteristics and differences?*) (8 points)
- 2(C) International trade involves various risks and disputes.
- I. Explain two methods used to resolve trade disputes in international trade.
 - II. Define country risk and political risk, and explain how they can affect international traders.

(8 points)

Question #3

Critically evaluate the selection and application of foreign market entry modes based on theoretical and practical perspectives. Answer the following:

- 3(a). Define and differentiate the three primary types of market entry modes: export, intermediate, and hierarchical modes. (7 points)
- 3(b). Which are the five export modes of indirect exporting? Why do manufacturing firms prefer to use direct export modes? (8 points)
- 3(C) Explain the factors influencing a firm's choice of entry mode, categorized into internal factors, external factors, desired mode characteristics, and transaction-specific factors. How do these factors collectively influence strategic decisions?

(10 points)



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Question #4

Read the short case below and answer the questions based on the case and your understanding from the course

Airbus is a major European aircraft manufacturer. The company was created through cooperation between several European countries and has developed a production system spread across Europe. Different aircraft parts are produced in different countries and then transported to final assembly plants in France and Germany. Airbus benefits from the European Union (EU) Single Market. The Single Market allows goods to move across borders without tariffs, applies common product standards, and allows workers to move freely between member states. These conditions help Airbus reduce costs, avoid delays, and coordinate its production efficiently across countries. The United Kingdom plays an important role in Airbus's business, especially in the design and production of aircraft wings. Brexit, the UK's decision to leave the EU, created uncertainty for Airbus. After Brexit, Airbus may face customs checks, higher costs, regulatory differences, and restrictions on the movement of skilled workers between the UK and the EU. As a result, Airbus must review its business model and consider how to respond to reduced European integration in order to protect its supply chain and long-term competitiveness.

- 4(a) Explain two benefits that the EU Single Market provides to Airbus. (5 points)
- 4(b) Identify and explain two risks Brexit creates for Airbus's operations. (5 points)
- 4(c) Suggest two actions Airbus could take to reduce the negative effects of Brexit. (5 points)

Question #5

Read the short case below and answer the questions based on the case and your understanding from the course

Background

In 2022, *Elena Marquez*, founder and CEO of *Aurora Roasters*, sat in her flagship café in Lisbon, Portugal, reviewing the company's performance. Founded in 2014, *Aurora Roasters* was a premium specialty coffee company combining small-batch roasting with café spaces that emphasized sustainability, barista craftsmanship, and a curated customer experience. The brand had grown steadily and now operated five profitable cafés in Portugal, all supplied by *Aurora's* central micro-roastery.

Aurora Roasters differentiated itself through ethically sourced beans, direct trade relationships with farmers, in-house roasting, and experiential cafés that offered tastings, workshops, and community events. However, the domestic market was becoming saturated, rental costs were rising, and *Elena* believed that long-term growth required international expansion.

The strategic dilemma

Elena narrowed her expansion options to two emerging markets: Mexico and Vietnam. Both markets showed strong growth in urban middle-class consumers, increasing café culture, and exposure to Western lifestyle trends. However, each market presented distinct institutional, cultural, and competitive challenges. Aurora could only enter one market initially due to financial and managerial constraints. Elena needed to decide where to expand and how.

Market option 1: Mexico

Mexico had a rapidly expanding urban café culture, particularly in cities such as Mexico City and Guadalajara. Coffee consumption was rising among young professionals, and specialty cafés were becoming social hubs. Mexico was also a coffee-producing country, which could reduce raw material costs and strengthen Aurora's sustainability narrative.

However, Elena was concerned about:

- Complex regulatory requirements at the municipal and federal levels
- Security risks and supply-chain reliability in certain regions
- Strong competition from both local specialty cafés and international chains

Foreign firms often partnered with local operators to navigate bureaucratic and cultural complexity.

Market option 2: Vietnam

Vietnam was one of the world's largest coffee producers and had a deeply embedded coffee-drinking culture. In major cities like Ho Chi Minh City and Hanoi, premium and Western-style cafés were gaining popularity among affluent youth and expatriates.

Challenges included:

- Strong preferences for local coffee styles and flavors
- State influence in business regulation
- Restrictions and informal practices affecting foreign-owned service firms

Elena noted that some foreign brands succeeded by localizing their offerings, while others failed due to insufficient adaptation.

Strategic considerations

Aurora's business model relied heavily on:

- Skilled baristas and roasting expertise
- Brand storytelling and experiential consumption
- Tight quality control and consistency



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Elena debated whether Aurora should enter through:

- A wholly owned subsidiary to protect know-how
- A joint venture or strategic alliance with a local partner
- A franchise-style model, despite risks to brand consistency

She needed to make a defensible, strategy-driven decision under uncertainty.

- 5(a) Using the Resource-Based View (VRIO framework), analyze two key resources or capabilities of Aurora Roasters and assess whether they provide a sustainable competitive advantage in international markets. (6 points)
- 5(b) Conduct a PESTLE analysis to evaluate the attractiveness of the selected market for Aurora Roasters. Briefly discuss two major opportunities and two major risks arising from this environment. (6 points)
- 5(c) Recommend one market (Mexico or Vietnam) for Aurora Roasters' first international expansion. Propose an appropriate market entry mode. Justify your recommendation using strategic fit, risk considerations, and long-term competitiveness. (8 points)