# (DEMB 11)

#### **EXECUTIVE M.B.A. DEGREE EXAMINATION, MAY - 2015**

#### **First and Second Years**

#### **Paper-XI : BUSINESS POLICY AND STRATEGIC MANAGEMENT**

Time: 03 Hours

#### **SECTION-A**

 $(3 \times 5 = 15)$ 

Maximum Marks: 75

#### Answer Any Three of the following

- 1) a) Concept of strategic management.
  - b) Competitive advantages.
  - c) Cost leadership.
  - d) Strategic process.
  - e) Marketing strategy.
  - f) Diversification.

#### **SECTION-B**

 $(3 \times 15 = 45)$ 

#### Answer Any Three of the following

- 2) Give an account 7 s framework.
- 3) What are the functions of Board of Directors.
- 4) State the kind of steps that should be undertaken to implement turn around strategy.
- 5) Explain strategic issues in declining firms.
- 6) Elucidate the issues involved in the implementation of strategy.
- 7) Enumerate the significance of environmental analysis.

# SECTION-C

(15)

#### (Compulsory)

8) Akim, a high school teacher, wanted to earn some extra money to help provide better care for himself, his wife, and their expected baby. After studying the lawn care business in the local area, he decided there was a place for him to operate a part-time business. His niche would be cutting and caring for private lawns and doing contract work on common ground in prosperous neighborhoods.

Using his credit cards, Akim bought the equipment he needed. Then he used his home computer and printer to make up business cards and circulars to be distributed in the neighborhoods he had selected as his niche.

Akim priced his service by stating a low figure based on the time he thought it would take to finish the job. Then, based on that experience, he'd set a price to do the yard in the future.

Things went well until summer vacation. Then business improved so much that he couldn't handle it all by himself, but he had difficulty finding capable and dependable help. Also, many of his customers wouldn't pay when billed. Finally, unable to find a quick and reasonable source of repairs for his equipment – which he could ill afford, anyway – he called it quits after two years. He was unable to sell his equipment.

- a) What did Akim do right in starting his business?
- b) Was there anything he should have done that he didn't do?; and
- c) What marketing concepts apply to a small business of this nature?

888

# (DEMB 12)

#### **EXECUTIVE M.B.A. DEGREE EXAMINATION, MAY - 2015**

#### **First and Second Years**

#### **Paper – XII : INTERNATIONAL BUSINESS**

Time: 03 Hours

#### Maximum Marks: 75

#### **SECTION-A**

#### $(3 \times 5 = 15)$

#### Answer Any Three of the following

*1*) a) IPRS

- b) Genesis of WTO.
- c) SAARC.
- d) Quality circles.
- e) Performance indicators.
- f) Seven tigers of Asia.

#### SECTION-B

 $(3 \times 15 = 45)$ 

#### Answer Any Three of the following

- 2) State the environment faced by a business unit in internationalisation.
- 3) Critically examine comparative cost theory of international trade.
- 4) How are foreign markets identified for IB?
- 5) Elucidate the role of WTO.
- *6*) Enumerate the factors that should be considered while designing international channel of distribution.
- 7) Examine the strategic planning in MNCs.

#### <u>SECTION-C</u> (Compulsory)

(15)

It takes more than the establishment of a reliable auction process to make Internet exchanges work.

What were they thinking, those punters who bid up business-to-business (B2B) e-commerce stocks so high before the markets crashed earlier this year? Or, for that matter, the hundreds of B2B exchanges that launched into that bubble, only quietly to scale back or shut down in the past six months? Entrepreneurs have hunched more than 700 B2B marketplaces, many of them based upon auctions, hoping to create commodity-like markets for everything from chemicals to steel. Most have been guilty of thinking that business transactions are lot simpler than they really are.

The problem is that commodities that can be auctioned this way represent only a tiny fraction of all transactions. An estimated 80-90% of all business goods and services are actually traded through extended-term contracts, often lasting for a year or more; the public "spot" markets, which quote up-to the-minute prices, are just the tiny tip of a huge private market of one-to-one contract deals, which are hard to bring on to Internet.

Too many B2B exchanges focused on the spot markets in their industries (or imagined that such markets existed), and are now paying the price. By focusing on the exception, rather than the rule, they were bound to remain fringe players, starved of liquidity and ignored by most of the big firms in their industry, which continued negotiating contracts with each other as before. A report earlier this year by AMR Research, a consultancy, found that not a single one of the 600 B2B exchangers studies had reached even 1% of the overall trading volume in its industry.

Now the survivors are turning to the harder, but more lucrative, game contracts. One of the earliest to do this was FreeMarkets , which designs and runs "reverse auctions" (in which the price falls over time instead of rising) for many industries. This is a tricky process involving codifying all the elements of a contract, from the specifications of the product to performance guarantees, so that bidders can compete fairly in an auction. *In fact*, so tricky is the work that, despite FreeMarkets' early start, its share price is down 90% from its peak. Others, such as Perfect .com and Commerce One, are trying to write software that will help, automate bidding across industries, but the sheer complexity of the task is slowing their progress.

The more manageable option is to work with a single industry. But even here, few B2B exchanges have had the money, industry knowledge and resources to succeed. One of the exceptions is GoCargo, an exchange for the container-shipping industry, which is expanding from a relatively small spot market to far larger contract market- and learning just how complex that is.

#### Bulky Task

At first blush, containers look as commodity-like as airline seats. After all, the containers themselves are standard-sized, sealed units. Nobody cares much about how the boxes get from here to there; just how much it costs to send them. Even better, American prohibitions on private-rate negotiations for container space were lifted last year, opening the market to deal-by-deal auctions. No wonder Eyal Goldwerger, a consultant with Boston Consulting Group scouting for a B2B idea in 1998, settled on containers and founded GoCargo. If ever there was product perfect for online trading, this seemed to be the one.

Even so, the exchange faced an uphill struggle. Around three-quarters of the world's \$50-billion container business is still done under service contracts, most of them negotiated the old-fashioned way, through relationships, brokers, sales calls and the like. This is partly because the industry, like its shops, is slow to turn. But other problems to deeper. For one, the sea is usually only part of the journey for a container. It will also probably go on a truck and a train, and typically passes through customs twice. shippers usually want an end-to-end solution; although paying a logistics firm or freight forwarder to provide it may cost them a bit more than they would pay in an open auction, the overall savings on hassle often make it worthwhile.

Nor are all freight carriers as alike as they might seem. Some have better reliability records than others and some can handle bigger shipments, for instance. Where carriers are alike is in their suspicion of any market place that might cut their prices by treating their service as an undifferentiated commodity. And on the shipper's side, along service-contracts have the additional advantage of locking in availability and price over a set period.

Although GoCargo started by auctioning spot capacity, Mr Goldwerger quickly saw that old-style service contracts were not about to disappear. So he built a staff of 60 multilingual industry specialists and traders, based in New York, who could codify terms, certify shippers and carriers, and otherwise make this handshake business safe for Internet trading. (To respond to the carrier's concerns about becoming commoditised GoCargo include ways to help them stand out form the crowd by including in the auction criteria such elements as rated quality of service.) As GoCargo got better at this, it started to turn into a real business: contracts now amount to nearly a third of the exchange's total volume and should reach half by the end of the year. The site now has 12,000 members and has conducted more than 5,000 live auctions over the past year, providing it with enough liquidity to start compiling real-time market trends and indices.

Another example is Logistics.com, which auctions transport contracts of all kinds, from trucking to air and sea. Yossi Sheffi, its boss, reckons such contracts are among the hardest to bring online. One of the biggest problems is "conditional deals" a carrier will agree to move containers in one direction only if it can find someone who will pay it to bring them back again. Unless online auctions accommodate this kind of problem, they will be ignored.

In a few other industries, such as steel, B2B exchanges are also starting to make some headway in trading contracts, having realised that spot markets, though easy to enter, are usually too small.

The hope is that contracts will gradually become more standardized, allowing them to be traded like commodities themselves. But if the industry has shown anything in its first, dismal couple of years, it is that this will take far longer than those early, breathless business plans suggested.

- a) What are neural networks?;
- b) How do you reengineer the international business process based on the new technologies?;
- c) What is meant by E -Business?;
- d) What is E-Commerce? What are its advantages and disadvantages?



# (DEMB 13)

#### **EXECUTIVE M.B.A. DEGREE EXAMINATION, MAY - 2015**

#### **First and Second Years**

#### **Paper – XIII : MANAGEMENT INFORMATION SYSTEMS**

Time: 03 Hours

#### **SECTION-A**

 $(3 \times 5 = 15)$ 

Maximum Marks : 75

#### Answer Any Three of the following

- *I*) a) Decision making with the help of data.
  - b) Design of system.
  - c) Control of projects.
  - d) Computer networks.
  - e) Query language.
  - f) Caribbean community.

#### SECTION-B

 $(3 \times 15 = 45)$ 

#### Answer Any Three of the following

- 2) Bring out the significance of information resource management.
- 3) What are the stages in system development life cycle?
- 4) Distinguish between hardware and software.
- 5) Enumerate the future trend of DBMS.
- 6) Explain the computerisation at IFFCO.
- 7) Give an account of relational data base management systems.

# SECTION-C

(15)

#### (Compulsory)

We reach Nock in San Francisco's lower Haight after dark. Once inside, our pupils madly dilate as we try to catch the dynamics of this small, dark Cenozoic cave trimmed in airplane fuselage and grunge-clad patronage. Most don't take any notice; except a Medusalike young man sporting the stubby remnants of the recently shorn dreadlocks who rises from a floor cushion and extends his hand for a shake. He is Sirdystic, a hacker with whom I'd had only E-mail contact until now.

"Cool place," I offer.

8)

"Yup." He gives a wry smile. "Cyber-Flintstones."

Soon, seven of us are slugging down room-temperature Guinnesses, which I'm buying. They all belong to the Cult of the Dead Cow, a 13-year-old, in-your-face hacking group whose members are young, rebellious, brilliant, and fed up with a mountain of perceived persecutions. They're misunderstood "white hat" good guys. Clueless federal agents are dogging them for no good reason, Privacy, Free speech. You get the picture.

But what they really hate is Microsoft Corporation, which, in the past year, has become the greatest of hacking targets. "We bring all these huge, gaping holes to their attention, and they don't listen," bellows Deth Veggie, a mammoth 24-year-old with rock-star looks.

Microsoft, they say, is more interested in marketing new systems than in securing them. Microsoft is breeding "dumbed-up" systems administrators who are so reliant on friendly, point-and-click interfaces that they fail to set basic security settings. Microsoft they say, hasn't learned from past mistakes made-and patched-in the Unix operating system.

"When we find a hole, we share that exploit with the rest of the world-and it takes Microsoft a long, long time to respond," says 22-year-old Tweetfish.

Hackers have posted the source code and techniques of myriad attacks against Microsoft products on World Wide Web sites and bullets in boards. They've got the tools to crack passwords on NT and Windows 95 operating systems. And the techniques to grab those passwords from LAN Manager. Hackers know how to drop an Active X security level from high to none, essentially helping themselves to anything on the machine and the network it's connected to.

And the list goes on.

Why Microsoft? \ Why NT? First Microsoft is the biggest dog on the porch. Run, no less, by the richest guy on the planet. That's irresistible to many hackers. Also, compared with Unix which has been hacked and patched ad nausearn, NT makes for an exciting new playground.

In addition, Windows NT is quickly infiltering the enterprise. Microsoft is shipping more than 100,000 units of NT Version 4.0 every month. According to The Sentry Group, 85 percent of businesses and government agencies in the United States will use Windows NT as a desktop platform by next year.

In NT 5.0, Microsoft will introduce a three-tiered security architecture. MITdeveloped RCF Kerberos authentication will replace the LAN Manager setup that hackers find so inviting. In addition, crypto-key infrastructure will be included to support digital certificates that authenticate users who access the system remotely. Moreover, in NT 5.0 data encryption will be supported, and administrators will have a central point from which to issue certificates and access controls.

Microsoft also maintains an electronic-mail address (secure@microsoft.com) to which anybody can send information about vulnerabilities. In addition, the company employs about 300 engineers who work only on security. And they listen to both hackers and customers, according to .Ed Muth, NT product manager. "We have demanding customers like banks and defense agencies who are not shy about telling us their security desires," he says.

"That's a bunch of marketing crock" Veggie says. "We try to contact Microsoft, and we always get the brush".

In any event, the bottom line is that the security problems most hackers ferret out aren't having a serious effect on Microsoft's ability to do business. Corporate America doesn't seem too spooked about Microsoft security, given the speed at which they are deploying Windows NT. And that just keeps the hackers hacking away.

- a) Why are hackers like the Cult of the Dead cow hacking into Windows NT?
- b) What is Microsoft doing about hacking and the security of Windows NT?
- c) Is hacking by the cult of the dead cow and other "white hat" hackers ethical? Why or why not?



# (DEMB A1)

#### **EXECUTIVE M.B.A. DEGREE EXAMINATION, MAY - 2015**

#### First and Second Years

#### **Group A - MARKETING**

#### Paper – I : Sales & Advertising Management

Time: 03 Hours

Maximum Marks: 75

#### **SECTION-A**

 $(3 \times 5 = 15)$ 

#### Answer Any Three of the following

- 1) a) Salesmanship.
  - b) Sales routine.
  - c) Sales effort.
  - d) Promotion mix.
  - e) Marketing communication.
  - f) Advertising campaign.

# $\frac{\text{SECTION-B}}{\text{Answer Any Three of the following}} \qquad (3 \times 15 = 45)$

- 2) Explain the inter dependence between sales and distribution management.
- *3)* How are salesmen selected?
- 4) Explain the process of preparing sales budget.
- 5) How do you measure the effectiveness of advertising?
- 6) State the considerations in the selection of advertising media.
- 7) What are the skills required for sales personnel.

#### **SECTION-C**

#### (Compulsory)

8) Archies is the first branded store in the organized sector dealing in branded greeting cards and gifts for all occasions. Archies started as a mail order poster shop in 1979. The company today sells about 65 million greeting cards every year. The company has expanded beyond Indian borders, and Archies stores have opened up in Bangladesh, Sri Lanka, Nepal, UAE and Bahrain. The company brings out more than 7000 designs every year. The company was able to grab an opportunity that lay dormant in the country as there was no major player in the category at the end of the 1970s. The key to Archies' success, according to analysts, is the fact that the company has consistently focused on emotions and feelings, which is reflected in its mission statement.

'The most special way to say you care'. Emotions are at the heart of Archies' collection. The brand portfolio includes all occasion greeting cards, photo albums, photo frames, soft toys, mugs, quotations, key chains, chimes, and a wide range of stationery. The price range varies from a greeting card that costs Rs. 4 to a jumbo teddy bear that costs Rs. 10,000. In order to cater to a multilingual and multi-cultural society like India, Archies has ventured into regional language greeting cards. In its early years, Archies' promoted its products through the direct mail route. Its first mail order, according to company sources, came for a poster worth Rs. 12. Archies has not looked back since. Over a period of time, it has used most of the mass media to reach out to its varied target groups. Archies 'Best of both the Worlds' radio programme that was on air for two years was hugely popular. Its ad: 'There are two kinds of people; those who send a card and those who don't care', touched an emotional chord among people. Its various TVCs reflecting expectations of loved ones and the manifestation of feelings through an Archies card enjoyed top-of-the mind recall. In this era of SMS and e-mail greeting cards, the company has been exhorting people through a print advertisement campaign to send greeting cards, as their sale would help many underprivileged groups in the society. Archies has tied up with NGOs such as the CRY (Child Relief and You) and Helpage India for

underprivileged children and elderly citizens to extend its greetings cards and stationery items. It is not uncommon to see people of all age groups at Archies shops buying cards and gifts for various occasions. In fact, Archies can be credited with having started the 'friendship card' series, besides adopting Western culture by making cards available for occasions such as Mother's Day, Father's Day, Valentine's Day, along with thank you cards. its success is ascribed to its approx. 500 exclusive retail outlets and 10,000 multi-brand stores in 200 cities. The locations include mega malls and shopping stores. Human emotions are at the core of Archies' positioning. However, the character of a superbrand is gauged from its resilience in times of adversity. In the early 1990s, the company brought out cards for Holi, a festival of colour and gaiety in which poking fun at each other is not taken unkindly. The series was called '(Un)holi' cards. As soon as these became available at its retail outlets, the company found itself in the eye of the storm. Women's groups all over the country staged dharnas near Archies' shop, demanding that the company withdraw the cards that according to them were sexist and in bad taste. The police acted fast and confiscated consignments of the cards at Archies' shops and godowns, besides taking the owner into police custody. The company received unfavourable media coverage, giving it a rude shock. The company had not realized that poking fun through such cards could cost its reputation so dearly. (Jethwaney et al 1993)! It is not uncommon to find sexually suggestive cards in Western countries. However, India at that point of time was not ready for such a revolution. Taken by surprise, the company suspended its ongoing publicity. After some time, it mounted an all India campaign called 'Salute to Indian womanhood', apologizing for its cards. Since the episode, the company has been able to establish itself as a major player in the field. Archies has been voted one amongst the 101 Superbrands by the superbrands Council of India for the year 2004 (Superbrands 2004).

#### Questions:

a) Archies sells products that satisfy the emotional needs of consumers. Where would you put that in Maslow's hierarchy of needs model and why? ;

- b) Archies literally enjoys a monopoly position in the Indian market. What strategies have been used to get there and to hold on to the position? ; and
- c) What would have been your alternate strategy for damage control when Archies was in crisis?



# (DEMB A2)

#### **EXECUTIVE M.B.A. DEGREE EXAMINATION, MAY - 2015**

#### **First and Second Year**

#### **Group A - Marketing**

#### Paper – II : SERVICES MARKETING & CRM

Time: 03 Hours

#### Maximum Marks: 75

#### SECTION-A

(3 **x** 5 = 15)

#### Answer Any Three of the following

- *1*) a) Relationship pricing.
  - b) Core service.
  - c) Customer interaction.
  - d) Perceived service quality.
  - e) Service marketing mik.
  - f) Physical evidence of services.

#### SECTION-B

 $(3 \times 15 = 45)$ 

#### Answer Any Three of the following

- 2) Identify the reasons for the growth of service sector.
- 3) How do you forecast demand for services?
- 4) What are the components of basic service package?
- 5) Explain the evolution of CRM.
- 6) What are the features of e-CRM.
- 7) Classify services with suitable examples.

### <u>SECTION-C</u> (Compulsory)

#### 8) Case study:

Kerala had always been considered the 'backwaters' of India in a negative way. Tourists thought of it as a nice but far away place, to be visited if you had the time, after covering the more popular destinations like the Taj Mahal, Delhi, Jaipur and Goa. But all that has changed, with a single great campaign, based on a memorable line-God's own country. As tourism marketers know, a tourist destination sells imagery first, and then depends on the tourists themselves to recommend the destination to their friends, relatives and peer groups. For a long time, Kerala had advertised its boat races held at Alleppey (now known as Alappuzha) and the elephant ritual at "Thrissur Pooram', and gained some mileage from these too. However, the advertising really, started getting into the limelight after the tagline "God's own country" was added to the beautiful images, In addition to the foreign tourists, the campaign successfully drew the attention of domestic tourists and as a result Kerala has successfully entered the tourist map of the world. New investments in Kerala include tourism related projects at Bekal in the Malabar (north Kerala) region.

Tangible things such as good air and road/rail connections, and availability of different types of hotels and resorts also helped, along with the cosmopolitan food habits of Kerala, which is probably the only state apart from Goa where meat and sea food of all types are easily available, to cater to the palates of foreigners who may be predominantly non-vegetarian. Ayurveda practitioners also abound in Kerala and the oil messages add to the mystique of the destination. A part from traditional hill stations like Munnar, Kerala offers a forest experience at Thekkady (Periyar wildlife sanctuary), and in the hills of Wayanad district bordering Tamilnadu and Karnataka.

#### Questions:

- a) Develop a campaign for A.P. to attract foreign tourists; and
- b) Develop a similar campaign for domestic tourists.

EEE

## (DEMB A3)

#### EXECUTIVE M.B.A. DEGREE EXAMINATION, MAY – 2015

#### **First and Second Years**

#### **GROUP -A: MARKETING**

#### Paper - III : Rural and Retail Marketing

Time : 3 Hours

Maximum Marks: 75

 $(3 \times 5 = 15)$ 

(3×15 =45)

#### **SECTION - A**

#### Answer any Three of the following

- *1*) a) Concept of rural market.
  - b) Rural consumer.
  - c) Brand loyalty.
  - d) Rural promotion.
  - e) Retailer.
  - f) Concept of SCM.

#### SECTION - B

#### Answer any Three questions

- 2) What are the features of rural environment?
- *3*) Critically the retail life cycle.
- 4) Bring out price fixation in retail outlets.
- 5) State the trend in the behaviour of rural consumer.
- 6) Explain the current media employed in rural marketing.
- 7) Give an account of physical distribution process in rural marketing.

#### <u>SECTION - C</u> (<u>Compulsory)</u>

8) From its launch in 1999 to its current status, Kurkure has come a long way. The introduction of each new variant is a milestone to company which takes it closer to the goal of being the first choice in Namkeens Kurkure is the modern namkeen snack enjoyed at tea-time or any time of the day, whether with family, friends or just by one self. A wide range of offerings is imperative for success in the namkeens market Kurkure like any imprise snack product needs to give variety to retain consumer interest and loyalty to the brand.

- i) Analyse the above illustration and explain the relationship between the product category and the brand; and
- Also suggest a good promotional comparison to Kurkure in order to attract the taste buds of Indian consumers.



## (DEMB A4)

**Maximum Marks: 75** 

#### **EXECUTIVE M.B.A. DEGREE EXAMINATION, MAY – 2015**

#### **First and Second Years**

#### **GROUP A- MARKETING**

#### Paper - IV : Consumer Behaviour and Marketing Research

#### Time : 3 Hours

## SECTION - A

(3×5 =15)

#### Answer any Three of the following

- *1*) a) Ultimate consumer.
  - b) Reference group.
  - c) Consumer loyalty.
  - d) Schedule.
  - e) Rating scale.
  - f) Altitude.

#### **SECTION - B**

#### (3×15 =45)

#### Answer any Three questions

- 2) Describe the steps involved in marketing research.
- 3) In what way does staple scale differ from semantic scale.
- 4) Why is it necessary to study consumer bahaviour?
- 5) Explain the determinants of consumer behaviour.
- 6) Critically examine Schiffman and Kanuk's model of consumer decision making model.
- 7) State the buying motives of ultimate consumers.

#### **SECTION - C**

#### (Compulsory)

8) Ultra high temperature (UHT) treated pasteurised milk is being sold in tetrapacks and these packs have a shelf life of around three months without refrigeration. The Tetra Brik Aseptic (TBA) with 4.5 per cent fat content costs around Rs. 20-24 per litre. Tetra Fino Aseptic (TFA) packs which could preserve milk for 45 days cost about 40% lower than TBA packs. TFA is used by Vijaya and the price per litre is Rs. 19. Inspite of the advantage of these kinds of tetrapacks, consumer receptivity towards the product is low.

Consumers in India have been used to boil milk for generations and may not appreciate the fact that pasteurised milk need not be boiled (even the pouches which are pasteurised and refrigerated). Secondly, there is also the taste factor associated with boiling. Tetrapacked milk was introduced as early as 1980 by the manufacturers of Amul (GCMMF) but the product did not catch up. But changing lifestyles and power cuts (required for refrigeration) may encourage consumers to try this product under the present day context. Tetra Pak India is attempting to create an awareness about the benefits of tetrapacked milk. The annual production of milk is around 72 billion litres per annum and out of this only about 12% is packaged.

- i) How would you use consumer behavior principles to formulate a communication plan for tetrapacked milk?; and
- ii) Suggest a suitable strategy for marketing the product.

$$\diamond \diamond \diamond$$

## (DEMB A5)

#### **EXECUTIVE M.B.A. DEGREE EXAMINATION, MAY – 2015**

#### **First and Second Years**

#### **GROUP A- MARKETING**

#### **Paper - V : Global Marketing**

Time : 3 Hours

Maximum Marks: 75

#### **SECTION - A**

(3×5 =15)

#### Answer any Three of the following

- *1*) a) Legal environment.
  - b) SEZ.
  - c) Global branding.
  - d) Turkey project.
  - e) Global advertising.
  - f) FOB pricing.

#### **SECTION - B**

(3×15 =45)

#### Answer any Three of the following

- 2) Explain the scope of international marketing.
- 3) What are the institutions that promote international marketing?
- 4) How does economic environment influence global business?
- 5) State the documents required for exporting.
- *6*) Elucidate global pricing strategies.
- 7) Elucidate the procedure involved in global marketing research.

#### **SECTION - C**

#### **Compulsory**

8) Let us go shopping at the Asian garden. Inside you will find many typical suburban shopping mall business: CD and tape stores, travel agencies, restaurants, a supermarket, book stores etc. where are you?

In Westminister, California -known locally as little Saigon.

More than 2.7 million Asian Americans live in California, so its not surprising to find oriental shopping malls there. By the year 2009, the states, Asian population will exceed 4.5 million, some 13 per cent of its population. As compared to other US households, Asian-American households have substantially higher income and education levels, and almost twice the proportion of Asian Americans are employed as managers or professionals.

Most Asian Americans cluster in large cities such as San Francisco, Los Angles or New York. They are strongly family oriented and often pool family efforts and resources to improve the lot of all. Extended families tend to live in the same household a tradition carried over from their homelands. Further, members of the family work in the family business. Marketers targeting at Asian Americans must understand the importance of family.

Asian American consumption behaviour differs from that of other segments for example-Asian Americans are primarily interested in quality. Asian Americans enjoy shopping as leisure activity, love bargains and often negotiate prices. They are at home with high technology, making them a good market for VCRs, home computers, CD players, cameras and telephone answering machines. Asian Americans do not have preconceived images of brands and companies. In a recent survey, 76 per cent of them could not name the brand of frozen food they purchased last. This highly diverse market consists of Japanese, Vietnamese, Koreans, Indians, Malaysians and Chinese-all speaking multiple languages and dialects. Because of this linguistic diversity television may not be an effective medium. Fortunately, Asian Americans like to read, making newspapers a more cost-effective medium. In addition, numerous Asian-American consultants and advertising agencies are available to help marketers design Asian American strategies.

Thus, Asian American market may constitute a marketers dream of a large, lucrative and recession proof market. Asian Americans have higher incomes and because many are employed in a family business or in high tech fields, fewer are unemployed.

Questions:

- What cultural, personal, social and psychological characteristics distinguish the Asian American market?;
- ii) Why are Asian-Americans more likely to buy high tech products?; and
- iii) Analyse Asian-American buying motives.

(15)

