# What is International Business Strategy?

Worksheet

International business strategy aligns products, pricing, marketing and operations with each target market's unique economic, cultural, regulatory and competitive environment. Success requires balancing standardization (cost efficiency) with adaptation (local relevance).

## Questions

1. Which market entry mode has LOWEST control but easiest exit?

A) Joint venture
B) Exporting
C) FDI
D) Franchising

2. What is the main benefit of standardization?

A) Better local relevance
B) Lower global production costs
C) Faster adaptation
D) More market share

3. A firm wants rapid entry with low investment. Best strategy?

A) FDI
B) Export + license
C) Greenfield investment
D) Acquire local firm

4. When is a joint venture preferable?

A) When you need 100% control
B) When local knowledge + shared risk matter
C) When capital is unlimited
D) Never

5. Apple enters India: should it build a factory or partner with a local firm?

6. Netflix expands to Brazil: how to adapt its global model?

7. A Japanese auto company enters the Mexican market. Entry mode?

8. Define: What is international business strategy?

9. Define: Name 4 market entry modes.

10. Define: Standardization vs adaptation?

Study this topic with an AI tutor + Apple Pencil in Notek:
https://apps.apple.com/app/id6766946341

## Answer Key

1. B) Exporting - Exporting is arm's-length, minimal capital, can stop anytime. JV and FDI require long-term investment.

2. B) Lower global production costs - Standardizing products across markets reduces R&D, manufacturing and marketing costs.

3. B) Export + license - Exporting + licensing require minimal capital and risk; FDI/acquisition need heavy upfront investment.

4. B) When local knowledge + shared risk matter - JVs combine local partner's knowledge with foreign firm's technology/capital, sharing risk.

5. Build (FDI): full control, higher investment, long-term Partner (JV): shared risk, faster market entry, less control Choose based on: labor costs, tariffs, consumer demand, local talent pool

6. Global: same subscription model, UI, content (cost efficient) Local: Portuguese subtitles/dubbing, regional shows, local payment methods Balance = global scale + local relevance

7. Export first (low investment, test demand) If successful, license to local manufacturer Eventually FDI: build assembly plant for tariff/logistics benefits

8. A plan for entering, competing and growing in foreign markets using adapted entry modes and competitive positioning.

9. Exporting, licensing/franchising, joint venture, wholly-owned subsidiary (FDI).

10. Standardization = lower costs (global scale); adaptation = better local fit but higher costs.

**Bounlu**

All cards, step-by-step solutions and an AI tutor are in the Notek app.

Promy turns exam dates into automatic reminders.