

# Homework1

Business, Marketing



Marketing Case Study **MARKETING CASE STUDY** Question a. Infrastructure refers to the basic physical structures in a geographical area that assist in the daily activities involving movement of people from one place to another. In the article, several forms of infrastructure are in India. These are roads mentioned in the north Indian hamlet and highways (Sharma & Mukherji, 2013).

b. The Indian central government has played a role in trying to improve the level of infrastructure. The government thus set aside \$ 1 trillion dollars to help modernize infrastructure in the country through public and private investments for a period of five years. In addition, it has opened the country for more foreign investment despite local opposition. This move differs with the way the US government handles infrastructure in its country. The US government invested heavily in its local infrastructure making every part of the country available for trade (Sharma & Mukherji, 2013).

c. The Indian government is trying to control the level of involvement of foreign investors in the local trade. This system tries to benefit the local people as the government works to their interest. On the other hand, the system has harmed foreign investors as they find it difficult to access the produce despite the amount of resources at their disposal (Sharma & Mukherji, 2013).

d. Wal-Mart would be good for India because of its experience in procuring produce from the small farmers in upgrading a poor supply chain. It has shown success in many countries including Mexico, China, and Brazil (Sharma & Mukherji, 2013).

Question #2

- a. There has been constant pressure that resulted to low price on Chinas products. Since the US does not pay an extra amount to cater for a clean production system, China producers do not include cleaning cost in their production (Spencer, 2007).
- b. With a high production cost, there would a high pricing on an item. However, with a market that requires low pricing on goods despite the cost of production, the company would lower its production cost to match the market price. Instead of spending to treat the wastes, the Chinese producers opt to releasing it in the rivers, reducing production cost (Spencer, 2007).
- c. Chinese government setting up regulations concerning competition would reduce levels of pollution. Reduced completion would boost market pricing preventing further cut down on production cost.
- d. The government should ensure that the textile manufactures do not violate pollution regulations. It has the mandate to control trade, protect the environment and its people (Spencer, 2007).

### Question #3

- a. Internet connection is expensive for some families who have to meet other needs. Despite this, rise in technology has taken root in education, being a disadvantage to those students without an internet connection (Troianovski, 2013).
- b. Joshua cuts down costs by visiting McDonald's restaurant. The fact that he does not have to buy food makes his decision good (Troianovski, 2013).
- c. Crankshaft seems not to be free since one has to purchase a laptop to access the internet. Still one has to forgo the expenses of paying for internet and saving to buy a laptop.

- d. The government should distribute public goods evenly to the citizens without discrimination. Thus, Crankshaft has the right to request a rebate (Troianovski, 2013).
- e. Randolph May does not support more government intervention arguing that the internet should be limited to only those who really need it. Frank Knight would not support it (Troianovski, 2013).
- f. Using tax dollars in schools would be beneficial as it targets its demand directly.
- g. The government should always act accordingly to bridge any divide in the market economy (Troianovski, 2013).

#### References

- Sharma, A., & Mukherji, B. (2013). Bad Roads, Red Tape, Burly Thugs Slow Wal-Marts Passage in India. Wall Street Journal, A. 1.
- Spencer, J. (2007). Ravaged rivers: China pays steep price as textiles exports booms; Suppliers to U. S stores accused of dumping dyes to slash their costs. Wall Street Journal, A. 1.
- Troianovski, A. (2013). The Web-Deprived Study at McDonalds. Wall Street Journal , A. 1.