



Foundation Certificate in Marketing - Stage 2

INTERNATIONAL BUSINESS

FRIDAY, AUGUST 23, 2002. TIME: 9.30 am - 12.30 pm

Please attempt **FIVE** questions.

(If more than the specified number of questions are attempted, delete those you do not wish to have marked. Otherwise the Examiner will mark the **FIRST** five questions in your Answer Book).

All questions carry equal marks.

Do **NOT** repeat question in answer, but show clearly the number of the question attempted on the appropriate page of the Answer Book.

1. Describe each of the steps involved in the market screening process.
2. What are the advantages and disadvantages of each method of payment for international transactions from the exporter's perspective?
3. Describe the legal issues facing international companies in relation to the following:
 - (a) Intellectual Property
 - (b) Product Liability
 - (c) Taxation policies
 - (d) Anti-trust legislation
 - (e) Business Contracts
4. Identify and discuss the primary characteristics of culture and how these characteristics may impact international business activities.
5.
 - (a) Describe Mercantilism and explain its historical impact (6 marks)
 - (b) Identify the differences between Absolute Advantage and Comparative Advantage (6 marks)
 - (c) Briefly explain the Heckscher Ohlin Theory of Factor Endowment. (8 marks)

P.T.O.

6. Describe the stages in the evolution towards a single European currency, and assess its significance for firms.
7. Regional trading blocs such as the EU and NAFTA are growing in importance. What are the implications of these trading blocs for international businesses?
8. Identify and discuss the key differences between International, Global and Multidomestic companies/corporations.