



## **EXAMINER'S REPORT**

**MAY 2004**

### **INTERNATIONAL BUSINESS**

#### **General Comments**

The pass rate for this paper was over 80% which represents a major improvement over last year's results. Where anyone failed the main reasons identified for this were:

- Failing to attempt 5 questions. In almost all such cases this resulted in overall failure of the paper.
- In many instances answers referred to material which had not been asked. Again, candidates would be advised to read the question carefully and ONLY answer what is asked as marks cannot be awarded for incorrect answers.

As ever, this examiner emphasises the importance of keeping up to date with both international and Irish current affairs in this course. Candidates must also be familiar with the reports and websites of major Irish international companies and institutions responsible for exporting such as Enterprise Ireland, Bord Bia, the IDA and the Irish Exporters' Association. .

#### **Question 1**

Given the historic significance of the enlargement of the EU to include 10 former Eastern Bloc countries, this event was a real certainty for the "topical question", yet just over 50% of candidates attempted it. Of those many failed to achieve an honours mark by virtue of either completely ignoring part (a) or incorrectly identifying the main institutions of the EU (the European Council, the Commission, the Court of Justice and the European Parliament). Many answers listed such institutions as the IMF, the WTO and the UN here.

#### **Question 2**

This was a very straightforward question on barriers to trade and most candidates scored well here. Answers which included the second part of the question – a critical evaluation of these arguments – scored much more highly than those who simply listed the arguments. Many answers purely identified the major barriers to trade and this was not sufficient to do well on this question.

#### **Question 3**

Despite the amount of attention given to this topic in the national media and its importance for this economy, this question proved the least popular with just 24% of candidates attempting it. The first part is taken straight from chapter 13 of the text while the second part is designed to

give informed students the opportunity to apply the concepts to the Irish situation. Those who did scored highly here.

#### **Question 4**

This question on exchange rates was not as popular as expected with just 45% of candidates attempting it. Again, part (a) was theoretical and straight from chapter 6 of the text. Many answers however referred to the Euro as a fixed exchange rate, rather than a currency. Part (b) gave the opportunity to apply this particularly to Irish companies who may not have to deal with exchange rates within the EU, but with the US (one of our major trading partners) and the “Rest of the World”.

#### **Question 5**

This question was attempted by almost 70% of candidates and in the main was answered well. While not a question on the market screening process, where this was introduced to set the overall context for market research candidates scored highly. However, answers which dealt purely with the screening process and which failed to deal with the specific difficulties of international market research (cultural and technical in the main) did not score well.

#### **Question 6**

Over 60% of candidates attempted this question on the drivers of globalisation which is taken directly from chapter 1 of the text, but which runs through every area of the course. As such this question was designed to give candidates the opportunity to illustrate their understanding of international business and the forces which shape it. In the main candidates did quite well on this question.

#### **Question 7**

This three part question was designed to test knowledge of Ireland’s international trading position and was attempted by almost 70% of candidates. While most answers identified the major trading partners correctly, many were at a loss to give reasons why this knowledge can be of importance to marketers, although part (b) was the most theoretical element of this question. Answers to part (c) varied widely. Those who displayed a knowledge of at least one export market scored well.

#### **Question 8**

The last question was most popular with approximately 88% of candidates attempting it. The question was designed to explore candidates’ understanding of why international business may be an attractive option for companies. The major theoretical option here would be the reasons listed in chapter 1. However, answers referring to trade theories were also accepted.