



Foundation Certificate in Marketing - Stage 2

INTERNATIONAL BUSINESS

FRIDAY, MAY 19, 2006. 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. Earlier this year, US biotechnology giant Amgen announced its decision to invest in a Cork plant employing over 1,000 people. With reference to this example, please answer the following:
 - (a) Describe the main factors which influence the location decision for companies.
 - (b) Discuss how a country's location can influence its political and trade relationships.
2. Describe Hofstede's **four** dimensions of culture, and explain how these may impact on companies' decision-making in international business.
3. With some reference to Ireland, describe the major forces which affect the availability of labour in an economy.
4. Contrast the competitive strategies of global and multi-domestic (multi-national) companies. Using examples to illustrate your answer indicate the relative strengths and weaknesses of both approaches.
5. Write a note on any **three** of the following:
 - (a) Dumping
 - (b) Incoterms
 - (c) The UN
 - (d) Joint Venture
 - (e) Sogo Shosha

P.T.O.

6. (a) Explain the **international** product life-cycle trade theory. (12 marks)
(b) How useful is the concept for the individual firm? (8 marks)
7. You have been asked to recommend an entry strategy for a small Irish manufacturing firm who wish to expand their business to foreign markets.
- (a) Briefly outline the different entry strategies available, explaining their relative advantages and disadvantages. (12 marks)
(b) Give a rationale for your recommended strategy. (8 marks)
8. Outline and discuss the major reasons companies may have for going international.