



EXAMINER'S REPORT

AUGUST 2007

INTERNATIONAL BUSINESS

General Comments

Some reasons for failure or for low performance include:

- Giving the wrong answer which can earn no marks
- In many instances answers referring 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 / irrelevant answers.
- Not answering all parts to a question

Success in this exam depends greatly on adequate preparation of course, but also on keeping informed about international developments in general in the national press and TV news, internet etc. 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.

Finally, it must also be advised that candidates purchase both essential texts on this course. The latest (2nd) edition of the Irish text by MacDonnell and McEvoy is a much lengthier text than the first edition. This is an excellent accompaniment to the main text which is American and therefore lacks the Irish and European context. The Irish text is to be considered relevant and examinable in its entirety.

Question 1

This question always relates to a topical issue. This year it related to the role of the UN against the background of there being an new Secretary General, Mr Ban Ki Moon of Korea. This was a two part question designed to give candidates the opportunity to score well from theory alone but also to score more highly through being in a position to critically review the role UN today – an issue which is given a great deal of attention in the international press and literature. There was a very low response rate to this question and of those very few attempted to really answer in a critical manner, therefore scoring was low on this question.

Question 2

Social and cultural forces are well established on the course and in the written exams at this stage. This issue is critical to successfully conducting international business, and yet still underestimated by many companies. This question was broad in nature allowing candidates considerable scope in their answers. Elements of culture were obvious here: religion, aesthetics, social organisation etc. There was a high response rate to this question and overall candidates scored highly here – especially those who gave good application examples.

Question 3

Market screening is imperative for companies looking to develop their business in export markets as it serves to eliminate quickly – and cheaply – those which are not suitable and identify those which may present better opportunities. Candidates who answered this question correctly scored well. However in some cases this question was surprisingly mistaken for a market entry strategy question. While answers to that were well written, they were irrelevant and unfortunately lead to failure.

Question 4

This question on the three environments was a very basic question relating to material generally covered in the first two weeks of this course. However, again this was misinterpreted by some candidates leading to low scores here too. The three environments asked for were; the domestic environment, the foreign environment and the international environment. Candidates must be able to differentiate between these as foundation knowledge for the course.

Question 5

This question format is by now also a regular feature of the International Business paper. It is designed to give students who may have some knowledge across a wide array of topics the opportunity to score well for that. There are five points given and candidates are always asked to write a note on three of them. However, yet again, many scored low here – or failed – by virtue of only answering two parts.

Question 6

This question attracted a fairly high response rate and candidates scored well here in the main. Most answers considered relevant aspects of the theory such as saturated home market, following a customer etc.

Question 7

This was a straightforward question on the importance of knowledge of trading partners. The question was broken down into three areas to give candidates more opportunity to score well. However some fell at the first hurdle here unfortunately, by failing to correctly identify Ireland's main trading partners. This is also considered foundation knowledge for this course. The benefits were fairly clearly understood. Those candidates who made an effort to apply examples of sectors where Irish products can and do succeed in international markets scored well. However, this examiner would point out that examples were typically traditional, e.g. Guinness, agricultural products, etc. Some updating and consideration of the potential of a knowledge based economy would be timely here.

Question 8

Question 8 relates to the **international** product life cycle. This is a trade theory question, not a marketing question. Part (a) requested a good explanation of the model – those who answered correctly, answered well in the main, with illustrations too. Part (b) proved more challenging, however. Few answers correctly identified that this can be of assistance to companies by linking the role of innovation and trade patterns. Those who treated this question as a product life cycle issue (not on this course) failed.