

BBM 463



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# **UNIVERSITY EXAMINATIONS**

## **20201 /2022 ACADEMIC YEAR**

**FOURTH YEAR SECOND SEMESTER REGULAR EXAMINATION**

**FOR THE DEGREE IN BACHELOR OF BUSINESS**

**MANAGEMENT**

**COURSE CODE: BBM 463**

**COURSE TITLE: GLOBAL BUSINESS MANAGEMENT**

**DATE: 26<sup>TH</sup> JANUARY, 2021**

**TIME: 9.00AM – 12.00AM**

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### **INSTRUCTION TO CANDIDATES**

- **SEE INSIDE**

**THIS PAPER CONSISTS OF 3 PRINTED PAGES**

**PLEASE TURN OVER**

**REGULAR – MAIN EXAM****BBM 463: GLOBAL BUSINESS MANAGEMENT****STREAM: BBM****DURATION: 3 HOURS****INSTRUCTIONS TO CANDIDATES**

- i. Answer Question **ONE** and any other **TWO** questions.
- ii. Do not write on the question paper.

**SECTION A****QUESTION ONE****(30 MARKS)**

Ngozi Nyororo (NN) Ltd is based in Kenya and makes cosmetics and other beauty products. The quality of their products has been so good that its attracting attention of distributors abroad. The business intends to go global after thorough surveys were done in the Europe. The Chief Executive Officer claims that businesses from developing countries face unfair competition on the global market.

- (a) Other than unfair competition, discuss any five problems developing countries face on the global market. **(10 marks)**
- (b) Describe any five factors that promote international trade that may enhance internationalization by Ngozi Nyororo. **(5 marks)**
- (c) Ngozi Nyororo officials attend an export promotion by Ministry of Trade and are encouraged to venture in foreign trade. The director states government support for businesses intending to internationalize.
  - (i) State five ways government participate in foreign trade **(5 marks)**
  - (ii) Discuss any five advantages of global trade to kenya. **(10 marks)**

**QUESTION TWO****(20 MARKS)**

Smart Jeans a clothing business is located in Kenya and eyeing the European Union market. Competitors already in the European Union market feel threatened by the entry of Smart Jeans. There is fear that the European Union market has restrictive barriers.

- (a) Discuss any five entry strategies Smart Jeans may adopt. **(10 marks)**
- (b) Discuss any five barriers Smart Jeans may witness in an attempt to enter the European Union Market **(10 marks)**

**QUESTION THREE**

**(20 MARKS)**

“A public is any group that has actual or potential interest in or impact on an organization’s ability to achieve its objectives”. A business in the global environment should keenly identify the publics in countries they operate.

(a) In light of this statement;

(i) List any **four** publics an organization may be exposed to in conducting its business.

**(4 marks)**

(ii) Describe how suppliers and marketing intermediaries may affect how a business undertakes its operations in global marketplace.

**(6 marks)**

(b) Explain any **five** macro environmental factors that global businesses have to always scan before internationalizing.

**(10 marks)**

**QUESTION FOUR**

**(20 MARKS)**

As an expert in global business;

(a) Discuss any five features of global business

**(10 marks)**

(b) Describe any five preconditions for global business

**(10 marks)**

**QUESTION FIVE**

**(20 MARKS)**

(a) State any **five** sources of barriers to entry into a global business market

**(5 marks)**

(b) Highlight any **five** reasons why trade barriers are used on the global marketplace.

**(5 marks)**

(c) Discuss the difference between domestic and global businesses

**(10 marks)**

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