

SULIT



**BAHAGIAN PEPERIKSAAN DAN PENILAIAN
JABATAN PENDIDIKAN POLITEKNIK
KEMENTERIAN PENDIDIKAN TINGGI**

JABATAN PERDAGANGAN

PEPERIKSAAN AKHIR

SESI JUN 2016

DPP2013 : INTRODUCTION TO INTERNATIONAL BUSINESS

TARIKH : 03 NOVEMBER 2016

MASA : 11.15 AM – 1.15 PM (2 JAM)

Kertas ini mengandungi **SEMBILAN (9)** halaman bercetak.

Bahagian A: Objektif (25 soalan)

Bahagian B: Esei (3 soalan)

Dokumen sokongan yang disertakan : Tiada

JANGAN BUKA KERTAS SOALAN INI SEHINGGA DIARAHKAN

(CLO yang tertera hanya sebagai rujukan)

SULIT

SECTION A : 25 MARKS**INSTRUCTION:**

This section consists of **TWENTY FIVE (25)** objective questions. Mark your answers in the OMR form provided.

- CLO 1
C1
1. In general, a firm will expand their business abroad to _____
- i. Earn greater profits
 - ii. Test market a product
 - iii. Optimize of resources
 - vi. Grow and expand
- A. i, ii and iii
B. i, ii, and iv
C. ii, iii and iv
D. i, ii, iii and iv
- CLO 1
C1
2. External forces that management has no direct control over is _____
- A. Production
B. Raw materials
C. Political Changes
D. Capital
- CLO 1
C1
3. Advances in computers and communications technology are permitting an increased flow of ideas and information across borders. This enables _____
- A. Firms to concentrate more on domestic production
B. Customers to learn about foreign goods
C. Sellers to travel to more locations worldwide in search of buyers
D. Advertisers to focus more on specific countries

- CLO 1
C1
4. Globalization refers to _____
- A more integrated and interdependent world
 - Global warming
 - Emphasis on global culture
 - Less foreign trade and investment
- CLO 1
C1
5. Which of the following is a driver of globalisation?
- Trade barriers and controls on inflows of foreign direct investment.
 - Weak competition
 - Technological advance
 - Economies of scale
- CLO 1
C1
6. Globalization is beneficial for firms because _____
- It protects them against foreign competition.
 - It protects them from the effects of events in other countries.
 - It opens up new market opportunities
 - It increases the risk and uncertainty of operating in a globalizing world economy.
- CLO 1
C1
7. The internet facilitates globalization by _____
- Making it more difficult to contact potential customers abroad
 - Cutting the cost for firms of communicating across borders
 - Making it harder to send money from one country to another
 - Making it easier for governments to censor the information received by their citizens from abroad
- CLO 1
C1
8. Globalization can create problems for business because _____
- It can result in more competition
 - It reduces vulnerability to political risk and uncertainty when operating abroad
 - It means that they can increase prices
 - All of the above

- CLO 1
C1
9. An analysis of the external environment enables a firm to identify _____
- Strengths and opportunities
 - Strengths and weaknesses
 - Weaknesses and threats
 - Opportunities and threats
- CLO 1
C1
10. Which of the following is a characteristic of multinational enterprises?
- At least half its directors are foreign nationals
 - The company does at least 30 percent of its business in foreign markets.
 - A company employing foreign nationals
 - The subsidiaries are responsive to a number of important environmental forces.
- CLO 1
C1
11. Which of the following could be defined as a multinational company?
- A firm that owns shares in a foreign company but does not participate in the company's decision making
 - A UK based internet package holiday firm specialising in selling tours to Turkey to German customers
 - A firm owning a chain of supermarket outlets outside its country of origin
 - All of the above
- CLO 1
C1
12. IKEA is a multinationals from _____
- United Kingdom
 - United States of America
 - Finland
 - Sweden
- CLO 1
C1
13. Many international firms are dispersing the activities of their production systems to locations close to available resources because _____
- The new business environment has no government barriers to trade
 - Competition has decreased from global firms
 - New production and communications technologies
 - Shipping costs have been drastically reduced

- CLO 1
C1
14. Which of the following is a foreign-owned corporation?
- Coca-Cola
 - Nestle
 - Ford Motor Co
 - Petroliam Nasional Berhad
- i, ii and iii
 - i, ii, and iv
 - ii, iii and iv
 - i, ii, iii and iv
- CLO 1
C1
15. A multidomestic company is _____
- An organization that attempts to standardise and integrate operations worldwide
 - The same as a global company
 - Each of subsidiaries formulates its own business strategy based on market differences
 - Standardises and integrates operations on a domestic basis
- CLO 1
C1
16. Malaysia classifies Small Medium International Enterprises (SMIEs) into:
- Two categories
 - Three categories
 - Four categories
 - Five categories
- CLO 1
C1
17. A global company is defined as an organization that attempts to standardise and interpret operations worldwide. According to this definition, a global firm's management _____
- Looks for differences among markets.
 - Avoids maintaining a presence in key markets.
 - Uses domestic products, raw materials and financing whenever possible
 - Searches the world for market opportunities

- CLO 2
C2
18. Which of the following information are TRUE about the basic decisions before entering foreign market?
- Where to enter and when to enter
 - Where to enter, when to enter and how to enter.
 - Why to enter, when to enter and where to enter
 - Why to enter, where to enter and how to enter
- CLO 2
C2
19. First mover advantage suggests that _____
- Pioneering businesses are able to obtain higher profits and other benefits as the consequence of early market entry.
 - First mover firms expand more rapidly in international markets than late movers in international markets.
 - Competing multinational firms enter an important market when a market is growing very fast.
 - International firms with first mover advantages have greater strategic incentives for investing in technical innovations than late movers
- CLO 2
C2
20. Licensing usually involves permission to use _____.
- Patents
 - Trademarks
 - Copyrights
 - All of the above
- CLO 2
C2
21. A Born Global firm is a firm that _____
- Develops international new ventures from its birth by using outsourcing from foreign locations in multiple countries.
 - Overcomes psychic distance and the liability of foreignness by investing in foreign locations in multiple countries.
 - Ignores the challenges of psychic distance and the liability of foreignness when planning its expansion to foreign locations in multiple countries
 - Seeks competitive advantage from its birth by using resources from different countries and by sells its products in multiple countries.

CLO 2
C222. Which of the following is **NOT** a mode of entry into foreign markets

- A. Internationalization
- B. Licensing agreement
- C. Management contract
- D. Portfolio investment

CLO 2
C223. Which of the following **BEST** describes franchising

- A. The transfer of a business concept, with corresponding operational guidelines, to non-domestic parties for a fee.
- B. Greenfield investment in a completely new facility, or acquisition of or merger with an already established local firm.
- C. The use of franchising for licensing new technologies in global markets.
- D. The transfer of patented information and trademarks, information and know-how as well as information needed to sell a product or service.

CLO 2
C2

24. Internationalization stimuli refers to _____

- A. Internal and external factors that influence a firm's decision to initiate, develop, and sustain international business activities
- B. A multinational firm's motives for establishing an investment in a foreign location.
- C. Internal organizational factors arising from within the organization that influence a firm's decision to initiate, develop, and sustain international business activities.
- D. Internal motives for foreign investment.

CLO2
C2

25. _____ include the costs of promoting and establishing a product offering, including the costs of educating customers.

- A. First mover advantage.
- B. Early entrant costs
- C. Strategic Commitments
- D. Pioneering Costs

SECTION B : 75 MARKS**INSTRUCTION:**This section consists of **THREE (3)** essay questions. Answer **ALL** questions.**QUESTION 1**CLO1
C1a. Identify **FIVE (5)** external forces in international business

[15 marks]

CLO1
C2b. Write any **TWO (2)** categories of Multinational Corporations (MNCs)

[10 marks]

QUESTION 2

MANILA, Philippines - The 25th J.CO Donuts & Coffee store will soon open in Paseo Center, Makati City. For those who live and work further south, another store is opening at the same time in Bluebay Walk, Pasay City, near SM Mall of Asia. The Indonesian donut chain sells an average of 13,000 donuts a day in the Philippines, over 30 million donuts in total to date. The J.CO Paseo Center's bright, spacious interiors also make it a great place to be productive and get some work done on your own with a fresh change of environment.

Source : <http://www.philstar.com/>, 2015

You may use the article above to answer the following questions

CLO2
C2a. Explain **ONE (1)** mode of entry strategy used by J.CO Donuts & Coffee to enter Philippines's market

[4 marks]

CLO2
C2b. Discuss **FOUR (4)** advantages of franchising

[12 marks]

CLO2
C2c. Discuss **THREE (3)** disadvantages of franchising

[9 marks]

QUESTION 3CLO3
C2

a. Political Instability may influence the decision of a firm to expand business abroad.
Explain the types of political system as stated below:

i. Democracy [5 marks]

ii. Socialism [5 marks]

CLO3
C2

b. Explain the dimensions of Hofstede Cultural below by giving examples of each.

i. Individualism vs Collectivism [5 marks]

ii. Masculinity vs Femininity [5 marks]

iii. Uncertainty avoidance [5 marks]

SOALAN TAMAT