



MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY

P.O. Box 972-60200 - Meru-Kenya.
Tel: +254 (0)799529958, +254 (0)799529959, +254 (0)712524293
Website: www.must.ac.ke Email: info@must.ac.ke

University Examinations 2022/2023

**FIRST YEAR, FIRST SEMESTER SUPPLEMENTARY/SPECIAL EXAMINATION FOR THE
DEGREE OF BACHELOR OF COMMERCE**

BFB 3104 – INTRODUCTION TO BUSINESS

DATE: JANUARY 2023

TIME: 2 HOURS

INSTRUCTIONS: *Answer question **one** and any other **two** questions.*

QUESTION ONE

- a) Briefly explain what is meant by the following terminologies as used in business:
 - i. Profit
 - ii. Competitors
 - iii. Partnership
 - iv. A market
 - v. Franchising
- b) List and explain seven principles that govern co-operatives (14 marks)
- c) Describe three objectives of establishing a business (6 Marks)

QUESTION TWO

- a) Explain five functions of a distribution channel (10 marks)
- b) List and explain five advantages of franchising (10 Marks)

QUESTION THREE

- a) Describe the seven elements of a service mix (14 marks)
- b) Describe three classifications of mergers (6 marks)

QUESTION FOUR

Corporate social responsibility has become a common phenomenon in modern business. Discuss argument for and against engagement of business in corporate social responsibility activities (20 Marks)

QUESTION FIVE

- a) Discuss five types of complex business organizations (10 Marks)
- b) Trace with explanations the history of business (10 Marks)