

Q-5 What do you mean by International business? Why companies go International? What is the difference between Internal trade and International trade.

Ans The study of International business involves understanding the effect that above activities have on domestic and foreign markets, countries, governments, companies and individuals, successful International business recognize the diversity of the world market place and are able to cope with the uncertainties and risks of doing business in a continually changing global market.

★ An International business strategy, organization, and/or function decision categorization is:

- A multi-domestic company with Independent subsidiaries that act as domestic firm OR
- Global operation ~~or~~ with Integrated subsidiaries OR
- A combination of the two

The Challenging aspect of International Business, however is that many firms combine aspects of both multi domestic and global operation.

### Multi-Domestic

A strategic business model that involves promoting products and service in various market around the world and adapting the product.

### Multi-National

A Business Strategy that involve selling product and service in different foreign market.