



MUEO

# MOI UNIVERSITY

OFFICE OF THE DEPUTY VICE CHANCELLOR  
(ACADEMICS, RESEARCH, EXTENSION & STUDENT AFFAIRS)

## UNIVERSITY EXAMINATIONS

### 2022/2023 ACADEMIC YEAR

#### THIRD YEAR SECOND SEMESTER EXAMINATION

#### FOR THE DEGREE OF

#### BACHELOR

#### OF

#### CIVIL AVIATION MANAGEMENT

**COURSE CODE:** BCM 324

**COURSE TITLE:** AIRLINE MANAGEMENT

**DATE:** 15<sup>TH</sup> AUGUST, 2023 **TIME:** 9.00 A.M. – 12.00 P.M

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### INSTRUCTION TO CANDIDATES

- SEE INSIDE

THIS PAPER CONSISTS OF (2) PRINTED PAGES

PLEASE TURN OVER

**MOI UNIVERSITY**

**School of Business and Economics**

**BCM324 April to August 2023 Semester Final Exam Draft**

**Time: 03.00Hrs**

**Instructions:**

- i) Answer **Question one** and **any other three** questions.
- ii) Be clear and precise

**Question 1**

- a) Explain the difference between the commissary supplies and stores in an aircraft. **(10 Marks)**
- b) Discuss why the commissary supplies and stores carried in an aircraft are exempted from taxes in most countries. **(15 Marks)**

**Question 2**

Airline franchising in Africa is not a popular mode of doing business. Discuss the meaning of the term "Airline Franchising" and why it has not been well embraced in Africa. **(15**

**Marks)**

**Question 3**

Airlines worldwide are witnessing a rapid rise in fuel costs. Explain the cause of this rise and discuss two strategies that can be used by the airlines to manage these costs. **(15 Marks)**

**Question Four**

Airline alliances have been viewed by most governments as cartels. Explain the basis of this government view and describe two strategies that are being used by various governments to limit the powers of the airline alliances. **(15 Marks)**

**Question Five**

Most passenger airlines today prefer to sell the air tickets directly to the passengers instead of going through the travel agents. Describe the main driver of this phenomenon and discuss 2 disadvantages of this strategy.

(15 Marks)

Question Six

Flight following function is done by the aircraft owner/air operator instead of the air navigation services provider in most countries. Explain the meaning of the term “flight following” and the advantages of the aircraft owner/operator undertaking this function.

(15 Marks)

**\*End\***