



MUEO

MOI UNIVERSITY

**OFFICE OF THE DEPUTY VICE CHANCELLOR, ACADEMIC AFFAIRS,
RESEARCH & EXTENSION**

UNIVERSITY EXAMINATIONS 2013/2014 ACADEMIC YEAR

THIRD YEAR END OF SEMESTER EXAMINATIONS

**FOR THE DEGREE OF
BACHELOR OF BUSINESS MANAGEMENT**

EXAM CODE:- BBM 383

COURSE TITLE:- AIRLINE MANAGEMENT

DATE:- 3RD OCTOBER, 2013

TIME:- 9.00A.M. - 12.00 NOON.

INSTRUCTION TO CANDIDATES

➤ **SEE INSIDE.**

THIS PAPER CONSISTS OF (1) PRINTED PAGES

PLEASE TURN OVER

INSTRUCTIONS : ANSWER QUESTION ONE AND ANY OTHER THREE QUESTIONS.

TIME 3HRS

(30 copies)

Question 1

Explain the following terms as precisely as possible

- a) Comfort based product features
- b) Strategic alliance
- c) Flying costs
- d) Price elasticity of demand
- e) Airline schedule

(25 marks)

Question 2

- a) Discuss airline mergers
- b) What are the main determinants of airline costs

(5 marks)

(10 marks)

Question 3

- a) Explain the reasons why LCC's are more cost efficient than full service network carriers

(15 marks)

Question 4

- a) Explain market segmentation in as much detail as possible
- b) Discuss the structure of airline fares

(10 marks)

(5 marks)

Question 5

- a) Explain the reasons for route planning?
- b) Discuss the probable fleet for an airline based in Kenya with operations to African, European and middle-Eastern destinations and explain your choice of aircraft.

(5 marks)

(10 marks)