KENYATTA UNIVERSITY
DIGITAL SCHOOL OF VIRTUAL AND OPEN LEARNING (DSVOL)
EXAMINATION FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

CEP/DSVOL

BBA 840: MARKETING MANAGEMENT

2ND SEMESTER 2025/2026 **TIME: 3 HOURS**

INSTRUCTIONS: Answer question ONE and any other THREE

QUESTION ONE

Read the case provided and answer the questions that follow

SAFARICOM PLC

Safaricom is a leading telecommunications company based in Nairobi, Kenya. It operates the country's largest mobile network and is best known for launching **M-Pesa**, a pioneering mobile money platform that transformed digital payments across Africa.

Key facts

- **Founded:** 1997 (commercial operations began 2000)
- **Headquarters:** Nairobi, Kenya
- **Major shareholder: Vodafone Group** via **Vodacom Group**
- **CEO (as of 2024):** Peter Ndegwa
- **Subscribers:** Over 40 million mobile users

Origins and growth

Safaricom was originally a department of **Kenya Posts and Telecommunications Corporation** before becoming a private company in 1997. Vodafone acquired a 40% stake, providing capital and technology expertise. Safaricom rapidly grew into Kenya's dominant mobile operator, benefiting from early investments in infrastructure and customer service.

M-Pesa and innovation

Launched in 2007, M-Pesa enables users to deposit, withdraw, transfer money, and pay for goods and services via mobile phones. It became one of the world's most successful mobile money services, significantly advancing financial inclusion in Kenya and beyond. M-Pesa now operates in multiple African markets and contributes substantially to Safaricom's revenue. Over time, it expanded into lending (Fuliza), savings (M-Shwari), and business payments. However, increasing competition from banks, fintech startups, and regulatory pressure threatens its dominance.

Market position and services

Safaricom controls a majority share of Kenya's mobile market, offering voice, data, mobile money, and enterprise solutions. It has expanded into home broadband, cloud computing, and IoT connectivity, aligning with Kenya's digital transformation. Its extensive 4G and 5G rollout strengthens coverage nationwide.

Economic and social impact

Safaricom is one of Kenya's largest taxpayers and a major employer. Through the **Safaricom Foundation**, it funds health, education, and environmental projects. The company's innovations have become models for digital inclusion and sustainable business in emerging markets.

a) Using your understanding of marketing environment discuss any four macro-environmental factors affecting Safaricom's M-Pesa growth. [12 marks]
b) Using concrete evidence from the case as well as understanding of Kenya's business environment, explain how Safaricom create customer value beyond basic telecom services? [6 marks]
c) As a manager, evaluate Safaricom's competitive advantage. Is it sustainable? [4 marks]
d) Propose and explain **two** strategies Safaricom can use to respond to fintech disruption. [4 marks]
e) Identify and explain any **two** target segments for M-Pesa services. [4 marks]

QUESTION TWO

Jumia operates across Africa, including Kenya, facing logistical challenges, low trust in online payments, and infrastructure limitations.

a) Identify key marketing challenges in African e-commerce as a distribution strategy. [6 marks]
b) Propose two strategies that Jumia may employ to improve **customer experience**. [4 marks]

QUESTION THREE

Netflix shifted from DVD rentals to streaming and then to content production. Its expansion into global markets introduced challenges such as cultural differences, pricing sensitivity, and competition from platforms like Disney+ and Amazon Prime.

a) Discuss Netflix's content strategy as an element of product decision and describe how it can be used as a competitive tool. [6 marks]

b) Identify any two **pricing strategies** that Netflix should adopt in price-sensitive markets. Give relevant examples. [4 marks]

QUESTION FOUR

Using relevant examples, identify and explain the relevance of Corporate Social responsibility in:

a) Building business sustainability [4 marks]
b) Positioning the products and services of a company. [6 marks]

QUESTION FIVE

A company wants to launch a new soft drink targeting young consumers. Develop a basic marketing mix (4Ps) strategy. [10 marks]