KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2018/2019

SECOND SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

BBA 861: GLOBAL STRATEGIC MANANGEMENT

DATE: Thursday, 4th April, 2019 **TIME: 5.30p.m. - 8.30p.m**

INSTRUCTIONS

Answer question ONE and any other THREE questions

1.a. Starbucks entered the Australian market in July 2000 with its first sore being set up in Sydney's business area. Australia was a market with a sophisticated coffee culture and had numerous local cafes catering to its demand for perineum coffee. Although the lack of ready acceptance and the presense of various competitors hindered its progress, Starbucks expanded quickly by opening company owned stores in various towns and cities of Australia. This it did without much customization of its product, process; or promotional strategies. Experts felt that Starbucks failed in the Australian market largely due to its inability to understand the Australian consumer and culture.

required: Answer the questions below:

i. Clearly show if Starbuck s pursued other standardization of adaptation strategy and give advantages of the strategy it chose. (10 marks)

ii. Identify the foreign market entry strategy adopted by Starbucks clearly giving the factors determining the choice of this strategy. (10 marks)

iii. Using examples, discuss the use of BCG Matrix in influencing the choice of foreign market to invest in. (10 marks)

2. Distinguish between polycentric and ethnocentric orientation clearly showing the implications of each of these orientations on a managers decisions. (10 marks)

3.a. Distinguish between comparative Advantage and Absolute advantages theories of globalization clearly showing the application of these theories in Global Strategies management. (6 marks)

b. "Globalization is a source of good and evil". Discuss. . (4 marks)

4.a. Using examples, discuss the use of Michael Porter five forces in influencing a foreign investor who wants to invest in real estate in Kenya in the pursuit of the government to achieve the big four Agenda. ($7^1/_2$ marks)

b. Discuss the multidomestic strategy as a Global corporate level strategy. ($2^1/_2$ marks)

5.a. Using examples, discuss any FOUR challenges facing implementation of strategies in the global firms. (6 marks)

b. According to Chandler (1962) Structure follows strategy". Discuss this statement from a global business orientation. (4 marks)