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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR**  
**FOURTH YEAR, SECOND SEMESTER EXAMINATION**  
**FOR THE DEGREE OF BACHELOR OF SCIENCE**  
**(BUSINESS ADMINISTRATION)**

Date: 6<sup>th</sup> December, 2024  
Time: 11.30am – 1.30pm

**KBA 2418 - INTERNATIONAL MARKETING**

**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

**CASE STUDY: MCDONALD'S SUCCESS IN THE GLOBAL MARKET**

McDonald's was established in 1940 by Richard and Maurice McDonald in San Bernardino, California, as a small drive-in restaurant. Over time, the restaurant gained popularity for its efficient service and quality food, leading Ray Kroc to join the business in 1955 and expand it into the global franchise we know today. Today, McDonald's operates in over 100 countries with more than 38,000 locations, making it one of the largest fast-food chains in the world. McDonald's offers a variety of fast-food items, including its iconic hamburgers, French fries, chicken nuggets, milkshakes, salads, and beverages. The company has successfully tailored its menu to local tastes, offering unique items such as the McArabia in the Middle East, McAlloo Tikki in India, and Teriyaki Burgers in Japan. This localization strategy complements its global menu staples like the Big Mac and Chicken McNuggets. McDonald's global marketing strategies are instrumental in its success. The company adopts a balance of standardization and localization, ensuring a consistent global brand while customizing its offerings to meet regional preferences.

Its iconic branding elements, such as the Golden Arches logo and the slogan "I'm Lovin' It," have universal appeal. Strategic partnerships with local suppliers ensure quality and adherence to local regulations, while technological innovations such as mobile apps and digital kiosks improve customer convenience. To enhance customer loyalty, McDonald's employs several tactics. Its rewards program offers points redeemable for free items, encouraging repeat purchases. The company also focuses on maintaining consistent quality and quick service to meet customer expectations. Community engagement initiatives, like Ronald McDonald House Charities, reinforce its positive image. Furthermore, McDonald's provides convenience through extensive locations, drive-thru services, and delivery options via mobile apps. McDonald's unique selling propositions (USPs) set it apart from competitors. Its global presence ensures accessibility in almost every corner of the world, while its affordable pricing appeals to a wide range of consumers. The brand is synonymous with quick service, making it the go-to choice for fast food.

Additionally, McDonald's ability to adapt its menu to cater to regional preferences showcases its flexibility and commitment to customer satisfaction. Despite its success, McDonald's faces several challenges in the global market. Rising health consciousness among consumers has led to criticism of its high-calorie meals. The company also faces intense competition from other fast-food chains and local eateries. Navigating cultural differences, dietary restrictions, and local food laws can be complex, and economic fluctuations impact affordability in various regions. To overcome these challenges and ensure strategic survival, McDonald's has adopted several positioning strategies. The company has expanded its menu to include healthier options like salads and low-calorie meals. It integrates advanced technology through digital ordering systems, delivery apps, and loyalty programs to enhance customer experience. McDonald's sustainability initiatives, such as eco-friendly packaging and responsible sourcing, reflect its commitment to environmental stewardship. By repositioning itself as a family-friendly and community-oriented brand, McDonald's continues to solidify its place in the global market.

**Required:**

- a) What year was McDonald's established, and who were its founders? (5 Marks)
- b) Describe how McDonald's balances standardization and localization in its global marketing strategies. (5 Marks)
- c) What are some ways McDonald's enhances customer loyalty? (5 Marks)
- d) Identify two unique selling propositions (USPs) that contribute to McDonald's global success. (5 Marks)
- e) Discuss two challenges McDonald's faces in the global market. (5 Marks)
- f) How does McDonald's integrate technology to improve customer experience and maintain competitiveness? (5 Marks)

**QUESTION TWO (20 MARKS)**

- a) Explain the differences between domestic and international marketing (4 Marks)
- b) Discuss the significance of cultural factors in international marketing (8 Marks)
- c) Describe the concept of product adaptation and why it might be necessary in global markets (8 Marks)

**QUESTION THREE (20 MARKS)**

- a) List four characteristics of competitive global companies (4 Marks)
- b) Discuss four factors which influence global consumer behaviours (8 Marks)
- c) Discuss the advantages of international trade to developing countries (8 Marks)

**QUESTION FOUR (20 MARKS)**

- a) Enumerate four advantages of sales promotion to modern companies (4 Marks)
- b) Discuss four features of commercial marketing as opposed to social marketing (8 Marks)
- c) Explain four marketing mix elements using appropriate examples (8 Marks)

**QUESTION FIVE (20 MARKS)**

- a) Differentiate between demographic and behavioural segmentation (4 Marks)
- b) Explain pricing strategies adopted by global companies (8 Marks)
- c) With the help of a diagram, describe the Product Life Cycle stages (8 Marks)