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

Date: 9th August, 2024
Time: 11.30am – 1.30pm

KBM 2302 MULTINATIONAL BUSINESS OPERATIONS & STRATEGY

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

ECOTECH SOLUTIONS RENEWABLE ENERGY

EcoTech Solutions is a mid-sized company based in the United States, specializing in eco-friendly technology products and services. Founded in 2010, the company has grown significantly in its domestic market due to the rising demand for sustainable solutions. Key products include energy-efficient lighting systems, renewable energy solutions, and waste management technology. With a solid foundation at home, EcoTech Solutions is looking to expand globally to tap into new markets and drive further growth. EcoTech Solutions has identified four key regions for expansion: European Union (EU) for High demand for sustainable technology due to strict environmental regulations and Strong economies with consumers willing to invest in green technologies. The Potential entry countries are Germany, France, and Netherlands. China because of Rapid economic growth and urbanization leading to increased demand for sustainable solutions and Government policies heavily favoring green technology investments.

India because it is an Emerging market with a large population and increasing awareness of environmental issues and Government initiatives that promote sustainable development. North America because of mature market with high purchasing power and advanced technological infrastructure. The global expansion of EcoTech Solutions into new markets presents significant opportunities for growth, innovation, and increased brand recognition. Their Key Lessons include thorough market research and local partnerships are critical for successful market entry and long-term success, flexibility and adaptability are essential to navigate regulatory and cultural challenges in international markets, a phased approach to launching products allows for better risk management and market adaptation. By carefully selecting target markets, developing tailored entry strategies, and effectively managing challenges, EcoTech Solutions can establish itself as a leading global provider of environmentally friendly technology solutions. The company's experience in the European Union highlights the importance of thorough preparation, local collaboration, and continuous adaptation in achieving international success.

Required:

With reference to the above case study;

- a) Give the three main drivers for EcoTech Solutions' international expansion. (5 Marks)
- b) Identify challenges might EcoTech Solutions face in each of the identified markets (United States, India, and Brazil) (5 Marks)
- c) Describe market entry strategies that EcoTech Solutions should consider for each country (5 Marks)
- d) Explain how EcoTech Solutions should address the cultural differences in each market to ensure successful international marketing (5 Marks)
- e) Highlight strategies that EcoTech Solutions should implement to mitigate the risks associated with regulatory compliance in each market (5 Marks)
- f) Explain ways in which EcoTech Solutions evaluate the effectiveness of its international business strategy. (5 Marks)

QUESTION TWO (20 MARKS)

- a) Discuss the four main features of multinational corporations and explain how these features contribute to their global competitiveness. (8 Marks)
- b) Explain the importance of the different levels of strategy in a multinational corporation and how they interrelate to achieve overall business objectives. (6 Marks)
- c) Compare and contrast the theories of absolute advantage and comparative advantage in international trade. (6 Marks)

QUESTION THREE (20 MARKS)

- a) Discuss how cultural forces in the international business environment can impact marketing strategies of Multinational corporations. (8 Marks)
- b) What are the key factors to consider when formulating an international business strategy, and why are they important? (6 Marks)
- c) Compare the merits and demerits of a polycentric orientation in international business operations. (6 Marks)

QUESTION FOUR (20 MARKS)

- a) What four factors should a company consider when selecting foreign markets for expansion, and why are these factors critical? (6 Marks)
- b) Describe parts of a consumer research plan for a beverage company aiming to launch a new product in Kenya. (8 Marks)
- c) Analyze the role of transportation and inventory management in the global supply chain of a multinational electronics manufacturer. (6 Marks)

QUESTION FIVE(20 MARKS)

- a) Identify the four challenges in managing a diverse global workforce and suggest strategies to overcome them. (8 Marks)
- b) Explain how exchange rate fluctuations can impact the financial performance of a Multinational corporations operating in multiple countries (4 Marks)
- c) Explain the importance of corporate social responsibility (CSR) in international business operations. (4 Marks)
- d) Describe the role of international business documents in facilitating global trade and provide examples of key documents used. (4 Marks)