

CHUKA



UNIVERSITY

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**UNIVERSITY EXAMINATIONS**

**THIRD YEAR EXAMINATION FOR THE AWARD OF DEGREE OF  
BACHELOR OF ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT**

**BEEM 323: INTERNATIONAL MARKETING FOR SMALL BUSINESS**

**STREAMS: BEEM Y3S1**

**TIME: 2 HOURS**

**DAY/DATE: MONDAY 03/12/2018**

**11.30 AM – 1.30 PM**

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**INSTRUCTIONS:**

**Answer Question One and any other Two Questions**

**QUESTION ONE (CASE STUDY)**

**Read the below case study and answer the questions that follow:**

**The Tricky Road to Entering International Markets**

Growing a business not only nationally but internationally is a dream for many firms. It's a fantasy that captures most minds of business executives. Owning a business has many routes; you can start your own from the scratch, you can buy an existing company or you can gain partnership into one and bring in your leverage. Whichever option has its own challenges that are not for the faint hearted. They range from emotional, environmental and financial.

Environmental challenges wake many firms to the reality of competitive and regulatory procedures. Many firms are blank on tax authorities for both the home country and host country. In a country like Kenya, where the regulatory framework is still very disjointed, you can hardly be sure that you have fulfilled all the requirements to operate. When you are busy pursuing all the permits, you come face to face with competitors who don't give a hoot about all those. They have known how to "survive" without them.

**Questions**

- (a) The author observes "Environmental challenges wake many firms to the reality of competitive and regulatory procedures". Explain the various controllable and uncontrollable environmental factors that may be faced by the international business firms. [10 marks]

- (b) Discuss the reactive forces for internationalization by firms. [10 marks]
- (c) Discuss the restrictive barriers and challenges faced by firms intending to expand internationally and globally. [10 marks]

**Question Two**

- (a) Discuss the various levels of economic integration. Explain the rationale and need for economic integration. [10 marks]
- (b) Explain the benefits of international growth strategy to Kenyan entrepreneurs and small business owners. [10 marks]

**Question Three**

A small business firm in fruit and processing as approached you for advice on its broad growth strategy of selling its products to the Middle East countries. Explain the different modes of foreign market entry available to the firm. [20 marks]

**Question Four**

- (a) Marketing firms seldom have enough resources to take advantage of all international market opportunities, and must therefore carefully choose how to commit their human, technical and financial resources. Discuss the factors that a firm should consider when choosing a country for its marketing activities. [10 marks]
  - (b) Discuss the role of the ministry of industrialization in facilitating and promoting international business in Kenya. [10 marks]
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