PAN AFRICA CHRISTIAN UNIVERSITY

(BACHELOR OF BUSINESS INFORMATION TECHNOLOGY)

END OF TERM EXAMINATION

DEPARTMENT:	**COMPUTING & INFORMATION TECHNOLOGY**
COURSE CODE:	**BIT408|BCM401|BUS3133**
CAMPUS:	**ROYSAMBU**
COURSE TITLE:	**STRATEGIC MANAGEMENT**
EXAM DATE:	**6th AUGUST 2024**

INSTRUCTIONS

- This exam script has **TWO (2)** sections.
- Read all questions carefully before attempting.
- Answer All questions in Section **A** and any other THREE questions in Section **B.**
- None programmable calculators permitted
- Calculators on phones, tablets and computers are NOT permitted in Theory Papers

SECTION A
(Answer ALL questions in this section)

QUESTION 1

Read the case below and answer the following:
ADIDAS GROUP

Adidas was founded in the early 1920s and is now recognized as one of the most famous global manufacturers of sports products. Adidas is developing its products to serve customers' needs at best possible level. Adidas works on its products by incorporating new fashion trends and technology and making them more sport-specific.

The Marketing Mix of Adidas include **Product:** This product that Adidas markets under its various labels, such as energy boost, running, football training, tropical heat wear, etc. **Place:** This is a place where these products primarily sell out depending upon the developed region. **Price:** Adidas is aggressive in promoting prices to enjoy a competitive position. In this area, Adidas believes the price will be dictated by the market's demand, not its shortages or excesses. In 1964 when Adidas began pricing shoes at $12 vs. Nike at $15, Shoe sales went down, but once set price, they stayed the same, becoming more attractive to prospective buyers versus new entrants with their much lower prices. **Promotion:** This refers to the strategies of Adidas for attracting consumers to purchase its products, whether it is competition, direct marketing campaigns, or social media messaging and advertising.

The corporate level strategy of Adidas focuses on innovation, trying to produce new products, services, and processes to cope with the competition. The group's multi-brand portfolio gives them an important competitive advantage. They implemented a multi-brand strategy by having a diverse brand portfolio, allowing them to cater to all market segments, from players to almost everyone.

The past year has witnessed the growing popularity of Instagram Reels with millennials and Gen-Z audiences. Thus, harnessing the popularity & impact of Instagram Reels was the approach to creating visually appealing and stirring content that drove product heat and led the campaign story #OpenForum.

Sources: Adidas company website: https://www.adidas.com/ and investor relations site /financial-reports

a) As a strategic consultant you have been appointed to help the company carry out a SWOT analysis. Discuss two factors under each area of the analysis. **(8 Marks)**

b) Describe the type of corporate strategy employed at Adidas**. (2 Marks)**

SECTION B

(Answer any THREE (3) questions in this section)

QUESTION 2

a) Using organizational examples, describe FOUR activities that makes a CEO an effective strategic leader. **(4 Marks**)

b) Discuss THREE problems areas associated with the successful implementation of strategies. **(6 Marks)**

QUESTION 3

a) Using any restaurant/hotel business as examples, place them using Porters Generic strategies and justify your answer. **(6 Marks)**

b) Describe FOUR ways a hotel owner can create value in his/her business. **(4 Marks)**

QUESTION 4

You have landed your first job as a business development person at Vodafone.
Your first assignment consists in examining the attractiveness of developing a mobile payment system for the market of Kenya. In such a system, mobile phone users can make payments and transfer money through the use of their mobile phone.

Using Porter's five forces framework**,** evaluate the use of the model as a method for evaluating the intensity of competition for Vodafone, giving examples to support your answer. **(10 Marks)**

QUESTION 5

a) Suppose the Chancellor of your university decided to merge with or acquire another school.

i). Describe the type of strategy in the above situation. (**1 Marks**)

ii). Discuss THREE reasons why the university Chancellor would employ the above strategy. (**6 Marks**)

b) Explain THREE ways how competitive benchmarking is used in strategic control.

(**3 Marks**)

QUESTION 6

a) Explain how changes in economic variables affect the following industries:

i). Automobile industry (**2 Marks**)

ii). Home construction industry (**2 Marks**)

iii). Auto repair industry (**2 Marks**)

b) Discuss the various sources of information for competitor analysis. (**4 Marks**)

End of Exam