

LAIKIPIA



UNIVERSITY

UNIVERSITY EXAMINATIONS

2ND SEMESTER 2023/2024 ACADEMIC YEAR

EXAMINATION FOR MASTERS OF BUSINESS ADMINISTRATION

MBAD 791: ADVANCED STRATEGIC MANAGEMENT

STREAM: MBA

TIME: 3 HRS

DAY: TUESDAY [9.00-12.00 NOON]

DATE: 26/03/2024

THIS QUESTION PAPER CONSISTS OF THREE (3) PAGES

PLEASE DO NOT OPEN UNTIL THE INVIGILATOR SAYS SO.



INSTRUCTION: Answer Question One and any other THREE questions**Question ONE (Compulsory): Case study: Airtel - Positioning (And Repositioning): From 'Touch Tomorrow' to 'Live Every Moment'**

In late-2002, Bharti Cellular Ltd. (Bharti), India's largest cellular telephone company released a television commercial (TVC), which despite using the 'oft-repeated' celebrity endorsement route was unusual in terms of its celebrity selection. Instead of using the usual movie stars/sports celebrities, it chose one of the country's most successful music composers, A.R Rahman (Rahman) to promote its brand. The campaign attracted considerable media attention because this was the first time Rahman had agreed to do a television commercial and also because, Rahman had been paid Rs 10 million for the campaign, a sum usually unheard of, for celebrity endorsers in India. The campaign received brickbats as well as bouquets in the media, both for the selection of Rahman and the TVC's execution. However, Bharti claimed to have scored an ace in terms of getting Rahman to compose five exclusive symphonies downloadable as ring tones for Airtel users. The TVC was a part of the brand repositioning and restructuring efforts for Airtel, as part of which, Bharti changed the brand's tagline in early-2002 from 'Touch Tomorrow' to 'Live Every Moment.' The company also decided to undertake a comprehensive brand building program for the company and chose the slogan 'Unlimited Freedom' for the same. Commenting on these changes, company sources said, "Airtel's brand identity and campaign will now have a new younger and international look and feel that builds on the earlier positioning." Bharti's massive media expenditure plans were no surprise, considering the fact that it was the largest cellular telecom company in the country - reaching over 600 million people in 16 (out of 29) states of India. The company posted revenues of Rs 8.48 billion and a net loss of Rs 1 billion in the financial year 2000-01. The Airtel brand (and the pre-paid card service brand, Magic) had top-of-the-mind recall amongst cellular phone users and enjoyed a leadership position in most markets. Industry observers primarily attributed it to Bharti's strong brand building and positioning strategies.

- Explain the strategies that were used in the repositioning campaign by Airtel Bharti **(6mks)**
- Was the brand repositioning strategy was successful? Explain **(5mks)**
- How would you to evaluate success of the (re) positioning campaign? **(4mks)**

Question TWO

- While tracing the evolution of strategic management from the 1800s to the present, examine the main contributions of each era **(8mks)**
- Explain the structural and governance elements in the Cascade model as a framework for strategic planning. **(7mks)**

Question THREE

- Critically analyze any four of Henry Mintzberg's schools of thought towards strategy formulation. **(8mks)**



- b) It is important that all firmed resources are checked for sustained competitive advantage.
Explain using the VIRO framework. **(7mks)**

Question FOUR

- a) The theory of constraints (TOC) framework provides an important mechanism for effective strategy implementation. Discuss **(8mks)**
- b) Cut-throat competition can turn the ocean bloody red, the alternative is to move to unchartered blue waters. Explain **(7mks)**

Question FIVE

Many public organizations in Kenya develop well laid out strategic plans, policies and programmes. However, it has been reported that effective implementation of such strategic plans remains an issue of concern. In your view, what are the major challenges/barriers towards successful strategic implementation? Use relevant examples to support your answer.

(15mks)

