



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE & TECHNOLOGY  
SCHOOL OF BUSINESS AND ECONOMICS  
MAIN CAMPUS**

**UNIVERSITY EXAMINATION 2018**

**3<sup>RD</sup> YEAR 1<sup>ST</sup> SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF INTERNATIONAL  
TOURISM MANAGEMENT**

**COURSE CODE: BTM 3313 NOVEMBER 2018**

**TITLE: STRATEGIC TOURISM MANAGEMENT**

**DURATION: 2 HOURS**

**INSTRUCTIONS:**

1. This paper contains FIVE (5) questions
2. Answer question ONE and any other TWO questions
3. Write all answers in the booklet provided

**QUESTION ONE**

Makotuoma Firm has been in hospitality business for the last 15 years. The Firm that started out with selling sausages, ham and cheese at one point was offering different 500 products with over 2000 employees. Due to over expansion, competitors on similar products and change of government, Makotuoma Firms made losses and the number of customers reduced tremendously. The shareholders decided to recruit new managers to streamline the operations since the current managers and some employees in their view had become complacent. The new management recognizing these issues slashed the number of products from 500 to 200 with more modern visual description and other features including less packaging and more recycled content, a number of staff were laid off, the Firm also overhauled their website, making it cheaper to shop online and easier to respond to customers concerns. All these streamlining resulted in price reduction of 15 % and Makotuoma Firm was able to pass it to their customers. Brand strategist **Judi Poa** believes that this was a smart move, making the most of Makotuoma Firm trusted brand.

- a) Identify and explain any three strategic issues in Makotuoma Firm (6 marks)
- b) Evaluate how Makotuoma Firm used the turnaround strategy to get back to profitability (6 marks)
- c) Explain how Makotuoma Firm could address the influence of political factors on the business (8 marks)
- d) Discuss the importance of strategic management to tourism firms (10 marks)

**(30 marks)**

## QUESTION TWO

- a) Using relevant example describe the process involved in strategic formulation (8 marks)
- b) Discuss how Michael Porter's five forces model can be used to influence performance of tourism firms (12 marks)

**(20 marks)**

## QUESTION THREE

- a) Discuss the threats posed by globalization to the local tourism business (10 marks)
- b) Discuss the characteristics of stakeholder theory in tourism organizations (10 marks)

**(20 marks)**

## QUESTION FOUR

- a) Describe the stages involved in the analysis of tourist in a destination (10 marks)
- b) Analyze various ways by which a leader can enhance appropriate organizational culture (10 marks)

**(20 marks)**

## QUESTION FIVE

- a) Describe the stages involved in strategic evaluation and their relevance to in strategic tourism management (12 marks)
- b) Analyze measures that an organization may take in order to address resistance to change in a tourism firm (8 marks)

**(20 marks)**