

### **Case 15: Foreign Direct Investment in Developing Economies**

**Scenario:** BeverageCo, a U.S.-based food and beverage company, is considering direct investment in Nigeria to expand its African market presence but is unsure about market potential and local challenges.

#### **Analysis Focus:**

*Conduct a market analysis for Nigeria's beverage industry.*

*Identify challenges in operating in the Nigerian market.*

*Recommend an FDI strategy aligned with BeverageCo's goals.*

#### **Guidelines:**

*Analyze the political, economic, and cultural environment of Nigeria.*

*Compare different FDI entry modes (e.g., joint venture vs. wholly-owned subsidiary).*

*Develop a comprehensive market entry plan.*