**EXPORT DEVELOPMENT PLAN FOR BUDWEISER IN KENYA**

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# Introduction

Export development programmes target starting a business all over the world or starting a business with the company and it is a process of developing companies to sell or to buy good service capabilities to the market. It identifies potential markets and distribution to companies all over the world. This report is going to introduce an alcoholic beverage business in a new country through an export process. The UK-based company, ***Budweiser*** is a big company with its name and with its brand with its many opportunities all over the world. ***Budweiser*** is a famous brand of alcohol and it is a famous beer producer all over in the UK. ***Budweiser*** is an esteemed name in the market; it will help to deal with other countries to grow more.

# Business and Industry/Market Environment Analysis

**SWOT Analysis**

| **Strengths**   * Strong brand reputation (statista.com, 2023) * Produce and marketing for continuous innovation * Chain management supply and distribution network supply * Strong financial revenue growth | **Weaknesses**   * Sometimes, an occasional product recall is a common problem facing every company. * Limited availability in ongoing markets create sometimes a big problem |
| --- | --- |
| **Opportunities**   * If this company tries up with other respected companies then it might be profitable in the future. * Online channels can help products grow. * New products launch in the market (Dingwall, 2021) | **Threats**   * Companies might face challenges to introduce new products in a new country's market. * High competition in the global market because there will be other companies available in the market. * There will be a challenge to maintain the quality of the world's tax process and policy. |

**Table 1: SWOT analysis**

(Source: self-created)

Business development can be used for strengths, weaknesses, opportunities, and sometimes threats. The famous UK-based company named Budweiser, and very popular and famous almost all over the world for its strong marketing strategy, strong reputation and famous for it is all over globally famous. Budweiser is famous for its brand with many opportunities all over the world. It's a famous beer brand all over the world. Budweiser is planning to expand its business in Kenya. There are so many opportunities to grow in the country, Kenya, deals with this company. It will be profitable in the future. Budweiser company has a strong reputation and importantly a strong financial market all over the world. Supply chain management and distribution networks are two powerful things in our company.

Strong brand reputation and revenue growth is the most important thing in a strong performance and revenue growth. If the country Kenya business deals with Budweiser company it will definitely be profitable. Continuous innovation for produce and marketing can help to grow more. Supply chain management and distribution supply these two are the most important pillars in our company for growth. The product Budweiser beer is very good in its tastes so it's a popular brand all over the world, and its financial revenue growth increased day by day. If the country introduced and deal with its company it would definitely increase the financial market growth. The ***Budweiser*** company itself is a famous company so the company must have strong marketing strategies and opportunities in the market. The famous Budweiser beer company has lots of opportunities to grow in ideas and more attractive drinking products and many more because our marketing strategy is very strong. Nowadays online channels are helpful to introduce and launch new products in the market. Kenya is relatively weak in the alcohol industry, so if the UK exports hard drink products like beer and whiskey, its market revenue is more profitable. In addition, social media helps to launch new marketing products in the market. Sometimes creating occasional product recalls is a common problem facing every company. The company sometimes faces Limited availability in ongoing markets create sometimes big problems, and sometimes faces quality issues. Companies might face challenges to introduce new products in a new country's market, however, the company is a very well-known and very famous company all over the world, and it cannot face quality issues. Budweiser faces high competition in the global market because there will be other companies like Tuborg, kingfisher and many other companies available in the market. Global tax is one of the main threats towards the world which companies might face.

**Porter’s 5 Forces Analysis**

| **Forces** | **Analysis** |
| --- | --- |
| ***Competitive Rivalry*** | The competitive rivalry for the alcoholic beverage industry in Kenya is comparatively low with the growing demand in the country. The nightlife atmosphere in the country increases the requirement for alcoholic products in a respective manner (Anno & Pjero, 2021). The alcoholic beverage industry in Kenya sufferers from its lack of consciousness towards the quality and standard of alcoholic brands. It can be favourable for the Budweiser company to grow its market in the industry of Kenya with the growing demand for premium beers in the country. On the other hand, the limitation for foreign brands in the country causes it to get a comparatively low competitive rivalry market for the alcoholic beverage industry. |
| ***Bargaining Power of the Suppliers*** | The bargaining power of the suppliers of the alcoholic beverage industry in Kenya is comparatively high with the limitation in the market of foreign premium beers. Kenya has a limited number of suppliers for foreign premium beer brands which affects their bargaining power (Cho et al., 2019). Being in a less competitive market for foreign brands, the suppliers in Kenya gets the opportunity to demand their respective requirements from the market. The high bargaining power of the suppliers can play a favourable role in the exportation of Budweiser premium beers in Kenya with its limited stock of premium foreign brands. |
| ***Bargaining Power of the Buyers*** | The bargaining power of the buyers for the alcoholic beverage industry in Kenya is comparatively low as the market has limited availability for premium foreign beer brands. Kenya is very popular for its nightlife atmosphere and it increases the demand for alcoholic beverages in the country (Prasad et al., 2019). The market can be a favourable market for Budweiser beer exportation as there is high demand for premium beers in the market with the low supply of products. Kenya's alcoholic beverage market gives its buyers fewer options for the premium brands of beers which affects its market on the growth level. Limited availability for premium beer brands in the market causes its buyers in Kenya to have comparatively low bargaining power over the products. |
| ***The Threat of Substitute Products*** | The threat of substitute products for premium beer brands in the alcoholic beverage industry in Kenya is comparatively low as the market presents a limited stock of foreign brands to its customer. Premium brands are known for their reputation in the market and high quality (Wen & Zhu, 2019). The alcoholic beverage market in Kenya is strongly affected by its low-quality products and the limitation of the stock. These significant aspects create a high demand for high-quality premium brands in the market in Kenya. Being a high-quality brand with a highly effective reputation in the market, it will be very convenient for the Budweiser brand to sustain itself in the alcoholic beverage market in Kenya with a high surplus. |
| ***The threat of New Entrants*** | The threat of new entrants in the alcoholic beverage industry in Kenya is comparatively high as it can be a target market for foreign premium beer brands with its high demand in the market. Kenya’s alcoholic market provides its customers with a lot of different brands in terms of beers, whiskeys, wines and others (Isabelle et al., 2020). However, the market has limited options for foreign brands in the option of premium beer. The market can be favourable for different brands to flourish in the market as it has fewer competitors and high demand for premium brands of beers. Thus, the threat of new entrants is comparatively high for the existing brands in the market. However, the Budweiser brand can sustain itself in the market with its high-quality products and market value and exportation in Kenya can be favourable for the brand. |

**Table 2: Porter's five forces**

(Source: self-created)

# Market Segmentation and Distribution Channel Analysis

Market segmentation is a ProCharger market into a smaller one, whom they are marketing and how and where are the market. Understanding the unique need of each and every product of business can grow their marketing strategies, and on the other hand distribution channel analysis where or which products will be services to the customer, such as online media channels, posters, marketplaces etc. distribution channel analysis and market segmentations both helps to grow the business or growth of a new marketing strategy.

The market segmentation process is who and where wants to market, and where wants to establish the products. Kenya is a country where people can sell or buy beer comparatively less. Moreover, if the company sells there it will be profitable, however, at first it should decide on our product for whom and who wants to buy our products. As beer is a product which attracts the younger generation, especially youth. So the marketing strategy is a product for youth because the product market continues innovation and distribution management supply across the world. Kenya is One of the hottest countries in the world by its weather condition and climate, beer is a drink which most people drink in summer condition, so considering this fact if introducing a well-known and tasty beer like Budweiser there, it will be profitable for our marketing strategy. One of the biggest reasons to grow the market in the beer industry globally is that beer is very low in price, and its cost is very low compared to any other hard drinks available in the market, which will definitely attract people and will develop strong financial revenue growth. Build relationships with the business channels whether they are selling through the markets or in the retail stores, it is important to build strong relationships with distribution channels to ensure they promote and sell the products effectively. There are several segments in the market, including geographical, psychological, and behavioural. Distribution channel analysis is a process where a different channel distributes its products. In this context, the plan may be the key information, such as market research data, and competitor analysis. This can lead to misunderstandings and missteps.

***Distribution Channel***

Distribution channel refers to the roadmap through which a product delivers from the producer to the consumer of the product. It can be done in four stages that include retailers, wholesalers, the internet and distributors (De Ridder et al., 2022). The alcoholic beverage industry follows different levels in completing every procedure of the distribution channel. The Budweiser company in the United Kingdom has to go through multiple important stages to follow the distribution channel effectively. The first step goes through the wholesaler of the product who plays an important role in distributing the products to its relevant retailers. The Budweiser Company has to focus on the laws of the wholesale market of Kenya in order to propose successful exportation of the product. Kenya has a huge alcoholic beverage market with huge demand for different kinds of alcohol that include beers, whiskeys, wines and premium drinks. Its nightlife atmosphere can create a relevant wholesale market for the Budweiser brand with the increasing demand for premium brands in the country. The relevant wholesale market helps the product to deliver to respective retailers in completing the respective distribution channel.

The second step of the distribution channel comes with the retailers who receive the product from the relevant wholesalers to deliver them to respective distributors. The relevant retailers can help the product to deliver to its proper retailers in order to reach its potential customers. The Budweiser Company should have an effective communication system with the retailers in Kenya to have an effective exportation plan for its product. The third step of the distribution network comes with the roles of distributors. Distributors are the final step of the product that eventually delivers the product to its relevant customers. Kenya has a huge distribution market of premium alcoholic products due to its huge demand and low availability in the market (Wang et al., 2018). The Budweiser Company should have effective communication with the distributors to have its sustainability in the huge market of Kenya. The final step of the distribution network is its customer as customers are the main examiner of the product. The final step of the distribution network depends on the effectiveness of the previous three steps to have a successful completion of the process. Moreover, The exportation process in different countries comes with different laws which can create limitations to its distribution process. Thus the Budweiser Company should analyse and follow the relevant laws to have an effective distribution network for its exportation process in Kenya.

# Practical, technical and technological considerations

***Means of finance***

When starting a business have great financial support to start a business. GDP is one of the most significant factors for its decrease in a resource-export developing economy (Kurmanov, 2020).

***Logistics***

Exporters need to have a trustworthy reliable transporter to start a business or to deliver timely their orders in a sweet manner. This includes choosing the right transport like, car, land etc. Remember how much money will need to start and run a business. Need to secure may need to secure the logistics part very transporting way.

***Terms of trade***

The type of trade or what type of product a company launches in the market depends on the place, the marketing strategy and most importantly what terms of trade or product the company buys or sells in the other country.

***Process and procedure***

Want to produce a marketing brand like Budweiser in Kenya, It will be profitable because of their weather condition and climate is very hot. The procedure to start a business in Kenya, first one should choose the category of people whom the people are the primary business audiences. To get successful in the business building a great relationship with the local people, leaders and suppliers, can be key to success for its new business.

***Documentation***

When one is starting or launching a new business in a new country, the documentation process is very important to start a business. If the business is not affiliated with a proper licence to start a business in a different country, it will be a great problem.

***Transportation and shipment***

In order to support a new business a company needs proper transportation facilities and shipment process.

***Risk and Insurance***

When a business is start in every place or anywhere, there will be so much risk. However, if anyone is eager to start a business, they will have to face the business. To start a business, in a country like Kenya, as it has generally warm weather, it will be profitable for its beer market, and it will always have an insurance policy. It's also development or its margin strategy to get the formulation.

***Support and advice***

When a business is starting, the owner and other internal stakeholders need financial or monitor support along with advice from the big companies in the context of the business.

# Recommendations

The alcoholic beverage market in Kenya has a huge demand for alcoholic products due to its vibrant nightlife. The increasing demand can play an effective role in the exportation plan of the Budweiser Company as it has a high reputation in the market. The quality of the Budweiser Company can also be favourable for the product to achieve sustainability in the market. However, the exportation process comes with a lot of difficulties and limitations in completing the process. The Budweiser Company is recommended to focus on the respective challenges to have an effective plan for the exportation of the product. Firstly, the company is recommended to focus on the laws related to the exportation business in Kenya to avoid difficulties in the process. Again, the Budweiser Company should have effective communication with the management in the country to have better support in different aspects of the distribution channel. The quality of the products has been the main reason behind the downfall of the alcoholic beverage market in Kenya. Thus, the Budweiser Company is recommended to focus on the high quality of its products to gain its reputation in the market in Kenya.

# Conclusion

In conclusion, coming to the state that the shipment company Starting a new business in a new country can be challenging, however, with careful planning and research, it is possible to be successful with hard work and the techniques the process the company considers working with a local business consultant or mentor to help guide through the process, however with care for every planning, research for the business work, and performances, it can also be unusually productive. Kenya is a country that has a large population of low-income people, and businesses which are at affordable prices will be successful in Kenya. This be keen on a deep understanding of the local market and competition, as well as Don't be afraid to ask for help when the business needs it and be prepared to adapt to the unique challenges and opportunities of doing business in a new business development or a new business format.

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