THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

An Assessment on Strategic Factors Determining Foreign Firm Market Entry in the Telecommunication Industry in Rwanda: A Case of Airtel Rwanda

Yvonne Ntawiha
Student, Jomo Kenyatta University of Agriculture and Technology, Kigali, Rwanda
Dr. Warren Julius Kule
Lecturer, Jomo Kenyatta University of Agriculture and Technology, Juja, Kenya
Dr. Mbera Zenon
Lecturer, Jomo Kenyatta University of Agriculture and Technology, Kigali, Rwanda

Abstract:
This study sought to assess strategic factors that determine foreign firm market entry in the telecommunication industry in Rwanda. To achieve this, four objectives were formulated. To evaluate the influence of centralization of decision-making in choosing appropriate foreign firm market entry, to examine the influence of the firm size in selecting foreign market entry, to analyze the influence of organization culture in choosing foreign market entry and to determine the influence of international experience in selecting foreign market entry. Primary data were collected using structured questionnaire. A sample size of 54 respondents was used. A simple random sampling technique was used because each member of the population had an equal chance of being included in the sample. The target population was 120. Data collected was analyzed through SPSS version 21. The study revealed that Airtel used more than one entry strategy to venture into business to probably enhance market entry. The study concludes that organization characteristics had positive and significant relationship with market entry where centralization of decision making lead Airtel with 26.9%, size of the firm lead Airtel with 33.2%, organization culture lead with 20.1% while international experience lead Airtel with 23.3. The study recommended that telecommunication companies should carry out research on the entry strategies before venturing into international market to ensure they use the appropriate entry strategy to enhance the organization performance. The study also recommends that the management should evaluate the factors to consider when choosing an entry strategy thoroughly so as to make sure they know the market very well and that the management must evaluate the factors influencing the choice of market entry modes. This is to ensure that they choose the best market entry strategy.

Keywords: *Foreign market entry, telecommunication industry, international market*

1. Introduction

Today's business environment is dynamic, complex and continually changing (Brown., 2007). The increasing globalization of business, the changing face of global political landscape, increased diffusion of political boundaries and the changing forms of governance structures for international firms motivated by innovations in the information technology necessities the need to focus on how international business firms undertake their business activities abroad (Sarkar & Cavusgil, 1996).

Businesses decide to venture into foreign market for various reasons such as learning in lead markets. In some situations, a company might undertake a foreign market entry not for solely financial reasons, but to learn competitive attack or defense or as a reaction to a competitor's move. The most common scenario is market entry as a follower move, when a company enters the market simply because a major competitor has done so. The different motives that lead to enter into foreign market have a common denominator which is that they can all lead to increased profit in the long run. Many MNC's are now entering an international market in order to attack potential competitors and thus prevent them from expanding their operations overseas. Doing successful business through attaining profit in the foreign market is the goal for all firms entering a foreign market. The classical theories of growth by Penrose (1959) argue that there are more economic reasons for firms entering into foreign markets such internalization gains and profit opportunities.

The so-called "Uppsala internationalization theory" is taking a stepwise approach, which postulates that the firm enters foreign markets gradually through learning and commitment processes (Johanson & Vahlne, 1977).

The telecommunications industry is one of the best performing industries in the world (Chartered Techno-functional Institute, 2012). This industry plays role not only in economics activates but also has considerable impact and influence on social stability, and national

security (Lin C. H, 2008). This dynamic telecom industry has offered a lot of growth opportunities. It has been observed that previously booming telecom markets in Europe and North America are on the way to saturation. As a result, western telecom companies have been looking for new markets in Asia, Africa and South America, (Levi, 2006). Mobile telecommunication in most developed countries has reached a saturated stage which makes it highly competitive for the big companies in the industry. Many of these big companies are now looking forward to the developing nations where the industry is still at its growing stage, (Anyala, 2009).
Africa as a continent is one of those places where mobile telecommunication is still at its growing stage. There are growing opportunities in the industry which can be evidence in the amount of FDI of some international companies into the continent (Anyala, 2009)
Rwanda is amongst the few African countries that developed an integrated ICT policy in the late 1990s with a clear vision of making ICTs a critical part of its socio-economic development plan. The hope was that the country would move from an agricultural-based economy to a knowledge-based economy through the development of competitive service-based industries. To reach this end, Rwanda sought to dominate what at the time seemed a niche market in the region by becoming a telecommunications hub in partnership with the private sector, (Argent & Pogaresky, 2011).
Rwanda's history of mobile telecommunication companies was pioneered by MTN Rwanda cell after Rwandatel (Ishimwe, 2012). Airtel Rwanda Ltd is the fourth mobile communication after Rwandatel, MTN Rwanda cell and Tigo. Airtel Rwanda comes from Bharti Airtel (Indian owned), secured a license to provide 2G and 3G cellular services.
Rwanda's industry sectors are still in a nascent stage, when compared to the rest of the world. Shortage of raw materials and 90% of the population being involved in agriculture in rural areas has impacted the growth of industry severely in the nation. Given that imports are far higher than exports, the fact that the Government of Rwanda is eager to take steps to create a lasting infrastructure is a very good sign for foreign investors. The government embarked on a policy that aimed to increase connectivity as a spur to development. This meant that the sole state-owned telecommunication company at the time, Rwandatel, would be treated differently by setting up an independent regulatory body known as the Rwanda Utilities Regulatory Agency (RURA), and altering the ICT market structure. In sum Rwanda promotes easy market entry, fair competition and support a market driven industry in the regulated utilities (Kagabo, 2010).

2. Statement of the Problem

Most companies need to enter foreign markets to stay competitive. There are several other reasons for going international: stagnating home market, faster growth in foreign market, following domestic competitors, countering foreign competitors' entry on their home market, etc. Whatever the reason for international business, the basic purpose of doing business in the international market is the potential profits to be made (Root, 1994). Thomson, et al., (2005) stated that when a company considers expanding its business activities to foreign markets, there are three questions that need to be answered: 1. Who are we? 2. Where do we want to go? 3. How will we go there? Srivastava,(2011) states that the mode of entry depends on firm specific variables which include: the motive factors such as strategic motives, the company size; management risk attitude and experience in using individual Multinational Corporations that influence foreign market entry. He further says that most of the problem firm encounters stem from lack of proper understanding of environment of host country, various agencies distributors and collaborators associated with international business and inadequate consideration of all the relevant issues including strengths and weaknesses of different modes of foreign market entry. According to Root, (1994) a company has to count on both present and future potential of the new market before making a decision of which market they want to enter.
According to Rwanda Utilities Regulatory Authority in their report; "Statistics and Tariff Information in Telecom Sector as of March 2015", Rwanda Mobile telephone subscriptions as of March 2015 were 7,913,986 up from 7,747,019 subscribers in the 4th quarter 2014. Different types of strategies have been adopted by the various telecommunication companies in Rwanda in order to be increase their subscriber bases, competitiveness and profitability. All these strategies are directed to attract, retain and maintain customers for continuous profitability. However, majority of them hardly measure the impact of the strategy adopted on their existing customers, new customers and effect on the mobile penetration. When Airtel was entering into Rwanda market Tigo and MTN existed hence a challenge to get subscribers to venture into the market. Therefore, the success of a firm in foreign market is reached when considering all forces that can complicate the entry and hurt the firm in question. This study, therefore, sought to assess the strategic factors influencing foreign firm market entry and the challenges faced by Airtel Rwanda Ltd in implementing these strategies.

3. Research Objectives

i. To evaluate the influence of Centralization to decision making in choosing appropriate foreign firm market entry.
ii. To examine the influence of firm size in selecting foreign market entry.
iii. To analyze the influence of organization culture in choosing foreign market entry.
iv. To determine the influence of international experience in selecting foreign market entry.

4. Literature Review

Theories relevant to the study were reviewed which included; Institutional Theory, New Trade Theory, Transaction Cost Theory, Transaction Cost Theory and Resource-Based View Literature related to the study is also reviewed with the aim of identifying literature gaps. The literature reviews also guided the relevance of the study findings.

4.1. Conceptual Framework

The theoretical framework is based out of the concept of grounded theory, which means that the information is sorted into independent variable which are strategic factors such as Cost reduction motive factor, Company size, Management risk attitude, Experience in using individual Multinational Corporation (MNC), while the dependent variables are the foreign market entry such as Exporting, Licensing, Joint venture, Foreign Direct Investment (FDI).

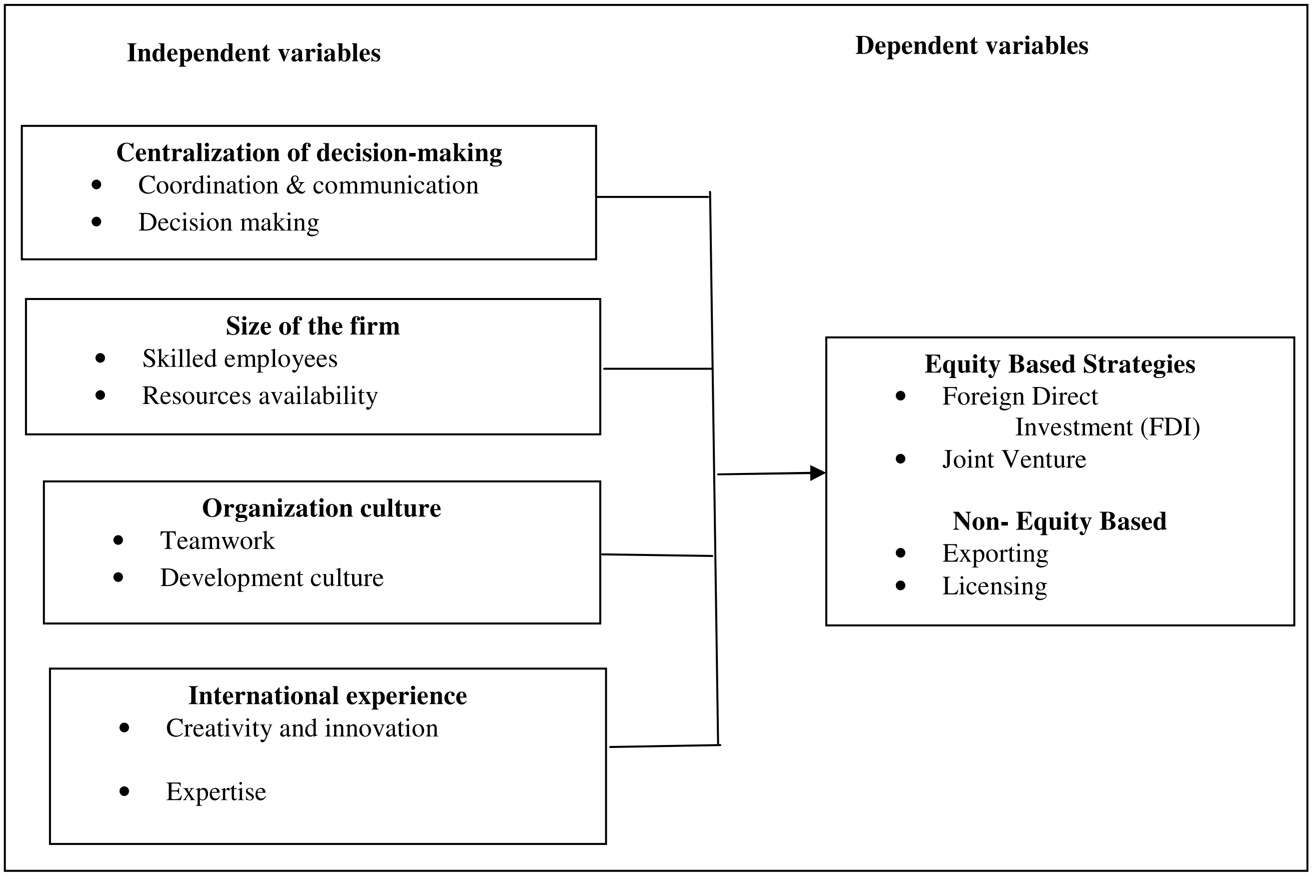

Figure 1: Conceptual framework
Source: Researcher 2016

5. Research Design

This study adopted descriptive research design. A descriptive study is a study concerned with describing the characteristics of a particular individual or of a group (Kothari, 2004). The study sought to assess strategic factors determining foreign firms' market entry in the telecommunication industry in Rwanda. It adopted a case study survey. A case study involves careful and complete observation and analysis of the unit, its relationships to any other unit in the group (Kothari, 2004:67). A survey design is associated with a guided and quick collection, analysis and interpretation of observation (Mugenda & Mugenda, 1999).

6. Target Population

Cherotich, (2012) defines population as entire group of individuals, events or objects having common observable characteristics. In the context of this study, the researcher targeted the mangers of corporate service, customer operation department, Marketing department, Business Risk department, Distribution center department, Legal affairs department and ICT department.

The target population of the study composed of all the managerial employees in the 6 department of Airtel Rwanda Ltd. The target population was 120 people of them in the 6 departments of Airtel Rwanda. This was taken as the target population of the study.

7. Sample Size and Sampling Procedure

A simple random sampling technique was used because each member of the population would have an equal chance of being included in the sample. The data was analyzed using quantitative techniques particularly descriptive statistics and the presentation of this data was in frequency distribution and was converted in percentages. Sampling technique, according to Ibrahim (2012) a simple random sample of size n consists of n individuals from the population chosen in such a way that every set of n individuals has an equal chance to be the sample actually selected.

According to Kothari (2000:45), a stratified random sampling is used where the population embraces a number of distinct categories; the frame can be organized by these categories into separate" strata."Each stratum was then sampled as an independent sub-population, out of which individual elements can be randomly selected. Since the study population was small, 90% of the population was considered to select a sample size of 54 respondents using slovin's formula. Where n is the sample size, N is the population size, and e is level of precision.

$$n = \frac{N}{1 + N\,(e)^2}$$

Level of confidence 90% and probability is p= 0.1
Where n = the desired sample size
e= probability of error (i.e., the desired precision, e.g., 0.1for 90% confidence level
N= the estimate of the population size.

$$n = \frac{120}{1 + 120\,(0.1)^2} = 54$$

Strata	Target Population	Target Sample size	Sample Percentage
Top managers	12	5	10
Middle level managers	60	27	50
Supervisors	48	22	40
Total	**120**	**54**	**100**

Table 1: Sample frame

8. Data Analysis Technique

Data Analysis is the processing of data to make meaningful information (Sounders. *et al*, 2009). After data have been collected through questionnaires, it will be prepared in readiness for analysis by editing, handling blank responses, coding, categorizing and keying into Statistical Package for Social Sciences (SPSS) computer software for analysis.

A multivariate regression model was used to link the independent variables to the dependent variable as follows; y = ß0+ ß1X1 + ß2X2 + ß3X3+ ß4 X4 + ß5 X5 +ẹ
Y= Market entry
X1= Centralization of decision making
X2= Size of firm
X3=Organizational Culture
X4=International Experience
e=error term

Factor analysis of the individual factors (Centralization of decision making, size of the firm, organization culture and international experience). Independent t-tests and/or simple analysis of variance (ANOVA) were used to look for significant differences. SPSS (Statistical Package for Social Sciences) software program was used for in-depth data analyses. Analyzed data was then presented using tables, pie charts, percentages and text for ease of understanding and interpretations of the strategic factors determining foreign firms' market entry in the telecommunication industry in Rwanda.

9. Research Findings and Discussion

9.1. Centralization of Decision Making on Market Entry

The study sought to find out the influence of centralization of decision making on entry in telecommunication companies in Rwanda.

Statement	Strongly disagree	Disagree	Not sure	Agree	Strongly agree	Liker t Mean
Coordination and communication problems impede company in the market entry.	2.2%	8.7%	6.5%	28.3%	54.3%	4.24
Decision-making problems impede company in the market entry.	2.2%	17.4%	6.5%	41.3%	32.6%	3.85
Average	3.6%	11.6%	8.0%	31.9%	44.9%	3.85

Table 2: Respondents Views on Centralization of decision making on Market entry

The findings show in table 2 that 54.3% of the respondents strongly that coordination and communication problems impede company entry while 28.3% agreed. Thirty-two point six (32.6. %) of the respondents strongly agreed that decision-making problems impede company market entry while and 41.3% agreed. The mean score for responses in this section was 3.85 which indicate that majority of the respondents agreed that Centralization of decision making was a key determinant of entry in the telecommunication companies in Rwanda

9.2. Relationship between Size of Firm and Market Entry

The study sought to find out the influence of firm size on entry of telecommunication companies in Rwanda.

Statement	**Strongly disagree**	**Disagree**	**Not sure**	**Agree**	**Strongly agree**	**Liker t Mean**
My organization believes That having skilled employees provide favorable market entry.	6.5%	8.7%	10.9%	26.1%	47.8%	4
Coordination and communication problems impede company entry when the number of directors Increases.	2.2%	8.7%	6.5%	28.3%	54.3%	4.24
Resource problems impede company Entry in the foreign market.	2.2%	17.4%	6.5%	41.3%	32.6%	3.85
Average	3.6%	11.6%	8.0%	31.9%	44.9%	4.03

Table 3: Respondents Views about the Size of Firm on Market entry

Table 3 shows that 47.8% of the respondents strongly agreed that their organization believes that having skilled employee provides more favorable and 26.1% agreed while 6.5% strongly disagreed. Fifty-four point three (54.3 %) of the respondents strongly agreed that coordination and communication problems impede company market entry while 28.3 % of the respondentsagreed. Thirty-two point six percent (32.6%) of the respondents strongly agreed that resource problems impede company market entry while 41.3 % of the respondents agreed. The mean score for responses in this section was 4.03 which indicate that majority of the respondents agreed that size of the firm was a key determinant of entry in telecommunication companies in Rwanda. The findings concur with those of White (2011) who suggested that larger retailers, with greater financial resources, are more likely to use acquisition as a mode of entry, whereas small retailers will evaluate the relative benefits of franchising, concessions, distributors and agents. The study findings further agree with those in (Caves *et al*., 2013) who asserted that positive relationship between firm size and entry strategy is supported by the export literature which has found a strong association between firm size and high cost/high control entry strategies.

9.3. International Experience on Market Entry

The study sought to find out the effect of international experience on entry of telecommunication companies in Rwanda.

Statement	**Strongly disagree**	**Disagree**	**Not sure**	**Agree**	**agree Strongly**	**Likert Mean**
My organization normally does creativity and innovation programmes thus improved foreign market entry.	6.5%	13.0%	8.7%	32.6%	39.1%	3.85
My organization has expertise in international business hence improved market entry.	10.9%	10.9%	6.5%	26.1%	45.7%	3.85
Average	8.7%	12.0%	7.6%	29.4%	42.4%	3.85

Table 4: Respondents Views on International Experience on Market Entry

Results on Table 4. show that 39.7% of the respondents strongly agreed that their organization normally does creativity and innovation programmes thus improved foreign market entry while 32.6 % agreed. Forty-five point seven (45.7%) of the respondents strongly agreed that having enough experts improves market entry while 21.1% agreed. The mean score for responses in this section was 3.85 which indicate that majority of the respondents agreed that international experience was a key determinant of entry in telecommunication companies in Rwanda.

9.4. Organizational Culture on Market Entry

The study sought to establish the influence of organizational culture on entry in telecommunication companies in Rwanda.

Statement	Strongly disagree	Disagree	Not sure	Agree	Strongly agree	Likert Mean
My organizational culture support Team work	0.0%	6.5%	15.2%	23.9%	54.3%	4.26
Our company has deep understanding in the operational rule in our industry	0.0% 3.8	21.7%	13.0%	28.3%	37.0%	3.8
Our company has sufficient recognition on change trends and establishment plans for quick response	0.0%	21.7%	15.2%	30.4%	32.6%	3.74
Average	0.0%	16.6%	14.5%	27.5%	41.3%	3.93

Table 5: Respondents Views on Organizational Culture on market entry

Table 5 indicates that 54.3.2% of the respondents strongly agreed that their organizational culture support teamwork while 23.9% agreed. Thirty-seven percent (37%) of respondent strongly agreed that their company had deep understanding in the operational rule in their industry while 28.3% agreed. Thirty-two point six (32.6%) of respondents strongly agreed that their company had sufficient recognition on change trends and establishment plans for quick response while 30.4% agreed. The mean score for responses in this section was 3.93 which indicate that majority of the respondents agreed that organizational culture was a key determinant of entry in the telecommunication companies in Rwanda.

9.5. Non-Equity Based Strategy

The study sought to find out the non-equity based strategies that the companies use.

Statement	Response				
	5	4	3	2	1
My organization used licensing mode to venture into international marketing strategy.			17.4%	26.1%	56.5%
My organization used wholly owned subsidiaries mode to venture into international marketing strategy.	15.2%	6.5%	4.3%	30.4%	43.5%
My organization used exporting mode to venture into international marketing strategy.	10.9%	(10%)	4.3%	37.0%	47.8%

Table 6: Respondents views on Non-Equity Based Strategy

Table 6indicates that 56.5 % of the respondents strongly disagreed that their organization used licensing mode of international marketing strategy to venture into multinationals while 26.1 %.Forty-five point five percent (43.5%) agreed that their organization used wholly owned subsidiaries mode to venture into international marketing strategy while 43.4% disagreed. Forty-seven point eight disagreed that their organization used exporting mode of international marketing strategy to venture into multinationals. The mean score of responses for this section was 3.88 which indicate that majority of the respondents agreed with the statements regarding non-equity market based strategy of multinational firms in Rwanda. The findings imply that the telecommunication companies in Rwanda use several market entry strategies. The finding also implies that the telecommunication companies in Rwanda do not rely on only one market entry strategies since there are gains to be made and advantages to be exploited when using different market entry strategies.

9.6. Equity Based Strategy

The respondents were asked to indicate the equity based strategy used in their organizations.

Statement	Response				
	5	4	3	2	1
My organization used franchising mode to venture into international market.	2.2%		4.3%	56.5%	37.0%
My organization used Joint venture strategy to enter into international market.	13.0%	6.5%	4.3%	50.0%	26.1%
My organization used direct investment strategy to enter into international market	10.9%	15.2%	6.5%	30.4%	37.0%

Table 7: Respondents views on Equity based strategy

Results in Table 7 indicate that 37% of the respondents strongly disagreed that their organization used Franchising mode to venture into international marketing, while 56.5 % disagreed. Twenty-six point one percent (26.1%) that their organization used Joint Venture mode to enter into international market while 50 % agreed. Ten point nine percent (10.9 %) strongly agreed that their organization used direct Investment mode to venture into international market while 15.2% agreed. The findings imply that the telecommunication companies in Rwanda use several market entry strategies. The finding also implies that the telecommunication companies in Rwanda do not rely on only one market entry strategies since there are gains to be made and advantages to be exploited when using different market entry strategies.

10. Inferential Statistics

In order to establish the statistical significance of the independent variables on the dependent variable (performance) regression analysis was employed. The regression equation took the following form:

$Y = \alpha+\beta_1X_1+\beta_2X_2+\beta_3X_3+\beta_4X_4 + e$
Y= Market entry
X1= Centralization of decision making
X2= Size of firm
X3=Organizational Culture
X4=International Experience
e=error term
In the model *a* is the constant term while the coefficient ß1 to ß4 are used to measure the sensitivity of the dependent variable (Y) to unit change in the explanatory variable (X1, X2, X3 X4,), e is the error term which captures the unexplained variations in the model.
Table 8 shows that the coefficient of determination also called the R square is 67.4%. This means that the combined effect of the predictor variables (non-equity based strategy, equity based strategy, size of firm, international experience and organizational culture) explains 67.4% of the variations in performance of telecommunication companies in Rwanda. The correlation coefficient of 82.1% indicates that the combined effects of the predictor variables have a strong and positive correlation with performance of telecommunication companies in Rwanda.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.942[a]	.821	.674	.188860624
a. Predictors: Centralization of decision making, size of the firm, organization culture and international experience				

Table 8: Regression Model Fitness

Analysis of variance (ANOVA) on Table 8 shows that the combine effect of non-equity based strategy, equity based strategy, size of firm, international experience and organizational culture was statistically significant in explaining changes in performance of telecommunication companies in Rwanda. This is demonstrated by p value of 0.000 which is less than the acceptance critical value of 0.05. The results indicated that the overall model was significant, that is, the independent variables were good joint explanatory variables/determinants for performance (F=16.531, p value =0.000).

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.945[a]	5	5.88	16.531	.000[b]
	Residual	1.422	40	3.55		
	Total	4.3363	45			
a. Dependent Variable: Market entry strategy						
b. Predictors: (Constant), Centralization of decision making, size of the firm, organization culture and international experience						

Table 9: Analysis of Variance (ANOVA)

Table 10 presents the results of Analysis of Variance (ANOVA) on employee engagement versus organization performance. The ANOVA results for regression coefficient indicate that the significance of the F is 0.00 which is less than 0.05. This implies that there is a positive significant relationship between market entry strategies and performance and that the model is a good fit for the data.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.026	.733		1.973	.106
	Centralization of decision making	.269	.225	.444	1.815	.009
	size of the firm	.332	.155	.147	3.616	.036
	organization culture	.201	.222	.016	3.159	.025
	international experience	.233	.153	.232	.850	.028

Table 10: Regression Coefficients

From the data in the above table 4.14 the established regression equation was
Y = 3.026 + 0.269 X1 + 0.332 X2 + 0.201 X3 + 0.233 X4
From the regression equation established, taking all the factors (Centralization of decision making, size of the firm, organization culture and international experience) constant at zero, market entry of Airtel would be 3.026.Further, if all the other variables are kept constant, a unit increase in centralization of decision making will lead to a 0.269 increase of market entry of Airtel. A unit increase in size of the firm will lead to a 0. 332 increases in increase in market entry of Airtel, a unit increase in organization culture will lead to a 0.201 increase in market entry of Airtel while a unit increase in international experience will lead to a 0.233 in market entry Airtel. These results imply that size of the firm more to market entry of Airtel followed by centralization of decision making contribute then international experience while organization culture contributes the least to market entry of Airtel Rwanda.

11. Conclusions and Recommendations

11.1. Conclusions

I was possible to conclude that centralization of decision making of the firm was a key determinant of the market entry in the telecommunication sector in Rwanda. This was shown by the mean score of the respondents which was 3.85.

From the study it was possible to conclude that size of the firm was a key determinant of company market entry in the telecommunication industry in Rwanda. This was explained by the mean score for responses which was 4.03. It was concluded that there was a positive relationship between firm size and entry strategy and a strong association between firm size and high cost/high control entry strategies.

It was also possible to conclude that organization culture had positive and significant relationship with market entry in telecommunication firms. This was explained by the mean score of 3.93. Therefore, possibility to conclude that organization culture had a positive significant relationship with market entry of firms.

From the study findings, it was possible to conclude that as firms gain more international experience the level of uncertainty regarding operating in foreign markets will reduce, which, in turn, increases the likelihood that such firms will use high cost/high control entry strategies. This was explained by the mean score of 3.85. Correspondingly; those firms with less international experience are more likely to enter a foreign market through a joint venture as a means of sharing the risks and responsibility. Therefore, size of firm, international experience and organizational culture were key determinants of performance of telecommunication companies in Rwanda. This was demonstrated by the mean score of responses of the respondents and the regression results. Results indicated that the relationship between profitability and size of firm, international experience and organizational culture was positive and significant.

11.2. Recommendations

Following the study conclusions, it is recommended that the multinationals firms should carry out research on the market entry strategies before venturing into international market. This is to ensure they use the appropriate entry strategy to enhance the organization performance.

11.2.1. Centralization of Decision Making in Choosing Appropriate Market Entry

From the study conclusion about centralization of decision making, it was recommended that Quality and timely decision making is essential for the success of any firm. In fact, how an organization chooses to design its decision-making rules are one of the most fundamental aspects of its internal design. It was also recommended that quality decision making requires that the individual who makes a decision has the required information to make an informed choice.

11.2.2. Firm Size on the Market Entry

The study also recommended that a firm with limited financial and managerial resource and desirous to invest abroad should choose either licensing or joint venture because in both methods, the degree of risk is minim.

11.2.3. Organization Culture on Market Entry

From the conclusion of findings, it was recommended that the company should have a deep understanding in the operational rule of the company. It was also recommended the company should have sufficient recognition on change trends and establishment plans for quick response and the organizational culture of the firm should support teamwork when entering in the foreign market.

11.2.4. International Experience on Market Entry

It was recommended that international experience should act as a moderator rather than as an antecedent to expatriates' cross-cultural adjustment. It was also recommended that managers should know that when firms gain more international experience, the level of uncertainty regarding operating in foreign markets reduce, which, in turn, increases the likelihood that such firms can use high cost/high control entry strategies.

11.3. Suggested Areas of Further Research

i. The study recommends that further investigation be done on the effect of segmentation strategies in new market penetration.
ii. The researcher recommends that a new study be done on other beverage manufacturing firms so as to find out what other manufacturing companies adopt as market entry strategies.
iii. It is suggested that a study may be conducted about competitive advantage to apply while penetrating the telecommunication sector of Rwanda

12. References

i. Agarwal, S. & Ramaswami, S. (1992). Choice of foreign market entry mode: impact of ownership, location and internationalization factors. Journal of international
ii. Albaum ,G. (2005). International Marketing and Export Management 5th Ed. Prentice Hall
iii. Anderson, E. & Gatignon. (1986). Modes of Foreign Entry: A Transaction Cost Analysis an Propositions. Journal of International Business Studies.
iv. Antell, F. (2012). The strategic Decision of Foreign Market Entry by service Firm. Linnaeus University
v. Barney, J. (1991). Firm resources and sustained competitive advantage. Journal of Management

vi. Best. (2007). Research in Education. New Delhi, Prentice Hall of India Private
vii. Bradley, F. (2002). International Marketing Strategy. 4thEd. Pearson Education Limited, Essex , England.
viii. Branssington & Pettitt. (2000). Principle of Marketing. 2nd Ed .Financial Time Management, Harlow, London,UK
ix. Brouthers, K. (2002). Institutional Cultural and Transaction Cost Influences on Entry Mode Choice and Performance. Journal of International Business Studies,
x. Bryman, A and Bell, E. (2011). Business Research Methods. 3rd Ed. Oxford University Press, Oxford, Great Britain. Business Studies, Vol. 23 No. 1st quarter, pp.1-27.
xi. Cateora, D. & Graham, B. (2011). International Marketing.11thEdition, McGraw-Hill
xii. Caves, R.E. (2013). Multinational enterprises and technology transfer, in Rugman, A.M. (ed.) New Theories of the Multinational Enterprise. St Martin's Press, New York, pp. 254-79.
xiii. Cavusgil, T. (2011). International Business: The New Realities. Pearson Education.
xiv. Deresky,H. (2000). International management, 3rd Ed. New Jersy: Prentice, Hall
xv. Fitz-enz, J. (2000). The ROI of Human Capital – measuring the economic value of employee performance. 2nd Ed. Amacom, New York, USA
xvi. Galbreath, J. (2005). Which resources matter the most to firm success? Technovation, Vol 25, pp. 979-987.
xvii. Gannon, M.(1993). Towards a composite theory of entry mode choice: the role of marketing strategy variables. Journal of Strategic Marketing, Vol. 1, pp. 41-54
xviii. Gatignon, A. (2012). Firms' internationalization and alternative approaches to the international customer/market selection. International Business Review.Vol. 11 pp. 347-363
xix. Ghauri, and Grönhaug, K. (2005). Research Methods in Business Studies. 3rd Ed, Pearson Education Limited, Essex, Great Britain.
xx. Ghemawat, P. (2001). Distance Still Matters: The Hard Reality of Global Expansion. Boston.
xxi. Ghemawat, P. (2007). Redefining Global Strategy: Crossing Borders in a World Where
i. Hertfordshire: Prentice Hall
xxii. Hollensen, S. (1998). Global Marketing: a market-responsive approach.
xxiii. Ishimwe, J. (2013). Foreign Market Entry Strategies Adopted by Tigo to Enter into Rwandan Telecom Market. Interdisciplinary Journal of Contemporary
xxiv. Johnson, G, et al. (2008). Exploring Corporate Strategy. 7th Ed. Pearsons Education Limited, Essex, England.
xxv. Jugdev, K. et al. (2006). Project management assets and their relationship with the project management capability of the firm. International. Journal of Project Management, Vol 25, Issue 6, pp. 560-568.
xxvi. Kagabo, P. (2012). Foreign Market Entry Strategies Adopted by Kenya Commercial Bank Limited in Rwanda. International Journal of Research in Management,
xxvii. Koch, J. (2001). Factors influencing market and entry mode selection: Developing the MEMS model. Marketing Intelligence& Planning
xxviii. Kogut B. (1996). Direct Investment, experimentation and corporate governance in transition economies. London and Budapest: Central European University press
xxix. Kothari, R. (1990). Research Methodology: Methods and Techniques. New Delhi New Age international (P) Limited Publishers Research in Business,2(2), 89–91.
xxx. Lado, A. et al. (1992). A Competency-Based Model of Sustainable Competitive Advantage: Toward a Conceptual Integration, Journal of Management, Vol 18, No 1, Pp 77
xxxi. Laird, K. et al. (2003). A Marketing Resource-Based Model of International Market Entry
xxxii. Lee and Lieberman, M. (2009). Acquisition vs. Internal Development as Modes of Market Entry. Strategic Management Journal, 2010, Volume 31, Issue 2, pp. 140-158.
xxxiii. Mata, F. (1995). Information Technology and Sustained Competitive Advantage: A Resourced-Based Analysis. MIS Quarterly, Vol 19, No 4, pp. 487-505
xxxiv. Mugenda and Mugenda, G. (2003). Research Methods: Quantitative and Qualitative Approaches, Acts Press, Nairobi-Kenya
xxxv. Nordstrom, A. (1990). The Internationalization Process of the Firm – Searching for New Patterns and Explanations. Stockholm School of Economics, Stockholm.
xxxvi. Oliver, C. (1991). Sustainable competitive advantage: combining institutional and resource based views. Strategic Management Journal18: 697-713.
xxxvii. Penrose ,E.(1956). Foreign Investment and the Growth of the Firm. Economic Journal,66,220-235
xxxviii. Porter, M. (1998). Competitive strategy. Harvard Business Scholl Press.
xxxix. Prahalad & Hamel G. (1990). The core competence of the corporation. Harvard Business Review.Vol. 68 n°3, 79-91.
xl. Root, F. (1987). Entry Strategies for International Markets. Lexington
xli. Root, F. et al. (1994). Entry Strategies for International Markets. San Francisco, Lexington MA: Lexington Books
xlii. Sethi, S. et al. (2003). Trends in Foreign Direct Investment Flows: A Theoretical and Empirical Analysis. Journal of International Business Studies34, no. 4, pp. 315–326.
xliii. Slangen and, Hennart, J. (2007).Greenfield or acquisition review of the empirical foreign. Vol 33, No 2, pp. 203-207
xliv. Woodcock, P. et al. (1994). Ownership-Based Entry Mode Strategies and International Performance. Journal of International Business Studies, Vol 25, No 2, pp. 253
xlv. Yin, R.(1994). Case study research: Design and methods. 2nd Ed. Beverly Hills, CA: Sage Publishing