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Question Paper Code: 70171

M.B.A. DEGREE EXAMINATIONS, NOVEMBER/DECEMBER 2019 Third Semester BA5302 - STRATEGIC MANAGEMENT (Regulations 2017)

Time: Three Hours

Maximum: 100 Marks

Answer ALL questions

PART - A

(10×2=20 Marks)

- 1. What is a mission statement?
- 2. How is a business defined?
- 3. What is the significance of low cost orientation?
- 4. What do you understand by core competencies?
- 5. Explain the difference between expansion and diversification.
- 6. What is GAP analysis?
- 7. What is the significance of structure in strategy implementation?
- 8. What is the relation between power and conflict?
- 9. Explain the need for innovation.
- 10. What is an internet economy?

PART - B

(5×13=65 Marks)

11. a) Explain the concept of strategy and the process of strategic management.

(OR)

- b) Why is social responsibility important for business organizations?
- 12. a) What are the generic building blocks of competitive advantage? Give examples in your answer.

(OR)

b) How do firms create competitive advantage? Explain with suitable examples.



13. a) Explain SWOT analysis. Illustrate the SWOT of a company of your choice.

(OR)

- b) Explain McKinsey framework and Balanced score card.
- 14. a) How do you match structure to the control strategy?

(OR)

- b) Explain the techniques of strategy evaluation and control.
- 15. a) What are the strategic issues for non-profit organization?

(OR)

b) Explain the new business models in the internet economy.

PART - C

(1×15=15 Marks)

16. a) Amazon has successfully positioned itself as a Global (Go global Act local) e-commerce giant where one can buy anything and get it delivered at any remote locations. Using the catch phrase *AurDikhao* in its most recent campaign in India, it has carved a distinct space in the consumer's mind.

On BCG matrix Amazon have certain businesses which are cash cows while others are stars & question marks. E-books, movies on demand & Amazon prime are practically cash cows giving the maximum margins to Amazon. In fact, Amazon was a book store before it started electronics.

Kindle, VOD (Video on demand) & Amazon web services are question marks because with the advent of technology these services have become obsolete and have low demand. Electronics and other consumer durable products are stars for Amazon because these products have high growth rate but the market share of Amazon is also high for these products.

Amazon targets the middle and upper class people who have got hands on experience in the basic technology and prefer online over shopping from the physical outlets, either due to lack of time or because of the convenience the online offers.

Questions:

Devise a strategy for Amazon to remain profitable.

(OR)



b) The global E-commerce market is still in the evolving phase. With the adaptation of technology in the developing economies customers are now becoming more comfortable with online shopping. There is fierce competition among Amazon, Alibaba, Ebay, Flipkart and Snapdeal.

Amazon faces competition from Apple when considering book or content related delivery such as books, movies, magazines, and audiobooks. When considering web services Google would emerge as the largest competitor. Walmart is the biggest threat to Amazon. Amazon does not have the physical structure base that Walmart has to start with. Snapdeal, Flipkart are some of and groupon, first cry (targeted towards moms) are specialized e-commerce portals which take away traffic from Amazon.

Amazon realizes that the most important thing that customers want is the quick delivery of products they order. Amazon had created a deep and structured network in order to make the product available at remote locations that too free of cost delivery charges up to certain limit. Amazon has developed an extensive global distribution network that continues to grow at frenzied rate. It has more than 55 fulfillment centers exceeding 43 million square feet. Amazon developed new "under-the-tent" strategy of using existing vendor warehouse space for consumer-packaged goods to more quickly serve customers. Their aggressive strategy of infiltrating warehouses and improving their distribution lines brings Amazon to new areas and customers.

The company acquired many IT & e-commerce start- ups like pets.com, audible.com, Junglee.com, IMBD.com, Zappos.com, Woot etc. which helped it in providing high value to their customers using existing technology.

The extensive offerings help Amazon to keep its prices low thereon passing on the benefits to the consumers Amazon's robust customer centric approach to analyze the customer buying behavior based upon preferences has helped them to have competitive edge over their competitors. More than 50% of the consumers are the repeat buyers.

From being merely an e-book provider to emerging as the 2nd largest e-commerce company in the world, Amazon.com has steadily increased its spending on advertising and promotion to make its brand stronger and increase brand equity.

Question:

Analyze the competitive abilities of Amazon and suggest a suitable strategy for improving its sales and brand equity.