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Total number of printed pages – 3

MBA
MGT 401

Fourth Semester Regular Examination – 2015

STRATEGIC MANAGEMENT

BRANCH : MBAR

QUESTION CODE : J 121

Full Marks – 70

Time : 3 Hours

*Answer Question No. 1 which is compulsory and any five from the rest.
The figures in the right-hand margin indicate marks.*



1. Answer the following questions :

2×10

- (a) What are the possible strengths of an organization identified as part of the SWOT analysis ?
- (b) State the options for achieving cost competitiveness.
- (c) What is value chain partnership ?
- (d) What are the generic building blocks of competitive advantage ?
- (e) How conglomerate diversification is different from concentric diversification ?
- (f) Name the generic strategies suggested by Porter.
- (g) Why joint ventures are formed ?
- (h) What are the various levels of strategy that firms should consider ?
- (i) State the parameters used in balanced score card in evaluating projects.
- (j) What role strategic intent plays in the formulation of a corporate level strategy ?

P.T.O.

2. Read the following case study carefully and answer the following questions.

10

GlaxoSmithKline Consumer Healthcare is leveraging on Horlicks' brand equity to get into new categories. The company has decided to use the brand to get into new categories. In these recent times, it has launched biscuits for children, a nutrition drink for women, an energy bar and chilled milk. This company has succeeded in segmenting the customer base by catering for specific needs of women at the same time cashing in on the increasing population of children with Horlicks. More could follow in the days to come. GSK Consumer Healthcare Managing Director Zubair Ahmed believes the new products will make a meaningful contribution to the company's top line in the next few years.

65 percentage of India is less than 30 years of age. With Junior Horlicks, launched in 1995, GSK Consumer Healthcare had positioned a product exclusively for children between the ages of two and five. The Junior Horlicks brand has grown to become a Rs.150 crore brand. The company launched Junior Horlicks biscuits subsequently. Later, the company had reached out to pregnant and lactating mothers with Mother's Horlicks; last year it came up with Women's Horlicks catering for women across age groups. "The idea is to address all age groups". There is Horlicks Lite for the elderly who often have a sugar problem and for the youth we have Horlicks NutriBar which we launched in recently." Says Ahmed.

With Horlicks NutriBar, positioned on the twin planks of health and convenience, GSK Consumer Healthcare has leveraged the brand to venture into an entirely new product category- energy cereal bars. While the company hopes that Horlicks NutriBar will chip in with about Rs.100-150 crore of revenues in five years, it hasn't stopped there. In April this year, it invited consumers to taste its summer drink called horlicks Chilled Doodh(milk), available in four flavors. It is conceded that the product will be up against some keen competition in the Rs.45 crore chilled milk category from Amul Kool and strong regional players like MAFCO in Mumbai, but it is anticipated that the

brand can pull in revenues of Rs.50-100 crore in about five years-more than the current market size.

- (a) Explain the brand extension strategies adopted by GSK.
 - (b) If you are appointed as a brand manager in GSK what strategies you would craft to retain the leadership position ?
3. "Strategies most often fail because they aren't executed well". Discuss the critical components of the strategy execution process. 10
 4. "Strategic alliance is difficult cooperative strategy to manage. Yet, like most things difficult to manage, the ultimate rewards are enticing". Justify the statement with suitable corporate examples. 10
 5. Discuss how BCG growth share matrices can be used effectively by firms to allocate resources. 10
 6. Enumerate the reasons for mergers and acquisitions. Discuss the pivotal issues in M and A to be addressed by the corporate. 10
 7. What do you understand by SAP and ETOP analysis ? Discuss the various environmental components to be scanned before formulating a strategy. 10
 8. Identify the use and purpose of qualitative standards in strategic evaluation. Discuss the steps in evaluation process highlighting the evaluation barriers and the ways to overcome such barriers. 10

