CASE SCENARIO 1

Connect Innovations Pvt. Ltd., a Mumbai-based technology company, is entering the competitive landscape of the Indian smartphone market under its brand name "Poppy." The company is well aware of the influx of Chinese manufacturers dominating the smartphone industry. Given the recent global sentiment shift due to the COVID-19 pandemic, Connect Innovations plans to position Poppy as a patriotic choice, proudly promoting it as the "Desi" smartphone of India.

The company's strategic arm conducted a thorough industry analysis, revealing that Chinese brands had completely captured the budget phone segment. However, there was still an untapped opportunity in the lower segment of smartphones. To address this, Connect Innovations is introducing two models: Poppy A and Poppy B, priced at Rs. 4,499 and Rs. 5,499, respectively.

Recognizing the risk of imitation by competitors, Connect Innovations has assembled a team of marketing professionals to devise a strategy. Their proposed solution is to capitalize on the first-mover advantage by investing significant sums in advertising and promotions.

Additionally, to safeguard their business from potential disruption, Connect Innovations decided to expand their product line to include "desi" themed smartphone covers and accessories alongside Poppy smartphones. They made substantial investments in the manufacturing of these accessories. The company's investors set a target of achieving annual sales volumes of 15,000 handsets and 70,000 pieces of accessories.

While the accessory sales exceeded expectations, Poppy A and Poppy B did not receive the anticipated response. As a result, the leadership has decided to shift their focus, scaling back on smartphone production and concentrating primarily on the accessories business.

With this new direction, the "Desi" tag remains vital for success. Connect Innovations aims to establish strong barriers to entry for other domestic players. They plan to ramp up production significantly, driving down unit costs and enabling cost leadership through volume.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Connect Innovations Pvt. Ltd. entered a saturated market for smartphones, after a due market study of understanding the competitive landscape. Put the below steps in correct sequence of understanding the competitive landscape.

   (I) Understanding the competitors

   (II) Determining strengths and weaknesses of the competitors

   (III) Identify the competitors

   (IV) Put all information gathered together

   (a) (I),(III),(II),(IV)

   (b) (III),(I),(II),(IV)

   (c) (II),(III),(IV),(I)

   (d) (I),(III),(II),(IV)

2. In which stage of strategic management are such annual objectives especially important?

   (a) Formulation

   (b) Control

   (c) Evaluation

   (d) Implementation

3. The decision of Connect Innovations to shift to a new core business with a focus on more profitable ventures falls under which category of business strategy?

   (a) Retrenchment strategy

   (b) Strategic alliance

   (c) Diversification strategy

   (d) Market development

4. Considering the results from the market, which category of BCG's growth share matrix does the accessories business of Connect Innovations fall into?

   (a) Star

   (b) Question mark

   (c) Cash cow

   (d) Dog

5. In phase two of shifting the business focus to peripheral accessories production, Connect Innovations has planned to implement which barrier to discourage potential competitors?

   (a) Capital requirement

   (b) Product differentiation

   (c) Access to distribution channels

   (d) Economies of scale

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (b) Correct Sequence is (III), (I), (II), (IV)

Reason:

To understand the competitive landscape, businesses typically:

(i) **Identify the competitors** to recognize whom they are competing against.

(ii) **Understand the competitors** by analyzing their strategies, strengths, and weaknesses.

(iii) **Determine the strengths and weaknesses** to identify opportunities for competitive advantage.

(iv) **Put all information gathered together** for strategic decision-making.

2. **Option (d) Implementation**

   Reason:

   Implementation is an operations-oriented activity aimed at shaping the performance of the core businesses of a company. Thus, short term and long-term objectives are a majorly crucial part of the Implementation Phase.

3. **Option (a) Retrenchment strategy**,

   Reason:

   Retrenchment strategy is where the organisation reduces the scope of activity to focus on more profitable/suitable businesses.

4. **Option (c)Cash cow**

   Reason:

   As accessories, the business has a low market growth rate but a greater market share. Also, the investment required is low, but it generates cash for the company.

5. **Option (d) Economies of scale**

   Reason:

   As they plan to reduce their per unit cost of production.

CASE SCENARIO 2

KingLike WLL, a renowned Dubai-based construction company, has carved a niche for itself in the real estate market by specializing in residential complexes. It's now poised to introduce a groundbreaking concept called "Vilartment" – a unique blend of private villas and apartments tailored to meet the growing demand of married couples seeking to cohabit with their parents, offering spacious living within a single residential unit.

The company's impressive competitive advantage lies in its substantial land purchasing power, setting it apart from its rivals. Furthermore, KingLike engages top-tier Italian designers, whose exceptional work is safeguarded by patents, making the replication of KingLike's properties a formidable challenge.

Recognizing the potential of this innovative concept, KingLike positions the Vilartment project as a distinct business unit within its operations. A talented workforce, strategically placed at various levels, is dedicated to overseeing the unit's functions. The ambitious plan aims to construct approximately 15,000 Vilartments over the next three years, with 50% of them immediately ready for occupancy upon completion.

The marketing team has taken an ingenious approach, enlisting major Bollywood and Hollywood celebrities to grace the foundation stone ceremony of the Vilartment, scheduled for next month. This event will receive extensive coverage from global media outlets, including print and social media platforms, a move aimed at attracting potential buyers worldwide.

With meticulous planning and efficient teams prepared for execution, the management exudes confidence in the project's success. The Vilartment initiative aspires to solidify KingLike WLL's position as a leading global real estate company.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Igor Ansoff gave a framework which describes the intensification options available to a firm. Which of them did KingLike use for its intensification strategy?

   (a) Market penetration

   (b) Product development

   (c) Market development

   (d) Diversification into new products

2. Core competency is built on multiple know-hows and is an integration of many resources. As per C.K. Prahalad and Gary Hamel. KingLike has expert teams and huge buying capacity. Which amongst the following is not an area where core competency is identified?

   (a) Customer value

   (b) Application of competencies

   (c) Market development

   (d) Competitor differentiation

3. Different personnel have been deployed at respective levels in the project working as a business unit. Answer, Divisional managers and staff are a part of which of the following strategic levels in the organization?

   (a) Corporate level

   (b) Functional level

   (c) Business level

   (d) Consultant level

4. __________ is the answer to basic question "what business we are and what we do". Many businesses fail to conceptualize this, and it requires clarity. The company, however, has clarity on the same. Fill in the blank with the correct option.

   (a) Vision

   (b) Mission

   (c) Strategy

   (d) Planning

5. Vilartment shall function as a strategic business unit (SBU), being one of the key businesses of the company. Which of the following is not a characteristic of a strategic business unit?

   (a) It is a combination of two or more independent businesses.

   (b) The planning for the business is done separately.

   (c) It has its own set of competitors.

   (d) It has its own manager responsible for strategy and profits.

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (b) Product development

Reason:

Vilartment is a new product in the existing market.

2. Option (c) Market development

Reason:

Market development is not an area where core competency is identified.

3. Option (c) Business level

Reason:

Divisional managers and staff are a part of business level of an organization

4. **Option (b) Mission**

   Reason:

   A company's mission statement answers the fundamental question of what the business does and why it exists. For KingLike, having clarity on its mission ensures alignment of all projects and strategic objectives.

5. **Option (a) It is a combination of two or more independent businesses.**

   Reason:

   A strategic business unit (SBU) is typically a single business entity with its own strategy, objectives, and competition. It does not represent a combination of independent businesses, which would better describe a conglomerate or holding company structure.

CASE SCENARIO 3

Hareeyali Pvt. Ltd. is a pioneering company dedicated to transforming corporate spaces into greener environments through innovative infrastructural designs and products. Established recently, it boasts six visionary founders. While the company's middle management team consists of just four individuals, over fifty dedicated professionals operate on the ground, specializing in client relationship management and delivery coordination.

In this emerging industry, GreenZone Pvt. Ltd. is currently at the forefront. With an impressive portfolio of 800 designs catering to fifty clients, GreenZone's production facility churns out an astounding 3000 units per day. While GreenZone has enjoyed a monopoly for some years, the industry anticipates significant growth as more corporations adopt eco-friendly initiatives.

Hareeyali has made commendable strides in its operations but faces a challenge in securing a suitable production facility. The key to unlocking its potential lies in formulating a strategic approach that addresses industry gaps and explores untapped opportunities. The founders are resolutely committed to making their mark in every corporate entity across India.

The expansion plan is divided into three phases, beginning with the targeted markets of Delhi NCR and Mumbai. Recognizing the unique needs of the working class in these cities, the strategy team has identified a crucial aspect—personalization. This insight has led Hareeyali to focus on tailor-made designs for companies, setting them apart from standardized offerings provided by competitors.

Additionally, Hareeyali has introduced the Green Card Points System, an innovative initiative where employees who choose to incorporate their products into their workspaces accumulate points. These points can be redeemed for purchases of herbal and organic products from leading online platforms.

The company has experienced robust growth in the past year and now aims to expand its reach through both online and offline channels. This multifaceted approach positions Hareeyali for even greater success in the coming years.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. GreenZone has been the leader in the industry and has deployed some barriers to entry on new players wanting to tap into this new growing industry. Apparently, Hareeyali has been struggling on the very same front and thus, the barrier's magnitude increases. Which of the following barriers to entry is used by GreenZone?

   (a) Product differentiation

   (b) Switching costs

   (c) Economies of scale

   (d) Brand identity

2. Hareeyali's Green points system falls under which strategic marketing technique?

   (a) Service marketing

   (b) Person marketing

   (c) Direct marketing

   (d) Augmented marketing

3. What demonstrates the strategic intent of Hareeyali's founders in their commitment to make their mark in every corporate entity across India?

   (a) Setting specific financial goals

   (b) Focusing on tailored designs for companies

   (c) Formulating a strategic approach to address industry gaps

   (d) The vision to reach every corporate entity

4. The management structure of Hareeyali is apparently like any other company with a lot of founders/top management, as the middle office work is undertaken by business automation. It does reduce costs, but the lower management has less opportunities to grow. Based on that, which if the following is the organizational structure of Hareeyali?

(a) Network structure

(b) Matrix structure

(c) Divisional structure

(d) Hourglass structure

5. Intensity of rivalry determines attractiveness and profitability of an Industry. The rivalry between the two companies is furious and the profitability shall be low because of all the below factors, except:

   (a) Variable costs of business

   (b) GreenZone is currently the industry leader

   (c) The industry's growth is slow

   (d) Companies are planning product differentiation

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (c) Economies of scale

Reason:

By producing a massive number of items from its production facility.

2. Option (d) Augmented marketing

Reason:

The Green Card Points System offers additional value to customers by rewarding eco-friendly behavior with redeemable points for purchases. This falls under augmented marketing, which involves adding benefits to enhance the customer experience beyond the core product.

3. Option (d) The vision to reach every corporate entity.

Reason:

The founders' commitment to making their mark in every corporate entity across India reflects their long-term strategic vision, which defines their overarching intent and aspirations for the company.

4. Option (d) Hourglass structure

Reason:

The case mentions a large top management (founders), a lean middle management team of four individuals supported by business automation, and a larger ground-level workforce of over 50 professionals. This arrangement is typical of an hourglass structure, where the middle layer is minimized to reduce costs.

5. Option (a) Variable costs of business

Reason:

Variable costs of business are not the determinant if Intensity of Rivalry, rather fixed costs are, wherein the company can drop prices by increasing capacity.

CASE SCENARIO 4

LUXHEAL is a cutting-edge healthcare equipment design and manufacturing company founded by esteemed Indian medical academicians. The company secured a substantial investment of approximately 115 crores from a Pune-based venture capital firm to meet its capital requirements.

Recently, LUXHEAL unveiled its groundbreaking automated mind-mapped wheelchair, WHEELIX, which garnered recognition and accolades worldwide. The product earned the prestigious Industry Differentiator Award at an international conclave, solidifying its position as an industry innovator.

Dr. Budhiraja assumed the role of CEO last year, steering the company from a challenging position to a leadership position in innovation. His transformative leadership style fostered a culture of unity and inspiration among employees. Notably, he initiated a company-wide competition to encourage and recognize exceptional innovations.

One of the company's key strategic strengths lies in its advanced benchmarking processes. However, in their eagerness to enter the market and showcase their product range, LUXHEAL overlooked implementing some of the valuable insights and conclusions derived from these processes.

WHEELIX is poised to establish LUXHEAL as a specialized player in the market catering to affluent elderly individuals. The company has received interest from WeGO, a global leader in wheelchair production, proposing a partnership involving shared branding and facilities. The Board is inclined towards accepting this offer.

Nevertheless, WeGO is entangled in a legal dispute with its distribution partners, necessitating LUXHEAL invests considerable effort into building its own distribution channels.

Given the rising population of affluent elderly individuals and the escalating demand for high-end medical equipment, LUXHEAL is well-positioned to realize its visionary goals. The company's success hinges on effectively executing its innovative ideas.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. LUXHEAL is envisaged and is the most admired and responsible healthcare equipment company with an international footprint. Is this a vision or a mission? If this is LUXHEAL's vision, then which of the following is not essential while drafting the strategic vision?

   (a) It should clearly illuminate the direction in which the organisation is headed.

   (b) It should create enthusiasm among members of the organization.

   (c) It should be rigidly defined to prepare the organisation for the future.

   (d) This is a mission statement and not a vision statement

2. Considering the need for LUXHEAL to build its own distribution channels due to WeGO's legal dispute, which category in the BCG matrix might be relevant for this effort?

   (a) Star

   (b) Dogs

   (c) Cash Cows

   (d) Question Mark

3. Dr. Budhiraja has been instrumental in bringing about monumental changes in the company's structure and working culture. He has been very approachable yet feared by employees at all levels. What kind of leadership style can his style be termed as?

   (a) Transactional leadership style

   (b) Autocratic leadership style

   (c) Diplomatic leadership style

   (d) Transformational leadership style

4. The recent international recognition that the company has got for WHEELIX, has turned around its strategy all together. Which of the following Michael Porter’s generic strategies should LUXHEAL follow?

   (a) Cost leadership

   (b) Focused differentiation

   (c) Differentiation

   (d) Focused cost leadership

5. Which of the following is a key entry barrier for LUXHEAL?

   (a) Brand identity

   (b) Capital requirement

   (c) Access to distribution channels

   (d) Product differentiation

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (c) It should be rigidly defined to prepare the organisation for the future.

Reason:

This is LUXHEAL's vision, and a vision should be creatively defined to prepare the organisation for the future. Hence, defining rigidly is not essential for drafting the vision.

2. Option (d) Question Mark

Reason:

Building a distribution channel is a resource-intensive process and represents a strategic move in a segment where success is uncertain. The company has potential but requires investment to grow and establish itself in this new domain.

3. Option (d) Transformational leadership style

Reason:

Transformational style, he inspires people and has been instrumental in the early stages of the company during its turbulent times.

4. Option (b) Focused differentiation

Focused differentiation, as it aims to fulfill the demands of a narrow market with its differentiated product.

5. Option (c) Access to distribution channels

Reason:

The rest all are amply covered for LUXHEAL except access to distribution channels.

CASE SCENARIO 5

Introducing Strong Girls Private Limited, a pioneering early-stage health beverage company headquartered in Bangalore, led exclusively by a dynamic team of women. Recognizing two crucial facets of their industry, the company understood the heightened health consciousness among the youth and the abundance of options available in the market to meet their demands.

With these insights in mind, they unveiled their flagship product, Avajuice, a health drink made from Amla, Papaya, Aloe Vera, and Neem, meticulously designed to bolster the immunity of young teenage girls. What sets Avajuice apart is its unique value proposition of delivering both health benefits and delectable flavors through organic ingredients.

To gain a competitive edge in their market segment, the company implemented a standardized production process. This strategic move translated into augmented profit margins and increased bargaining power. Avajuice has been strategically classified as a "Star" in BCG's growth matrix due to its rapid growth trajectory and substantial funding requirements.

The marketing team has played a pivotal role in charting the success of Avajuice. Recognizing the historically low customer loyalty and retention rates in the health beverage industry, the company took proactive steps to address this challenge. They established collaborations with prominent schools in Karnataka and forged an agreement with the State Government of Karnataka to offer Avajuice to girls in government schools at a highly subsidized rate of just one rupee each.

This strategic move not only garnered invaluable free publicity from both local and national media outlets but also allowed the company to introduce their compelling tagline, 'We Offer Tasty Health for our Teens.' This tagline was strategically propagated as a trending topic on social media, significantly amplifying brand awareness.

Effectively, the company has carved out a distinctive position in the niche market segment, yielding impressive profit margins as a result. Strong Girls Private Limited stands as a beacon of innovation and empowerment in the health beverage industry, setting a new standard for quality and purpose-driven products.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. As per Peter Drucker, it is important to have a meaningful answer to the question, 'what business are we in?'. Through Avajuice, the company answered the following as 'We Offer Tasty Health for our Teens'. Among which of the following does this statement fall?

   (a) Vision

   (b) Mission

   (c) Business definition

   (d) Action plan

2. The processes have been standardised as a strategy to improve margins and gain more negotiation power in the market. Which of the generic strategies by Michael Porter has the company deployed to create a favourable scenario for itself?

   (a) Differentiation

   (b) Focussed differentiation

   (c) Cost leadership

   (d) Focussed cost leadership

3. Igor Ansoff developed a framework which describes the intensification options available to a firm. Which of the following did Strong Girls Private Ltd. use for intensifying Avajuice?

   (a) Market penetration

   (b) Product development

   (c) Market development

   (d) Diversification strategy

4. Which factor from the PESTLE analysis played a crucial role in the company's decision to focus exclusively on the health beverage market for teenage girls?

   (a) Social

   (b) Technological

   (c) Economic

   (d) Legal

5. Avajuice can be identified as a Star as per BCG's Growth Matrix, based on the rapid growth it has shown and the enormous funds it demanded to maintain the market and fuel the growth potential. What would Avajuice turn into, as per the matrix, when its growth slows down?

   (a) Dog

   (b) Question mark

   (c) Will remain a star

   (d) Cash cow

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. **Option (b) Mission**

   Reason:

   Mission, as per Peter Drucker, when we have to answer what business are we in, the answer should be marketing oriented and should cater to external perspective, and that forms part of mission statement.

2. **Option (d) Focussed cost leadership**

   Reason:

   Focussed cost leadership, as standardisation ensures low cost of production thus making the business more profitable and awarding more negotiation power to the producer/seller, and the market for Avajuice is niche, this focussed cost leadership.

3. **Option (c) Market development**

   Reason:

   Market development, as Avajuice is an existing product that is targeted to be sold in a new market for young girls.

4. **Option (a) Social**

   Reason:

   The focus on health beverages for teenage girls is driven by social factors, including the increasing health consciousness among youth. This reflects societal trends influencing consumer preferences and product focus.

5. **Option (d) Cash cow**

   Reason:

   Cash cow, as per BCG's growth matrix, a star turns into a cash cow when the growth slows down.

CASE SCENARIO 6

MidoriTech, a Japanese information technology giant recently got into a multi-million dollar deal with Dezyner Pvt. Ltd. of Bangalore, a user interface designing company. MidoriTech is a leader in developing firewall for cloud security services and this deal would help it leverage the latest user-friendly designs of Dezyner Pvt. Ltd. to be incorporated in its own systems. The major motive of both the companies is to capture the budding segments of the market, which is very difficult to do given one's own isolated operations.

The second important aspect of the deal is a shared Research and Development Centre in Bangalore with a 70:30 investment in R&D over the period of the next five years. The advancements in cloud computing are to be matched with other global giants, and this Centre will provide world class excellence for the requisite. Mr. B. K. Suman, the erstwhile head of Dezyner Pvt. Ltd., has been appointed as the General Manager of the R&D Centre, and will report directly to the CEO of MidoriTech.

MidoriTech has been in the industry for over thirty years and has over five hundred clients. For better control and ease of business, it has divided its business segments as per the clients' industry. Thus, it has four major segments: Robotics, E-Commerce, Energy and Others.

The company had been eyeing five probable Indian companies for a design-oriented deal. Over the course of one year, they ran multiple financial models to find the most suitable synergy and finally zeroed in with Dezyner Pvt. Ltd. This was covered by all major media houses, as this is one of the biggest Indo-Japan Deal in the last decade.

The future is uncertain, but the companies, through combined synergies have a stable market standing and growth-oriented future in purview.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Robotics, E-Commerce, Energy and Others, are separate units of MidoriTech, that have been devised for ease of control. Which of the following is not a characteristic that would have helped them identify and separate units for better strategic management?

   (a) Distinct markets

   (b) Customer's preference

   (c) Similar technologies

   (d) Identical competitive advantage

2. Dezyner Pvt. Ltd. and MidoriTech's deal fall under which type of Expansion Strategy?

   (a) Conglomerate merger

   (b) Concentric diversification

   (c) Horizontal merger

   (d) Strategic alliance

3. The R&D centre at Bangalore will be a game changer for both the companies. Which of the following is not an approach for implementation that Mr. Suman can deploy?

   (a) First firm to market new technology

   (b) Innovative imitator of successful products

   (c) Being a mediator in trading of new technology

   (d) Low-cost mass producer of tested products

4. Mr. B. K. Suman shall work as general manager of the R&D centre for the two companies. At which strategic level will he be working as a General Manager?

   (a) Corporate level

(b) Corporate and business level

(c) Functional and business level

(d) Functional level

5. MidoriTech's division of its business segments into Robotics, E-Commerce, Energy, and Others aligns with which element of the 7S McKinsey model?

(a) Strategy

(b) Structure

(c) Systems

(d) Style

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (b) Customer's preference

Reason:

The four segments of MidoriTech work as SBUs. Customer preference is not a characteristic of division as the matter is based on internal strategic decisions and does not relate to customer influence.

2. Option (d) Strategic alliance

Reason:

Strategic alliance is the right answer, as the companies would maintain independent status and they plan to benefit from each other what they could not get in isolated operations

3. Option (c) Being a mediator in trading of new technology

Reason:

Being a mediator for trading of new technology does not qualify as an implementation strategy of R&D. It is a business strategy not R&D strategy

4. Option (b) Corporate and business level

Reason:

General Managers deliver their responsibilities at both corporate and business levels, however, their responsibilities depend on size of organisation

5. Option (b) Structure

Reason:

MidoriTech's division of its business segments into Robotics, E-Commerce, Energy, and Others aligns with the "Structure" element of the 7S McKinsey model. The "Structure" element refers to the organization's arrangement of roles, responsibilities, and reporting lines. By organizing its business segments in this way, MidoriTech is structuring its operations based on different market segments, which is a structural aspect of its strategic approach.

CASE SCENARIO 7

Sukh Pvt. Ltd. has been importing Italian crockery under the brand name of 'Facile' since 2017. The company was amongst the first ones in India to introduce the innovative unbreakable crockery. Their affiliate, an Italian company, which owns Facile, had entered into a progressive deal, wherein, products would be sourced to India via their logistics and all marketing spend would be covered by them. However, customer management and nationwide distribution would be taken care of by Sukh Pvt. Ltd. This required English speaking skilled workforce, which has been a constant challenge for the company in India.

The owners of Sukh Pvt. Ltd. have been regular at attending industry relevant conclaves, both national and international. Leaders of the company are avid readers of business magazines. Following that, it was observed that the recent sentiment of the country towards 'Vocal for Local' could disrupt their Italian brand's marketability. An extraordinary meeting was set up and the steps ahead were planned.

The outcome of the meeting was to partner with local producers of earthen utensils in phase one of the change strategy. For this, seven state governments were approached. The team was successful in bagging contracts from all the government departments of these seven states and could position themselves fairly in the market. To fund this new investment, they have planned to slowly sell off their Italian business assets as well as the brand, to probable buyers.

This timely shift is proving to be a game changer for the company and the leadership is quite happy with better than before earnings and a much greater response from the customers. They find it easier to operate with domestic producers and vendors, and a sense of patriotism is instilled in the consumers' mind.

Based on the above case scenario, answer the multiple-choice questions.

MULTIPLE CHOICE QUESTIONS

1. Which of the following best represents an opportunity for Sukh Pvt. Ltd. in the current scenario?

   (a) Increasing competition from local producers

   (b) Growing sentiment for imported goods

   (c) Partnership with local producers of earthen utensils

   (d) Decline in customer sentiment towards 'Vocal for Local'

2. Which of the following types of strategic control did the owners and leadership of Sukh Pvt. Ltd. Deploy, that eventually turned out to be one of the most effective strategic decisions for the company?

   (a) Premise control

   (b) Special alert control

   (c) Implementation control

   (d) Strategic surveillance

3. 'Vocal for Local' is a market sentiment that changed customer's preferences for the majority of products of all industries. Based on that, Sukh Pvt. Ltd. gauged the competition it might face in the coming months and agreed to change its own product. Which of the following forces, as per Michael Porter's five forces of competitive analysis, is most relevant in this case?

   (a) Threat of new entrants

   (b) Nature of rivalry in the industry

   (c) Threat of substitutes

   (d) Bargaining power of the buyer

4. Which of the following aspects of value chain analysis was the most challenging for Sukh Pvt. Ltd. at the time of selling Facile brand crockery?

   (a) Manufacturing

(b) Outsourcing

(c) Customer service

(d) Procurement

5. To strategically revamp their business, partnerships were done with Indian local producers from seven states and to fund it, the existing arm of business was to be sold off. Which of the following strategies has Sukh Pvt. Ltd. opted for?

(a) Turnaround strategy

(b) Divestment strategy

(c) Liquidation strategy

(d) Intensification strategy

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (c) Partnership with local producers of earthen utensils

Reason:

Partnership with local producers of earthen utensils. The opportunity to partner with local producers aligns with the current market trend towards 'Vocal for Local.'

2. Option (c) Implementation control

Reason:

Implementation control involves ensuring that plans are being implemented effectively and achieving the desired results. In the case of Sukh Pvt. Ltd., their decision to partner with local producers of earthen utensils and the subsequent success of this strategy indicates effective implementation. This strategic decision was crucial in shifting their business model to align with the 'Vocal for Local' sentiment, leading to better earnings and a greater customer response. Therefore, implementation control was likely a key factor in the company's success in executing this strategic shift.

3. Option (c) Threat of substitutes

Reason:

The threat of substitutes is the most relevant for Sukh Pvt. ltd., as they were dealing in Italian crockery and the same is hit by locally produced earthen utensil, thus a substitute of their product

4. Option (b) Outsourcing

Reason:

The most challenging aspect of value chain analysis for Sukh Pvt. Ltd. at the time of selling Facile brand crockery was likely (b) Outsourcing.

Outsourcing involves sourcing components or finished goods from external suppliers, which can be a critical part of the value chain, especially for a company like Sukh Pvt. Ltd. that was importing Italian crockery. The decision to sell off their Italian business assets and brand indicates a shift away from outsourcing from the Italian company, which could have been a complex process involving finding new suppliers, negotiating contracts, and ensuring a smooth transition.

5. Option (b) Divestment strategy

Reason:

Divestment strategy, as a major part of business, and SBU is sold off in divestment. Here Facile was sold off to fund the new business

CASE SCENARIO 8

Dr. Mikesh Gupta, Agriculture Management Guru at a leading management school in Patna, has been driving the business of E-Bandhu with seven of his students since 2017. This business has two core objectives: first, sustainable farming awareness and second, seasonal availability of agricultural inputs. It is a technology driven business wherein they have a one stop shop for all agricultural products available to farmers at competitive prices. Business is quite challenging, given the fact that farmers in the region are not well aware of the use of technology.

In the summer of 2019, the team decided to redefine their business strategy to succeed in the agricultural sector. They formulated a new definition and made strategic decisions to leverage their core competencies.

Firstly, they shifted their target market from directly serving farmers to onboarding wholesalers and retailers into the system and selling products to them. This strategic move was based on the understanding that wholesalers and retailers could influence technology adoption among farmers.

Secondly, they outsourced logistics to MaalGaadi, a rural supply chain management company. This decision helped E-Bandhu reduce asset procurement costs and corresponding debt, thus strengthening their position in the market.

Thirdly, they introduced a new service-based product, ChaaraVidya, in their application. ChaaraVidya aims to educate farmers about the latest sustainable farming practices being implemented around the world. This addition could potentially be a game-changer for E-Bandhu in the agro startup circle, further enhancing their core competency in promoting sustainable farming practices and technology adoption.

The team is enthusiastic about the strategic changes brought in by Dr. Mikesh and anticipates a more sustainable future for their idea.

Based on the above case scenario, answer the multiple-choice questions.

MULTIPLE CHOICE QUESTIONS

1. Switching from direct selling to marketing through wholesalers and retailers was a strategic decision taken by the management. Such decisions help an organization to be more of which of the following?

    (a) Authoritative

    (b) Futuristic

    (c) Proactive

    (d) Regularised

2. ChaaraVidya was brought into the market to increase farmer awareness of soil quality and the latest sustainable farm practices from around the world? What kind of growth strategy will it fall under?

    (a) Market penetration

    (b) Market development

    (c) Product development

    (d) Diversification of business

3. One of the most strategically advantageous decisions for E-Bandhu was to get into a contract with MaalGaadi. Which of the following could not be an advantage for E-Bandhu from this alliance?

    (a) Cost savings

    (b) Reduced delivery time

    (c) Improved customer satisfaction

    (d) Increased inventory of products

4. How does E-Bandhu utilize Michael Porter's Five Forces model in its strategic decision-making process?

    (a) By focusing on industry rivalry and competitive pricing

    (b) By analyzing the bargaining power of suppliers and buyers

    (c) By assessing the threat of new entrants and substitutes

(d) All of the above

5. What are the core objectives of E-Bandhu, as mentioned in the case study?

   (a) Sustainable farming awareness and seasonal availability of agricultural inputs

   (b) Technology-driven solutions and competitive pricing

   (c) Onboarding wholesalers and retailers into the system

   (d) All of the above

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (c) Proactive

Reason:

Strategic management decisions make an organisation more proactive.

2. Option (c) Product development

Reason:

Product development as a new product is developed for the existing consumers of the company with added features.

3. Option (d) Increased inventory of products

Reason:

MaalGaadi is a rural logistics solutions company that would ease off E-Bandhu's supply chain management. Inventory would thus reduce and not increase

4. Option (b) By analyzing the bargaining power of suppliers and buyers

Reason:

Michael Porter's Five Forces model helps E-Bandhu analyze the bargaining power of suppliers and buyers in the agricultural market. This analysis enables E-Bandhu to make informed decisions regarding pricing, sourcing, and partnerships, ultimately strengthening its competitive position.

5. **Option (a) Sustainable farming awareness and seasonal availability of agricultural inputs**

   Reason:

   The core objectives of E-Bandhu, as mentioned in the case study, are sustainable farming awareness and seasonal availability of agricultural inputs. These objectives reflect the company's mission and vision to promote sustainable farming practices and address the challenges faced by farmers in accessing agricultural inputs.

CASE SCENARIO 9

LactoQalci is a family run company engaged in the business of manufacturing packaged sweetened pro-biotic milk beverage. The management envisions a potential future in the health and fitness industry. It thereby adopted a new statement "Ensuring Health for Everyone" to uplift the company's business makeup and market position.

LactoQalci introduced a new product for its existing customers, a range of sugar-free milkshakes. The company initiated an advertisement campaign with the tag line "Now enjoy the goodness of LactoQalci in sugar-free milkshakes". It is anticipated to become the most selling product of the company.

Further, to make the product unique, they adopted a distinctive product packaging design. The milkshake tetra packs came with a 'calories saved' scale printed on them. It was designed to motivate the consumers to a healthier life. As a result, the company was able to sell these milkshakes at a higher price.

The company saw a decent response from the market and were planning to scale up operations, when suddenly, political disturbance in the state pulled their sales to rock bottom. Several warehouses of the company had to be temporarily shut down.

However, Mr. Rohatgi, the passionate operations head of the company, responded swiftly, and reengineered the business processes. He automated inventory management and outsourced logistical support. Small investments in IT infrastructure in troubled times reaped higher returns. The company was able to achieve better than before efficiency at all levels of operations and ensured regular sales.

Based on the above case scenario, answer the multiple-choice questions.

MULTIPLE CHOICE QUESTIONS

1. Introducing Sugar-Free milkshakes by LactoQalci, falls under which Product-Market strategy as given by Ansoff?

    (a) Product development

(b) Market penetration

(c) Market development

(d) Diversification

2. Which of Michael Porter’s Generic Strategies was adopted by LactoQalci to gain competitive advantage?

(a) Cost leadership strategy

(b) Differentiation strategy

(c) Focussed cost leadership strategy

(d) Focussed differentiation strategy

3. Which strategic intent is expressed in the statement “Ensuring Health for Everyone” by LactoQalci?

(a) Vision

(b) Mission

(c) Goals and Objectives

(d) Business definition

4. What kind of leadership did Mr. Rohatgi portray to pull out LactoQalci from the sudden disruption?

(a) Transactional leadership

(b) Transformational leadership

(c) Transparent leadership

(d) Translational leadership

5. LactoQalci's introduction of a new product, sugar-free milkshakes, aligns with which element of the 7S McKinsey Framework?

(a) Skills

(b) Staff

(c) Strategy

(d) Style

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. **Option (a) Product development**

   Reason:

   The company desires to introduce new products into existing markets which are covered under Product development.

2. **Option (b) Differentiation strategy**

   Reason:

   To make the product unique the company also adopted a distinctive product packaging design. As a result of which, the company was able to charge a premium for its product. Thus, Differentiation strategy.

3. **Option (a) Vision**

   Reason:

   Strategic vision points out management's aspirations for the business and implies the blueprint of the company's future position.

4. **Option (b) Transformational leadership**

   Reason:

   Transformational leadership is most suitable in turbulent environments, in industries at the very start or end of life cycles. Mr. Rohatgi portrayed Transformational leadership.

5. **Option (c) Strategy**

   Reason:

   Strategy - Introducing a new product like sugar-free milkshakes aligns with the strategic direction of the company, making it part of the Strategy element.

CASE SCENARIO 10

After graduating from IIT in computer science, sisters, Shakti and Stuti, following their passion for computers, started "Code Consulting". They faced innumerable survival challenges in a highly dynamic IT market. But with the combined efforts of a highly dedicated team of data scientists, their core business of big data analytics gained a prominent market presence.

From inception, Code Consulting has been a women-centric organization. The sisters ensured that women were provided with ample opportunities in the organization. Given the option of Work From Home (WFH) as mandated by recent legal regulations, majority of the female workforce availed the option. To avoid a drop in sales, the sisters expeditiously lead a crisis management team to accommodate adoption of the required technology to meet the changes of time.

Code Consulting, having reached a reputable market standing, was now observing cut-throat competition from foreign giants in its niche. The sisters resolved to make an effort into their long aspired dream to diversify into the innovative market space of 3D printing. Code Consulting, lacking the requisite experience, went for a merger with a startup named "CreatyVT" known for its technical know-how. They have a strong skill-based team, but the long-standing startup had a relatively small market share in the 3D printing arena.

Early on, the management observed that the businesses of big data analytics and 3D printing had distinct markets. So, they split the company into different business units to independently identify their performance. Separation into business units helped in simplifying the control-related problems too. Whereas the challenge to increase the company's market share was successfully met by introducing ingenious 3D printers with easily refillable cartridges. The new product was supported by an aggressive online advertising campaign. The customers pleased by the products helped reach the desired sales targets in no time.

Having shown a never giving up attitude coupled with wise leadership skills, the business of Code Consulting sustained a turbulent patch and placed itself as a renowned brand in the Indian IT.

Based on the above case scenario, answer the multiple-choice questions.

MULTIPLE CHOICE QUESTIONS

1. Applying BCG matrix, identify the correct investment category for the new "3D printing" business of Code Consulting, at the time of merger?

   (a) Star

   (b) Cash cow

   (c) Dog

   (d) Question mark

2. Which strategy has been adopted by Code Consulting to overcome the difficulties of low market share for its "3D printing" business?

   (a) Dynamic strategy

   (b) Adaptive strategy

   (c) Intended strategy

   (d) Sound strategy

3. Mark the correct growth and expansion strategy employed by Code Consulting in merging with the startup named "CreatyVT"?

   (a) Horizontal merger

   (b) Vertical merger

   (c) Co-generic merger

   (d) Conglomerate merger

4. What has been the rationale behind Code Consulting's management for treating big data business and 3D printing business amenable to separate strategic treatment?

   (a) The businesses were unrelated

   (b) The businesses were unmanageable

   (c) The businesses were related

   (d) The businesses were identical

5. Which type of strategic control was adopted by Code Consulting when a new legal regulation proposed that women workers shall have the option to work from home?

   (a) Premise control

   (b) Special alert control

   (c) Strategic surveillance

   (d) Implementation control

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (d) Question mark

Reason:

The 3D printing business had a small market share in a high-growth market at the time of the merger, placing it in the "Question mark" category of the BCG matrix. This indicates that while the business has potential, it requires significant investment to increase its market share.

2. Option (c) Intended strategy

Reason:

An intended strategy refers to a deliberate course of action planned by management to achieve specific goals. Code Consulting's decision to merge with CreatyVT reflects a pre-planned and deliberate strategy to leverage technical expertise and address the challenge of low market share in the 3D printing business. This was not merely reactive or adaptive but a carefully thought-out step aligning with their aspirations to diversify.

3. Option (c) Co-generic merger

Reason:

A co-generic merger involves two companies operating in related industries that combine to create synergies. Code Consulting (big data analytics) and CreatyVT (3D printing) share a technological and innovation-oriented focus, making this a co-generic merger. It is not a horizontal merger as they do not compete directly, nor is it a conglomerate merger as they are not unrelated businesses.

4. **Option (a) Unrelated business**

   Reason:

   The businesses of big data analytics and 3D printing cater to distinct markets, indicating they are unrelated in terms of their customer base, offerings, and market dynamics. This separation into distinct business units allows for focused strategic planning and performance tracking.

5. **Option (b) Special alert control**

   Reason:

   Special alert control is used when an organization responds to sudden and significant external changes or crises, such as the introduction of new legal regulations mandating work-from-home options. Code Consulting quickly adapted by forming a crisis management team and implementing the necessary technological changes, demonstrating a special alert control approach.

CASE SCENARIO 11

Swasthya, a rising star in India's dynamic healthcare sector, stands out as a prime example of smart strategic management.

At Swasthya, the compass guiding their endeavors is a compelling thought: to emerge as the finest healthcare provider renowned for delivering accessible, top-notch healthcare services. This overarching goal is not an isolated vision, but a thread woven into the very fabric of the organization, driving every facet of their operations. The people of the organization play a pivotal role in this journey. They are entrusted with translating this vision into tangible outcomes at the grassroots level, ensuring that local operations are aligned with the grand aspiration of becoming a healthcare leader.

Swasthya works meticulously towards optimizing each link of the patient experience. From streamlining appointment scheduling to expediting test result delivery, every facet of the healthcare journey is scrutinized. Swasthya's strategy is not merely about being a player in the market but about strategically positioning themselves as leaders. They proactively recognize the constant innovations that could disrupt their areas of expertise. To counter this, they introduced value-added offerings such as telemedicine and wellness programs. This addition not only mitigates the risk but also fortifies their long-term viability.

Beyond competition, ensuring the quality and safety of patient care is paramount at Swasthya. Stringent hygiene protocols, equipment maintenance regimens, and adherence to healthcare regulations form the cornerstone of their business. In parallel, the organization meticulously undertakes regular assessment as a central element of its decision-making apparatus. This forward-looking exercise encompasses identifying and assessing potential risks such as regulatory changes, medical malpractice vulnerabilities, or shifts in market dynamics, all of which could have far-reaching consequences for their long-term objectives.

The implementation of Swasthya's strategy is steered by the McKinsey 7S model, which ensures a harmonious alignment of seven critical elements: strategy, structure, systems, shared values, skills, style, and staff. It emphasizes that the success of a long-term objective is contingent on the synchronization of these seven elements, reinforcing the idea that strategic management is not a compartmentalized process but a comprehensive activity.

Swasthya's strategic journey through India's healthcare landscape is a testament to the seamless integration of core management concepts, guiding its actions and strategies, while keeping the vision and intent at the core.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. How does Swasthya's approach to premise control, including stringent hygiene protocols and equipment maintenance, contribute to their long-term objectives and which concept does it align with?

   (a) It reduces immediate costs and aligns with strategic risk assessment.

   (b) It safeguards quality and aligns with strategic risk assessment.

   (c) It enhances immediate profitability and aligns with shared values.

   (d) It streamlines administrative processes and aligns with value chain analysis.

2. How does Swasthya counter the risk posed by constant innovations and disruptions in their areas of expertise?

   (a) By aggressively acquiring innovative startups.

   (b) By introducing value-added services like telemedicine and wellness programs.

   (c) By downsizing their operations.

   (d) By focusing exclusively on urban healthcare markets.

3. Why is the McKinsey 7S model significant in Swasthya's strategic management approach, and which elements of the model ensure a holistic alignment of their strategy?

   (a) It facilitates short-term profit maximization, with a focus on structure and style.

   (b) It emphasizes a compartmentalized approach to strategy, focusing on shared values and skills.

(c) It ensures a comprehensive alignment of strategy, structure, systems, shared values, skills, style, and staff.

(d) It prioritizes immediate cost reduction by aligning systems and strategy.

4. Why is the focus on local operations essential for Swasthya in the context of their long-term objective, and how does it contribute to their overall strategy?

(a) It reduces strategic risk by minimizing the need for strategic risk assessment.

(b) It aligns with their commitment to immediate profitability.

(c) It translates the organization's vision into tangible outcomes and aligns with their long-term objective.

(d) It diversifies their portfolio and aligns with competitive landscape analysis.

5. The case talks about scrutiny of every facet of the healthcare journey and emphasizes the fact that people of the organization play a pivotal role in this journey. Based on your reading, which level of management has the most crucial part to play here to ensure the sense of customer-first is imbibed in the organization?

(a) Top Management (C-Suite) which sets the tone and strategy of the organization.

(b) Middle Management (Divisional Managers) who have the responsibility of translating strategy to real-time objectives.

(c) Functional Managers who actually do the work in the field.

(d) Board of Directors who are responsible for wealth creation of the shareholders.

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. **Option (b) It safeguards quality and aligns with strategic risk assessment.**

   Reason:

   Premise Control is one of the most used tools of strategic risk assessment which helps safeguard against probable external risks.

2. **Option (b) By introducing value-added services like telemedicine and wellness programs.**

   Reason:

   Value added services create a competitive advantage thus countering the risks of substitutes.

3. **Option (c) It ensures a comprehensive alignment of strategy, structure, systems, shared values, skills, style, and staff.**

   Reason:

   The McKinsey 7S model, as mentioned in the case, ensures a comprehensive alignment of all seven elements, reinforcing the idea that strategic management is a holistic and integrated process.

4. **Option (c) It translates the organization's vision into tangible outcomes and aligns with their long-term objective.**

   Reason:

   The focus on local operations, as mentioned in the case, plays a pivotal role in translating Swasthya's vision into tangible outcomes at the grassroots level, which aligns with their long-term objective of becoming a healthcare leader.

5. **Option (b) Middle Management (Divisional Managers) who have the responsibility of translating strategy to real-time objectives.**

   Reason:

   Middle Management as they translate the long-term objective to real actionable and thus ensure the organisation's sense of customer-first is translated to each and every objective.

CASE SCENARIO 12

In the fiercely competitive automotive industry, Zing, a promising newcomer, set out on a strategic journey with ambitions of making a substantial impact. Recognizing the significance of a robust distribution network early on, Zing forged partnerships with established dealerships, offering them attractive margins. This strategic move significantly enhanced Zing's reach, with a presence in 80% of the nation's dealerships by 2022, expanding its coverage significantly.

To differentiate themselves from competitors, Zing adopted two key strategies. Firstly, they prioritized product design, investing heavily in aesthetics and incorporating innovative features and environmentally friendly technologies. This focus on design led to their vehicles receiving excellent reviews and achieving an impressive 15% year-on-year growth in sales.

Secondly, Zing implemented switching costs to discourage customers from switching to other brands. Their vehicles featured branded software, making it both expensive and cumbersome for customers to transition to alternative brands. This strategic move effectively protected Zing's market share.

Zing's overarching goal was to position itself as a premium automotive brand, blending luxury with sustainability. However, their execution fell down as they challenged with maintaining consistent quality and service levels, resulting in mixed customer reviews.

Despite their best efforts, Zing's differentiation strategy fell short due to issues with inconsistent quality and service. Negative word-of-mouth and declining customer satisfaction scores tarnished their brand image, leading to stagnating sales. This failure to deliver on their brand promise proved to be a significant setback.

As Zing's reputation suffered from execution failures, securing additional funds for international expansion became challenging. Consequently, they made the difficult decision to postpone their global ambitions for the next five years, focusing instead on stabilizing their finances and rebuilding their brand image.

In summary, Zing's strategic journey illustrates the importance of not only crafting a compelling differentiation strategy but also executing it flawlessly. In the competitive automotive landscape, maintaining consistent quality and service is paramount to sustaining brand loyalty and achieving long-term success.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. What key strategic approach did Zing use to expand its market presence in the automotive industry?
   (a) Product innovation and design
   (b) Cost leadership strategy
   (c) Entering new international markets
   (d) Vertical integration
2. How did Zing protect its market share from potential competitors?
   (a) Price-cutting strategy
   (b) Branded software and switching costs
   (c) Aggressive marketing campaigns
   (d) International expansion
3. Why did Zing's differentiation strategy fall short in the market?
   (a) Intense price competition
   (b) Poor marketing strategy
   (c) Inconsistent quality and service
   (d) Lack of international expansion
4. Forging partnerships with established dealerships to enhance its distribution network falls under which level of strategy?
   (a) Corporate level strategy
   (b) Business level strategy

(c) Functional level strategy

(d) Competitive level strategy

5. How did Zing initially expand its market presence across the nation?

(a) Aggressive marketing campaigns

(b) Developing low-cost vehicles

(c) Partnering with established dealerships

(d) Launching a luxury brand

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (a) Product innovation and design

Reason:

Zing expanded its market presence through a focus on product design and innovation, as mentioned in the case. They invested in aesthetics and incorporated innovative features to achieve year-on-year growth in sales.

2. Option (b) Branded software and switching costs

Reason:

Zing protected its market share by implementing proprietary software in their vehicles, making it costly and cumbersome for customers to switch to other brands. This strategic move deterred potential competitors.

3. Option (c) Inconsistent quality and service

Reason:

Zing's differentiation strategy fell short due to inconsistent quality and service, which led to negative customer reviews and tarnished their brand image.

4. Option (b) Business level strategy

Reason:

Forging partnerships with dealerships is a Business-Level Strategy because it is a strategic action aimed at achieving competitive advantage in a specific market, contributing to the company's broader competitive goals.

5. **Option (c) Partnering with established dealerships**

   Reason:

   Zing expanded its market presence by partnering with established dealerships, offering them attractive margins. This strategy significantly increased their coverage across the nation, as stated in the case.

CASE SCENARIO 13

Café Delight, a thriving restaurant chain known for its unique blend of Australian and Indian culinary experiences, embarked on a remarkable journey from its humble beginnings as a small café in Australia to becoming a renowned player in the Indian restaurant industry. This case study digs into the strategic decisions and market dynamics that fueled Café Delight's growth, highlighting its transition from a single café in Powai, Mumbai, to a flourishing chain with a presence in five cities and over 25 stores. It explores how Café Delight effectively leveraged social media and adapted its pricing strategy to compete with global brands while maintaining a healthy profit margin.

In 2005, Café Delight was founded in Melbourne, Australia, by a passionate entrepreneur with a vision to bring the flavors of Australia and India together. The first café established in Powai, Mumbai, received accolades for its unique menu, blending Australian coffee culture with Indian culinary traditions. Over the course of five years, Café Delight expanded to three stores in Mumbai, driven by exceptional mouth publicity, customer loyalty, and consistent quality.

As the social media landscape evolved, Café Delight recognized the power of online platforms in reaching a wider audience. By effectively utilizing social media and online marketing, Café Delight expanded its presence to five cities across India and established over 25 stores. Customer engagement through social media platforms enabled the brand to create a strong and vibrant community, driving organic growth.

Café Delight's customer-centric approach involved continuously evolving its menu to cater to the changing tastes and dietary preferences of its patrons. By understanding the evolving needs of its customers, Café Delight could offer personalized menu items, seasonal specials, and dietary alternatives. This approach created a sense of loyalty and engagement among customers, strengthening the brand's appeal. Not just customers but High-power, low-interest stakeholders, including regulatory authorities, were addressed with careful compliance and adherence to industry standards. Low-power, high-interest stakeholders, like potential customers and local communities, were engaged through targeted marketing campaigns and community involvement initiatives. This meticulous stakeholder analysis allowed Café Delight to build and maintain strong relationships with each group, effectively managing their influence and impact on the brand.

With its expanding presence and increasing popularity, Café Delight underwent a shift in its pricing strategy. It transitioned from a pocket-friendly pricing model to a skimming strategy, capitalizing on its unique blend of Australian and Indian flavors to position itself as a premium restaurant. Café Delight faced stiff competition from global brands entering the Indian market but maintained a profit margin of approximately 30% through menu engineering and targeted pricing.

In one of its kind, using strategic tools enabled Café Delight to identify and act on opportunities while mitigating threats, contributing to its long-term success in the highly competitive restaurant industry.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Café Delight effectively leveraged social media and adapted its pricing strategy as it stepped into which phase of business life cycle of operations?

    (a) Introduction Stage

    (b) Growth Stage

    (c) Maturity Stage

    (d) Decline Stage

2. What stakeholder group did Café Delight engage through targeted marketing campaigns and community involvement initiatives?

    (a) High-power, high-interest stakeholders

    (b) Low-power, low-interest stakeholders

    (c) Low-power, high-interest stakeholders

    (d) High-power, low-interest stakeholders

3. What best describes Café Delight's initial expansion strategy when it expanded from one café to three in Mumbai?

   (a) Aggressive price reduction

   (b) Leveraging customer loyalty and word-of-mouth publicity

   (c) Extensive online marketing

   (d) Embracing global branding strategies

4. At which level of strategic management does Café Delight's transition from a pocket-friendly pricing model to a skimming strategy fit?

   (a) Corporate level

   (b) Business level

   (c) Functional level

   (d) Operational level

5. What type of strategy did Café Delight use to differentiate itself from competitors in the Indian restaurant industry?

   (a) Cost leadership strategy

   (b) Focused differentiation strategy

   (c) Cost focus strategy

   (d) Hybrid strategy

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (b) Growth Stage

Reason:

The case describes Café Delight’s expansion from a single café to over 25 stores across five cities, driven by social media and targeted marketing. This reflects the growth stage, where businesses focus on increasing market presence, scaling operations, and capturing new customers. The shift in pricing strategy further supports their transition to a broader market.

2. **Option (c) Low-power, high-interest stakeholders**

   Reason:

   The case mentions Café Delight engaging with potential customers and local communities through marketing and community involvement. These groups are classified as low-power, high-interest stakeholders because they don’t directly influence decision-making but are deeply invested in the brand’s offerings and reputation.

3. **Option (b) Leveraging customer loyalty and word-of-mouth publicity**

   Reason:

   The case explicitly states that Café Delight's initial expansion was driven by exceptional mouth publicity, customer loyalty, and consistent quality, which played a critical role in growing from one café to three stores in Mumbai.

4. **Option (b) Business level**

   Reason:

   The shift in pricing strategy is a business-level decision as it involves competing within the restaurant industry by repositioning the brand as a premium offering. This aligns with the focus on achieving competitive advantage through differentiation and pricing.

5. **Option (b) Focused differentiation strategy**

   Reason:

   Café Delight offered a unique blend of Australian and Indian flavors, personalized menu items, and premium pricing to cater to a specific segment of customers looking for distinctive culinary experiences. This reflects a focused differentiation strategy, targeting a niche market with unique offerings.

CASE SCENARIO 14

Sneha Rao, founder and CEO of DEF Technologies, is renowned for her technological insight and visionary leadership style. She cultivates a culture of collaboration, continuous learning, and innovative problem-solving, encouraging her employees to think outside the box and embrace new challenges. Her exceptional ability to foresee technological trends and navigate complex market dynamics has propelled DEF Technologies to impressive growth over the past decade.

Sneha started DEF Technologies in 2010 as a small software development firm. With a vision to transform DEF Technologies into a leading tech company, she initially focused on developing custom software solutions for local businesses. However, intense competition and limited market demand led to financial difficulties. Undeterred, Sneha pivoted the business towards developing cloud-based solutions, leveraging the growing trend of digital transformation. This strategic shift, along with aggressive marketing, helped DEF Technologies capture a significant market share and become a leader in cloud services, setting new industry standards.

In 2015, Sneha's brother, Raj, joined the company, and together they crafted an ambitious expansion strategy. DEF Technologies entered the global market, partnering with international tech firms to launch a new line of AI-driven cybersecurity solutions. This venture was highly successful, establishing DEF Technologies as a global brand and a key player in the cybersecurity industry.

Raj then led the company’s diversification into the healthcare sector with a new brand, MedTech Solutions. Recognizing the potential for technology to revolutionize healthcare, Sneha and Raj focused on developing affordable telemedicine platforms and AI-driven diagnostic tools. Their approach disrupted the market, providing high-quality healthcare solutions at lower costs and gaining widespread trust from healthcare providers and patients alike. MedTech Solutions experienced rapid growth, especially during the COVID-19 pandemic, as demand for remote healthcare services surged.

At the beginning of 2023, DEF Technologies launched another new business, GreenTech Innovations, to address environmental challenges through technology. DEF Technologies continues to explore new opportunities and ventures to stay at the forefront of the tech industry.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Sneha Rao's vision to transform DEF Technologies into a leading tech company illustrates which type of strategic intent?

   (a) Goal

   (b) Mission

   (c) Vision

   (d) Objective

2. Sneha's leadership style, which promotes collaboration, continuous learning, and innovative problem-solving, can best be described as:

   (a) Transactional leadership

   (b) Transformational leadership

   (c) Autocratic leadership

   (d) Laissez-faire leadership

3. When DEF Technologies expanded into the global market with AI-driven cybersecurity solutions, which of Porter's Five Forces was most likely mitigated by forming partnerships with international tech firms?

   (a) Threat of Substitute Products or Services

   (b) Bargaining Power of Suppliers

   (c) Threat of New Entrants

   (d) Intense Rivalry Among Existing Competitors

4. By entering the global market and launching AI-driven cybersecurity solutions, DEF Technologies pursued which expansion strategy from Ansoff's Product-Market Growth Matrix?

   (a) Diversification

   (b) Market Penetration

(c) Product Development

(d) Market Development

5. MedTech Solutions' focus on developing affordable telemedicine platforms and AI-driven diagnostic tools reflects which of the following competitive strategies?

(a) Differentiation strategy

(b) Cost leadership strategy

(c) Best-cost provider strategy

(d) Focus Strategy

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (c) Vision

Reason:

Vision refers to the aspirational future state that an organization aims to achieve. Sneha's vision of transforming DEF Technologies into a leading tech company represents a long-term aspiration and an ultimate goal, aligning with the concept of vision.

2. Option (b) Transformational leadership

Reason:

Transformational leadership is characterized by inspiring and motivating employees to innovate and take on new challenges to create positive change and achieve future success. Sneha's approach fits well with transformational leadership.

3. Option (c) Threat of New Entrants

Reason:

By forming partnerships with international tech firms, DEF Technologies strengthened its market position, creating barriers to entry for new competitors. These partnerships provide access to resources and technologies that are difficult for new entrants to replicate, thus reducing the threat they pose.

4. **Option (a) Diversification**

   Reason:

   Diversification involves entering new markets with new products. In the scenario, DEF Technologies is entering the global market and offering a new line of AI-driven cybersecurity solutions. This expansion into new product categories in new markets aligns with the diversification strategy.

5. **Option (c) Best cost-provider strategy**

   Reason:

   The best-cost provider strategy involves offering products or services that provide superior value by combining low cost with differentiation. MedTech Solutions' approach of providing high-quality healthcare solutions at lower costs aligns with the best-cost provider strategy.

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CASE SCENARIO 15

Kriti Pvt. Ltd. has been importing French gourmet cheeses under the brand name of 'Fromage' since 2017. The company was amongst the first in India to introduce innovative unbreakable cheese packaging. Their affiliate, a French company owning Fromage, had entered into a progressive deal, wherein products would be sourced to India via their logistics, and all marketing expenditures would be covered by them. However, customer management and nationwide distribution would be taken care of by Kriti Pvt. Ltd. This required an English-speaking skilled workforce, which has been a constant challenge for the company in India.

The owners of Kriti Pvt. Ltd. have been regular attendees at industry-relevant conclaves, both national and international. Leaders of the company are passionate readers of business magazines. Following that, it was observed that the recent sentiment of the country towards ‘Vocal for Local’ could disrupt their French brand’s marketability. An extraordinary meeting was set up, and the steps ahead were planned.

The outcome of the meeting was to partner with local producers of traditional Indian cheeses in phase one of the change strategy. For this, seven state governments were approached. The team was successful in taking contracts from all the government departments of these seven states and could position themselves fairly in the market. To fund this new investment, they have planned to slowly sell off their French business assets as well as the brand, to probable buyers.

This timely shift is proving to be a game-changer for the company, and the leadership is quite happy with better than before earnings and a much greater response from the customers. They find it easier to operate with domestic producers and vendors, and a sense of patriotism is instilled in the consumers’ minds.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Which of the following actions taken by Kriti Pvt. Ltd. is an example of a proactive strategy?

   (a) Selling off their French business assets.

   (b) Responding to the 'Vocal for Local' sentiment by partnering with local cheese producers.

   (c) Managing customer relations and nationwide distribution.

   (d) Covering all marketing expenditures for 'Fromage' in India.

2. Which of the following types of strategic control did the owners and leadership of Kriti Pvt. Ltd. deploy that eventually turned out to be one of the most effective strategic decisions for the company?

   (a) Premise control

   (b) Special alert control

   (c) Implementation control

   (d) Strategic surveillance

3. 'Vocal for Local' is a market sentiment that changed customers' preferences for the majority of products across all industries. Based on that, Kriti Pvt. Ltd. gauged the competition it might face in the coming months and agreed to change its own product. Which of the following forces, as per Michael Porter's five forces of competitive analysis, is most relevant in this case?

   (a) Threat of new entrants

   (b) Nature of rivalry in the industry

   (c) Threat of substitutes

   (d) Bargaining power of the buyer

4. Which of the following aspects of value chain analysis was the most challenging for Kriti Pvt. Ltd. at the time of selling the Fromage brand?

   (a) Manufacturing

(b) Outsourcing

(c) Customer service

(d) Procurement

5. To strategically revamp their business, partnerships were done with Indian local producers from seven states, and to fund it, the existing arm of the business was to be sold off. Which of the following strategies has Kriti Pvt. Ltd. opted for?

(a) Turnaround strategy

(b) Divestment strategy

(c) Liquidation strategy

(d) Intensification strategy

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. **Option (b) Responding to the 'Vocal for Local' sentiment by partnering with local cheese producers.**

Reason:

This is a proactive strategy because it anticipates shifts in consumer preferences toward local products. By partnering with local cheese producers, Kriti Pvt. Ltd. aligns its offerings with current market sentiment, rather than merely reacting to it after the fact.

2. **Option (d) Strategic surveillance**

Reason:

Strategic surveillance involves continuously monitoring the external environment for changes that could impact the organization. In this case, the leadership of Kriti Pvt. Ltd. recognized the shift in market sentiment and took proactive steps to adjust their strategy, showcasing effective strategic surveillance.

3. **Option (c) Threat of substitutes**

Reason:

The 'Vocal for Local' sentiment may increase the appeal of local alternatives to French gourmet cheeses, thereby posing a threat of substitutes. Kriti Pvt. Ltd. acknowledged this shift and adapted its product offerings to mitigate the risk of losing customers to local cheese producers.

4. **Option (c) Customer service**

Reason:

The transition from managing a French brand to focusing on local partnerships may have created challenges in customer service. Maintaining high-quality customer service and relationships during this transition is crucial, and any difficulties in doing so could impact customer satisfaction and loyalty.

5. **Option (b) Divestment strategy**

Reason:

By selling off their French business assets to fund partnerships with local producers, Kriti Pvt. Ltd. is executing a divestment strategy. This strategic move allows the company to reallocate resources toward a new focus on local production and meet changing consumer demands.

CASE SCENARIO 16

EcoForge, a startup specializing in eco-friendly building materials crafted from agricultural waste, entered the highly competitive manufacturing industry with a vision of promoting sustainability. Despite its innovative approach, the company faced significant challenges as a new entrant, including high production costs, limited market visibility, regulatory hurdles, and fierce competition from established players. However, through strategic planning and effective execution, EcoForge successfully navigated these obstacles and positioned itself for sustainable growth.

The company's leadership recognized the importance of understanding its internal strengths and weaknesses, along with external opportunities and threats. This analysis revealed EcoForge's core advantage in sustainability and innovation, contrasted with scalability issues and market pressure from cheaper alternatives. Additionally, market analysis uncovered the potential of urban housing projects as an opportunity, while intense competition posed a significant threat.

EcoForge's leadership focused on creating unique value propositions by emphasizing its eco-friendly materials. This differentiation helped the company appeal to environmentally conscious builders and developers. To expand its market reach, EcoForge adopted strategies to deepen its presence in existing markets and explore new ones. Concurrently, it analyzed the industry landscape and identified the critical influence of regulatory policies and socio-cultural factors shaping consumer preferences.

Internally, EcoForge implemented structural and cultural changes to enhance its operational efficiency and responsiveness. By adopting a Strategic Business Unit (SBU) model, the company streamlined its decision-making process, allowing each product line to adapt quickly to market demands.

Recognizing the need for collaborative leadership, EcoForge's CEO, Ms. Aarti Mehra, invested in leadership training programs for senior managers. This shifted the company's culture from hierarchical to team-driven, encouraging innovation and cross-functional collaboration.

To enhance its competitiveness, EcoForge optimized its production and supply chain processes by addressing inefficiencies and partnering with technology providers. These efforts significantly reduced costs and improved product quality. Simultaneously, the company pursued green certifications and localized marketing efforts to build brand recognition, attracting environmentally conscious clients. Over three years, these initiatives enabled EcoForge to expand into new markets, secure partnerships with leading developers, and increase its revenue by 40%.

By integrating market analysis, operational improvements, and a focus on cost efficiency, EcoForge transitioned from a struggling startup to a leader in sustainable building materials, setting a benchmark for innovation and environmental stewardship in the industry.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. The SBU model adopted by EcoForge is an example of strategic decision-making at which level?
   (a) Corporate Level
   (b) Business Level
   (c) Functional Level
   (d) Operational Level

2. EcoForge's strategy of appealing to environmentally conscious builders and developers by emphasizing its eco-friendly materials is an example of which type of generic strategy by Michael Porter.
   (a) Cost Leadership
   (b) Differentiation
   (c) Focussed Cost Leadership
   (d) Focussed Differentiation

3. The case mentions EcoForge identifying "critical influence of regulatory policies and socio-cultural factors shaping consumer preferences." Which strategic analysis framework is most relevant here?

   (a) SWOT Analysis

   (b) Value Chain Analysis

   (c) PESTLE Analysis

   (d) Ansoff's Matrix

4. EcoForge's strategy to deepen its presence in existing markets and explore new ones corresponds to which growth strategy in Ansoff's Matrix?

   (a) Market Penetration

   (b) Market Development

   (c) Product Development

   (d) Diversification

5. Which key industry force, as per Porter's Five Forces, is reflected in EcoForge's challenges from cheaper alternatives and intense competition?

   (a) Threat of New Entrants

   (b) Bargaining Power of Suppliers

   (c) Bargaining Power of Buyers

   (d) Threat of Substitutes

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. **Option (a) Corporate Level**

   Reason:

   The SBU model is a corporate-level strategy that allows the organization to allocate resources and manage product lines as distinct units, focusing on market adaptation and streamlined decision-making.

2. **Option (b) Differentiation**

   Reason:

   The emphasis on eco-friendly materials highlights differentiation, as EcoForge offers unique value through sustainability, setting itself apart from competitors.

3. **Option (c) PESTLE Analysis**

   Reason:

   Regulatory policies and socio-cultural factors are external environmental elements analyzed through the PESTLE framework.

4. **Option (b) Market Development**

   Reason:

   Expanding into new markets while maintaining existing ones aligns with market development strategies.

5. **Option (d) Threat of Substitutes**

   Reason:

   Competition from cheaper alternatives represents a substitute threat, as customers may choose more affordable options over EcoForge's products.

CASE SCENARIO 17

Galaxy Enterprises Limited (GEL) operates as a diversified conglomerate with a significant presence in various industries, including electronics, packaged foods, textiles, heavy machinery, and renewable energy. Leveraging its substantial free reserves of ₹85,000 crores, GEL has built a strong brand reputation, largely driven by its market leadership across multiple sectors.

In the renewable energy sector, GEL has been the industry leader for over 15 years. The division’s recent performance has been exceptional. A significant market development occurred when two competitors, Nova Green Energy Limited and Zenith Solar Limited – previously ranked second and third in market share, respectively – merged to create a new entity, Synergy Renewables Ltd (SRL). Following the merger, SRL has claimed the top spot in market share, intensifying competition.

Against this backdrop, the Chairman of GEL convened a strategic meeting with the Board of Directors, divisional heads, marketing executives, and the Group CFO. The meeting focused on formulating growth strategies for the renewable energy division, identifying opportunities for diversification, and announcing an interim dividend in honour of GEL’s platinum jubilee celebrations.

Mr. Arvind Malhotra, CEO of the renewable energy division, emphasized the industry's slow pace of modernization compared to global standards. He highlighted the potential in emerging product categories, such as next-generation solar panels, energy storage systems, and advanced wind turbines. He proposed a modernization initiative requiring an investment of ₹7,000 crores. This transformation is projected to reduce operational costs by 20% and minimize wastage by 12%.

The CFO presented an analysis revealing that competitors are unlikely to invest in significant upgrades or expansions for the next 6–8 years due to financial constraints. In response, the Board approved the modernization initiative and allocated an additional ₹1,500 crores to strengthen the division's supply chain.

Another proposal discussed was GEL’s entry into the electric vehicle (EV) segment. The Board approved this diversification strategy, allocating ₹8,000 crores to establish a foothold in this rapidly growing market. Additionally, the

Board authorized the distribution of an interim dividend of ₹75 per share to commemorate GEL's platinum jubilee.

In preparing for these strategic initiatives, the Board also evaluated key stakeholders to determine their influence and interest. Shareholders and the Board of Directors emerged as primary stakeholders with both high influence and interest, necessitating active engagement to secure their support. Regulatory authorities were recognized as influential but less interested in the immediate plans, requiring regular updates to ensure compliance. Customers and employees, while not as powerful, were identified as highly interested stakeholders, particularly concerning the renewable energy division's modernization and its entry into the EV market.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. GEL has approved significant investments in modernizing its renewable energy division and entering the electric vehicle segment. Analyze the level of strategy these decisions represent and identify the correct justification for your answer.

   (a) Functional level, as these are related to operational improvements within the renewable energy division.

   (b) Business level, as these initiatives align with the goals of a single division to gain a competitive edge.

   (c) Corporate level, as they involve decisions impacting the overall portfolio and diversification of GEL.

   (d) Operational level, as these focus on day-to-day activities within the divisions.

2. With the merger of Nova Green Energy Limited and Zenith Solar Limited into Synergy Renewables Ltd (SRL), how does this development influence GEL's strategic priorities in the renewable energy sector under Porter's Five Forces framework?

   (a) The merger reduces the threat of substitutes by consolidating competing technologies.

(b) It increases the bargaining power of buyers by providing them with a stronger alternative supplier.

(c) It heightens the intensity of industry rivalry by creating a stronger competitor with greater market share.

(d) The merger strengthens the bargaining power of suppliers due to greater reliance on key inputs.

3. GEL's decision to enter the EV market represents a diversification strategy. Evaluate which type of diversification strategy is being pursued and the reasoning behind this classification.

(a) Concentric diversification, as the EV market shares synergies with renewable energy technologies.

(b) Vertical integration, as GEL seeks to integrate upstream or downstream activities in the automotive value chain.

(c) Horizontal diversification, as GEL expands into a market unrelated to its existing renewable energy operations.

(d) Conglomerate diversification, as GEL enters an entirely unrelated and independent business segment.

4. GEL identified shareholders and the Board of Directors as key stakeholders. Analyze the rationale for classifying them as both high influence and high interest and how this influences strategic communication.

(a) They directly impact compliance with regulatory standards, necessitating regular updates.

(b) Their vested interest in dividends and long-term value creation makes their engagement essential for approval of key initiatives.

(c) They represent the end consumers whose perceptions directly influence GEL's market reputation.

(d) Their role in operational execution requires constant communication and support for strategy implementation.

5. By approving modernization in renewable energy and diversification into EVs, what corporate strategy is GEL pursuing, and how does it position the company as per Ansoff's product market growth matrix?

   (a) Cost leadership, to lower operational expenses and offer competitive pricing.

   (b) Product differentiation, by leveraging innovation in both existing and new markets.

   (c) Market penetration, through deeper investments in existing product lines.

   (d) Market expansion and diversification, to capture growth opportunities across unrelated industries.

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (c) Corporate level, as they involve decisions impacting the overall portfolio and diversification of GEL.

Reason:

Corporate-level strategies focus on decisions that affect the entire organization, including diversification into new markets (e.g., EVs) and significant investments in existing divisions (e.g., modernization of renewable energy). These decisions are overarching and affect GEL's portfolio.

2. Option (c) It heightens the intensity of industry rivalry by creating a stronger competitor with greater market share.

Reason:

The merger consolidates two significant competitors into one dominant entity, intensifying rivalry within the industry. This increases the competitive pressure on GEL to innovate and maintain its market position.

3. **Option (d) Conglomerate diversification, as GEL enters an entirely unrelated and independent business segment**

   Reason:

   Conglomerate diversification involves entering a new, unrelated business segment. In this case, GEL is entering the electric vehicle market, which is distinct from its existing renewable energy business. This move aims to spread risk and create new growth opportunities.

4. **Option (b) Their vested interest in dividends and long-term value creation makes their engagement essential for approval of key initiatives.**

   Reason:

   Shareholders and the Board play a critical role in approving significant financial decisions and have a direct interest in the company's financial performance and strategic direction, necessitating active engagement.

5. **Option (d) Market expansion and diversification, to capture growth opportunities across unrelated industries.**

   Reason:

   GEL’s decision to invest in modernization and enter the EV market reflect a dual focus on expanding its existing market and diversifying into a new, unrelated industry, aligning with its overall corporate growth strategy.

CASE SCENARIO 18

In the ever-growing consumer electronics industry, Horizon Technologies found itself at a crossroads in 2018. The company, founded a decade earlier, had established itself as a key player in the global market for smartphones and other electronics. However, the pressure to stay relevant, meet customer demands, and fend off competitors was mounting. This is the story of how Horizon Technologies navigated its challenges, leveraging key business strategies and analyses to achieve remarkable success.

Horizon Technologies recognized the need to divide its operations to find areas for improvement. They conducted a comprehensive value chain analysis, identifying both primary and support activities. By streamlining processes and eliminating redundancies, the company reduced production costs and enhanced product quality. This allowed them to offer more competitive prices, thus gaining a strategic edge in the market.

The company's CEO, Mr. Jonathan Mercer, was known for his authoritative management style. His challenge was to transform his leadership approach to one that encouraged creativity and teamwork within the SBUs. Mr. Mercer invested in leadership development programs for middle and senior managers to enhance their interpersonal and communication skills. The transition wasn't easy, but it fostered a more collaborative and dynamic work environment.

They did not stop there, Horizon Technologies adopted a Strategic Business Unit (SBU) structure, dividing the company into smaller, more manageable units. Each SBU was tasked with focusing on specific product lines. This decentralization empowered individual units to make strategic decisions autonomously, leading to quicker market response and a deeper understanding of customer needs. It was the catalyst for innovation and improved customer satisfaction.

Post organizational changes, Horizon Technologies strategized to embrace a cost leadership strategy, positioning itself as the go-to brand for affordable yet high-quality electronics. By optimizing production processes and supply chain management, the company achieved cost efficiencies that competitors struggled to match. This not only attracted cost-conscious consumers but also enabled the company to maintain healthy profit margins.

As Horizon Technologies expanded into new international markets, the management recognized the importance of adapting to the local environment. Conducting a thorough PESTLE analysis (Political, Economic, Social, Technological, Legal, and Environmental) proved pivotal for navigating complex market dynamics. This analysis highlighted specific challenges, especially in understanding socio-cultural trends and regulatory differences across regions. By leveraging these insights, Horizon Technologies was able to overcome these obstacles, customizing its products, marketing strategies, and operations to align more effectively with local preferences and regulations, ultimately contributing to their success.

Through these strategic moves, Horizon Technologies experienced a remarkable transformation. Within two years, their market share had significantly grown in local markets, whereas the cost leadership strategy resonated strongly. Their annual revenue skyrocketed by 35%, and the company saw a 20% increase in its stock price. The business case for Horizon Technologies serves as an inspiration for companies navigating competitive and dynamic industries.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. In Horizon Technologies' journey towards globalization, PESTLE analysis played a pivotal role in navigating diverse international markets. Which aspect of PESTLE analysis proved to be the most challenging for Horizon Technologies?

   (a) Socio-cultural factors, as they struggled to keep up with changing trends and cultural preferences.

   (b) Legal factors, given the complex regulatory landscape in foreign markets.

(c) Environmental factors, with the need to adhere to varying sustainability standards.

(d) Technological factors, due to rapid changes in local technology preferences.

2. Horizon Technologies implemented a Strategic Business Unit (SBU) structure to improve its responsiveness and innovation. How did the SBU structure differ from the company's previous organizational model, and what benefits did this new structure bring?

   (a) The SBU structure replaced a functional structure and empowered units to make strategic decisions. It led to quicker market response and enhanced customer satisfaction.

   (b) The SBU structure replaced a matrix structure, improving vertical communication and reducing operational silos.

   (c) The SBU structure maintained the existing functional structure but focused solely on cost-cutting measures.

   (d) The SBU structure introduced a more centralized approach, ensuring consistent decision-making across units.

3. Horizon Technologies faced internal challenges, including leadership struggles with an authoritative CEO. How did Mr. Jonathan Mercer transform his leadership style to foster a more collaborative work environment, and what were the key outcomes of this transformation?

   (a) Mr. Mercer increased his authoritative approach to drive quicker decision-making and efficiency.

   (b) He introduced a strict top-down hierarchy to enhance discipline and order within the organization.

   (c) Mr. Mercer invested in leadership development programs, enhancing interpersonal and communication skills, which resulted in a more collaborative and dynamic work environment.

   (d) He delegated most of his responsibilities to middle managers, reducing his involvement in the company's daily operations.

4. While implementing a cost leadership strategy, Horizon Technologies went beyond just streamlining their production processes. What other factors did they consider achieving cost efficiencies, and how did this contribute to their success?

   (a) They solely focused on reducing labor costs, resulting in job cuts and employee dissatisfaction.

   (b) Horizon Technologies invested heavily in extravagant marketing campaigns to attract a premium customer base.

   (c) They optimized supply chain management and invested in research and development, leading to enhanced product quality and reduced production costs.

   (d) The company acquired competitors to eliminate competition and establish a monopoly in the market.

5. The primary factor contributing to Horizon Technologies' remarkable transformation was their commitment to systematic analysis. What role did value chain analysis play in this transformation, and how did it drive their success in both local and global markets?

   (a) Value chain analysis revealed opportunities for diversification, enabling them to cater to various market segments.

   (b) It allowed the company to identify and eliminate inefficiencies in their operations, resulting in cost reductions and improved product quality.

   (c) Value chain analysis highlighted the need for excessive vertical integration, helping them control the entire supply chain.

   (d) Horizon Technologies used value chain analysis primarily for financial forecasting and budgeting.

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. **Option (a) Socio-cultural factors, as they struggled to keep up with changing trends and cultural preferences.**

   Reason:

   The case highlights that Horizon Technologies faced challenges understanding socio-cultural trends and preferences in international markets. Adapting to diverse cultural norms and customer expectations required significant effort, making this aspect of PESTLE analysis the most challenging.

2. **Option (a) The SBU structure replaced a functional structure and empowered units to make strategic decisions. It led to quicker market response and enhanced customer satisfaction.**

   Reason:

   The case mentions that the SBU structure decentralized operations, allowing each unit to focus on specific product lines and make autonomous strategic decisions. This shift from a functional structure led to better responsiveness, innovation, and customer satisfaction.

3. **Option (c) Mr. Mercer invested in leadership development programs, enhancing interpersonal and communication skills, which resulted in a more collaborative and dynamic work environment.**

   Reason:

   The case study mentions Mr. Mercer's transition and its impact on the work environment.

4. **Option (c) They optimized supply chain management and invested in research and development, leading to enhanced product quality and reduced production costs.**

   Reason:

   The case study highlights the multifaceted approach to achieving cost efficiencies.

5. **Option (b) It allowed the company to identify and eliminate inefficiencies in their operations, resulting in cost reductions and improved product quality.**

   Reason:

   The case study emphasizes the role of value chain analysis in cost reduction and product quality improvement.

CASE SCENARIO 19

Once upon a time in the land of sun, sand, and vibrant cultures, there existed a company named "MuseoGoa" - a company that managed museums in the beautiful state of Goa. MuseoGoa had a vision to celebrate the rich history and culture of Goa, but their journey was not without its fair share of challenges.

MuseoGoa had chosen a picturesque location in a quaint village to build their first museum. However, this initial enthusiasm was met with an uproar from the local communities. The villagers were concerned about the impact on their way of life and traditions. They worried that the influx of tourists might disrupt their peaceful existence.

To address this challenge, MuseoGoa applied Mendelow's matrix, identifying the local communities as key stakeholders. They decided to engage in open dialogues, understanding and respecting the villagers' concerns. MuseoGoa initiated community-building activities, such as involving locals in museum operations, supporting local artisans, and organizing cultural events that showcased the village's heritage. Slowly but steadily, the company transformed from being perceived as a threat to a valued partner within the community.

While MuseoGoa had successfully resolved their initial issues with the local community, they faced another challenge. Their location, although idyllic, was a bit off the beaten path. Tourists typically preferred the bustling beaches closer to the city, and this posed a real challenge. MuseoGoa decided to employ a pricing strategy. They priced their tickets affordably, significantly cheaper than the city's attractions. This strategy attracted budget-conscious tourists who were looking for unique experiences in Goa without burning a hole in their pockets. As word spread about the cultural gem tucked away in the village, visitors started flocking in, drawn not just by the museum's charm but also the economical ticket prices.

In the age of social media, MuseoGoa knew that word-of-mouth was no longer limited to whispers. They tapped into the power of social media to promote their unique museum experience. MuseoGoa ran interactive campaigns, encouraging visitors to share their experiences on various platforms. One particular Instagram post featuring a vibrant Goan mural in the museum went viral. This was the turning point. The picture-perfect aesthetics of the museum attracted influencers, bloggers, and travel enthusiasts, making MuseoGoa a social media sensation. Visitors came pouring in, not just from India but from across the globe, eager to capture their own moments at the "Instagrammable Museum of Goa."

With success came ambition. MuseoGoa decided to expand its footprint beyond Goa. To guide this expansion, they conducted a strategy audit and trend analysis. They identified emerging cultural and tourism trends and found potential markets in Pune and Trivandrum.

In Pune, MuseoGoa curated a special exhibition that celebrated the fusion of Goan and Maharashtrian cultures. They strategically partnered with local influencers and travel agencies to market the new experience. The expansion into Pune was met with resounding success.

For Trivandrum, MuseoGoa recognized the importance of local traditions and the distinct flavor of Kerala. They tailored their offerings to harmonize with the regional culture. MuseoGoa became the gateway for tourists to explore Kerala's rich heritage, with the museum acting as a bridge between Goa and Kerala's cultural tapestry.

MuseoGoa's journey from initial uproar to expansion was a testament to their commitment to community building, strategic pricing, social media savvy, and a keen eye for trends. The company continued to flourish, celebrating the diverse cultural tapestry of India and making history come alive in every location they touched.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Which strategic management concept did MuseoGoa use to address the initial concerns of the local community?

   (a) SWOT analysis

   (b) Mendelow's matrix

   (c) Cost leadership strategy

   (d) Porter's Five Forces model

2. MuseoGoa's idyllic location in a quaint village posed a challenge as tourists preferred beaches closer to the city. To attract visitors, MuseoGoa priced their tickets affordably, cheaper than city attractions, drawing budget-conscious tourists looking for unique experiences. What business strategy did MuseoGoa employ to attract more tourists?

   (a) Cost leadership strategy

   (b) Differentiation strategy

   (c) Focus strategy

   (d) Diversification strategy

3. How did MuseoGoa approach its expansion into new markets such as Pune and Trivandrum?

   (a) Outsourcing strategy

   (b) Franchising strategy

   (c) Product diversification strategy

   (d) Market development strategy

4. Which element of the 7S McKinsey model is demonstrated by MuseoGoa's strategic use of social media and pricing strategies to attract visitors?

   (a) Style

   (b) Strategy

   (c) Shared Values

   (d) Skills

5. What played a crucial role in MuseoGoa's success in Pune and Trivandrum?

   (a) Strategic partnerships

   (b) Aggressive advertising

   (c) Product differentiation

   (d) Vertical integration

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. **Option (b) Mendelow's matrix**

   Reason:

   MuseoGoa used Mendelow's matrix to identify the local communities as key stakeholders and engage in open dialogues to understand and address their concerns, ultimately transforming from a perceived threat to a valued partner within the community.

2. **Option (a) Cost leadership strategy**

   Reason:

   MuseoGoa used a Cost Leadership Strategy by offering cheaper tickets than city attractions to attract budget-conscious tourists. This approach increased foot traffic, differentiated them from pricier competitors, and boosted attendance through word-of-mouth, ensuring a steady flow of visitors despite their less popular location.

3. **Option (d) Market development strategy**

   Reason:

   MuseoGoa approached its expansion into new markets through a market development strategy, as evident from the case where they curated special exhibitions and tailored offerings for Pune and Trivandrum.

4. **Option (b) Strategy**

   Reason:

   MuseoGoa's use of social media campaigns and pricing strategies represents the strategy element of the 7S McKinsey model, as these initiatives were key to achieving their objectives and attracting visitors.

5. **Option (a) Strategic partnerships**

   Reason:

   MuseoGoa's success in Pune and Trivandrum was attributed to strategic partnerships with local influencers and travel agencies to market the unique experiences in those locations, as mentioned in the case.

CASE SCENARIO 20

Quick N Safe Logistics has been one of the prominent transporters of goods for more than two decades. It has its own fleets and also has business arrangements with Railways.

Competition with existing players and the threat from new entrants are increasing regularly. Customer preferences and expectations are also changing. The need to consider new and improved means of transportation seems inevitable.

The current philosophy of the company is 'to bring the best user experience to its customers through timely and safe delivery of goods'. While keeping this philosophy in mind, it desires to keep ahead and reap the benefits of first mover advantages in the industry. In order to achieve its growth target, the company is exploring available other options so as to have a strong presence in supply chain management.

The company is of a considered view that 'we learn as we grow'. It is known that the overall per mile operating cost decreases due to an increase in efficiency and cumulative volume of services. Since the company will have a cost advantage over the competitors due to the reduced cost of services, it can develop and adopt a penetrative pricing strategy by setting a low price to attract more customers.

It is also observed that arrangement of transportation through railways is becoming a concern. Growth rate is slow and market for areas being covered by this means of transport is by and large stabilized. The profit margin is coming down due to stiff competition. The company has to work out an action plan to maintain stability.

On the other side, one of the customer segments is looking for fast delivery of its goods in major cities all across the country. The prime consideration of such customers is quick and safe delivery of their products, irrespective of cost for the same. The target market for such services is very large and also increasing very fast. In view of the same, the company wants to reform its operation by engaging a dedicated team to perform a niche marketing strategy for transporting such goods through airways on an assurance of 'delivery by next day'.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. The strategy in which the company wants to keep ahead and reap the first mover advantages in the industry, is known as:

    (a) Adaptive strategy

    (b) Reactive strategy

    (c) Proactive strategy

    (d) Responsive strategy

2. In context to service in transportation through railways, the company is analyzing a relationship between volume of business on one axis with respect to time on another axis. As per Product Life Cycle (PLC), which stage this service is passing through:

    (a) Introduction

    (b) Maturity

    (c) Growth

    (d) Decline

3. In Strategic Management, the concept of decrease in the overall per mile operating cost due to increase in efficiency and cumulative volume of services is depicted as:

    (a) Experience curve

    (b) Ansoff's growth matrix

    (c) Strategic surveillance

    (d) Value chain analysis

4. As per strategies propagated by Michael Porter, niche marketing strategy for transporting goods through airways for a large customer segment on an assurance of 'delivery by next day', is known as:

   (a) Cost leadership strategy

   (b) Differentiation strategy

   (c) Focus differentiation strategy

   (d) Focus cost leadership strategy

5. The philosophy of the company stated as, 'to bring the best user experience to its customers through timely and safe delivery of goods', is indicating towards:

   (a) Vision statement

   (b) Mission statement

   (c) Goals of the company

   (d) Objectives of the company

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (c) Proactive strategy

Reason:

A proactive strategy refers to anticipating changes or opportunities in the environment and taking early action to gain a competitive edge. In this case, the company wants to maintain its leadership by exploring new transportation methods and benefiting from first-mover advantages, which fits the proactive strategy.

2. Option (b) Maturity

Reason:

The case mentions that the market for areas covered by rail transport is "stabilized”, and growth is slow, which indicates the maturity stage of the Product Life Cycle. In this phase, the market has reached saturation, and growth slows down while competition intensifies, affecting profit margins.

3. Option (a) Strategic surveillance

Reason:

The experience curve suggests that as a company gains more experience producing or delivering services, costs per unit decrease due to efficiencies and learning over time. The company's belief that operating costs decrease as volume increases reflects the experience curve concept.

4. Option (c) Focus differentiation strategy

Reason:

Focus differentiation strategy involves targeting a specific niche market and offering unique services that differentiate from competitors. In this case, the company is offering specialized services (air transport with next-day delivery) to a specific customer segment that values speed over cost, which aligns with focus differentiation.

5. Option (b) Mission statement

Reason:

A mission statement defines the purpose of the company and its primary objectives, focusing on customer experience and service delivery. The stated philosophy of delivering timely and safe goods reflects the company's mission.

CASE SCENARIO 21

In the seventh decade of last century the *Banerjee Tasty Teas Ltd (BTTL),* engaged in tea plantations in Assam and Darjeeling for more than two decades, began selling packaged tea under the brand name "Mitra" and "Dost". At the time they had around 32 per cent of the market share in the packaged tea segment that was growing rapidly. Their next competitor had 18 per cent share. In the middle of eighth decade the company launched a chain of eateries selling teas and branded it as "Prakriti". They brewed tea in these eateries by adding goodness of adrak, tulsi and other natural ingredients. Their products were positioned as natural Indian tea with ayurvedic ingredients having health benefit. They positioned it as *masala chai* clinically proven to enhance immunity and gave a tag line, "Dadi Maa Ke Gharelu Nuskhe". It soon became the favourite chain of eateries, selling India's popular beverage, tea.

In early nineties when liberalization favoured entry of Multinationals in diverse sectors, two companies with their headquarters in USA - Galaxly and Foodtle, leading consumer goods company entered Indian market. The two companies respectively held two major global brands of teas Krypton Breakfast Tea and Argon Grey Tea. Both the global players with their vast pool of financial and other resources, knowledge of multiple markets and experienced professionals were expected to rewrite the history of the Indian Tea business.

BTTL concerned about their future engaged a leading management consultant to take advice on the future course of action. The management consultants, after a thorough study and survey in four largest metropolitan cities advised BTTL to exit the market and encash their goodwill. The consultants felt that it would be difficult for BTTL to survive in the tea business in India with the might of new competitors having abundant resources. The BTTL engaged with the two global companies and sold their packaged tea business to Galaxly in the year 1995 with a non-compete clause for 20 years. The brands "Mitra" and "Dost" became property of Galaxly. BTTP retained the eateries and "Prakriti" brand. Galaxly got an edge over Foodtle in Indian Market with instant access to the distribution network. In late 1990's Galaxly reduced production of "Mitra" and "Dost" and focussed to sell their own brands. However, both the new entrants struggled to sell their products in India. Galaxly changed back its focus to

"Mitra" and "Dost" in the middle of last decade of the previous century and started gaining edge over Foodtle. In the beginning of new century Galaxly had a market share of 21 per cent and Foodtle had a market share of 13 per cent. There were many other big and small brands that controlled the remaining share.

When the Indian tea market was witnessing a high-profile tussle between the global giants, Prakriti gained popularity among domestic consumers and increased the number of outlets to 163 located in 78 cities. BTTL riding high on the success of their Prakriti outlets, diversified into the fruit-flavoured beverages segment, with aims to garner significant share in the Indian fruit beverages market. The company launched the brand ' Asli Bursts' and started selling packaged juices in three flavours – mixed fruit, green apple and tangy orange. In the year 2010 the business expanded with the launch of 100% natural Tender Coconut Water. As a result, it became the country's largest health and nutritious drink brand with a variety of products under its umbrella. Over time the management of BTTL also changed and is now controlled by the next generation. The new generation, nostalgic about their first product re-entered packaged tea business in the year 2015 with the brand 'swad'. They pursued catering to broad markets by reducing costs in the areas of procurement, storage and distribution of teas and selling it at attractive prices. However, five years have passed; the brand 'swad' is not able to garner any significant foothold in Indian packaged Tea Market.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. In the 1970's what was the position of BTTL in BCG matrix?

   (a) Stars

   (b) Cash Cows

   (c) Question Marks

   (d) Dogs

2. Which of the following are not strength of Galaxly in India in the year 1994?

   i. Financial Resources

   ii. Krypton Breakfast Tea Brand

   iii. Strong distribution channel

   (a) ii

   (b) iii

   (c) ii and iii

   (d) i, ii and iii

3. What is the Micheal Porter business level strategy for the brand `Swad'?

   (a) Cost leadership

   (b) Differentiation

   (c) Focussed cost leadership

   (d) Focussed differentiation

4. Entry of BTTL in coconut water is:

   (a) Market entry

   (b) Market development

   (c) Market penetration

   (d) Product development

5. Entry of BTTL in eateries with brand name Prakriti is:

   (a) Vertically integrated diversification

   (b) Horizontally integrated diversification

   (c) Concentric diversification

   (d) Conglomerate diversification

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (a) Stars

Reason:

During the 1970s, BTTL held a 32% market share in the rapidly growing packaged tea segment, making it a leader in a high-growth market. This aligns with the Stars quadrant in the BCG matrix, representing high market growth and a strong market share.

2. Option (c) ii and iii

Reason:

ii. Krypton Breakfast Tea Brand: While this was a global brand, it was not yet established in the Indian market in 1994.

iii. Strong distribution channel: Galaxly lacked a robust distribution network in India, which they only acquired after purchasing BTTL's packaged tea business.

Therefore, ii and iii were not strengths of Galaxly in India at the time.

3. Option (a) Cost leadership

Reason:

The strategy for the brand 'Swad' involved reducing costs in procurement, storage, and distribution to offer tea at attractive prices. This is a classic example of the cost leadership strategy, which aims to achieve competitive advantage by minimizing costs.

4. Option (d) Product development

Reason:

The launch of tender coconut water represents product development because BTTL introduced a new product (natural coconut water) in their existing market of health and nutritious drinks, expanding their product portfolio.

5. Option (a) Vertically integrated diversification

Reason:

By launching the "Prakriti" chain of eateries, BTTL moved forward in the value chain to directly serve brewed tea to customers. This represents forward vertical integration, where a company takes over activities closer to the customer in the supply chain.

CASE SCENARIO 22

With rising incomes of salaried class individuals and the percentage of second-generation kids pushing the economic consumption to an all-time high, Anant Khanna, a 23 year old graduate of IIT Mumbai, betting on this new market segment, started a digital credit payback platform under the name of Money Mox.

The company began its operations last year and has already accumulated a customer base of around two million active users. One of the reasons to enter this market was the disruptive technology already in place because of earlier FinTech startups. It was easy to mold the available infrastructure and build a platform. The idea of the company is simple; make a gated community of high income - high spending individuals and reward them for their purchases via credit and debit cards.

The company made news recently with global investors finding it attractive to bet on. Following which, Josh Kattings, an early investor, met with the team and advised them to not just copy what Batuya, the key competitor with a different business model was doing, but to learn, improve and better the process for customers.

Surprisingly, Josh also offered Batuya to work along with Money Mox for better penetration, but Anant and team did not agree to the same so early on. They had issues with their current infrastructure and rather wanted to outshine the competition, than to shake hands and grow together.

The company last month shared their revenue projections publicly and it attracted a lot of old players in banking to take note of the new technology. The leader in this sentiment was CBZ Bank which offered to buy Money Mox for 50 crores against a 100% equity deal.

Anant and team are yet to respond to the enormous offer from a well-established bank, but this surely speaks volume about how unique ideas are valued in the developing economies like India.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Which model has been thoughtfully considered while taking the decision to dive into FinTech market?

   (a) BCG Growth Share Matrix

   (b) ADL Matrix

   (c) Stop-Light Strategy Model

   (d) SWOT Analysis

2, Money Mox's market strategy falls under which of Michael Porter's generic strategies?

   (a) Cost Leadership Strategy

   (b) Focused Differentiation Strategy

   (c) Focused Cost Leadership

   (d) Differentiation Strategy

3, Which of the following may be true about the downsides of the plan to work along with Batuya, that Anant and team might have considered?

   (a) Trade Secrets can be spilled out

   (b) Ally may become a competitor

   (c) There may be good sharing of skills and technology and thus the costs will rise

   (d) Only A and B

4. Considering the advice given by Josh Kattings about improving processes and bettering customer experiences, under Mendelow's Matrix, where does Josh Kattings likely fall?

   (a) High Power, High Interest (Key Players)

   (b) High Power, Low Interest (Keep Satisfied)

   (c) Low Power, High Interest (Keep Informed)

   (d) Low Power, Low Interest (Minimal Effort)

5. CBZ Bank's offer to buy 100% equity of Money Mox is an example of?

   (a) Horizontal Merger

   (b) Concentric Diversification

   (c) Strategic Alliance

   (d) Co-generic Merger

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (c) Stop-Light Strategy Model

The Stop-Light Strategy Model (also associated with the GE Matrix) evaluates business units or industries based on market attractiveness (e.g., disruptive technology, rising market potential) and business strength (e.g., rapid growth of the user base and customer acquisition rate). Money Mox entered the FinTech market based on these two key factors, aligning with the Stop-Light Model rather than SWOT Analysis.

2. Option (b) Focused Differentiation Strategy

Reason:

Money Mox targets a niche market (high-income, high-spending individuals) by offering a unique service (credit payback rewards for card purchases). This is a clear example of focused differentiation, where a company tailors its product or service to a specific market segment with unique value propositions.

3. Option (d) Only A and B

Reason:

- A. Trade secrets can be spilled out: Collaboration may lead to unintentional disclosure of proprietary processes or strategies.
- B. Ally may become a competitor: Partnerships can lead to shared knowledge, which might make the ally a strong competitor in the future.
- C is incorrect because sharing skills and technology typically lowers costs through economies of scale, not increases them.

Thus, the downsides considered are only A and B.

4. Option (a) High Power, High Interest (Key Players)

Reason:

As an early investor and advisor, Josh Kattings holds significant power (financially and strategically) and has high interest in Money Mox's success. He qualifies as a "Key Player" who should be engaged closely and consulted in critical decision-making.

5. Option (d) Co-generic Merger

Reason:

CBZ Bank operates in the financial services sector, and Money Mox is a FinTech startup within the same broad domain. This acquisition is a co-generic merger, as it involves two companies in related industries but with different operational aspects, aiming to create synergy.

CASE SCENARIO 23

Jalsa Group is a family amusement park developer, based out of Ahmedabad. They have four prime properties in Gujarat; Snake Land, Water World, Ride Road and Habitat Universe.

Amongst above, Ride Road is the newest. The concept of Ride Road is that people can bring in their vehicles (of all sizes) and race against each other/in teams under expert guidance. The idea is fairly new to Indian market and the group is betting big money on it. Another bet that turned quite well for Jalsa is the Snake Land. The park has an integral design of a jungle with various rides based on snakes and reptiles. It has attracted locals in huge numbers and recently an influx of national tourists has been observed.

The owners liked a concept they saw on their visit to Indonesia, where people could visit an amusement park and plant vegetables and trees of their liking, and apparently own that particular tree/plant with all its produce being their property. This could have a major environmental benefit vis a vis governmental support to set up the business. The owners' proposed that this could even be made part of the Water World to revive it back to its glory.

Noting from above, Water World has seen tremendous competition at a national level, and the quality of rides has also deteriorated with new technological designs coming up. To meet the losses being made at Water World, management of Jalsa built Habitat Universe in a close spot, which has been awarded at international level and is seeing slight competition with increasing tourism, as the ticket sales figures are quite high.

The management team in their annual meeting presented the below matrix to the owners, based on which further plans were thought through;

Stars: Snake Land	Question Marks: Ride Road
Cash Cows: Water World	Dogs: Habitat Universe

The owners and team have realised that their differentiating factor at a national level is their ability to observe international trends and implement the same in India. Following which, Jalsa has planned to form an international vigilance committee to find such international trends and give them an Indianess for their business. The Group plans to develop two more properties near Goa in the coming years.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Mark the statement(s) that are most appropriate.

   (a) Snake Land is in growth stage and Habitat Universe is in maturity stage

   (b) Snake Land is in growth stage and Water World is in maturity stage

   (c) Ride Road is in introduction stage and Habitat Universe is in maturity stage

   (d) Ride Road is in introduction stage and Water World is in declining stage

2. Formation of International Vigilance Committee is an incidental product of _______ of Jalsa Group?

   (a) Core Competency

   (b) Differentiation Strategy

   (c) Cost Leadership

   (d) Strategy Audit

3. Developing Habitat Universe is what kind of an expansion strategy?

   (a) Vertical Diversification

   (b) Concentric Diversification

   (c) Conglomerate Diversification

   (d) Horizontal Diversification

4. Which of the following is true in the matrix presented at the annual meeting with the owners?

   (a) Stars: Snake Land and Question Marks: Ride Road

   (b) Cash Cow: Water World and Stars: Snake Land

(c) Dogs: Habitat Universe and Question Marks: Ride Road

(d) Question Marks: Ride Road and Cash Cow: Water World

5. Clearly SWOT analysis helped the owners' understand their differentiating factor of success, but which factor amongst the below can disrupt their differentiation factor in the long term?

(a) Highly complex environment

(b) Competitive Scenario

(c) Both (a) and (b)

(d) SWOT Analysis is a fool proof technique, thus nothing would affect

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (d) Ride Road is in introduction stage and Water World is in declining stage.

Reason:

Ride Road is a new concept, indicating it is in the introduction stage, while Water World is facing competition and declining quality, placing it in the declining stage.

2. Option (a) Core Competency.

Reason:

The formation of the International Vigilance Committee reflects Jalsa Group's core competency in observing and adapting international trends to the Indian market.

3. Option (b) Concentric Diversification.

Reason:

Developing Habitat Universe complements the existing amusement park offerings, making it a concentric diversification strategy.

4. Option (a) Stars: Snake Land and Question Marks: Ride Road.

Reason:

The matrix categorization indicates Snake Land is performing well as a star, and Ride Road is in the question mark category as a new venture.

5. Option (c) Both (a) and (b).

Reason:

Both a highly complex environment and a competitive scenario can disrupt differentiation over time.

CASE SCENARIO 24

Medline patient care limited (MPCL) began its business as a small family-run business supplying custom-made hospital furniture and patient care equipment. The company started its operations with meager capital and work force in the year 1990, now having 20 years of experience and expertise, it has grown into a thriving hub of experts specializing in either custom-made, locally sourced or quality imported commercial grade hospital furniture. The company has made a significant name in the field of "patient care equipment" by providing high quality products to its customers.

Medline patient care limited (MPCL) has a wide business network throughout India and supply its products to various hospitals, nursing homes and medical colleges. It is well-known for manufacturing Hospital Furniture and Operation Theatre Equipment (Tables and Lights). Due to sudden plunge in the sales volume, margin of profits and declining market share, the company's CEO called a meeting with Board of Directors and other senior executives. They decided to appoint Mrs. Puri as a new strategy manager.

As a newly appointed strategy manager, Mrs. Puri has to assess and analyse the business environment and work out on the reasons of declining trends. Mrs. Puri conducted SWOT analysis and observed that the reason of these decreasing trends is increased competition that has emerged over the last three years. For many years, Medline (MPCL) has been known for high quality but now this quality is being matched by the competitors who are able to sell at lower prices.

After analysing the business environment, Mrs. Puri submitted her report to the top level management with the following proposals:

- Focus on technology, innovation, and quality: The expert technology, quality and innovates can earn the confidence of Doctors and the trust of consumers in developing latest Medical Equipments.
- Employee training & development: She advised to train and experts technical staff in our company to produce trouble free products.
- Cost rationalization: Reduction in the cost of production is required.

- Client service, support, and feedback: MPCL understands the importance of "After Sale-Service" to customers and always concentrate on this point.
- Product testing: All products are thoroughly tested before dispatch.

Based on the above case scenario, answer the multiple choice questions

MULTIPLE CHOICE QUESTIONS

1. After conducting the SWOT analysis by Mrs. Puri in MPCL, she identifies that high quality, custom-made hospital furniture has made a significant name in the field of "patient care equipment" by MPCL. For MPCL, these features of its products are its:

   (a) Strength

   (b) Opportunity

   (c) Weakness

   (d) Threat

2. MPCL recruits and appoints various employees at their respective levels in the organisation. Identify, the CEO, Board of Directors and other senior executives are a part of which of the following Strategic Levels in the organization?

   (a) Business Level

   (b) Functional Level

   (c) Corporate Level

   (d) Consultant Level

3. According to Michael Porter's five forces model, which force came into existence for declining the growth and profits of MPCL?

   (a) Threat of new entrant

   (b) Threat of substitutes

   (c) Bargaining power of customers

   (d) Bargaining power of suppliers

4. MPCL's market share is declining due to equivalent products being sold by competitors at lower prices. What does this statement reflect?

   (a) It reflects that the cost of production of competitors is lower than MPCL

   (b) It reflects that the competitors are providing cheap products

   (c) It reflects that MPCL has declined the quality of its products

   (d) All of the above.

5. Competitive advantage leads to superior profitability. Mrs. Puri's report indicates the factors for value creation. Identify the factors by which MPCL can achieve competitive advantage by value creation.

   (a) The expert technology, quality and innovates can earn the confidence.

   (b) Reduction in the cost of production is required.

   (c) After Sale-Service to customers and welcome the valuable suggestions from their customers.

   (d) All of the above

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (a) Strength

Reason:

High quality and custom-made products represent internal strengths of MPCL, as these features contribute positively to the company's reputation and market position.

2. Option (c) Corporate Level

Reason:

The CEO and Board of Directors operate at the corporate level, focusing on overall strategic direction and decision-making for the organization as a whole.

3. Option (b) Threat of substitutes

Reason:

The decline in MPCL's growth and profits is significantly impacted by competitors offering equivalent products at lower prices. This suggests that customers may choose substitutes (in this case, similar hospital furniture and equipment from other suppliers) over MPCL's products, which aligns with the threat of substitutes in Porter's model.

4. Option (a) It reflects that the cost of production of competitors is lower than MPCL

Reason:

The statement specifically highlights that competitors are selling similar products at lower prices, which suggests they have a cost advantage over MPCL. The other options either generalize or misrepresent the situation.

5. Option (d) All of the above

Reason:

All listed factors (expert technology and quality, cost reduction, and after-sale service) contribute to MPCL's ability to create value and achieve a competitive advantage in the market.

CASE SCENARIO 25

Aero Mind Bridge Technologies Ltd (AMBTL) is a software development company work as a solution provider to airlines industry. The company was established more than a decade ago by Mr. Pranshu Gupta having experience of working in the United States of America (USA). His entrepreneurial desires brought him back to India to promote Aero Mind Bridge Technologies Ltd (AMBTL). The company started its operations with a meager capital of Rs. 10 lakhs with limited workforce. Currently, it enjoys a valuation of more than Rs. 50 crores. Almost everybody acknowledged the competency of AMBTL in developing customised software for the airlines industry.

The high growth of the company was mainly on account of the heavy inflows of the funds in the airlines industry from various big business houses that have diversified into airlines industry. Currently, these business houses were in the manufacturing of FMCG, textiles, packaging etc. and having good expertise and uniqueness in these industries.

However, AMBTL saw stagnation in last three years. The order position was shrinking day by day. The margins were also reducing. Last year was particularly bad for the AMBTL and its annual sales reduced by 20 % for the first time since its inception.

Most of the business houses that had entered in the airlines industry had less knowledge and experience in the industry. However, their desire to diversify and seeing new opportunity in the airlines industry prompted them to invest heavily into the industry.

However, things did not turn out to be as expected. The tough competition between several players, reduction in the fare by railways and high prices of aviation fuel created problems for the industry. The sector was not able to generate reasonable profits thus resulting difficulty in maintaining operations. They were in need for hard to come by capital. Lately, the airlines industry is witnessing some consolidation with companies planning for mergers or even contemplating closures.

The general global recession also resulted in the reduction of travel expenditure of corporates resulting in decrease in the order position of AMBTL.

Based on the above case scenario, answer the multiple choice questions

MULTIPLE CHOICE QUESTIONS

1. Identify the nature of diversification by the business houses entering into airlines industry.

   (a) Concentric diversification

   (b) Conglomerate diversification

   (c) Vertically integrated diversification

   (d) Horizontal integrated diversification

2. The big business houses were in the manufacturing of FMCG, textiles, packaging etc. and had good expertise and uniqueness in these industries. But they are not performing well in airlines industry because of

   (a) Non availability of funds

   (b) Incompetent workforce

   (c) Rapid technological changes

   (d) Lacking core competence

3. AMBTL has been known for its competency in developing customized software for the airlines industry. Which "S" in the 7S Framework reflects this capability?

   (a) Systems

   (b) Skills

   (c) Structure

   (d) Strategy

4. AMBTL could be easily marked as a Star as per BCG's Growth Matrix in its early years. However, the last three years have not been good for AMBTL. Where would you put it on the BCG Matrix?

   (a) Dog

   (b) Question Mark

(c) Will remain a star

(d) Cash Cow

5. Mr. Pranshu Gupta as a core strategist of AMBTL has been authorised to bring about strategic change in his company, how he will initiate "unfreezing of the situation"?

(a) Promoting new ideas throughout the organization

(b) Promoting compliance throughout the organization

(c) Promoting change in process throughout the organization

(d) None of the above

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (b) Conglomerate diversification

Reason:

Conglomerate diversification refers to entering into a completely different industry than the one currently being operated in. The business houses in this case were originally involved in industries like FMCG, textiles, and packaging, and they ventured into the airlines industry, which is unrelated to their existing businesses.

2. Option (d) Lacking core competence

Reason:

While these companies may have expertise in their original industries, they lack the core competence required to succeed in the airlines industry. Their inexperience and lack of industry-specific knowledge have hindered their performance.

3. Option (b) Skills

Reason:

Skills refer to the organization's core competencies and technical capabilities, which in this case is software development expertise.

4. **Option (d) Cash Cow**

   Reason:

   If AMBTL has reduced growth but remains profitable due to established clients, it may still act as a Cash Cow. However, if profitability is severely impacted, (a) Dog might also be considered correct.

5. **Option (a) Promoting new ideas throughout the organization**

   Reason:

   To initiate change, the first step is to "unfreeze" the current state by promoting new ideas and creating awareness about the need for change among employees. This encourages a shift in mindset and prepares the organization for the upcoming changes.

CASE SCENARIO 26

Over 3 billion people worldwide drink coffee every day, and about 18% of Indians prefer coffee over tea. These numbers are growing at a CAGR of 11% and HotKopi wants to lead the way ahead in budget coffee stores in the Indian subcontinent. With many new brands mushrooming out to make money from the growing industry, HotKopi's unique selling proposition (USP) is its hand blended coffee, roasted on cow dung.

The business is not easy, getting quality cow dung, training individuals, packing organically and maintaining hygiene has been a constant issue. However, their customer reach and relationship management has been a winner in the market. This has helped them grow slowly and steadily even with enormous competition in the coffee segment.

In their annual finance meeting, the CFO of the company aimed to achieve 30% growth in customers and a 7% increase in net profits as soon as possible. On these lines, the company planned to expand its operations and team size to nearly thrice of what they were at the beginning of the year.

The business of HotKopi seemed sustainable but as the environment is dynamic and competition is fierce, the management had been keeping an eye on competition very closely. The promotions from competitors were flocking between being organic to dropping prices, offering free corporate parties, student discounts and souvenirs for high purchasers. The team knew these were costly promotions and were denting their competition economically but getting them business and a big share of the market.

More so, ChocoJoe, the biggest coffee brand in North America, was due to enter India in the coming months. They had already partnered with one of HotKopi's competitors and the business sustainability of HotKopi seemed weak. The team sat down for a round table meeting and decided to offer their entire business to ChocoJoe for a 120% premium and exit the business.

ChocoJoe recently accepted their offering, and the deal shall finalise by year end.

HotKopi has been a short success story which shall now hide behind the mega branding of ChocoJoe. Nonetheless, businesses are meant to be practical at times rather than being emotional. Whether the decision to sell off and exit was a wise one or not, only time would tell.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Which of the following aspects of Value Chain Analysis has been a crisis area for HotKopi?

    (a) Inbound logistics and Transformational operations

    (b) Outbound logistics and Transformational operations

    (c) Marketing and Sales

    (d) Service and Inbound logistics

2. Differentiation has been core to HotKopi's business, but it has its own weaknesses. Which of the following could be the weakest of them all for HotKopi?

    (a) Price point war

    (b) Sustainability of uniqueness

    (c) Inevitability of offering proposition

    (d) Switching costs for customers

3. Which core characteristics in CFO's objective of achieving 30% growth in customers and 7% increase in net profits is missing?

    (a) Being concrete and specific

    (b) Providing standard for performance appraisal

    (c) Challenging in nature

    (d) Time frame specific

4. Had they not offered their business to ChocoJoe, HotKopi would have to pursue their plans of expansion. Which of the following would best suit their organizational structure?

    (a) Divisional structure

    (b) Multidivisional structure

    (c) Functional structure

    (d) Strategic business unit structure

5. HotKopi opted for liquidation. What kind of strategic control helped them get money out of the business at the right time?

   (a) Strategic surveillance

   (b) Special alert control

   (c) Premise control

   (d) Management control

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (a) Inbound logistics and Transformational operations

Reason:

HotKopi struggled with sourcing quality cow dung (inbound logistics) and maintaining hygiene, training, and organic packaging (operations).

2. Option (b) Sustainability of uniqueness

Reason:

Their differentiation (roasting on cow dung) is difficult to sustain in the long run due to competition and operational challenges.

3. Option (d) Time frame specific

Reason:

The CFO's objective lacked a specific deadline, making it incomplete as per the SMART goal framework.

4. Option (c) Functional structure

Reason:

Since HotKopi has a low level of diversification, a functional structure (with separate departments for marketing, operations, finance) is the best fit for expansion.

5. Option (b) Special alert control

Reason:

The entry of ChocoJoe and rising competition led to a sudden strategic decision to sell, which aligns with special alert control.

CASE SCENARIO 27

O-Farm, an organic farm products brand has been operating in India since 2014. It has had a decent history of business with revenue of INR 50 crores in the previous year and a Compound Annual Growth Rate (CAGR) of 11% year on year.

While the company operated on "Kisaan Kalyan" i.e., farmer friendly agenda since its inception, the rough times ahead seem to call for changes. The recent amendments in Agriculture laws, though indirectly related to organic farming, have posed immense threat to how the business operates. The leaders have been proactive in shifting gears and budgeted funds for shifting focus to "Upbhokta Sewa", i.e., customer orientation.

To create newer demands and position themselves against the local farming practice changes, they reached out to West Asian and African Nations for their farm inputs, just like many other small traders from their segment. Accordingly, they ordered dry fruits from Afghanistan, whole wheat from Nigeria, and citrus fruits from Turkey. This has helped them get raw input at cheaper than usual rates and even better contractual terms, thus reducing input costs and thereby passing on the surplus margins to customers.

Further, the marketing team roped in big cricket stars and many social media influencers to aware customers about the brand's customer orientation and product benefits. But, as the focus was on minimal spending, the team smartly locked in affiliate marketing terms with the influencers and even celebrities, instead of upfront promotion fee. This also helped in saving a lot of money initially.

With the changing environment in the Indian subcontinent around agriculture production, the team is confident with its strategic positioning. The sales have been just at the break-even bars for now, and the projected CAGR is 19% year on year, taking the sales volume to 10X in the next 4 years.

Farming has been a respected profitable business with big players as huge as oil companies. Nonetheless, it is complex, as it involves a lot of stakeholders, especially as it still remains a labour-intensive industry.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. O-Farm's new strategy implementation as a result of amendment of Agriculture laws by the government, resonates with which of the following statements?

   (a) Organisational operations are highly influenced by the ripple effect of environmental changes.

   (b) Organisational structure is highly influenced by the ripple effect of environmental changes.

   (c) Organisational operations are not affected by the ripple effect of environmental changes.

   (d) Organisational structure can influence environmental changes.

2. The shift of O-Farm from "Kisaan Kalyan" to "Upbhokta Sewa" is a change in?

   (a) Mission

   (b) Vision

   (c) Promotion

   (d) Product

3. Which of the following was the first and major advantage for O-Farm that helped them achieve Cost Leadership in the market?

   (a) Economies of Scale was achieved very early on

   (b) Prompt forecast of product demand

   (c) Becoming customer oriented

   (d) Well negotiated purchase contracts

4. O-Farm's marketing strategy is an example of which of the following marketing strategies?

   (a) Person Marketing

   (b) Augmented Marketing

   (c) Enlightened Marketing

   (d) Synchro Marketing

5. The brand has achieved cost leadership through multiple strategies, but it would be a constant challenge to sustain this leadership because of which of the following reasons?

   (a) Competitors would imitate their modus operandi.

   (b) Marketing costs will be huge as volumes increase given their choice of marketing strategy.

   (c) Change in Agriculture Laws shall disrupt its supply chain time and gain.

   (d) Sales volume will have to outperform its own targets and even that of competitors.

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (a) Organisational operations are highly influenced by ripple effect of environmental changes.

Reason:

O-Farm had to alter its strategy (importing from other nations and shifting focus) due to changes in agriculture laws, showing how operations are affected by environmental changes.

2. Option (b) Vision

Reason:

The shift from "Kisaan Kalyan" (farmer welfare) to "Upbhokta Sewa" (customer focus) represents a long-term strategic direction rather than just an immediate purpose, indicating a change in vision.

3. Option (d) Well negotiated purchase contracts

Reason:

Importing cheaper farm inputs from West Asian and African nations helped O-Farm reduce input costs, making it the primary driver of cost leadership.

4. Option (c) Enlightened Marketing

Reason:

O-Farm used social media influencers and cricket stars with affiliate marketing instead of upfront payments, which is an example of enlightened marketing—a cost-effective and responsible promotional approach.

5. Option (b) Marketing cost will be huge as volumes increase given its choice of marketing strategy.

Reason:

Since O-Farm relies on affiliate marketing, costs will rise proportionally as sales volume increases, making it harder to sustain cost leadership.

CASE SCENARIO 28

There is a wave of interest from around the globe in an upcoming one of its kind three-day fitness event called DRIPP, organised by Monolith Events LLP. The event is due next year, and the tickets are already sold out.

Major attractions are that only organic foods and health drinks shall be available throughout the three-day event, free consultations with athletes, training tips and tricks. Competitions with prize money are also up for grabs. A lot of Bollywood Stars and International Celebrities have also shown interest and pledged to visit the event in Goa.

Rishi Bhalla, the Chief Logistics Officer, has formed a team of 30 people to get the right products from the right place to the right place at the best possible prices. They have been in conversation with many local vendors for organic products and have an inclination towards local businesses than going for big brand names. The idea is to give maximum profits to the vendors and in doing so the vendors would also have to bear the costs of setting up and share the risks of organising DRIPP. It seems a fair win-win proposition.

Further, Elina Ray, Director of Operations, has divided her team into middle managers looking after finance, customer service, supplies, community engagement and IT. They would all report to Elina directly and would be independent in taking decisions for their respective responsibilities. This would ensure an autonomous decentralised management to speed up operations.

The team had been working long hours till January and the business was struck by the pandemic. They have been fortunate enough to keep the ticket buyers, vendors and celebrities on board and even though the preparations have been a challenge in Covid19 times, the team has worked hard to keep things intact and on track.

Assuming global and domestic travel to normalise by next year, the team at Monolith anticipates many more such events like DRIPP with big event companies joining the party to imitate their concept.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Which of the following is untrue about Elina Ray's team?
   (a) They are group of Functional level managers.
   (b) They are aimed at facilitating the business level strategies.
   (c) They would work isolated but work towards core business strategies.
   (d) They would be responsible for control of their respective function.
2. Which of the following best describes the vendor engagement for DRIPP?
   (a) Organizational alliance
   (b) Economic alliance
   (c) Strategic alliance
   (d) Political alliance
3. Which of the following is a focal weak point for DRIPP's success if the pandemic allows more time for competitors to conceptualise something similar?
   (a) Minimum capital requirement
   (b) Inadequate barriers to entry
   (c) Easy access to distribution channels
   (d) Low switching costs
4. According to Mendelow's Matrix, which stakeholder group do the vendors belong to, considering they share risks and costs of DRIPP?
   (a) Key Players
   (b) Keep Informed
   (c) Keep Satisfied
   (d) Minimal Effort
5. For an Events Management firm such as Monolith Events LLP the ideal form of organisaitonal structure would be
   (a) Hourglass

(b) Matrix

(c) Functional

(d) Divisional

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. **Option (c) They would work isolated but work towards core business strategies.**

   Reason:

   Elina's team members report directly to her and handle different functions independently but not in isolation. They coordinate for overall operations.

2. **Option (c) Strategic Alliance**

   Reason:

   The vendors are not just suppliers but also share costs and risks, making this a long-term collaboration rather than a simple financial or political arrangement.

3. **Option (b) Inadequate barriers to entry**

   Reason:

   Event management has low entry barriers, meaning competitors can easily copy DRIPP's concept, reducing its uniqueness and market edge.

4. **Option (a) Key Players**

   Reason:

   Vendors directly impact the event's success by providing essential products and services. Their high power and high interest make them key stakeholders.

5. **Option (b) Matrix Structure**

   Reason:

   Event management requires cross-functional collaboration, and a matrix structure allows for flexibility, as employees report to both functional and project managers.

CASE SCENARIO 29

Increasing investment in the share market, mutual funds, and equity/debt investment plans from the growing salaried middle class gave birth to Scripzy, an Artificial Intelligence based market predictor and digital brokerage company. The company is headquarters in Mumbai and has a team of 100+ IT professionals working on building a safe and secure digital infrastructure.

The market is densely competitive. Apart from similar start-ups, several established players of the industry have also diversified their businesses with digital offerings for their existing customers. However, Scripzy, with its organic reach for the young earning set of customers, is on a winning streak. This was achieved by project 'Force.'

Project Force was a secret market analysis conducted by internal teams to find sustainable competitive advantages, focus on final product attributes most valued by customers and imitate the competitive capabilities of competitors. It was a complete final product-customer approach which helped them win over youngsters.

Interestingly, the company being AI based has also automated its internal decision making with in-house AI decision making bots. The top management explains their requirements to the AI bot and the bot makes functional decisions that are to be executed by respective teams. It also engages with team leaders and sends regular reports on fulfilments. This projected a very strong image for the company in the international market and a Chinese investor offered them a huge undisclosed amount to buy-out the AI system. Scripzy immediately accepted the offer and earned huge sums from the unexpected sale.

Repercussions followed and their core customers, the youth, boycotted their product. The team had to approach the share market leaders to support and with a little influence from the share market leaders, they were able to regain their "True Indian Company" status in the media. Nonetheless, damage was done, and they saw their customer base shattered to an all-time low.

Decisions which seem economically attractive are multi-faceted, and this is one lesson that Scripzy shall remember for times to come. Business for now is low and weak, but a good strategy can change the landscape for Scripzy's future.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Which of the following statement by Ansoff is most appropriate for Scripzy's strategy in the changing environment?

   (a) Preparedness of worst-case scenarios

   (b) Farfetched planning of leadership

   (c) Money has the power to influence the environment

   (d) Blend of proactive and reactive actions

2. Project Force was crucial in determining Scripzy's position in the market. However, which of the following metrics was missed by the team while understanding KSFs?

   (a) Crucial product attributes

   (b) Sustainable competitive advantage

   (c) Resources for competitive success

   (d) Competitive capabilities to be competitively successful

3. Competitive landscapes of Scripzy comprises?

   (a) AI Firms

   (b) Existing financial firms that diversified their offerings

   (c) Other start-ups

   (d) Only (b) and (c)

4. In future, to fight out uncertainties like geo-political influences, which of the following can be used by Scripzy?

   (a) PESTLLE Analysis

   (b) SWOT Analysis

   (c) GE Matrix

   (d) ADL Matrix

5. Which of the following elements of the 7S McKinsey Model played a crucial role in Scripzy's success by aligning its AI-driven decision-making bots with its operations?

   (a) Strategy

   (b) Systems

   (c) Structure

   (d) Style

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. Option (d) Blend of proactive and reactive actions

Reason:

Scripzy initially followed a proactive strategy by conducting Project Force, which helped them gain a competitive edge by understanding customer preferences. However, their decision to sell their AI system led to unexpected customer backlash, requiring them to take reactive measures to regain trust. This mix of proactive and reactive actions aligns with Ansoff's strategic management insights.

2. Option (c) Resources for competitive success

Reason:

While Project Force successfully identified product attributes, competitive capabilities, and sustainable advantages, Scripzy failed to recognize the importance of retaining its internal AI system as a key resource for competitive success. Selling the AI system weakened their differentiation, leading to a decline in their competitive position.

3. Option (d) Only (b) and (c)

Reason:

Scripzy faces competition from existing financial firms that have diversified into digital offerings (b) and other start-ups (c) in the AI-based market prediction and brokerage sector. While AI firms may develop predictive technologies, they do not necessarily operate in the same business model as Scripzy, making option (a) less relevant.

4. Option (a) PESTLLE Analysis

Reason:

PESTLLE Analysis helps assess external macro-environmental factors, including Political and Legal aspects, which are crucial for handling geo-political uncertainties. It evaluates trade policies, regulations, foreign investments, and economic impacts, making it the best tool for Scripzy.

5. Option (b) Systems

Reason:

The AI bots automated decision-making and operational processes, which falls under the Systems component of the 7S Model, focusing on internal processes and workflows.

CASE SCENARIO 30

Rohansh Bakshi, a 22-year-old from Maharashtra, started a gaming equipment company called TEEMOX, which specialises in gaming chairs, gaming consoles, controllers, wireless keyboard, touchscreen and mouse pads. Rohan has been an innovator and loves building products. Hence, to prioritise his time more on development, he insisted Mr. N. Muniyappa, his mentor, to be the CEO of the company and spearhead business from the front.

Rohansh has always believed in bringing something new to the consumer and that is clearly projected in the products offered by TEEMOX. His designs reflect youth with exciting colors and comfort, and they match the quality of big global brands. However, to make his products worth the money that his customers are paying, the procurement is done from Indonesia and Vietnam, where the materials are easily available at low costs.

Interestingly, Rohansh's AI based gaming chairs have been a huge hit for the company, bringing in the maximum revenue and margins. The business has gone from 200 units sold to over 5000 units sold in just six months. To add to it, a famous FMCG Brand approached TEEMOX to collaborate for a sports drink focused on gamers. The team is excited about this collaboration as the deal will bring in more awareness and open newer markets for them. But Mr. Muniyappa insists that this might also displease the existing consumers who relate to TEEMOX as a customer-oriented brand rather than yet another money-minting business.

Nonetheless, the plans seem to be working in the company's favour for now and the future seems bright. To put it in context, the gaming industry is booming with a Compound Annual Growth Rate (CAGR) of 190%, adding over 20 million new customers every quarter. Clearly, opportunities are enormous, and the brand is on track. A well-established vision and mission for the company could be a strong strategic advantage for challenging times to come.

Based on the above case scenario, answer the multiple choice questions.

MULTIPLE CHOICE QUESTIONS

1. Based on the above case which of the following seems true above the Strategy of TEEMOX?

   (a) Strategy was unified and comprehensive.

   (b) Strategy was comprehensive and integrated.

   (c) Strategy was integrated and unified.

   (d) Strategy was integrated, unified and comprehensive.

2. Gaming chair business of TEEMOX is a cash cow. Which of the following strategies helped it become such an influential business?

   (a) Organisation differentiation

   (b) Product differentiation

   (c) Focused differentiation

   (d) Low-cost product provider

3. By routing its products from Indonesian and Vietnam, TEEMOX was able to achieve which of the following strategies on the holistic level of business?

   (a) Product differentiation

   (b) Horizontal integration of business

   (c) Best cost provider in the industry

   (d) Globalisation of business

4. TEEMOX's success is primarily driven by Rohansh's passion for product development and innovation. Under the 7S framework, which element does this align with?

   (a) Strategy

   (b) Systems

(c) Shared Values

(d) Skills

5. A well-known FMCG brand is interested in collaborating with TEEMOX for a sports drink targeting gamers. Given its potential impact on TEEMOX's brand and market position, where would this FMCG company fall in Mendelow's Matrix?

(a) High power, High interest (Key Players)

(b) Low power, Low interest (Minimal Effort)

(c) Low power, High interest (Keep Informed)

(d) High power, Low interest (Keep Satisfied)

ANSWERS TO MULTIPLE CHOICE QUESTIONS

1. **Option (d) Strategy was integrated, unified, and comprehensive.**

   Reason:

   TEEMOX's strategy covers multiple aspects: innovation in product design (differentiation), cost-effective procurement (low-cost sourcing), and market expansion (collaboration opportunities). Since it aligns different business functions (integration), maintains a unified approach (innovation + affordability), and covers all strategic dimensions (comprehensive planning), option (d) is the most accurate.

2. **Option (b) Product differentiation**

   Reason:

   TEEMOX's AI-based gaming chairs are unique, offering advanced features that have made them a high-revenue product. This aligns with product differentiation, where the company creates unique value through innovation rather than competing solely on price.

3. **Option (c) Best cost provider in the industry**

   Reason:

   By sourcing from lower-cost countries, TEEMOX can maintain high quality while keeping production costs down. This aligns with the best-cost provider strategy, which focuses on offering superior products at competitive prices, rather than purely low-cost or high-differentiation approaches.

4. **Option (d) Skills**

   Reason:

   The McKinsey 7S Framework includes Skills, which refers to the capabilities and expertise of individuals within the organization. Rohansh's strength in product development and innovation is a key skill driving TEEMOX's success.

5. **Option (a) High power, High interest (Key Players)**

   Reason:

   The FMCG brand has a high stake in the collaboration and can influence TEEMOX's brand perception. Since this collaboration could open new markets or create brand dilution risks, the FMCG brand holds both high power and high interest, making them a key player in Mendelow's Matrix.