

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA  
**POST GRADUATE DIPLOMA IN MANAGEMENT**

Third Trimester (Batch 2017-19)  
END TERM EXAMINATION  
(April 2018)

Set A

Course Name	Strategic Management-I	Course Code	GM 301
Max. Time	120 minutes	Max. Marks	40

**Instructions: All Questions are compulsory. Be Concise.**

1. Analyze the Mission Statement of M/s Procter & Gamble, given below, with respect to the *main components* of a Mission Statement.

Mission Statement of 'Procter & Gamble'

"Procter & Gamble will provide branded products and services of superior quality and value that improve the lives of the world's consumers. As a result, consumers will reward us with industry leadership in sales, profit, and value creation, allowing our people, our shareholders, and the communities in which we live and work to prosper". (5 Marks)

2. Analyze the 'Indian Smart Phone Industry' using Porter's Five Forces Model clearly indicating the *level of impact of each force* in terms of low, medium or high, and your recommendations regarding entering the Smart Phone Industry or otherwise, as a new player. Substantiate your recommendation with full justification. (10 Marks)

3. "Apple Inc. is an American multinational technology company headquartered in Cupertino, California, that designs, develops, and sells consumer electronics, computer software, and online services. The company's hardware products include the iPhone smartphone, the iPad tablet computer, the Mac personal computer, the personal computer, the iPod portable media player, the Apple Watch smartwatch, the Apple TV digital media player, and the HomePod smart speaker".

(a). Which *Generic Strategy* is being pursued by 'M/s Apple Inc.'? Comment on it. (5 Marks)

(b). Briefly comment on the sustainability of competitive advantage of the company using *VRIO/VRIN Framework*. (5 Marks)



4. Given the following information, indicate the cell in which the XYZ Corporation lies in the *Internal External (IE) Matrix* by drawing it and suggest the appropriate strategies:

Total weighted score on the Internal Factor Evaluation (IFE) = 3.6

Total weighted score on the External Factor Evaluation (EFE) = 1.2 (5 Marks)

### 5. Case- Tangy Spices Ltd.

Tangy Spices Ltd, the countries' biggest spices marketer, has decided to launch a hostile bid for taking over Italy's major spice marketer Chilliano. This is a rare case of an Indian company making an unsolicited hostile bid for a foreign company. The Tangy Spices Ltd. has competencies in Indian spices. The major destination markets for the Tangy Spices Ltd. exports have been the Europe and America. The competencies of Chilliano lie in Italian herbs and spices. The Indian company, with the takeover, wishes to synergies its operations in the world market. It also wants to take advantage of the reach enjoyed by the Italian company in several countries where its products are not being sold presently.

The move of hostile takeover follows Chilliano's rejection to an agreement entered a year back. At that time, Chilliano was suffering losses and it offered majority shares at a price of € 2.25. A total of 20% shares were transferred at that time. In one year, Chilliano was able to turnaround its operations and the company made handsome profits in the last quarter. The promoters, who have residual holding of 35% in the company, are reluctant to transfer the shares now. They have rejected the agreement with a plea that the earlier offer price was not sufficient. Tangy spices Ltd revised its offer to € 2.95. By this lucrative offer, some of the large shareholders of Chilliano revealed their interest for selling their stakes. On the other hand, promoters maintained their position on this matter. Through the process of buying of shares in the market, the Tangy Spices Ltd. gradually consolidated its holding in Chilliano to 45%. Being a major shareholder, they were ready for a takeover. At the same time, Tangy spices Ltd. was trying hard to improve their position so that they do not leave any space for Chilliano's promoters in future.

#### Case Question:

5. Identify the specific strategies being adopted by Tangy Spices Ltd. Analyze the pros and cons of the strategies. (10 Marks)