

K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH

Program: PG A, B, IB – 2016 – 18 III Trim

Subject: Strategic Management

(Final examination)

Maximum Marks: 50

Duration: 3 hours

Date: 27th March, 2017

Notes:

1. Answer 4 questions

2. Question 1 is compulsory

Based on your analysis of the Mondavi case, please answer the following question.

Question 1 (25 marks)

1. Perform a comparative analysis of the Old and New World wine industry (**not company**) using the Porter model. Which is the more attractive industry? Explain clearly. Please structure your answer using bullets and/or paragraphs, and use concepts wherever required.

Answer any 3 questions (25 marks total)

2. What are the main entry barriers into an industry? Explain each briefly giving examples.
3. Your company has reached the decline stage of its industry life cycle. Explain the four strategic options that you have in this industry, and the process by which you will decide which one to select.
4. Explain how you will use the following tools in implementing a cost leadership strategy:
a) Experience curve, b) Analysis of cost drivers. Please use diagrams/graphs in your answer.
5. You are interviewing for a position in the Strategy area of a firm. The interviewer tells you that the strategy of the firm is to be more operationally effective than competitors by performing similar activities better than them. You are an expert on Porter's *What is Strategy* article in HBR and know, therefore, that the essence of strategic decisions is to be unique rather than similar, and that there are **three** fundamental elements in all strategic decisions. How would you explain this to the interviewer?
6. In the maturity stage of the industry, what are the strategies that firms adopt to minimize price competition with their incumbent rivals in the industry?