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| **Semester: Sept – Dec 23**  **Maximum Marks: 50 Examination: ETE Exam Date: 11-12-23 Duration: 3 hrs** | | |
| **Programme code:** 08  **Programme: MBA Executive** | **Class:** FY | **Trimester: I** |
| **College:**  **K. J. Somaiya Institute of Management** | **Name of the department/Section/Center:**  General Management | |
| **Course Code: 217P08C101** | **Name of the Course: Business Perspective in Global Context** | |
| **Instructions: Question no 1 is compulsory, Attempt any 3 of the 4 questions given** | | |

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| **Question No.** |  | **Max.**  **Marks** |
| **Q.1** | **Case Analysis** [**Starbucks**](https://www.cnbc.com/quotes/SBUX/) **in Australia**  It’s easy to find a Starbucks Cafe almost anywhere in the world, but in Australia, there aren’t that many. That’s because in 2008, the company closed more than [70 percent of its underperforming locations](https://news.starbucks.com/news/full-list-of-australia-store-closures), leaving only 23 Starbucks stores throughout the entire continent.  Despite Australia’s deep love for coffee, the Seattle-based chain didn’t meet success Down Under as it did in other countries. Starbucks opened in Australia in 2000 and grew to nearly 90 locations by 2008. Starbucks moved too quickly and grew faster than its popularity.  “When they launched, they launched too rapidly and they didn’t allow the Australian consumer to really develop an appetite for the Starbucks brand,” said Thomas O’Connor, a principal research analyst specializing in consumer industries at Gartner.  Australia’s already-thriving coffee culture also proved to be a challenge for the American brand. The Australian cafe industry is expected to hit more than [$6 billion in revenue](https://www.ibisworld.com.au/industry-trends/market-research-reports/accommodation-food-services/cafes-coffee-shops.html) in 2018. The country has been immersed in the cafe scene since the mid-1900s when Italian and Greek immigrants moved to the continent. It was then that Australians were introduced to espresso, [the key ingredient](https://www.baristainstitute.com/how/how-make-flat-white) to an Aussie favorite – the flat white.  Australians also compete in [barista competitions](https://australianspecialtycoffee.com.au/competitions/) and can enroll in coffee-making classes, so they take their coffee seriously.  Starbucks didn’t fit Australians’ tastes. The company served sweeter coffee options than Australians preferred, all while charging more than the local cafes.  In its first seven years in Australia, Starbucks accumulated [$105 million in losses](https://sysyamnos0915.files.wordpress.com/2013/05/1-s2-0-s1441358209000949-main.pdf), forcing the company to close 61 locations.  But Starbucks hasn’t given up in Australia just yet. Since the 2008 closures, the company has started to slowly open more locations in the country.  Today, there are 39 locations in the Brisbane, Melbourne, Gold Coast and Sydney areas, catering to tourists who visit those parts of the country. By slowing its growth and trying to cater more to tourists, Starbucks may have found a recipe for success in Australia.  (https://www.cnbc.com/2018/07/20/starbucks-australia-coffee-failure.html)  **Analyze the case and answer the following questions:**   * 1. How did Starbucks' rapid expansion in Australia contribute to its initial failure, and what are the key considerations for global brands when deciding on the pace of market entry and expansion in a new territory?   2. To what extent did Starbucks fail to adapt to Australian cultural preferences, particularly in terms of coffee taste, pricing, and the cultural significance of cafes?   3. How did Australia's thriving coffee culture and competitive cafe industry contribute to Starbucks' challenges, and what lessons can be learned about entering a market with strong local competition?   4. What recovery strategies did Starbucks employ in Australia after the initial setbacks, and how did the shift in target market from locals to tourists contribute to the company's recent success? | **20** |
| **Q.2** | "How does a compelling and well-articulated organizational vision contribute to and drive sustainable growth for businesses, and what role does it play in aligning strategic initiatives, motivating teams, and navigating challenges in the dynamic business environment?"  Explain with relevant examples. | 10 |
| **Q.3** | "How does studying the subject of business perspective in a global context contribute to developing a comprehensive understanding of the challenges and opportunities inherent in international business? Please provide a detailed explanation, highlighting key takeaways related to cultural awareness, global market dynamics, strategic management, international marketing, supply chain management, legal and ethical considerations, risk management, innovation and technology, corporate social responsibility, and cross-cultural leadership. | 10 |
| **Q.4** | "Elaborate on the contributions of the following management thinkers, providing detailed examples for each:   1. Peter Drucker 2. C.K. Prahalad 3. Frank and Lilian Gilbreth | 10 |
| **Q.5** | "Provide a detailed explanation of global companies and transnational companies, offering illustrative examples for each category." | 10 |