Roll No. ____________________

(Do not write anything on question paper except Roll No.)

[This paper consists of THREE Pages]

Jagan Institute of Management Studies

End-Term Examination, September, 2016

Trimester IV – PGDM (IB) 2015-17

Global Strategic Management

ET_IB_GSM_2309

Time: 3 Hrs. *M. Marks: 70*

INSTRUCTIONS: Attempt any FIVE questions including Q1 & Q7 which are compulsory.

Q 1 **a)** What are the strategies for emerging markets like India and China? Why are emerging/ developing nations preferred destinations for investments by foreign firms? Give suitable examples **6**

b) Outline the importance of scanning the external environment and highlight the relevance of the **BREXIT** on emerging markets like India and China. How might this development impact the strategy Indian firms engaged in doing business with potential business partners in the United Kingdom and the Euro Zone? **6**

c) Briefly explain the differences between **Market based view, Resource based View and Process based View** of Business Strategy? Show the linkages of these approaches in determining an integrated approach towards strategic management? **6**

Q 2 "The Grand Strategy options indicate the willingness of a firm to draw up a long term plan of essential actions for fulfilling the long term objectives of the organization" Evaluate this statement and explain using the strategy clusters the external and internal measures that MNCs utilize for achieving growth and being defensive? Give examples to support your answer. **12**

Q 3 Give a diagrammatic illustration of MICHAEL PORTER's Six competitive forces model for measuring industry competitiveness? Apply this model and assess the severity of competition of the Global Aviation Industry? **12**

Q 4 What are the essential components of corporate level strategy? Illustrate how vertical integration, horizontal integration and inorganic growth are possible options by which firms can expand and diversify their operations. Discuss with reference to international firms like Alibaba.com and P&G for horizontal integration and Apple Industries for vertical integration? **12**

Q 5 In the travel industry, Air Asia is one of the profitable airlines as it has adopted cost leadership tactics effectively, whereas Panasonic has achieved business success through differentiation strategies. In light of this statement, give details as regards the strategies implemented by any two firms to become cost leaders and differentiators? **12**

Q 6 Clearly describe how the Hofer's Product Market Portfolio Choice and the BCG Growth Share Matrix enables firms to identify the stages where it needs to invest resources for further expansion and diversification or divesting business units to generate cash required for alternative avenues of investments? Give suitable examples. **12**

Q 7 Read the case and answer the questions given at the end.

STAR TV: Addressing Cultural Challenges

Satellite Television Asian Region (STAR), formerly known as Star TV, is a wholly owned subsidiary of News Corporation. STAR pioneered satellite television in Asia in 1991, with the launch of five television channels. STAR launched its services in India in 1991 when India opened up its satellite television sector to private operators. STAR faced enormous challenges when it started its Indian operations by way of government regulations. The government rules and regulations concerning entry of foreign companies in television broadcasting intensified and aggravated competition. Also, the flexibility permitted to media channels to raise revenue through sponsorships or advertising campaigns was somewhat limited, and there was no roadmap as regards the rights granted to the media channels for televising variety of programs to increase viewership. At the initial stage, the inability of STAR to align its programs with Indian culture posed immense problems. However, STAR realized the importance of compliance responsibilities and the need to realign its operations based on cultural diversities in global operations.

By 2004, STAR had 50 services in seven languages and offered a comprehensive choice of entertainment, sports, movies, music, news, and documentaries to about 53 countries in Asia. In 2004, STAR dropped "TV" from its name, as it became a multiplatform brand from a multi-television brand with services in distribution, radio, and others...Presently STAR offers a variety of programs in several languages through different channels and it has diversified significantly in terms of markets and services mix – where a comprehensive range of services is offered by STAR spanning over 50 countries. The success lies not only in achieving larger geographical spread and visibility, but the quality of programs offered and sponsorship support from large enterprises. STAR managed to overcome these hurdles to become a leading player in the television broadcasting market.

Questions:

a) Government laws pose a threat to foreign companies in establishing and maintaining operations. Comment in the light of the STAR experience. **8**

b) How has customization and overcoming of cultural barriers helped in STAR's journey to become a popular channel in India? **8**

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