

**Jagan Institute of Management Studies**  
**End-Term Examination, September-October, 2017**  
**Trimester IV – PGDM (IB) 2016-18**

**Sourcing & Merchandising for Online Business**  
**ET\_RM\_SMOB\_2609**

Time: 3 Hrs.

M. Marks: 70

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

- Q 1** Define any **FIVE** of the following in detail:
- a) NPS.
  - b) Contribution Margin 2.
  - c) NDR.
  - d) Just in Time Buying.
  - e) Price agreement plan.
  - f) Outbound operations of warehouse.
  - g) 3PL Players. **15**
- Q 2** As a part of a Project you with your group have presented on an existing successful ecommerce company
- a) Please explain the operations of that company.
  - b) Select any five departments of the company and assign performance KPI's. **12**
- Q 3** What are seven important steps of strategic sourcing, explain in detail along with role of sourcing manager in all the steps. **12**
- Q 4** Explain Contact centre operations, what are the various teams involved in complete contact service operations. **12**
- Q 5** Explain different quadrants of Category Positioning Matrix please provide examples of product placed in each quadrant **12**
- Q 6** What are different kinds of Marketplaces based on fulfillment types? Explain the difference. **12**
- Q 7** Read the below news article and answer the questions that follows:  
Diwali comes early this year as Amazon, Flipkart go all out to lure customers  
Article published in ET, Sep 9, 2017.

BENGALURU: The annual battle to claim supremacy over ecommerce has begun once again and the top two — Amazon and Flipkart — have given a clear indication, through their salvos at each other, that like always, they will go all out to be ahead in the game. A day after Flipkart sounded off the bugle ahead of the crucial festive season, Amazon has also brought out its verbal swordplay.

"Two Amazons will cater to customers this festive season compared to last year," the global company.

Agarwal, who is the senior vice president at Amazon in a global role, was referring to Amazon doubling its offerings and its logistics this festive season.

The comments come a day after Flipkart said it would triple its gross sales this festive season and double its lead over Amazon. Flipkart had said it sold 15.5 million units during the five--day sale last year, while Amazon had said it sold 15 million units.

Agarwal said he did not wish to comment on "misinformed opinions," adding that the company was starting this festive season in a leadership position on parameters such as selections, delivery, value, traffic and number of active users from third party apps, as well as data on sales from carriers and sellers. "We have a more scientific and mathematical way to determine we are a leader," Aggarwal said.

"We are entering this festive season with a strong momentum and in a leadership position which allows us to provide customers the best experience to date. We expect this season to be the biggest shopping season in our history and have the largest customer base shop with us during this period," Aggarwal said.

Agarwal said the platform has doubled its total selection of products to 160 million compared to last season, while also adding 5 million products for Prime customer to take it to 7 million.

Amazon has doubled its total storage and logistics capacity to 13 million cubic feet. The platform has also doubled its seller base to 2.2 lakh sellers.

"It is as if we have added one whole Amazon of last year. Two Amazons of 2016 will serve customers this year," Agarwal said.

This is not the first time Amazon and Flipkart have taken potshots at each other. Flipkart's Binny Bansal had last year commented in headline news reports that the company did not sell "hing and churan as well.

"Our selection in these categories has also doubled. We do not make a difference in what products the customers want."

Agarwal said that customers will find deals and discounts across categories such as phones, appliances, fashion to even flowering seeds, kitchen items and every day essentials. Amazon has over 140 exclusives

in the phone category and more than 60 exclusives in large appliances.

**Questions:**

- a) Analyze the above article and present your views on Amazon and Flipkart's tactics to lure customers. Focus on sustainability of the approach adopted by the two companies.
- b) Explain what all preparations various teams in such ecommerce companies require before these large scale events.
- c) Compare marketing and operational approaches of Amazon and Flipkart. Focus on differences in the two teams approach.
- d) Amazon has also recently ventured in the offline Pop-up stores. Considering Amazon is a pure - play marketplace venturing in the Pop-up store model, how do you think the supply chain of Amazon will change? Give visual (Flowchart based) representation of current and future Supply chain of Amazon.

**19**

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