

**Jagan Institute of Management Studies**  
**End-Term Examination, September, 2016**  
**Trimester IV – PGDM (RM) 2015-17**

***Sourcing & Operations for Online Business***  
***ET\_RM\_SOOB\_2709***

Time: 3 Hrs.

M. Marks: 70

**INSTRUCTIONS: Attempt any SIX questions including Q7 which is compulsory.**

- Q 1**      What are different types of ecommerce websites explain their types and give examples of all. **10**
- Q 2**      What are seven important steps of strategic sourcing, explain in detail along with role of sourcing manager in all the steps. **10**
- Q 3**      As a part of final Project you with your group have presented on a fictional company:
- a) Explain the operation of that company.
  - b) Select any five departments of the company and assign performance KPI's. **10**
- Q 4**      Define the following in detail:
- a) NPS.
  - b) Contribution Margin 1,2 and 3.
  - c) NDR.
  - d) CIR.
  - e) Price agreement plan.
  - f) Stock - turnover rate.
  - g) Back-Orders. **10**
- Q 5**      Explain warehouse operations, what are the steps involved in complete warehouse operations. **10**
- Q 6**      Explain how regulatory framework of ecommerce has evolved in India. What are recent changes and how they are impacting Indian ecommerce and retail industry **10**
- Q 7**      Read the below news article and answer the questions that follows:  
**Are Pop-Up Stores A Good Idea For Amazon?**  
*Article published in Forbes, Sep 11, 2016*  
Last November, Amazon opened up a brick and mortar store in Seattle

followed by another one in San Diego this past summer. Chatter is that the company will open another physical storefront in Portland, New York and one in Chicago next year.

Last week, chatter emerged that Amazon is planning a 100 pop-up retail stores across the country that will have Amazon's hardware-Echo, Fire Tablets, Kindle, Fire TV and/or Dash Button. By marrying the digital world with the physical, Amazon is hoping to better compete with Apple AAPL --2.23% Store and Microsoft MSFT +10.66% Store.

I am on record saying that I am not a big fan of Amazon investing mega-bucks in brick and mortar save for certain strategic locations (a flagship store or stores at very select locations like 5th Ave or the Miracle Mile for example) but I think these pop-ups are an excellent idea. For a fraction of the costs associated with a traditional brick and mortar (lease agreements, labor, inventory and overhead to name just a few costs). Amazon can showcase its technology and draw in those customers who might not otherwise be comfortable shopping online even in this day and age. Or, those customers that prefer "touching and feeling" the product in person then buying it online. Either case, a win-win for Amazon.

Most importantly, a recent survey by William Blair found that in its survey of teens and young adults, that demographic is visiting malls more this year than they were last year. Almost 41% of those surveyed said that they were hitting the malls more this year, which was the first uptick in mall traffic since 2013.

If this survey is accurately predicting a trend of "back to the mall" Amazon's timing could not be better and investors should look for continued and maybe even more impressive results from the "King of retail" in the coming quarters and years.

Amazon - coming to a mall near you this Christmas/Diwali?

### Questions:

- a) Analyze the above article and present your views on Amazon's shift in tactics
- b) Will you support Amazon if they plan to start such pop - stores in Delhi/Bangalore
- c) 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.
- d) Will this new step lead to change in any sourcing strategies of Amazon if yes how?

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