

Reg. No. _____

Name: _____

APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY
THIRD TRIMESTER MBA DEGREE EXAMINATION APRIL 2018

37 STRATEGIC MANAGEMENT

Max. Marks: 60

Duration: 3 Hours

PART A

Answer all questions. Each question carries 2 marks

Write short notes on:

1. Corporate governance.
2. Balanced score card.
3. Gap analysis.
4. Competitor response profile.
5. Horizontal Merger.

PART B

Answer any 3 questions. Each question carries 10 marks

6. Give a brief account on strategic management process with the help of a diagram.
7. Highlight the various steps involved in strategy implementation.
8. Discuss Mc Kinsey's 7s framework.
9. Diagrammatically Illustrate Porter's Five Forces model.
10. Briefly explain BCG matrix.

PART C

Compulsory question, the question carries 20 marks

11. Apple has recently concluded their Apple Event and released intimate details about the iPhone new series, new expansions for the Apple Watch, and their new Bluetooth headphones — Air-Pods. They've come a long way since the initial Macintosh computer, but in business, there's always room for adjustment. Apple's brand identity is unique. Their products reflect beautiful design aesthetic, wealth, simplicity, and creativity. This concept was widely recognized during Apple's simplistic but vibrant dance commercials for iPod touch. The price of Apple products is indeed high. While a standard PC laptop can cost as low as \$200, Mac laptops run roughly \$1100-\$1200+. Sales reduce the price by \$50-\$100 on average, and the only group of buyers who receive consistent sales for Apple products are students. While the high price is a part of Apple's brand, it limits their buyers to only the middle to high classes. For example, the new Bluetooth Air-Pods coming out are \$159 — but no one would be surprised by that price tag, considering the high-end quality Apple promises. But many people won't be able to afford the Air-Pods plus the new iPhone 7. The lower class is the majority of buyers on a global scale, but Apple's products don't cater to this demographic. This could be a limitation in their business model. Apple has shown the potential benefit of collaborating with different strong and existing brands related to their marketplace. With their new Air-Pods, they've teamed up with Beats headphones, to introduce the new wireless Beats X alongside their

iPhone 7 reveal. Additionally, Nintendo is bringing a new game, Mario Run, to iPhone — combining the Apple name with the well-known and iconic game face of Nintendo. They're another powerful brand, which could bring in huge numbers from the many Nintendo fans around the world. Apple's current innovation can be mocked, ridiculed, or cheered. But the business from collaborating with other large brands across the world will benefit the Apple brand immensely, so long as they continue to develop these business relationships. Imitation has always been a big problem to Apple products. While Apple's design is smooth and simplistic, that is exactly what makes it easy to replicate. Global stores sell fake versions of iPhones and iPod touches which, on the outside, look nearly identical. And many people fall for the scams of "super cheap Apple products" sold online. Another thing is competition. In the smart phone market, Apple competes with big names like Samsung and the entire Android market. And while the competition is harsh, they may have made it even more intense by removing the headphone jack in the iPhone 7, in favour of developing their own proprietary products as substitutes. This is causing backlash across the digital world. While it may work out in Apple's favour, it may also cause a lower profit turnout this year. But only sales will tell.

(a) Identify Strengths, Weaknesses, Opportunities and threats of Apple (10)

(b) Develop a TOWS Matrix to propose strategies for Apple. (10)
