

MBA IV Semester Regular Examinations April/May – 2013**Services Marketing**

Max. Marks: 60

Time: 03 Hours

Part A**Answer any Four Questions (12 Marks each)****4 x 12 = 48 Marks**

1. Discuss briefly the different types of Services? 12M
2. Explain the Market Planning Process. 12M
3. What is Customer Loyalty? Explain the stages involved in building the Customer loyalty. 12M
4. What are the various supplementary Services in the Core Service products? 12M
5. Briefly explain different approaches in pricing Services. 12M
6. Explain the implications of Communication Strategies? 12M
7. What are the different ways that Intangibility can be overcome? 12M

Part B–Compulsory Question*Analyze the following case and answer the questions.***CASE STUDY****12Marks****The Lost Baggage**

The Mr.Desai decided to take a couple of days off from work, in order to visit his family at Ahmedabad in Gujarat. Although he had many options to travel, he decided to by a round trip to from Dubai to Ahmedabad, in a tourist class and to fly by Air India because its offers direct fly, without a break.

Flying from to Dubai to Ahmedabad, the flight was on time and the plane was fully occupied. He got a good service, a normal meal and they landed on time.

After some days with his family, it was the time to go back home.

At the Airport, he was looking for the flight schedule on the screens; he realized that his flight was going to be delayed. Mr.Dasai was clearly disturbed, as it was not the first time that this had happened to him when he was flying by Air India.

His flight was schedule to take off at 21.00 hours, but it was delayed by 2 hours. Distressed by the wait he was already feeling itchy.

When they landed in Dubai, he was waiting to recover his luggage but after 30 minutes, one of his bags was still missing. seeing a service manager near the luggage area, Mr.Desai try to explain the situation to him. The manager appeared helpless and asked Mr.Desai if he had labeled the luggage correctly.

Unable to trace his luggage Mr.Desai asked to fill some forms in order to make a claim for the bag. He returned home angry, almost at 3:30 Am.

Next day, he called the Airline office to enquire about his complaint and claim for his luggage. During the phone call, the service attendant explained the procedure to Mr.Desai according to which the Airline would try to trace the luggage for 2 weeks. If after this time they are unable to find the luggage, they will pay 100 percent over the declaration form.

After 8 days, he received a call to go down to Airport warehouse to look for his bag. There, service attendant was assign to Mr.Desai to help him in searching his lost bag. But he never found his bag.

At the end of the meeting, Mr.Desai signed some papers and got 100 percent in cash over the declaration form.

Three days later, he got a phone call from the Airline office, information him that they had found his bag.

Discuss

- a) What is the cause of problem?
- b) What do you propose to reinforce the luggage security process?
- c) From the customer's point of view, is two weeks a reasonable time to solve the problem?

**ANNAMACHARYA INSTITUTE OF TECHNOLOGY & SCIENCES :: RAJAMPET
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MBA & MCA IV-Semester Regular Examinations Apr/May 2013

Strategic Management

Max. Marks: 60

Time: 03 Hours

Part A

Answer any Four Questions (12 Marks each)

4 x 12 = 48 Marks

1. Define Strategic Management. Discuss in detail the major steps involved in Strategic Management process. 12 M
2. Why do you scan the Business Environment? What are the social and cultural factors that affect the business? 12 M
3. Explain BCG matrix. List out its merits and demerits. 12 M
4. Describe Strategy Formulation at the Corporate and Business level. 12 M
5. Describe strategy and organization structure. What are the different classifications of organizational structure? 12 M
6. a. What is meant by merger? Explain different types of mergers. 6 M
b. What are the merits and de merits of merger and acquisition? 6 M
7. What do you mean by Diversification? Explain different types of Diversification. 12 M

Part B—Compulsory Question

Analyze the following case and answer the questions.

CASE STUDY

12Marks

In 2006-07 PTC Food division decided to enter the fast growing (20-30% annually) snacks segment, an altogether new to it. It had only one national competitor-Trepsico's Trito. After a year its wafer snack brand- Ringo, fetched 20% market share across the country. Ringo's introduction was coincided with the cricket world cup. The wafer snacks market is estimated to be around Rs. 250 crores.

The company could take the advantage of its existing distribution network and also source potatoes from farmers easily. Before the PTC could enter the market a cross-functional team made a customer survey through a marketing research group in 14 cities of the country to know about the snacks of eating habits of people. The result showed that the customers within the age-group of 15-24 years were the most promising for the product as they were quite enthusiastic about experimenting new snack taste. The company reported to its chefs and the chefs came out with 16 flavours with varying tastes suiting to the targetted age-group.

The company decided to target the youngsters as primary target on the assumption that once they are lured in, it was easier to reach the whole family.

Advertising in this category was extremely crowded. Every week two-three local products in new names were launched, sometimes with similar names. To break through this clutter the company decided to bank upon humour appeal.

The Industry sources reveal that PTC spent about Rs. 50 crores on advertisement and used all possible media- print and electronic, both including the creation of its own website, Ringoringoyoungo.com with offers of online games, contests etc. Mobile phone tone downloading was also planned which proved very effective among teenagers. The site was advertised on all dotcom networks. Em TV, Shine TV, Bee TV and other important channels were also used for its advertisement along with FM radio channels in about 60 cities with large hoardings at strategic places.

Analysts believes that Ringo's success story owes a lot to PTC's widespread distribution channels and aggressive advertisements. Humour appeal was a big success. The 'Ringo' was made visible by painting the Railway bogies passing across the States. It has also been successful to induce Lovely Brothers' Future Group to replace Trito in their Big-Bazaar and chain of food Bazaars. PTC is paying 4% higher margin than Trepsico to Future group and other retailers.

Ringo to giving Trepsico a run for its money. Trito's share has already been reduced considerably. Retail tie- ups, regional flavours, regional humour appeals have helped PTC. But PTC still wants a bigger share in the market and in foreign markets also, if possible.

8. Answer the following Questions:

- a. What is SWOT Analysis?
- b. What is the strength of PTC?
- c. What are the weaknesses of PTC for entering into the branded snacks
- d. What kind of marketing strategy was formulated and implemented for Ringo?

**ANNAMACHARYA INSTITUTE OF TECHNOLOGY & SCIENCES :: RAJAMPET
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MBA IV-SEMESTER REGULAR EXAMINATIONS APR/MAY 2013

Total Quality Management

Max. Marks: 60

Time: 03 Hours

Part A

Answer any Four Questions (12 Marks each)

4 x 12 = 48 Marks

1. a) Define Quality and Total Quality Management? Explain briefly about evolution of Total Quality Management?
b) Explain the total Quality system?
2. Every Business must ensure the customer satisfaction. substantiate this statement with different factors that lead to customer satisfaction
3. a) Explain how Motivation and Empowerment are related?
b) How Total Quality management facilitates the Organizational Change?
4. Explain the following concepts.
 - a. Affinity Diagram
 - b. Tree Diagram
 - c. Matrix Diagram
5. Explain the application of control charts in today's business?
6. What do you know about Business Process Reengineering? In what way organizations gain competitive advantage by implementing it?
7. What are different conformances for the certification of ISO 9000 series? Give some advantages of having quality certifications.

Part B–Compulsory Question

Analyze the following case and answer the questions.

CASE STUDY

12Marks

It is 7:00 a.m. and the siren sounds high at Kandivli (asuburb of North Mumbai) plant of mahindra & Mahindra's (M&M) Tractor division, signaling the starting time of the morning shift. Hardly any workers have turned up. Reporting late on duty is a norm for the workers here. Seldom does the morning shift start before 7:30a.m. During the day shift, it was an ominous scene to find workers stretching out under the trees and relaxing during the working hours. The union leaders hung around the factory without doing any work at all. A few days back, the workers in the night shift had beaten up a milkman for creating a lot of noise in the wee hours of the morning and thus, disturbing their sleep during their working hours. Things were worse at the other plant of M&M in Nagpur.

But this was all in the 1980s. M&M has come a long way since then – it has won the most coveted Deming prize for quality, and started a farming equipment assembling plant in the USA. After the huge success there, the company opened a second assembly plant and a distribution centre in Georgia. Now, the company is in the process of establishing assembling units in Canada to locally produce and market a range of low horsepower cab tractors with features such as AC heater (keeping in view the cold weather conditions for the farmers there), personal stereo, and even a sun roof. It has also acquired jiangling Tractors in China, which it would use to develop low cost products suited to plough deeper into the US farm equipment market. Now, the fourth-largest tractor company in the world, M&M has four tractor plants in India (Mumbai, Nagpur, Rudrapur in Uttranchal, and Jaipur). It has been maintaining its market leadership for the past two decades. During the late 1980s, the company tried to apply TQM concepts such as quality circles without getting any success.

8. Questions

- a. What is the organizational analysis?
- b. If you are appointed as head for the implementations of total Quality what strategies you would suggest for the success of the organization

MBA IV Semester Regular Examinations April/May – 2013**Financial Derivatives**

Max. Marks: 60

Time: 03 Hours

Part A**Answer any Four Questions (12 Marks each) 4 x 12 = 48 Marks**

1. Explain about development & growth of derivatives market abroad and in India, also comment on uses of Derivatives Market.
2. Explain about Fundamental difference between Spot & Derivatives market and write about Theories relating to linkage between spot & Derivative prices.
3. Write about margin money requirements in future trading & settlement of futures position.
4. Write about features of Swaps.
5. Write about Equity Index Swaps and comment on managing credit risk using Swaps.
6. Write about types of Options and distinguish between Exchange traded option and OTC traded options.
7. Write about Black – scholes option pricing model assumptions under both American & European model.

Part B–Compulsory Question*Analyze the following case and answer the questions.***CASE STUDY****12Marks**

Firm A is a US based multinational firm and firm B is a France based multinational firm. Both firms till now have borrowed exclusively from their base countries. Now both need to raise capital for their new venture. Due to scarcity firm A can issue 5 years as \$ bond at 7.5% and 5 year French Franc (FFC) bond in French market at 11% fixed. Firm 'B' can issue five year as \$ bond in us market at 7% and five year FFC bond in French market at 12% . Firm A requires US \$100 million where as firm B needs FFC 550 million. Firm A lends FFC 550 million to firm B charging 11.25% firm B lend US \$ 100 million to firm A charging 7%. Current exchange rate is FFC 5.5 = US \$1.

8. Questions

- a) What kind of SWAP can firm A and B can enter into ?
- b) What will be total cost & savings for each party.

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MBA IV Semester Regular Examinations April/May – 2013

Global Human Resource Management

Max. Marks: 60

Time: 03 Hours

Part A

Answer any Four Questions (12 Marks each)

4 x 12 = 48 Marks

1. Develop and shape organizational policy related to the organization's management of its global human resources.
2. What are the managerial implications in maintaining cultural variables in global organizations?
3. Explain how training help in bridging the gap in meeting the cross cultural management.
4. Differentiate traditional performance appraisal with performance management
5. How the payroll system provided to the expatriates in global organization
6. Assess the success of Collective bargaining in the economy
7. How effectively middle east people will manage HRM practices in the work place?

Part B–Compulsory Question

Analyze the following case and answer the questions.

CASE STUDY

12Marks

MC DONALD'S GLOBAL HR

One of the best known companies world-wide is mc Donald's corporation. The fast food chain, with its symbol of the golden arches, has spread from the United States into 91 countries. With more than 18000 restaurants world-wide, McDonald's serves 33 Million people each day. International sales represent an important part of McDonald's business, and more than 50 % of the company's operating income comes from sales outside the United States. To generate these sales, McDonald's employees more than 2 million people.

Operating in so many different countries means that McDonalds has had to adapt its product, services and HR practices to legal, political, economic and cultural factors in each one of those countries. A few examples illustrate how adaptations have been made. In some countries, such as India, beef is not acceptable as a food to a major part of the population. So McDonald's uses lamb or mutton. To appeal to Japanese customers McDonalds develop teriyaki burgers. Separate dining rooms for men and women are constructed in McDonald's restaurants in some Middle Eastern countries.

HR practices must adapt to different cultures. Before beginning operations in a different country, HR professionals at McDonalds research the country and determine how HR activates must be adjusted. One method of obtaining information is to contact HR professional from other U.S. firms operating in the country and ask them questions about laws, political factors, and cultural issues. In addition, the firm conducts an analysis using a detail outline to ensure that all relevant information has been gathered. Data gathered might include what employment restriction exist on ages of employees and hours of work, what benefits must be offered to full time and part time employees (if part time work is allowed), and other operational requirements. For instance, in some of the former communist countries in Eastern Europe, employers provide locker rooms and showers for their employees. These facilities are necessary because shower facilities and even consistent water supplies, are unavailable in many homes, particularly in more rural areas around major cities. Also, public transportation must be checked to ensure employees have adequate means to travel to work.

Once a decision has been made to begin operations in a new country, the employment process must begin. Often, McDonalds is seen as a desirable employer, particularly when its first restaurant is being open in a country. For instance, in Russia, 27000 people initially applied to work at the first McDonalds in Moscow. Because customer services are so important to McDonalds, recruiting and selection activates focus on obtaining employees with customer service skills. For worker positions such as counter representative and cashier, the focus is to identify, individuals who will be friendly, customer service-oriented employees. A "trail" process whereby some applicants work for a few days on a conditional basis may be used to ensure that these individuals will represent McDonalds appropriately and will work well with other employees.

For store managers, the company uses a selection profile emphasizing leadership skills, high work expectations, and management abilities appropriate to a past paced restaurant environment. Once applicant screening and interviews have been completed, individuals are asked to work for upto a week in a restaurant. During that time, both the applicants and the company representatives evaluate one another to see if the job 'fit' is appropriate. After the first group of store managers and assistant managers are selected, future managers and assistant managers are chosen using internal promotions based on job performance.

Once the restaurants are staffed, training becomes crucial to acquaint new employees with their jobs and the McDonald's philosophy of customer service and quality. McDonald's has taken its hamburger University Curriculum from the United States and translated it into 22 different languages to use in training centers throughout the world. Once trainers and managers complete the training, they then conduct training for all employees selected to work at McDonald's locations in the foreign countries.

8. QUESTIONS:

- a. Identify cultural factors that might be important in a training program for food handlers at McDonald's in Saudi Arabia.
- b. Rather than focusing on the differences, what similarities do you expect to exist among McDonald's customers and employees in both the United States and abroad?

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**ANNAMACHARYA INSTITUTE OF TECHNOLOGY & SCIENCES :: RAJAMPET
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MBA IV Semester Regular Examinations April/May – 2013

International Financial Management

Max. Marks: 60

Time: 03 Hours

Part A

Answer any Four Questions (12 Marks each)

4 x 12 = 48 Marks

1. Explain the Foreign Exchange Market Components in detail. 12M
2. Gold is a part of a country's foreign exchange reserves. How does the BOP record the sale of domestically mined gold to the central bank of the country? 12M
3. What are the different funding facilities through which IMF provides balance of payments support to member countries? 12M
4. Define exposure, differentiating between accounting and economic exposure. What role does inflation play? 12M
5. How do you compute the cash flow in international capital budgeting? 12M
6. Explain the criteria that a firm should use in choosing the short-term investment alternatives in order to invest surplus cash. 12M
7. What are the motivating factors behind internationalization of Banks? 12M

Part B–Compulsory Question

Analyze the following case and answer the questions.

CASE STUDY

12Marks

CASE DETAILS

You are back to your office after a long holiday in Caribbean Islands with your family members. This was a gift for your outstanding performance last year. Your predictions about exchange rate and interest rates were bang on target. This forecast helped your company to save over a hundred million dollars. Your CEO wants you to replicate this performance this fiscal. You have promised your daughter and your spouse that you will be taking them to Amazon forests for white water rafting next year.

Business Situation

Your company is the largest cloth manufacturer in the world in your segment. You are planning forays into the branded garments segment. Since you want to keep transportation costs at their minimum, you are planning to set up manufacturing bases in all the major markets. Think Global-Act Local is mantra, as well.

Plant and Machinery

It is expected that your three plants will be set up in Mexico, Brazil, and Australia. These plants will have about the same capacity and are likely to cost about USD ten million each. The construction period could be anywhere from two to five years, depending on the support received from local government officials. This investment could easily make your company the second largest manufacturer of cloth in that segment.

Ownership

Your company has a choice of either setting up a 100% subsidiary or a joint venture with one of the local companies.

Local Issues

There are local political parties who can make life difficult in Brazil. However, in Mexico and Australia you are likely to sail smoothly.

Cash flow

There are no credible estimates for cash flow because the local markets are an uncharted territory for you. All you know is: your goods will be priced in local currency.

Capital

On this front, you have multiple choices i) raising domestic equity in rupee terms, (ii) mix of debt and equity in rupee terms, (iii) USD denominated bond issue, (iv) raising local currency debt.

Points to Ponder on

Should your company make this investment? If yes, then which will be the best route to (a) maximization of profits, (b) minimizing risk, (c) finding the optimal mix of profits and risk?

What all information do you need to arrive at these answers? How will you structure your analysis?

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MBA IV Semester Regular Examinations April/May – 2013

International Marketing

Max. Marks: 60

Time: 03 Hours

Part A

Answer any Four Questions (12 Marks each)

4 x 12 = 48 Marks

1. What are the factors that influence firms to go international? Explain them in detail. 12M
2. What are the various political risks that affect international marketing? Also explain how they can be minimized. 12M
3. What are the factors that determine the selection of international markets? Discuss. 12M
4. Explain in detail, the concept of international product life cycle with a suitable example. 12M
5. What are the various factors to be considered for effective international distribution system? Explain them in detail. 12M
6. Explain the important pricing strategies for international marketing. 12M
7. Write a short note on export costing and export pricing. 12M

Part B–Compulsory Question

Analyze the following case and answer the questions.

CASE STUDY

12Marks

Coca-Cola, the most recognized brand name in the world got its start in U.S.A in an Atlanta pharmacy, where it sold for five cents a glass. The name Coca-Cola, registered as a trademark on January 31, 1893, was based on two of the drink's ingredients: extracts from coca leaves and the cola nut. In its early days, when the drink contained a form of cocaine, a drug made from coca leave extracts' the Coca-Cola was marketed as an "Esteemed Brain Tonic and Intellectual Beverage". The company's first president, Candler, was a great businessman who implemented numerous marketing strategies to increase consumption. At Candler's behest, the company printed coupons offering complimentary first tastes of Coca-Cola' and outfitted distributing pharmacists with clocks, calendars, and scales bearing the Coca-Cola brand. The drink soon became a national phenomenon; by 1895' the company had established syrup plants in Chicago, Dallas, and Los Angeles. Coca-Cola expanded beyond the American borders in the early 1900s into numerous countries, including Cuba, Puerto Rico, and France.

'During World War II, the U.S. Army shipped bottles of the beverage and bottling plants abroad to supply American soldiers in Europe and Asia. Its popularity throughout the world was fuelled by colorful and persuasive advertising and cemented its image as the "All-American" beverage. When the Vietnam War tarnished the American image, Coke developed more. In 1971, the company ran it's legendary "I'd like to buy the world a Coke" television spot, in which a crowd of children sang the song from atop a hill in Italy.

Coke's moves into formerly restricted markets, such as China in 1978 and the Soviet Union in 1979, boosted image as a global company. By 1988, Coca-Cola was voted the best known and most admired brand in the world. One ad agency executive said, "There are about two products that lend themselves to global marketing – and one of them is Coca-Cola". Still, Coca-Cola did not institute a uniform marketing program in each of its global markets. Rather, the company often tailored the flavor, packaging, price; and advertising to match the tastes in specific markets., For example, Coke's famous "Mean Joe" Green TV ad from the U.S. - in which the tired, weary football star reluctantly accepts a Coke from an admiring young fan and then unexpectedly tosses the kid his jersey in appreciation - was replicated in a number of different regions using the same format but substituting famous athletes from those regions (e.g., ads in South America used the Argentine soccer star, Maradona, while those in Asia used the Thai soccer star, Niat). Additionally, local managers were assigned responsibility for sales and distribution programs of Coke products to reflect the market differences in consumer behavior across countries. In Spain, Coke has been used as a mixer with wine; in, Italy, Coke is served with meals in place of wine or cappuccino; in China, the beverages served at special government occasions. The company used the phrase "think global, act local" to describe its marketing strategy during the 1990s. Today, Coca-Cola conducts business with more than 230 brands in 200 countries. More than two-thirds of Coca-Cola's revenues come from outside the U.S., a fact that makes the company vulnerable to downturns in international economies as evidenced by shallow earnings during the global economic upheaval in the late 1990s. In response to the depressed sales brought by international recessions, the company pursued a restructuring plan that would recast the beverage giant as "a collection of smaller, locally run businesses". When Douglas Daft took over as chairman and CEO in 2000, he expressed his desire for Coca-Cola managers to adopt a new mantra: "think locally and act locally".

8. Questions:

- a) What is the primary basis for Coke's international marketing success? Is it only advertising?
- b) What is the real meaning of "think locally and act locally"? Can and should this marketing philosophy always work? Why? Discuss with the help of suitable examples.
- c) If Coke wants to conduct a market research to find out consumer attitude towards its products in Gulf countries, can it adopt the same methods/techniques as it uses in, say, western markets ? Discuss with the help of examples.

**ANNAMACHARYA INSTITUTE OF TECHNOLOGY & SCIENCES :: RAJAMPET
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MBA IV Semester Regular Examinations April/May – 2013

Organization Development

Max. Marks: 60

Time: 03 Hours

Part A

Answer any Four Questions (12 Marks each)

4 x 12 = 48 Marks

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| 1. | Define OD with its comprehensive terminology and explain all components in detail? | 12M |
| 2. | a) Elaborate the implications of OD values? | 6M |
| | b) Differentiate beliefs and assumptions? | 6M |
| 3. | a) System theory | 6M |
| | b) Normative re-educative strategy | 6M |
| 4. | Discuss the role of action research as process and approach? | 12M |
| 5. | Explain team building interventions? | 12M |
| 6. | Narrate the rules for managing the implementation process of OD? | 12M |
| 7. | a) Process consultancy | 6M |
| | b) Stream analysis | 6M |

Part B–Compulsory Question

Analyze the following case and answer the questions.

CASE STUDY

12Marks

Lack of cooperation between subunits, increasing complaints from customers, sagging morale, and rapidly increasing costs induced the president of a medium-sized company to confer with an OD consultant about ways to improve the situation

- Being a consultant how do you start the process?
- Suggest the various interventions to be used to solve the problem?
- Explain the rationality for the selection of interventions
