

**MBA (INTERNATIONAL BUSINESS) DEGREE IV SEMESTER EXAMINATION
MAY 2013**

SMI 2401 INTERNATIONAL STRATEGIC MANAGEMENT

Time: 3 Hours

Maximum Marks: 50

(5 × 10 = 50)

- I. A. Select an organization of your choice from the automobile industry and carry out a SWOT analysis for the same.

OR

- B. Explain the implications of Porters five forces model in detail.

- II. A. Explain the concept of BCG-growth share matrix. How is this model used to plan a portfolio?

OR

- B. What are the five generic strategic suggested by Michael Porter? Explain with examples.

- III. A. What is strategy implementation? How far it is different from strategy formulation?

OR

- B. Discuss the implications of strategic evaluation and control in detail.

- IV. A. Briefly explain the impact of international environment on business. Give suitable examples related to financial services sector.

OR

- B. What are the various techniques to enter a new country? Discuss in depth.

- V. Case:-

Doordarshan (DD) is the India's premier public service broadcaster with more than 1,000 transmitters covering 90% of the country's population across an estimated 70 million homes. It has more than 20,000 employees managing its metro and regional channels. Recent years have seen growing competition from many private channels numbering more than 65 and the cable and satellite operators (C&S). The C & S network reaches nearly 30 million homes and is growing at a very fast rate.

DD's business model is based on selling half-hour slots of commercial time to the programme producers and charging them a minimum guarantee.

For instance, the present tariff for the first 20 episodes of a programme is ₹30 lakhs plus the cost of production of the programme. In exchange the producers get 780 seconds of commercial time that he can sell to advertisers and can generate revenue. Break-even point for producers, at the present rates, thus is ₹75,000/- for a 10 second advertising spot. Beyond 20 episodes, the minimum guarantee is ₹65 lakhs for which the producer has to charge ₹1,15,000/- for a 10 second spot in order to break-even. It is at this point the advertisers face a problem – the competitive rates for a 10 second spot is ₹50,000/-. Producers are possessive about buying commercial time on DD. As a result the DD's projected growth of revenue is only 6-10% as against 50-60% for the private sector channels. Software suppliers, advertisers and audiences are deserting DD owing to its unrealistic pricing policy. DD has three options before it. First, it should privatise, second, it should remain purely public service broadcaster and third, a middle path. The challenge seems to be to exploit DD's immense potential and emerge as a formidable player in the mass media.

- (i) What is the best option, in your view, for DD?
 (ii) Analyse the SWOT factors the DD has.
 (iii) Why do you think that the proposed alternative is the best?

