Paper / Subject Code: 57701 / Strategic Management

MMS III Semester

28-11-2019

**University Examination** 

2.11

(3 Hours)

Marks: 60

Note:

(1) Q1. is compulsory and carries 20 marks

(2) Answer any four from Q2. TO Q7. for 10 marks each.

Q1. Read this case study and answer all the questions a), b) and c) listed below:

Kia Motors India aims to add new sales outlets in smaller cities and towns by March 2020, as it

readies to launch its second product in India - the Grand Carnival MP

Kia Motors India is on a roll with the strong response received by the Seltos and the automaker is looking

at aggressively expanding its operations in India including its sales network. A report by PTI now states

that the company plans to expands its sales outlets to over 300 touchpoints in the country by the end of the

current financial year. The aim to enforce presence in areas where it is not well represented. The Korean

auto giant is currently the fifth-largest carmaker in terms of sales in India's domestic passenger vehicles

segment with just one offering in its product line-up.

The report quotes Manohar Bhat, Kia Motors India - Head Marketing and Sales, saying, "We started with

260 odd touchpoints and now, we intend to increase the count by another 50. There are certain areas like

the northeast, the northern part of Telangana, Karnataka, western Rajasthan, etc., where we are not very

well represented. So, we are looking to plug such gaps".

Kia Cars

The company wants to be fully prepared in terms of the network before new products are launched he

added.

The new sales outlets will be opened in smaller cities and towns in order to reach out to prospective

customers. The new outlets will further help Kia maintain its strong position as it works to bring in its

second offering in India in February next year at the 2020 Auto Expo. The automaker will be bringing in

the Grand Carnival MPV to India next year, which will take on the Toyota Innova Crysta, and will follow

it up with the QYI (codename) subcompact SUV that will share its underpinnings with the Hyundai

Venue.

Kia Motors had previously announced that it plans to bring a new product to the market every six months.

The company has a total of six new cars planned over the next three years, all of which will be produced at

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the company's facility in Anantapur, Andhra Pradesh. The massive production plant has a capacity of three lakh units and caters to both domestic and export demands.

Currently, Kia India is meeting the demand for the Seltos compact SUV. The automaker has garnered over 62,000 bookings for the model and has delivered over 33,000 units so far. The waiting period around the Kia Seltos stretches between six to eight weeks, depending on the variant. In a bid to reduce the waiting period, Kia also commenced a second shift at the plant producing around 13,000 units every month, up from 6500 units in the first month in a single shift. The vendors and suppliers too have increased capacities to address the demand.

- 1. Explain with a suitable diagram Porter's Five Forces Model (7)
- 2. Analyse status of Kia Motors by applying Porter's Five Forces Model (7)
- 3. As CEO of Kia Motors in India what would be your management strategy for the coming 2 years. (6)
- Q2. Explain Mckinsey's 7S Model with any suitable example.
- Q3. What is the difference in process and advantages between Strategic Planning and Operational Planing?
- Q4. Describe the use of GE Matrix as a tool in Strategic Management and analysis of the mobile phone industry.
- Q5. What are the critical components of a good Management Information System? Explain with a suitable example.
- Q6. Explain any two of the following:
  - a) Corporate Social Responsibility
  - b) VUCA
  - c) PESTEL
- Q7. Write short notes on any **two**:
  - a) SWOT Matrix
  - b) BCG Matrix
  - c) Balanced Score Card
  - d) Porter's Generic Strategies

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