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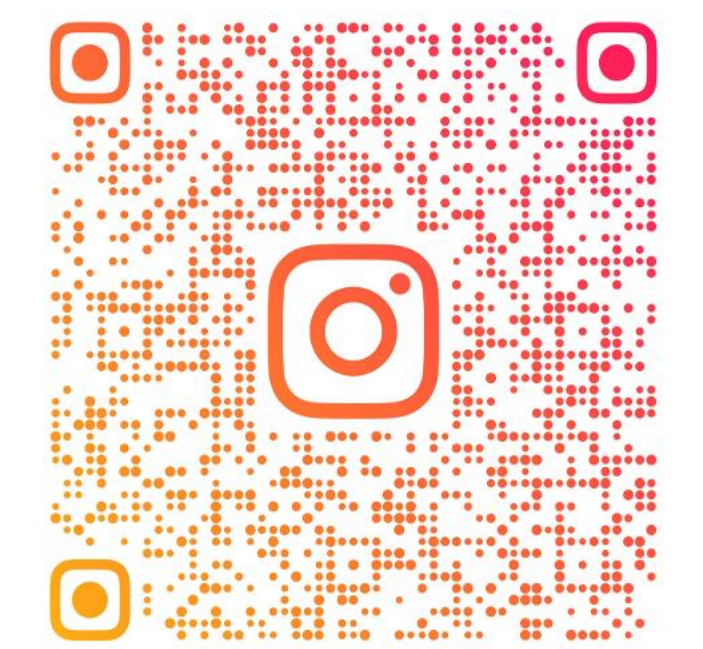


CA ADARSH JOSHI

CA , B.COM

FOUNDER

- 8+ years of teaching experience in CA education
- Subject Expert in:
CA Foundation – Paper 2: Business Laws
CA Intermediate – Paper 2: Corporate and Other Laws
- Has uploaded over 3000+ educational videos for CA Foundation and CA Inter students
- Known for his dynamic, conceptual and “fun-and-learn” teaching style
- Guided thousands of students across India to success in CA exams
- Strong academic background with B.Com (BMCC, Pune) and ACA qualification
- Widely appreciated for his clarity, energy, and practical approach to law subjects
- Through Shikshadwar, offers comprehensive classes, books, tests, and mentorship to CA students



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CA DARSHAN JAIN

CA , CS , LLB , DISA , DIRM , B.COM

CO FOUNDER

- Chartered Accountant by profession & educator by passion
- Teaching Financial Accounting , Financial Management & Strategic Management to CA Students For 12 Years.
- Practicing Chartered Accountant For Past 13 years in The Field of Audit , Direct & Indirect Taxes & Management Consultancy
- Elected as Convenor of The Jalna CA CPE Chapter of WIRC of ICAI For 2 consecutive years 20-21 & 21-22.
- He Has Successfully Completed & Qualified Following Certificate Course Conducted By ICAI
 1. Forensic Accounting & Fraud Detection
 2. Concurrent Audit of Banks
 3. Goods & Service Tax (GST)
 4. Public Finance & Accounting
 5. Drafting & Pleading Before Authorities
 6. Wealth management & Financial Planning
 7. Artificial Intelligence



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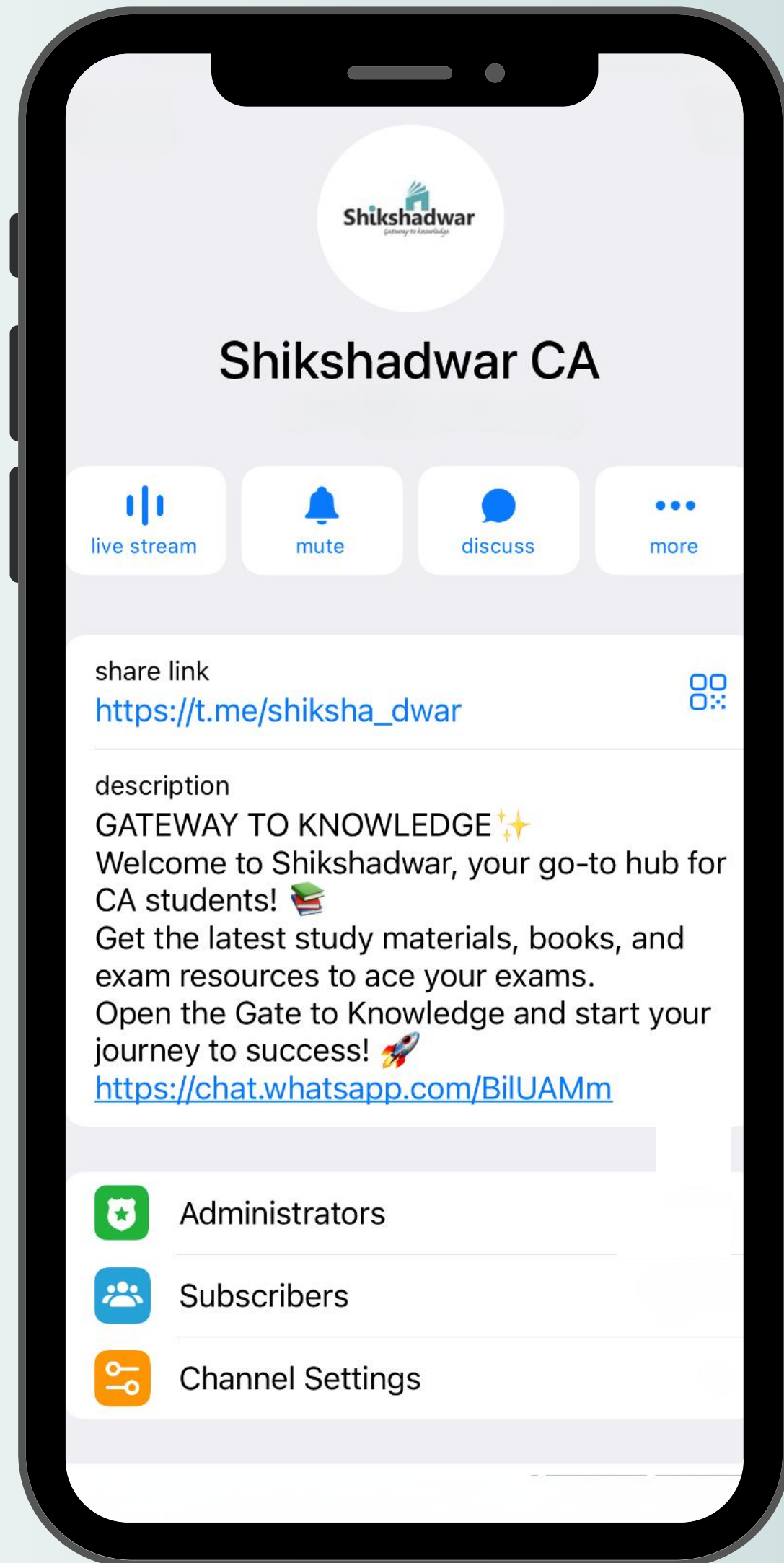
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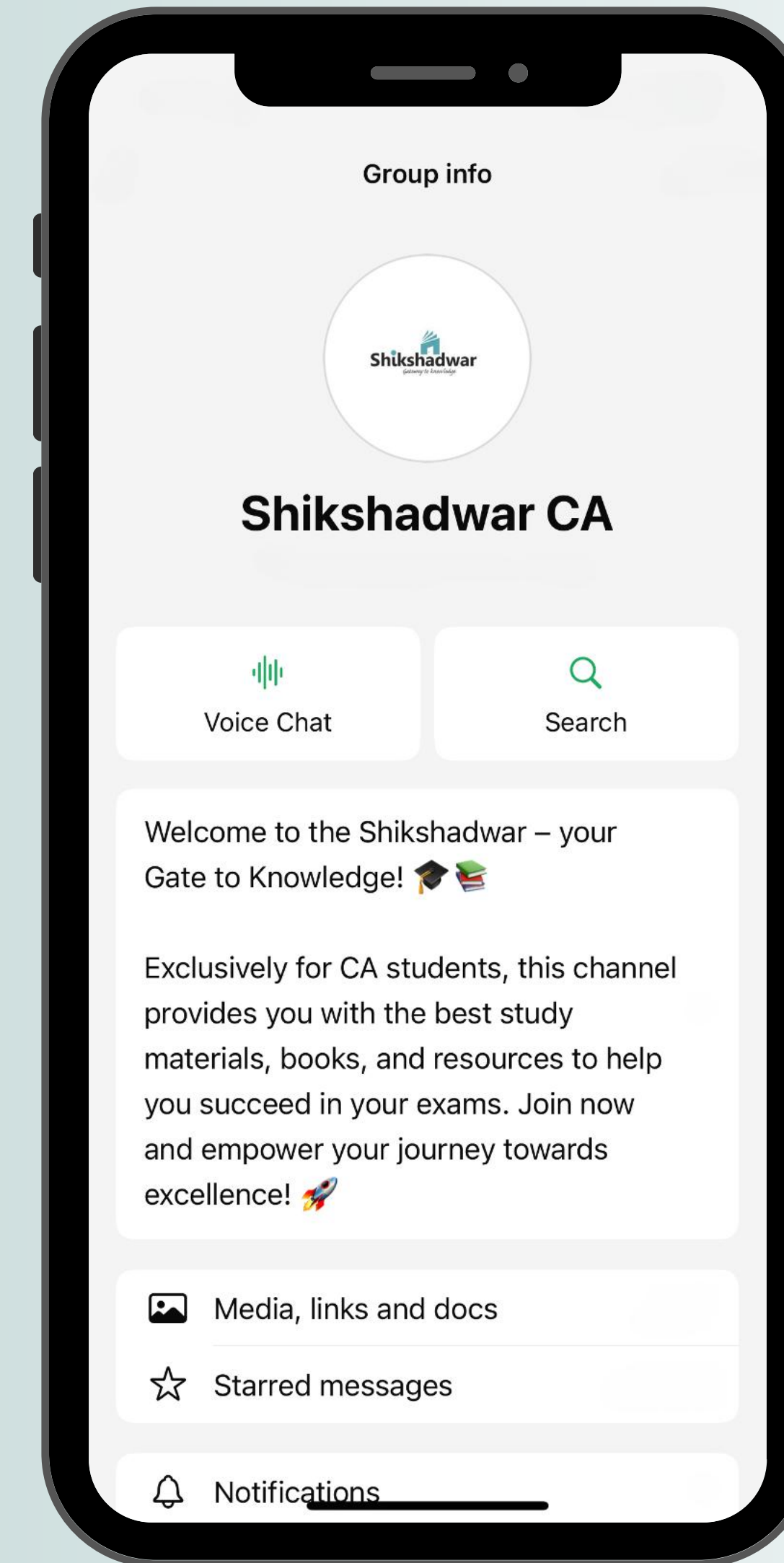
- A multi-faceted professional with a Chartered Accountancy qualification and a Bachelor's degree in Law.
- Brings 7+ years of teaching experience across CA and CS professional courses.
- Specializes in:
 - Taxation at CA Intermediate and CS Executive levels
 - Economics at CA Foundation level
- Known for simplifying complex concepts with crystal-clear explanations and practical insights.
- Expert in delivering Fasttrack batches with proven accelerated learning techniques.
- Frequently invited as a visiting faculty for Taxation at reputed coaching institutes.
- Loved by students for his interactive teaching style, real-life examples, and exam-oriented approach.



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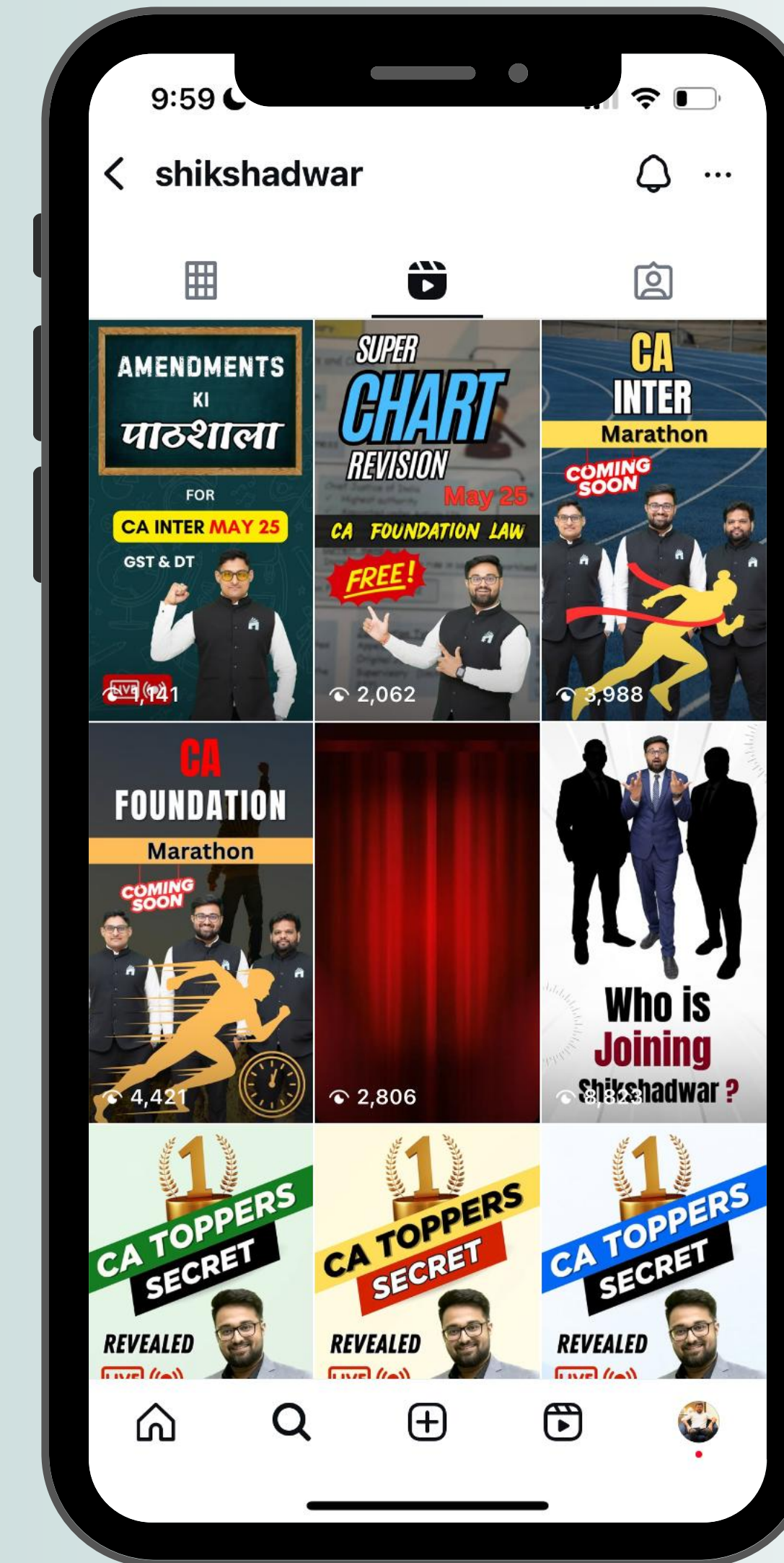


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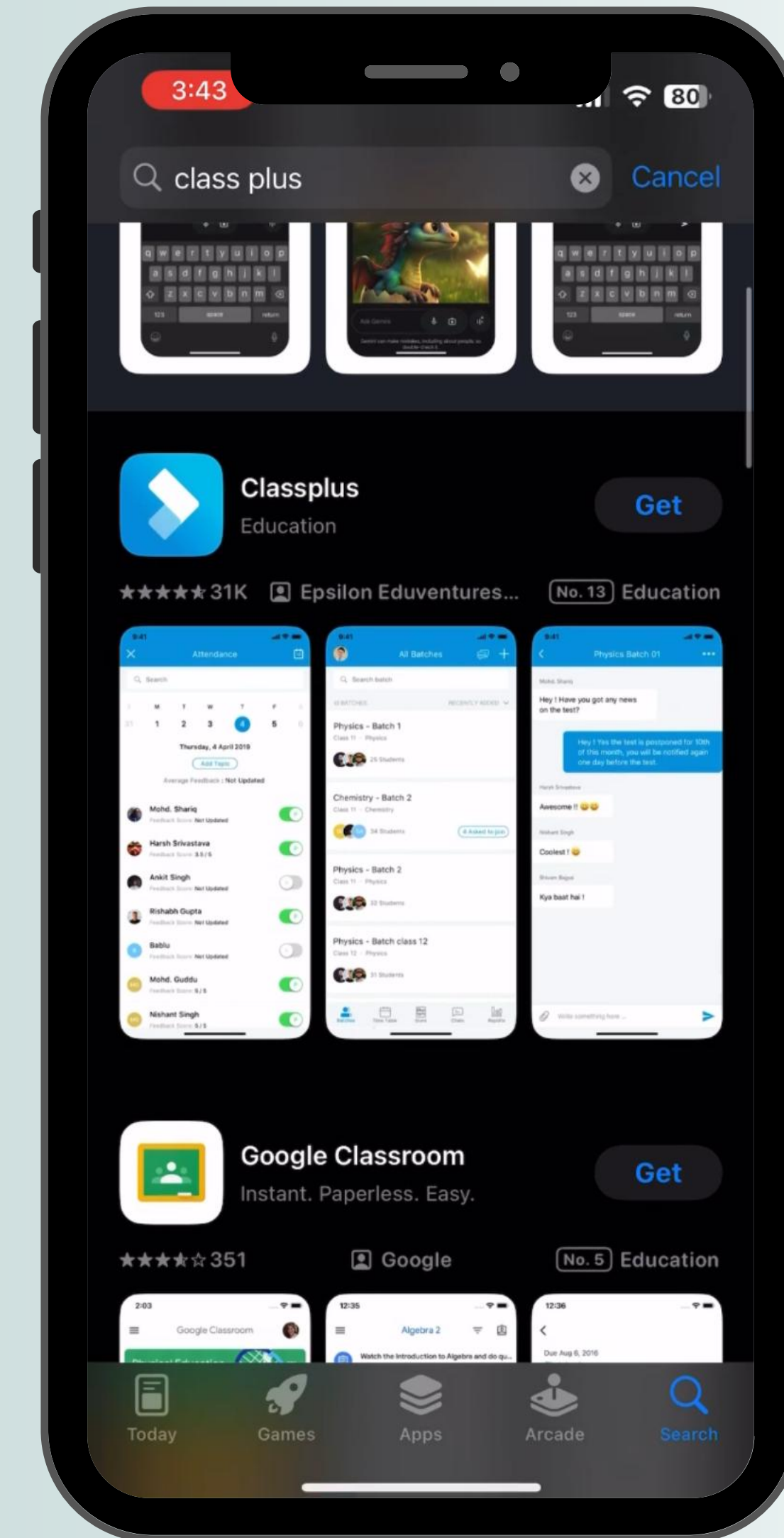
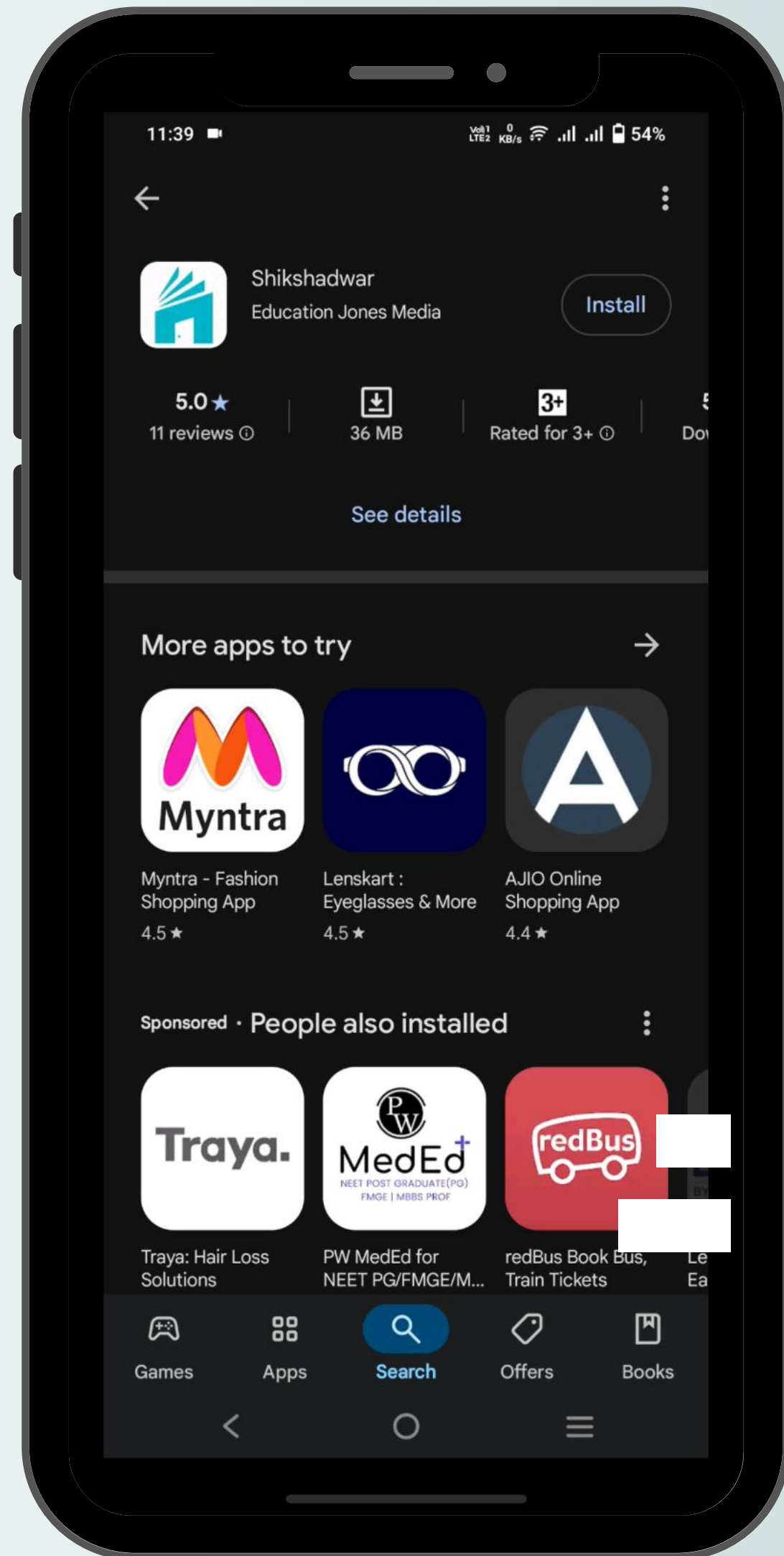
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CA INTERMEDIATE MAY 25

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Amendments Ki Pathshala

20 -20 Series

CA INTERMEDIATE MAY 25

Marathons Schedule With Links

DATE	TIME	EDUCATOR	SUBJECT	TOPICS	YOUTUBE LINK
17/4/2025	8.00 AM	CA ADARSH JOSHI	LAW	RRR	
18/4/2025	12.00 NOON	CA TUSHAR TAPARIA	GST	RRR	
19/4/2025	8.00 AM	CA CS DARSHAN JAIN	FM	RRR	
20/4/2025	8.00 AM	CA ADARSH JOSHI	LAW	ONE SHOT MCQ MARATHON	
21/4/2025	2.00 PM	CA TUSHAR TAPARIA	GST	GST AMENDMENTS & ITS IMPORTANT QUESTIONS	
23/4/2025	8.00 AM	CA CS DARSHAN JAIN	FM	ONE SHOT MCQ MARATHON	

DATE	TIME	EDUCATOR	SUBJECT	TOPICS	YOUTUBE LINK
24/4/2025	2.00 PM	CA TUSHAR TAPARIA	DT	DT AMENDMENTS & ITS IMPORTANT QUESTIONS	
27/4/2025	8.00 AM	CA CS DARSHAN JAIN	SM	ONE SHOT MCQ MARATHON	
4/5/2025	8.00 AM	CA ADARSH JOSHI	LAW	MOST IMPORTANT QUESTIONS	
6/5/2025	3.00 PM	CA TUSHAR TAPARIA	TAXATION	20-20	
12/5/2025	8.00 AM	CA CS DARSHAN JAIN	FM	20-20	
13/5/2025	8.00 AM	CA CS DARSHAN JAIN	SM	SUPER CHART REVISION	

STRATEGIC ANALYSIS

-

INTERNAL ENVIRONMENT

SM RTP MTP PYP

Case Scenario Based Qs.



QUE 1 (SM/MTP MAY 19 S2)

Gennex is a company that designs, manufactures and sells computer hardware and software. Gennex is well known for its innovative products that has helped the company to have advantage over its competitors. It also spends on research and development and concerned with innovative software. Often the unique features of their product, that are not available with their competitors helps them to gain competitive advantage. Gennex using the strategy is consistently gaining its position in the industry over its competitors. Identify and explain the Porter's generic strategy which Gennex has opted to gain the competitive advantage.

ANSWER:

1. According to Porter, There are 3 generic Strategies that allow organizations to gain competitive advantage these are cost leadership, differentiation, and focus.
2. Gennex has opted **differentiation strategy**. Its products are designed and produced to give the customer value and quality. They are unique and serve specific customer needs that are not met by other companies in the industry. Highly differentiated and unique hardware and software enables Gennex to charge premium prices for its products hence making higher profits and maintain its competitive position in the market.
3. Differentiation strategy is aimed at broad mass market and involves the creation of a product or service that is perceived by the customers as unique. The uniqueness can be associated with product design, brand image, features, technology, dealer network or customer service.

QUE 2 (SM/RTP NOV 22)

Airlines industry in India is highly competitive with several players. Businesses face severe competition and aggressively market themselves with each other. Luxury Jet is a private Delhi based company with a fleet size of 9 small aircrafts with seating capacity ranging between 6 seats to 9 seats. These aircrafts are chartered by big business houses and high net worth individuals for their personalized use. With customized tourism packages their aircrafts are also often hired by foreigners.

Identify and explain the Michael Porter's Generic Strategy followed by Luxury Jet.

ANSWER:

1. The Airlines industry faces stiff competition. However, Luxury Jet has attempted to create a niche market by adopting **focused differentiation strategy**. A focused differentiation strategy requires offering unique features that fulfil the demands of a narrow market.
2. Luxury Jet compete in the market based on uniqueness and target a narrow market which provides business houses, high net worth individuals who maintain strict schedules. The option of charter flights provides several advantages including, flexibility, privacy, luxury and many a times cost saving. Apart from conveniences, the facility will provide time flexibility. Travelling by private jet is the most comfortable, safe and secure way of flying your company's senior business personnel.
3. Chartered services in airlines can have both business and private use. Personalized tourism packages can be provided to those who can afford it.

QUE 3 (SM)

Rohit Sodhi runs a charitable organization for promotion of sports in the country. His organization conducts regular free training camps for youths interested in playing cricket, football, hockey, badminton and so on. Many of his trainees have reached national level contests. Rohit noticed that with success of IPL (Cricket) tournament there is an increasing trend to extend similar format in other sports as well. He wishes to know how the development is going help sports and to which industries it will offer opportunities and threats.

ANSWER:

With the success of IPL, league matches are taking place in other sports as well. These are held in a grandeur manner between several teams. For example, league matches in magnificent manner now take place in Football, Kabaddi and Hockey in India. These events are profit and entertainment driven. These are going to help sports in India by generating interest in sports, making them more popular, increasing quality of competition and bringing money into sports.

A number of entities and processes are involved in these events from various industries offering opportunities and threats to them. An opportunity is a favourable condition in the organization's environment which enables it to strengthen its position. On the other hand, a threat is an unfavourable condition in the organization's environment which causes a risk for, or damage to, the organization's position. An opportunity is also a threat in case internal weaknesses do not allow organization to take their advantage in a manner rivals can. It will offer opportunity and threats to the following:

Opportunities

- Stadia.
- Manufacturers of sports goods.
- Media Industry - Sports channels / television, advertisers.
- Hotel Industry linking events with their offerings.

Threats

- Entertainment industry engaged in TV serials, cinema theatres, Entertainment theme parks as competitors will be fighting for the same viewers/target customers.
- Event Management organization engaged in non-sports events.

QUE 4 (SM/RTP MAY 19)

Rohit Patel is having a small chemist shop in the central part of Ahmedabad. What kind of competencies Rohit can build to gain competitive advantage over online medicine sellers?

ANSWER:

Capabilities that are valuable, rare, costly to imitate, and non-substitutable are core competencies. A small chemist shop has a local presence and functions within a limited geographical area. Still, it can build its own competencies to gain competitive advantage.

Rohit Patel can build competencies in the areas of:

- i. Developing personal and cordial relations with the customers.
- ii. Providing home delivery with no additional cost.
- iii. Developing a system of speedy delivery that can be difficult to match by online sellers. Being in central part of city, he can create a network to supply at wider locations in the city.
- iv. Having extended working hours for convenience of buyers.
- v. Providing easy credit or a system of monthly payments to the patients consuming regular medicines.

QUE 5 (SM/PYP NOV 18)

Sohan and Ramesh are two friends who are partners in their business of making biscuits. Sohan believe in making profits through selling more volume of products. Hence, he believes in charging lesser price to the customers. Ramesh, however of the opinion that higher price should be charged to create an image of exclusivity and for this, he proposes that the product to undergo some change.

Analyse the nature of generic strategy used by Sohan and Ramesh.

ANSWER:

1. According to Porter, There are 3 generic Strategies these are cost leadership, differentiation, and focus.
2. Sohan and Ramesh are contemplating pricing for their product . Sohan is trying to have a low price and high volume are thereby trying for **cost leadership**. Cost leadership emphasizes producing standardized products at a very low per unit cost for consumers who are price sensitive.
3. Ramesh desires to create perceived value for the product and charge higher prices. He is trying to adopt **differentiation**. Differentiation is aimed at producing products and services considered unique industry wide and directed at consumers who are relatively price insensitive.

QUE 6 (SM/MTP MAY 19 S1)

Infant care is a successful store chain that caters products for expectant mothers and new moms. They offer everything from nursing classes to strollers, toys, infant clothes, diapers and baby furniture. Due to a onestop shop for infants, they are charging a premium for its products. Identify and explain what strategy is being adopted by infant care.

ANSWER:

Infant care is opting for differentiation strategy.

A one-stop shop is a benefit for this type of customers, seeking convenience in a time. Infant care is catering the products related only to infants that is perceived by the customers as unique. Because of differentiation, the Infant care is charging a premium for its product.

QUE 7 (SM/RTP NOV 19/ RTP MAY 20)

A century-old footwear company "Mota Shoes" had an image of being the footwear choice for formal occasions. In an attempt to reinvent its brand, it tied up with a foreign footwear giant "Buffrine" to manufacture and sell its HideseeK brand in the country. Putting its best foot forward, it launched extra soft, casual and relaxed footwear for young. Aiming at a brand and image makeover the "Mota Shoes" decided to price the Hide Seek products at premium.

What kind of Michael Porter business level strategy is being used by "Mota Shoe company"? State its advantages.

Or

A differentiation strategy may help to remain profitable even with rivalry, new entrants, suppliers' power, substitute products, and buyers' power. Explain.

ANSWER:

1. Mota shoes is trying to use differentiation.
2. This strategy is aimed at broad mass market and involves the creation of a product or service that is perceived by the customers as unique.
3. The uniqueness can be associated with product design, brand image, features, technology, dealer network or customer service. Because of differentiation, the business can charge a premium for its product.

A differentiation strategy has definite advantages as it may help to remain profitable even with rivalry, new entrants, suppliers' power, substitute products, and buyers' power.

- i. Rivalry: Brand loyalty acts as a safeguard against competitors. It means that customers will be less sensitive to price increases, as long as the firm can satisfy the needs of its customers
- ii. Buyers: They do not negotiate for price as they get special features and also, they have fewer options in the market
- iii. Suppliers: Because differentiators charge a premium price, they can afford to absorb higher costs of supplies and customers are willing to pay extra too.
- iv. New entrants: Innovative features are expensive to copy. So, new entrants generally avoid these features because it is tough for them to provide the same product with special features at a comparable price
- v. Substitutes: Substitute products can't replace differentiated products which have high brand value and enjoy customer loyalty.

QUE 8 (SM/RTP NOV 18/RTP NOV 20/MTP MAY 19 S2)

'Value for Money' is a leading retail chain, on account of its ability to operate its business at low costs. The retail chain aims to further strengthen its top position in the retail industry. Marshal, the CEO of the retail chain is of the view that to achieve the goals they should focus on lowering the costs of procurement of products.

Highlight and explain the core competence of the 'Value for Money' retail chain.

Or

'Speed' is a leading retail chain, on account of its ability to operate its business at low costs. The retail chain aims to further strengthen its top position in the retail industry. The Chief executive of the retail chain is of the view that to achieve the goals they should focus on lowering the costs of procurement of products. Highlight and explain the core competence of the retail chain.

ANSWER:

1. A core competence is a unique strength of an organization which may not be shared by others. Core competencies are those capabilities that are critical to a business achieving competitive advantage.
2. In order to qualify as a core competence, the competency should differentiate the business from any other similar businesses.
3. A core competency for a firm is whatever it does is highly beneficial to the organization.
4. 'Value for Money' is the leader on account of its ability to keep costs low. The cost advantage that 'Value for Money' has created for itself has allowed the retailer to price goods lower than competitors. The core competency in this case is derived from the company's ability to generate large sales volume, allowing the company to remain profitable with low profit margin.

QUE 9 (SM/PYP JULY 21/PYP MAY 24/RTP MAY 19/ MTP MAY 18 S1/MTP MAY 21 S2/ MTP MAY 24 S1)

Mr. Banerjee is head of marketing department of a manufacturing company. His company is in direct competition with thirteen companies at national level. He wishes to study the market positions of rival companies by grouping them into like positions.

Name the tool that may be used by Mr. Banerjee? Explain the procedure that may be used to implement the technique.

Or

A manufacturing company is in direct competition with fifteen companies at national level. Head of marketing department of this company wishes to study the market position of rival companies by grouping them into like positions. Name the tool that may be used by him/her. Explain the procedure that may be used to implement the techniques.

Or

Recommend a tool to analyze the competitive position of various rival companies in the market and outline the step-by-step procedure for using the identified tool.

Or

What is a strategic group? Discuss the procedure for constructing a strategic group map.

Or

A beverage company is launching a new line of energy drinks targeted at health-conscious consumers. The strategic manager wants to study the market position of rival companies in the energy drink segment. Which tool can be used for this analysis, and what is the procedure to implement it effectively?

ANSWER:

1. A tool to identify the market positions of rival companies by grouping them into like positions is strategic group mapping.
2. A strategic group consists of those rival firms which have similar competitive approaches and positions in the market.

The procedure for constructing a strategic group map and deciding which firms belong in which strategic group are as follows:

1. Identify the competitive characteristics that differentiate firms in the industry typical variables that are price/quality range (high, medium, low); geographic coverage (local, regional, national, global); degree of vertical integration (none, partial, full); product-line breadth (wide, narrow); use of distribution channels (one, some, all); and degree of service offered (no-frills, limited, full).
2. Plot the firms on a two-variable map using pairs of these differentiating characteristics.
3. Assign firms that fall in about the same strategy space to the same strategic group.
4. Draw circles around each strategic group making the circles proportional to the size of the group's respective share of total industry sales revenues.

QUE 10 (SM/PYP JAN 21/PYP MAY 23)

Mohan has joined as the new CEO of XYZ Corporation and aims to make it a dominant technology company in the next five years. He aims to develop competencies for managers for achieving better performance and a competitive advantage for XYZ Corporation. Mohan is well aware of the importance of resources and capabilities in generating competitive advantage.

Discuss the four major characteristics of resources and capabilities required by XYZ Corporation to sustain the competitive advantage and its ability to earn profits from it.

Or

"The sustainability of competitive advantage and a firm's ability to earn profits from its competitive advantage depends on characteristics of resources and capabilities" Explain this statement.

ANSWER:

XYZ Corporation is aiming to transform into a dominant technology company under the leadership of Mohan, the new CEO. He aims to develop competencies for managers for achieving better performance and a competitive advantage for the corporation. Mohan is also well aware of the importance of resources and capabilities in generating and sustaining the competitive advantage. Therefore, he must focus on characteristics of resources and capabilities of the corporation.

The sustainability of competitive advantage and a firm's ability to earn profits from it depends, to a great extent, upon four major characteristics of resources and capabilities which are as follows:

1. Durability

- The period over which a competitive advantage is sustained depends in part on the rate at which a firm's resources and capabilities deteriorate.
- In industries where the rate of product innovation is fast, product patents are quite likely to become obsolete.
- Similarly, capabilities which are the result of the management expertise of the CEO are also vulnerable to his or her retirement or departure. On the other hand, many consumer brand names have a highly durable appeal.

2. Transferability

- Even if the resources and capabilities on which a competitive advantage is based are durable, it is likely to be eroded by competition from rivals.
- The ability of rivals to attack position of competitive advantage relies on their gaining access to the necessary resources and capabilities. The easier it is to transfer resources and capabilities between companies, the less sustainable will be the competitive advantage which is based on them.

3. Imitability

- If resources and capabilities cannot be purchased by a would-be imitator, then they must be built from scratch. How easily and quickly can the competitors build the resources and capabilities on which a firm's competitive advantage is based? This is the true test of imitability.
- **For example**, In financial services, innovations lack legal protection and are easily copied. Here again the complexity of many organizational capabilities can provide a degree of competitive defense. Where capabilities require networks of organizational routines, whose effectiveness depends on the corporate culture, imitation is difficult.

4. Appropriability

- Appropriability refers to the ability of the firm's owners to appropriate the returns on its resource base. Even where resources and capabilities are capable of offering sustainable advantage, there is an issue as to who receives the returns on these resources.
- This means, that rewards are directed to from where the funds were invested, rather than creating an advantage with no actual reward to people to invested capital.

QUE 11 (PYP JAN 21/PYP NOV 22 /MTP NOV 21 S1)

Spacetek Pvt. Ltd. is an IT company. Although there is cut throat competition in the IT sector, Spacetek deals with distinctive niche clients and is generating high efficiencies for serving such niche market. Other rival firms are not attempting to specialize in the same target market.

Identify the strategy adopted by Spacetek Pvt. Ltd. and also explain the advantages and disadvantages of that strategy.

Or

Quick N Sturdy Inc., a multinational company, is undergoing feasibility study to introduce new luxury and sports car for specific group of customers. The product is meant for customers with distinctive preferences and special requirements. The product is not a standard one and as such the target market is also narrow. Company knows that demand for the product is large enough to be profitable for the company, but small enough to be ignored by other major industry players. The company wants to position itself in the niche market with the prime consideration to offer unique features in the product for the target market.

In the given situation, identify the generic strategy as suggested by Michael Porter. Also state the advantages and disadvantages of such strategy.

ANSWER:

1. Spacetek Pvt. Ltd. company has adopted Focus strategy which is one of the Michael Porter's Generic strategies.
2. Focus strategies are most effective when consumers have distinctive preferences or requirements and when rival firms are not attempting to specialize in the same target segment. An organization using a focus strategy may concentrate on a particular group of customers, geographic markets, or on particular product-line segments in order to serve a well-defined but narrow market better than competitors who serve a broader market.

Advantages of Focus Strategy -

1. Premium prices can be charged by the organizations for their focused product/services.
2. Due to the tremendous expertise about the goods and services that organizations following focus strategy offer, rivals and new entrants may find it difficult to compete.

Disadvantages of Focus Strategy -

1. The firms lacking in distinctive competencies may not be able to pursue focus strategy.
2. Due to the limited demand of product/services, costs are high which can cause problems.
3. In the long run, the niche could disappear or be taken over by larger competitors by acquiring the same distinctive competencies.

QUE 12 (PYP DEC 21)

STU's association with India goes back to 1967, When it played a key role in constructing a very long highway in India spreading over multiple states. Since then, it is contributing in many ways to country's growth story. Now it is looking at playing an active role in the key projects taken up the central government. Suggest few Opportunities and Threats that the company should consider.

ANSWER:

Faced with a constantly changing environment, each business unit needs to develop a marketing information system to track trends and developments, which can be categorized as an opportunity or a threat. The company has to review its strength and weakness in the background of environment's opportunities and threat, i.e., an organization's SWOT analysis. STU is looking at playing an active role in the key projects taken up by the central government.

Following are the potential opportunities and threats to STU:

Potential STU's Opportunities:

- i. Alliances or joint ventures with central government that expand the STU's market coverage or boost its competitive capability.
- ii. Possibilities of working on the future projects of central government.
- iii. Serving additional customer groups or expanding into new geographic markets.
- iv. Utilizing existing company skills or technological know-how to enter new projects.
- v. Openings to take market share away from rivals.
- vi. Openings to exploit emerging new technologies.
- vii. Integrating forward or backward.

Potential STU's Threats:

- i. Due to COVID-19 pandemic, companies can have face the lockdown situation.
- ii. Economic factors such as recession etc.
- iii. Likely entry of potent new competitors.
- iv. Technological changes/innovations in construction equipment.
- v. Costly new regulatory requirements.
- vi. Growing bargaining power of suppliers.
- vii. Vulnerability to industry driving forces.

QUE 13 (PYP NOV 20/RTP MAY 24)

ABC Ltd. is a beverage manufacturing company. It chiefly manufactures soft drinks. The products are priced on the lower side which has made the company a leader in the business. Currently it is holding 35 percent market share. The R & D of company developed a formula for manufacturing sugar free beverages. On successful trial and approval by the competent authorities, company was granted to manufacture sugar free beverages. This company is the pioneer to launch sugar free beverages which are sold at a relatively higher price. This new product has been accepted widely by a class of customers. These products have proved profitable for the company.

Identify the strategy employed by the company ABC Ltd. and mention what measures could be adopted by the company to achieve the employed strategy.

ANSWER:

1. According to Porter, There are 3 generic Strategies that allow organizations to gain competitive advantage these are cost leadership, differentiation, and focus.
2. ABC Ltd. has opted **Differentiation Strategy**.
3. The company has invested huge amount in R & D and developed a formula for manufacturing sugar free beverages to give the customer value and quality. They are pioneer and serve specific customer needs that are not met by other companies in the industry. The new product has been accepted by a class of customers. Differentiated and unique sugar free beverages enable ABC Ltd. to charge relatively higher for its products hence making higher profits and maintain its competitive position in the market.
4. Sugar free beverage of ABC Ltd. is being accepted widely by a class of customers. Differentiation strategy is aimed at broad mass market and involves the creation of a product or service that is perceived by the customers as unique. The uniqueness can be associated with product design, brand image, features, technology, and dealer network or customer service.

Achieving Differentiation Strategy -

To achieve differentiation, following action plan is generally adopted by an organization:

- i. Offer utility to the customers and match products with their tastes and preferences.
- ii. Elevate/Improve performance of the product.
- iii. Offer the high-quality product/service for buyer satisfaction.
- iv. Rapid product innovation to keep up with dynamic environment.
- v. Taking steps for enhancing brand image and brand value.
- vi. Fixing product prices based on the unique features of product and buying capacity of the customer.

QUE 14 (PYP DEC 21)

In spite of high commodity inflation, shortage of components and the threat of a third wave COVID-19 pandemic in India, manufacturers of packaged goods, home appliances and consumer electronics are expecting the business to grow by 12 to 25 percent in the coming months. After one-and-a-half years of disruption, manufacturers are now confident about managing their inventories better, keeping their supply channels well-stocked and preparing themselves to minimize the impact of any COVID related restrictions even as they gear up for the festive season, which usually accounts for 25 to 35 percent of their yearly basis.

The home appliances sector could be an example. After a dismal April - June quarter in the year 2021; producers of air conditioners, refrigerator and washing machines are expecting their business to grow by 15- 20 percent in the months to come. All the companies operating in the sector have geared up to grab the opportunities available in the market.

A leading company in the home appliances domain, XXP India, is planning to launch various innovative product designs and offer loyalty programmes to lure consumers.

With reference to Michael Porter's generic strategies, identify which strategy XXP India, has planned for? Explain how this strategy will be advantageous to the company to remain profitable?

ANSWER:

1. According to Porter, There are 3 generic Strategies that allow organizations to gain competitive advantage these are cost leadership, differentiation, and focus.
2. XXP India Ltd. has planned for **Differentiation Strategy**. The company is planning to launch various innovative product designs and offer loyalty programmes to lure customers.
3. Differentiation strategy should be pursued only after a careful study of buyers' needs and preferences to determine the feasibility of incorporating one or more differentiating features into a unique product that features the desired attributes. A successful differentiation strategy allows a firm to charge a higher price for its product and to gain customer loyalty, because consumers may become strongly attached to the differentiated features.

Advantages of Differentiation Strategy -

A differentiation strategy may help an organisation to remain profitable even with rivalry, new entrants, suppliers' power, substitute products, and buyers' power.

1. **Rivalry** - Brand loyalty acts as a safeguard against competitors. It means that customers will be less sensitive to price increases, as long as the firm can satisfy the needs of its customers.
2. **Buyers** - They do not negotiate for price as they get special features, and they have fewer options in the market.
3. **Suppliers** - Because differentiators charge a premium price, they can afford to absorb higher costs of supplies as the customers are willing to pay extra too.
4. **Entrants** - Innovative features are an expensive offer. So, new entrants generally avoid these features because it is tough for them to provide the same product with special features at a comparable price.
5. **Substitutes** - Substitute products can't replace differentiated products which have high brand value and enjoy customer loyalty.

QUE 15 (RTP MAY 23/MTP MAY 21 S2)

Domolo is a premium cycle and cycling equipments brand which targets high spending customer with a liking for quality and brand name. Their cycles range from rupees fifteen thousand to rupees one lac. The recent trend of fitness through cycling has created humongous demand for cycles and peripherals like helmets, lights, braking systems, fitness applications, etc. The customer base has grown 150% in the last three months. Mr. Vijay, who is an investor wants to tap in this industry and bring about cheaper options to people who cannot spend so much. Which business level strategy would best suit for Mr. Vijay's idea and what are the major sub-strategies that can be implemented to capture maximum market?

ANSWER:

1. The Best Cost Provider strategy would ensure a better reach to the not so affluent customers and provide them with good quality cycles and equipments, thus tapping in on the increasing trend of cycling.
2. Two sub-strategies that can be implemented are:
 - i. Offering lower prices than rivals for the same quality of products
 - ii. Charging same prices for better quality of products
3. The idea of Mr. Vijay is to provide almost same quality of products in terms of functionality if not so in terms of branding, to customer who do not have huge sums of money to pay. Thus, sub-strategy number one, offering lower prices for almost same quality should be implemented to become the best cost provider of cycles and related equipments in the market.

QUE 16 (RTP MAY 22)

A business consultancy firm specializes in environment management consultancy. It advises client companies on how to set up environmental management accounting systems. For measuring recording and analyzing environmental costs. A large part of its business involves performing environmental audits to check whether companies have achieved an international assurance standard in environmental management; this is something that rival consultancy firms do not do. The firm also carries out other management consultancy projects for client, but these make up only a small proportion of its total annual fee income.

Identify the strategy by Michael Porter which best describes the strategy of this firm.

ANSWER:

1. By concentrating mainly on the 'market' for consultancy services in environmental management, the firm is pursuing a focus strategy. By offering audit services, which rival firms do not, this indicates a differentiation strategy within this chosen market niche. Hence, the firm is following Focus differentiation strategy.
2. A **focused differentiation strategy** requires offering unique features that fulfil the demands of a narrow market. Similar to focused low-cost strategy, narrow markets are defined in different ways in different settings. Some firms using a focused differentiation strategy concentrate their efforts on a particular sales channel, such as selling over the internet only. Others target particular demographic groups. Firms that compete based on uniqueness and target a narrow market are following a focused differentiations strategy.

QUE 17 (MTP NOV 21 S2)

BHAVNAV is a business which makes and sells laptop computers in France. In recent years it has been struggling to compete with its rivals and has seen a significant fall in its market share. BHAVNAV's managers identify that majority of its products launched by BHAVNAV's rivals were high specification, with good quality materials and many innovative design features. Products with inferior quality, such as those sold by BHAVNAV have not sold well in France. This information led BHAVNAV's management team to decide to select a new business strategy based on Porter's Generic Strategic Model. Identify and suggest the best business strategy BHAVNAV's management has to opt for?

ANSWER:

1. According to Porter, the three different business strategies are: cost leadership, differentiation, and focus. Porter called these base generic strategies.
2. The information about competitor activities indicates that the market is uninterested in low-cost items, so a cost leadership approach is unlikely to be successful for BHAVNAV. It is suggested to adopt a **differentiation strategy** and find some way of enabling its laptops to stand out from its rivals.
3. Differentiation strategy is aimed at broad mass market and involves the creation of a product or service that is perceived by the customers as unique. The uniqueness can be associated with product design, brand image, features, technology, dealer network or customer service.

QUE 18 (MTP MAY 24 S2)

EasyLife Corporation, a leading manufacturer of consumer electronics, is considering launching a new line of smart home devices. As a strategic manager, conduct a SWOT analysis for *EasyLife Corporation* to assess the feasibility and potential success of this new venture.

Consider both internal and external factors that could impact the success of the new product line.

ANSWER:

SWOT Analysis for EasyLife Corporation's New Smart Home Devices Venture:

Strengths -

- Strong brand reputation in consumer electronics.
- Established distribution network.
- Access to technological expertise for product development.
- Financial resources to support product launch and marketing

Opportunities -

- Growing market for smart home devices due to increasing consumer interest in home automation.
- Possibility of partnering with existing smart home platform providers.
- Potential to leverage brand loyalty from existing customers.
- Ability to differentiate through innovative features and design.

Weaknesses -

- Limited experience in the smart home devices market.
- May require additional investments in research and development.
- Potential challenges in integrating a new product line with existing offerings.
- Lack of established customer base for smart home devices.

Threats -

- Intense competition from established players in the smart home devices market.
- Rapid technological advancements lead to short product life cycles.
- Potential for cybersecurity threats in connected devices.
- Economic factors impacting consumer spending on discretionary items.

1. The SWOT analysis highlights that while *EasyLife Corporation* has several strengths that can support the launch of a new smart home devices line, there are also significant weaknesses and threats to consider.
2. To maximize the chances of success, *EasyLife Corporation* should focus on leveraging its brand reputation and distribution network while carefully addressing the weaknesses and threats identified.
3. Additionally, staying informed about technological developments and consumer trends will be essential for maintaining competitiveness in the dynamic smart home devices market.

QUE 19 (MTP NOV 19 S1)

'Coffee Beans' is a coffeehouse chain that operates across the globe in different countries. 'Coffee Beans' has adopted a strategy to build business by establishing product uniqueness or qualities and gain competitive advantage based on features of its offerings in coffee business. Which type of strategy 'Coffee Beans' has adopted?

ANSWER:

1. Coffee Beans is opting for Differentiation strategy.
2. This strategy is aimed at broad mass market and involves the creation of a product or service that is perceived by the customers as unique.
3. The uniqueness can be associated with product design, brand image, features, technology, dealer network or customer service. Because of differentiation, Coffee Beans can charge a premium for its product.

QUE 20 (MTP MAY 21 S1)

X-Olympus is a gaming software company specializing in developing games for ZBox and Game Station- 4. The company is facing stiff competition due to saturation of market and price wars, which has excessively favor and highlight their dependence on gaming console manufacturers. Thereby, the company desires to establish a competitive advantage over industry rivals by enhancing the gaming experience by expanding into Edge-Cloud Gaming Service on a monthly subscription basis. This service offering does not require dedicated gaming consoles yet provide customers game streaming in 4K resolution with an ample range of games to select from. This move is expected to insulate X-Olympus from price wars and provide a competitive advantage. Identify and explain the generic strategies adopted by X-Olympus?

ANSWER:

1. According to Porter, There are 3 generic Strategies that allow organizations to gain competitive advantage these are cost leadership, differentiation, and focus.
2. X-Olympus is facing cutthroat competition due to saturation of market and price wars as there is no clear leader out of the numerous competitors.
3. For this, the strategy adopted by X-Olympus is Differentiation Strategy by introducing a unique product to cater the customer needs at a lesser cost which would insulate it from the fierce competition and never-ending price wars.

QUE 21 (MTP MAY 22 S1)

A private Moneyload Ltd. Bank that targets high worth individuals. They offer a premium service with many additional and personal services not normally available through other banks. They charge a significant annual fee for these services. The company makes full use of information technology throughout its operations in order to minimize costs. Identify and explain the generic strategy adopted by Moneyload Ltd. Bank?

ANSWER:

1. According to Porter, There are 3 generic Strategies that allow organizations to gain competitive advantage these are cost leadership, differentiation, and focus.
2. Moneyload Ltd. Bank targets a narrow segment of the market, offering unique and desirable products. The bank will want to keep its costs under control, but it will not reduce costs at the expenses of reducing the quality levels of the customer service it offers. By maintaining high quality levels, it will still be able to charge a premium for its services. Thus, the strategy adopted by Moneyload Ltd. Bank is **Focused Differentiation**.
3. A focused differentiation strategy requires offering unique features that fulfil the demands of a narrow market. Some firms using a focused differentiation strategy concentrate their efforts on a particular sales channel, such as selling over the internet only. Others target particular demographic groups. Firms that compete based on uniqueness and target a narrow market are following a focused differentiations strategy.

QUE 22 (MTP NOV 23 S1)

BudgetSmart Retailers, a renowned supermarket chain, faced fierce competition in the grocery retail sector due to escalating operational expenses. Rising costs from rent, labor, and inventory management challenged their profitability amidst the emergence of discount stores and online competitors. To counter this, BudgetSmart Retailers optimized their supply chain through bulk procurement, revamped store layouts for cost efficiency and customer experience, embraced lean operational practices to minimize waste, and conducted comprehensive staff training to boost productivity and customer service efficiency.

Identify and explain the strategy adopted by BudgetSmart Retailers to enhance the profitability.

ANSWER:

1. Budget Smart Retailers adopted a cost leadership strategy to enhance profitability in the fiercely competitive grocery retail sector.
2. It is a low-cost competitive strategy that aims at broad mass market.
3. It requires vigorous pursuit of cost reduction in the areas of procurement, production, storage and distribution of product or service and also economies in overhead costs. Because of its lower costs, the cost leader is able to charge a lower price for its products than most of its competitors and still earn satisfactory profits.
4. By negotiating bulk procurement deals with suppliers, BudgetSmart Retailers lowered their cost of goods, allowing them to offer competitive prices to customers.
5. The revamping of store layouts aimed to maximize space utilization and product placement, reducing operational costs and improving the overall shopping experience. Embracing lean principles minimized waste in the supply chain, reducing unnecessary expenses and improving efficiency.
6. Comprehensive staff training boosted employee productivity and customer service efficiency, contributing to cost reduction and enhanced customer satisfaction.

Descriptive Qs.

(SM, PYP, RTP, MTP)

QUE 23

**(SM/PYP MAY 18/RTP NOV 18/RTP MAY 20 /RTP MAY 21/
MTP NOV 18 S2/MTP NOV 23 S1)**

What is the purpose of SWOT analysis? Why is it necessary to do a SWOT analysis before selecting a particular strategy for a business organization?

ANSWER:

An important component of strategic thinking requires the generation of a series of strategic alternatives, or choices of future strategies to pursue, given the company's internal strengths and weaknesses and its external opportunities and threats.

The comparison of strengths, weaknesses, opportunities, and threats is normally referred to as SWOT analysis.

- Strength: Strength is an inherent capability of the organization which it can use to gain strategic advantage over its competitors.
- Weakness: A weakness is an inherent limitation or constraint of the organization which creates strategic disadvantage to it.
- Opportunity: An opportunity is a favourable condition in the organization's environment which enables it to strengthen its position.
- Threat: A threat is an unfavourable condition in the organization's environment which causes a risk for, or damage to, the organization's position.

SWOT analysis helps managers to craft a business model (or models) that will allow a company to gain a competitive advantage in its industry (or industries). Competitive advantage leads to increased profitability, and this maximizes a company's chances of surviving in the fast-changing, competitive environment.

Key reasons for SWOT analyses are:

- i. It provides a logical framework.
- ii. It presents a comparative account.
- iii. It guides the strategist in strategy identification.

QUE 24 (PYP MAY 24)

What are channels? Why is channel analysis important? Explain the different types of channels?

ANSWER:

1. Channels are the distribution system by which an organisation distributes its product or provides its service. The wider and stronger the channel, the better position a business has to fight and win over competition. Also, having robust channels of business distribution help keep new players away from entering the industry, thus acting as barriers to entry.
2. Channel analysis is important when the business strategy is to scale up and expand beyond the current geographies and markets. When a business plans to grow to newer markets, they need to develop or leverage existing channels to get to new customers. Thus, analysis of channels that suit one's products and customers is of utmost importance.

Types of Channels

Sales channel

- These are the intermediaries involved in selling the product through each channel and ultimately to the end user.
- The key question is: Who needs to sell to whom for your product to be sold to your end user?
- **For example**, many fashion designers use agencies to sell their products to retail organisations, so that consumers can access them.

Product channel

- The product channel focuses on the series of intermediaries who physically handle the product on its path from its producer to the end user.
- This is true of Australia Post, who delivers and distributes many online purchases between the seller and purchaser when using eBay and other online stores.

Service channel

- The service channel refers to the entities that provide necessary services to support the product, as it moves through the sales channel and after purchase by the end user.
- The service channel is an important consideration for products that are complex in terms of installation or customer assistance.
- **For example**, a Bosch dishwasher may be sold in a Bosch showroom, and then once sold it is installed by a Bosch contracted plumber.

QUE 25

(PYP MAY 18/MTP MAY 18 S1/MTP NOV 18 S1/ MTP MAY 20 S1)

Define competitive advantage

ANSWER:

1. Competitive Advantage is position of a Firm to maintain and sustain a favourable market position when compared to its competitors. This position gets translated into higher market share, higher profits when compared to those that are obtained by Competitors operating in the same industry
2. 'It is a set of unique features of a company and its products that are perceived by the target market as significant and superior to the competition.
3. It is achieved when the firm successfully formulates and implements the value creation strategy and other firms are unable to duplicate it or find it too costly to imitate. Further, it can be said that a firm is successful in achieving competitive advantage only after other firm's efforts to duplicate or imitate it fails.

QUE 26

(PYP MAY 18/PYP JAN 21/RTP NOV 19/ /RTP NOV 21/
/MTP MAY 22)

Core competencies provide edge to a business over its competitors. Discuss. Also, briefly state the three areas in which major core competencies are identified.

Or

What do you mean by core competencies?

Or

Major core competencies are identified in three areas - competitor differentiation, customer value and application to other markets. Discuss.

ANSWER:

1. A core competence is a unique strength of an organization which may not be shared by others.
2. Core competencies are those capabilities that are critical to a business achieving competitive advantage.
3. In order to qualify as a core competence, the competency should differentiate the business from any other similar businesses. An organization's combination of technological and managerial know-how, wisdom and experience are a complex set of capabilities and resources that can lead to a competitive advantage compared to a competitor.
4. A core competency for a firm is whatever it does best

According to C.K. Prahalad and Gary Hamel, major core competencies are identified in following three areas:

Competitor Differentiation

- This means that a Firm can provide better products or services to the market with no fear that Competitors can copy it.
- Even if many Firms have equal skills and resources, Core Competence is obtained by a Firm, if it is able to do its activities significantly better than its rivals. The company has to keep on improving these skills in order to sustain its competitive position
- Example - it is quite difficult to imitate patented innovation, like Tesla has been winning over competition in electric vehicles.

Customer Value

- When purchasing a product or service it has to deliver a Fundamental Benefit to the end customer in order to be a Core Competence. The product or service has to have real impact on the Customer as the reason to choose to purchase them.
- If customer has chosen the company without this impact, then competence is not a core competence, and it will not affect the company's market position. The essence is that the consumer should value the differentiation offered. Without it, the core competency does not make sense.

Application to Other Markets

- Core Competence must be applicable to the whole Entity. A Core Competence is a unique set of skills and expertise, which will be used throughout the Entity to open up potential markets to be exploited.
- it cannot be only one particular skill or specified area of expertise. Therefore, although some special capability would be essential or crucial for the success of business activity, it will not be considered as core competence if it is not fundamental from the whole organization's point of view

QUE 27 (PYP MAY 22/RTP MAY 20/RTP MAY 24 , MTP NOV 19 S1)

There are four specific criteria of sustainable competitive advantage that firms can use to determine those capabilities that are known as core competencies. Explain.

Or

Capabilities that are valuable, rare, costly to imitate, and non-substitutable are core competencies. Explain these four specific criteria of sustainable competitive advantage that firms can use to determine those capabilities that are core competencies.

Or

Telecom industry is growing at a rapid speed in India. There is a cut throat competition among the service providers in the industry. Identify the capabilities that will best serve as a source of competitive advantage for a firm over its rivals?

ANSWER:

Four specific criteria of sustainable competitive advantage that firms can use to determine those capabilities that are core competencies. Capabilities that are valuable, rare, costly to imitate, and non-substitutable are core competencies. -

1. Valuable

- Valuable capabilities are the ones that allow the firm to exploit opportunities or avert the threats in its external environment.
- A firm created value for customers by effectively using capabilities to exploit opportunities.
- Such Valuable Capabilities can be built in many areas - Employee Competence, R&D, Marketing, Post Sale Service, etc.

2. Rare

- Core competencies are very rare capabilities and very few of the competitors possess this. Capabilities possessed by many rivals are unlikely to be sources of competitive advantage for any one of them.
- Competitive advantage results only when firms develop and exploit valuable capabilities that differ from those shared with competitors.

3. Costly to imitate

- Costly to imitate means such capabilities that competing firms are unable to develop easily.

4. Non-substitutable

- Capabilities that do not have strategic equivalents are called non-substitutable capabilities.
- This final criterion for a capability to be a source of competitive advantage is that there must be no strategically equivalent valuable resources that are themselves either not rare or imitable.
- The strategic value of capabilities increases as they become more difficult to substitute.

QUE 28 (PYP MAY 19/MTP NOV 22/ (RTP NOV 18))

Discuss differentiation strategy? How is it achieved?

ANSWER:

1. Differentiation strategy is aimed at broad mass market and involves the creation of a product or service that is perceived by the customers as unique. The uniqueness can be associated with product design, brand image, features, technology, dealer network or customer service. Because of differentiation, the business can charge a premium for its product.
2. Differentiation strategy should be pursued only after a careful study of buyers' needs and preferences to determine the feasibility of incorporating one or more differentiating features into a unique product that features the desired attributes.
3. **To achieve differentiation, following measures can be adopted by an organization:**
 - i. Offer utility for the customers and match the products with their tastes and preferences.
 - ii. Elevate the performance of the product.
 - iii. Offer the promise of high-quality product/service for buyer satisfaction.
 - iv. Rapid product innovation.
 - v. Taking steps for enhancing image and its brand value.
 - vi. Fixing product prices based on the unique features of the product and buying capacity of the customer.

QUE 29 (PYP NOV 19/RTP MAY 19 /RTP MAY 21)

Write a short note on the concept of cost leadership strategy and how to achieve it?

ANSWER:

1. Cost leadership strategy requires vigorous pursuit of cost reduction in the areas of procurement, production, storage and distribution of product or service and also economies in overhead costs.
2. Accordingly, the cost leader is able to charge a lower price for its products than its competitors and still make satisfactory profits. The low-cost leadership should be such that no competitors are able to imitate so that it can result in sustainable competitive advantage to the cost leader firm.
3. To achieve cost leadership, following are the actions that could be taken:
 - i. Forecast the demand of a product or service promptly.
 - ii. Optimum utilization of the resources to get cost advantages.
 - iii. Achieving economies of scale leads to lower per unit cost of product/service.
 - iv. Standardisation of products for mass production to yield lower cost per unit.
 - v. Invest in cost saving technologies and try using advance technology for smart working.
 - vi. Resistance to differentiation till it becomes essential.

QUE 30 (PYP NOV 22)

What is cost leadership strategy?

Under what circumstances an organization can gain competitive advantages from cost leadership strategy?

Is there any risk in pursuing cost leadership strategy?

ANSWER:

1. Cost leadership strategy emphasizes producing standardized products at a very low per-unit cost for consumers who are price-sensitive.
2. Cost leadership Strategy requires vigorous pursuit of cost reduction in the areas of procurement, production, storage and distribution of product or service and also economies in overhead costs.
3. Because of its lower costs, the cost leader is able to charge a lower price for its products than most of its competitors and still earn satisfactory profits.
4. It is a low-cost competitive strategy that aims at broad mass market. The basic idea is to underprice competitors and thereby gain market share driving some of the competitors out of the market.
5. The circumstances in which an organization can gain competitive advantages from cost leadership strategy are:
 - When the market is composed of many price-sensitive buyers
 - When there are few ways to achieve product differentiation
 - When buyers do not care much about differences from brand to brand
 - When there are a large number of buyers with significant bargaining power
6. Some risks of pursuing cost leadership are:
 - That competitors may imitate the strategy, therefore driving overall industry profits down;
 - That technological breakthroughs in the industry may make the strategy ineffective; or that buyer interests may swing to other differentiating features besides price.

QUE 31 (PYP MAY 18/RTP NOV 23/MTP NOV 22 S1)

Define the term 'Marketing'. Distinguish between social marketing and service marketing.

ANSWER:

In general, marketing is an activity performed by business organizations. In the present day for business, it is considered to be the activities related to identifying the needs of customers and taking such actions to satisfy them in return of some consideration. The term marketing constitutes different processes, functions, exchanges and activities that create perceived value by satisfying needs of individuals.

Social marketing and service marketing are marketing strategies primarily with different orientations.

Social Marketing

- It refers to the design, implementation, and control of programs seeking to increase the acceptability of a social ideas, cause, or practice among a target group to bring in a social change.
- For instance, the publicity campaign for prohibition of smoking in Delhi explained the place where one can and can't smoke and also indicates that smoking is injurious to health.

Services Marketing

- It is applying the concepts, tools, and techniques, of marketing to services. Services is any activity or benefit that one party can offer to another that is essentially intangible. This marketing requires different marketing strategies since it has peculiar characteristics of its own such as inseparability, variability etc.

QUE 32 (PYP NOV 18)

Define Augmented Marketing. Give two examples.

ANSWER:

Augmented Marketing is provision of additional customer services and benefits built around the core and actual products that relate to introduction of hi-tech services like movies on demand, online computer repair services, etc.

Such innovative offerings provide a set of benefits that promise to elevate customer service to unprecedented levels.

QUE 33

(RTP NOV 20/MTP MAY 18 S1/MTP MAY 22/MTP MAY 20 S1/MTP NOV 20 S1)

Distinguish between Cost Leadership and Differentiation Strategies.

ANSWER:

1. Cost leadership emphasizes producing standardized products at a very low per-unit cost for consumers who are price-sensitive. Differentiation is a strategy aimed at producing products and services considered unique industry wide and directed at consumers who are relatively price-insensitive.
2. A primary reason for pursuing forward, backward, and horizontal integration strategies is to gain cost leadership benefits. But cost leadership generally must be pursued in conjunction with differentiation.
3. Different strategies offer different degrees of differentiation. A differentiation strategy should be pursued only after a careful study of buyers' needs and preferences to determine the feasibility of incorporating one or more differentiating features into a unique product. A successful differentiation strategy allows a firm to charge a higher price for its product and to gain customer loyalty.

QUE 34 (MTP NOV 18 S2)

Advantages of cost leadership strategy

ANSWER:

A cost leadership strategy may help to remain profitable even with rivalry, new entrants, suppliers' power, substitute products, and buyers' power.

1. **Rivalry** - Competitors are likely to avoid a price war, since the low-cost firm will continue to earn profits even after competitors compete away their profits.
2. **Buyers** - Powerful buyers/customers would not be able to exploit the cost leader firm and will continue to buy its product.
3. **Suppliers** - Cost leaders are able to absorb greater price increases from suppliers before they need to raise prices for customers.
4. **Entrants** - Low-cost leaders create barriers to market entry through their continuous focus on efficiency and cost reduction.
5. **Substitutes** - Low-cost leaders are more likely to lower the costs to induce existing customers to stay with their products, invest in developing substitutes, and even purchase patents.

QUE 35 (MTP MAY 23)

Explain in brief the various basis of differentiation strategy.

ANSWER:

There are several basis of differentiation, major being: Product, Pricing and Organization.

1. Product

- Innovative products that meet customer needs can be an area where a company has an advantage over competitors.
- However, the pursuit of a new product offering can be costly - research and development, as well as production and marketing costs can all add to the cost of production and distribution. The payoff, however, can be great as customer's flock to be among the first to have the new product.

2. Pricing

- It fluctuates based on its supply and demand and may also be influenced by the customer's ideal value for a product.
- Companies that differentiate based on product price can either determine to offer the lowest price or can attempt to establish superiority through higher prices.

3. Organisation

- Organisational differentiation is yet another form of differentiation.
- Maximizing the power of a brand or using the specific advantages that an organization possesses can be instrumental to a company's success.
- Location advantage, name recognition and customer loyalty can all provide additional ways for a company differentiate itself from the competition.

QUE 36 (MTP NOV 22 S2)

What are the various alternative strategies which the managers need to identify that will create and sustain a competitive advantage in the business? Discuss.

ANSWER:

According to Porter, There are 3 generic Strategies that allow organizations to gain competitive advantage these are cost leadership, differentiation, and focus.

These bases form different generic strategies as follows:

1. **Cost leadership** emphasizes producing standardized products at a very low per-unit cost for consumers who are price-sensitive. It frequently results from productivity increases and aggressive pursuit of cost reduction throughout the development, production, marketing, and distribution processes. It allows a firm to earn higher profits than its competitors.
2. **Differentiation** is a strategy aimed at producing products and services considered unique industry wide and directed at consumers who are relatively price-insensitive. It concerns with distinguishing a product/service from that of its competitors through unique design features, technological leadership, unique uses of products and attributes like quality, environmental impact and customer service.
3. **Focus** means producing products and services that fulfil the specific needs of small groups of consumers. It involves selecting or focusing a market or customer segment in which to operate.

QUE 37 (MTP MAY 24 S1)

How can Mendelow's Matrix be used to analyze and manage the stakeholders effectively?

ANSWER:

Mendelow's Matrix can be used effectively to analyze and manage stakeholders through a grid-based approach by the following steps:

- 1) **Identify Stakeholders**: Begin by identifying all relevant stakeholders for your project or organization. This includes individuals, groups, or organizations that may be impacted by or have an impact on your activities.
- 2) **Assess Power and Interest**: For each stakeholder, assess their power to influence your project or organization and their level of interest in its success. Power can be assessed based on factors such as authority, resources, and expertise, while interest can be gauged by their level of involvement, expectations, and potential benefits or risks.
- 3) **Plot Stakeholders on the Grid**: Create a grid with Power on one axis and Interest on the other. Plot each stakeholder on the grid based on your assessment. Stakeholders with high power and high interest are placed in the "Key Players" quadrant, those with high power but low interest are in the "Keep Satisfied" quadrant, those with low power but high interest are in the "Keep Informed" quadrant, and those with low power and low interest are in the "Low Priority" quadrant.

- 4) **Develop Strategies for each Quadrant:** Based on the placement of stakeholders in the grid, develop specific strategies for managing each quadrant:
- **Key Players:** Fully engage with these stakeholders, seek their input, and keep them informed. They are crucial for the success of your project, so their needs and expectations should be a top priority.
 - **Keep Satisfied:** These stakeholders have significant power but may not be as interested in your project. Keep them satisfied by providing regular updates and addressing any concerns they may have to prevent them from becoming detractors.
 - **Keep Informed:** While these stakeholders may not have much power, they are highly interested in your project. Keep them informed to ensure they remain supportive and to leverage their insights and feedback.
 - **Low Priority:** These stakeholders have low power and interest. Monitor them for any changes but allocate minimal resources to managing their expectations.
- 5) **Monitor and Adapt:** Continuously monitor the power and interest of stakeholders and adjust your strategies accordingly. Stakeholders may move between quadrants based on changing circumstances, so it's important to remain flexible and responsive. By using Mendelow's Matrix as a grid-based tool, you can effectively analyze and manage stakeholders by tailoring your engagement strategies to their specific needs and expectations, ultimately increasing the likelihood of project success.

QUE 38

Explain the meaning of the following concepts:

- i) Relationship marketing
- ii) Services marketing
- iii) Enlightened Marketing
- iv) Person marketing
- v) Differential marketing
- vi) Synchro- marketing

Answer:

- i. **Relationship marketing** is the process of creating, maintaining, and enhancing strong, value-laden relationship with customers and other stakeholders, thus, providing special benefits to select customers to strengthen bonds. It will go a long way in building relationship.
- ii. **Service Marketing** is applying the concepts, tools, and techniques, of marketing to services. Service is any activity or benefit that one party can offer to another that is essentially intangible and non-perishing. These may be from business to consumer and from business to business.
- iii. **Enlightened Marketing** helps a, company to support the best long-run performance of the marketing system. It is based on five principles — customer- oriented marketing, innovative marketing, value marketing, sense-of-mission marketing, and societal marketing.
- iv. **Person marketing** consists of activities undertaken to create, maintain or change attitudes or behaviour towards particular people. For example, politicians, sport stars, film stars, professionals' market themselves to get votes or promote their careers and income.
- v. **Differential Marketing** is a market-coverage strategy in which a firm decides to target several market segments and designs separate offer for each. Differentiation can be achieved through variation in size, shape, colour, brand names and so on.
- vi. **Synchro-marketing**: When the demand for the product is irregular causing idle capacity or over-worked capacities, synchro-marketing can be used to find ways to alter the pattern of demand so that it equates more suitably with the pattern of supply. It can be done through flexible pricing, promotion, and other incentives.

QUE 39 (RTP NOV 18)

Competitive strategy is designed to help firms achieve competitive advantage. Comment

The Given statement is Correct

Competitive strategy is designed to help firms achieve competitive advantage. Having a competitive advantage is necessary for a firm to compete in the market. Competitive advantage comes from a firm's ability to perform activities more effectively than its rivals.

QUE 40

The purpose of SWOT analysis is to rank organizations. Comment

The Given statement is incorrect

SWOT analysis stands for the analysis of strengths, weaknesses opportunities, and threats. It is not used for ranking of organizations. It is a tool for organizational and environmental appraisal necessary for formulating effective strategies.

QUE 41

SWOT analysis merely examines internal environment of an organization. Comment

The Given statement is Incorrect

SWOT analysis presents the information about both external and internal environment in a structured form to compare external opportunities and threats with internal strengths and weaknesses. This helps in matching external and internal environments so that strategic decision makers in an organisation can come out with suitable strategies by identifying patterns of relationship and develop suitable strategies.

QUE 42 (MTP NOV 18 S2)

A core competence is a unique strength of an organization which may not be shared by others. Comment

The Given statement is Correct

A core competence is a unique strength of an organization which may not be shared by others. If business is organized on the basis of core competence, it is likely to generate competitive advantage. A core competence provides potential access to a wide variety of markets. Core competencies should be such that it is difficult for competitors to imitate them.