



Biyani Institute of Science and Management
I Internal Examination 2019-20
MBA (III Semester)
Subject-Business Policy & Strategic Management (M-301)



Time: 1.30 Hrs.

Set: B

MM: 30

[I] Subjective Questions(Attempt any two questions) (2*10=20)

- 1) Define strategic management. What are the benefits and limitations of strategic management?
- 2) Strategic Planning has gained huge reception over the last decade. Explain the major reasons for the growth of strategic planning.
- 3) Discuss the competitive strategies given by Michael Porter in detail.

[II] Case Study – Compulsory (1*10=10)

On March 14, 2000, Stephen King, the prolific horror writer, published his new book, “Riding the Bullet”, on the Internet before it appeared in print. Within 24 hours, almost 400,000 people had downloaded the book – even though most of them needed to download software in order to read the book. The unexpected demand crashed servers. According to Jack Romanos, president of Simon & Schuster, “I don’t think anybody could have anticipated how many people were out there who are willing to accept the written world in a paperless format.” To many, this announced the coming of the electronic novel. Environmentalists were thrilled that e-books might soon replace paper books and newspapers, thus reducing pollution coming from paper mills and landfills. The king book was easy to download and took less time than a trip to the bookstore. Critics argued that the King book used the Internet purposely because at 66 pages, it was too short to be a standard printed novel. It was also free, so there was nothing to discourage natural curiosity. Some people in the industry estimated that 75% of those who downloaded the book did not read it.

By 2008, Harper Collins and Random House were offering free online book content. Amazon was selling a US\$399 Kindle e-book reader for downloadable books costing US\$10 each, but Apple CEO Steve Jobs described the Kindle as something that filled no void and would “go nowhere”. Sales in electronic trade books increased from US\$5.8 million in 2002 to US\$ 20 million in 2006 to US\$380 million by 2012.

By 2012, the market for e-books accounted for more than 25% of all revenues in the book selling industry and e-book sales had surpassed sales of hardback books.

Amazon went on to release numerous versions of the Kindle reader ranging from US\$69 to US\$499. Amazon steadfastly refused to release sales figures for the Kindle; however, Forrester (a research firm) estimated that sales of the Kindle Fire (Its flagship product) had exceeded 5 million between its release in November 2011 and Christmas that same year. Far from going nowhere, the Kindle family was clearly a player in the Industry.

One of the lightly touched parts of the market is college textbooks. No individual area in the field of publishing seems as good a fit as asking student to buy an e-reader and then download all the material they will need for all of their courses. Rentals and outright purchases would represent a substantial change.

Questions:

- 1) Identify the problems associated with long term strategy plan and how your team overcame these problems.
- 2) Present your conclusion and suggestion to the case.