

Name:
Enrolment No:



UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, December 2019

Course: BBA Automarketing

Semester: V

Program: Time: 3 Hours

Course code: STGM3002

Max. Marks: 100

Instructions: All Questions are compulsory

SECTION A

(20 Marks)

01	What is a role of a CEO in the business of an organization	02 Marks	CO1
02	Can an Organization without Core Competence sustain its business for long run?	02 Marks	CO1
03	Which strategy is about how to compete successfully in particular markets? A. Business-level strategy B. Corporate-level strategy C. Alliance-based strategy D. Operational-level strategy	02 Marks	CO1
04	What does conventional finance theory say about the spreading of risk for shareholders when a company diversifies? A. There is significant benefit, provided the diversification leads to synergy. B. There is little benefit to shareholders as they have already spread their risk by holding a range of shares. C. There is significant benefit, provided the diversification leads to an increase in corporate parenting capabilities. D. There are always significant benefits from the reductions in risk	02 Marks	CO1
05	What is meant by focused differentiation? A. Providing a high perceived value service or product to a selected market segment that justifies a substantial price premium B. Simultaneously seeking to achieve differentiation and a price lower than that of competitors C. Concentrating on a particular feature of a product or service to achieve differentiation D. Concentrating on differentiation as the primary means of achieving competitive advantage	02 Marks	CO1
06	Which three of the following are the key criteria that should be considered in relation to a multi-business portfolio? A. Potential problems B. Attractiveness C. Balance	02 Marks	CO1

	D.Fit E.Synergy		
07	A particular business unit operates in a low-growth, mature market, in which it has a large market share. What term is used in the BCG matrix for this business? A.Ballast B.Cash cow C.Star D.Harvest/divest	02 Marks	CO1
08	Which three of the following are categories of cost drivers of internationalization? A.Scale economies B.Similar customer needs C.Country-specific differences D.Favourable logistics	02 Marks	CO1
09	Which three of the following are the key factors to consider when assessing international retaliation? A.The reactivity of the defender B.Five Forces analysis C.The clout that a defender can muster D.The attractiveness of the market to the new entrant E.PESTEL factors	02 Marks	CO1
10	What term is used for the process by which innovations spread among users, varying in pace and extent? A.The tipping point B.Incremental innovation C.Radical innovation D.Diffusion	02 Marks	CO1
SECTION B (20 Marks) (Any two)			
01	How strategy helps the organization to grow.	10 Marks	CO2
02	Apple Wants to enter Indian market. They feel their major competitor is Microsoft. You are hired as a consultant to analyze whether Apple is fit to enter the Indian Market.	10 Marks	CO2, CO3
SECTION-C (30 Marks)			
01	Apply PESTEL analysis in the automobile Industry. Explain each factors how it is interacting with the industry(Take case of Indian Automobile Industry)	15 Marks	CO3, CO4,
02	Explain Strategic Audit of an organization, apply it on Automobile sector.	15 Marks	CO3, CO4
SECTION-D (30 Marks)			
01	A slowdown has impacted India's automobile sector but demand for luxury cars are improving slowly but steadily.	30 Marks	CO4

<p>Luxury automobile manufacturer Mercedes-Benz India on Saturday said that it has delivered more than 600 cars during Dhanteras across markets.</p> <p>The company's stellar sales performance comes after it had delivered more than 200 cars on Dussehra and Navratri in Mumbai and Gujarat, according to an IANS report.</p> <p>Further, Mercedes-Benz India handed more than 250 cars to customers on Dhanteras in Delhi-NCR alone. Taking the Delhi-NCR delivery into account, Mercedes-Benz has delivered more than 600 vehicles to customers in the key markets of Mumbai, Pune, Gujarat, Kolkata and Punjab on Dhanteras.</p> <p>In addition, the company said that it has sold off the current GLE, three months ahead of plan, owing to an unprecedented demand from across India. It has also opened the bookings for the upcoming new generation GLE scheduled to be launched before the Auto Expo 2020.</p> <p>According to Mercedes-Benz India's Managing Director and CEO Martin Schwenk: "The festive season has been satisfactory for us and we are glad to see an overwhelming response to our products from across markets."</p> <p>This impressive number of deliveries during the current festive season reiterates the increasing customer confidence and the trust on brand Mercedes-Benz for a luxury car buyer in a challenging market."</p> <p>Not just Mercedes, but luxury automobile manufacturer Lamborghini India too has reported an uptick in sales. In the last week of September, Lamborghini India created a record for the fastest 50 deliveries of SUV 'Urus' within the first 12 months of its launch.</p> <p>According to the company, India was amongst the first few markets to launch the Urus which comes with a price tag of Rs 3.1 crore (ex-showroom).</p> <p>With its new offering, the super sports car Huracan Evo, starting deliveries from September to add to the Urus SUV, which has been sold out for 2019, Lamborghini India is confident of clocking high double-digit sales growth, although it had earlier pegged the outlook for the year at around 60 percent.</p> <p>"There is a downturn in the overall auto industry. There are some challenges even in the super-luxury industry. Thankfully we are able to bring products at the right time and we are able to create excitement in the marketplace despite the challenges," Lamborghini India Head Sharad Agarwal told PTI earlier. Following the launch of Urus SUV, last year the company emerged as the leader in the overall super luxury cars segment (cars priced above Rs 2.5 crore) where it competes with the likes of Rolls Royce, Bentley, Ferrari, Aston Martin and top-end products from German manufacturers Mercedes, BMW and Audi.</p>	<p>CO2</p>
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Domestic sales decline

Compared to the 20,000 units of luxury vehicles that were sold in the first half of last year, the Indian luxury market this year, recorded between 15,000 and 17,000 models, reports stated. In 2019, the luxury segment did worse than the rest of the country which is unusual in India as it typically outperforms the market. The year began with a marginal decline in sales, according to a PTI report. However, the second quarter from April to June witnesses the worse drop with sales falling more than 30 percent to 6,500 to 7,000 units. In light of the same Mercedes-Benz, last week, reported an 18 percent decline in sales for the first half of 2019, blaming macroeconomic headwinds such as high-interest rates, rising import costs and a liquidity crunch that has affected the auto-loan market.

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Automobile sector continues to be in the red but luxury car segment picking up; Mercedes delivers over 600 cars during Dhanteras
Representative image. Reuters

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At an average 35,000-40,000 units in the last three-four years or about 1.17 percent of the overall passenger vehicle market, the luxury automotive market is the smallest among the large economies. India houses more than 350,000 millionaires.

Major industry players suggest that the industry is looking at its biggest decline in a decade. A few of them are also worried about the impact of India's shift from Bharat Stage IV emission standards to BS-VI, as the increased cost associated with the technology change could discourage more buyers.

In August, all major Original Equipment Manufacturers (OEMs) consisting of passenger, commercial, two- and three-wheeler manufacturers have reported a massive decline in domestic sales.

As per Society of Indian Automobile Manufacturers' (SIAM) August sales figures, the overall sectoral offtake in the domestic market has plunged 23.55 percent to 1,821,490 units, from 2,382,436 units sold during the corresponding month of the previous year.

Q.1 Why the Auto industry is feeling slowdown inspite of the fact ,premium market is growing? 15 marks

Q2 You are appointed as the CEO of Nissan.what strategies you will use in Indian Market to boost its car sales. 15 marks

