

[illegible]

**Total No. of Questions : 15**

# GLOBAL BUSINESS STRATEGY

**M.Code : 71407**

**Max. Marks : 60**

1. **SECTION-A** contains **SIX** questions carrying **FIVE** marks each and students have to attempt **ANY FOUR** questions.
2. **SECTION-B** consists of **FOUR** Subsections : Units-I, II, III & IV. Each Subsection contains **TWO** questions each carrying **EIGHT** marks each and student has to attempt **ANY ONE** question from each Subsection.
3. **SECTION-C** is **COMPULSORY** and consists of **ONE** Case Study carrying **EIGHT** marks.

1. Discuss the Porter's Diamond of National advantage.
2. Discuss ethical issues at global level.
3. What are different components of global business environment?
4. What are various types of generic strategies?
5. How innovation affects competitive advantage?
6. Write a detailed note on concept of knowledge management.

## UNIT-I

- ## UNIT-II

9. What are different components of strategy? Discuss resource leverage as a plank for development of strategy.
10. How external environment does affects choice of generic strategies?

### UNIT-III

11. Write detailed note on international diversification.
12. Discuss concept of international strategic alliances citing example.

### UNIT-IV

13. Write brief notes on :
  - a) Innovation
  - b) Competitive advantage.
14. Discuss the role of regional alliances for economic development.

### SECTION-C

#### 15. Case study :

In 2005, Daimler Chrysler introduced a new car; a new brand and a new look with advanced technology in nine EU countries. It was named Smart and was certainly distinctive and nice looking. The Smart car is only 2,500 mm long, 1,515 mm wide and 1,529 mm high. It seats two adult or one adult and two children. The Smart car's weight is 720kg, has a 22 litre-gas tank, and gets 100 km per 4.8 litres. It has a frame called Tridion Safety Cell, which comes in silver colour and removable panels, which can be changed in less than an hour, in such colours as red, yellow, black, blue and green. Toe optimal leather seats, interchangeable panels and the wild colours remind you of a Swatch watch, you are correct as Swatch watch was the inspiration for developing this car. In the early stages of the project, Daimler-Benz (makers of Mercedes) and SMH (maker of Swatch Watch) formed a joint venture; the car was called "Swatch Mobile". The Swatch Mobile concept was based on Nicolas (Chairman of SMH) conviction that consumers become emotionally attached to cars just as they do to watches. His vision was of high safety, ecology and a very consumer-friendly area to sit in. Like the Swatch, the Swatch Mobile was to be affordable and stylish. Nicolas noted that safety would be a key selling point, declaring, *"This car will have the crash security of a Mercedes. The car was to emit almost no pollutants due to its electric engine, and was to be capable of gasoline powered operations, using a highly efficient miniaturized engine"*.

Smart derives from cooperation with Swatch and Mercedes: Swatch Mercedes ART. During its first winter (2006) on the road, it originally sold for US 10,500. The present model is *"smart for two (an all-electric model)"* which has a base price of \$20,000 without accessories. Although most of the buyers of Smart car have high incomes, or already own two cars, they are concerned about the price-value relationship.

#### Answer the following question :

Identify clearly the market potentials that the company has to exploit and discuss whether the Smart car is a global brand or not.

**NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.**