

because of its size. China had the second largest number of Internet users after the US. Google felt that only a local presence could help it to provide better and more reliable services to customers. To operate in China, Google needed an Internet Content Provider license, which required it to filter its content.

Google Meets 'The Great Firewall'

On January 25, 2006, the US based Google Inc. (Google), the world's largest search engine, announced that it was ready to censor the content that it made available in China. Google's Chinese website www.google.cn would be censored by the company itself on the basis of the instructions of the government.

Before this, the government agencies in China used to censor the content on Google's site that violated the regulations. The topics that were sensitive for the Chinese government included Tiananmen Square, Tibet, the Dalai Lama, Taiwan independence, human rights and the Falun Gong spiritual movement.

After censorship, users searching for 'Falun Gong spiritual movement', for example, would be directed to sites and articles condemning the movement; sites that supported the movement were omitted from the search. Google was of the view that after censoring its content, the company's website would become easily accessible in China. The company announced, "In order to operate from China, we have removed some content from the search results available on Google.cn, in response to local law, regulation or policy." Google also announced that users would be informed whenever access was restricted.

The Road Ahead

Analysts opined that with Internet users would have a better experience after the launch of Google.cn, and Google may once again emerge as the most preferred search engine in the country. According to findings reported by Keynote Systems in January 2006, Google was in a strong position to challenge Baidu in the Chinese search engine market. The study concluded that Chinese users, once they started using Google, preferred it to any other search engine.

Questions -

- What were the problems faced by Google in China?
- Analyze the legal and business environment in the Chinese online media industry.
- Evaluate the impact of government regulations on the operations of foreign Internet companies like Google in China.
- How can Google sustain the competition and remain ahead of Baidu in China?

Enrollment No.....



Faculty of Management Studies End Sem (Odd) Examination Dec-2019 MS5CO14 Strategic Management

Programme: MBA

Branch/Specialisation: Management

Duration: 3 Hrs.

Maximum Marks: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

- Q.1 i. A group of managers are considering pricing strategy and differentiation. At which level of strategy these managers are most likely to be working? 1
 - Corporate Level
 - Operational Level
 - Business Level
 - None of these
- ii. All definitions of Corporate Social Responsibility (CSR) recognize that 1
 - Companies have a responsibility for their impact on society and environment
 - Companies must pay equal attention to business ethics and sustainability
 - Companies must strive hard to increase their revenues and profits.
 - Companies must discover future business opportunities.
- iii. Which one of the following is not a force in Porter's Five Forces Model? 1
 - Buyers
 - Suppliers
 - Complementary Products
 - Industry Rivalry
- iv. In Michael Porter's Five Forces Model, conditions are more favourable for firms within an industry if - 1
 - Buyer Power is High
 - Supplier Power is High
 - Entry Threat is Low
 - Substitute Threat is High
- v. Which of the following SWOT elements are Internal Factors for a business? 1
 - Strengths and Weaknesses
 - Opportunities and Threats
 - Strengths and Opportunities
 - Weaknesses and Threats
- vi. Which one of the following could be an Opportunity? 1
 - Having Quality Products, Processes and Procedures
 - Special Marketing Expertise
 - Moving into new market segments that offer better Profits
 - The location of business

- vii. TOWS Matrix suggests how the External Opportunities and Strengths can be matched with Internal Strengths and Weaknesses to result in _____ possible strategic alternatives - **1**
 (a) Two (b) Three (c) Four (d) Five
- viii. In BCG Matrix what is the parameter on the Vertical Axis (Y-Axis) - **1**
 (a) Industry Growth Rate (b) Relative Market Share
 (c) Market Growth Rate (d) Business Strength
- ix. Which of these is / are a basic activity of Strategic Evaluation? **1**
 (a) Reviewing the underlying Internal and External Factors that represent the bases of current strategies
 (b) Measuring Organizational Performance
 (c) Taking Corrective Action.
 (d) All of these
- x. Which of the following represents support activities in Michael Porter's Value Chain Approach? **1**
 (a) Infrastructure, Technology, Procurement and Service
 (b) Infrastructure, Marketing, Sales and Service
 (c) Infrastructure, HRM, Technology and Procurement
 (d) Infrastructure, Procurement, Operations and Inbound Logistics.
- Q.2 i. Define Strategy. Explain the components of Strategy. **2**
 ii. Explain any two importance of strategy. **2**
 iii. Explain the process of Strategic Management. **4**
- OR iv. Explain the concept of Corporate Social Responsibility (CSR). How do organizations get benefitted by implementing CSR? **4**
- Q.3 i. What are Core Competencies and how they are build? **3**
 ii. Explain the factors for building Competitive Advantage. **5**
- OR iii. What are Michael Porter's Five Industry Forces and how do they affect a company's Strategy? **5**
- Q.4 i. Explain the concept of Environmental Analysis. **3**
 ii. Discuss the constituents of External and Internal Environment. **5**
- OR iii. What is Strategic Advantage Profile (SAP) and how is it carried out for an Organization? **5**
- Q.5 i. What is Retrenchment Strategy and when it is used? **2**
 Attempt any two:
 ii. Differentiate between Vertical Integration, Diversification and Strategic Alliance. Explain giving Examples. **3**

- iii. What is Environmental Threat and Opportunity Profile (ETOP) analysis and why it is necessary? **3**
- iv. Write an elaborative note on TOWS Matrix. **3**
- Q.6 Attempt any two:
 i. Discuss the need and process of Strategic Evaluation. **4**
 ii. List down the techniques of Strategic Evaluation and explain any one of them. **4**
 iii. Explain the concept of Value Chain and its application in Business. **4**

- Q.7 Analyze the Case Study given below and answer the questions that follow: **10**

GOOGLE'S ENTRY IN CHINA

Google was founded by Larry Page and Sergey Brin, who were students at Stanford University, California, USA. While at Stanford, Page logged on to the World Wide Web, looking for a topic for his doctoral thesis. He decided to work on the link structure of the Web. He found that though links from one page to the other could be followed easily, it was important to keep track of the back-links as well. He started working on backlinks⁸ and called his project 'Back Rub.' Brin joined Page in working on Back Rub.

Together, they created a ranking system which ranked the links depending on their importance. They came up with an algorithm called Page Rank⁹, which took into account the number of links to a particular site and the number of links into the linking sites.

Google in China

In September 2000, Google began operating a search engine in Chinese by offering 24 million web pages in Chinese language. By 2002, Google had gained lot of popularity in China owing to its simplicity and ability to carry out searches effectively. During that time, the Chinese government was blocking several websites through IP filters intermittently. The blocking increased during times of heightened security like the anniversary of Tiananmen Square events, the national party congress, etc. But users of Google could circumvent the government censorship through cached pages.

Google Loses Market Share

By early 2004, users in China had thought that Google was unreliable and started using alternative search engines. Elliot Schrage, Vice-president, Global Communications and Public Affairs of Google said that Google was seven times slower than its rival Baidu and Google itself was not happy with the way its services were being operated in the country.

The Launch of Google.cn

Google wanted to have a major presence in China. The market was lucrative

Marking Scheme

MS5CO14 Strategic Management

Q.1	i.	A group of managers are considering pricing strategy and differentiation. At which level of strategy these managers are most likely to be working? (c) Business Level	1
	ii.	All definitions of Corporate Social Responsibility (CSR) recognize that (a) Companies have a responsibility for their impact on society and environment	1
	iii.	Which one of the following is not a force in Porter's Five Forces Model? (c) Complementary Products	1
	iv.	In Michael Porter's Five Forces Model, conditions are more favourable for firms within an industry if - (c) Entry Threat is Low	1
	v.	Which of the following SWOT elements are Internal Factors for a business? (a) Strengths and Weaknesses	1
	vi.	Which one of the following could be an Opportunity? (c) Moving into new market segments that offer better Profits	1
	vii.	TOWS Matrix suggests how the External Opportunities and Strengths can be matched with Internal Strengths and Weaknesses to result in _____ possible strategic alternatives - (c) Four	1
	viii.	In BCG Matrix what is the parameter on the Vertical Axis (Y-Axis) - (a) Industry Growth Rate	1
	ix.	Which of these is / are a basic activity of Strategic Evaluation? (d) All of these	1
	x.	Which of the following represents support activities in Michael Porter's Value Chain Approach? (c) Infrastructure, HRM, Technology and Procurement	1
Q.2	i.	Define Strategy.	1 mark
		Components of Strategy.	1 mark
	ii.	Two importance of strategy.	(1 mark*2)
	iii.	Process of Strategic Management.	(1 mark*4)
OR	iv.	Define Corporate Social Responsibility (CSR). Benefitted by implementing CSR	1 mark (1 mark*3)
Q.3	i.	Define Core Competencies How they are build?	1 mark 2 mark
	ii.	Factors for building Competitive Advantage.	(1 mark*5)
OR	iii.	Michael Porter's Five Industry Forces and how do they affect a company's Strategy	(1 mark*5)

Q.4	i.	Concept of Environmental Analysis. (As per explanation)	3 marks	3
	ii.	Constituents of External Environment. Constituents of Internal Environment.	2.5 marks 2.5 marks	5
OR	iii.	Strategic Advantage Profile (SAP) How is it carried out for an Organization	2 marks 3 marks	5
Q.5	i.	Define Retrenchment Strategy when it is used Attempt any two:	1 mark 1 mark	2
	ii.	3 Differentiate with examples.	(1 mark*3)	3
	iii.	Environmental Threat and Opportunity Profile (ETOP) analysis why it is necessary	(2 marks) (1 mark)	3
	iv.	Elaborative note on TOWS Matrix. (As per explanation)		3
Q.6		Attempt any two:		
	i.	Need of Strategic Evaluation. Process of Strategic Evaluation.	2 marks 2 marks	4
	ii.	Techniques of Strategic Evaluation Explain any one of them.	1 mark 3 marks	4
	iii.	Concept of Value Chain and its application in Business. (As per explanation)	4 marks	4
Q.7		Analyze the Case Study given below and answer the questions that follow: Questions -		10
		(a) Problems faced by Google in China	2.5 marks	
		(b) Analyze the legal and business environment in the Chinese online media industry.	2.5 marks	
		(c) Impact of government regulations on the operations of foreign Internet companies like Google in China.	2.5 marks	
		(d) Google sustain the competition and remain ahead of Baidu in China	2.5 marks	
