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Industry Strategy

As part of the assigned reading, you read the article "Introduction to Strategy" by Ramon Casadesu-Masanell. Based on that article, please answer the following questions.

1. The article discusses "Porter's Forces that Shape Industry Competition." As discussed in the article, what are the forces? In a sentence, sketch a simple diagram showing the forces. (12 points)

buyers - companies that rely on the products of other companies

suppliers - companies that supply products or services to other companies

complements - other companies that are coupled to your own company and affect your success

Rivalry - Competitors in the market

New Entrants - Startups or companies that enter the same market as your company

Substitution - other companies that fulfill your consumer's needs

+12

2. The article discusses that "strategy is a firm's answer to two fundamental questions". What are the two questions? (4 points)

What is the environment / market?

How do we position the firm in this market?

+4

3. Define "strategy" as given in the article. (3 point)

Strategy is the positioning of a firm in the market in order to increase the gap between how much customer's are willing to pay and the cost for the firm/company.

+2

4.

The article discusses four (4) threats to the performance of a company over the long run. What are they? Provide a 1 sentence description of each threat. (8 points)

- ✓ Slack - making poor managerial decisions
- ✓ holdup - having companies that ~~the~~ firm is in a relationship gain too much power
- new entrants - new companies stop the growth of Cap the price for a company
- ✓ rivalry - Similarly, competition ~~sets~~ sets a ceiling for a company

x6

5.

In Professor Grimm's lecture on Customer Relationships he emphasized how investors are looking at a "well balanced" business model.

a. What are companies looking to balance when gauging how to get, keep and grow their customers? (2 pts)

how much customer's are willing to pay vs ~~how much~~ the company's cost

+1 CAC, LTV

b. List 4 techniques that companies can use to drive towards a Well Balanced Customer Relationship (4pts). Extra credit may be earned for each additional technique presented (0.5pt / technique).

- doing research on customer's pains
- Changing the channels in which we interact with customers
- ~~with manager~~ increasing scope of market
- increasing brand name of company

+1

## ENGR 112 Quiz #2

October 29<sup>th</sup> 2019

### Instructions

The quiz consists of 5 short answer / fill-in-the-blank questions of varying weight. There are 39 points possible on the short answer.

You will be given fifteen (15) minutes to complete this quiz. Please allocate your time accordingly.

Please write directly on the exam. Attach extra sheets or write on the back of any of the pages but clearly indicate that you have done so.


The exam consists of 3 numbered pages (including this page): Please verify that you have all pages of the exam at the beginning of the test.

### Academic Honor Policy

As an academic community, honesty in our academic work is vital. By signing below, I acknowledge that I have been directed to work individually on this examination. Further, I certify that I have neither given nor received prohibited aid or information on this examination. I certify that I know this exam is closed note, closed book, and closed computer unless explicitly approved by an appropriate university representative (e.g. CAE).

I acknowledge that any and all ACCESS TO MY CELL PHONE DURING THE QUIZ IS EXPRESSLY PROHIBITED and will result in my receiving a zero on this exam. I further acknowledge that I will not have a cell phone on my person (e.g. in a pants pocket) or near me during the exam. All cell phones must be turned off and placed in a backpack/closed purse OR brought to the front of the room before the exam. A clock and/or TA announcements will be made throughout the exam to help you keep track of time.

Printed Name of Student: Jun Le

Signature: 

Student ID Number: 804971410