MBHC-3.1

Sl.No. : **Total No. of Pages : 4**

Third Semester M.B.A. Degree Examination, June/July - 2024
(CBCS) (SLM Scheme)
MANAGEMENT
Entrepreneurship and Small Business

Time : 3 Hours **Max. Marks : 80**

SECTION - A

Answer any five questions. Each question carries five marks. [5 × 5 = 25]

Q1) What are the functions of entrepreneurs?

Q2) Describe any two types of entrepreneurs.

Q3) Define creativity and innovation.

Q4) Explain incentives and subsidies.

Q5) What are the objectives of entrepreneurship development?

Q6) Write a note on process of entrepreneurial development?

Q7) Discuss the types of social entrepreneurship.

SECTION - B

Answer any four questions. Each question carries ten marks. [4 × 10 = 40]

Q8) Discuss the major factors influencing for the development of entrepreneurship.

Q9) Explain the different types of business environment.

Q10) Discuss the MSMEs role and relevance in economic development.

Q11) Explain the government support in restructuring the sick industries.

Q12) Write a note on:

a) IDBI

b) SFC

Q13) Discuss in detail problems and prospects of rural entrepreneurs.

SECTION - C

Q14) Case (Compulsory) : **[1 × 15 = 15]**

Baba Bazaar is the first Indian E-commerce site offering the convenience to order fresh vegetables and other related food products of various companies, including Nestles and Dabur, over the net. This concept has been tried successfully in Australia and the US. Currently, Baba Bazaar is catering to only selected areas in Chandigarh, Delhi, New Delhi, Noida and parts of Gurgaon. They have plans to extend operations to other major cities for nation-wide operations.

Baba Bazaar launched its web site storefront in early 1998. The initial response was mixed. However, their promotional strategy has facilitated building an extensive customer base. At present Baba Bazaar has a customer base of more than two thousand. This base is growing steadily. They are adding to their base, eight to ten new customers everyday.

Baba Bazaar started with the sale of vegetables as they felt that being a very basic commodity, the market potential was unlimited. From vegetables, they moved on to other food products to become a one-stop shop for foodstuffs. As the volume of business grows, they plan to go in for backward integration and start sourcing the vegetables from the farmers. This will ensure that consumers get better and more fresh vegetables and food products.

Baba Bazaar had devised an inexpensive but engaging procedure of securing the transactions and building 'relationship'. To becomes a preferred Baba Bazaar shopper, the customer has to fill up a simple registration form online. The details

furnished in this form are verified telephonically by the staff of Baba Bazaar. On verification, the shopper (customer) is issued a shopper access password, which is required to be used at the time of ordering goods on the site. This password is sent to the shopper by courier to ensure security along with the 'User's Manual'. This manual introduces Baba Bazaar to the shoppers and guides them through it. This has enabled them to initiate a 'relationship' building process before the shopper places the first order. It has also allowed them 'to build trust' and give shopper a positive impression of the business-essential ingredients for the development and growth of their 'online' business.

The shoppers are required to make payment on delivery and have been given the following options:

- Cash on delivery
- Post-dated cheques for up to one week from the time of the delivery
- At the time of the next delivery

This procedure has been designed for the following reasons:

- In India customers do not entertain payment before receiving the goods and/or services
- High processing cost of credit cards transactions, which according to them is about 4-5% of the total transaction cost. This would increase the cost of goods.
- Low penetration of credit cards; and
- Absence of secure payment gateways.

The procedure has enabled them to ensure the prices of goods are competitive, build an extensive database of their shoppers specific needs and requirements and provide their shoppers personalised service.

The owners of Baba Bazaar developed the web storefront in-house because available software was unable to provide a seamless integration of their operations. This has also enabled them to incorporate shoppers' suggestions and update the

web site on an ongoing basis. Website is simple, product display assists shoppers in making their shopping decisions, easy to navigate, the order form is simple to complete and an order can be placed with a few clicks of the mouse. What started off as a basic E-com web site grew to be a consumer-centric website within a short period. This is primarily due to the overwhelming response to the site and the felt-need to grow by ensuring fulfilment of the customers expectations. This strategy has also ensured steady growth in business.

Baba Bazaar is currently patronised by the yuppie, rushed for time working wives, who would be able to get to their nearest vegetable grocer, place an order and have it waiting on their doorstep, when they reach home, all by the click of a mouse from their work desk Well, it is a matter of time When ordinary housewives may also begin using this website.

Questions :

a) Analyse the case in the light of SWOT analysis.

b) Do you suggest any other environmental scanning technique?

c) Critically evaluate the scope for e-marketing.

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