



Institute of Management
JK Lakshmipat University
Jaipur
END TERM EXAMINATION, 2016



BBA– Sem VI
MM: 50 Marks

Course: Entrepreneurship
Time: 3 Hours
Subject code: BBA061

Instructions: Attempt any three questions from Section A. Section B is compulsory.

Section A

Q1. What is the difference between 'Idea' and 'Opportunity'? Discuss the significance and process of opportunity identification with the help of a suitable example.
(10 marks)

Q2. Describe the various sources of funding for MSME in India and also discuss their significance at the different stages of a venture.
(10 marks)

Q3. Discuss the following:

- a) Technical, Marketing and Ecological analysis of project feasibility study
- b) The steps to be taken in choosing a factory location

(10 marks)

Q4. Discuss the different steps involved in the preliminary stage and implementation stage in the establishment process of a manufacturing startup.
(10 marks)

Q5. Discuss the followings:

- a) The various types of Business Model
- b) The institutional support to MSME in India.

(10 marks)

Section B

Q6. Discuss the following case:
Case – Bababazaar.com

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 Nestle and Dabur, over the net. This concept has been tried successfully in Australia and the U.S. Currently, Baba Bazaar is catering only selected areas in Chandigarh, New Delhi, Noida

and parts of Gurgaon. They have plans to extend operations to other cities for nation-wide operations.

Baba Bazaar launched its web site storefront in early 1998. The initial response was mixed. However, their promotion 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 every day.

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 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 fresher vegetables and food products.

Baba Bazaar had devised an inexpensive but engaging procedure of securing the transactions and building "relationship". To become 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 cheque for up to one week from the time of delivery
- At the time of 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 shopper's specific needs and requirements and provide their shoppers personalized 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 shopper's suggestions and update the website on an ongoing basis. Website is simple; product display assists shoppers in making their shopping 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 fulfillment of the customers' expectations. This strategy has also ensured steady growth in business.

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

Questions-

1. Discuss the business model of Bababazzar.com.
2. Analyze the case in light of SWOT analyses.

(20 Marks)

