



Institute of Management
JK Lakshmipat University, Jaipur
END TERM EXAMINATION, May 2022

BBA IV
MM: 40 Marks

Course: Business Model to Product Market Fit
Time: 2 Hours
Subject code: ED1103

Q1. 'Start-ups generally do not have any past history to depend upon and therefore pose a greater challenge in planning, particularly in regard to making a range of untested assumptions and guesstimates'. How would you discuss the business plan of Yoga and Health club at JKLU?

Marks (10)
(LO 2)

Q2. Mr. Ajay a fresh graduate in food technology has developed a new food product: viz. Coconut Water Composite (CWC) based on the indigenously developed technology. The product has been tested by the government food testing laboratory and certified for human consumptions. CWC is very tasty and energetic. It does not contain any preservatives and does not deplete underground water reservoirs. Mr. Ajay plans to introduce this new product as a challenger substitute to existing soft drinks in the Market.

How would you apply your learnings on the following points by referring the above product?

- a) Value Pyramid
- b) Venture's Golden Circle
- c) Positioning Statement
- d) Brand Name
- e) logo

Marks (2*5)
(LO 6)

Q3. How would you apply your understanding for the following key metrics and summarize that how these help in business growth and track progress?

- a) Customer Acquisition Metrics
- b) Customer Retention and Satisfaction Metrics
- c) Financial Metrics

Marks (10)
(LO 7)

Q4. Read the following case:

Copy Queen of Dehradun

Leena Gupta, 24 years old in 1990, left Delhi College of Arts and Science and spent 2 years working in a high-speed commercial copying shop. Here she learned about the maintenance of the Xerox machines used for the copying business. But she learned more than that. She observed how customers were ensured satisfaction-by keeping the machines immaculately cleaned, by replacing the toner when needed, and above all, by keeping the

promised date for delivering each order. Gupta learned that developing a clientele required steady attention to these items. The best promotion for the business proved to be customer satisfaction.

Gupta was driven by an entrepreneurial spirit. After her 2- years stint as a blue- collar worker in the Delhi photocopy shop, she decided to strike out on her own. Delhi had become old hat. She thought to go west, to seek her fortune where she had never been before. Exploring as she went, she found herself one day in 1992 in the small town of Dehradun, Uttarakhand. It took her fancy. She discovered that it was a haven for artist who were attracted to the glowing light, fantastic cloudscapes, and rocky mountain snowy peaks that cried for the artist's brush and canvas. She found there, galleries in the town, over 100 lawyers, and 31 restaurants. To add to these, Gupta discovered that many professional writers and many more aspiring writers lived in Dehradun. She thought that even though Dehradun was a small town, because the special mix of people, it could well offer a market for a copy business of her own.

Gupta wrote to her friend, her old boss. She explained her plan and asked to borrow Rs. 5000 with which to start the business. Her boss replied that he thought that Rs. 5000 would not be adequate, and that she should start with at least Rs 10000. Gupta declined politely, believing she could do well with Rs. 5000. As things turned out, her judgement proved correct.

She started her business with two rented Xerox copiers. One was a standard office unit, and the other was a high speed machine for quantity production. Her shop was in a small rented store next to a public parking lot. She worked along for the first few years, with occasion's part time help. The standard office-type copier took care of the drop in business of customers who wanted a small number of copies. The other copier was used for quantity copying of legal documents, restaurants menus, or sales brochures. On this machine, Xerox levied a charge on the first six copies of each run of copies, for monthly rental of Rs. 250. The seventh though the end copies of a run was "free".

Competition was negligible in the first few years. About the only owners of copies were the public library, the local school system and the district courthouse. In addition, the town was so small and free from large companies as to offer an unattractive market to the sales representatives of copier manufactures who, therefore, did not solicit in the area. So gupta had a monopoly for several years.

The business grew steadily as it built a growing clientele. In 1994, Copy Queen added the services of Western Union, which developed primarily as a service for sending money. Telegrams faded from this venture as a duplicate, or fax Machine took over. Copy Queen installed fax service and has seen it developed to an important part of the business. Faxes were sent for Rs. 3 for the first page plus Rs. 1 per page thereafter.

By 1996, Copy Queen of Dehradun had two regular employees. In that year, the firm added the sale of the paper and toner. Small Businesses and some individuals had, by the time, begun to buy copiers that required a local source of consumable supplies. Gupta added a typing service at that time, but it proved unprofitable because of the sporadic demand. This service was abandoned.

Gupta has been very careful to communicate to the local population about the services Copy Queen has to offer. In 2001, she ran a contest for increasing her clientele and the public at large. This contest inaugurated the grand opening of the Copy Queen's new and expanded offices and the celebration of her first 10 years in business. They were to guess how many copies Copy Queen has run in the last 10 years. Surprising answer: 119,000,000.

The company has been facing some competition that emerged in the past 3 years: two small copy shops plus a service nook in one of the local supermarkets. Customers who have tried these businesses have come back with the statements that the other services were inferior, not up to the professional quality they had come to expect from the Copy Queen. The small savings they make with the competition's lower prices did not compensate the poorer quality.

- a) Design Business Model of Copy Queen.
- b) What do you think about the success mantras followed by Gupta?

Marks (6+4)
(LO 1, 3)

