

BUSINESS ARENA

SWOT ANALYSIS Audi A1

Audi A1	
Parent Company	Audi (Volkswagen Group)
Category	Super mini
Sector	Automobiles
Tagline/ Slogan	Small Car, Big on Audi
USP	A compact car which has luxuries and space
STP	
Segment	Super-mini cars for rich individuals
Target Group	Targeted towards affluent individuals and those who have to traverse through dense traffic
Positioning	Positioned as a small compact super mini which has same luxuries compared to bigger SUVs but is more convenient in maneuvering

Strength

- ❖ Available in both petrol and diesel variant.
- ❖ Spacious and luxurious cabin & good handling.
- ❖ Variations available in selecting the color combination of interiors, supported with brilliant LED lighting.
- ❖ Smaller and compact as compared to Q5 & Q7 which is more suitable for traffic conditions.
- ❖ Strong brand presence owing to excellent marketing and advertising.

Weakness

- ❖ High competition from other premium brands means limited market share.
- ❖ The brand perception that tags along with brand Audi that it will be costly.

Opportunity

- ❖ Expanding automobile market and available space
- ❖ Increasing per capita income and purchasing capability
- ❖ Owned by a renowned and reputed brand name i.e. Audi, which can help in increasing international presence

Threats

- ❖ Increasing fuel costs
- ❖ Competition from other big automobile giants
- ❖ Product innovations and frugal engineering by competitor

Competitors

- ❖ BMW Mini Cooper
- ❖ Volkswagen beetle

COMPANY PROFILE



Industry	Electrical equipment
Founded	1964
Headquarters	New Delhi, India
Key people	B.P. Rao, (Chairman & MD)
Products	Includes (Gas and Steam Turbines), Boilers, generators, Heat Exchangers, Pumps, programmable logic controllers, sensors, variable frequency drives, uninterruptible power supplies, circuit breakers, switchgear, switchboards, motor controllers
Revenue	▲ US\$ 9.07 billion (2012)
Net income	▲ US\$ 1.33 billion (2012)
Total assets	▲ US\$ 2.37 billion (2012)
Employees	46,274 (2010)
Website	www.bhel.com

**Bharat Heavy
Electricals Limited
(BHEL)**
(BSE: 500103, NSE: BHEL)

KAIZEN

ITS ALL ABOUT COGNIZING

AN I-LETTER OF JNTUA DEPARTMENT OF MANAGEMENT

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I MBA, JNTUA

UNDER THE GUIDANCE OF
DR. M.L.S. DEVA KUMAR,
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CURRENT RUN

Volume: 1 Issue: 2

Slipping up on reforms front will prove costly, says Subbarao

"It's unlikely that we will have a crisis of 1991-type simply because we have moved on. India is a much more liberalised economy," says Subbarao.

Reserve Bank of India Governor D. Subbarao has said the current account deficit at the present level of about 5 per cent of the GDP is unsustainable. "Over the last two years, India's balance of payments (BoP) has come under growing pressure as evidenced most clearly by a large and increasing current account deficit (CAD)," Subbarao said delivering a lecture on "India's Macroeconomic Challenges — Some RBI Perspectives" at the Federation of Karnataka Chamber of Commerce and Industry (FKCCD) here on Saturday.

Scaling New Highs "The CAD last year (2011-12) was 4.2 per cent of GDP, historically the highest; the CAD during the current year is expected to be even higher," he said. "Many will recall that India went through a balance of payments crisis in 1991 which, in fact, triggered wide-ranging structural reforms that gave a market orientation to the economy. Despite India's growing integration with the global economy, the external sector remained robust for over 15 years after that," he added.

The current episode of BoP pressures, when the CAD is higher than it was at the peak of the 1991 BoP crisis (3 per cent of GDP) is, therefore, causing apprehensions about whether we have the capacity to stem the pressures and restore the BoP to a sustainable path. The Governor said: "The increase in CAD is quite evidently a consequence of imports growing faster than exports."

Managing the political economy of fiscal consolidation is another challenge. He said "The large fiscal deficit of the Government remains one of India's biggest macroeconomic challenges. Received wisdom today is that it was the fiscal profligacy of the 1980s that spilled over into the external sector and fuelled the balance of payments crisis of 1991." In 2011-12, the combined fiscal deficit of the Union and State Governments was 8.1 per cent, quite close to the figure of 9.1 per cent in the BoP crisis year of 1990-91. Quite understandably, there are concerns about the adverse macroeconomic consequences of the twin deficit problem — a large and persistent fiscal deficit along with a high CAD. "There has been some very welcome, although much delayed, action on correcting both the CAD and the fiscal deficit over the last six months," he said. Tariffs up The Government has raised customs duty to restrain gold imports. He pointed out that India can accelerate growth and improve welfare only if we effectively implement wide ranging economic and governance reforms. Subbarao said "slipping up on this will amount to a costly and potentially irreversible squandering away of opportunities. The Government has to take the lead in the process of economic revival. As the central bank and as the regulator of large segments of the financial sector, the RBI too has an important role to play." To address the country's macroeconomic challenges, RBI has listed three challenges: Managing growth-inflation dynamics, mitigating the vulnerability of external sector and managing the political economy of fiscal consolidation. Speaking on managing growth-inflation dynamics, the RBI governor said the country's growth-inflation dynamics pre-crisis and post-crisis present a study in contrast. "In the three-year period before the crisis, the economy expanded by 9.5 per cent on average, aided by growth in fixed investment above 15 per cent per year," he explained.

BRAND SPEAKS

A grand brand

The Tata brand is more than 100 years old. It has consistently stood for integrity, values, ethics and quality. For the past few years, making Tata a global brand has been high on the Group's agenda. **R Gopalakrishnan**, executive director, Tata Sons, **The Tata name is so well regarded. What have been the major challenges in building the brand?**

It's a significant question, because the building of the Tata brand is different from the brand building of Tata. This is not a mere play of words; it is an important distinction. The building of the Tata Brand has been going on for 100 years. All that we have been humbly seeking to do, since 1999, is to employ tested brand-building techniques. Tata is a gigantic property; we are merely managing the brand, tracking it through organised research, and constantly refreshing and updating it. One major challenge in managing the Tata brand is to adapt product-oriented marketing techniques to the needs of a corporate brand. You can compare, say, two soaps and claim that one has a better perfume, is longer lasting and better lathering. But in corporate brands, benchmarking with peers becomes almost spiritual; it's like comparing two religions. A lot of philosophical angles come into it and make things difficult.

BUSINESS QUIZ

1. The tag line of Hitachi ?
2. The Tagline of Britannia?
3. The Tagline of Toshiba ?
4. The Tagline of Phillips?
5. The Tagline of Mahindra Motors?

ANSWERS:

1. INSPIRE THE NEXT
2. ZINDAGI MEIN LIFE
3. LEADING INNOVATION
4. SENSE AND SIMPLICITY
5. CREATOR OF AUTOMOBILES.

CEO CLUB



Born	Lawrence	Page
March	26,	1973 (age 40)
East Lansing, Michigan, U.S.		
Residence	: Palo Alto, California, U.S.	
Nationality	: American	
Alma	: University of Michigan (B.S.)	
Mater	: Stanford University (M.S.)	
Occupation	: Computer scientist, Internet entrepreneur	
Known for	: Co-founder and CEO of Google Inc.	
Title	: CEO of Google	
Spouse(s)	: Lucinda Southworth (m. 2007)	
Net worth	: ▲US\$ 20.3 billion (2012)	

PROLIFIC COMPANIES LOGO AND TAGLINE

Reliance industries Limited – Growth is Life



TCS – Beyond the Obvious



Apple Macintosh – Think Different.



HONDA – The Power of Dreams



BMW – The Ultimate Driving Machine



Adobe – Simplicity at work. Better by adobe.



Star Sports – We know your game



HYUNDAI – Drive Your Way



TOYOTA – Touch The Perfection



FORD – Built for the Road Ahead



Macromedia – What the web can be.



British airways – The Way to Fly.



Lufthansa – There's no better to fly



Monster.com – Never Settle



Jet Airways – The Joy of Flying



CNBC – Profit from it



AT&T – The World's Networking Company



Sun Microsystems – The Network is the Computer



Ernst and Young – Quality Everything we Do



Standard Chartered Bank – Your Right Partner

