

Operations Management 2nd edition Jones Test Bank

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Pointers for End of Chapter 2 Discussion questions

1. If you were a UK-based plastics fabricator, which industrial markets would you consider trading in and why?
 - *This is a very broad question as plastics come in many different forms and are used in many different ways.*
 - *One obvious segment is the automobile industry. This is a large market, but it has high expectations with regards its supplier's ability to supply on a just-in-time basis.*
 - *Plastics are also used to make toys. A major disadvantage of this sector is that sales are very seasonal in this market, with very strong demand in December (around Christmas) but relatively slack demand at other times of year.*
 - *Packaging materials for FMCGs such as shampoos, food stuffs and soap powders. This is a very high volume segment with limited seasonality, but very price competitive.*
2. If you are the owner of a toy shop, which suppliers would you choose to buy from and why?
 - *Manufacturers that were market leaders in their field with high profile brands, such as Lego or Thomas the Tank Engine. This is because they are likely to have high perceived quality, value added, and aesthetic appeal and hence drive visitation to the shop.*
 - *Products that are part of a range that can be added to or further developed by users. For instance Lego has hundreds of different products that can be used interchangeably. The advantage of this to the toy shop operator is that it drives repeat business.*
 - *Suppliers that gave exclusive distribution rights to the toy shop for a specific location. This reduces competition from other operators.*
3. What are the specific OQs and OWs for a budget airline or for a motorcycle manufacturer?
 - *OQs for a budget airline are safety, reliability and performance*
 - *OWs for a budget airline is mainly selling price*
 - *OQs for motorcycle manufacturer are safety, reliability and performance (similar to the airline)*
 - *OWs for a motorcycle manufacturer are likely to be aesthetics, perceived quality, features, delivery speed*
4. Consider the OQs and OWs for a traditional fast food operator. In what way has Pret-a-Manger developed and competed on new OWs?
 - *Fast food's OQs were consistency and safety and OWs were delivery speed and value for money.*
 - *Pret-a-manger has a different product range and service process (self-service) so has developed the OWs of new product development speed, aesthetics and perceived quality*