ASSURANCE OF LEARNING EXERCISES

1. Based on your experiences as a coffee consumer, does Starbucks's strategy (as described in Illustration Capsule 1.1) seem to set it apart from rivals? Does the strategy seem to be keyed to a cost-based advantage, differentiating features, serving the unique needs of a niche, or some combination of these? What is there about Starbucks's strategy that can lead to sustainable competitive advantage? **connect** **LO 1, LO 2, LO 3**
2. Elements of eBay's strategy have evolved in meaningful ways since the company's founding in 1995. After reviewing all of the links at the company's investor relations site, which can be found at **investor.ebayinc.com**, prepare a one- to two-page report that discusses how its strategy has evolved. Your report should also assess how well eBay's strategy passes the three tests of a winning strategy. **LO 4, LO 6**
3. Go to **www.nytco.com/investors** and check whether *The New York Times*' recent financial reports indicate that its business model is working. Does the company's business model remain sound as more consumers go to the Internet to find general information and stay abreast of current events and news stories? Is its revenue stream from advertisements growing or declining? Are its subscription fees and circulation increasing or declining? **connect** **LO 5**