



PG – 924

Second Semester M.B.A. Degree Examination, July 2016

(CBCS)

MANAGEMENT

2.7 : Innovation Management

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any five** of the following questions. **Each** question carries **five** marks. **(5×5=25)**

1. What is Brainstorming ? State its benefits.
2. Distinguish between radical innovation and incremental innovation. Give suitable examples to support your answer.
3. Write a note on push and pull approach.
4. Discuss the organisational aspects of innovation.
5. What is lateral thinking ? How is it different from conventional thinking ?
6. What are the sources of funding for innovation ?
7. Explain Docherty's innovation mindset adoption curve.

SECTION – B

Answer **any three** questions. **Each** question carries **ten** marks. **(3×10=30)**

8. Explain different sources of innovation.
9. Briefly describe the factors influencing the economic effectiveness of innovations.
10. Discuss the types of product innovations with examples.
11. Explain the various creative approaches in innovation.

P.T.O.



SECTION – C

Compulsory Section :**(1×15=15)**

Case Study :

12. Cafe coffee day is owned by the ABCTCL, which is the largest producer of Arabica coffee in Asia. Started in 1996 by VG Siddarth, CCD pioneered the cafe concept in India. By 2000, the company had just 14 outlets in six cities. Then the company started on a massive expansion program that has seen it set up nearly 1000 outlets in India in ten years. It also has shops in Vienna and Karachi and has plans to expand to other overseas destinations.
- i) Brand experience : CCD made coffee drinking popular among Indian youth by offering a brand experience environment and other value additions. This meant that customers were willing to pay much higher for a cup of coffee.
 - ii) Reinforcing brand with cluster approach : CCD created entry barriers by opening multiple outlets within short distance of each other in major cities.
 - iii) Multiple formats : Cafe's – high street cafes, garden cafes, Mall cafes and highway cafes etc.
 - iv) Company owned franchisee : All the outlets are company owned. While this makes it more expensive to run, it ensured that there was no brand dilution.
 - v) Vertical integration : Integrating value chain, 'from bean to the cup', ABCTCL was able to reduce cost, assure adequate supply demand and gain economies of operation.

Questions :

- a) What are the various innovative strategies adopted by cafe coffee day to become a trusted brand in food services in India ?
 - b) How does an organization ideate future innovations ?
 - c) Having expanded largely, what would be the challenges CCD would have to face to retain its market share ?
-



PG – 995

**II Semester M.B.A. Degree Examination, June/July 2015
(CBCS Scheme)
Management
2.7 : INNOVATION MANAGEMENT**

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any five** of the following. **Each** question carries **five** marks. The answer must **not** exceed **250** words. **(5×5=25)**

1. 'Jugaad Innovation' is characteristic of Indian conditions'. Discuss.
2. 'Invention and Innovation are the two sides of the same coin of an idea'. Bring out your answer.
3. Differentiate 'Push' and 'Pull' approaches to innovation.
4. Mention the organizational aspects of innovation.
5. How do innovation platforms contribute to innovation in organizations ?
6. What kind of competitive advantage comes from innovative ideas regarding new products in an organization ?
7. Suggest few innovative ideas for reducing traffic congestion in Bangalore city.

SECTION – B

Answer **any three** of the following. **Each** question carries **ten** marks. The answer must **not** exceed **500** words. **(3×10=30)**

8. Bring out the two sources of Innovation financing. Which do you prefer and why ?
9. Analyze the historic evolution of Innovation.
10. What factors influence the economic effectiveness of Innovation ?
11. Briefly explain few innovations introduced by Indian organizations in the recent times. Comment on their effectiveness.

P.T.O.



SECTION – C

12. This is a **compulsory** case study that carries **fifteen** marks. (1×15=15)

Gandhian model of innovation

After the 2008 economic recession, innovation has attracted a greater deal of attention from top managements. Traditional innovation models that were based on affluence and abundance are being questioned. As customers are demanding greater value from products and services, there is a need for driving resource optimization and cost efficiencies like never before.

Skilled talent is available in abundance in an emerging economy like India. Penetration of the rural market in India has been considered a viable option for growing the business. Thus, the constraints in developing countries are being looked at as opportunities and this awareness is driving entrepreneurship in India.

CK Prahlad and Dr. Mashelkar have proposed the Gandhian model of innovation. In the Gandhian model, innovation efforts are directed towards making affordable products that can reach out to the common man. The authors propose three kinds of innovation.

The first type of innovation is one that changes business dynamics. The second type involves synthesizing technologies. The third type of innovation is aimed at creating new technologies.

Bharti Airtel has been quoted as the example of an organization that changed its premium pricing strategy to one based on gross profit. This enabled the company to expand its market to cover the entire Indian population. Bharti outsourced non-core functions, entered into innovative contractual agreements with service providers and used distribution channels of consumer goods companies. It collaborated with competitors to share infrastructure.

Lupin Labs collaborated with a Siddha practitioner to develop a drug for psoriasis, achieved success and eventually managed government funding for its project to launch an effective and cheaper drug for psoriasis.

Indian companies have been forced to relook at the price-performance equation because catering only to a niche consumer base using premium prices does not result in growth of business. Gandhian innovation became a model to serve



the large customer base. Companies realized that rather than defining the market segment through their cost structures, it is business wisdom to tweak the cost structures for exploring new market segments. The model looks at innovation through the twin lenses of affordability and sustainability.

Questions :

- i) How is the Gandhian innovation model different from conventional innovation models ?
 - ii) Discuss in brief the reasons why the Gandhian innovation model and its principles are driving entrepreneurship in India.
 - iii) Why is the Gandhian model important for growing the business and making it more profitable ?
-