



K.R. MANGALAM UNIVERSITY

THE COMPLETE WORLD OF EDUCATION

Roll no.....

End Semester Examination, December 2024
MBA – I Semester
INNOVATION AND DESIGN THINKING (SEC065)

Time: 2.5 hrs.

Max Marks: **50**

Note: *All Questions are compulsory. Marks are indicated against each question.*

PART-A

Q.1 Attempt all Questions

- (a) Describe briefly all components of business model canvas. [CO-1] [L-1] **2**
 - (b) Critically discuss the differences between radical and disruptive innovations. [CO-1] [L-1] **2**
 - (c) What does 'Valley of Death' suggest? Briefly explain using an illustration. [CO-1] [L-1] **2**
 - (d) Write a short note on 'Technology Life Cycle' [CO-1] [L-2] **2**
 - (e) Explain the concept of Innovation ecosystem and its key components. [CO-1] [L-2] **2**
 - (f) List the steps of new product development by using the liner NPD model. Provide relevant example. [CO-1] [L-2] **2**
 - (g) Explain 'brainstorming'. How does it facilitate innovation in design thinking? [CO-1] [L-2] **2**
- 2x5**

PART-B

- Q.2** Discuss the various dimensions of innovation. How can organizations leverage innovation to gain a competitive advantage in their industry? [CO-2] [L-1] **10**

OR

Apple Inc., extremely successful with its iPod and iPhone, even though struggled in the late 1980s with a series of product failures including Newton (a personal digital assistant). In 2010, Apple iPad was launched into the market before the competition and gaining a high market share. Such a strategy demands a significant R&D activity and may also involve an element of education about the product. What kind of innovation and strategy is this? Explain and cite examples. [CO-2] [L-2] **10**

- Q.3** What is design thinking, and how does it differ from traditional problem-solving approaches? Illustrate its importance in fostering creativity and user-centered solutions in business. [CO-3] [L-1] **10**

OR

'Technology is knowledge applied to products or production processes'. Explain the relevance of technology in innovation management. Give any four examples of technological innovations. [CO-3] [L-2] **10**

- Q.4** The managing director of McCain Foods argues that knowing your customer is crucial to turning innovation into profits. He says 'It's only by understanding what the customer wants that we can identify the innovative opportunities. Then we see if there's technology that we can bring to bear on the opportunities that exist. Being innovative is relatively easy – the hard part is ensuring your ideas become commercially viable'. In context of above, illustrate and explain **any two** theoretical models of innovation, whilst describing their relevance to today's organizational innovation process. [CO-5] [L-3] **10**

OR

Large pharmaceutical companies, like GlaxoSmithKline, Pfizer, etc uses the patent system to protect new and improved versions of the products, thereby spending hundreds of millions of dollars. Briefly explain **any eight** alternative strategies to patenting. [CO-4] [L-3] **10**

Read the below caselet carefully and answer the following questions:

Q.5 Analyze the cork industry's lack of innovation and its impact on its competitive position in the wine industry. What internal and external factors contributed to this complacency?

[CO-5] [L-3] **10**

OR

Evaluate whether the cork industry's reliance on tradition and its failure to innovate could lead to its decline. Should the industry focus on improving quality, diversifying products, or investing in R&D? [CO- 4] [L-3] **10**

Caselet: Cork vs. Synthetic Closures in the Wine Industry

For over 400 years, natural cork has been the dominant choice for sealing wine bottles, commonly referred to as "closures" in the wine industry. This traditional industry, largely insulated from technological disruptions that have transformed other sectors, faced its first major challenge in the 1990s. During this period, some wine producers began using synthetic plastic closures as alternatives to natural cork.

The global demand for wine bottle closures exceeds 17 billion units annually. While the cork industry initially seemed robust enough to accommodate competition, it failed to recognize or adapt to the significant changes within the wine industry. Producers in emerging markets such as Australia, California, and Chile began revolutionizing the industry with new production methods and requirements. This rapid evolution left traditional cork suppliers ill-prepared, as they did not align with the needs of these modern wine producers.

Synthetic closures appealed to producers for several reasons. Firstly, they offered consistent quality, which was critical for large-scale production. Secondly, economies of scale reduced costs, making them a more affordable option. Finally, concerns over the declining quality of natural cork, such as its susceptibility to "cork taint," drove producers to seek alternatives.

Critics of synthetic closures argue that they prioritize short-term profitability over the authenticity and diversity of wine. Traditionalists worry that the widespread use of synthetic closures may lead to homogenized wine styles, risking consumer boredom and long-term harm to the wine industry. On the other hand, the cork industry, accused of complacency, did little to address these challenges. It failed to invest in research and development (R&D), ignored potential threats from substitute products, and allowed its production quality to decline.

Despite these challenges, the cork industry retains certain advantages. Consumers still associate cork with the ritualistic "theatre" of wine drinking, including the satisfying "pop" of a cork being removed. Additionally, some wines age better with natural cork closures, providing a unique selling point in an increasingly competitive market.

The battle between cork and synthetic closures highlights broader lessons about innovation, market dynamics, and the importance of adapting to industry shifts.
