CONFIDENTIAL

UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL

FINAL EXAMINATION
JULY 2025 SEMESTER

COURSE CODE	:	ECB30603
COURSE NAME	:	ECONOMICS OF INNOVATION AND ENTREPRENEURSHIP
PROGRAMME NAME	:	BACHELOR OF BUSINESS ADMINISTRATION (HONS) IN MARKETING AND ENTREPRENEURSHIP
DATE	:	18 SEPTEMBER 2025
TIME	:	9.00AM – 12.00PM
DURATION	:	3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Please **CAREFULLY** read the instructions given in the question paper.
2. This question paper has information printed on both sides of the paper.
3. **This question paper consists of TWO (2) sections, Section A and Section B.**
4. Answer **ALL** questions from **Section A** and **Section B**.
5. Please write your answers on the answer booklet provided.
6. All questions must be answered in **English** (any other language is not allowed).
7. **This question paper must not be removed from the examination hall.**

THERE ARE THREE (3) PAGES OF QUESTIONS, INCLUDING THIS PAGE.

SECTION A (Total: 40 Marks)

INSTRUCTION: Answer ALL questions.
Please use the answer booklet provided.

Question 1

(a) Elaborate on the following innovation terms:

(i) Product Innovation
(5 Marks)

(ii) Service Innovation
(5 Marks)

(iii) Process Innovation
(5 Marks)

(iv) Technological Innovation
(5 Marks)

(v) Business Model Innovation
(5 Marks)

(vi) Market Innovation
(5 marks)

(vii) Customer Experience Innovation
(5 Marks)

(viii) Organisational Innovation
(5 marks)

SECTION B (Total: 60 Marks)

INSTRUCTION: Answer ALL questions.
Please use the answer booklet provided.

Question 2

What is Artificial Intelligence (AI)? Discuss **TWO (2)** ways in which AI can influence economic growth at the macroeconomic level and provide **ONE (1)** potential risk or challenge that widespread AI adoption might pose to economic stability?

(15 Marks)

Question 3

Explain how digital business models fundamentally alter the dynamics of **Porter's Five Forces of industry competition**, specifically in terms of new competitors, the threat of substitutes, and the bargaining power of buyers and suppliers.

(15 Marks)

Question 4

Explain the term **"CATCHING UP"** in the context of economic growth. What strategies can low-income or less developed countries use to catch up with developed countries, and provide examples of countries that have successfully implemented these strategies?

(15 Marks)

Question 5

List and explain **FIVE (5)** habits of innovative companies.

(15 Marks)

END OF QUESTION PAPER