UNIVERSITI KUALA LUMPUR
Malaysia France Institute

FINAL EXAMINATION
JANUARY 2011 SESSION

SUBJECT CODE : FVB 30602
SUBJECT TITLE : AUTOMOTIVE ENTREPRENEURSHIP AND ENTERPRISE DEVELOPMENT
LEVEL : BACHELOR
TIME / DURATION : 12.30pm – 2.30pm
(2 HOURS)
DATE : 10 MAY 2011

INSTRUCTIONS TO CANDIDATES

1. Please read the instructions given in the question paper CAREFULLY.
2. This question paper is printed on both sides of the paper.
3. Please write your answers on the answer booklet provided.
4. Answer should be written in blue or black ink except for sketching, graphic and illustration.
5. This question paper consists of TWO (2) sections. Section A and B. Answer all questions in Section A. For Section B, answer TWO (2) questions only.
6. Answer all questions in English.

THERE ARE 3 PAGES OF QUESTIONS, EXCLUDING THIS PAGE.
SECTION A (Total: 40 marks)

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

Question 1

a) Define entrepreneurship. (2 marks)

b) List out any FIVE (5) Personal Entrepreneurial Competency (PEC). (5 marks)

c) "An entrepreneur is an innovator. The economy moves through leaps and bounds and the prime mover is the entrepreneur through the process of creative destruction." 

Joseph Aloysius Schumpeter (1934) Explain the concept of creative destruction. (3 marks)

Question 2

a) Define:
   i. Creativity
   ii. Innovation (4 marks)

b) List THREE (3) factors that can limit creativity behaviour. (3 marks)

c) How are creativity, innovation and entrepreneurship interrelated? (3 marks)
Question 3

The table below shows the demand and supply schedules for a 4GB thumb drive in a market.

<table>
<thead>
<tr>
<th>Price (RM/unit)</th>
<th>Quantity Demanded (units)</th>
<th>Quantity Supplied (units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>42</td>
<td>150</td>
<td>600</td>
</tr>
<tr>
<td>40</td>
<td>200</td>
<td>500</td>
</tr>
<tr>
<td>38</td>
<td>250</td>
<td>400</td>
</tr>
<tr>
<td>36</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>34</td>
<td>350</td>
<td>200</td>
</tr>
<tr>
<td>32</td>
<td>400</td>
<td>100</td>
</tr>
</tbody>
</table>

a) Using a graph paper, plot the demand and supply curves for the thumb drive. (4 marks)

b) Determine the equilibrium price and quantity. (2 marks)

c) If the price is RM34, will there be a shortage or surplus? How much? (2 marks)

d) If demand increases by 150 units at every price level, plot the new demand curve in diagram (a) above and determine the new equilibrium price and quantity. (2 marks)

Question 4

a) Briefly explain the TWO (2) types of forecasting. (4 marks)

b) Briefly explain THREE (3) advantages of personal selling. (6 marks)
SECTION B (Total: 40 marks)

INSTRUCTION: Answer only TWO (2) questions.
Please use the answer sheet provided.

Question 1

a) Using appropriate diagram, illustrate the difference between a change in supply and a change in quantity supplied.  

(10 marks)

b) Explain with a diagram, a minimum price policy. Briefly discuss TWO (2) advantages and TWO (2) disadvantages of the policy.  

(10 marks)

Question 2

a) Explain what the marketing channel is and why intermediaries are needed.  

(4 marks)

b) Explain with a diagram, the FOUR (4) channels of consumer products.  

(16 marks)

Question 3

The marketing research process is a scientific approach to decision making that maximizes the chance of getting accurate and meaningful results. Explain the steps in marketing research process.  

(20 marks)

END OF QUESTION