



**UNIVERSITI KUALA LUMPUR  
Malaysia France Institute**

---

**FINAL EXAMINATION  
JANUARY 2014 SESSION**

---

**SUBJECT CODE** : WBB 10202  
**SUBJECT TITLE** : INNOVATION MANAGEMENT  
**LEVEL** : BACHELOR  
**TIME / DURATION** :  
( 2 HOURS )  
**DATE** :

---

**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**

Rothwell classified the models of *innovation process* into five generations. Explain any **two (2)** *innovation process models* and draw a diagram to illustrate the processes.

(10 marks)

**Question 2**

Explain any **four (4)** *sources of innovation*.

(10 marks)

**Question 3**

a) Define *trade secret* and give **two (2)** examples of trade secret.

(5 marks)

b) Briefly explain the **two (2)** categories of *intellectual property* in Malaysia.

(5 marks)

**Question 4**

a) Define *consumer market*.

(4 marks)

b) Explain any **two (2)** *differences of consumer markets and business markets*.

(6 marks)

**SECTION B (Total: 40 marks)****INSTRUCTION: Answer only TWO questions.****Question 1**

- a) Give contrast of any **two (2)** types of departmentalization. Draw the organization chart to illustrate your answer.

(10 marks)

- b) Read the text below and answer the following question.

***NESCAFÉ - As the well-loved and perfectly roasted NESCAFÉ turns 75 years old this year, it promises to continue to excite consumers with great coffee through product innovation and renovation***

Celebrating its 75<sup>th</sup> year anniversary in style, NESCAFÉ carried out a series of fantastic in-store promotions, on ground engagements and roadshows, which excited consumers throughout 2013. The theme of the celebrations, '75 years of great coffee and counting' appropriately reflects the brand's legacy in the history of coffee around the world, as well as its promise to continue providing the best tasting and quality coffee to consumers.



Figure 1: NESCAFÉ Dolce Gusto's brand new variant, Caramel Latte Macchiato

True to this commitment, NESCAFÉ Dolce Gusto launched a new variant, Caramel Latte Macchiato especially for those who love the taste of rich coffee with milk and caramel flavour. This new product has been popular with online consumers.

It also introduced a new coffee machine, Melody, which has the capacity to produce six cups of drinks, thus making it more convenient for entertaining friends and strengthening NESCAFÉ Dolce Gusto's promise of delivering café style beverages at home.

To further enhance its brand image and value proposition, the NESCAFÉ Classic and NESCAFÉ 3in1, were both re-packaged.

To deliver a better coffee experience, the NESCAFÉ 3in1 was reformulated to enhance its overall richer coffee taste and creaminess.

Demonstrating its position as the coffee of choice, 7 out of 10 consumers chose NESCAFÉ Menu Ipoh White Coffee over a competitor's, during a taste challenge.

Source: [http://www.nestle.com.my/asset-library/documents/pdf/about%20us/nestle\\_annualreport\\_2013.pdf](http://www.nestle.com.my/asset-library/documents/pdf/about%20us/nestle_annualreport_2013.pdf)

Identify and explain **two (2) strategies** used by Nestle the producer of Nescafe. Justify your answer with one example for each strategy based on the article above.

(10 marks)

### Question 2

The innovation process is concerned with the various activities that have to be undertaken in order to turn an invention into a commercial product or service. With the aid of diagram, identify and give explanation on the **commercialization stage** of *innovation process*.

(20 marks)

### Question 3

To survive in today's highly competitive marketplace, companies need pricing objectives that are specific, attainable and measurable. Explain the **three (3) categories** of *pricing objectives*.

(20 marks)

**END OF QUESTIONS**