



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 ?
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