



Uva Wellassa University

Faculty of Management



Bachelor of Business Management in Entrepreneurship and Management

Year 3 Semester II Examination September/ October 2012

EMG 472-2 Innovation Management

Part C- Essay Questions

Answer all questions.

Total Marks: 50

1. Read the following case and answer the questions given below.

Dialog is the first operator to be licensed by Sri Lanka's central bank to make mobile payments.

The dawn of the mobile money era in Sri Lanka has been made possible by the progressive regulatory philosophy of the Central Bank of Sri Lanka. In this respect Sri Lanka's payments and settlement legislation and Mobile Payment regulations stand among the most progressive in the world."

Customers could load cash from 10,000 outlets around Sri Lanka to their 'eZ Cash' branded mobile account or transfer money from an internet banking account.

They could also withdraw up to 10,000 rupees a day from the outlets with the cashier being a human teller. The same network of dealers that are now doing mobile top ups for prepaid phone customers would offer the mobile wallet service.

All registered Dialog customers could open a 10,000 rupee wallet through the phone with no additional documentation and no registration fee. An account with a 25,000 rupee balance would need additional verification.

The mobile payment service can be used to pay utility bills or to buy goods and services online or even make over the counter payments at thousands of shops across the island, Fariq Cader, head of Dialog's e-commerce service said.

People without credit cards could now make electronic transaction even without a bank account and money transfer fees was lower than any other competing service at 15 rupees a deal.

Each transaction was protected through a personal identification number (PIN) and in the case of online payments the user will get a prompt on the phone to confirm.

- I. Why innovations are important for a company? (5 Marks)
- II. Do you think that this is the optimal time of entry with this kind of a service? Why and why not? (10 Marks)
- III. Do you think that the service would be popularizing among customers? (10 Marks)

(Total 25 Marks)

2. Company "A" produced a special biscuit for diabetics market in 2010. Imagine that you are working for company "B" as the Product Development Offices. The main competitor of yours is company "A" and you want to reach the same market with a new snack.

- I. What are the factors you consider before developing the new product? (8 Marks)
- II. What kind of a competitive pressure you have to expect? (8 marks)
- III. Do you go for a complete imitation or a different product than of your competitor?
Justify your answer. (9 Marks)

(Total 25 marks)