BACHELOR HONOURS IN MARKETING

FEEDBACK TUTORIAL LETTER FOR ASSESSMENT 3 (WRITTEN CLASS TEST) & ASSESSMENT 4 (DIFFUSION OF INNOVATION SURVEY)

FIRST SEMESTER 2019

FOR

PRODUCT INNOVATION AND PROJECT MANAGEMENT

PIM811S
PRODUCT INNOVATION AND PROJECT MANAGEMENT

Dear Student,

This tutorial letter provides a framework on how Assessment 3 (Written Class Test – April Vacation School) assessment 4 (Diffusion of Innovation Survey) should have been answered. I look forward marking assessment 5 (Innovation Challenge Project Report) and subsequently to see you sometime in June during the Oral Presentations of your Innovations.

I wish you all the best.

Dr EMM Semente
INSTRUCTIONS

- This is a closed book assessment
- Answer all questions
- Read each question carefully
- Write as legible as possible, and as precise as possible
- Number your answers correctly

Question 1

When we think about new products, we automatically think about brand-new inventions such as out of space travel, the computer tablet, a breakthrough medicine, and so on. While that may be the more "exciting" side of new products, from a marketing viewpoint, they are just one of the many types of new products that a company may bring to the market-place.

a) Applied to the automobile industry, demonstrate the use of the linear model of product innovation. Support your answers with illustrations/diagrams.  
15 marks

b) Discuss any four (4) types of new products (degree of product newness) that a company such as Namibia Dairies could consider introducing. Support your answers with practical examples.  
15 marks

c) Applied to any service innovation of your choice, list and discuss the stages of the adoption process.  
15 marks

d) Suggest five (5) factors that may influence the adoption of innovation among consumers.  
5 marks

END
Suggested answers:

Question 1

a) The linear model of science and innovation was championed by US economists after the Second World War. Since then, largely because of its simplicity, this model has taken a firm grip on people's view on how innovation occurs. It dominated science and industrial policy for 40 years. It was only in the 1980s that management school around the world began seriously to challenge the sequential linear process. According to Trott (2012, pp. 21-22) the recognition that innovation occurs through the interaction of the science base (dominated by universities and industry), technological development (dominated by industry) and the needs of the market was a significant step forward. The linear models consists in two approaches, namely: the technology driven model (referred to as the technology push mode) and the market driven model (referred to as the market pull model).

The technology push model assumes that scientists make unexpected discoveries, technologists apply them to develop product ideas and engineers turn them into prototypes for testing and finally marketing and sales will promote the product to the potential consumer. In this model, the marketplace was a passive recipient for the fruits of R&D. e.g. Technology push model diagram

![Technology push model diagram](image)

According to Trott (2012, p. 23) it was until the 1970s that new studies of actual innovation suggested that the role of the marketplace was influential in the innovation process. This led to the second linear model, the 'market pull' model of innovation. This model emphasises the role of marketing as an initiator of new ideas resulting from close interactions with customers. These in turn are conveyed to R&D for design and engineering and then to manufacturing for production. e.g. Market pull model diagram
b) You could discuss any four of the following types:  

<table>
<thead>
<tr>
<th>Category/type</th>
<th>Nature</th>
</tr>
</thead>
<tbody>
<tr>
<td>New to the world products</td>
<td>Such products involve high risks since they are new to the market and the firm. They are inventions that usually contain a significant development in technology, such as new discovery, or manipulate existing technology in a very different way. Examples would be Dyson’s vacuum cleaner, Apple’s iPad, 3M’s Post-it notes, etc.</td>
</tr>
<tr>
<td>New to the marketer products</td>
<td>Such products are new to a marketer but are already being offered in the marketplace by other competitors. For example, Alcatel, Samsung and Sony-Ericsson have all entered the mobile phone market to compete with market leaders Nokia and Motorola, originators of the product.</td>
</tr>
<tr>
<td>Line extensions</td>
<td>New features are added to an existing product to capture a new segment such as for instance new colours, flavours, package size, new application (use), etc.</td>
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<td>----------------------</td>
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<tr>
<td>Repositioned products</td>
<td>The product is marketed in a new way to change its position or perception in the marketplace. Existing products are targeted at new segments or new markets and this could require a new market positioning e.g. Johnson &amp; Johnson baby products now repositioned to attract adult users.</td>
</tr>
<tr>
<td>Improved products</td>
<td>An improved version of an existing product which provides better performance or greater perceived value. This is the least risky and least innovative category, yet a great deal of attention must be paid to marketing such products to achieve success.</td>
</tr>
<tr>
<td>New product line</td>
<td>The company introduces a new line of products to the existing one(s) e.g. a company marketing a line of detergents decides to add a cosmetic line.</td>
</tr>
</tbody>
</table>

**c) The following steps are to the adoption process**

(5 x 3 = 15 marks)
d) You were expected to list and briefly explain these factors that may influence the adoption process:

5 marks

- Relative Advantage
- Compatibility
- Complexity/Simplicity
- Trialability
- Observability
ASSIGNMENT 4 – Diffusion of Innovation Survey

DUE DATE OF ASSIGNMENT 4: (Refer to COLL Information booklet)

You are required to conduct a survey to establish the trend or the rate of Diffusion of Innovation of a chosen product in a given industry. For example, smart phones, beverage or alcoholic product(s), financial and/or insurance product(s), personal and/or cosmetic product(s), internet service(s), etc.

Approach:

- Select the Product/Service
- Conduct a survey by developing a data collection instrument (a questionnaire) that addresses the diffusion of innovation process
- Collect data from at least 50 respondents (you may choose the data collection technique of your choice)
- Write a Survey Report Covering the following:
  - Introduction (introduce the reader to your topic)
  - Objectives of this assignment (what was achieved?)
  - Importance/Significance (i.e. why it is important?)
  - A brief Literature Review (one- two pages discussion of concepts related to New Product Development and the Diffusion of Innovation; include at least five sources from journal articles and two from book sources- should be able to show evidence of reading and critical thinking about the concepts and their interconnections)
  - Methodology (sample size, methodology used to collect data and why)
  - Data Presentation (include tables, charts, graphs)
  - Discussion of Findings
  - Conclusions & Recommendations
  - References – use APA style
  - Appendix if any
Suggested Answers for ASSIGNMENT 4 – Diffusion of Innovation Survey:

1. Compile Report Covering the following:
   - Introduction (introduce the reader to your topic): should be concise and related to the topical area.  
     2 marks
   - Objectives of this assignment (what to be achieved?): objectives should be specific, measurable, attainable, realistic and time framed.
     2 marks
   - Importance/Significance (i.e. why it is important?): demonstrate clearly why this research is of importance; the importance in a wider research context and discipline context as well.
     2 marks
   - A brief Literature Review (one-page discussion of key online Marketing concepts related to your research ... do not copy and paste notes... do research and cite sources): a summary of related literature from journals, textbooks, previous similar studies, the literature review should consist of minimum 5-10 sources and a clear summary of the reviewed literature provided at the end of that session
     5 marks
   - Methodology (number of respondents, methodology used to collect data): to include the research design, the sample size as indicated above, data collection methods i.e. how were the questionnaires administered, etc.
     10 marks
   - Data Presentation: to include tables, charts, graphs with a summary explanation of the tables/charts/graphs.
     10 marks
   - Discussion of Findings: a clear discussion of the research findings in line with the research objectives.
     10 marks
   - Conclusions & Recommendations: these to be linked to the findings.
     5 marks
   - References: using APA style
     2 marks
   - Appendix: append a sample of the questionnaire and any other document
     2 marks

END