INTERNATIONAL UNIVERSITY OF EAST AFRICA
'Learning to Succeed'

FACULTY OF BUSINESS MANAGEMENT

END OF SEMESTER EXAMINATIONS - AUGUST 2025

PROGRAMME: MBA
YEAR/SEM: YEAR 1/SEMESTER 1
COURSE CODE: MBA 712
NAME: INNOVATION AND MARKETING

DATE:
TIME:

INSTRUCTIONS TO CANDIDATES:

SECTION A

Section A is Compulsory

Question 1:

Case Study 1: Tesla – Disruptive Innovation and Market Positioning

Background:
Tesla disrupted the traditional auto industry with its electric vehicles (EVs), direct-to-consumer sales model, and over-the-air software updates. Despite being a relatively young company, Tesla has developed a strong brand and loyal customer base, largely due to its innovation-led strategy.

Question:

a) How did Tesla use innovation to disrupt the automotive industry? (15 marks)

b) What marketing strategies supported Tesla's innovative positioning? (15 marks)

c) What challenges does Tesla face in sustaining its innovation advantage? (10 marks)

Question 2:

Case Study 2: LEGO – Reviving a Brand through Co-Creation and Innovation

Background:
In the early 2000s, LEGO was facing financial decline due to product overexpansion and loss of brand focus. By 2010, LEGO had made a successful turnaround through digital innovation, strategic partnerships, and engaging its community in co-creation.

Question:

a) What innovation strategy did LEGO use to revive its brand? (15 marks)

b) How did co-creation contribute to LEGO’s marketing success? (15 marks)

c) What lessons can be learned about innovation from LEGO’s experience? (10 marks)

SECTION B

Answer Any Three Questions in this section

Question 1:

What is the role of innovation in marketing strategy? (20 marks)

Question 2:

How does customer-centric innovation drive business growth? (20 marks)

Question 3:

What is the difference between disruptive and incremental innovation in marketing? (20 marks)

Question 4:

How does customer-centric innovation drive business growth? (20 marks)

Question 5:

What is the importance of the “diffusion of innovation” theory in marketing? (20 marks)

Question 6:

How does digital transformation influence innovation in marketing? (20 marks)

Question 7:

What frameworks support innovation in marketing strategy development? (20 marks)

Question 8:

How can companies measure the success of marketing innovation? (20 marks)

Question 9:

How can content marketing support innovative product launches? (20 marks)

Question 10:

What is the role of customer feedback in driving innovation in marketing? (20 marks)

Question 11:

Discuss the concept of “Marketing Mix Innovation” and how it impacts a company’s marketing strategy. (20 marks)

Question 12:

How can Artificial Intelligence (AI) contribute to innovation in marketing? (20 marks)