KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2018/2019

SECOND SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

BBA 857: NEW PRODUCT DEVELOPMENT

DATE: WEDNESDAY 3RD APRIL, 2019 **TIME: 5.30 P.M - 8.30 P.M**

INSTRUCTIONS:

Answer question one and any other three

Use case study to answer Question one:

Case study - Apply Products Development

The recent launches of Apple iphone 5 in selected countries across the globe have been welcomed with mixed expressions. The customers are happy about the product features like its appearance and design, the high-speed internet connectivity, the long-lasting battery life and the large number of applications; but at the same time the company's new mapping software proved to be a great failure. Apart from that, the company also had to stop pre-orders temporarily owing to the problems in demand-supply balance and manufacturing. All this can be attributed to the faults in New Product Development (NPD) initiative of company

Apple is a renowned brand and a world leader in computers. Apple's customers take pride in associating themselves with the company, no matter if they have to pay a little extra for this. Apple is a trusted brand and that is why the company affords to charge their customers premium prices for the products. But the latest offering from the company's product portfolio proved that even the world's leading firms will have to face serious repercussions if they do not undertake new product development (NPD) seriously. New Product Development is a major initiative and it involves high amounts of funds as well as high failure risks. Therefore, it can't be expected that Apple did not conduct any market research to forecast demand for its iphone 5.

The company started pre-booking for iphone 5 on September 14 for the customers who wanted to possess it on the first day of launch i.e. September 21. But the demand exceeded far above it was expected and that the supply could support. As a result, the company was compelled to stop pre-order booking and the delivery was also delayed. Also, it was much in news that Sharp, Inc. which is one of the leading manufacturers of iphone 5 in-cell panel touchscreen display failed to deliver the output on time leading to a further imbalance in demand and supply. But this is not all. The company's initiative to launch its own mapping software iOS 6 also proved to be a big failure. A number of places were found to be wrongly located while the images were also not clear.

Q1 a) Discuss what stage in the product development process that failed the demand for Apple

(10 marks)

b) What approach should Apple use to involve stakeholders in the future before launching products (10 marks)

c) Discuss how Apple would have used other products like the Apple watch to perform better forecasting (10 marks)

Q2. You have been tasked to undertake a new products venture for Bidco industries. Discuss the process you will follow (10 marks)

Q3. Discuss the importance of environment scanning before coming up with new products

(10 marks)

Q4. DTB bank has employed you as the products development manager. Discuss how you are able to ensure quality for service products developed (10 marks)

Q5. Discuss the features that would differentiate your new products from the competition in the manufacturing industry (10 marks).