



STRATHMORE INSTITUTE OF MANAGEMENT AND TECHNOLOGY
DIPLOMA IN BUSINESS CREATION AND ENTREPRENEURSHIP
END-OF-SEMESTER EXAMINATION
UNIT CODE: DE1102 INNOVATION TECHNOLOGY AND ENTREPRENEURSHIP

DATE: 20th December 2022

Time: 2 Hours

Instructions

1. This examination consists of **FIVE** questions.
2. Answer **Question ONE (COMPULSORY)** and any other **TWO** questions.

QUESTION ONE

Joanna, a wristwatch retailer, has obtained the following information from customers. Customers want a smartwatch that provides a touchscreen interface linked to a smartphone. She received reports from users that the straps were not durable and were uncomfortable. The watch display is not easy to view at night, the touch screen does not respond to sweaty fingertips, and inaccurate calorie measurements.

- a) Use SCAMPER technique to develop innovative product to solve customer problems
(10Marks).
- b) Explain the role of creativity and innovation in entrepreneurship development. (5Marks)
- c) Describe five creative thinking skills that make entrepreneurs better at solving customer problems and creating profitable business opportunities (10 Marks)
- d) Explain ways through which business organizations can encourage creativity and innovation. (5Marks)

QUESTION TWO. (15Marks)

Richmond James, a social media analytics expert, started Maxi PR Agency and platforms to provide social media advice and analytics services to Small and Medium Enterprises.

Richmond James started the agency to serve clients who wished to use social media as a competitive advantage; he was familiar with both traditional and digital marketing, which helped her build a reputable marketing agency.

- a) Explain the importance of understanding business and industry trends when starting a business **(10Marks)**
- b) Describe factors hindering creativity and innovation **(5Marks)**

Question three.

Alice runs an online laundry service in her town where she offers pickup, cleaning, ironing and delivery of clothes to online orders. Lately, she has noticed a customer drop and decided to find the cause through a customer satisfaction survey. Customer feedback revealed that the drop in customers is mainly due to late delivery of laundered clothes.

She further found out that delivery people received the clothes later than scheduled and there were piles of clothes to be cleaned in the laundry, more than the available machines could handle further to that some of the machines were not working.

- a) Using the 5Whys technique, help Alice reach the root cause of the problem. **(10Marks)**
- b) What should Alice do to resolve the problem of declining orders **(3Marks)**
- c) State two benefits of conducting a customer satisfaction survey **(2marks)**

Question Four

Richard invented a system of lion lights installed around the cowshed to scare predators like lions and hyenas from killing family livestock. Richard is the youngest patented inventor in Kenya, and because of the invention, the community co-exist with lions.

- a) Explain five sources of innovation ideas as explained by Peter Drunker. **(10Marks).**
- b) Describe the benefits of securing a patent for the lion lights **(5 Marks).**

Question Five

A team of students studying entrepreneurship, the team has information that several residents have issues with broken pipes, electrical installation, painting and repairs that require fixing.

- a) Use six thinking hats to find a solution to come up with a viable business idea that solves customer problems and has customers willing to pay for it. **(10Marks)**
- b) What are the benefits of using the six thinking Hats technique in refining business idea? **(5 Marks).**