



NPTEL Online Certification Course

Indian Institute of Technology Roorkee

Course Name: Innovation in Marketing and Marketing of Innovation

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WEEK 11: ASSIGNMENT 11

1. What psychological bias leads consumers to favor products they already own over new innovations?
 - a. Confirmation bias
 - b. Endowment effect
 - c. Availability heuristic
 - d. Sunk cost fallacy
2. The "Curse of Innovation" is described as a dual-pronged bias because it affects both:
 - a. Customers and consumers
 - b. Consumers and company executives
 - c. Marketers and manufacturers
 - d. Retailers and distributors
3. What does the 9x Effect explain in the context of innovation adoption?
 - a. The tendency of companies to exaggerate marketing efforts
 - b. The speed at which new products replace old ones
 - c. The psychological gap between how companies and consumers perceive innovations
 - d. The financial risks associated with launching a new product
4. Why are "Long Hauls" difficult to implement successfully?
 - a. Consumers prefer significant behavior change especially when the product is revolutionary
 - b. They require both significant product and behavior changes
 - c. The market prefers huge changes in both product and behavior
 - d. Companies fail to market them effectively
5. Which of the following best defines the "Innovation Lifecycle" as per the lecture?
 - a. A linear process where innovation moves directly from idea generation to market success.
 - b. A structured approach where all innovations must reach the maturity phase before decline.
 - c. A system where innovations must always disrupt an existing market to be successful.
 - d. A cycle where companies explore, experiment, emerge, exploit, and transform over time.

6. What is a key requirement for leaders when shifting from selling products to selling services?
- a. Rethinking what, who, and how in the sales process
 - b. Reducing the number of salespeople
 - c. Lowering product prices
 - d. Increasing inventory levels
7. Which of the following are key steps for companies to successfully shift from selling products to selling services?
- a. Rethink Customer Segmentation
 - b. Restructure the Sales Organization
 - c. Eliminate the sales force
 - d. Increase investment only in product R&D
 - e. Use Sales Force Management Instruments to Drive the Right Behavior
 - f. Focus only on short-term product sales
8. Which of the following is NOT one of the three branding strategies for new products?
- a. New brand
 - b. Rebranded competitor
 - c. Direct extension
 - d. Sub-brand
 - e. Umbrella brand
9. What is a potential risk of brand extensions?
- a. Increased advertising costs
 - b. Reduced production efficiency
 - c. Possible harm to the parent brand if the extension fails
 - d. Reduced employee morale
10. Which of the following is NOT a key activity in the "Explore" phase of the Innovation Lifecycle?
- a. Scanning the environment for trends and disruptors.
 - b. Developing a detailed business plan.
 - c. Achieving traction with early adopters.
 - d. Crafting cash flow forecasts.

ANSWERS

- 1. B
- 2. B
- 3. C
- 4. B

5. D
6. A
7. A, B, E
8. B, E
9. C
10. C

END