

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA – SEMESTER 3 – EXAMINATION – WINTER 2018****Subject Code: 3539255****Date: 13/12/2018****Subject Name: Managing Digital Innovation and Transformation (MDIT)****Time: 10:30 AM TO 01:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

<b>Q. No.</b>		<b>Marks</b>
<b>Q.1</b>	Definitions following terms. (a) Social computing (b) Process reengineering (c) Cloud Computing (d) Machine learning (e) Digital platforms (f) Digital disruption (g) change management	<b>14</b>
<b>Q.2</b>	(a) What is digital economy? Explain major IT characteristics in the digital economy.	<b>07</b>
	(b) What is Digital Innovation? Explain Different Perspectives of digitization.	<b>07</b>
	<b>OR</b>	
	(b) Explain role of IT and competitive advantage of IT in today's business	<b>07</b>
<b>Q.3</b>	(a) List out new technology developments and trends.	<b>07</b>
	(b) Describe the internet's impact on information along with how these changes are affecting business.	<b>07</b>
	<b>OR</b>	
<b>Q.3</b>	(a) Modern day retailing is changing due to adoption of IT. Discuss how IT can help to empower retail business.	<b>07</b>
	(b) Write a short note on: Artificial Intelligence	<b>07</b>
<b>Q.4</b>	(a) Explain in brief Technology S- Curve and its implications on IS strategies Innovation strategies.	<b>07</b>
	(b) Explain Dynamic integration of business processes and technology.	<b>07</b>
	<b>OR</b>	
<b>Q.4</b>	(a) Explain various Challenges in adoption of digital economy.	<b>07</b>
	(b) Explain the Role of leadership in promoting innovation within firm.	<b>07</b>

Q.5

**CASE STUDY:**

Andrea Illy is CEO of the global premium coffee company that bears his family's name. Where connoisseurs discuss the fine points of various origin coffees and blends, where customers are willing to pay a premium for the finest examples of the coffee-making art, and where the growers, roasters and baristas will be compensated fairly for the expertise they contribute to every cup.

Unfortunately, the current coffee market differs from such an ideal. Coffee growers in most parts of the globe work at a barely subsistence level. One bad harvest (made all the more likely by the ravages of climate change) or a sudden decline in the commodity price of coffee can drop them below subsistence to hunger. Even in good times, growers have little incentive to improve their operation – they have minor contact with the roasters or customers and no knowledge of how their crops get translated into the cup. This disadvantages not only the grower but also the consumer – coffee sourced from good quality beans is hard to find.

Illy believes that the solution to the sad state of affairs is to initiate a “virtuous circle” that draws the grower, the roaster, the barista and customer together. Growers with better knowledge of the market will work to improve their crops or experiment with new varieties. Roasters and preparers will educate their customers as to the qualities of various beans, roasts and preparations. Customers, in turn, will be willing to pay more for the best beans and that premium will be sent back up the chain to pay for even more quality and variety. And so on. Certainly there have been some positive signs. Indeed, many observers argued that a “third-wave” of transformation in the coffee market was already starting. Specialty coffee roasters had worked to build cafes and brands around origin-based beans sold directly to the roasters without reference to the commodity prices of coffee. With these third-wave roasters, every coffee came with a story of its origins and growers could count on occasionally eye-popping premiums for their beans.

As yet, specialty coffee represented a small sliver of the overall market and there were other signs that it might not ever grow beyond a small circle. New trends like coffee-based drinks and single-portion coffee in pods (e.g. K-cups, Nespresso) actually shifted more of the value-added towards roasters without a premium for growers. A consolidation was taking place among mass roasters that was even sweeping-up third-wave roasters in its wake. Observers argued that could lead to greater uniformity with even less emphasis on origin-based, direct-traded coffee. Illy's hope is that someone would come up with an innovation that would solidify the beginnings of the third wave and help reshape the market. Such a change would not necessarily have to involve illycaffè; Andrea Illy believes as the world's premium brand, an increased emphasis on quality in the market would only help his company. The most important thing was to make the coffee supply chain more equitable and coffee better-tasting.

- Q.5 (a) Explain how innovation in product/service can lead to success for entrepreneur. **07**  
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- (b) Explain various changes which can happen to organization shifting for digital transformation. **07**

**OR**

- Q.5 (a) Explain role of IT in business development for above case. **07**
- (b) Explain the how Online business models can help in achieving success for business. **07**

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