

PGDM (Insurance Business Management) 2019-21
New Product Development
INS -504
Trimester – V, End-Term Examination, December, 2020

Time allowed: 2½ Hours

Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the answer sheet.

Note: Please be relevant and brief in your answers. Section B is compulsory.

Section-A

There are 3 questions in this section. Each question carries 10 marks. (Min. 200 words)

A-1. Describe the broad objectives of New Product Development. Explain the concept of time to market vis-à-vis its criticality in the New Product Development process?

(CILO 3)

OR

A-1. Explain innovation and elucidate in detail, the role of technology impacting innovation in the Insurance industry. Explain giving examples?

(CILO 3)

A-2. Explain the Sandbox regulations. Articulate the benefits of Sandbox regulations brought by IRDAI for consumers and insurers. (CILO 2)

OR

A-2. 'Idea generation an important step in the New Product Development Process'. Explain briefly the internal and external sources of Idea generation. (CILO 2)

A-3. Describe the concept of Minimum Viable Product (MVP)? Bring out the advantages of developing an MVP with an adequate example. (CILO 1)

OR

A-3. Define brainstorming and differentiate it with a focus group discussion with a suitable example. (CILO 1)

Section B

Case Study

(20 Marks)

Ramesh Ramachandran had recently been appointed Vice President of Data Analytics and Customer Research at Freedom AV Music. He had a decade long experience before joining Freedom working with social and digital tools, his department crunched through enormous amounts of customer data generated through social media and e-commerce platforms. They had also gone deep into market research, testing customer needs, tastes, and preferences. His department enjoyed analyzing behaviors, intentions, and affinities. Identifying geographic hotspots for artists, and personalizing and improving the user experience for fans using their digital assets. Yet he felt he could add more value to the business, and increase his influence, by contributing to discussions on new product development.

He was led into the office of Anand Hari, Freedom AV Music's President and CEO who was reclined deeply in his chair with his feet touching the table in front of him. "So you're the 'Data guy'? As a CEO and President, I guess I'm a 'numbers man', so we have something in common. I don't mean 'Data Guy' in a wrong way, I assure you. I love data geeks, some of my best friends are data geeks, and you're making a great contribution to the marketing side of the business. Thanks. We are supposed to be in The Data Era Now. There's probably a bunch of things you could do in **back catalog**¹ exploitation. There might be some new themes you could identify. You know, perhaps come out with the Best Geek Album in the World Ever (he said smiling). You could also look at our broader artist and repertoire portfolio, and assess the balance of what we have versus what we should have." said Anand

"I am already doing work in that area. I was thinking about helping some of the bigger acts with new creative work." replied Ramesh

There is lot of music we create from A to Z, 'boy brand' type of music too, you know, but this is a small proportion of our entire list "I think every artist could benefit from the sort of analysis I provide." added Ramesh

"In creating new material? " said Anand "Yes." replied Ramesh

"And how would that work?" said Anand

By better understanding the tastes and preferences of audiences, they will be able to better respond to them. replied Ramesh

Anand smiled. How long have you been crunching numbers here?"

"Six months." Replied Ramesh

"And over that time, what extraordinary creative breakthroughs have emerged from your analysis?"

" I would need to do a bit more work, and I would be looking to improve the whole process. We must be able to get more sophisticated at this, as other industries are, so it's not a case of random casino bets" added Ramesh " Even if I gave you a year, do you think you're ever going to find god in the data? Do you think Monet's Water Lilies or Van Gogh's Starry night suddenly sprang out of an analysis of art consumers? Do you think the Beatles' Sgt Pepper album came out of some survey data? Or a focus group? Great art is magic. Great art is extraordinary. Great artists lead audiences;

¹ Backlog Catalog: A listing of all the works of a specific artist, or all the books, records etc. of a specific publisher, including works that are no longer available

they do not respond to them. They lead out of conviction, passion, and inspiration, and remorselessly innovate, staying ahead of the audience. The Beatles could have stuck with their initial success, and been a guitar-driven rock and roll band. But they evolved into a psychedelic band, concept album band, they took listeners on a journey that they could not have imagined. And what could they learn from an audience? How is an audience going to envision and articulate an entirely new creative direction?" said Anand

Ramesh was taken aback. "But some artists these days are involving audiences in their creative processes, interacting with them. Technology and social engagement are part of their creativity, they use the world as an orchestra. Said Ramesh

"You know, Ramesh, every time the Romans were saying Voxpopuli vox Dei (the voice of the people is the voice of God) that was when they didn't know what to do! In music, the artist is the voice of God. This industry has been built on the work of people who were not normal, not the voice of the people." said Anand

"But there is so much talk these days of a new model emerging, a participatory, co-creation model?" added Ramesh

"What you're giving me is an old model. A derivative, conservative, sales analysis model, not a cutting edge artistic leadership model. 'They liked One Direction pop band's music. The engagement indices are high for One Direction. Let's do another One Direction.' oh!" said Anand

Ramesh Ramachandran looked out of the window dejectedly. It all seemed so much easier for his friends working at Procter & Gamble and Unilever. Their companies appreciated customer insight.

Questions:

1. Explain the mechanism by which customer data and research inform new product development decisions in music organizations.
2. Differentiate between the usage of data that is appropriate and inappropriate.
3. To what extent do music fans know what music they want to discover?

(CILO 2 and 3)

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