**TRUE/FALSE (5 questions)**

**Indicate whether the following sentences or statements are true or false.**

|  |  |  |
| --- | --- | --- |
| 1. | \_\_\_\_T\_\_\_ | An inventor is an individual or person who creates or discovers the invention itself. |
| 2. | \_\_\_F\_\_\_\_ | Innovation is the same thing as invention. |
| 3. | \_\_\_F\_\_\_\_ | Obtaining a patent is an easy and inexpensive process.. |
| 4. | \_\_\_T\_\_\_\_ | Innovation is important because it can create value that drives consumer demand. |
| 5. | \_\_\_T\_\_\_\_ | Innovation occurs in all areas of business. |

## MULTIPLE CHOICE (5 questions)

**Identify the letter of the choice that best completes the statement or answers the question.**

\_\_\_B\_\_\_\_1. Apple’s iPhone software updates provide a good example of \_\_\_\_\_\_\_\_\_ innovation.

a. disruptive b. incremental

c. product d. All of the above

\_\_\_A\_\_\_\_ 2. \_\_\_\_\_\_\_\_ innovation is when an idea is introduced that creates new value within an existing market by doing things in a way that has not been done before

a. Disruptive b. Incremental

c. Product d. All of the above

\_\_\_C\_\_\_\_ 3. The most common innovative category is \_\_\_\_\_\_\_\_\_\_ innovation.

a. disruptive b. incremental

c. product d. All of the above

\_\_\_D\_\_\_\_ 4. All are examples of product innovation except.

a. Tube TV to flat screen TV b. ROKU, AppleTV

c. Foldable tablets and laptops d. All of the above represent product innovations

\_\_\_\_C\_\_\_ 5. \_\_\_\_\_\_\_ innovation is designed to improve efficiency and productivity.

a. disruptive b. incremental

c. process d. product

## SHORT ANSWER (2 questions)

1. Explain how Amazon represents a great example of business model innovation.

In 1995, Amazon launched itself as the “Earth’s biggest bookstore” to today, Amazon is the Earth’s biggest marketplace

2. List the four innovation categories.

1. Products

2. Services

3. Processes

4. Business models