

## **Text Assignment 8: Innovation and Entrepreneurship, by Peter Drucker**

### **Chapter 18 – Ecological Niches**

1. How does the aim of this strategy differ from the previous two?

### **Chapter 18 – Toll Gate Strategy**

1. What is it about the total market that makes the “toll-gate” strategy viable? What approach would perspective competitors need to take to enter the market?
2. What matters when using this strategy? What does not matter?
3. What are the stringent requirements of using this strategy?
4. What are the severe limitations and serious risks of this strategy?

### **Chapter 18 – Specialty Skill Strategy**

1. How is the specialty skill niche established?
2. What is essential in establishing the niche?
3. What is required to attain a specialty niche?
4. How is the specialty skill niche found?
5. List three points that are required for a specialty niche:
6. List three limitations of the specialty skill niche:
7. In a new technology, industry, or market, what does this strategy offer?

### **Chapter 18 – Specialty Market Strategy**

1. What's the difference between the specialty skill and specialty market strategies?
2. What is characteristic about markets that support the specialty market strategy?
3. How is a specialty market found?
4. What are the requirements for using this strategy?
5. What are its limitations?

### **Chapter 19 – Changing Values and Characteristics**

1. What do the four strategies that fall in the category of “Changing Values and Characteristics” have in common?

### **Chapter 19 – Creating Customer Utility**

1. How do you create utility?
2. What is almost irrelevant for this strategy?

3. What does creating utility enable people to do?

### **Chapter 19 – Pricing**

1. Cite the classic, stereotypical example of the pricing strategy.
2. Under this strategy, what is it that customers pay for and not pay for?
3. What does this strategy charge for?

### **Chapter 19 – The Customer’s Reality**

1. What does this strategy consist in?

### **Chapter 19 – Delivering Value to the Customer**

2. How is the “Delivering Value to the Customer” relate to the “Customer’s Reality” strategy?
3. Why do these strategies work?
4. Why are successful applications so rare?
5. Above all, what is the basis for successful application of these strategies?

### **Conclusion: The Entrepreneurial Society**

1. In the entrepreneurial society, what tremendous challenge does the individual face?
2. What is one implication of this for the individual?
3. According to Drucker, the absence of what government agency has allowed continuing education and professional development to become a true “growth industry” in the United States?