F	1. The globalization of markets and the importance of innovation
•	are independent of one another. (F)
一 一	2. Flexible manufacturing technologies have increased the tech.
	importance of production economies of scale.(F)
T	3. Innovation and new technology have led to longer product life
ı	cycles as better quality products are being produced.(F)
T	4. Slow innovation results in diminishing margins and product
(	obsolescence.(T) 手的过时,利用液状
T	5. Technological innovation can have a positive impact on our
l	quality of life through (mproved goods and services.(T)
F	6. Technology's effects on society are always positive. (F) regative external
	7. Firms that charge headlong into new product development
[	usually have short development cycles.(F) 大龙
T-	8. Studies have revealed that innovation is a freewheeling process
	that is unconstrained by rules and plans.(F)
	9. The majority of effort and money invested in technological
•	innovation comes from industrial firms.(T)
1	10. If an idea can be shown to be technologically feasible, it is
1	guaranteed to be commercially successful.(F)
	投水成功不定角地化成功

# Chapter 2 1. Innovation often originates with those who create solutions for 附加强业务 their own needs.(T) 2. The qualities that make people inventive do not necessarily make them entrepreneurial.(T) 可以是 people 3. Firms consider their in-house R&D to be their least mportant Møst source of innovation, but still feel it is necessary to possess.(F) 4. The most frequent collaborations are between firms and their customers, suppliers, and local universities.(T) 5. A complementor is a company or individual that produces goods or services that enhance the value of another product.(T) 6. Science parks often give rise to technology clusters that have long-lasting and self-reinforcing advantages.(T) 7. Technology clusters may span a region as (narrow) as a city or as wide as a group of neighboring countries.(T) 8. The degree to which innovative activities are geographically clustered does not depend on the national differences in the way technology development is funded or protected.(F) 9. The likelihood of technological spillovers varies countries.(T) 10. Research suggests that most innovation is due to the discovery of something fundamentally new

	Chapter 3 DZ Porf.
T	1. Product innovation can enable process innovation. (T)
F	2. The radicalness of an innovation is absolute. (F) charge over time,  The radicalness of an innovation is absolute. (F) charge over time,  All 413.  2. The radical innovation antally absolute process  3. Padical innovation antally absolute the average of the absolute
F	3. Radical innovation entails changing the overall design of the observate
1	system or the way that components interact with each other.(F) and itectual involvation.
F	4. In order to initiate a component innovation, a firm requires
•	knowledge about the way components link and integrate to form with the way components link and integrate to form
	the whole system.(F)
	5. A technology's S-curve of performance improvement is
	unrelated to its S-curve of diffusion.(F)
F	6. Technologies always get the opportunity to reach their
1	performance limits before being replaced by a new technology.(F)
1	7. The adoption of new technology and the diffusion of
٧	information about it takes place at the same rate.(F)
F	8. Managers can almost always use the S-curve model to
	effectively plan their technology investment decisions. (F) 数数为 和。  A数
7	9. In the era of ferment, firms focus on efficiency and market
	penetration.(F)  dominant Tech 2 & April Gubertution & Competition & Com
/	10. As a firm's expertise becomes oriented around maximizing its
/	ability to compete in the existing dominant design, it can become a
	barrier to the firm's recognizing and reacting to a new technology
	architecture.(T)

- 1. When a dominant design is established in an industry, manufacturers tend to turn their focus to improving efficiency.(T)
- 2. The learning curve indicates that the more units a company produces of an item, the more each unit will cost.(F)
- 3. A firm that develops a new technology ahead of its rivals may have an advantage in staying ahead of others.(T)
- 4. The ability of an organization to recognize, assimilate, and utilize new knowledge is referred to as its learning curve.(F)
- 5. Network externalities cannot arise in markets that do not have physical networks.(F)
- 6. Due to network externalities, the benefit from using eBay to buy and sell goods decreases with the number of users of eBay.(F)
- 7. There are never any advantages to a government mandated dominant design of technology.(F)
- 8. If a new innovation has a significant advantage in functionality, its overall value will be greater than the incumbent standard.(F)
- 9. When comparing the value of a new technology to an existing technology, the tendency is to focus mainly on objective information.(F)
- 10. The value of a good to a user increases in a linear fashion.(F)

- 1. Early leaders are firms that are the first to enter the market.(F)
- 2. Irrespective of whether the characteristics of a technology are imitable or not, a first mover has an opportunity to build brand loyalty before the entry of other competitors.(T)
- 3. Once buyers have adopted a good, they can easily switch to another good.(F)
- 4. Early followers typically bear the bulk of the research and development expenses.(F)
- 5. A later entrant can produce a product that achieves a closer fit with market preferences.(T)
- 6. All pioneers face customer uncertainty.(F)
- 7. For a very new product technology, market research may be of significant help.(F)
- 8. If you are a first mover in the market of a new technology, you may find that your product offerings will have to be modified as consumers let their preferences be known.(T)
- 9. In industries that have increasing returns to adoption, allowing competitors to get a head start in building installed base can be a safe strategy.(F)
- A firm with fast-cycle development processes has more timing of entry options.(T)

# Chapter6~7

- 1. The Saturday Evening Post bought the paper mills that supplied the paper for printing the magazine. This is an example of horizontal integration.(F)
- 2. According to Porter's value chain model, firm infrastructure is a primary activity.(F)
- 3. Qualitative methods of analyzing new projects usually entail converting projects into some estimate of future cash returns from a project.(F)
- 4. Discounted cash flow estimates are only as accurate as the original estimates of profits, time, risk, and cost.(T)
- 5. Calculating the IRR of a project must be done by trial and error.(T)
- 6. Derivative projects offer fundamental improvements in the cost, quality, and performance of a technology over preceding generations.(F)
- 7. Fredricks Technologies made the strategic decision to invest heavily in the development of derivative projects. This is likely to make its returns on R&D look good in the short run only.(T)
- 8. The most common use of conjoint analysis is to assess the relative importance of different product attributes to customers.(T)
- 9. Many factors in the choice of development projects are

#### quantifiable.(F)

10. The drawback to data envelopment analysis (DEA) is that it does not allow comparisons of projects using multiple kinds of measures.(F)

- 1. Some firms avoid collaboration as they do not wish to expose their proprietary technologies.(T)
- 2. Currently, the use of strategic alliances is on the rise.(T)
- 3. A firm cannot collaborate with its competitor. (F)
- 4. When two companies enter into a joint venture the result is often a new separate company that is formed.(T)
- 5. Hammerschmidt Copiers has developed and patented a new copy machine. It wishes to penetrate a wider market and is short on funds. A licensing arrangement would be a good way to accomplish this goal.(T)
- 6. Licensing a technology from another firm is typically more expensive for a licensee than developing a new technology in-house.(F)
- 7. Solo internal development is, on average, a relatively faster way of developing a technology.(F)
- 8. Strategic fit refers to the degree to which potential partners

have resources that can be effectively integrated into a strategy that creates value.(F)

- 9. A firm's effectiveness at managing its collaborations will increase with the number of collaborations to which it is committed.(F)
- 10. A periodic audit of the members of a strategic alliance may be conducted by a partner organization or a third party in order to ensure adherence to the collaboration agreement.(T)

- 1. Sometimes, not vigorously protecting a technology works to the firm's advantage.(T)
- 2. If a tobacco farmer comes up with a new plant that one can smoke without experiencing any negative health effects, he could receive a plant patent for it.(T)
- 3. If you want to file a claim of trademark infringement in court, you must have registered that trademark.(T)
- 4. It is legal for Tom to download Madonna's songs in MP3 format and create compact discs that he sells to his friends at school.(F)
- 5. A trade secret receives no legal protection in the United States.(F)
- 6. Wholly proprietary systems are usually quickly commoditized

- and provide little appropriability of rents to their developers.(F)
- 7. The technology in Jinxbox Company's magic crystal ball will become wholly open when its patent expires.(T)
- 8. If multiple firms benefit from a technology's success, the developer of that technology has a much greater incentive to invest in further developing the technology.(F)
- 9. If a firm lacks the production capability or expertise to produce a sufficient range of complementary goods, it should support an open technology strategy and utilize forms of sponsorship.(T)
- 10. An industry can sometimes pressurize a company to provide open (or partially open) access to a new technology.(T)

- 1. A firm's organization structure can both help and hinder the firm's efforts at innovation. (T)
- 2. Standardization refers to the degree to which activities are performed in a uniform way.(T)
- 3. Formalization refers to the degree to which a firm's decision-making authority is retained only at high levels of the firm's hierarchy.(F)
- 4. According to research, consumer product companies tend to use the centralized R&D structure to better meet individual market

# needs.(F)

- 5. An ambidextrous organization is one with a complex organizational form that is composed of multiple internally inconsistent architectures that can collectively achieve both short-term efficiency and long-term innovation.(T)
- 6. The International Cyberspace Corporation is a very large firm. It can overcome its size barriers to creativity if it has the internal structures with the incentives and behaviors of small firms.(T)
- 7. Advances in information technology have hindered the growth of loosely coupled organizational structures.(F)
- 8. A loosely coupled structure is better suited for activities that involve the exchange of tacit knowledge.(F)
- 9. The Peedle Chocolate Company is headquartered in Belgium. In the United States, it uses manufacturing techniques from France and marketing techniques from Great Britain. It seems to be using the locally leveraged R&D strategy.(T)
- 10. The transnational approach to R&D leverages resources and capabilities that exist anywhere within the firm and deploys them when and where an opportunity to do so exists.(T)

### Chapter 13

1. Firms should constantly focus on launching their products as early as possible.(F)

- 2. Opening a technology completely may result in a loss of compatibility and erosion of product quality.(T)
- 3. If your objective is maximum market skimming, you will initially set a high price.(T)
- 4. If you are seeking to become the dominant design of a new technology, then penetration pricing will not work.(F)
- 5. When manufacturers bypass wholesalers and retailers to sell directly to end users it is called disintermediation.(T)
- 6. Bundling products together can offer firms the advantage of switching costs.(T)
- 7. When a company asks another firm to develop a complementary good, one incentive that is often used is a guarantee that specific quantities of that complimentary good will be sold.(T)
- 8. Most firms find it easy to make the transition between successfully selling to early adopters and the early majority.(F)
- 9. In targeting the late majority and laggards, a company should emphasize the advanced technological features of the new product.(F)
- 10. If a company, through promotion, can create a large perceived installed base where one does not yet exist, it can lead to a large actual installed base.(T)