Core competency refers to the unique strengths, capabilities, and expertise that distinguish a company from its competitors and enable it to create value for customers. It represents the areas in which a company excels and has a competitive advantage over others. Core competencies are central to a company's strategy and are often the basis for its long-term success and growth.

Now, let's delve into the explanation of the provided points:

**Outsource the less critical and Focus on Core Competency**:

* This strategic approach suggests that a company should focus its resources and efforts on its core competencies, the areas where it excels and adds the most value. Meanwhile, tasks or functions that are not central to the company's core strengths or strategic objectives can be outsourced to external vendors or partners. By outsourcing non-core activities, the company can free up resources, reduce costs, and concentrate on what it does best, thereby enhancing its competitive advantage.

Examples:

1. Core competency of Apple is Product Innovation( to produce improved products) and Quality which makes it different from its other competitiors. I.e Samsung or other mobile Brands
2. Nike has a strong reputation for innovation in footwear technology, materials, and design. The company invests heavily in research and development to create high-performance products that meet the evolving needs of athletes and consumers. For example, Nike's Air Max technology, Flyknit fabric, and React foam cushioning are innovations that have propelled the brand's success.