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In *The Slow Pace of Fast Change*, Chakravorti provides his views on some of the underlying factors that determine market acceptance of new products, technologies, services, and entire industries.

The preface declares that one specific audience for this book is a strategic innovator - "the executive who must take on the risk and investment in bringing innovations to market and lead an organization that relies on such innovations as a crucial competitive lever." (Page x) Chakravorti encourages innovators to consider interactions across the development team, supply chain, and the competitive landscape. This book is not intended for tactical product development representatives with titles such as project manager, marketing specialist, or engineer who are seeking ways to improve product development cycle times.

Chakravorti is with the Monitor Group, which is a strategy consulting organization with roots that can be traced back to the Harvard Business School. The book has a soft foundation and doesn't provide statistical data. This book lacks any graphs, illustrations, or timelines. There are no equations to study or exercises to complete. Tools such as rapid prototypes or other customer research are not discussed. Examples in the book are typically from Chakravorti's retrospective view as an outside observer.

Chapter 1 introduces Chakravorti's definitions of *equilibrium* and *game theory*.

Chakravorti defines *equilibrium* as an extension of the framework popularized in the book and movie "A Beautiful Mind," which is based on the Nobel Prize-winning work of John Nash. In a connected market, *what* is adopted and *when* it is adapted is determined by strategic choices made by each participant. Each participant makes the choice that is in that person's best interest, and these choices depend on the choices of others. For example, if a teenager, her friends, her parents, and the local retailer think that a certain digital music player is going to be the "next big thing" and have reasonable longevity, this digital music player is probably on its way to market success. If any member of this group expresses doubt about this digital music player, the equilibrium is shifted away from market success. The rate of market acceptance is similar to that described as diffusion by Everett M. Rodger's [1] categories of adopters (innovators,

**The Slow Pace of Fast Change: Bringing Innovations to Market in a Connected World**, by Bhaskar Chakravorti. Boston, Massachusetts:

early adopters, early majority, late majority, and laggards).

Chakravorti defines *game theory* as a “general framework for reducing any strategic situation into the circumstances of individual players whose interconnected actions, together with external events, determine the outcome of the situation.” (Page 17)

Chapter 1 explains that Moore’s Law applies to technological progress. Innovation adoption occurs at a slower rate because of market inefficiencies due to fragmented and privately motivated forms of decision making. The “slower rate” implication is the basis for the book’s title.

Perhaps, Chapter 3 is the most useful chapter in the book for innovation managers. It presents strategy questions that should be considered to manipulate the innovation’s rate of adoption. These include “Who are the players on the critical path to the innovation’s adoption?” and “What are the innovator’s levers?” Chakravorti tells the story of Napster’s growth to provide examples of answers to these questions. He maintains that the “strategist has a two-part objective: unravel a status quo and orchestrate a new outcome that re-coordinates the choices of several players.” (Page 55)

Chakravorti explains his concept of *endgame* in Chapter 4. He declares, “the principle of endgame reasoning is an approach to using the future as a way to screen various strategic options available to the innovator in the present.” (Page 88) When scenarios are developed, innovators look forward into time. Using endgames, innovators look backward in time. A reverse engineering process is used to extract the strategy that will bring success. Chakravorti states, “I have supplanted the classic projection of alternate scenarios with the more dynamic notion of an endgame.” (Page 90) He advocates, “imagine the future first before making choices in the present.” (Page 93)

Chakravorti devotes many pages to support his argument that Adobe was successful with their Acrobat product family because of their strategy. Acrobat enables the users of specialty software (including word processors, spreadsheets, and engineering applications) to make documents viewable, printable, and distributable to anyone in a portable document format (PDF) using the free Acrobat reader software. This strategy benefited both publishers and individual adopters. In addition, Adobe’s strategy didn’t threaten Microsoft’s product roadmap.

In my opinion, Chakravorti didn’t address other key elements of the story. While Adobe was promoting their version of a universal document reader, several competitors were promoting similar products. Each competitor could have presented a similar value proposition and market strategy. Why did Adobe’s solution prevail? A significant factor was that the Adobe brand was the most recognized and respected. Specifically, Adobe’s Postscript was already an established standard used by the printing industry and designers. PDF was a product line extension that was useful to an even larger audience. PDF solutions were available for Apple’s Macintosh platform (a favorite of the established document creators) and Microsoft’s Windows platform (used by the majority of document readers). Acceptance was accelerated because during that time manufacturers were examining ways to cut production costs and cycle times by providing electronic copies of manuals on CD-ROMs. PDF offered a robust solution with an acceptable file size.

In approximately 1993, I voted (with my team at HP) to use the PDF solution instead of a competing product. It was readily available and it was from a respected company. I expected Adobe to win the universal document reader battle. In Chakravorti’s terminology, this was part of a favorable endgame for Adobe. From my frame of reference, I picked a solution that was in my best interest, a good solution for my customers, and a solution that would probably have reasonable longevity. Chakravorti defines this as equilibrium.

The last half of the book provides other familiar industry examples. Advice in Chapter 5 includes: have a vision, strive to use multiplier mechanisms, and identify and use the hubs (such as influential industry personalities) in the networked market. Chapter 6 offers suggestions for crafting attractive deals that have a strategic advantage. Chapter 7 encourages innovators to use their network and to “buy insurance” (plan for different plausible endgames).

Chakravorti presents his concepts using a unique framework, which includes terms such as equilibrium and endgame. I noted similarities with concepts such as whole product, solution selling, complexity theory, or war gaming.

In *The Slow Pace of Fast Change* Chakravorti’s advocates using ideas from game theory to bring innovations to market. The book proclaims to be an extension to the work of John Nash but is does not contain statistics or mathematical proofs. I found

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I noticed before that you skipped over Chap2, which is OK. This short sentence only raises questions of what kind of inefficiencies and what is a networked market? I think you are better off without this sentence.

value in the book but I can envision the same messages residing in a 10-page journal article. The discussion on networked markets reminds readers to think beyond features, advantages, and benefits when predicting the product's rate of market acceptance.

**References**

[1] Rodgers, Everett M. *The Diffusion of Innovations*, 4<sup>th</sup> edition, New York: The Free Press, 1995.

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