AUTOMOBILE SUPPLIERS’ STRATEGIES AND THE DYNAMICS OF ‘KEIRETSU’ IN THE AGE OF ELECTRIC VEHICLES

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ABSTRACT
Many automobile makers today are experiencing a turbulent business environment because of a radical change in core technology, the shift from gasoline vehicles (GV) to electric vehicles (EV). This shift is considered to make it necessary for automobile manufacturers to change existing automobile architecture, reduce the number of components by around two-thirds, and re-organize the ‘keiretsu,’ a set of close networks between automobile makers and suppliers in Japan. On the automobile industry’s status quo, we investigate the shift over time in the strategies of suppliers, who have maintained close relationships with keiretsu makers. Using a survey questionnaire, we explicate their thoughts about their situation and how they are reconstructing their existing relationships. Through this survey, we discover whether they strengthen or undermine those relationships, or build new relationships. Through our investigation we lead our conclusion.

Keyword: Dynamics, Keiretsu, Electric Vehicle, Architecture