

Chapter 2 Assessment

Please read the case study below and answer the question

“Being the most powerful car maker in the world, Toyota holds many number one titles: No. 1 sales worldwide, No. 1 sales in Japan, best-selling car in the world (Corolla), best selling car in USA (Camry), most factories all over the world, the widest range of vehicles, highest profitability...

Toyota is a typical example of how Japanese industry succeeded. Although it is often conservative in design and not very creative in bringing new ideas, its special attention to build quality and reliability wins customer confidence gradually. Its emphasis on technology development and production efficiency results in up-to-date products and good value for money. That's why its cars capture a lot of brains if not hearts. Nevertheless, in recent years Toyota starts getting more creative no matter in design and technology. Examples are Pruis and iQ. Hopefully it will be even stronger in the future.

Toyota does not have many brands and subsidiaries. Most cars are sold under its own brand, while Daihatsu takes care of mini cars (especially Kei-cars) and Lexus concentrates on premium and luxury cars. Scion is a youthful brand created by its US marketing division and is still rather insignificant. Heavy trucks and commercial vehicles are produced by its subsidiary Hino. Toyota did not invest into foreign marques, as it believes more in its own effort.”

1. Illustrate the long wave cycle (Betz suggestion).
2. What are the latent hypotheses proposed by Betz?
3. According to the long wave cycle, explain how Toyota can hold many number one titles for a long time as stated above.

