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The Emergence and Growth of Mega-suppliers
in the Automotive Industry

(Abstract)

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The Emergence and Growth of Mega-suppliers
in the Automotive Industry

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Abstract

In this paper, we have examined the emergence and growth of mega-suppliers in the automotive industry and discussed the factors behind it. We found that mega-suppliers, created by the growth of some Tier 1 suppliers, have become increasingly important over time. It was found that mega-suppliers were created by the "cascade effect" of large-scale outsourcing by automakers. But even among the mega-suppliers, there are some that rise and fall. Even if they are at the top of the sales ranking, they cannot survive continuously. In the future, it will be necessary to conduct surveys and research on issues such as what kind of growth strategies mega-suppliers are implementing to maintain long-term sustainable competitiveness, and how they are utilizing external resources through M&A.