



Third Way Forum

INFOGRAPHICS

Weekly Meeting Highlights 3.9.20

Execution of Global Strategy within Japanese Companies

Summary

- **Realities & Current Challenges**
 - Japanese companies are often thoughtful in adoption & slow to adjust
 - Adoption of new markets can lead to twice as much work and only half as much clarity of direction
 - Defining “strategy” is crucial and often complicated for companies
 - Many companies being forced into overseas markets for survival
 - Increased focus on profitability over market share
 - Lacking in overall know-how once overseas
 - Intercultural communication generates additional challenges
 - Japanese companies treat their domestic market very differently from international markets
 - Differences of expectations of quality and price
 - The Japanese consumer has notoriously high expectations
 - Companies tend toward an intense focus on the needs of the Japanese market
 - Customization in foreign markets seen as challenging or unnecessary
 - Generating and supporting a “Global Mindset” of Japanese employees remains uncommon
- Japanese companies who merge or takeover international companies will often stay very hands-off so long as the company delivers revenue back to Japan
 - Can lead to 2 headquarters within a single company
 - Japanese HQ
 - Worldwide HQ
 - Japanese talent sent overseas for development and then brought back
- A “sense of crisis” will lead to adaptation toward global strategy
- *Sacred Japan* mentality may be harming growth

Third Way Considerations

- Consideration of UNIQUE SELLING POINTS
 - Japanese toilet seats...
- Need for STRATEGY BEYOND THE PRODUCT
 - Company mindset
 - Unified approach
 - Clarify the rationale for globalizing
- Clarify the PURPOSE of your global outreach/expansion
- Be wary of ONE WAY globalization (only taking Japanese products OUT THERE)
- Global functional strategy can connect to create a Global Strategy
 - Supply-chain / cost-reduction/etc.
 - Various solutions to each, when put together, global strategy can emerge
- Must be considerate of autonomy
- Synergy is required in order to evolve Global Strategy
- Linkage between intensely localized, domestically, and properly globalized, internationally, is the key.
 - Both are vital, neither can be lost...they need to be aligned
 - Is there really a “global” way?
 - Exported products simply spread the domestic product/mindset/protocol
 - Possibly disguised as *domestic*
 - Logistics are important for serious consideration
- Learn from the past and apply it to future adaptations
- Consider a “regional approach” a-la an orchestra mindset
- Japan is only 1 of the many markets and must be seen as such