

Technological Innovation and Competitive Advantage of Japanese Companies of the Home Recording and Playback Equipment Industry

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This paper treats the historical development process of home recording and playback equipment industry as a symbol of technological innovation of Japanese companies and discusses how it has occurred and gained competitive advantage.

This purpose of this paper is to clarify the characteristics of competitive advantage of Japanese Companies by discussing how home-use VTR has dominated the global market of consumer electronics industry focusing on the process of the innovation.

The composition of this paper is as follows. The foreword surveyed the researches on the VTR industry and indicated the necessity of the viewpoint of innovation. Chapter 1 organized discussion about the innovation and the business strategy. Chapter 2 examined about the research and development activity of Japanese companies as well as European and American companies in the period from the 1950s to 1976 which was the beginnings of the VTR industry. Chapter 3 studied the incremental innovation of Japanese companies from 1977 to 1987. Chapter 4 researched the improvement of the product manufacture and product development of Japanese Companies from 1988 to the beginning of the 2000s. Chapter 5 discussed the development of the digital equipment. Chapter 6 surveyed the innovation of the DVD machine at the beginning of the 21st century.

The last chapter argued the characteristics of technological innovation and business strategy which brought the competitive advantage of Japanese companies. The success in technological innovation played a major role to build competitive advantage, Japanese companies performed their innovation strategy on the bases of organizational capabilities in relation to change of market and behavior of competitors. The heavy competition among Japanese companies accelerated their innovation.