
Editorial

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Biographical notes: Leonardo Buzzavo is a Junior Professor of Business Strategy at the Faculty of Economics, Ca' Foscari University of Venice, Italy. His research focuses on strategy innovation, on the impact of globalisation and ICT on strategy and marketing, and on the automotive supply chain, with specific focus on distribution activities. He is a Senior Advisor for the International Car Distribution Programme (ICDP), where he has been involved since its establishment in 1994. He is also the founder and Program Coordinator of Automotive Dealer Day and the founder of the Automotive Dealer Academy (Audea).

1 Introduction

The automotive industry has been undergoing a major reorganisation since the late 20th century, which has involved many practitioners and scholars in a constant effort to understand and document the developments taking place. Among others, the widely known initiative by the IMVP group in the 1980s, the flourishing of literature on the lean production model and techniques, and the establishment of industry research forums (such as the Gerpisa network) have gradually contributed to a more profound understanding of the situation.

It must, however, be said that much less attention has been dedicated to the marketing and distribution arena in the international context. This gap is particularly relevant for two major reasons. On the one hand, distribution represents a considerable portion of the automotive value chain (its cost is generally estimated by industry observers between 25% and 30% of the vehicle list price and the number of employees involved in sales and servicing activities in mature markets such as Western Europe is usually higher than those involved in manufacturing and assembly), hence its role in achieving greater efficiency levels that are required by today's heavy competition is quite key.

On the other hand, the distribution chain is also a focal point for the effectiveness of the whole automotive system. First, it is a territory for value creation: the value of the automotive 'product' perceived by customers is not just determined by the vehicle itself but depends on many factors linked to the point of sale and service. Secondly, it is a fundamental context where to match supply and demand, not just 'shifting metal downwards' but rather activating intelligent 'market sensing' mechanisms are beneficial for the whole system.

For these reasons, more focus, attention and research are needed in the automotive marketing and distribution field, and this special issue is an attempt to provide a contribution in this direction, with a set of different works by selected international authors, each focusing on different aspects of such context.

2 Contents of the special issue

The contributions presented in this volume have been selected, adopting specific criteria of relevance for the topic and robustness of methodological approach.

In the current extremely competitive landscape, manufacturers are fighting hard for market share. On the one hand, they are constantly expanding their offers with striking degrees of product variety, while on the other hand, they are intensifying the pace of product innovations in design and contents.

The work by *Ballot, Segrestin and Weil* in this issue addresses the economic aspects related to product diversity, focusing on the critical role of dealers in influencing consumers' choices. It is key for manufacturers to develop product ranges with a breadth that is not just attractive in principle but actually capable of generating returns, also by carefully examining the dealers' role in the pipeline, often shaped by a 'sell from stock' logic.

The work by *Stocchetti and Volpato* shows how a great driver of sales is not much product differentiation but rather product innovation (new models and facelifts). Through an analysis of product life-cycles the authors provide solid evidence that can provide a useful basis for future decisions.

As said, the reorganisation in place in the automotive distribution industry is unfolding with a constant search for greater efficiency, which also requires also the exploitation (and integration) of information and communication technologies. To this extent, the work by *Adebanjo* contained in this volume highlights how the application of communications technology to downstream activities within the automotive industry has not been as significant as that of other sectors such as the electronics and food industries. His contribution examines the challenges faced with regard to communication between manufacturers, automobile dealers and consumers, looking at different case studies focused on lead management, car finance and reverse logistics, indicating that not just technological investments but also relationship development between manufacturers and dealers are required.

But a greater efficiency of the automotive supply chain can be achieved only through adequate measurement approaches that allow grasping the overall performance levels rather than suboptimising local areas. The work by *De Leeuw and Beekman* provides a contribution in this direction, dealing with performance measurement in the parts supply chain, focusing on spare parts, and discussing how there is scope for improvement in this direction.

A total supply chain perspective also implies looking at the dynamics of dealer–manufacturer relationships, which are at the same time influenced positively by trust and negatively by power and conflict. As the work by *Nadin* in this volume shows, the former drives to a collaborative behaviour by the dealer, the latter, together with calculative commitment, have great effects on the dealer's behaviour of compliance. As a

consequence, if automakers need more cooperation from their distribution networks, they will be required to invest in fairness and in non-coercive behaviour in order to consolidate dealers' trust.

This volume also contains two more contributions. The work by *Klonowski* addresses a case of consolidation in the automotive parts aftermarket chain in the Polish market, addressing the efficiency gains, the drivers and critical challenge of the initiatives, and the entrepreneurial dynamics involved.

Finally, the work by *Buzzavo* looks at the reorganisation affecting automotive dealers, by examining their business strategies and the key success factors through a fieldwork involving large dealers in the Italian market. While considerable heterogeneity still exists among dealers' structures and strategies, some common points on success factors emerge, highlighting the most critical areas where dealers and manufacturers must invest resources and managerial focus towards better efficiency and effectiveness in the near future.