

ABSTRACT

This project examined management decisions of the Japanese direct investor in the Thai automobile industry particularly Tripetch Isuzu Sale Co., Ltd. (TIS) before and after economic crisis. Relevantly, the Thai economic overview and the impacts of the crisis, the situation in the automobile industry, TIS' strategic choices, and the performance of TIS' strategy were studied.

The Thai economy as well as the automobile industry had expanded rapidly since the second half of 1980s. Unfortunately, it began to moderate in 1996 and entered into a deep and prolonged down-cycle in 1997 due to the economic crisis.

External environmental factors tended to be hostile to the automobile industry. Moreover, the competition in the industry was fiercer and profitability tended to be lower. These factors affected the automobile companies negatively. To sustain their position, proper strategies had to be used.

Tripetch Isuzu Sale Co., Ltd. (TIS) was the case to study about the perception of TIS in the automobile industry toward external environment dynamic, the management choices in strategy before and after crisis, and the strategic performance/ effectiveness in terms of market shares. The information is mainly based on the personal interviews.

From the studies, TIS disclosed that the importance of external environment after crisis was in the higher level and its impact tended to be more negative. Mainly, TIS' strategies after crisis were export-orientation, market consolidation, product development, withdrawing unproductive products and sections, cutting manpower, reducing production, and horizontal diversification. With these strategies, TIS could sustain its position in being the number one in commercial car markets and the number two in the automobile industry.