

# Chapter 15

## The Power of Cross– Functional Collaboration and Market Knowledge Integration to Achieve Competitive Advantages in the Automobile Sector

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### **ABSTRACT**

*The automotive industry is often regarded as a crucial pillar of the economy in several developed countries. Manufacturers are required to identify and implement strategies aimed at enhancing product quality, enhancing the adaptability of their production facilities, optimizing supply chain networks, managing technical intricacies and variations, and sustaining competitiveness in both developed and emerging nations. This chapter provides insights into the method of collaboration, enhances the utilization of essential automotive technology, and reinforces the fundamental competencies of a manufacturer. Additionally, this emphasizes the crucial roles that cross-functional collaboration and market knowledge integration play in industrial applications as a means to gain competitive advantages. This study highlights the necessity of embracing innovation adoption within the automobile industry to attain competitive advantages and establish sustainable mobility.*

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## **1. INTRODUCTION**

The manufacturing sector in India has experienced significant growth as a result of the country's constantly increasing population. There has been a notable rise in investments within the industry, with initiatives such as the "Make in India" project seeking to establish the South Asian nation as a global manufacturing hub. In fiscal year 2022, the manufacturing sector saw an annual output growth rate of 11.4% (statista.com, 2022). The automobiles industry encompasses the activities of designing, constructing, manufacturing, and commercialising motor vehicles. It offers a mode of transportation that is comparable to the utilisation of commercial and passenger vehicles in several countries, resulting in substantial financial gains. The implementation of cost-effective manufacturing necessitates the utilisation of a key piece of machinery. The process of transforming unprocessed resources into automobiles and its constituent components is commonly referred to as automotive manufacturing. Manufacturers with superior capabilities will exhibit enhanced competitiveness within the market, resulting in increased sales of their technologically sophisticated and ergonomically superior automobiles. In addition to possessing the most prominent vehicle manufacturers, top-performing organisations also provide a strong framework for marketing and branding initiatives, which are integral elements of the marketing discipline (Gawer & Cusumano, 2014). Certain automotive enterprises perceive a significant threat from the evolving structure of the sector, whilst others perceive a prospect. The automotive sector has seen a substantial transformation due to technical obstacles such as autonomous, connected, electric, and services mobility, stringent emissions regulations, the increasing significance of Asian markets, and evolving customer preferences. As the corporate environment changes, creating new strategies and plans is crucial. The upgrading and integrating of information and ideas from numerous sources to produce a formula for a firm are made possible by market sharing and technological advancements. One of the important economic sectors both internationally and in India is the automobile sector. The industry has a significant multiplier effect on industrial growth as a result of its extensive forward and backward links with several important economic sectors. Through the factor movements of commodities and people in the economy, the increase in efficiency and productivity, directly and indirectly, enhances the efficiency of other sectors. As a result, the sector is acknowledged as one of the main forces behind the economic expansion and a considerable contributor to the country's overall GDP (Burange & Yamini, 2008). Cross-functional collaboration and market knowledge integration include combining experts with knowledge, experience, and skills from several sectors. Additionally, it promotes a more expansive way of thinking. In a manufacturing environment, cross-functional teams can handle a variety of problems, from a lack of talent to boosting productivity. Additionally, Computer-based technology boosts productivity, saves time, and lowers production costs, all of which help businesses gain a competitive edge (Jindal, 2019).

Nevertheless, there has been a notable increase in dynamics and unpredictability attributed to shifts in the market, legislative measures, alterations in consumer behavior, and the emergence of novel product developments. An evaluation of the level of rivalry among Indian automotive businesses has been made possible by understanding the factors that contribute to each company's competitive advantage. To establish and sustain a competitive advantage in the luxury automotive sector, the conventional premium vehicle manufacturer must undergo a transition into a mobility technology firm. To enhance the efficiency of the automotive sector, it must align with contemporary developments by prioritizing digitization. This entails fostering cross-functional collaboration and integrating market knowledge.

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