

DEVELOPING A CORPORATE ENTREPRENEURSHIP INITIATIVE: TOYOTA MOTOR CORPORATION'S STRATEGIC EXPANSION INTO URBAN MICRO MOBILITY SOLUTIONS

Amir Iskandar¹, Muhammad Khaerul Ummam², Istia Budi³

amir-iskandar@stiemadani.ac.id¹, umam@stiemadani.ac.id², istiabudi@universitasmulia.ac.id³

STIE Madani Balikpapan

ABSTRACT

The strategic transformation of Toyota Motor Corporation from a traditional automaker into an integrated mobility solutions provider through a corporate entrepreneurship initiative. Facing global challenges such as urban congestion and decarbonization, the research proposes "Toyota Urban Connect," a strategic expansion into the urban micro-mobility ecosystem. Grounded in the frameworks of Kuratko and Audretsch's strategic entrepreneurship and Covin and Miles' strategic renewal, the study employs a comprehensive SWOT and competitive landscape analysis. The proposed initiative integrates high-end electric hardware manufacturing with IoT-enabled smart infrastructure and a Mobility-as-a-Service (MaaS) subscription model. To overcome organizational rigidity, the project is structured as a semi-autonomous business unit designed for agile decision-making. Findings suggest that by leveraging its Toyota Production System (TPS) expertise and global reach, Toyota can capture a significant share of the projected \$300 billion micro-mobility market. The initiative requires an estimated \$1.25–\$1.8 billion investment over four years, aiming for a 15-20% operating margin, ultimately aligning with Toyota's "Mobility for All" vision and long-term carbon neutrality goals.

Keywords: Corporate Entrepreneurship, Toyota, Urban Micro-mobility, Strategic Innovation, Mobility-as-a-Service.

INTRODUCTION

Company Background

Historical Evolution and Market Position

In 1937 Kiichiro Toyoda commenced the first phase of Toyoda's Motor Manufacturing Company, the first automobile manufacturer in Japan, as a subsidiary of Toyoda Industries in 1937. As a manufacturer, the Company's advance to a dominant player in the world automotive market is attributable to the Toyoda Production System which changed the world of manufacturing on the basis of continuous improvement methodology to what is known in modern industry as lead or just in time production developed by Taiichi Ohno in the 1950's.

Toyota thrived as the world's leading automobile manufacturer during the phase of the company's strategic globalization which commenced in 1957 with the first automobile manufacturing operations in the United States and later domestically and internationally in several other countries. Hybrid and green technology in the automobile industry, first introduced with the Prius in 1997, was a disruptive innovative product that changed the automotive industry and ultimately the world. Corporate entrepreneurship that focuses on strategic vision and sustainable business practices is what Toyota exemplified and what led to Toyota's worldwide leadership in the automobile industry.

As of 2024, Toyota is still the largest producer of automobiles alongside its competitor, Volkswagen. The company owns several brands including Toyota, Lexus, Daihatsu, and Hino and markets everything from economy passenger vehicles to luxury cars to commercial trucks. Toyota's brand value is \$64.5 billion, which is due to the company's high standing in consumers' markets and their trust toward the company. The company is one of the largest employers, with 370,000 active employees around the world, and its manufacturing plants, research and design offices, and vehicle distribution centers on all six continents.

Corporate Philosophy and Strategic Direction

Toyota practices what it preaches. Through the philosophy dubbed the Toyota corporate culture, The Toyota Way, Toyota practices Respect for People, Continuous Improvement, and Sustained Growth. This stakeholder philosophy is embodied in the Vision 2030 mission statement, which focuses on the customer, what products the company will deliver, and what service the company will deliver. This customer service philosophy is the right service for the customer. Toyota has service offered to the customer on a wide range of products for over 76 years, which is what honestly gives Toyota a sustainable competitive advantage. The company has service offered to the customer on a wide range of products to drive the company changes, which is what honestly gives Toyota a sustainable competitive advantage. The company has changed service offered to the customer on a range of products. Toyota has service offered to the customer on a wide. The company is Driving ultimate customer satisfaction by extending the business and diversifying.

Under the guidance of Koji Sato, President of Toyota, a new Multi-pathway approach to reaching carbon neutrality has been clearly defined by Sato and Toyota. Sato clearly understands the challenges of varying global economic environments and the varying customer needs and has developed a range of service options for to accommodate the customer and drive the objectives of the organization. Toyota holds the customer value proposition to hydrogen and hybrid vehicles, batteries to support a range of electric vehicles, fuel cells and alternate fuels. Toyota holds the customer value proposition and clearly understands his/her needs. Toyota value proposition is to offer to the customer and support via technology for a wide range of new business products to the consumer. This includes supporting artificial intelligence in business and electric vehicles. The foundation of Toyota startups and partnerships to advance new technology for mobility solutions clearly demonstrates Toyota Ventures strategy of over \$500 million in new mobility. To address new technologies in mobility solutions partnerships, Toyota Ventures strategy of over \$500 million is clearly demonstrates Toyota's mobility solutions.

RESULT AND DISCUSSION

Entrepreneurial Opportunity Analysis

SWOT Analysis: Corporate Entrepreneurship Capabilities

Strengths

Toyota has considerable strengths which foster the potential for corporate entrepreneurship. Though the company's worth is \$64.5 billion, the value of the trademark is more than that. Toyota has developed and maintained its image for quality and reliability, which aids in penetrating the market with brand new products and services. The Toyota Production System is an unrivalled competitive advantage in the streams of operational efficiency and quality control, and can be utilised in an array of products and services outside of the traditional vehicle market.

The company has developed and maintained technological leadership in the hybrid and electrification systems and is equipped with the relevant capabilities to advance innovative mobility solutions. Since 1997, 11 million electrified vehicles have been sold, bringing extensive experience in systems for managing power, batteries, and electric propulsion systems. This expertise is evidenced in the mobility products developed, such as electric scooters, bicycles, and other personal mobility devices. Financially, Toyota is strongest, with 5 trillion yen in operating profits and an A+ from Fitch, more than enough to fund entrepreneurial initiatives and take business risks.

Economies of scale and operational flexibility can be achieved from the company's global supply chain network, which includes thousands of suppliers and manufacturing plants around the world. In addition, the commitments of Toyota's pre-existing innovation platforms,

such as the Toyota Research Institute, Woven Planet, and Toyota Ventures, provide evidence of the company's intention to integrate new technologies with innovative business frameworks.

Weaknesses

Although Toyota is one of the leading companies in the industry and is focused on entrepreneurial ventures, the company does have weaknesses that affect its internal entrepreneurial potential. The company's internal hierarchy, which is in place due to the importance of quality, is necessary for the control of operational inefficiencies. However, from an entrepreneurial perspective, the lack of control that employees have can be detrimental to opportunity recognition and the exploration of innovative new strategies in the business education units.

The lack of communication and the closed-off corporate culture based on the traditions of Japanese firms can lead to a lack of collaboration opportunities. Also, the ultra-conservative paradigm that Toyota has adopted can be a significant hindrance to innovative radical entrepreneurial strategies. It is also worth stating that Toyota has a multi-faceted approach to the adoption of new automotive technologies. For example, it has been less responsive to the introduction of fully autonomous vehicles and has been overtaken by companies such as Tesla and Waymo.

It is worth noting that Toyota has a closely knit relationship with the automobile industry. It is no wonder that the corporation will have to address the internal response to its abandonment of certain business school competencies. Additionally, a computerised product to manage the gaps in quality systems control is bound to have technical complications in the automobile industry. A product to manage the gaps in quality systems control is bound to have technical complications in the industry.

Opportunities

Toyota can capitalise on the opportunities for entrepreneurial growth in the global mobility market. Urban micro-mobility is one of the most rapidly emerging segments within the market with an anticipated value of \$200-300 billion by the year 2030. Factors such as growing urban populations, environmental issues, and consumers' adaptive behaviours towards the purchasing of products that are more readily available and/or sustainable and environmentally friendly, are all contributing to the growth of this segment. Cities across the globe are implementing strategies to reduce their dependency on automobiles, therefore opening the market for other mobility products and services.

The mixture of electrification, mobility-by-connection, and mobility of services creates the potential to extend the domain of mobility to all services, referring to the proposed mobility industry as an integrated ecosystem. From within the range of individual transportation services, micro-mobility is proposed by Toyota. In order to address the need for differentiated products within the micro-mobility industry, Toyota should aim to integrate cutting-edge technology such as AI, robotics, and autonomous control. It is anticipated that other products and services which interconnect with the micro-mobility component of transportation may provide added value through features such as predictive maintenance and advanced safety technology.

The ability to provide customers with subscriptions has the potential to stabilise the market around mobility products, especially when coupled with the sale of traditional vehicles which can usually lead to a more volatile market. In addition, revenue can be forecasted to be on the increase with the implemented mobility-as-a-service model and the subscription-based economy. The sustainable economy and new mobility products are further supported by government policies which create a positive business environment to launch product innovations for mobility. Focused collaborations with technology, urban design, and shared economy actors can be used to rapidly design a mobility ecosystem.

Threats

Significant competition is developed in micro-mobility business from the likes of Segway-Ninebot, Xiaomi, and new companies like Lime, Bird, and Tier Mobility. These competitors have, and continue to, achieve, considerable success in the markets for shared mobility, and have implemented flexible organizational arrangements with the appropriate nimbleness and speed for success in the markets. Tech companies like Apple, Google, and others from China have the most available resources to gain and enter the new mobility markets from consumer electronics, connectivity, and platforms.

Different jurisdictions have different mobility regulations, such as uncertainties on safety standards, operational restrictions, and liability regulations, which makes these rules challenging to apply. Many urban areas also have poor infrastructure with limited charging, mobility lanes, and in general poor urban design for cycling, which will inhibit the wide use of the mobility innovations. There are macro economic issues to consider like a recession as movements in the mobility offerings are planned as discretionary consumer choices.

There are considerable issues with the rapid pace of technological development with battery, material, and connectivity design as these are the areas in which there will be the most obsolescence. Uncertainties regarding consumer acceptance of new mobility offerings and the behavioral change that may be required will limit market penetration. Conflict with traditional dealers and homogenous automotive business units within Toyota will provide internal resistance to competing with new mobility offerings in the mainstream vehicle market.

Market Opportunity Identification

The opportunity identified addresses urban micro-mobility ecosystems, and focuses on 'first-mile' and 'last-mile' issues of urban commuters on a global scale. There are glaring inefficiencies in personal and in public urban transport systems. Personal automobiles are parked and underutilized (95% of the time) while contributing to traffic congestion, scarce parking spaces and environmental degradation. On the other hand, public transport systems are efficient, however, a) they are not available, b) they are difficult, and/or c) they are inconvenient to use for short distance transit-ing to units of the end destination.

This presented opportunity allows space for Toyota to incorporate its reputation, technology and proficiency in micro-mobility to help solve the market gap. Urban commuters, full time and part time students, young professionals in urban tourism, and municipalities seeking for eco-friendly transport, are the target promenaders for Toyota. The target market is global, but eco-friendly transport is in high demand in developed urban centers. Highly populated urban areas that embrace and practice high environmental consciousness are the developing markets of this opportunity.

The company's strategy correlates strongly with their long-term outlook on 'Mobility for All'. It also provides the company with an advantageous market position that Toyota is likely to benefit the most from as the automotive market continues to develop and as the patterns of urban mobility shift. This represents an opportunity for the company to gain a first-mover advantage in a number of developing mobility segments and diversifies the company's revenue streams from traditional sales of automobiles that are becoming increasingly regulated in a market saturated in developed economies.

Competitive Landscape Analysis

The competitive landscape of micro-mobility can be broken down into three parts: personal ownership devices, shared, and integrated mobility. As for personal ownership, companies like Segway-Ninebot, Xiaomi, and other traditional bike makers have cemented their places in the market via consumer electronics sales and transfer into retail. These companies, leveraging the low prices and high quality of their products, dominate the market thanks to the advantages of Asian manufacturing, established networks, and distribution.

As for shared mobility, it includes venture-backed Lime, Bird, Tier Mobility, and Voi. They sponsor the largest fleets in the world and deploy them in large cities. These companies pioneered the dockless vehicle sharing business, mobile app integrations, and user-based pricing. However, a large number of players in shared mobility struggle to reach profitability because of the high costs of running the business, excise costs for vehicle maintenance, and costs that go with staying compliant.

Toyota's competitive advantages include excellent manufacturing abilities which ensure quality and durability in cars, established global distribution which reduces market entry barriers, a strong brand with safety and reliability which helps in building reputation with their consumers, their technical know-how with abilities in electrification and connected systems, and their financial resources which mean they can sustain investments through different phases in a market. The company can differ with premium positioning on customer safety, reliability, and integration with wider mobility ecosystems, with most of the competition focusing more on pricing with Asian electronics in mobility and operational efficiency with mobility startups..

Company Corporate Entrepreneurship Initiative Initiative Definition and Strategic Alignment

The upcoming project called 'Toyota Urban Connect' involves the creation of a composite urban micro-mobility ecosystem beginning with design, manufacturing, and distribution. There are three major components of this project. What the company currently does is to manufacture high-end, battery-powered, micro-mobility devices such as e-bikes, e-scooters, and other small vehicles. The second component is smart mobility which is an Intelligent mobility infrastructure with IoT devices, Predictive maintenance, Transport system integration. The third component is mobility service subscriptions which include Digital insurance, Digital services, and payment flexibility.

The changes strategically align with Toyota's strengths and weaknesses. For example, in the production part, he is able to incorporate the famous Toyota production system which is famed for optimising a production system to be both efficient and produce high quality. In production, the quality is lower and the price is higher. In connected services, it is the added competencies in AI, robotics, and from Woven Planet and other entities' digital platforms which enhance Toyota's growing robotics and digital platforms.

One major weakness for Toyota is slow decision-making, but this is countered by the creation of independent subsidiaries within the company that have the ability to pursue goals and make changes quickly and autonomously from Toyota. Another major weakness for Toyota is entering into specialised technology and mobility markets. Toyota solves this weakness by forming strategic partnerships as a way to enter the market quickly. The mobility initiative closely aligns with Toyota's new strategic goals of achieving carbon neutrality and the greatly enhanced focus on mobility and shifting from just a car manufacturer to a mobility service provider.

Business Model Development

Target Market Segmentation

The main focus is on people with jobs who live in big cities. For this company, the ideal clients have a disposable income, are tech savvy, are environmentally conscious, and are between the ages of 25 and 45. Potential clients also include university students and young professionals who are looking for affordable and flexible transportation options aside from buying a car. Secondary clients are businesses and municipalities that need sustainable transportation options for their workers. The company is looking to focus its efforts on North America and Europe and some parts of Asia. These selected areas have a developed regulatory framework, good transport integration and have high levels of sustainability..

Value Proposition

Notable advantages of Toyota Urban Connect are: Safety as we lead the market with collision avoidance and other systems like advanced stability control. Also, we have full suite automotive lighting engineered with the latest technology, Reliability and durability as we have objectives which require little upkeep as we are Toyota's durable and reliable reputation. Integrated into existing transport networks with real time navigation, multi-modal trip planning and public transport systems collaboration. Service packages with insurance, maintenance and theft protection which remove worries around total cost of ownership, Sustainable design based on zero emission operation and Circular Economy with reusable components, plus batteries, optimised through lifecycle management and closed loops.

Revenue Streams

The business can earn income from multiple revenue streams which gives them less risk. There are also repeat customers. One of these income streams is products sales. There is an advantage of selling premium personal mobility products, even if that is 20-30% more than the competitors, because the products are of better quality, better safety, and the brand is overall better. £1,500-£3,000 is already a profits range in selling an e-scooter and e-bike which is more than a conventional vehicle. The company makes money immediately from the products it sells, however, the software subscriptions are the company's primary source of income. Between £79 and £199 is earned every month and that amount varies by service and by region. In tier one, device maintenance, social and fitness services, insurance, and premium navigation for the devices are all included. This makes it much easier to capture high customer value and allows long-term profit to be realised without having to purchase a significant device.

Partnership agreements with municipalities, corporate offices, and large real estate developers are beneficial for the acquisition of contract revenue. These entities purchase the same transportation services from the company and the company incorporates their infrastructure. Additional revenue is generated from mobility data and software, allowing a company to sublicense its mobility software through a SaaS model.

Cost Structure

The first category of cost is production and supply chain costs that include purchasing parts, assembly and distribution, which is around 40-45% of income at the initial scale and goes to 35-40% of income at production scale because of economies of scale. Then, there is cost on the research and development, that is, the costs, on battery technology, connected systems, and safety mechanisms development, which is expected to be at 10-12% of the revenue, that is on par with the industry spending.

The establishment of customer acquisition and distribution channels built to enter a market will require investment in branding to constitute about 15-18% of revenue. We expect investment in operational cloud-based technologies to constitute 8% to 10% of revenue and focus on cyber secure architectures and programs for the Industrial Internet of Things, mobile applications, and connected customer systems. 12-15% of revenue will be allocated to warranty, customer care, and support in provision of customer services and systems to be offered on a subscription rather than system basis. These will, however, be expected to have a greater proportion allocated to on-going customer support and be to enclosure device services more than offered on systems.

As the system of production is expanded, the supply chain is optimized, and new technologies are adopted, the economics of operations from the distributed system will continue to develop. With an expected target operating margin of the business model of between 15 to 20 %, which is better aligned to the premium auto segment while also being multiples higher than the completed transformation of shared mobility which operates at low to negative margins.

Marketing and Sales Strategy

The go-to-market strategy consists of numerous components and will commence with the inaugural instance of three test cities in North America and Europe which will act as the ideal learning and scaling location. The distribution will be hybrid as we will leverage Toyota's current dealer networks as well as other urban mobility centres in highly populated e-commerce and mobile app-driven locations. The marketing strategy will focus on differentiating the new innovations that are of high quality, safer, and branding Urban Connect as the trusting go-to. Campaigns will be tailored to market Urban Connect as a healthy, environmentally friendly, and sustainable modern lifestyle choice. The main aim of the partnerships with businesses, colleges, and municipalities will be to facilitate market mobility and regulate compliance.

Implementation Plan

Phased Implementation Roadmap

Phase 1: Foundation and Development (Months 1-12)

Establishment of the organisational infrastructure, the primary product offerings, and the capabilities for accessing the market happens during the foundation phase. The most important milestones for this phase will be the launch of the Toyota Urban Connect business unit, with its own leadership and resources, and with full control over its operations and the product design and engineering of the first Portfolio of Devices, which includes Toyota safety technologies flagship products like e-bikes and e-scooters, completion of the digital platform for IoT enabled mobile applications and the digital backend for the management of the mobile applications, system for market and customer validation in the target pilot cities, and the systems of the Internet of Things (IoT) for both mobile applications and digital backend management.

Market and customer validation in target pilot cities, systems for the Internet of Things (IoT), and digital management for mobile applications. This phase also includes comprehensive market and customer research. This phase will require additional investment of about 150-200 million dollars, covering product and organisational structure development, technological infrastructure, and comprehensive market and customer research. Success indicators in the pilot markets include obtaining the required regulatory approvals, and having gained positive customer feedback, or expressed validated demand, system for market and customer validation in target pilot cities. This will indicate refinement in product development. The addition of at least three major component supplier partnerships is also an indication of system Access for multiple customers at market demand levels. Regulatory approvals required also indicate demand on the market levels needed.

Phase 2: Pilot Launch (Months 13-24)

Market entry for controlled growth in the validation stage of the business model runs concurrently with the operational pilot phase of the business plan. Activities include commercialising and marketing the sale of products and subscriptions in three pilot cities with a potential addressable market of 8 million residents. Additionally, the establishment of 10-15 urban mobility centres with retail and customer experience functions. There is the initial deployment of 10,000-15,000 devices for distributed production within each of the marketing pilot cities. Complete marketing efforts to technology early adopters. Comprehensive data is collected for model performance to optimise business strategy alignment with customer goal operational data.

The second phase has projected additional required funding for this stage of the strategy to range from 300-400 million dollars. This is from an expected investment for marketing scaled production of the devices, retail infrastructure and deployment of inventory. Success is defined by the sale, or subscription, of 8,000-12,000 devices within an annual marketing window, a customer satisfaction rating of 4.2/5.0 and by a certification of the unit

demonstrating economic viability with an unambiguous potential to profit characterised by 2 large business-to-business partnerships with municipalities purchasing the units.

Phase 3: Market Expansion (Months 25-48)

In this part of the expansion, the business enters more markets, obtains more products, and develops more services. This business will expand to and set up in around 15 to 20 more cities in North America and Europe, and some in Asia, too. Technology and customer feedback will frame the products in the line. The company will have the capacity to produce 100,000 devices per year. The company will also have a complete service network that includes customer service and maintenance for the devices. The company will enter partnerships with public transport companies to offer customers connected transport services.

In order to finance the planned expansion of the factory facilities, the new market entries, and the implementation of new technologies, the company will have to raise from \$800 million to \$1.2 billion. The financial costs will require selling about 75,000 to 100,000 machines. \$800 million fitting to minimum will be eroded and the company will have to show positive quarterly earnings to cover the ongoing costs. The company hopes to have 40,000 to 60,000 clients for such service. The company aims to create an outstanding new brand well known for its offerings within the sector of urban mobility...

Resource Requirements

Financial Resources

Estimated investment over the four spending years ranges between \$1.25 to 1.8 billion dollars. This can easily be absorbed in Toyota's 10 billion dollar annual cap-ex budget for the given period. Attention will be split as follows, product development and development of manufacturing infrastructure, 40 to 45 percent, tech platforms and digital services, 20 to 25 percent, integrated marketing and brand, 15 to 20 percent, retail and service infrastructure, 10 to 12 percent, and 8 to 10 percent working capital and funds for uncertainty. Fueling investments from this range will allow Toyota to meet the forecasted investments while resetting risk and sustaining satisfactory financial position.

Human Capital

Concerning your regional staffing in Phase 2 the current goal is to maintain staffing levels of 400-600. Expect to need a bespoke organisation with additional employees to help the mobility internal staff, tech services, and urban planning employees. New internal hires should include an entrepreneurial general manager mobility, an industrial designer on the product development team with mechanical engineering and battery tech, a DTC subscription services marketing and customer experience manager, and an operations executor with experience in the production, supply chain, and service delivery management. The tech service organisation will focus on software engineering for mobile applications and IoT systems with a data analytics team.

Technological Infrastructure

To produce micro-mobility devices, specific technology, production, and assembly line infrastructures are required. For micro-mobility devices production and assembly, IoT devices and cloud computing systems at Toyota have plenty of adaptable existing manufacturing plants and can be supplemented with specialised assembly lines. Integrated systems are required to protect customer data and device cybersecurity. Lastly, safe and reliable devices are given thorough validation and testing, and this must be done.

Organizational Structure and Governance

Given that Toyota Urban Connect (TUC) holds the status of a semi-autonomous business unit within Toyota's organisational structure, it has the privilege to report to the company executives while also enjoying operational freedom that allows for entrepreneurial nimbleness. Such a structural arrangement allows for the retention of corporate supervision while ensuring that the business unit has the necessary room to manoeuvre for rapid decision-

making that is critical in responding to market opportunities.

Within this organisational structure, the management under a General Manager (who holds full P&L responsibility) makes the primary managerial decision, while the Vice Presidents of Product Development, Technology and Digital Services, Marketing and Sales, and Operations report directly to him/her, but in turn coordinate with Toyota's Chief Technology Officer and Chief Strategy Officer for guidance on technical and strategic matters, respectively. There is also an advisory board composed of mobility services and urban mobility planning experts, and technology entrepreneurs to inform the management on trends within the market and provide the necessary guidance for the formulation of the company strategies.

Business governance within the unit features quarterly business reviews conducted with executive management focused on evaluating the business unit's financial status, strategic objectives, and risk management. There is also a stage-gate process for all significant new market entry and investment opportunities to control spending. There are also integration forums where the unit collaborates with and incorporates Toyota's automotive operations, research institutes, and venture capital services. The unit and for that matter the business strategy also incorporates non-financial performance measures to monitor firm performance such as market share objectives, customer satisfaction, and brand equity.

CONCLUSION

The Urban Connect Initiative from Toyota is one of the most lucrative micro-urban mobility opportunities in the market. Blending the two concepts of urbanisation with sustainability, the opportunity is a perfect fit for Toyota. The research indicates the opportunity is legally defensible. The strengths of Toyota: brand reputation, advanced manufacturing, cutting-edge technology, and available cash are what Toyota needs to capitalise on this opportunity. In the Urban Connect initiative, Toyota has an opportunity to fulfil a gap in the market projected to be \$200 to \$300 million by 2030. The Urban Connect initiative will put Toyota an arm's length away from competitors by providing quality, safe, and integrated services. With an expected operating margin of 15-20% at scale, the business model will be multi-faceted incorporating direct sales, a subscription model, and B2B partnerships which will ensure revenue diversification.

The projected cash outlay of \$1.25 to \$1.8 will be in the range of 4 years with little or no risk on the cash flows expected from the initiative. The Urban Connect initiative will enhance brand value for Toyota by also allowing for differentiation as a complete mobility provider. Further, the initiative allows diversification as Toyota will be able to incorporate and enhance digital and subscription services. The initiative allows Urban Connect to fit seamlessly into the multifunctional Global Transformation with Mobility for All. Competitive risk is ubiquitous, however, the research initiative is comprehensive and the resultant go to market strategy is positioning Urban Connect for success. Urban Connect will fulfil a key market opportunity, is aligned to the strategy, and will allow Toyota to leverage its unique competencies.

REFERENCES

- Adamik, A., & Lisowski, B. (2025). Competitive advantage based on technology in times of technological breakthroughs and global crises: BMW Group and Toyota Motor Corporation. In *Strategic Response to Turbulence* (pp. 167-191). Edward Elgar Publishing.
- Bai, S., & Jiao, J. (2020). Dockless e-bike sharing: A new innovation in the sharing economy. *Cities*, 101, 102726. <https://doi.org/10.1016/j.cities.2020.102726>
- Bretones, A., Marquet, O., & Miralles-Guasch, C. (2023). Public health-led insights on electric micro-mobility adoption and use: A scoping review. *Journal of Urban Health*, 100(3), 612-626.

- <https://doi.org/10.1007/s11524-023-00731-0>
- Covin, J. G., & Miles, M. P. (1999). Corporate entrepreneurship and the pursuit of competitive advantage. *Entrepreneurship Theory and Practice*, 23(3), 47-63. <https://doi.org/10.1177/104225879902300304>
- IIDE. (2025, August 9). Toyota business model in 2025: Strategy, revenue & growth. IIDE Case Studies. <https://iide.co/case-studies/business-model-of-toyota/>
- Kuratko, D. F., & Audretsch, D. B. (2013). Clarifying the domains of corporate entrepreneurship. *International Entrepreneurship and Management Journal*, 9(3), 323-335. <https://doi.org/10.1007/s11365-013-0257-4>
- Ma, Y., Lan, J., & Thornton, T. (2020). Impacts of e-micromobility on the sustainability of urban transportation—A systematic review. *Applied Sciences*, 11(13), 5851. <https://doi.org/10.3390/app11135851>
- MANLY Battery. (2024, May 27). Toyota 2024: Innovations and economic challenges. <https://manlybattery.com/toyota-2024-innovations-and-economic-challenges/>
- Marketing91. (2024, December 18). SWOT analysis of Toyota. <https://www.marketing91.com/swot-analysis-toyota/>
- Osterwalder, A., & Pigneur, Y. (2010). *Business model generation: A handbook for visionaries, game changers, and challengers*. John Wiley & Sons.
- Panmore Institute. (2025, April 25). Toyota SWOT analysis & recommendations. <https://panmore.com/toyota-swot-analysis-recommendations>
- PitchGrade. (2024). Toyota Motor: Business model, SWOT analysis, and competitors 2024. <https://pitchgrade.com/companies/toyota-motor>
- Porter, M. E. (1980). *Competitive strategy: Techniques for analyzing industries and competitors*. Free Press.
- Strategic Management Insight. (2025, March 4). Toyota SWOT analysis (6 key strengths in 2025). <https://strategicmanagementinsight.com/swot-analyses/toyota-swot-analysis/>
- Toyota Europe. (2024). Empowering startups within the Toyota ecosystem. <https://www.toyota-europe.com/news/2024/empowering-startups>
- Toyota Europe. (2024). Innovation at Toyota. <https://www.toyota-europe.com/innovation>
- Toyota Newsroom Europe. (2025, April 1). Toyota reinforces its multi-pathway approach and its commitment to customer-focused innovation. <https://newsroom.toyota.eu/toyota-reinforces-its-multi-pathway-approach-and-its-commitment-to-customer-focused-innovation/>
- Toyota Newsroom. (2021, June 3). Toyota AI Ventures announces rebrand as Toyota Ventures and an additional \$300M to invest in emerging technologies and carbon neutrality. <https://pressroom.toyota.com/toyota-ai-ventures-announces-rebrand-as-toyota-ventures-and-an-additional-300m-to-invest-in-emerging-technologies-and-carbon-neutrality/>
- Toyota Newsroom. (2024, December 20). 2024 Toyota year in review: Celebrating legacy, milestones and innovation. <https://pressroom.toyota.com/2024-toyota-year-in-review-celebrating-legacy-milestones-and-innovation/>
- Urbano, D., Aparicio, S., & Audretsch, D. (2019). Twenty-five years of research on institutions, entrepreneurship, and economic growth: What has been learned? *Small Business Economics*, 53(1), 21-49. <https://doi.org/10.1007/s11187-018-0038-0>
- Zahra, S. A. (2015). Corporate entrepreneurship as knowledge creation and conversion: The role of entrepreneurial hubs. *Small Business Economics*, 44(4), 727-735. <https://doi.org/10.1007/s11187-015-9650-4>