# M5L18. Ford Motor Company First Mover and Fast Follower

## Slide #1Ford Motor Company First Mover and Fast Follower

A company can adopt both a first mover approach and a fast follower strategy for different products and in separate markets to develop competitive positions.

We will use Ford Motor Company as an example to explain how strategic decisions work.

## Slide #2Competitive Advantages

Ford Motor was the market pioneer of the mass production method of automobiles, and over the past several decades, the company has progressively evolved to create first mover advantages and fast follower competitive strengths, particularly because the auto giant has multiple products and several brands in global markets.

The company has created different market positions for different products.

## Slide #3First Mover

Ford takes a first mover approach to maintain its competitive advantage in its commercial vehicle business and the pickup business, which generate greater profits and brand value than the smaller vehicles business.

## Slide #4First Mover Advantage Examples

For example, the Ford F-Series pickup remains the most respected commercial truck available on the U.S. market and across the world.

The company introduced the Ford F-150 Lightning Pro, the first all-electric pickup, in 2023 ahead of Tesla and other automakers.

The company is also launching its first electric commercial van, the E-transit in 2024.

Ford was the first automaker to reach a tentative agreement with the United auto workers on October 25, 2023.

The agreement ended the union's strike against the automaker, marking a crucial step toward resolving a nationwide work stoppage that continued against two other Detroit automakers.

Stellantis and GM followed Ford's approach and reached agreements with the union soon after Ford's.

## Slide #5Fast Follower

However, Ford takes a fast follower approach to developing competitive strength for its smaller vehicles, which typically yield lower profit margins.

## Slide #6Fast Follower Strength Examples

For example, Ford worked with technology partners to introduce the Ford Pro software system, a productivity accelerator for fleet operators.

The Ford Affordable Electric Vehicles project is being led by Alan Clark, who oversaw the engineering of Tesla Model Y before moving to Ford.

The company is also releasing small electric crossover models in Europe this year that wear the Explorer name and ride on the same Volkswagen platform.

## Slide #7Strategic Approach Summary

In summary, it is common for a global company to take different strategic approaches to developing strong competitive advantages over its competitors in the market.

Just like Ford Motor, which takes a combined first mover and fast follower approach for different vehicles and in separate markets.