

Mitsubishi Motors reveals mid-term business plan

Mitsubishi Motors Corporation (MMC) announced its three-year mid-term business plan (from fiscal 2020 to 2022), called Small but Beautiful, to concentrate its management resources on its core regions and technologies, including Africa.



Xpander Cross

Source: www.quickpic.co.za

The mid-term plan announced in Japan on 27 July 2020 focuses on cost rationalisation and profitability enhancement towards a solid management foundation aiming at sustainable growth after a three-year period.

Based on structural reforms, the Small but Beautiful plan is aimed at significantly reducing fixed costs by production capacity optimisation, a new regional strategy as well as improved product/technology strategies.

"We will shift our strategy from all-round expansion to selection and concentration," says Takao Kato, representative executive officer and chief executive officer of MMC. "First of all, we will complete our structural reform and further strengthen our competitive areas, ultimately to build a corporate structure that can surely generate profits during this mid-term period."

The main actions of this plan include developing businesses in Africa, Oceania and South America as the second pillar following a focus on ASEAN management resources, as well as strengthening eco-friendly new models by 2022.

"Market conditions are tough for everyone, but Mitsubishi Motors South Africa (MMSA) has a strong foothold with a strong following," says Nic Campbell, General Manager of MMSA.

"On local soil we are running a successful zero deposit campaign on various models, which is extremely popular, and we will continue with offers that are attractive to customers during these conditions."

MMSA recently announced some new models coming to the region in the next two years such as the Xpander and the Mirage, and will finalise the list as soon as more details are available.

As part of MMC's restructuring plan, the company also confirmed that it would stop production of the legendary Pajero SUV next year. For South Africa, the Pajero remains a popular model and will continue to be ordered until production finally ends.

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