# A comparison of the strategy of two world's leading manufacturer of motorcycle: the case of Ducati and Honda

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#### **ABSTRACT**

Based on the experience of leading manufacturers Ducati and Honda this paper outline the main characteristics and the differences of the process of quality and lean strategy of the two firms. The principal successful factors are analyzed in the production and organization strategy. It argues that lean manufacturing has increasing importance for eliminating waste based on integration on original Toyota model of lean production with the local and regional process of management

Basata sull'esperienza dei principali costruttori Ducati e Honda, questa ricerca delinea le principali caratteristiche e le differenze del processo di qualità e di strategia snella delle due aziende. I principali fattori di successo sono individuati della strategia di produzione e organizzazione. i risultati mostrano che la produzione snella ha un'importanza crescente per eliminare gli sprechi sulla base del integrazione modello originale Toyota di produzione snella con processi di gestione locale e regionale.

**Keywords**: strategy, lean management, benchmarking, innovation, value stream map, learning, leadership, creativity,

#### 1 – Introduction

This paper explores the challenges and the opportunities of lean management in the contest of two smart and learning factories -Ducati and Honda - to the continuous improvement towards the implementation of practices of excellence.

This paper reports the interesting case of Ducati (Ducati Cavalieri, 1991; Graziadei, 2006; Verona et al. 2002) and Honda (Rumentl et al. 1996; Pascale, 1984; Prahalad et al. 1990). It assesses the process of organizing and the management system (Mella 2012; Riva and PIlotti 2018a,b; Pilotti 2019; Riva, 2005, 2006, 2007, 2010; 2012) and the production in Ducati and Honda.

While there is a broad range of literature on lean manufacturing (Holweg, 2007) still few papers are written on the process to determine critical success factors in motorbike sectors. The two key questions of the paper are:

- 1) How are the philosophy and the methodology to produce the motorcycles of Ducati and Honda in the motorcycle industry?
  - 2) What are the analogy and differences between the two production and management strategies?

The outline of the paper is as follows: the second section describes the theoretical review and the methodological aspects; the thirds section reports the making of lean process of Ducati both the design and the implementation process; the fourth section analyze the relevance on Honda with the discussion of the critical factors that could have led to success; in the fifth section here is the discussion and last conclude.

#### 2 – Theoretical background and methodological approach

#### 2.1 Theoretical background

The idea of lean management is linked to the Toyota production system (Deming 2000; Ohno, 1988; Shingo, 1981; Womack and Jones, 1996) a manufacturing philosophy pioneered by the Japanese engineers Ohno and Shingo. The just-in-time production methods is a key element of lean production. Ohno studied Ford because it reduced waste at early Ford assembly plants (see fig. 1).

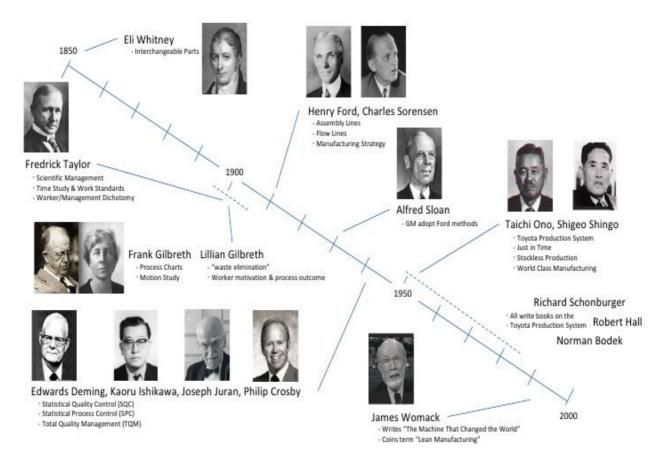


Fig. 1 - Evolution of lean management (source elaboration from www.printest.com)

Several studies have shown how the methodology of lean manufacturing (see fig. 2) (Womack and Jones, 1990; Collis, 2016; Imai 1986; Abegglen et al. 1985), learning organization (Senge, 1999; Pilotti 2005, 2011; Turchetti 2013; Coda 1988; Ugolini 2004), knowledge creation and control (Nonaka, 1995; Qintas et al. 1997; Mella 2012, 2015a, 2015b, 2018, Scillaci 1987; Gazzola and Colombo 2014; Gazzola et al. 2020, Broccardo 2010; Stack et al. 1992) and industry 4.0 and benchmarking (Riva, Pilotti 2018, Aiello 1996; Cautela et al. 2014; Boston Consulting Group, 2015; Chui et. al. 2010; D'Averni, 2015).

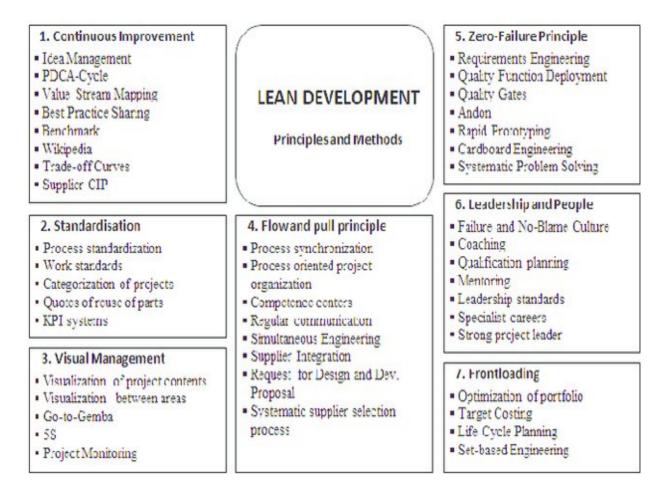


Fig 2 -Lean principles (source elaboration from Rauch et al. 2016)

In lean management there is a systems approach to a problem (Senge 1999) and is stressed the importance of learning activity and a smart control system based on innovation (Simon, 1995; Kaplan and Norton, 1996, 2001, 2004a, 2004b) and kaizen actions of improvement (Deming, 2000; Guido 2010) based on long term commitment.

These methodologies are also coherent with the theory of synchronous manufacturing and the theory of constraints and kamban strategy (see tab.1)

	<u> </u>	
LEAN		
BASED ON	AGILE	
ON KAMBAN STRATEGY	BASED ON FLEXIBILITY ORDER SYSTEM	
SATISFY THE COSTUMER BY	SATISFY THE COSTUMER BY CONFIGURING	
ADDING VALUE AND	TO ORDER	
ELIMINATING WASTE		
LONG-TERM RELATIONSHIP WITH	"FLUID CLUSTER" OF SUPPLIERS, VIRTUAL	
SUPPLIER	SUPPLY CHAIN	
MEASURE OUTPUT-CRITERIA, E.G.	MEASURE CUSTOMER SATISFACTION	
QUALITY, COST, AND DELIVERY		
(QCD)		
SMOOTH WORKFLOW	ALLOW FOR UNPREDICTABILITY	
PLAN AHEAD	FACE THE UNPREDICTABLE	
REDUCE STOCK TO A MINIMUM	SUPPLY CHAIN STOCK REDUCTION IS NOT	
THROUGHOUT	THE KEY	

Tab. 1 - Lean and agile system (source: adapted from Christopher et al. 1999)

Quality management practices in lean production stress the concept of built core competence and eliminate waste (Liket, 2004) and reengineering (Dixon and al. 1994; Hall and al. 1993; Hammer and Champy, 1993) by using a group of methodology (just in time, poka-yoke, source inspection automated inspection, sigma six, visual management (see fig. 3).

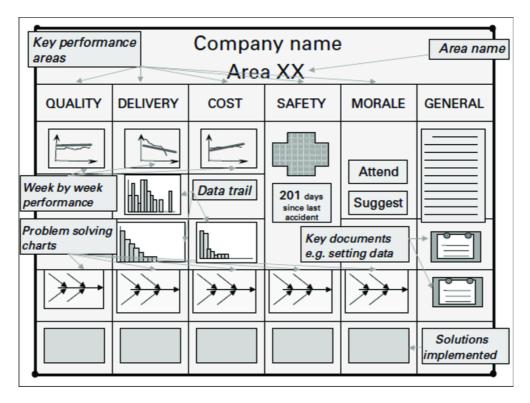


Fig. 3 - Visual management and improvement in lean management (source: elaboration from Tezel et al., 2017)

The resolutions of problems come from rethinking how the process is organized (Goldratt, 1992; Chase R. and Jacobs, 1992).

#### 2.2. Methodology

The method of case study is used because it permits to underline the main innovations in the strategy of the company. The empirical method of this analysis follows the logic of grounded theory (Glaser and Strauss, 1967) developing a case study methodology (Eisenhardt, 1989). We based our sample on two leader firms: Ducati and Honda. The companies selected are successful motorcycle manufacturer and are world class leaders. The method of comparison of cases is used because it permits us to underline the strategy and organization during the time and CSFs (critical success factors).

We analyze the case based on the previous literature using primary and secondary data. We visit Ducati factory in Borgo Panigale near Bologna. About secondary data, we study a set of data and documents (see tab. 2).

MAIN SECONDARY DATA	FOCUS ON	
<b>Ducati production system</b> (source www.ducati.com)	lean management	
Ducati in AUDI Annual Report 2020 (source www.audi.it)	strategy	
Ducati lean strategy (www.leanmanufacturing.it)	lean management	
Honda production system (source lean.org)	lean management	
Honda Annual report 2020 (source www.global.honda.com)	strategy	
Honda production system (source www.hondanews.eu)	lean management	

Tab. 2 - Ducati and Honda secondary data used in this research (Source: our elaboration)

About primary data, we collect data and information by contact and interviewees with the experts (see tab. 3) about the areas of research (see tab. 4).

Director of Museum Ducati	1 interview
Expert about Honda e Ducati	9 interviews

Tab. 3 -Interviewees (Source: our elaboration)

Ducati and Honda has a relevant role in innovation in lean management.		
	-principles	
1) What is the organization of a lean	-strategic guidelines	
strategy in Ducati and Honda?	- system of control	
2) What are the main critical success	- best practices	
factors (FCS) and difference in lean	-analogies	
strateou in Ducati-Honda?	-difference	

Ducati and Honda has a relevant role in innovation in lean management.

Tab. 4 - Main issues covering during the interviews (Source: our elaboration)

The method of case study is used because it permits compare the main analogies and difference.

#### 3 – The Strategy in Ducati

#### 3.1 Introduction and history

The Ducati was founded in 1926 in Bologna, northern Italy, as an industrial components manufacturer, Ducati produced its first motorcycle engine in 1946 (Ducati Cavalieri, 1991; Graziadei, 2006; Verona et al. 2002).

Ducati moved to lean manufacturing after the acquisition of Ducati in 1996 by the Texas Pacific Group. Ducati did a turnaround beginning by changing the international subsidiary structure and by introducing innovations.

The Ducati Factory is in Borgo Panigale in the area near Ferrari, Maserati, and Lamborghini factories (see Fig. 4).



Figure 4. Ducati line production (source: Newaltas, 2020)

The Ducati factory is near the center of Bologna. Some main competitors of Ducati are Harley-Davison, Yamaha Motor, Honda Motor. The productions of Ducati are motorcycles: Superbike, Hypermotard, Monster, Streetfighter, Multistrada, Diavel, and also motorcycle parts and components (accessories, apparel, safety gears) and services (dealer service, maintenance service).

Each day the factory can produce also more than 300 motorcycles (see tab.5). Also, it exports about 90 percent of the total amount of motorcycles.

#### **MARKETING:**

- 55,451 motorcycles worldwide. This was an increase of 1.2% over 2015.
- 8,787 motorcycles were delivered to customers in the USA (main market). Sales were up across Europe, and other markets, such as China, where sales doubled, Brazil and Argentina.
- 780 dealers in over 90 countries.; sales network of the Bologna-based motorcycle manufacturer now has more than,
- 731 million EURO (\$830 million US), turnover (net sales) of which was up 4.1% over 2015.

#### **PRODUCTION:**

- 1,558 employees, compared to 1,197 in 2012, registering an increase of 30% in new hirings over the past four years.
- seven new models: 1299 Superleggera, SuperSport, Multistrada 950, Monster 797, Monster 1200, Scrambler Café Racer, and Scrambler Desert Sled.

#### **FINANCIAL RESULT:**

- operating result of 51 million EURO (\$54 million), compared to 54 million EURO (\$57 million) in 2015
- operating margin of 7% to the Audi Group.

#### Tab. 5 - Marketing, production, finance in Ducati (Source: our elaboration from Ducati

#### 3.2 The strategy and the critical factors leading to the success of Ducati

Ducati radically changes its production philosophy in 1997 following the acquisition of TPG with the introduction of lean management and the new strategy has permitted to improve the level of quality of the products, decrease the cost of production, to reduce the time of production. The change of operational strategy has permitted to increase the quality and customer satisfaction. The focus on the quality of the product is important for the strategy of Ducati that is present in the different international markets. The production of Ducati is made using the lean production system based on some important strategy:

#### 3.2.1. Global lean strategy with strong supplier relation and outsourcing

The suppliers have a valuable role in the quality strategy if between it and the company established a cooperative relationship which constitutes an advantage for end customers. The lean strategy in Ducati is based on five lean principles (Womack and Jones 1996): determine the value desired by the customer, design the value stream for each product providing that value (eliminate waste), make the product flow continuously, use pull strategy, research perfection

reduction the number of steps and the amount of time and information needed to serve the customer continually falls. Suppliers provide essential products and services for end-customer satisfaction and competitiveness. It outsources some things like casting, molding, painting, and some other pre-assembled parts (outsource 90 percent of the painting).

#### 3.2.3 Just in time and delivery time

The delivery time for a byke in about 40 working days. Ducati produces three different kinds of engine and six different brand families for motorcycles, with three production lines for the engines, and four production lines for the motorcycles. For the pull-driven system, the materials are delivered just in time. In the "supermarket" area of the factory, the manufacturing trays are loaded up with exactly the right parts for each step of the manufacturing process (Ohno 1988, Liket (2004). The Ducati's production for just in time in two phases: first it is built the main body of the engine, and second then it completes the assembly on the main production.

#### 3.2.3 Built-in quality

A culture to stopping and fix problems, to get quality right the first time). The application of this strategy requires that it is always rigidly applied and is also observed at the highest levels of the corporate hierarchy. Industrialization of the improvement is the most important activity of the company and should be of interest to all staff.

To teach the majority of people to use the elementary statistical method shall be the seven statistical tools are developed. The process is the essence of each organizational unit.

#### 3.2.4 Constant improvement (kaizen)

Ducati was able to reduce over 85 percent of the defects in the final product compared before the turnaround process in 1997 when Porsche engineers came to introduce the production just-in-time philosophy based on the Toyota model. The success of managers is measured in how well they cultivate individual creativity and innovation throughout the organization (see fig. 5).



Figure 5. Kaizen concept (source elaboration from Deming 2000)

They are important factors: industrialization of improvement, focus on processes, recognition of the efforts of the staff, quality upstream and downstream integration as quality and visual management.

#### 4 The strategy in Honda

#### 4.1 History of Honda

The Honda Motor Company was founded by Soichiro Honda in 1946. He was very interested in automobiles and enter also them into races for passion.

Honda was the first Japanese manufacturer to make its product in Europe in Belgium (1963) and North America in Ohio (1982). The Honda factory in Taiwan celebrates 50 million productions of motorcycles (see fig. 6).



Fig. 6 - Honda line production (source: Kamorjonday, 2020)

The history describes as Honda possessed a superior competence at engine design which was continually translated into new products, it had experienced success with the Supercub in Japan before it entered the U.S. market; after Honda was successful in its entry into the U.S. market and, over time, extended that success from smaller bikes to larger bikes.

There is a various theory of Honda improvement and success in entering in the American market (Pascale, 1984; Ohmae, 1982; Mintzberg et al. 1996):

- i) Honda's cost advantage based on the successful exploitation of scale and learning economies;
- ii) Based on Honda executives, the company's early scale in Japan came from its having a better product, to discover opportunities, to experiment, to learn quickly from mistakes, to rapidly revise design problems (Rummelt, 1996);
- iii) Honda's success is based on "core competence" and "strategic intent" and "stretch" to the processes to create the desired strategy (Prahalad and Hamel, 1989,1990).

Honda manufacturing subsidiaries virtually everywhere around the world operate as autonomous companies (see tab.6).

#### **MARKETING:**

Area served Worldwide Industry: Conglomerate

Divisions Acura Honda Automobiles Honda Motorcycles Founded Hamamatsu, Japan Founder Soichiro Honda Takeo Fujisawa Headquarters Minato, Tokyo, Japan

#### PRODUCTION:

Products Automobiles, Commercial Vehicles,

Luxury vehicles, Motorcycles, Scooters

Electric generators, Water pumps, Lawn and garden equipment

Tillers, Outboard motors, Robotics, Jet aircraft, Jet engines, Thin-film solar cells, Internavi, Telematics Number of employees 218674 (2020)

#### **FINANCIAL RESULT:**

Revenu: 14.60 trillionOperating income: 503.3 billion Net income: 344.5 billionTotal assets: 8 .22 trillion

Total equity: 6.76 trillion

Tab. 6 - Marketing, production, finance in Honda (Source: elaboration from Honda2020)

Only one-third of Honda's turnover now derives from Japan and there are over eight manufacturing facilities throughout the world. Honda is not a top-down company, controlled by headquarters. Instead, Honda manufacturing subsidiaries virtually everywhere around the world operate as autonomous companies based on local conditions. Any problems that arise in the flexible factory can be addressed immediately by this team ensuring that the stream of automobiles going through the line is not impeded (see fig. 7).

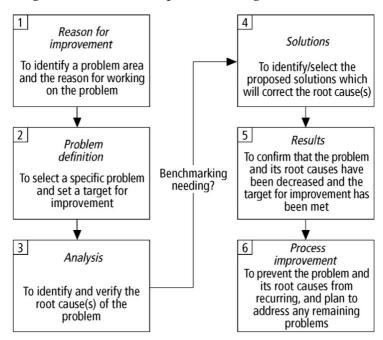


Fig. 7 - Improvement and benchmarking (source elaboration from Deming 2000)

## 4.2 The Honda approach to management and the strategy and the critical factors leading to success of Ducati

The strategy of Honda is based on a set of important factors:

#### 4.2.1 Creativity of the team and orientation to people, customers, suppliers.

For Honda the customer is a core value for the company.

In globalization terms, the advantage Honda gains in being able to alter the production and capacity of individual models, depending on local sales trends and the marketing of the brands. The Honda philosophy consists in fundamental beliefs, company principle, management policies (see tab. 7).

	A) FUNDAMENTAL BELIEFS				
Respect for the a) Initiative: Initiative means not to be bound by preconceived ideas, but to think					
Individual:	creatively and act on your initiative and judgment, while understanding that				
	must take responsibility for the results of those actions.				
	<b>b)</b> Equality: the company is committed to this principle and to creating eq				
	opportunities for each individual without consideration of the individual's rac				
	gender, age, religion, national origin.				
	c) Trust: Trust is created by recognizing each other as individuals, helping out				
	where others are deficient, accepting help where we are deficient, sharing our				
	knowledge, and making a sincere effort to fulfill our responsibilities.				
The three jove error	a)The law of Puving, the joy of huving is achieved through providing and ducte				
The three joys are:	a) The Joy of Buying: the joy of buying is achieved through providing products				
	and services that exceed the needs and expectations of each customer.				
	b) The Joy of Selling: the joy of selling occurs when those who are engaged in				
	selling and servicing Honda products develop relationships with a customer				
	based on mutual trust. Through this relationship, Honda associates, dealers and				
	distributors experience pride and joy in satisfying the customer and in				
	representing Honda to the customer.				
	c) The Joy of Creating: the joy of creating occurs when quality products exceed				
	expectations and we experience pride in a job well done.				
	B) COMPANY PRINCIPLE (MISSION STATEMENT)				
The company is de	dicated to supplying products of the highest quality, yet at a reasonable price for				
	worldwide customer satisfaction				
	C) MANAGEMENT POLICIES				
	<ul> <li>Proceed always with ambition and youthfulness.</li> </ul>				
<ul> <li>Respect s</li> </ul>	ound theory, develop fresh ideas and make the most effective use of time.				
<ul> <li>Enjoy your work and encourage open communications.</li> </ul>					
<ul> <li>Strive constantly for a harmonious flow of work.</li> </ul>					
Be ever mindful of the value of research and endeavor					

Tab.7 - Honda's philosophy (source adapted from www.honda.com)

The quality strategy is based on continuous improvement: the company can't survive without innovations for the customers.

Honda believes that local innovation is limited by the presence of machines whose sole purpose is to build cars cheaper and faster.

Underlying this concept is the confidence that the creativity and commitment, accompanied by a very accurate method can achieve significant changes in a positive sense in any kind of process. The focus is usually centered on the results for which the priority is quantity instead of quality (Liket 2004). The role of culture is important for the definition of the strategy in long time and to develop a strategic vision.

The Honda philosophy consists in fundamental beliefs, company principle, management policies.

#### 4.2.2 Free-flow assembly on line and quality control.

The production workers have a sense of control over the production process. The six management tools are constantly followed by managers where the total quality is applied. They are the data collection sheet, the histogram, the cause and effect diagram, Pareto diagram, stratification analysis, correlation, the control intelligence card.

The control card in the free-flow assembly is used to check if a process is in control or out of control. Sheet data collection teaches how to collect the data. The histogram allows you to understand the statistical structure of data. Ishikawa diagram is useful to identify the causes of a particular adverse effect. Particularly useful is the use of several key questions and six references that is useful to consider for any problem or situation

#### 4.2.3 Robot only for doing the dangerous task

Honda's factories are the most labor-intensive in the sector employing robots only in dangerous areas. Honda doesn't see robots as the best way to maintain productivity because after the automation is more difficult to improve the processes.

The involvement of all staff is the most critical and most difficult component to get the cultural change in the total quality; the entire staff in problem solver, always looking for new improvements.

### 4.2.4 Innovation and improvement of processes for speed up the production flow to reduce the time (lead time)

The analysis of the value stream allows us to understand the areas that need an improvement plan (see fig. 8). The drawing of a map of the flow or the physical layout allows you to focus on the principles hinges to improve. Honda's strengths lie in product and process innovation, primarily in designing new motorbike models and features (Stack et al. 1992).

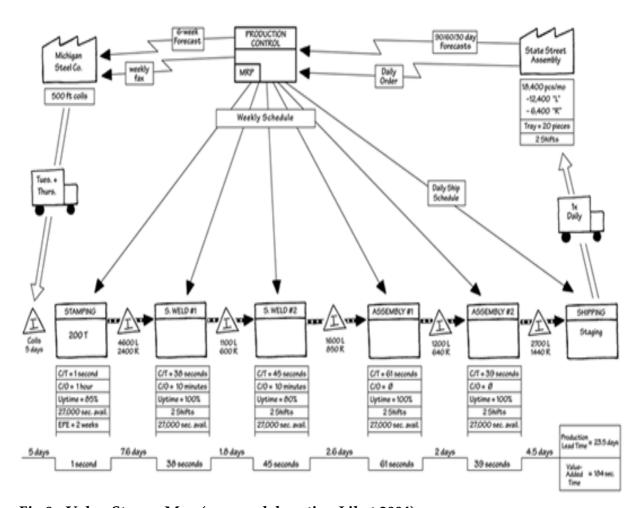


Fig.8 - Value Stream Map (source elaboration Liket 2004)

The culture of innovation in Honda is based on a series of ideas and values: follow your dream; planning for the long term and emotive objective; love your work and make the workplace bright and positive; ensure a smooth flow of work; worker cycle activity improves the quality of product and process, reduce cost, improve safety and quality worker condition respect theory new ideas, time.

#### 5- Discussion

Ducati and Honda have some differences in strategy and management. Both Ducati and Honda stress the importance of classic Japanese instruments and techniques (Abegglen and Stack, 1985) but with the integration of local culture. In both, there is the integration of the "Japanese" model of production with some western models and local process of management (Camuffo and Micelli, 1987).

Ducati is more base on the classic 5 phases of lean strategy (determine the value for the customer, design the value stream, make the product flow continuous pull strategy, research perfection) than on the quality control. The continuous improvement of all business activity is based on the idea that man has the resources to implement continuous improvement. To pursue excellence requires that all staff use the most efficient methodologies to promote the quality that generates profit. The collaboration with the suppliers is valuable for the quality.

An important source of competitive advantage is based on the "core competence" and "strategic intent" of Honda (Prahalad and Hamel, 1989, 1990) in internal advanced combustion engines present in the motorbike (see fig. 9).

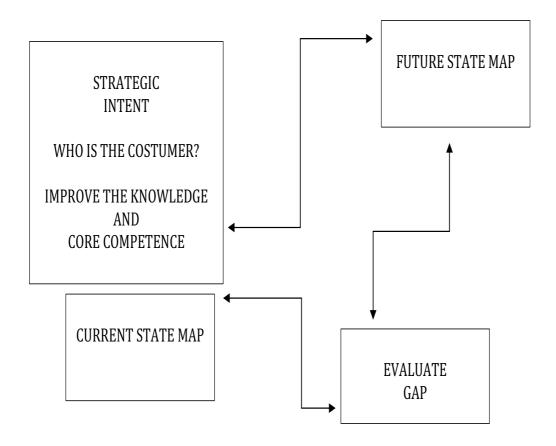


Fig. 9 Honda Strategic intent and core competence and learning organization (our adaptation from Hamel et. al 1989, 1190; Liket 1994)

Honda is a knowledge-organization where the workers at all levels continually give suggestions to innovate.

Throughout its relatively short history, Honda has welcomed the creation of knowledge (Nonaka, 1991). The value of this system of integrated "core competence" is very important. Honda's success in the international arena demonstrates the importance of continuous innovation and the creation of "core competence".

For Honda main strategy is to control quality and to develop "core competence" based on "strategic intent" with the creation and strong use of control of quality, build commitment, and facilitate organizational learning to improve production and quality standards using focus on customers and innovation (see fig. 10)

The exception to these principles also by managers and top management has extremely adverse effects because then empower all employees to imitate them.

The company's competitiveness stems from the new way of managing human resources and long-term action, which requires 5 - 10 years. Honda stresses that merit a relevant key to promotion.

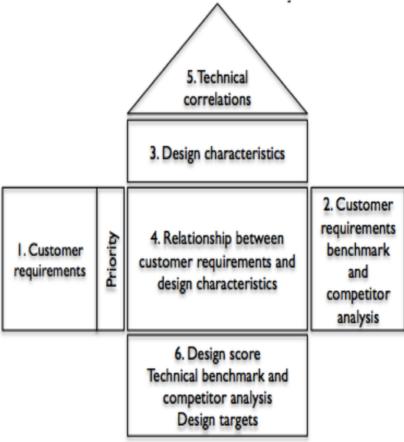


Fig.10 - Lean production and benchmarking in lean management (source elaboration from Collins 2016; Grazziadei 2006)

Honda's localization strategy for "its conviction about doing it all in one place", in other words, combining engineering, design, and manufacturing functions in each of its large local facilities based on local preferences and circumstances

#### 6 - Conclusion

This paper contributes to the discussion about a comparison of lean strategy comparing Ducati and Honda.

For what concerns the first question (How are the philosophy and the methodology to produce motorcycles of Ducati and Honda in the motorcycle industry?).

First, both the company follows some important principle of lean management (focus on process, team management, and creative problem (see fig. 11).

**P2 PROCESS** (Eliminate Waste) **P1 P3 PHILOSOPHY PEOPLE AND P5 DECISIONS ON A PARTNERS PERFORMANCE LONG - TERM MANAGEMENT** (Respect Challenge **PHILOSOPHY** and Grow them) -Long Term Thinking--Always find a better way. **P4** PROBLEM-**SOLVING** (Continous **Improvement** And Learning)p4

Fig.11 - Strategy of Japanese firm (5P), (Source: adapted from Like 1994)

In Ducati, the improvement of delivery time is not realized only by the innovations. It can be composed of: a) orientation declaration to the quality; b) appointment of the management representative; c) purpose and scope of the standard; d) organizational chart; e) list of procedures. On contrary, Honda invented the flexible factory and synchronized engineering: all of the vehicles coming into a factory's assembly zones share common designs, such as similar locations and installation techniques for functions like brakes or transmission.

Second, the importance in both companies of long term vision and creativity for continuous improvement ("always find a better way" and "improving always"). Unlike other manufacturers, Honda can produce multiple bikes on a single assembly line. The basic values are all that a person considers important, they have an important role because in a managerial system they determine the priorities. The involvement of all employers is important for the total quality. So it is important to transform the entire staff into a problem solver, always looking for new improvements. Involve employees means making sure that each person company performs two tasks: to perform their work. In Ducati, there is an integration of an Italian creativity model, German efficiency of Porsche, and kaizen from Japanese theory

The answer to the first question is consistent with past studies (Collis, 2016, Riva and Pilotti 2018; BCG Boston Consulting Group 2015, Pilotti 2019, Imai 1986, Suciu et al. 2019; Womack and Jones, 1990).

For what concerns the second question (What are the analogy and differences between the two production and management strategies?) we discover:

*First,* there are some differences between Ducati and Honda in some important implementation of lean production (see tab 8).

N°	CRITICAL SUCCESS FACTORS	DUCATI	HONDA
1	FOCUS ON CLASSIC 5 PHASES OF LEAN STRATEGY	****	***
3	BUILT-IN QUALITY (JODOKA)	****	***
4	FOCUS ON DELIVERY TIME -	****	***
5	GLOBAL LEAN STRATEGY WITH STRONG SUPPLIER RELATION AND OUTSOURCING	****	****
6	FOCUS ON DESIGN AND ELEGANCE DESIGN	****	**
7	FREE-FLOW ASSEMBLY ONLINE AND QUALITY CONTROL	**	****
8	CREATIVITY OF THE TEAM AND ORIENTATION TO PEOPLE, CUSTOMERS, SUPPLIERS	***	****
9	FOCUS ON FLEXIBLE FACTORY AND SYNCHRONIZED ENGINEERING	***	****
10	ROBOT ONLY FOR DOING DANGEROUS TASK	**	****
	Level: ***** HIGH, *** AVERAGE,	*LOW	

Tab 8: Benchmarking: the main difference between Ducati and Honda (Source: our elaboration - see also Ducari Annual Report (2020) Honda Annual Report (2020); Riva and Pilotti 2018a,2018b; Mella 2015; Pilotti 2011; 2019; Riva 2018 and 2010;; Collis 2017;; Reports from Hamel and Prahalad 1980, 1990; Liket 1994;; Suciu et al. 2019; Graziadei 2006; Verona and Prandelli 2002)

*Second,* the suppliers provide essential products and services for end-customer satisfaction and thus for competitiveness. Honda's lean strategy is more based, compared to Ducati, on the quality control, team group; quality control takes priority over all other strategies and affects everyone.

In Ducati very important is the design and Italian creativity model (based on important Italian art tradition in design (Riva 2018; Pillotti 2019).

The answer to the second question is in part consistent with past research (Cavalieri Ducati 2013, Collins, Holweg 2007; Camuffo and Micheli 1997; Mella 2012; Riva and PIlotti 2018a, 2018b; Pilotti 2019, Mella 2015 a,b; Gazzola et al. 2020, Deming 2000; Ohno 1988).

The original contribution of this paper and the production of new knowledge in the field are:

- a) the analysis of two world's leading manufacturer of motorcycle: the case of Ducati and Honda;
- b) a comparison of the difference and analogies in strategic implementation of lean management.

Future research can study the relation between strategic vision and collective implementation. The limit of this study is to analyze only two cases.

In summary, the application of lean strategy in Ducati and Honda can be a model to study the positive implementation of lean management and strategy also for other companies.

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