Latecomer advantage in space technology

Business



Industrializing states are investing in space and trying to catch up with industrialized countries. Latecomer's advantage in relation to space technology indicates advantages especially in acquisition of new technologies. The Latecomer advantage hypothesis implies that late adopters of a technology have certain advantages in acquisition of new technologies over first adopters. From the provided case, it is evident that in almost all industries and fields, the latecomers have a great advantage over the pioneers. This implies that latecomers have the time and resources to fully venture into the market unlike any pioneer company.

The provided case study analyzed Sony's late entrance in to the market. The major lesson identified from the Sony case is the latecomers' ability to draw strengths from the pioneers' weaknesses and build it to something better. This mainly refers to late industrialized countries on a global level. In turn, the latecomers have a chance to catch up with industrialized nations. In space technology, the first initiators of technology always operate in such a way that creates advantages for late-users. More so, the first users of technology create conditions which make faster diffusion of technologies possible in industrializing states.

In understanding the latecomer's advantage theory, various factors favor late users and they are likely to overtake the first users. The investment done on intermediate technologies act as a barrier to switch to next generation technology. This means that the industrialized countries with less investment to the advanced space technology can do so directly. Another advantage for late users comes in through foreign direct investment which is a mechanism that diffuses new technologies in the industry. Technology can

be purchased from early-users with formal mechanisms like licensing. In addition, technology can be transferred by informal knowledge spill out mechanisms like reverse engineering or movement of people.

Latecomer advantage exists in space technologies especially in data systems contexts. For space technology, there are more suppliers of space systems and the level of competition has increased with time. One of the industrializing countries in space technology is Turkey. Turkey is a late comer in matters of space of technology but recent statistics indicate catching up with the technology. Turkish space activities and an estimated statistics that shows increasing space industry activities in the recent years.

Turkey is a latecomer in space technologies but has been operating a series of telecommunication satellites since 1994. This was the case despite the country establishing space science and technology committee in 1990. In Turkey, space activities are supported by mechanisms like encouraging local contribution to space system procurement projects by different government agencies. Since its establishment, TUBITAK UZAY faced the challenge of catching up with other already established organs in space technology. Similar to the Sony case, the company did not want to venture in the existing market. TUBITAK UZAY aimed to bring something new in the space technology field.

Sony on the other was not interested in the hearing aid market which the company considered too small. Sony wished to invent something which could be used widely by everybody hence the break in to the market. As a latecomer in the business, the Turkish space technology organ chose a

strategy which would be helpful in catching up with other organs. The company understood its advantage would arise from s small satellite technology transfer program with the aim of reaching the capability of designing, manufacturing, testing, and operating small satellites. The small satellite program the Turkish industry carries out in TUBITAK UZAY is a perfect example of latecomer's advantage in space technology. The technology climate and strong background in electronics present in Turkey increased the absorption capacity of the company.

By the time Turkey ventured in to the space technology business, the market was ready and spread for new entrants. The latecomer's advantage was present in the fact that the field had more literature such as scientific publications, standards, lessons learnt and many others. In this case, Turkey had an easy approach and way to the market because of availability of information on the technology. More so, the field has more commercial subsystems hence easy integration for the latecomers like Turkey. Space technology also has more technology transfer possibilities compared to any other field. The strategy chosen by Turkey of small satellites enables acquisition of basic capabilities with smaller funds in shorter times.

From the above information, it is evident that the latecomer's theory stands in most fields, and has major advantages.