If social network is going to bring any value co-creation and innovation in digital business, the company must create communities with stakes for its members. Toyota did just that by having stakes in suppliers and partnering with them. That is what made Toyota Production System, otherwise known as Lean Manufacturing, successful.

History is filled with examples of successful value co-creations. In any so-called “developed” country, the underlying model is value co-creation, where a strategy or a platform is established, often under an able leadership, to bring together the citizens to achieve a common goal.

In the modern times, however, where companies often cross boundaries of their own confines to find innovative ways to create value not only for themselves, but to third parties as well, value co-creation has taken a different notion. If one considers a world model for creating value, Toyota, the top Japanese automobile maker, must be the leader of the pack.

Toyota is, of course, not just creating value for itself; it is co-creating value for basically everyone in its value chain, from downstream suppliers to upstream auto dealers and finally to the customers who buy its brand of automobiles.

Exploring how Toyota creates value and understanding the value co-creation process to see if companies in digital businesses could learn something can be of interest, especially for those businesses which are trying hard to become competitive under the enormous challenges and opportunities brought upon as a result of the emergence of the Internet.

**Toyota**

Toyota Motor Corporation, established in 1937, is a relatively old. In terms of entrepreneurship and innovation, Toyota has an illustrious past.