

Marketing mix review and recommendations marketing essay



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Introduction

Scope

The following is a marketing mix review and recommendations report on the world's largest car manufacturer Toyota. The report will outline the fundamental elements of Toyota's marketing mix, and also recommendations will be made on how to improve on each marketing mix element of the organisation.

Background

Toyota Motor Corporation established in 1937, is the biggest car manufacturers in the world, with its factories spanning over various countries. It is one of the world's most successful and most profitable car manufacturers. Australia has one of the smallest and oldest car industries in the world and has played an important role in the success and development of Toyota over the past 50 years.

The first Toyota vehicles were imported to Australia in 1958 by a mining, construction and services company called Thiess, who imported 13 Landcruiser's a model of 4WD, which they used for the Snowy Mountains Hydro-electric scheme. They also began to sell the Landcruiser vehicles in 1959. In 1963 an assembling factory in Melbourne called Australian Motor Industries was established and produce the first lot of Toyota corolla and corona cars. They began to be commercially available in 1971 through Thiess Toyota who became commercial leaders in 1979. Then in 1988 the two companies merged to create the Toyota Motor Corporation Australia, which began a global competitiveness and established an important export

market. In 1994 the Toyota Altona Assembly Plant is opened and the Toyota corolla is the first car to be built in the plant.

Vision

Toyota's vision is to become the most respected and admired company, in the car industry

Mission

Their mission is to deliver high quality automotive products and services to their customers, and being actively involved with the community, partners and environment.

Methodology

Various methods were used to conduct the review of Toyota's marketing mix. One of the methods used was conducting a survey, to find out what the public had in mind when it came to Toyota. These were handed out to random people passing by, and were asked to complete the survey anonymously. They were basic questions that required a bit of thinking from each individual as how they perceive Toyota as a brand. The survey contained a perceptual map which each person was asked to plot where they think a certain car brand fits.

The other methods that were used to gather research, was using online resources such as the Toyota website to get a better understanding of the company's direction and the range of products that they offered. The website was very insightful and was clear and easy to navigate, and was very informative.

Also the Australian Bureau of Statistics was used to gather information on sales and market share of all the major car companies in comparison to Toyota. This provided factual statistics and information that was very relevant in determining how Toyota fits in to Australia's car industry and market.

Results & Findings

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. Perceptual Map of Car brands comparisons on Reliability vs. Durability

The sample result from the survey shows the perceptual map of how consumers compared Toyota and other brand of cars when it came to reliability and durability. The outcome of where Toyota is placed in the map is very high on its reliability and durability. Toyota's market strategy is to sell a top quality product that lasts. This grabs the consumer's attention when their looking to buy a car that is reliable and durable.

Marketplace

Toyota Motor Corporation is the largest vehicle manufacturer in the world. Toyota co-operates with 51 manufacturing companies in 26 nations, and sells its vehicles in over 170 countries under the Toyota, Lexus, Daihatsu and Hino brands.

Toyota leads the automotive industry in environmental technologies with their new innovative hybrid technology in their Prius and Hybrid Camry vehicles. They are also looking into the development of Fuel cell technology for future vehicles.

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Toyota has in recent years dominant the Australian car market, with a market share around 21 percent (Fig. 2) and is steadily rising with predictions that it might reach 25 percent by 2012. Toyota Australia has remained the number one brand for selling more vehicles than any other single car brand in the industry for more than 14 years.

Toyota's Market Share

Toyota has dealerships across Australia that sells their range of vehicles from cars, SUVs, trucks and hybrids. They have established a well know brand that people associated thing such as quality, durability, reliability, innovation, safety, and sustainability. There brand revolves around meeting all the six core values to ensure that the customer receive the highest quality product and service which keep them loyal to the brand.

Target Audience

Toyota covers a wide market sector that caters for families with its range of sedans to other vehicles such as four wheel drives, sports cars, luxury vehicles and small hatchbacks and buses. The age demographic that Toyota mainly targets are early 30's to mid 50 year old consumers.

Toyota aims to target all possible sectors and just recently cracked into the large car market with their Toyota Aurion sedan. This was marketed to large families and was proved successful after taking the title of best large car of the year in 2009 by Australian consumers.

Toyota's latest marketing attempt was to target the generation y sector with a new small car called " Rukus", which Toyota calmed that it will appeal to

the young consumers. “ Its boxy shape and edgy urban styling are anything but boring, so you’ll never blend in.” As described in the Toyota website, claiming that to be different is an important factor when it comes to marketing to the gen y consumers.

They are also targeting the environmental conscious consumers, who want to do their part in reducing their impact on the environment by limiting CO2 emissions. Toyota developed a advance hybrid technology which it has implemented in two of its vehicles the Prius and Camry. The hybrid technology combines fuel and electricity to power the engine. Toyota strives to become the leader in innovation of new vehicle technologies.

Toyota’s Marketing Mix Elements – 5 P’s

Toyota’s marketing mix consists of the 5 P’s which make up the basis of Toyota’s overall market strategy. The 5 P’s stand for;

Product

Price

Promotion

Place

People

Product

A good product can be self marketed when it benefits the consumer demand.

When marketing a product, it must differentiate to what a competitor is

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offering by features, design packaging, services, warranties, safety and environmental impact.

Toyota offers a wide range of products that meet the demands of the consumer while being different to the other car brands on the market. Their product range is segmented into four areas each meeting the needs of what a consumer is looking for in a vehicle. Toyota's product market contains the following

Passenger – consisting of small, mid size, and large cars. Aurion, Camry, Corolla, Rukus, Tarago, Yaris.

4WD & SUVs – Kluger, Landcruiser 200, Prado, Rav4

Commercial – Coaster, HiAce, HiLux, Landcruiser 70

Hybrid – Camry, Prius

Toyota offers with its products after sales services, such as Toyota Service Advantage which includes capped price servicing, specialist technicians, and genuine parts. They also offer financing at a low rate so that consumers are able to have the product sooner.

Price

The prices set for products plays a major role in its marketability. The pricing of vehicles in Toyota depends on what the consumer wants to include in their vehicle. They set a base price which then increases if a consumer wants to modify or add options such as metallic paint, wheels, body kits or extended

service warranty. This gives the consumer more choice and flexibility as to how they want their vehicle to be when they purchase it.

The price of vehicles in the range can start from \$18, 990 to a more premium price of \$80, 000 or more dependent on the make, model and add options. The pricing of Toyota vehicles are higher in some areas in comparison to its competitors, but its main selling point is that they sell you a top quality product with great service and parts, that is also reliable and has the highest safety standards.

Promotion

Promotion is way of communicate to consumers and grabbing their attention to make a sale. This usually involves three ways of effective promoting through advertising, public relations, and sales promotion.

quality, durability, reliability, innovation, safety, and sustainability

Limitations

Conclusion of findings

Recommendations