

Lexus rx350 need recognition



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Lexus is the luxury vehicle division of Toyota Motor Corporation. Its launch in the United States, 1989. When the first Lexus was unveiled until now Lexus was build an international sales network (sale in over 70 countries and region) and becomes largest selling premium car of Japan. Due to the outstanding service, advanced technology along with efficiency fuel system, safety, and increased power. Since the 2000s, Lexus has gain great market share in United States with best selling model Lexus RX350. The first Lexus RX show up in public in 1997 as a Lexus concept car. As of 1998 Lexus RX series officially put into market, after two years the Lexus RX350 has been the best selling crossover luxury SUV on the United States. Refer to their slogan “ The Pursuit of Perfection” Lexus RX350 was focus on every tiny detail, which the previous market leaders were ignoring to build strong reliability reputation. However, the successful of Lexus RX350 in U. S. market is not only depending on outstanding service, high quality, and brand value. The timing, promotion, and market strategy also play very important role. This paper will using Lexus RX350 as reference consumer brand and United States as reference country to identifies how psychological core and consumer environment to influence consumer decision making.

2. 0. The Consumer Decision Making Process.

The consumer decision making process is the cognitive process of selecting a logical choice from among multiple alternatives.

Step 1. Need recognition & problem awareness

The consumer decision process generally begins when consumer realized the consumption problem or needs, it occur before decision making.

The desire state is what the consumer would like; it is simply an expectation of consumer's needs. And that expectation usually based on consumer's past consumption and disposition situations. The desire state can be a future goals to someone it relate with our own personal motivations.

For examples Lexus RX's advertisement trying to convey luxury, noble, and high-tech product image to customers. Through this advertisement consumer realize drive Lexus RX350 can improve their social status, thus stimulated buyer's motivation to consumption.

" It's Forward Thinking, Even in Reverse". From this point of view, Lexus using the ideal states to stimulate consumers' recognition.

The actual state is the situation of consumer's perception is already existing, it usually response to consumer's current situation.

In that case, Lexus try to make dissatisfaction with the actual state (e. g., suggesting to consumers that their car may have security risk).

This advertisement clearly illustrates the Lexus able to provide more safety car rather than other brands. This advertisement uses the dissatisfaction strategy to resolve the problem.

Step 2. Information search

Once a problem is recognized, the consumer is likely to search for more information. That information search can be divided into two parts: internal search, and external search.

Lexus RX has invested in having available to the consumer in need. Provide product information, which including price, features, outlet location, and promotion on website.

This advertisement sales event of Lexus RX in U. S. is call “ The December to remember” campaign, offer limited amount of RX vehicles to consumer with lowest price. These indirectly stimulate the consumer to notice Lexus’s product. Finally, arouse consumer’s attention on it, increase consumers’ external research.

Step 3. Evaluation of alternatives

After information search, consumers will gathering all the various alternative solutions to solve the problem.

In the case, Toyota promote their luxury SUV RX350 in United States, they’re really concerned about which attributes have the most influence on a consumer’s choice, the following chart shows that the important consumer attach to specific evaluative criteria:

Consumer has rate the ease of use as most important, follow by price, quality, safety, after-sale support, and engines, power train and gas mileage.

Step 4. Purchase

In the purchase stage, the buyer decide to purchase the product or brand is based on the outcome of the evaluation stage. If the choice are under the consumer’s budget range, the purchase will be made the purchase step involves with what to buy, and where to buy it.

There are 7, 600 Lexus dealers across the United States (America's car Dealers Directory, 2009). Dealership typically offer complimentary loaner cars and free car wash (Fahey, J, 2004).

Step 5. Post-purchase evaluation

Post-purchase evaluation refers to the behaviors that occur after the purchase. The outcome of this stage is the consumer will be either satisfaction or dissatisfaction with the purchases, which influences whether the purchase have met the consumer's need and repurchases the products.

In U. S. market, Lexus RX always have been pay attention to post-purchase satisfaction. Lexus RX provide fully customer post-purchase services, which include basic warranty coverage 48 months or 50, 000 miles, balancing are covered for 12 month or 20, 000 miles, toll-free telephone numbers for customer service departments, free service visited , and websites (boxed insert) etc. Lexus RX aim to enhance driver convenience, increase satisfaction of consumer's decision

Psychological Factors

Perception

As we can see from the perceptual mapping, the perception of Lexus RX 350 in U. S. market is sportiness, superior design and fun to drive. It's almost stand at same level with BMW X5 and Mercedes Benz SLK. For Lexus RX 350 to build a positive perception is a key to their market strategy, because the perception drives sales.

In the case of what's difference between Toyota harrier and Lexus RX 350 clearly explain how importance of perception for a brand.

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Toyota harrier Lexus RX350

There are a very strange phenomenon occurred in Malaysian market. Toyota launched both of Harrier and Lexus RX 350 in Malaysia. There are exactly the same cars and they are made in the same factory, but come from different brand.

In the United States how many willing to spend \$ 38, 000 to buy a Toyota SUV? Actually is not too many. But thousands of people would pay \$ 38, 000 for Lexus RX350. In contrast the perception of Toyota are economical, affordable, and practicality. But the Lexus is a symbol of luxury, superior quality, and classiness. Thus the perceptive changes people's mind and view of brand value, also affect the purchasing decision making.

One typical example of sensor advertising, would be Lexus RX with their strap line, ' The loudest sound your hear inside the Lexus is yourself thinking'. It is engaged to consumer's sound sense, interaction of the consumer stands in silence to test how quiet a Lexus engine really is.

The concept of this commercial ads is Lexus RX series has been imitated never been beyond the, thus there's only one original. Lexus has positioned its new RX350 symbol of superior quality, luxury, and unique, Toyota did efforts to build the consumer perception. Aims to compete with major competitors in U. S. Market

Attention

Attention occurs when the stimulus can be seen; it is a processing of the sensory receptor pass the result of sensations on to the brain.

Lexus have their own way to captures consumers' attention. For example, Lexus RX350's ads always show with very high definition and proper background music to arouse consumers' attention. Because of consumer tend to pay attention to stimuli that are visually attractive. Lexus also use novelty and unexpectedness stimuli to arousal of consumers' attention; likewise, recently RX350's ads of introducing new navigation system, on that commercial whole city of cars and buildings were literally hoisted up for your traffic-free pleasure.

Learning and Memory

Learning as a key to of consumers' behavior. In fact, consumer behavior is largely learned behavior, the marketers is intend to help consumers to learn about their products, services and activities, and through the processing of learning can changes consumers' behavior. The following example illustrates how Lexus through learning to change consumers' decision making.

When the Lexus launched its " Crossover SUV" on United States in 1998. Its objective was to lift awareness and gain the consumer's attentions, actually Lexus are one of the well known luxury car brand in U. S. market, but only confined to sedan. Thus, the Lexus started thinking how to cross-border market to SUV. However, 83 percentage SUV buyers of United States is household with an income of \$94, 400 (AutoPacific Survey, 2008), this group of people usually have highly loyal to the kind of car, which they've owned before, how to change consumers' decision becomes a vital problem to Lexus, after spend more than a year studying consumer attitudes towards SUV product is seen by consumer as SUV that is largely consist of big seat space, good power system, and fuel efficiency. At this time Lexus launched

RX350 with new concept of crossover SUV, which is mix of the truck like SUV and combine the functional characteristics of an SUV with ride and features of a luxury sedan. After one year late the RX becomes best-selling SUV in United States.

Memory can be described as outcome of learning. The memory reinforcements is very important for Lexus, simply because, when consumer need to buy a SUV, the name of Lexus will directly retrieval from memory put into evoked set. Lexus RX350 through a consistent motif used for the marque's advertisement to enhance consumer's long term memory.

Motivation

On the level of Esteem, a person needs self confidence, achievement, and esteem. The conception of Lexus RX350 is exactly fit this level of humans' need, due to Lexus is one of the rare automobiles purchased by people who can afford a more expensive one. Thus, consumers realize drive Lexus RX series can improve their social status, thus stimulated buyer's motivation to consumption.

Moreover, the McGuire's psychological motives, McGuire has developed Maslow's model, and classified motives into 16 categories. Helps marketers to isolate motives likely to be involved in various consumption situations. The following Lexus RX350 commercial use different motive to stimulate consumption.

This advertisement clearly illustrates the need for attribute, as we can see from the ads, whole city of cars and buildings were literally hoisted up for your traffic-free pleasure. The commercial obvious hinted consumers by <https://assignbuster.com/lexus-rx350-need-recognition/>

using the excellent navigation system of RX350, you may be able to avoid traffic jam. Through the advertisement market trying to pass the information of “ Suddenly the world not too complex”.

The advertisement in figure 15 for Lexus RX350 appeals to need to express identity through Arc de Triomphe in Paris. This ads use the need for self-expression to convey allows consumers to express an identity to others.

Attitude

The importance of Attitudes to Lexus RX350

The attitude consists of cognitive, affective, and behavioral component. It is straightly decide people’s emotion whether like or dislike. Likewise, Lexus RX350 sales in Europe not as good as U. S. Market. Due to BMW X5 leading Europe luxury crossover SUV market, simply because brand loyalty and consumer attitude toward the BMW X5 is feels good, reliability. Apparently, people’s attitude towards brand is very important.

3. 5. 1 Attitude-Change Strategies

The Multi-Attribute Model appeal to consumer researchers and marketers practitioners. It helps Lexus to examine attitude in terms of selected product attributes and beliefs.

The major attribute of Lexus RX350:

Advanced technology

Ease of use

Comfortable

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Lexus RX350 change consumers' beliefs by advanced technology. The new Lexus RX350 keeping the reputation for use of advanced technologies, which including: HDD satellite navigation,

Moreover, changing attribute important. Likewise, from its inception Lexus marketing strategies are promote higher levels of perceived quality and offer more affordable price than major competitors, which have successful attract customers from rival premium makers.

Last, changing ideal product is related to motivation. For example Lexus may attempt to convince consumer that Luxury SUV has claim superiority in precision, idling, and interior quiet and comfort. Lexus RX350 has success to representing what is the ideal product looks like.

Consumer Environment

The PEST analysis of Lexus

Political

The political issues may affect Lexus, such as: government policy of vehicle emission or limit car import.

Economic

The impact of financial crisis on Lexus in U. S. market.

Since the America economic downturn 2008, the sales of Lexus were drop significantly. Due to most of households in United States are faced financial problem, the consumption in Luxury car market was decline sharply.

Social

Culture and Subculture aspects of consumer behavior.

Lexus team has noticed that culture have important effects on consumer behavior. It may change the consumption patterns. Thus, Lexus had have pay great attention to understand American culture, and properly measured market strategy tailored specifically to U. S. Market. For example, the new Lexus RX350 advertising campaign (Figure11) has increased sales and consumer acceptance potential by convince consumer the new Lexus RX350 is able to uniquely express their personal lifestyles. Moreover, the progress is another watchword of American culture value. " The Relentless Pursuit of Perfection" presented to public as Lexus' slogan since 2003, Lexus RX promise consumer they will innovate consistently to fulfill previously under satisfied or unsatisfied, and this market strategy played a vital role for Lexus. Simply because the character of America affluence households are very practical and efficient, usually, they would rather choice a car, which ease for use

During the Lexus RX350 new model introducing campaign, Lexus have to consider about specific segment group's religious beliefs, cause there are more than 200 different religious organizations across over whole America. Usually for this group of people, their purchasing decision influence by religious identity. In addition, the regional factor are also must under consideration during Lexus promote RX350, cause the United States is a large country, the people live in different regional, may have different lifestyle and consumption pattern, for example, the people, who living in eastern side of America prefer to drive SUV. Moreover, the racial factor

doesn't influence Lexus RX350 marketing strategy very much, because, the consumer purchasing decision is based on social class standing.

Group influence on consumer behaviour

From its inception, Lexus was employ television actor James Sloyan (voice of Mr Lexus) to represents vehicle stunts on screen. While, Lexus have extended to sport sponsorship, and contracts with some pro athletes such as: Peter Jacobsen, and Andy Roddick etc. There is having two purposes of Lexus use celebrities to promote vehicles. First, increase brand awareness, just simply because Lexus knows the TV personalities and sports heroes, provide a popular type of reference group appeal, celebrities tend to draw attention to Lexus through their own popularity (Leon, G, 1991)