

The toyota marketing strategy assignment

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Toyota Motor Corporation is a multinational corporation headquartered in Japan. Today, Toyota is the world's third largest manufacturer of automobiles. Providing the most reliable automobile for its customer is the Toyota's specialty. Toyota Motor Corporation recently celebrated its 70 years both as a carmaker and half a century of selling cars in America. In 2007 Toyota sold 8.52m vehicles and its net income rose by 20% and become \$14 billion. Moreover Toyota is aiming to sell 10.4m vehicles in 2009. In Bangladesh it is the most popular automobile company to the car user and it has almost 70% market share in our country.

It is always interested to get the attention of the young generation, family people, working executives, service holders, business people, in one word all kind of people. "Its mission" is to predict consumer trends and create a lineup of cars and trucks to capitalize on them. Each professional is expected to spend time out in the field talking to car buyers. The Japanese have a name for it: genchi genbutsu – go to the scene and confirm the actual happenings. With Toyota, one thing has never changed that their commitment to the communities where they do business.

Toyota spends over billions of billion on R&D, design, manufacturing, sales and marketing operations. Over the world they have sales /service offices, financial service offices, R&D centers, holding company, manufacturing facilities, design centers, Hino operation facilities, Supplier state etc. 2b.

History Kiichiro Toyoda, founder of the toyota Motor Corporation, was born in 1894. His father Sakichi Toyoda became famous as he inventor of the automatic loom. Inheriting the spirit of research and creation from his father,

Kiichiro devoted his entire life to the manufacturing of cars, which was an unknown frontier at that time.

In 1933, Toyoda Automatic Loom Works created a new division devoted to the production of automobiles under the direction of the founder's son, Kiichiro Toyoda. Kiichiro Toyoda had traveled to Europe and the United States in 1929 to investigate automobile production. After years of hard work, he finally succeeded in completing the A1 prototype vehicle in 1935. That was the beginning of the history of the Toyota Motor Corporation. Toyoda Automatic Loom Works was encouraged to develop automobile production by the Japanese government and Model AA passenger car was the first production model of Toyota in 1936. [pic]

Replica of the Toyota Model AA, the first production model of Toyota in 1936
Toyota Motor Co. was established as an independent and separate company in 1937. The company was founded by Kiichiro Toyoda as a spinoff from his father's company Toyota Industries to create automobiles. Toyota also owns and operates Lexus and Scion brands. Toyota is headquartered in Aichi, Nagoya and in Tokyo. In addition to manufacturing automobiles, Toyota provides financial services through its division Toyota Financial Services and also creates robots. 2c. Product Line of Toyota
Toyota operates in Bangladesh through Navana Group, under Navana Limited.

The product line of Toyota's brand new cars, that are marketed by Navana Limited and are available in Bangladesh are: 1. TOYOTA Yaris 2. TOYOTA Corolla GLi 3. TOYOTA CAMRY 4. TOYOTA Avanza 5. TOYOTA Rav4 6. TOYOTA Fortuner 7. TOYOTA Prado 8. TOYOTA Land Cruiser 9. TOYOTA Hilux 10.

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TOYOTA Dyna 11. TOYOTA Hiace 12. TOYOTA Coaster [pic] Current marketing situation 3. Current marketing situation There is a huge market for automobile industry worldwide. In this global earth people need to communicate with others each and every minute. Transportation is one way that facilitates communication.

The market demand for cars rise and fall time to time, but the demand never fell to the ground. The current market situation of cars is a little unstable for the fact that oil price has risen significantly worldwide that has resulted in a decrease of car sale worldwide. The same has also affected the Bangladeshi market. Different car dealers have reported that car sale has dropped significantly from last year, 2006-2007. There is also a rise in the car due to increase in cost of production. The steel price has risen significantly worldwide. Japan, Taiwan, importers of steel, are giving 27 to 30% more for buying steels.

In Bangladesh, the government's rules and regulation imposed on import, duty and tax has also caused the market of cars to decrease. [pic] Product Profile 4 . Product profile 4 a. Mission, Vision, Objectives & Goal Mission: The mission is to create a luxury vehicle that could go head to head with the world's best automobiles. Vision: Setting new industry standards in operational excellence, market penetration, customer satisfaction and community commitment. Objective: Corolla GLi is clear in its objective to produce the segments most engaging driving dynamics while maintaining the brands traditional ride quality.

Goal: From the outset, it is their goal to develop a luxury flagship vehicle that would be recognized as one of the finest cars in the world.

4 b. Products quality and features, design, packaging, brand name, extra services

Brand name: Corolla GLi

Features And Quality: ? Powerful performance: Responsive and quick to please, the Corolla effortlessly generates the power for driving pleasure, delivering subtly smooth and stable performance. ? Advanced technology: The Corolla generates outstanding power, minimizes its environmental impact, and provides warm reassurance. Wti technology: Based on driving conditions, it optimally changes the open/close timing of the intake valve, contributing to increased torque and output, better fuel economy and reduced Nitrogen oxides and hydrocarbon emissions. ? Crash safety body: It is comprised of a high integrity cabin with front and rear crumple zones that help absorb impact energy in a collision. ? Suspension: The Macpherson strut suspension on the front and torsion beam suspension on the rear were fine-tuned to provide excellent stability and control, and ride comfort. Keyless entry system: It lets to lock and unlock the doors from a distance. ? Moon roof: It incorporates one touch mode and a jam-protected system. ? Rear spoiler: The rear spoiler integrated into the trunk lid adds a sporty touch. ? Anti corrosion steel sheeting: The extensive use of anti corrosion steel sheeting protects the Corolla from rust, helping it to keep its goods looks for years to come. ? Immobiliser system: It provides security against theft. The car can only be started when the ID in the electronic matches the ID code in the engine immobiliser system. Fuel Level warning ? Wireless door lock ? Audio ??? AM/FM, CD Changer, 6 spk. ? Child protector ? Brake control valve ??? EBD Design ? Highly functional design: The ergonomics-based design of the instrument panel with its easy-to-use

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switches engages the driver, providing comfortable operation that enhances driving enjoyment. Convenient functional features and various integrated storage spaces enhance comfort ? Dynamic and advanced: With its dynamic and advanced design creating a high quality feeling, the Corolla continues winning hearts and minds right around the world. Sophisticated presence: First impressions are compelling. The short-nose, long-deck proportions highlight the advanced sedan styling. Together with its expansive cabin space, it exudes a distinctive presence. ? Generous appearance: The captivating design creates a feeling of great possibility. The wide tread and generous appearance set the stage for the spacious cabin. ? Refined interior details: The Corolla’s attention to details includes the distinctive curved design of the center console, the use of colors and textures, and the quality finish. Brakes: Disc brakes on all four wheels, ventilated on the front, are standard for all grades, giving sure stopping performance. ? Windshield Glass ??? Green Laminated ? Outside rear view mirror ? Color Oxygen Sensor ? Head Rest ??? Front & Rear ? Rear Armrest ??? with Cup holder ? Inside Rear view mirror ??? Day & Night Colors available in Bangladesh ? Super White 2 ? Silver Metallic ? Blue Metallic ? Turquoise Mica Metallic ? Red Mica Metallic ? Grey Metallic ? Black Mica Packaging: It creates a spacious, comfortable cabin with excellent headroom, together with ample trunk space.

Engine: The compact, lightweight engine integrates sophisticated technologies, which contribute to its excellent performance and low fuel consumption. Extra Service ? Immobiliser system: It provides security against theft. The car can only be started when the ID in the electronic matches the ID code in the engine immobiliser system. ? Keyless entry

system: It lets to lock and unlock the doors from a distance. ? CD changer 4

c. Products position in the market compare to other product of the company with BCG growth matrix

Boston Consulting groups (BCG)'s growth share matrix is a table that gives an idea about about market growth rate compare to relative market share. The market growth rate on the vertical axis indicates the growth rate of the market in which the business operates. And the relative market share on the horizontal axis indicates the market share compare to the other segments. It serves as a measure of the company's strength in that market segment For BCG growth matrix, we have selected four models of Toyota Cars to analyze GLi's position in market compare to other models. Models are- 1. Corolla GLi 2. Probox 3. Yaris 4. Crown | | Relative Market Share | | | | High Low | | | | | Market High | | Growth | | Rate | | | | Low | HighLow High Figure: BCG Growth Matrix Our analysis on Corolla GLi compare to others is described below- Star: According to our observation, Probox falls into the position of Stars in the matrix table. Recently, Probox has reached at peak point in terms of selling. That is why their market growth rate is very high as well as market share. From the Bangladesh perspective, the demand of this car has increased so the company is trying to hold this position

Question Mark: Corolla GLi falls under the category of this position. Because it is totally a new brand in Bangladesh, but has got very rapid sale within a short period of time. Therefore, their market growth rate is in the high position. On the other hand, as a new brand market share is not so high till now. Cash Cow: When market growth rate is low along with high market share then the product fall under this category. From our point of view, Yaris <https://assignbuster.com/the-toyota-marketing-strategy-assignment/>

falls in to this position. Because present market growth rate of Yaris is not that much high compare to other though their market share is high. Dogs: In this position, both the market growth rate and market share is low.

According to our observation, Crown falls into Dogs position in the matrix table. This is the model, which has less demand in Bangladesh that is why their market share is also low. 4 d. Market segmentation process Market segments are large identifiable groups within a market. There are four basic bases for segmenting consumer market. These variables can be used singly or in combination. These are- 1. Geographic segmentation 2. Demographic segmentation 3. Behavioral segmentation 4. Psychographic segmentation Now, considering Corolla GLi, we find that they also segment their market into groups based on the above segmentations. For this segmentation process, firstly they study the market and customers demand.

They complete this process by analyzing the competitors' products, segmentation as well as customers demand. The process is described below- Geographic segmentation: It is the process of dividing the market into different geographical units, such as country, city, nation, state, region etc. The company can operate in one or few geographic areas, or operate in all but pay attention to local variations. From Corolla GLi's point of view that they segment their market based on ??? ??? Country: In order to cover the whole world's market they launch their product in different countries. To do so, in 2007 they first launch this model in Bangladesh. City: After selecting the country, they target those cities where they find more customer demands and wants. They actually select the cities after analyzing the purchasing power, living standard and so on. Demographic Segmentation: In <https://assignbuster.com/the-toyota-marketing-strategy-assignment/>

this segmentation the market is divided in to groups on the basis of variables such as age, family size, life cycle, gender, income, occupation, education etc. These variables are the most popular bases for distinguishing customer groups. From corolla GLi point of view, they segment their market depending on income and occupation mostly and others have less affect in this segmentation part. As we know that they firstly go for market study to know customers demand as well as their purchasing power.

For this purpose, they target those customers who have high income as well as in top position in their occupation to match whether they can afford this car or not. Behavioral segmentation: In this segmentation buyers are divided in to groups on the basis of their knowledge, attitude toward the product, use of, or response to a product. The behavioral variables are occasions, benefit, user status etc. If we look at the Corolla GLi's segmentation process, we can see that they mainly focus on benefit variables and customers attitude toward the products. In benefit variables consumers actually look for products quality, services, economy, and speed. Therefore, corolla GLi is providing high quality, extra ordinary services along with high economic value to meet the customer demands.

Moreover some customer's attitude is to prefer branded products. They are basically quality concern people not price sensitive. Psychographics segmentation: In this segmentation the market is divided in to groups on the basis of life style, personality and social class. As we have mentioned earlier that GLi is a branded product targeting the upper class people so social class, life style, and personality play an important role in this segmentation. The people who are in the upper class and lead a luxurious life style they

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want such type of car that represent their status, image and pride in the society. Here corolla GLi holds all the characteristics that make satisfy these groups of customers.

In addition, the customers who are ambitious, outgoing, demanding, compulsive and want to show a unique image may also buy this car as a symbol of attractiveness. Thus these four basic parts of segmentation process helps them to identify the proper customer demands and market. 4

e. Target market selection process After the segmentation process marketers identify one or more selected areas to enter into the market, this is known as target market selection process. There are different patterns of target market selecting. These are- 1. Single segment concentration: Producing one product for one selected market. 2. Selective specialization: Offering different product for different market. Here, one sector can be covered by other. 3.

Product/service specialization: Offering one product for all groups of people in order to minimize cost. 4. Market specialization: Offering different product for one selected market. 5. Full market coverage: Marketers try to cover full market by offering different products for different market. After analyzing the five patterns of target market selection, we can say that Corolla GLi follows the Single segment concentration. Because- ? They don't have any other sub model of GLi. It indicates that they are producing only one product. ? Also they are producing this product targeting only one group of people, which are the upper class people.

From Corolla GLi point of view, they select their target market by considering the customer's demand like- what feature, design, and benefit they want.

Last of all, they try to match these with the customer ability and purchasing power. As it is mentioned earlier that they are following single segment concentration so the benefits for selecting this pattern are mentioned below-

? Through the Single segment concentration, marketers gain a strong knowledge of the segments need and achieve a strong market presence. ?

With the help of Single segment concentration they can increase their sale, which can earn a high return on its investment.

4 f. Types of Consumer behavior
Buying Behavior is the decision processes and acts of people involved in buying and using products.

There are four typical types of buying behavior based on the type of products that intends to be purchased. These are- Complex buying behavior:

It is a buying behavior where the individual purchases a high value brand and seeks a lot of information before the purchase is made. In this process, buyer first develops belief about the product then develops attitude about the product and lastly makes a thoughtful choice.

Variety-seeking buying behavior: It is a buying behavior where the individual likes to shop around and experiment with different products. Here brand switching occurs for the sake of variety rather than dissatisfaction and look for cheaper price.

Dissonance-reducing buying behavior: It is a buying behavior when buyer is highly involved with the purchase of the product. There exists little difference between existing brands, so customers become confused.

Habitual buying behavior: It is a buying behavior where the individual buys a product out of habit e. g. a daily newspaper, sugar or salt etc. After analyzing

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the above point it is quite clear that Corolla GLi car buyers are following complex buying behavior, because they are highly involved in purchase and aware of significant difference among brands. We know that this car is expensive, risky and self- expressive so buyer buy infrequently.

Furthermore, this type of customers buy car by differentiating the products with other significant brands like- Mercedes, BMW. Here, Corolla marketers also compare their product with BMW, Mercedes. Mainly, customers are concern about brand not price so they look for brand's benefits and quality, which will show the symbol of pride, status in the society. 4 g. Steps in the consumer buying behavior Consumer Buying Behavior: It refers to the buying behavior of final consumers- individual and households, who buy goods and services for personal consumption. There are five steps by which consumer buying behavior pass through- Fig: Steps of consumer buying behavior

Likewise, to buy Corolla GLi consumers may through all the steps. These are explained below- Need Recognition: In this step a consumer become aware of a problem or need. As we have mentioned earlier that Corolla GLi is a car of status, reputation, image and so on. When people reach that level where they feel to have such a prestigious car, they are in the need recognition stage. So they want such a brand new car, which will higher up their position in the society as well as match with their societal status. Information Search: When customers become aware of the need, they go for information search. They can collect information from various sources, such as personal, commercial, public sources etc. In personal sources, they can collect reliable information from their friends and others who have Corolla GLi or may know well about this car. ? They also can go for visiting Toyota show rooms in <https://assignbuster.com/the-toyota-marketing-strategy-assignment/>

order to collect more accurate information, which refers as commercial sources. ? Print & electronic media, advertisement, billboard, Internet etc can also act as public sources in order to provide information to customers. Evaluation of Alternatives: In this stage, the consumers form preferences among the brands in the choice set. After completing the information search stage, customers look for competitive brand information by which they can evaluate the brands with each others.

Here customers also evaluate Corolla GLi with other brand new cars and try to find out significant differences among them. They compare the brand image, features, services, speed, design, and other facilities and benefits among the alternatives. Purchase Decision: After completing the evaluation process, the select the most preferred brand which is suitable for them and then they decide to buy the product. In the case of Corolla Gli, after evaluating all the alternatives the pick Corolla GLi as it is fitted from all perspective. Attitudes of others who already have Corolla GLi, plays an important role to take the purchase decision. And then go for final consumption. Post-purchase Behavior

After purchasing the product, consumers will experience some level of satisfaction or dissatisfaction. In the case of Corolla Gli, consumer may try to figure out their satisfaction level. Whether the car's perceived performance is satisfactory or not. 4 h. Product Life cycle stage determination [pic] Corolla GLi was launched in November 2007 in Bangladesh it went through the introduction stage with great success and now it is in the growth stage the features, quality and brand name of the car are attracting more and more

potential buyers day by day. 4 i. SWoT analysis SWOT stands for internal Strengths and Weaknesses and external Opportunities and Threats.

It is used to gauge the degree of “ fit” between the organizations’s strategies and its product and to suggest ways in which the organization can profit from strengths and opportunities and shield itself against weaknesses and threats. [pic] Strengths ? Brand new product ? It represents luxurious life style and symbol of status. ? Showing reliability by the company name Toyota. ? Using WT-i technology Weakness ? Since it is one of the models of corolla so some people may have misperception about GLi as a new brand. ? Because of the mentioned reason also GLi still don’t have own Brand image. ? No product line and variation in model. Opportunities ? Offering product, which is equivalent to other luxuries car. ? Attracting new customer by providing quality product. Threat Entrance of new competitors. ? Government regulations (new or revised). [pic] Pricing for Corolla Gli 5. Pricing for Corolla Gli 5a. Price A firm sets prices when it develops a new product, when it introduces its regular product into a new distribution channel or geographical area, when it adds new features in the product, etc. Price is the only element in the marketing mix that generates revenue the other element generates cost. Price is considered as the major determinant of buyer choice especially in the poorer nation and with commodity type products. Companies set their prices in different ways based on cost, value, competitors, customers, etc.

Each pricing strategy is different from the. Cost based pricing strategy is where the organization set prices based on cost of production with that amount a certain markup is added for the profit and the product is sold. <https://assignbuster.com/the-toyota-marketing-strategy-assignment/>

Competitors based pricing strategy depends on the price of the competitors what they would charge for the product for this pricing strategy the organization either charges same or low price than the competitors. 5b.

Pricing strategy of Toyota Corolla GLi Toyota mainly follows cost based pricing strategy for the entire car it manufactures for the luxurious car it follows both cost based pricing strategy and value based pricing strategy.

They deliver the value promised by their value proposition and the customer perceives the value. To communicate and enhance perceived value in buyers mind Toyota uses other marketing mix elements such as advertising and sales force. Value based pricing depends on the product performance, quality, features, customer service, etc. For Corolla GLi Toyota uses both cost based and value based pricing strategy as this is one of the most luxurious cars of Toyota. Navana is the only importer in Bangladesh who buys Corolla GLi from Toyota. Initially when the car was launched it was sold at a price of 1950000 taka but now as duty fee has increased and international currency fluctuated the price of Corolla GLi is now 2250000 taka.

For the pricing of this car Toyota is also following other pricing strategies they are price skimming strategy which is they are charging maximum price as it is a new product, the demand of this car is already present in other countries and the buyers are also willing to pay any price to buy this car. It is following premium pricing which is charging high price for the high quality car . It is also following the optional product pricing e. g. for with the car Toyota is providing a luxurious comfortable interior with leather seats, cd player, etc. Therefore Final price is determined with all these strategies plus the cost of import, duty fee, the cost of shipment and the markup of Navana.

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pic] Distribution for Corolla Gli 6. Distribution for Corolla Gli 6a. Distribution or location strategy Most producers do not sell their goods directly to final consumers they use channels or marketing intermediaries to deliver their product to the ultimate consumers. By using intermediaries the cost of the producers and their number of transaction decreases. 6b. Channel dynamics ??? Conventional marketing system- manufacturer, wholesaler, retailer work as independent system. No one has control over the other. Each member of the channel has separate objectives. ??? Vertical marketing system- all the members of the channel work as a unified team. Hybrid marketing system- when the product is sold by using more than one channel 6c. Distribution of Toyota Toyota has distributors in almost every country. In Bangladesh the main distributor of Toyota is Navana. Navana performs many functions of Toyota. They gather information about potential and current customers of Bangladesh about the government policy and other external factors and communicate the information to Toyota. They make people of Bangladesh aware of the new cars their features and benefits e. g. to promote Corolla Gli Navana used print media, internet, etc for advertisement. They communicate with the customers directly and sell the cars.

As Toyota uses Just-in-time approach to some extent they depend on their distributors as the distributors provide them information about customers demand or about the cars of the competitors and Toyota produce their cars accordingly. Toyota and Navana together follows the Vertical marketing system where they work as a unified team. If Toyota wants to launch a new car in Bangladesh they provide Navana with all the information about the car

Navana then analyzes the current marketing situation about the competitors and orders as per demand which is then delivered after 5 months through shipment. Navana is an exclusive distributor of Toyota they are given full authority to sell the cars of Toyota. [pic] Promotional tools 7. Promotional tools Every company has to sell their products to their desire customers. For that they need to communicate with them.

In this circumstances every company use some promotional tools to sell their product. As Toyota selling specialty product GLI car, they are also using some promotional tools to capture more and more market share. 7 a.

Objective of promotional activity Toyota has some certain objectives behind their promotional activities. Those are- ? Giving information about the product ? What's new in features and benefits ? Trying to create brand value of GLI ? Ultimate increase of market share 7 b. Promotional tools of corolla GLI Toyota using three basic promotional tools to promote Corolla GLI. ? Advertising ? Personal selling ? Direct marketing Advertising

Advertising is the paid form of non-personal presentation by an individual organization to promote their products towards their customers. Toyota gives advertisement of their product through different media to promote their products towards their customers. Toyota using paper and bill board for their advertising. They go for billboards which are situated in Bijoy Shoroni, Manik Mia Avenue, Kamal Ataturk Avenue, Gulshan 1 & 2, in front of Shonargoan Hotel, Dhanmondi 27, Newmarket. In Chittagong ??? Newmarket, Port city, Nasira bad and Kulshi etc. Personal selling Toyota using personal selling tools to sell and promote corolla GLI. Personal selling is

the direct way to connect with customers. Toyota first introduce GLI in Japan trade fair, it's a way of personal selling.

Also Under personal selling they go for corporate selling and they target bank and company high ranked personalities to buy their product. It's a very effective form of selling corolla GLI. Direct marketing Direct marketing is another tool that used by Toyota to aware about GLI to their customers.

Direct marketing is way of marketing where, there are no physical contacts with the customers. They did E-mail campaign to promote GLI as direct marketing. 7 c. Media used by Toyota As Toyota wants to sell their product GLI, they use some media to provide their message to their desired customers. Toyota uses both personal and nonpersonal communication channels to promote GLI. ? Personal communication channels

Personal communication channels involve two or more person communicating directly with each other face to face, person to audience, over the phone or through mail, where company get the opportunity to receive feedback from customers etc. To promote GLI Toyota uses face to face, person to audience and mail as personal communication channels. Also word of mouth behavior acting as personal communication channel. ?

Nonpersonal communication channels Nonpersonal communication include media, atmosphere and event, where no face to face communication occur. Moreover no opportunity to get feedback from the customers. Toyota uses print media, bill boards, car show etc as nonpersonal communication channel. 7 d.

Media budget One of the most difficult marketing decision is determining how much to spend on promotion. There are some common methods of determining media budget. Those are affordable method, percentage on sales method, competitor's parity method and objective and task method. From these Toyota is using a combine approach of affordable and objective-task method. But before that they are estimating the budget depending on product life, quantity and brand value. For GLI, Navana the authorized distributor of Toyota budgeted 20-30 lakh for the current year. 7 e.

Advertisement effect on sales Toyota marked GLI as a successful project in Bangladesh.

To become successful Toyota is doing a lot of promotional activities. They also found positive effect on their sales from their promotional activities. As a result they able to sell 300 to 350 Gli car within 8 months. It's a great achievement in term of selling luxury sedan. Toyota is very successful in term of their promotional activities. Also they use different types of promotional tools to become successful in Bangladeshi competitive car selling market. [pic] Problem Identification Car is marked as specialty product and also perceived as luxurious product in our country. So it's a bit difficult to maintain a luxurious product like Toyota GLI in every segment of marketing.

Although it's a very successful project of Toyota in Bangladesh but they faced some problems. 1. Perceived value of corolla in customers mind Customers of Bangladesh perceived that corolla is a brand of common people. As GLI is a sedan of corolla segment, customers perceived that it's not a high branded car. Although it is a corolla segment car but it is a high

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grade car of corolla then other corolla cars. As customers think it is a common brand car they don't want to buy it on that amount of value. So it's become a huge marketing problem for corolla GLI. 2. Brand name GLI Basically GLI doesn't have any meaning. But customers want to know the meaning of it.

So it creates some sort of problem to give the proper answer of meaning of GLI. 3. High price GLI is a car of high grade, so it's a high price car. As more people wants to buy affordable car they don't want to buy it at a high price. Also some don't want to buy a corolla branded product at a high value. So the high price of the car creates some sort of problem. 4. Off stock delivery time Toyota uses Just in time inventory system. So they manufacture product only on demand. If the stock of GLI car comes to an end then it needs 120 day to delivery the product again through shipment. So off stock delivery time is a problem of Toyota for any car as well for GLI. 5. Rapid growth of competitors high branded cars

Previously, the Bangladeshi car market was captured by Toyota. But in term of luxurious and high branded car, now Nissan, Honda and Mitsubishi entered the market with a great deal. So market becomes competitive and it's a new problem for Toyota in Bangladeshi market. 6. Import of recondition cars Huge amount of recondition cars are importing from Japan to our country. So the new branded cars are loosing their appeal in the market. 7. Unstable car import and duty law and regulation Car import and duty law is very unstable in our country. It creates hazard for the company to do their business smoothly. Toyota is facing some problems regarding GLI. They are also trying their best to solve those problems.

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Moreover they marked these problems positively and from the GLI experience they will be able to avoid these hazards for their upcoming projects.

9. Recommendations 1. Customers perceived value- To overcome this situation marketers need to increase the brand value of Corolla GLI. They can increase brand value by adding more features than other Corolla cars, or even compared to the competitors same level cars. They can utilize the brand equity of Toyota cars that prevails in the market. They can highlight the brand GLI besides Toyota Corolla. They can differentiate GLI from other Corolla. They can differentiate GLI from other Corolla line extensions by highlighting the existing features.

They can introduce new designs in terms of color, body kits etc; new features and also extra facilities. 2. High price- As the price of Corolla GLI is high; to overcome this situation marketers can add more value to the product rather than cutting the price. They can have value addition to the product- a. perceived value in terms of brand image. b. tangible value- marketers can introduce new features and design by producing new colors, body kits etc. They can avail more extra facilities and benefits in the car. 3. Though the management philosophy of Toyota that is the Just-in-time approach is not a current problem but rather is referred as a potential problem in the long run.

Our recommendation would be to study and be informed about the market demand all the time to avoid any situation of being out of stock. 4. The rapid growth of competitors branded cars is a great threat to Toyota worldwide as well as in Bangladesh. The marketer should always be aware of bringing in, what are the benefits that will be available etc and plan accordingly to reduce the threat of being out of model or even out of market. References & <https://assignbuster.com/the-toyota-marketing-strategy-assignment/>

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----- Star (Probox) Question Mark
(Corolla GLi) Cash Cow (Yaris) Dogs (Crown) High Low Involvement
Involvement Significant difference Between brands Few difference Between
brands Complex Buying Variety Seeking buying Habitual buying Dissonance
Reducing Buying Purchase Decision Post-purchase Behavior Evaluation of
Alternatives Information Search Need Recognition Time Product Develop-
ment Introduction Profits Sales Growths Maturity Decline Losses/
Investments (\$) Sales and Profits (\$) GLi