

Toyota's nonmarket forces

[Business](#), [Company](#)



This research paper addresses the unintended acceleration in Toyota vehicles as a nonmarketing force and what factors lead to the issue. The prevalent issue that will be discussed in this paper is after thorough research procedures that have established the outstanding predicament which face Toyota as an international company.

More than one factor will be brought forward to help in diversification of the solutions. With strong sources from journals and publication, the paper will exhaustively expound on the nonmarketing force of Toyota Company which in turn leads to diversified proven solutions to all the factors.

In this paper solutions to the issue faced by Toyota will be strategically analyzed with a strong backing in relation to the references that will be provided (Koopman, 2014). The solution to tackle the problem will be effective in measure and also in application. Recommendations will be outlined with an aim of helping the company get out of the nonmarketing environment quagmire permanently.

Toyota became the subject of controversy in the media and the United States Government at the end of the year 2009 for numerous deaths and injuries associated with accidents emanating from the unintended and unrestrained acceleration of vehicles.

In spite of Toyota un compelled recall of more than 4 million motor cars for floor mats that they claimed caused pedal jams and later another recall to increase the space between the floor and the gas pedal, Toyota stood still with both feet and issued a statement that there were no veiled faults and

vehemently defended itself from press reports and other statements that said otherwise.

With the crisis intensification, Akio Toyoda, the president of the Toyota Motor Company later, through his testimony apologized to the U. S. Congress but by the time he did it Toyota's had experienced \$35 billion loss.

Table 1

Vehicle Model	No. of injuries
Prius	15
Camry	130
Tacoma	30
RX models	13

Table 2

No. of crashes - 820

No. of injuries - 340

No. of deaths - 25

Total no. of incidents - 2260

Even with increased deaths caused by the Toyota vehicles, the Toyota Company responded to these allegations by renouncing to any claim that the Company was manufacturing faulty motors. The Toyota Company put blame on its customers who installed floor mats that did enmesh the pedal responsible for accelerating(Cole, 2012)..

Government intervention

These caused a stir in the U. S especially as the Toyota Company was well known for its auto-motive prowess. The media spurred the issue to greater heights which led to the intervention of the U. S. government because the increased tragic accidents caused by the Toyota vehicles were getting out of hand since the cases of death casualties and injuries were going up.

To face the rising and pressure which the company was almost succumbing to, the Toyota Company came up with a strategy to diffuse the SUA issue which the press now the press would not rest until it would be addressed. To address the issue, Toyota decided to do a recall of its vehicles with the help of the NHTSA Between the end of the year 2009 and the start of 2010.

The first recall happened when the Toyota Company recalled more than 50, 000 vehicles which had thick rubber floor mats. The vehicles that were mainly recalled were the Camry's and Sedans(Finch, 2009). The second recall happened on the 21st of January in the year 2010 with Toyota issuing

reports in regards to the sticky pedal acceleration. Toyota addressed over 4million cars in the U. S., Europe, and China.

The third recall happened with the initiative of the NHTSA. Early January 2010, NHTSA sent out reports that it had received complaints that more than 100 Toyota Prius drivers of a braking system problem on this particular car model. Reports were that the anti-lock braking system had caused fatal accidents (Pollard, 1989). Later on, Toyota issued a report that it had looked deeply into the matter and had resolved it as well. The Toyota Company had updated the software so as to improve the braking system

Effects of different aspects

- Effect on Toyota

The recalling had impacts on Toyota as the company sales had started to go down which meant that decreased low exchange rates of the Japan currency to the US dollars. People would lose jobs since the company was not earning as it used and so it had to cut down the costs. Toyotas reputation was stained which meant that sales would affect the sales.

- Economic Impacts

The economic impacts would affect the Toyota Motors which might lead to its closure. The recalling also led to manufacturing changes which helped to be more responsive to the customers since the building of a responsive team would lead to efficiency for the Toyota Company(Linebaugh, 2010). The recalling also lead to other competitors selling their shares at affordable

prices especially to the big shareholders of Toyota further suppressing Toyota.

- Effect on the media

The media coverage of the Toyota issue was daily updated and this made it worse for the company to make sales as the criticism was getting out of hand. The media hugely affected the Toyota too since they pulled all the advertisement billboards making it hard for the Toyota marketing.

Publications and articles further criticized the company terming it responsible and greedy as the increased profits had led to the company manufacturing low quality and defective vehicles. After several companies doing some polling, it realized that the Toyota public image was going against the company as 25% perceived Toyota as an unsafe vehicle since the recalling caused by the SUA.

- Effect on Customers

Toyota customers likely would find a new automotive company who would cater for their needs. Losing their customers who are in one way or another, an advertisement too means that the company would adverse long term effects on its customer base. Finding new loyal customers would be hard since no one would like to be associated with a company that has counterfeit products

- Effects on employees

Toyota will have to retrench some of the workers therefore making some individuals jobless. In case the company decides to close then it means

employees will lose their jobs and end up as unemployed flooding the market with more laborers than expected which means at the long run the automotive industry will have more workers at a cheap cost. This affects other employers from other companies since if they are not as qualified as the Toyota retrenched people, they will go out of market skillful wise.

- Effects on suppliers

The suppliers who did deliver services and goods are Toyota, likely are to be affected negatively. Toyota which will be an unpopular automotive will make low sales which will turn to low production meaning suppliers will have to reduce the deliveries. The amount of profits they were making will go down resulting to big losses for the suppliers.

In conclusion, the Toyota Company should come up with a smart responsive team which should be very efficient in terms of addressing rising issues within and outside the company. The responsive team is important since it will not let any issue get out of hand and get to a point where the company's reputation and the image are stained. Facing issues within the required time would help save Toyota's Company resources and also cut the costs of trying to bring back a good image into the company.

To end the SUA permanently the Toyota Company should first make a comprehensive design of the car they are designing. To eradicate problems such as sticky pedal the company should do experiments after designing a single vehicle. The vehicle testing helps in the accessing of the vehicle before its release into the market (Heller, 2012). Testing would take Toyotas little resources and also help in dispersing vehicles which the company is

sure of their safety which in turn would help maintaining the social ethics of the company towards the community (O'Rourke, 2010).

The Toyota Company should adhere to the standards of the automotive laws and regulations which mean that it would be doing according to the accepted code of automotive manufacturers. The last recommendation would be the Toyota Company to build a strong connection with the media so that the public image is always positively placed above its competitors and by this, the Toyota Company will increase its sales to greater volumes and hence its globalization goal accomplished.

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