

Toyota brand equity



Toyota Brand Trust and Equity Any business person knows that for each product, the Brand trust and brand equity are important. Brand equity comes with a lot of benefits to companies, the biggest being that it adds to the financial valuation of a product.

This shows that the higher the rating of equity of a brand, the more its financial value will be. Brand extensions also benefit from brand equity. Thus, a brand can merge with other new products by extending its brand name into their categories.

Brand equity and brand trust are correlated. The level of brand trust that a brand enjoys is what determines its brand equity. Brand trust is achieved if the consumers repeatedly talk of positive experience with the brand.

This results in brand loyalty. This in turn, contributes openly to brand equity (Delgado-Bellester & Munuera-Aleman, 2005). The Toyota Company has taken both brand equity and brand trust very seriously. It has always been geared toward improving its brand. In the stir of the recall by Toyota, a certain car brands owned by Toyota were faced by the issue of consumer distrust. The recall happened because of problems to do with acceleration, brakes and floor mat of the cars. Although all this affected the branding of the Toyota, it has taken many steps to protect its brands from consumer distrust (Brooks, 2010).

Since the problems started, it has always released press releases to keep the public in the know. The company has also sent letters to the owners of affected car brands. This has been done with the aim of retaining their customers by taking them into confidence. Thus, these affected customers

get the feeling that Toyota has their safety in mind. A website that provides updated information about the recall has also been opened and can be accessed by all its customers. These steps are aimed at protecting its brand's equity. Innumerable news channels all over the world were covering this recall and it looked like it might affect the company's different vehicles brand.

Interestingly, Toyota turned this around by using social media to improve its Public Relations (PR). It has also come up with a Social Media Cell having an reliable staff which follows the online conversations and properly takes part in them (Eckhouse, 2010). Toyota has to make sure that its public relations staff is working determinedly to continuously use the website to provide any information that the customers might need. Its call centers are now working round the clock to answer any queries that the customers have. Thus, it has made its customers understand that it cares about them and it is working on the situation. These efforts by the company have enabled it to stop its brand trust from deteriorating even more.

Building trust in a customer is something that takes a long time. The constant delivery of high quality products is what makes a company gain this trust. Although the building process takes long, it only takes a very little time to lose it all. Because of the safety and quality issues, Toyota lost its brand trust for a while among its customers. Well known Toyota brands such as the Camry, Corolla and the Prius are what suffered the greatest hit. Despite this, their reputation is still strong and they are slowly regaining their brand trust. Japanese cars have always been known to be high on quality and this is part of the reason why Toyota is the number one automotive company in the

world since the time it crossed GM as the top leading automotive company in the industry in December 2009 (Marr, 2009).

Toyota has taken this crisis as an opportunity. It has taken measures to improve the quality and performance of its vehicle brands. A committee tasked with analyzing the crisis has been set up. This especially set their concern to the quality checks the cars are meant to be subjected to.

This committee is being headed by the CEO and President of Toyota, Akio Toyoda/ the committee's responsibility is to conduct a well organized and detailed inspection of all the processes that the cars are subjected to in their manufacture. By doing so, they will be able to determine how the problem came about (Toyota Press Room, 2008). Because of the massive role of the brand equity and trust, it is a must for management that it takes a look at all the factors when coming up with the strategies. This means that management should come up with strategies which when achieved will increase the brand equity of Toyotas brand.

Nowadays most companies find it hard to build brand trust. Building brand trust has never been an easy task for any company, Toyota inclusive. Trust cannot be acquired through flashy advertising campaigns. It requires a consistent effort on the part of company to always satisfy the customer, something which Toyota is clearly out to do (Manternach, 2009).

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