

Marketing strategy of viet nam toyota inc

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



INTRODUCTION

Toyota motor Corporation, abbreviated TMC, is a multinational automobile manufacturers headquartered in Toyota, Aichi, Japan. The company was founded by Kiichiro Toyoda in 1937 as a spinoff from his father's company Toyota Industries to create automobiles.

Toyota Motor Corporation (TMC) is the world's largest automobile manufacturers, selling over 8.4 million vehicles in 2010 on all five continents. Toyota today has 77 manufacturing companies in 27 countries and markets vehicles in more than 170 countries worldwide, supported by a consolidated workforce of approximately 320,000 people. A very efficient management style that the company uses has been one of the reasons for the firm's good performance. There are many other salient factors that have made the company achieve the niche of market leader. The market structure the company operates in cannot be definitely stated.

Some may consider it to be a monopoly. This is due to the fact that the company is a dominant market player in car exportation. In fact, its differentiation strategy has made it enjoy an almost monopolistic presence especially in the developing nations of the world. On the other hand, the market structure can be seen as an oligopoly. This is due to the fact that there are other key players like GM who are peer competitors. Toyota is keen to see what these competitors are doing and make sure it reacts to their actions in a way that will guarantee its market leadership.

With their consistency in innovating designs and over a billion dollars spent in advertisement a year, Toyota has become an attraction in the eyes of many

auto consumers worldwide. Toyota has built its reputation not only by producing high quality vehicles at affordable prices, but the brand and marketing skills they use through tactful pricing strategies. Toyota has differentiated their prices from the traditional pricing set up of many of the other automobile makers. However, it is their effectiveness in targeting consumers' needs and wants that has pushed them to the top.

Toyota motor Viet Nam (TMV) was established on September 5, 1995 (official opening in October 1996) . In Viet Nam, Toyota is one of the most famous car brands, accounting for a large market share in the market, with many kinds of car that meet the needs of Vietnamese consumers. Joining the automobile market since its initial days, up to now, TMV has incessantly developed both in sales, production scale and labor force. According to Fortune magazine's (Published global business magazine). The key to success of Toyota corporations is not only style quality but also due to many reasons.

One of the main reason for success of TMV is that they concentrate on marketing and promotion plan for their products. This is a sound strategy that brings TMV to success. This study will show the importance of marketing strategy of Viet Nam Toyota Inc.

METHOD

Our 5-year research of Toyota Marketing Strategies in Viet Nam began in the summer of 2005 and ended in the fall of 2010. The subjects were selected from Toyota Ben Thanh, known as the best-selling and the largest agent of Toyota in southern region. This research surveyed 100 people.

The major subjects were sales representatives of the agent, staffs of the marketing department and customers. In which, 30 sales representatives were chosen on the following criteria: having good achievement in the agent and receiving good feedback from customers. 70 selected customers were those who had demand of buying car and those who were the agent's close customers or potential customers. The instrument employed in this study was interviews and survey (questionnaire). A set of 20 questions closely linked to the study was given to each subject. The interview with some random questions was based on subject's characteristics (e. . job, department, product evaluation, income, etc). This survey took one week to get the feedback for evaluating and judgment. The questionnaire was also performed in online version under the help of Google Docs (<https://docs.google.com/>) and shared on social network Google+™. All collected data was digitalized and statistics were made using Microsoft® Excel and IBM® SPSS® Statistics software.

MATERIAL

Observations were made at customers shopping at the Toyota Company in order to learn the consumers' attentions on products and their final decisions.

The opinions of customers were collected by questionnaire and interview. In the questionnaire, there are two main parts that are personal information section and research information section separated. The personal information part was designed to collect some private information of participants, particularly age, gender, and job. And the research information part which consisted of 20 research questions is divided into 4 main groups

as follows: Group 1 (question 1 to 3) was designed to collect some private information of participants. Besides, it is used to define the customer's demand and finance.

From this we can find latent customers of the company. Group 2: (question 4 to 7) was to identify how customers get information about the product of Toyota companies. And we can know the marketing method Toyota company has used that brings the most effective result Group 3: (question 7 to 12) aimed at the opinions of customers after using Toyota corporations' products. It is not only used to assess the quality, services but also the attitude of the staff. Group 4: (question 13 to 20) was used to get the complain from the customers and what they expect to the products and service in the future.

From this we can identify the way to develop the company.

RESULT

Part 1: Personal information Chart 1 - Gender Chart 1 indicates the participation of male and female in shopping through the Toyota system. It shows that not only women who have shopping habit but also men took a significant part of using toyota products (male accounts for 63% and female accounts for 37%). Chart 2 - Customers Besides, chart 2 displays the percentage of participants' customers in shopping through the Toyota system in which business and office staffs are accounted for a large percentage (45% of business and 37% of office staffs).

Meanwhile, other job also accounted for a considerable portion (18%), in which include singer , actor, footballer,... etc. * Part 2: Research information

Why do more consumers choose Toyota? The same reasons the critics do. Toyota leads the pack in fuel efficiency, durability, popularity and safety. Toyota is the most fuel-efficient full line automaker in America. Plus, Toyota is the number 1 selling brand of hybrids - Toyota has more hybrids on the road than all other manufacturers combined. Moreover, Toyota has the greatest durability of any manufacturer.

With the highest percentage of vehicles sold over the past 20 years still on the road among major manufacturers. And Toyota is the first manufacturer to include Star Safety System features standard on all vehicles. That's just part of the reason why Toyota has more vehicle listed on the top 10 of least expensive cars to insure than any other brand. Otherwise, Toyota's received more 2010 JD Power & Associates Vehicle Dependability Awards than any other brand. Toyota has the largest number of vehicles on Cars.com's top 10 American Made Index.

Seven Toyota vehicles have won IntelliChoice's Best Overall Value award for their segments. And Toyota is the highest-ranking auto company on Bloomberg Businessweeks' 2010 list of the 50 Most Innovative Companies. Chart 3 displays the customers' criteria of choosing Toyota products which was divided into four main elements: benefit, price, companies' reputation and quality. Over a half of them was preferred products' quality (56.25%) to price (21.8%), companies' reputation (12.5%) and benefit (9.37%). This finding shows that the consumers' priority concern was products' quality which conflicts with their experiences.

Market Program This consists of the four marketing mix elements that are designed to fit the market in terms of their needs and ability to access such

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products and services. * Product Strategy The Company is believed to be moving with a strategy of mass production of which it has enabled it to sell widely in the global market. It has also included the strategy of hybrid product, where it can double the amount of production for the arising needs in the market.

Price Strategy

The reputation of the Company has been developed by producing high quality vehicles that can be bought at a reasonable price.

The Company has also been using tactful pricing strategies through price differentiation so that they are different from other automobile producers. Location Strategy Being a global producer and supplier of Toyota automobiles and their components, Toyota Company has positioned itself all over the world giving it a clear cut within the market. Within three years to come, it is working towards the achievement of about 35 percent of the market share, and this will make it to be best and top supplier of automobile products.

Promotion Strategy

The Company is determined to use a pricing mechanism that will give it a competitive edge over its main competitors. This is a mechanism that it is using to market itself so that it can get hold of market share that will see it better in achieving the highest level in the market. Marketing Implementation Analysis Toyotas main focus will be in reaching the new markets of China and Europe. It will also be concerned about the competition

from other firms like Ford and GM. An advantage the company has is the widely differentiated product range.

Establishing new factories in these new markets as well as opening up new franchises will help the company in getting an ease of penetrating the new markets Human resource is one of the most important aspects in this plan. The company should always make sure they have highly motivated staff as this is directly proportional to good production both in the qualitative and quantitative aspects. Toyota can do this by coming up with schemes of rewarding their employees like helping them own cars subsidized rates. The company should also make sure the personnel are the best in terms of technical know-how.

The company needs to carry out frequent training towards this end. Tactical Marketing Activities Toyota has taken a bold step in being a leader in sustainable development. This position will need some innovations which translate to expenditure. They are however necessary as a way of staying ahead of competition. The activities the company will embark on are given in chart 4.

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