

Competitive priorities of toyota marketing essay



**ASSIGN
BUSTER**

In this assignment we will see the different philosophies, systems and approaches to the provision of quality and will also cover the Inventory Management, Supply Chain Management, and approaches of two of different types of organisation which are Mobilink and Toyota with respect to see the impact on their innovation, changes and competitiveness. Both are operating in the highly competitive market one in the field of services and the other in Manufacturing.

We will also see the company Customers, company profile, structure and Quality systems applied and the present situation of the company with the application Swot Analysis and differentiation of Mobilink and Toyota. Finally we will have a look at the critical reflection and future recommendations.

In order to prepare Operational analysis report, we conducted extensive research on the company. Personally analyzed their structure and systems stated in press releases, articles, etc. and compared it to their financial results.

Contents

Contents 3

Introduction : 4

Introduction to Toyota Motors: 5

MOBILINK VISION: 5

VALUES: 6

Toyota Value: 7

Toyota Innovation 7

Total Human Model for Safety (THUMS) software: 7

Mobilink Innovation, change & Competitiveness 8

MOBILINK Market Size: 9

Mobilink Stakeholders: 9

Toyota: 10

Personal Promotion 10

CORPORATE STRATEGY TOYOTA: 11

COMPETITIVE PRIORITIES OF TOYOTA: 12

Flow Chart: The Impact of Organizational Culture on Brand performance

Mobilink 14

Components to maintain “ Quality” in Organization Structure 15

Mobilink Total Quality Management 16

In context of departments: 16

Sources for selection and recruitment: 17

Selection criteria Of Mobilink GSM: 17

Inventory management 19

Supply Chain Design of Toyota: 20

Mobilink Innovation, change & Competitiveness 21

Critical Analysis 22

Mobilink Market Share of Revenue (comparing its competitors) 22

Contrast for Mobilink: 23

Reasons of Mobilink downfall: 24

Higher Operational Cost: 24

Recommendations for Mobilink : 25

Conclusion FOR MOBILINK: 26

CONCLUSION FOR TOYOTA: 27

References: 27

TOYOTA 27

Introduction :

Mobilink GSM (PMCL), a subsidiary of Orascom Telecom, started its operations in 1994, and has become the market leader both in terms of growth as well as having the largest customer subscriber base in, Pakistan – a base of over 24 million and growing. Mobilink pride on being the first cellular service provider to operate on a 100% digital GSM technology in Pakistan, that also provides state-of-the-art communication solutions to its customers.

Mobilink offers exclusively designed tariff plans that cater to the communication needs of a diverse group of people, from individuals to businessmen to corporate and multinationals. To achieve this objective, we offer both postpaid (Indigo) and prepaid (JAZZ) solutions to our customers. Compared to competitors, both the postpaid and prepaid brands are the largest brand of their kind in the cellular industry.

Mobilink provides the most extensive network coverage through an integrated technology infrastructure in more than 5, 000 cities, towns, villages, and countless remote destinations, including International Roaming in 110 countries through 300 partner operators.

The company directly employs over 4, 000 people and has the largest distribution network with 200, 000 outlets across Pakistan. Mobilink corporate social responsibility program contributes significantly in key areas of

health, education, social uplift and cultural development causes in Pakistan and the

company is the official cellular service of the Pakistan Cricket Board.

Introduction to Toyota Motors:

On the basis of sales, Toyota is the world's largest automobile maker. Since 1936, Japanese companies have been busy in making passenger cars. Its success depends on the philosophy of manufacturing process and the importance of its employees etc. To move into the variety of industries, company used its success. Company is also a shareholder in Daihatsu, Hino

Motors, Isuzu and Yamaha Motors. Company engaged its services over 316000 people and operated all over the world with 522 subsidiaries in 2008.

The Headquarter of company is in Aichi, Japan. Its success started in 21st Century. By investing \$67. 2 million in the Mitsubishi Aircraft it moved to Aircraft industry.

MOBILINK VISION:

To lead Telecommunication Sector in Pakistan by innovation while exceeding Shareholder value & Employee expectations.

VALUES:

Commitment to Total Customer Satisfaction:

Customers are at the heart of our success. They have placed their trust and confidence in us. In return, we strive to anticipate their needs and deliver service, quality and value beyond their expectations.

Passion for Business Excellence:

We strive for excellence in all that we do. We aspire to the highest standards and raise the bar for ourselves every day. This commitment to delivering world-class quality translates into unmatched service and value for our customers and all stakeholders.

Trust & Integrity:

At Mobilink, we take pride in practicing the highest ethical standards in an open and honest environment, and by honoring our commitments. We take personal responsibility for our actions, and treat everyone fairly, and with trust and respect.

Respect for People:

Our relationships drive our business. We respect and esteem our employees and all stakeholders. We believe in teamwork, empowerment and honor.

Responsible Corporate Citizen:

As the market leader, we recognize and fulfil our responsibility towards our country and the environment we operate in. We contribute to worthy causes and are dedicated to the development and progress of the society

Toyota Value:

The Toyota Way is based on the Guiding Principles at Toyota. Its five core values express the beliefs and values shared by the Toyota Group

Challenge

Toyota maintain a long-term vision and strive to meet all challenges with the courage and creativity needed to realise that vision.

Kaizen

Kaizen means striving for “ continuous improvement. As no process can ever be declared perfect, there is always room for improvement.”

Genchi Genbutsu

Genchi Genbutsu involves “ going to the source to find the facts to make correct decisions, build consensus and achieve goals.”

Respect

Toyota respects others, makes every effort to understand others, accepts responsibility and does its best to build mutual trust.

Teamwork

Toyota stimulates personal and professional growth, shares opportunities for development and maximises individual and team performance.

Toyota Innovation

Total Human Model for Safety (THUMS) software:

THUMS, originally developed to simulate vehicle crash-related injuries, was shared with Wake Forest to allow researchers to model head injuries and study how hits on the football field can affect athletes. Wake Forest researchers hope the THUMS software will help find ways to prevent and treat head injuries, and create even safer football helmets.

Mobilink Innovation, change & Competitiveness

Tariffs:

Mobilink, an SMP operator has reduced its tariffs for different packages.

Recently, Mobilink has also introduced Jazz One package in which its subscribers can call at very attractive rates. Mobilink has reduced off-net tariffs of Jazz Budget, Jazz Octane and Jazz Ladies First packages in February 2008. For Jazz Octane package, on-net tariff has been reduced from Rs. 2. 50 to Rs. 2. 40 per minute whereas off-net tariff is reduced from Rs. 2. 99 to Rs. 2. 50 per minute. Similarly, off-net tariff for Jazz Ladies First package has also been reduced from Rs. 2. 99 to Rs. 2. 50 per minute respectively.

Moreover, Mobilink introduced “ Apna Jazz Connection ON Karein” promotion which was specifically made for those who did not get the chance to experience lowered Jazz tariffs. Mobilink posted an unconditional Rs. 30 worth of balance for those who did not used Jazz connection since March 15th. For SMS, Mobilink has offered three different SMS packages (only from Mobilink to Mobilink) to its prepaid customers where it has offered unlimited SMSes for one month for Rs. 100, 500 SMSes in 15 days for Rs. 50 and 100 SMSes for Rs. 15 in 7 days. Mobilink also introduced Club Red promotion for its subscribers who wanted red carpet treatment. Under this offer, Jazz subscribers who crossed the monthly usage threshold of Rs. 1, 000 got 50% discount on all calls to Mobilink numbers for the remaining days of the month.

MOBILINK Market Size:

Total size of cellular market is approximately 2 million in a country of 144 million people. Hence, the market penetration is only 1. 4%; this clearly demonstrates the potential in the Pakistani market.

Mobilink being the market leader enjoys 53% share of the overall market with both Star and Jazz dominating the postpaid and prepaid segments respectively. Star with cumulative subscriber base of 146, 707 enjoys over 60% of the total postpaid market, while Jazz has over 50% share to its credit in the prepaid domain with 805, 467 subscriber base.

Mobilink Stakeholders:**Stakeholders****Percentage**

Orascom Telecom

39%

International Wireless Communications Pakistan

Asian Infrastructure Fund (AIF)

20%

Ray Investments Ltd

11%

Motorola Intl Development Corp

30%

Mobilink Customer Segmentation:

Like most emerging mobile markets, Pakistan is also a prepaid-driven market and the industry-wide sales mix normally consists of 85% prepaid. Similar results are seen from purchase intention data from potential mobile subscribers.

Toyota:

TOYOTA uses many different techniques of advertising as most of Print advertisement of TOYOTA is individually targeted at factors like comfort, performance, styling, power, leg room and driving pleasure.

<https://assignbuster.com/competitive-priorities-of-toyota-marketing-essay/>

Personal Promotion

Personal selling involves two-way, personal communication between sales people and other customers.

Personal selling largely takes place at the dealers end. The way the customer is attended depends mainly on the dealer as he acts as an interface between the company and the customer

Direct Marketing

Direct marketing is the use of consumer-direct channels to reach and deliver goods and services to customers without using the marketing middlemen.

Company officials directly contact the prospective buyers with the information available through various sources

Sales Promotion

Toyota Company uses major sources of sales promotion such as Trade fairs, like auto expo, motor shows.

Bricks and Clicks Promotion:

Integrated way with internet sales channels.

Application

Take the Test-Drive...now Online!

CORPORATE STRATEGY TOYOTA:

The fundamental reason for Toyota's success in the global marketplace lies in its corporate philosophy – the set of rules and attitudes that govern the use of its resources. Toyota have successfully penetrated global markets and

<https://assignbuster.com/competitive-priorities-of-toyota-marketing-essay/>

established a world-wide presence by virtue of its productivity. The company's approach to both product development and distribution is very consumer-friendly and market-driven. Toyota has done so not only in its own plants but also in supplier plants that was experiencing problems. The Production System adhered to the Toyota corporate strategy of cutting waste, listing specific advice such as: "Cut down on the distance that things move throughout the plant."

COMPETITIVE PRIORITIES OF TOYOTA:

Following are the competitive priorities of Toyota:

"Ideas for Good" Featured Technologies

Toyota Motor Sales (TMS), is considered competitive because of its new brand campaign, "Ideas for Good," a unique initiative centered on what the company has been doing for many years-repurposing its innovative automotive technology to benefit society in the non-automotive space. The campaign builds upon Toyota's DNA of quality, reliability and durability, as well as its commitment to innovation, by inviting consumers to share their own ideas to improve quality of life beyond the automotive world.

Toyota Diversity:

"Diversity and inclusion have always been among Toyota's top priorities and we are honoured to be recognized by Black Enterprise," said Dian Ogilvie, senior vice president and chief diversity officer at Toyota Motor North America. "These priorities are more important than ever in this changing market, not only in developing a talented workforce, but in fostering innovative perspectives across the company and helping us accurately

reflect the communities where we operate. While we are proud of our strong progress, we know there's still more work to be done. Working closely with our senior managers and Diversity Advisory Board, we will strive to continue to enhance our efforts.

Other Operational Information Mobilink:

Years of Business

18

Cities

8000+

Investment

USD 1 Billion+

Switches

100

Cell Sites

8000 Approx

Optical Cable Deployment

8000 KM

Switch Types

Nokia-Siemens, Alcatel, Huawei

Radio Base Stations

Motorola and Alcatel

Intelligent Networks

Siemens

Microwave Equipment

NEC and Alcatel

Operating Frequency

900/1800 MHz

SMSC

Logica CMG

Flow Chart: The Impact of Organizational Culture on Brand performance Mobilink

Sources of Culture

Brand Performance

Competitive advantage

Organization Culture

of Mobilink & Telnor

Diversity

Employee motivation

Communication

HR Practices to align employees values with brand values

Change in societal values

Cultural pitfalls to avoid

Awards & feedbacks

Survey responses

Components to maintain “ Quality” in Organization Structure

Human Resources planning

Selection

Recruitment/ Decruitment

Compensation & Benefits

Career Development

Performance Management

Training Development

Orientation

Organization

Introduction to HRM:

HRM is a process for staffing the organization and sustaining high employee performance.

HRM can be defined as all the practices, systems and procedures implemented to attract, acquire, develops and manages human resources to achieve the goals of an organization.

Mobilink Total Quality Management

In context of departments:

Mobilink has defined and structured departments and its policies of keeping each employee productive for Quality.

Employees in the company are largely committed to their organization and have shown progress in the company. Employees are satisfied with its departments of Mobilink GSM Company.

HRM functions in Mobilink:

Hiring and firing

Training and development

Compensation and benefits

Professional appraisal for improvement

Affects because of HRM:

Vision

Mindset

Cultural relations and diversity

Planning Procedure of Mobilink GSM:

1. Mobilink believes that “ our people are the greater asset “. We take great pride in acknowledging the contribution each one of us makes.

2. We focus on people development and for that we ensure:

Staff Mobilink with world class professionals and ensure that right systems are place to encourage them to develop to their full potential.

We aim at making Mobilink a great place to work.

Sources for selection and recruitment:

Online recruitment

Newspaper

Internal search

Advertisement of a job vacancy

Current Mobilink Employees

Employment agencies and consultants

Interviews

Selection criteria Of Mobilink GSM:

Information regarding the qualifications and Job description is provided by the company to identify suitable candidate.

Training criteria of Mobilink GSM:

Mobilink conduct training sessions.

Train both internally and externally, internal training ratio is 75% and external training ratio is 25%, their main focus is on employee training. They spent maximum of their budget in their training sessions for the career development of employees.

Performance appraisals in Mobilink:

For measuring performance Mobilink have email system or electronic appraisal system through this they can measure performance of their employees.

Process of appraisal in Mobilink:

Mobilink have electronic system for it firstly

All employees fill multiple question form

Then line manager review it

Signed it

After this form sent to departmental department

He gives approval

Compensation /benefits in Mobilink:

Medical facilities

Allowances

Provident fund

360 feedback approach

In last three years Mobilink approach has been changed and they use 360 degree approach.

Employees:

5000 employees working for Mobilink (90% male and 10% female).

Toyota Electronic throttle safety control technology:

TMC's electronic throttle control coating incorporates failsafe characteristics associated with various sensors. The appearance of a problem causes the system to switch the engine to idle or even off. The TMC has stringent controls in extreme electromagnetic interference, vibration and other adverse conditions. That control is finally verified that the system can cause the wrong speed.

Jidoka

According to the Production System Toyota (TPS), the concept of Jidoka can be translated to mean “ automation with a human touch.” If a defective part is allowed to enter and continue the process, the end result is a defective product can be sold and that certainly will not meet customer expectations. The result is wasted time and wasted resources. The concept of Jidoka avoid this fact by automatically shutting down the process when a defective part is discovered or disabling the equipment if there is a malfunction. When the process is the automatic termination, the issue is reported on board the screen so that operators can correct the problem and take measures to prevent recurrence.

On-board event data recorders:

The TMC will more actively use on board data recorders event, which may fail to provide information necessary to conduct these activities in technological research and repairs.

Inventory management

JIT Toyota used for inventory management:

Just-In-Time inventory (JIT) is part of a production system in which a firm lowers inventory from production processes so that the use of inputs and delivery of finished products are accomplished without incurring significant operating costs.

The goal of the process of JIT is to produce a quality vehicle, based on customer specifications, in as little time as possible with the least amount of waste possible. This objective is achieved through a series of steps. First, the series is brought to the top of the line, just take it. The assembly line must be equipped with the requisite number of parts to complete the order. As the parts used, must be continuously replaced so that the assembly line is always ready to complete any order. However, the parts should always correlate with the same number that was used so there is no waste or excess parts.

One can imagine how the Toyota, a pioneer of JIT systems, perhaps only for the storage costs as finally computers and cars are no longer sit idle in warehouses awaiting customers. And these storage cost savings are not applied only to those finished products and parts that Toyota could be used

as inputs in production. These stocks are kept to a minimum through JIT systems and parts are classified according to their needs. JIT systems also cut delivery costs, such as finished products are sent where they are in demand. Shipping the same quantity of the same product in different outlets, for example, may not make much sense if the demand for goods is significantly higher in one situation than another. This approach to reducing distribution costs also facilitates reductions in the above operating costs by not overloading certain areas with a product. The same principle applies to the inputs to production; Parts are not delivered and was in production centers, which could be put in abeyance.

Supply Chain Design of Toyota:

The Toyota Production System (TPS) is the benchmark used throughout the world for 'lean' thinking. Now you can model your own processes after those of the company that 'wrote the book on supply chain management.'

Toyota Supply Chain Management explains how to achieve balance and efficiency by focusing on:

Variety: Determine your variety of offerings based on operational efficiency and market demand.

Velocity: Maintain a steady flow through all processes of the supply chain

Variability: Manage inconsistencies carefully to reduce cost and improve quality.

Visibility: Ensure the transparency of all processes to enable continuous learning and improvement

Mobilink Innovation, change & Competitiveness

Tariffs:

Mobilink, an SMP operator has reduced its tariffs for different packages.

Recently, Mobilink has also introduced Jazz One package in which its subscribers can call at very attractive rates. Mobilink has reduced off-net tariffs of Jazz Budget, Jazz Octane and Jazz Ladies First packages in February 2008. For Jazz Octane package, on-net tariff has been reduced from Rs. 2. 50 to Rs. 2. 40 per minute whereas off-net tariff is reduced from Rs. 2. 99 to Rs. 2. 50 per minute. Similarly, off-net tariff for Jazz Ladies First package has also been reduced from Rs. 2. 99 to Rs. 2. 50 per minute respectively.

Moreover, Mobilink introduced “ Apna Jazz Connection ON Karein” promotion which was specifically made for those who did not get the chance to experience lowered Jazz tariffs. Mobilink posted an unconditional Rs. 30 worth of balance for those who did not used Jazz connection since March 15th. For SMS, Mobilink has offered three different SMS packages (only from Mobilink to Mobilink) to its prepaid customers where it has offered unlimited SMSes for one month for Rs. 100, 500 SMSes in 15 days for Rs. 50 and 100 SMSes for Rs. 15 in 7 days. Mobilink also introduced Club Red promotion for its subscribers who wanted red carpet treatment. Under this offer, Jazz subscribers who crossed the monthly usage threshold of Rs. 1, 000 got 50% discount on all calls to Mobilink numbers for the remaining days of the month.

Critical Analysis

Mobilink Market Share of Revenue (comparing its competitors)

Contrast for Mobilink:

Performance of Mobilink (May and July 2009):

Reasons of Mobilink downfall:

Higher Operational Cost:

Mobilink owned technological resources which increased operational cost

Higher cost started working as downfall with the increased competition and availability of cheaper networks.

Mobilink offers high incentives to employees

High investments on Advertisement campaigns and high amount on decoration of service centers and head offices interiors

Own network lines in coverage areas

High operational cost impact on lower end customers as major customer share is now related to middle and lower class of country

2. Loss of reliability:

High charges to the customers

Unsatisfied Service performance at the time of launching new packages

Poor IT infrastructure which affected customer satisfaction

3. Lack of focus and Innovation:

Companies like (Ufone, Telenor, Warid) focused on low rates where Mobilink did not step forward for Innovation to compete in Market.

Recommendations for Mobilink :

Improve IT Infrastructure for Quality

Increase more Cell Sites to maintain Quality

Reduce Call charges for customer satisfaction

Launch few packages in per second billing in pre-paid

Location updater is important feature, should go for it

New markets are showing the red alarm should focus on it and align the strategy

Customer retention is the question of existence, improve the responsiveness to customer's issues and provide permanent solutions

Reduce OPEX, it would be going to strike very badly as the price wars already have taken the profit away

Spread the converge of Infinity and EDGE/GPRS

Address Quality of Services on emergency basis

Must pay attention to such a competitive market they are at and take step towards it.

Conclusion FOR MOBILINK:

TQM is a proven technique to guarantee survival in world class economy. As we have seen the purpose of TQM is to provide a quality product or service to customers which in turn will increase productivity and lower the costs. For any company to be successful in today's competitive world, following the six basic concepts of TQM is simply indispensable.

By completing the research it is become aware of that HRM department is the main department of all telecommunication industry but according to research MOBILINK have very well established department of HRM among others to maintain organizational Quality as their all employees are get motivated and satisfied with HRM department and its policies.

CONCLUSION FOR TOYOTA:

When it comes to the best car brands, Japanese companies surely come into the picture. Two of the most popular Japanese automotive brands are Honda and Toyota. Both these brands are two of the toughest competitors in the automobile industry. However, when it comes to reliability, quality, and performance; cars produced by both are greatly favored. In a Honda vs Toyota comparison, it cannot be concluded that one is better than the other, since each of them have their market share and goodwill.