

Concern of toyota vehicle recall in malaysia marketing essay



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UMW Toyota Motor Sdn. Bhd is a joint company which is formed by several companies including UMW Holdings Berhad, Japan's Toyota Motor Corporation and Toyota TSUSHO Corporation. The company is prioritizing and engaging a process of manufacture or assembly, marketing and distribution vehicles.

UMW Toyota commands pole position in the aggregate sales of non-national passenger cars, commercial vehicles and four-wheel drives in Malaysia. Their operations are guided by international best practices, based on the Toyota Guiding Principles. They adopt the highest standards in management, safety, employee welfare, environmental conservation and community relations.

Issue Identification

Since early 2010, Toyota has been performing a series of recalls of their vehicles such as Camry, Corolla, Lexus and Prius in several countries such as United States and Europe. The recalls are conducted as action to amend the issue of sticking acceleration pedal in floor mats for safety purposes. (Toyota News, 2010)

The United States division of Toyota has been hardly slammed regarding to this on-going issue. In the same article from Time, a social worker from Tennessee, Rhonda Smith quoted “ Shame on you, Toyota, for being so greedy” she said. (Time, 10). This statement is just a sample of current public perception towards Toyota in which Toyota has to take a recovery action.

However, Malaysia's Toyota Models are not affected by the recalls, except for Toyota Prius model. Toyota vehicles in Malaysia are Completely Knocked-
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Down (CKD) line, it means that all vehicles are locally assembled for the local market. Especially for Toyota Camry models, its sources components come from different suppliers and have different mechanical architectures compare to United States counterparts. (Autoworld, 2010).

In a case of occurrence technical problems to Toyota Prius, Malaysia only recalled 60 units due to slight error in its ABC braking system. (Autoworld, 2010). It is entirely unrelated to the case of mass recalls over sticking accelerator pedal in floor mats.

UMW Toyota Motor Sdn. Bhd. is now responsible to inform public especially Toyota owners that there is nothing to worry about. The omnipresence of foreign news in media and probably their lack of knowledge of a divide entity managing the Toyota brand in Malaysia have mislead and confused the public to actually believe that all Toyota models in worldwide are plagued with these impaired safety features.

The focal point of the campaigns is to maintain the image of Malaysia's Toyota. It might be a costly affair, however it hopefully will further save the company financially and reputation-wise in the long period.

Target Audience

Primary: Toyota vehicles owners

We have chosen that loyal customers of Toyota as the first target audience. We are well aware these loyal customers have put their trust in Toyota's products for years. With the recall issue like this, it affects their mindset and

trust to Toyota products. Through this campaign, we want to inform that Toyota Malaysia will always provide its best service for its loyal customers

Secondary: Malaysia public (young and working adults specifically)

This category is intended due to high demand of having personal ride among student and young workers. Those who are still thinking or might be interested in purchasing Toyota vehicles will not be disturbed by the preaching of Toyota's product recall issue.

Tertiary: Media (local print and broadcast)

Media is one of the most effective tools to notify and inform a broader audience whether it is in a form of print or broadcast. We all are aware the strength of media is able to influence public's opinion and perception.

Through this medium, it will help to rebuild Toyota image and reinforce trust that Toyota has received from its customers and Malaysia public.

Goals

There is only single crucial goal that needs to be achieved through this campaign is:

“ Rebuild and strengthen confidence in Toyota”

Objectives

Several objectives in the implementation of the campaign to facilitate the evaluation process are listed below:

To inform public that the on-going recall issue does not affect Toyota Malaysia models.

To improve public's knowledge of safety and quality performance of Toyota vehicles in Malaysia.

To strengthen brand loyalty and positive perception between public and Toyota Malaysia.

Key Messages

Locally-assembled Toyota vehicles are not subjected for recall.

All Toyota Malaysia models are assembled by local experts. The assembly of the vehicles and body parts are made in Malaysia. The sizes of accelerator pedals and floor mats of Toyota models in Malaysia are different from other countries. (UMW Toyota Motor)

Toyota is conscious of the needs, comfort and safety of society.

Toyota is well aware that driving comfort and safety is the most important factors for customers and public. Toyota is trying to prove once again that the public needs are the top priority in building strong and proper relationship.

Strategy

UMW Toyota will implement dual strategies to strengthen image of Toyota Malaysia and to inform public that the recall issue is not affected Malaysia's vehicle models through the use of specialised tactics targeted at the media.

These specialised tactics will promote the project through educating and

informing the publics about the reasons they invested in it and what the target audience can obtain from it. The strategies are in the following:

Media Campaign

UMW Toyota will create this campaign that maintains the Toyota brand's relationship with the public. Regardless, the fact that Toyota has always been there for its customers. Through this campaign, we hopefully will be able to inform Toyota's customers, wider public as well as media about the on-going recall issue and make sure that there is nothing to worry about.

On-ground Promotion and Education Campaign

Besides conducting a media campaign, on-ground promotion will also be held. So customers and public will be able to see and experience directly in practical ways on how Toyota maintain the safety and convenience of drivers through existing facilities. This strategy will educate public to maintain safety during driving.

Tactics

To achieve a successful campaign, UMW Toyota will have several tactics which attaches all key messages and to be able to deliver it to its customers, public and media coverage.

Media Campaign

Controlled media: Advertisement and Public Service Announcement.

A new 30-second advertisement revolving around Toyota brand has been slated to continuously produce their vehicles. The advertisement will also have two variations, which will add up to a total of three advertisements. Additionally, all three advertisements will be presented in four languages which are Bahasa Malaysia, English, Chinese and Tamil. These advertisements will be aired on television such as TV3 during Buletin Utama's commercial shots. Programmes of non-Bahasa Malaysia languages will be advertised on timeslots that are not considered primetime to save cost. There will a print advertisement on newspaper, within the first five pages of every publication such as Berita Harian, The Star, New Straits Times, Tamil Nisan, and Sin Chew Daily

For Public Service Announcement, UMW Toyota will collaborate with Astro's radio stations such as Hitz. fm, Era, MY. fm and THR Raga to present PSAs. These PSAs will have few messages about safety driving which supported by Toyota Malaysia and radio stations. This will cost minimal production because the stations are obligated to air PSAs.

Uncontrolled Media: Media Release and Media Kits

UMW Toyota will supply all Malaysia's leading news agencies and automobile publication media releases and media kits that contain FAQs and feature stories.

Interpersonal: Distributing Agents

All licensed distributors will be equipped with media kits to enable their agents to be well-informed with the issue and should be able to answer any inquiries from customers.

On-ground Promotion and Education Campaign

Free Test Drive Session

Toyota will hold a free test driving promotion for the drivers and let them to come to the nearest Toyota showroom around their living area and drive directly some vehicle models before deciding on the possibility to purchase Toyota vehicles. By doing a free test driving, people can instantly find out how safe and comfortable driving Toyota cars. Public will be more informed accurately and practically about the facilities provided by Toyota. By doing this action, public can also identify and prove that there are no constraints and technical problems occurred to Toyota Malaysia models. Moreover, customers can also check directly all the technical components system such as gas pedal, brake, clutch, lights, signal, wipers and so on. This will ensure them that Toyota Malaysia models are not experiencing any technical problem at all; it is stable and secure for a ride. Media release and media kits will also be handed out to public and media during the event to provide more information for those who do not really notice about the recall issue.

Smart Driving Seminar

UMW Toyota will hold a public seminar which is attended by experts in their fields of Toyota Malaysia. There will be a speech by a president of UMW Toyota Motor Sdn. Bhd., Ismet Suki. Through this event, public will be able to

obtain more accurate information about how Toyota handles and maintains safety and comfort of drivers. The seminar will raise the topic regarding to any technical problems than often occur in vehicles. In this seminar, Toyota Malaysia will explain specifically several programmes they are running recently as an action to meet the needs of its customers. There will be a question and answer section between the participant and the spokesperson right after the speech done. Moreover, in this event, participants will also be taught on how to check all vehicles components step by step before travelling. These steps can educate public in order to improve their knowledge about road safety driving.

Timeline

This campaign will run for approximately six months, the schedule is outlined below:

Task/2011

April

May

June

July

August

September

PSA Meeting

PSA

TV Ads Meeting

TV Ads

Print Ads

Media

Release

Draft Media Kits

FAQs

Feature Story

Free Test Drive Session

Smart Driving Seminar

Campaign Evaluation

Budget

2011

Expenses

Cost

Public Service Announcement

Have Toyota's name to be mentioned in 4 radio stations' PSA for 4 months

RM 20, 000 (RM5000/Month)

Advertisement

Production of three ads in four languages

Ads' allocation on Buletin Utama (one month)

Ads' allocation in other languages on varying timeslots (one month)

Newspaper's advertising rate (two weeks)

RM 120, 000

RM 55, 000

RM 25, 000

RM 15, 000

Free Test Drive Session

Technical equipment and assistance fee (one month)

RM 24, 000

Smart Driving Seminar (twice in a month)

Food and Beverages

Technical equipment (speaker, projector, etc)

Ushers fee

RM 5, 000

RM 5, 000

RM 500

Media Release

None

Nil

FAQ

None

Nil

Feature Story

None

Nil

Total costs

RM 269, 500

The total amount also includes the implementation fee for the campaign such as media monitoring, costs for the media release and media kits.

Evaluation

To determine how effective and successful campaign, there are some specific indicators which are used to measure the objective and the outcome of the campaign. The following indicators in which UMW Toyota Malaysia will use to evaluate are as follow:

To inform public that the on-going recall issue does not affect Toyota Malaysia models.

A survey will be distributed to Toyota customers and public to see the number of them actually aware and heard of this on-going issue. This survey will determine public awareness of recall issue which is quite disturbing especially for Toyota customers. And by doing this campaign, hopefully we can determine whether public will get sort of consolation feelings and have nothing to be concerned about their Toyota vehicle afterward.

To improve public's knowledge of safety and quality performance of Toyota vehicles in Malaysia

A survey questionnaire will be given to Toyota's customers and public who attend the free test driving session and smart driving seminar. They will be asked about how well their information and knowledge about safety driving before and after attending the events are. This will determine the level

improvement of safety and quality performance of Toyota through their responses.

To strengthen brand loyalty and positive perception between public and Toyota Malaysia

Toyota's customers and public especially those who are attended the free test driving session and smart driving seminar will be handed out this survey. They will be asked to fill out some questionnaires regarding to on-going recall issue and give their perception about it as well as to see their enthusiasm towards the event and seminar. This action is conducted to see whether better perception and loyalty are achieved through this campaign.