

Comparative analysis of bmw and toyota



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Active Hybrid

The world's first Sports Activity Coupe with full hybrid drive capitalizes on the options offered by its X6 counterpart by combining the combustion engine with electric motors to create a power train with new levels of dynamic performance and efficiency.

BMW Active Hybrid technology offers a significant increase in driving dynamics and at the same time reduces fuel consumption by approximately 20 percent versus a comparable vehicle powered by a combustion engine alone. The result is even greater driving pleasure combined with enhanced fuel economy and CO2 management providing the kind of progress that makes the BMW Active Hybrid X6 a genuine.

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$\frac{3}{4}$

BMW's first full hybrid model is able to run exclusively on electric power – and that is entirely free of CO₂ – up to a speed of 37 mph (60 km/h), with the combustion engine . These performance figures are made possible by utilizing a two-mode active transmission. The ideal combination of the two power modes can be controlled for enhanced efficiency and dynamic performance in any driving condition. With the two electric motors, three planetary gear sets and four multi-plate clutches, drive power is transmitted through a 7-speed automatic transmission. As would be expected in a BMW, the driver can also operate the transmission manually. BMW's lauded drive all-wheel-drive system distributes the power between the front and rear axles.

 $\frac{3}{4}$

The electric motors receive their energy from high-performance battery pack positioned beneath the floor of the luggage compartment. This battery pack also feeds electric power to the vehicle's on-board network. Luggage compartment capacity is therefore the same as on the original BMW X6. On brake application and/or on deceleration, kinetic energy is converted into electrical energy and is stored in the battery pack. To provide this function either one or both of the electric motors act as a generator, feeding electric power generated back into the high-voltage battery.

BMW X5

The new BMW X5 continues to strengthen its leading position within the competitive environment of premium vehicles. A completely revised range of

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engines, the standard eight-speed automatic transmission and innovative driver assistance systems ensure that the driving pleasure characteristic of the Sports Activity Vehicle offers even greater fascination. Specific design modifications authentically emphasize the enhanced sporting character. New exterior and interior colors as well as light-alloy wheels underline the vehicle's exclusive style. Unsurpassed efficiency gives added quality to the BMW X5 that impresses both in terms of appearance as well as driving pleasure. In spite of significantly improved performance, fuel consumption and emission levels are up to 10 lower percent compared to its predecessor.

$\frac{3}{4}$

With the arrival of the first-generation BMW X5, the Sports Activity Vehicle segment was established. The new BMW X5 substantiates its leading edge status through innovative drive technology, first-class equipment features, expressive design and premium quality. The BMW X5 xDrive50i with a V8 engine featuring BMW Twin Power Turbo and direct petrol injection (High Precision Injection) is, with an output of 300 kW/407 bhp, positioned at the top of the model portfolio. The new BMW X5 xDrive35i is powered by a 225 kW/306 bhp straight six-cylinder engine with BMW Twin Power Turbo, High Precision Injection and VALVETRONIC.

$\frac{3}{4}$

A new generation of engines also helps the BMW X5's two diesel variants achieve a most favorable ratio between driving performance and fuel consumption. The BMW X5 xDrive40d's all-aluminum straight six-cylinder

engine with Twin Power Turbo and Common Rail direct injection develops a maximum power output of 225 kW/306 bhp.

³/₄

The ongoing advancement in the reduction of fuel consumption and emission levels is the result of the BMW Efficient Dynamics development strategy, which has been consistently implemented on all BMW X models.

³/₄

³/₄ The right product pricing strategy of your small business products or services is important to make healthy profit as well as the price is important factor for brand of such product or service. The first thing to do to create successful product pricing strategy is understanding about the psychology of price. Remember that the product price bring huge psychological impact. For instance, if you pay more for such product, you will expect more benefit than other cheaper product. That means price and quality has direct correlation for building mind set of your costumers.

Products with even number of pricing usually has greater quality than odd numbered price. For instance, a DVD player which is selling for \$ 200 can be considered as high end item than selling for \$194. 99. That's why the leader of the low cost product is used to label the price with odd number. So it depends your own consideration, to be high or low end items seller and the type of market that you can penetrate.

PRICING STRATEGY REGARDING BMW IN THE FAVOUR OF THE CUSTOMERS

To determine the optimum product pricing strategy of small business product needs five step process to get optimum profit in selling your product brand

1. The minimum price

You need to know which aspects can affect your actual cost, such as manufacturing cost, insurance, labor, marketing and so on. So you can determine the minimum price for such item that you will sell

2. Your Product Brand

The various models of bmw Some products can be sold with less profit but for high volume. It depends on your product band. For instance, the pricing of BMW is higher than VW, but BMW sells fewer products than VW.

3. The competitors

Analyzing competitors' price will lead you to learn that your product pricing strategy or services can be categorized as superior, inferior or just nearly similar. So you should know whether your competitor seems to be doing better than you, such as location, price or service.

4. Setting optimum Price By determining the minimum cost and also compare to other competitors, you should know how to set a optimum price of your products or service

5. Doing a test

Just test one price in one store and different price in another store. Compare the results of product pricing strategy.

SOME OF THE BASIC FEATURES OF BMW IN THE FAVOUR OF THE CUSTOMERS

Introducing the BMW Concept, Germany's leading manufacturer of premium automobiles is presenting the vision of a unique four-door car which combines the exclusivity of a genuine luxury Gran Turismo with the fascinating thrill of a high-performance sports car. This unique combination never seen before offers the perspective to enjoy sheer driving pleasure in a dimension quite unprecedented in the world of motoring. Indeed, the BMW Concept is a new definition of design culture. Concentrating on powerful, expressive design, materials of the highest quality, and quality of finish in perfection, this unique new model offers a completely new understanding of premium quality. And within its interior, the BMW Concept combines stylish luxury with the most uncompromising ambience full of class and value.

Four doors with a unique, sporting and low body line.

Dynamic roof-line guiding your eyes – and the air flowing by.

Sculptural design for truly unique style.

MAINTAINANCE OF BMW

New Vehicle/SAV Limited Warranty: This warranty covers defects in materials or workmanship for the first four years or 50, 000 miles, whichever comes first, so you can rest assured your BMW will perform as expected.

BMW Maintenance Program: One of the most comprehensive maintenance programs in its class, covering all factory-recommended maintenance services during the New Vehicle/SAV Limited Warranty Coverage Period, as well as specific items that require replacement due to normal wear and tear, such as brake pads, brake discs and wiper blade inserts.

Four years of the BMW Assist™ Safety Plan: Many 2007 and later models include a four-year, unlimited mileage subscription to the BMW Assist™ Safety Plan including TeleService, an exclusive BMW benefit which allows your vehicle to contact your BMW center directly when it needs service or maintenance.

Unlimited-Mileage Roadside Assistance: Receive Roadside Assistance 24 hours a day, 365 days a year for the first four years of ownership, without any mileage

limitation

The chart plots relative automobile unit share and growth rates

These graphs shows BMW'S growth rate in the market in the favour of customer loyalty and customer support.

TOYOTA

Toyota is one of the world's largest automobile manufacturers, selling over 9 million models in 2006¹ on all five continents. A Top 10 Fortune Global 500² enterprise, Toyota ranks among the world's leading global corporations and is proud to be the most admired automaker³, an achievement the company

believes stems from its dedication to customer satisfaction. Toyota has been shaped by a set of values and principles that have their roots in the company's formative years in Japan.

The Toyota story begins in the late 19th century, when Sakichi Toyoda invented Japan's first power loom, which was to revolutionize the country's textile industry. In January 1918, Sakichi founded the Toyoda Spinning & Weaving Company, and with the help of his son, Kiichiro Toyoda, he fulfilled his lifelong dream of building an automatic loom in 1924. Two years later, he established Toyoda Automatic Loom Works.

Like his father, Kiichiro was an innovator, and during his visits to Europe and the U. S. in the 1920s, he became deeply interested in the nascent automotive industry. Making the most of the £100, 000 that Sakichi Toyoda received for selling the patent rights of his automatic loom, Kiichiro laid the foundations of Toyota Motor Corporation (TMC), which was established in 1937. From looms to cars, the Toyota experience has been shaped by extending the boundaries of manufacturing.

Different models of TOYOTA

CAMRY

Toyota Introduces 2010 Camry at 2009 NAIAS

The 2010 Camry is on display for the first time today at the North American International Auto Show (NAIAS). As the best-selling passenger car in America for seven years , Hybrid scheduled to g of the past 12 years, Camry continues to redefine standards for comfort and o on sale in March, have an

array of enhancements, inside and out, including exterior styling, performance, safety, audio and convenience features.

MATRIX

Vehicle Stability Control and Traction Control Now Standard Equipment in 2010 Toyota Corolla and Matrix

Toyota Motor Sales (TMS), U. S. A., Inc., announced manufacturer's suggested retail price (MSRP) today for the 2010 high mileage Corolla compact sedan and Matrix crossover utility vehicle, which now include Vehicle Stability Control (VSC) and Traction Control .

There is no price increase for the 2010 Corolla. Corolla's base MSRP will range from \$15, 350 for the standard sedan with a five-speed transmission to \$20, 050 for the sporty.

Matrix carries a base MSRP that will range from \$16, 550 for the standard sedan with a five-speed transmission to \$21, 960 for the sporty XRS with a five-speed automatic transmission. The new Matrix MSRP represents an overall increase of \$201 or 1. 1 percent.

PRICING STRATEGY REGARDING TOYOTA IN THE FAVOUR OF THE CUSTOMERS WAS GIVEN BY

Michael Porter (1980)

Generic strategies were used initially in the early 1980s, and seem to be even more popular today. They outline the three main strategic options open to organization that wish to achieve a sustainable competitive advantage.

Each of the three options is considered within the context of two aspects of the competitive environment:

Sources of competitive advantage – are the products differentiated in any way, or are they the lowest cost producer in an industry? Competitive scope of the market – does the company target a wide market, or does it focus on a very narrow, niche market?

1. Cost Leadership.

The low cost leader in any market gains competitive advantage from being able to manage to produce at the lowest cost. Factories are built and maintained; labor is recruited and trained to deliver the lowest possible costs of production. ‘Cost advantage’ is the focus. Costs are shaved off every element of the value chain. Products tend to be ‘no frills.’ However, low cost does not always lead to low price. Producers could price at competitive parity, exploiting the benefits of a bigger margin than competitors. Some organizations, such as Toyota, are very good not only at producing high quality autos at a low price, but have the brand and marketing skills to use a premium pricing policy.

2. Differentiation

Differentiated goods and services satisfy the needs of customers through a sustainable competitive advantage. This allows companies to desensitize prices and focus on value that generates a comparatively higher price and a better margin. The benefits of differentiation require producers to segment markets in order to target goods.

The differentiating organization will incur additional costs in creating their competitive advantage. These costs must be offset by the increase in revenue generated by sales. Costs must be recovered. There is also the chance that any differentiation could be copied by competitors. Therefore there is always an incentive to innovate.

3. Focus or Niche strategy.

The focus strategy is also known as a ' niche' strategy. Where an organization can afford neither a wide scope cost leadership nor a wide scope differentiation strategy, a niche strategy could be more suitable. Here an organization focuses effort and resources on a narrow, defined segment of a market. Competitive advantage is generated specifically for the niche. A niche strategy is often used by smaller firms.

With a cost focus a firm aims at being the lowest cost producer in that niche or segment. With a differentiation focus a firm creates competitive advantage through differentiation within the niche or segment. There are potentially problems with the niche approach. Small, specialist niches could disappear in the long term. Cost focus is unachievable with an industry depending upon economies of scale e. g. telecommunications.

The danger of being ' stuck in the middle.'

Features of BMW

Make sure that you select one generic strategy. It is argued that if you select one or more approaches, and then fail to achieve them, that your organization gets stuck in the middle without a competitive advantage.

- Vehicle Stability Control (VSC), which helps prevent wheel slip and loss of traction by reducing engine power and applying brake force to the wheels that need it. Toyota VSC monitors steering angle and the direction a vehicle is traveling, and it senses when the front or rear wheels begin to slip. When VSC senses this loss of traction or slip, the system reduces engine power and applies braking to the individual wheels that need it, in order to help correct the slip and keep the vehicle on its intended path.

- Traction Control (TRAC) helps maintain traction on wet, icy, loose or uneven surfaces by applying brake force to the spinning wheel or wheels. TRAC sensors are activated when one or more wheels start to slip. The system is designed to limit engine output, applies the brakes to the spinning wheel(s), and transfers power to the wheels that still have traction.

- The Anti-lock Brake System (ABS) helps prevent brakes from locking up by “ pulsing” brake pressure to each wheel in order to help the driver maintain control in emergency-braking situations. Without ABS, emergency braking can cause brakes to lock up and cause a vehicle to skid. Toyota’s ABS sensors detect which wheels are locking up and prevent the lockup by “ pulsing” the brakes at each wheel independently. Pulsing releases brake pressure repeatedly for fractions of a second – a reaction time not possible for humans. This keeps the wheels rotating and helps the driver to avoid going into a skid.

- Electronic Brake-force Distribution (EBD) is incorporated in Toyota’s ABS technology. EBD helps keep a vehicle more stable and balanced when braking. During an abrupt stop, momentum can cause a vehicle to tilt forward, reducing the brake force of the rear tires. EBD responds by

redistributing brake force. Wheels with more braking effectiveness receive more brake force and wheels with less effectiveness receive less brake force, helping to prevent brake lockup. EBD is especially helpful when carrying cargo. Sensors recognize the extra load the cargo puts on the rear axle, so brake pressure on the rear wheels is increased because the extra weight improves braking effectiveness.

- Brake Assist is designed to detect sudden or “panic” braking and add the full pressure needed to help prevent a collision. If a driver fails to apply enough pressure to the brake, the Brake Assist sensors will detect this sudden or “panic” braking and add pressure. This additional pressure can help the driver avoid hitting the object.

Another feature commonly known as brake-override technology will be added to all Toyota, Lexus and Scion models by the end of 2010. This braking-system enhancement will automatically reduce engine power when the brake pedal and the accelerator pedal are applied simultaneously under certain driving conditions. Many of the vehicles currently at Toyota dealership already include brake override as standard equipment. The 2011 models already on sale featuring brake over ride including Camry, Sienna, Avalon and Scion xB, in addition to some 2010 models. Brake-override technology has always been and will continue to be standard on all Toyota and Lexus hybrid vehicles as part of the hybrid system control logic.

Maintenance

Toyota Kirloskar Motor (TKM) announced the launch of the Express Maintenance Service (EMS), at Nandi Toyota, Bangalore. The service

provides a one-hour periodic maintenance service for all Toyota models is available to customers at the same price as the normal service.

It reduces the servicing time of a vehicle from the existing 17 hours to 1 hour by eliminating the stagnation time between processes.

For Dealers, the implementation of TSM Advanced Program will bring a significant increase in workshop productivity. This service requires 3 people at the maintenance bay and requires specific tools and equipments that are procured locally. Customers could avail this service by prior appointment.

Currently Toyota has 82 state-of-the-art outlets across the country with a total service staff of 3315 personnel. Every month over 80, 000 vehicles are serviced and more than 2400 personnel are trained by TKM annually.

Analysis

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The ongoing advancement in the reduction of fuel consumption and emission levels is the result of the BMW Efficient Dynamics development strategy. Toyota dealership already include brake over ride as standard equipment.