

Stakeholder analysis is important for toyota marketing essay



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2. 0 INTRODUCTION

Business organisations have to take their stakeholders into account in order to succeed in attaining its business goals. The participations and supports from stakeholders are essential to ensure that business operations run smoothly. Stakeholder is any person, group or organisation that will be affected by the business activities and have something to earn or lose with the changes of business operations. Stakeholders include customers, suppliers, distributors, public, community, media, government, etc.

2. 1 NEW STRATEGIES FOR TOYOTA

According to the case study, Toyota was forced to recall its cars from the US market last year due to faulty brakes. This has affected Toyota's image in the minds of stakeholders. In order to change stakeholders' attitude towards Toyota, it has plan on implementing an effective advertising campaign as its new strategy.

2. 1. 2 ADVERTISING

According to wordnetweb. princeton. edu, advertising is defined as a public promotion of some product or service. In other words, advertising is an activity of presenting a product or service to induce people to purchase of it. Advertising is one of marketing tool that is used to sell and promote the products or services of business organisations. Toyota can use advertising campaign to persuade potential customers to purchase the cars produced by its company. Advertising agency can be hired to over view their new product and advertise it to attract the customers.

The roles and function of advertising in the communication industry include firstly, to acquire enhanced volumes of sales of products and services. For example, advertising can help Toyota to increase the sales volume of their product by giving pamphlets and brochures to the customers, media advertisement and etc. Secondly, advertising can generate awareness about offerings. For instance, the advertisement in billboards, flyers and media advertisement on Toyota is to attract customers' attention and inform customers on the latest promotion. For instance, to introduce a new car model produced by the company. Thirdly, advertising induce trial of a new product and services offered. For example, Toyota Aygo is targeted to the younger generation. Therefore, through its advertisement, it can attract the attention of the youth to purchase and use the car. Fourthly, advertising can also change perception and create reassurance. For example, a good advertisement will make customers feel that the cars produced by Toyota provides better quality and value compared to the cars which are produced by other companies. Besides that, advertising can also support sales promotional sponsorships and public relations activity, make announcements in public interest, and also motivate and impress trade channels.

Advertising is a paid, non personal promotion of a product or service by an advertising agency to inform or persuade a particular target audience.

Advertising has evolved to take a variety of forms and has permeated nearly every aspect of modern society. Advertising can take a number of forms, including advocacy, comparative, cooperative, and direct-mail, informational, institutional, outdoor, persuasive, product, reminder, point-of-purchase, and specialty advertising. For instance, Toyota can use the various delivery

mechanisms for advertising include banners at sporting events, billboards, Internet Web sites, logos on clothing, magazines, newspapers, radio spots, and television commercials.

Through advertising in newspaper and television, Toyota can provide informations to the customer on the models of cars which they offer. This method of advertising can attract large number of people as they are using mass media communication. For example, in newspapers, we can generally see and read the Toyota advertisement regarding the models of cars offered by Toyota and its specifications. Toyota offer quality products at an affordable price. In addition to that, Toyota's television advertising which promotes Toyota's cars that are synonym with quality and sophistication will attract customers to purchase its products.

Besides that, Toyota can also use outdoor advertising such as billboards and messages painted on the side of buildings. These are common forms of outdoor advertising, which is often used when quick, simple ideas are being promoted. Since repetition is the key to successful promotion, outdoor advertising is most effective when located along heavily travelled city streets and when the product being promoted can be purchased locally. The advantage of advertising is that it gives the organization total control of the message that will be presented to the audience.

2. 2 IMPORTANCE OF STAKEHOLDER ANALYSIS

Stakeholder analysis is important for Toyota as it helps the organisation to analyse and investigate the interests of stakeholders that might be affected by the company's policy and business operations. Besides that, through the

implementation of stakeholder analysis, the potential conflicts and risks that would jeopardise the business operations of the organisation can be identified. In addition to that, a stakeholder analysis assist Toyota in identifying the opportunities and relationships that can be built on between the organisation and its stakeholders during the implementation stage. Furthermore, Toyota can identify the groups that should be supported to take part in the various different stages of the business activities. Moreover, stakeholder analysis aids Toyota in developing appropriate strategies for stakeholder engagement activity by communicating with its stakeholders. Lastly, stakeholder analysis help Toyota in analysing on methods to decrease the negative impacts on vulnerable groups.

2.3 CONCLUSION

Stakeholder analysis serves as an important tool to identify and analyse the relationships between several different stakeholders, besides gaining an understanding on their perceptions on key issues. Stakeholders participation is important for the sustainability of an organisation. This is because, the policy and activities of the organisation will be affected if the stakeholders support or oppose to the company's policy. In the case of Toyota USA, its image in the stakeholders minds has dropped due to the recall of its cars from the market. Toyota realised that it has to change the stakeholders' attitude and perception of its company, therefore Toyota developed an advertising campaign which serves as its new strategy in order to gain back the shareholders' trust of its organisation as one of the market leader in car manufacturing.