



TOYOTA

The Psychology of Advertising

December 9, 2010

Leah Olinyk

Meitra Karimi

Evan Jeszka

Catherine Roman

Eduardo Cortes

Executive Summary

The recent recalls in 2010 have created a dent in the brand image of Toyota, forcing many to question the company's safety standards and reliability. Throughout history, recalls have tarnished brand reputations, often challenging the crisis management and contingency planning operations of some of the most popular companies in the world. While many have failed to recover from scares of varying levels, Toyota Motors Incorporated has recovered from two major engineering recalls in the past few years. The following project analyzes primary and secondary research that has been collected in an attempt to identify with the perceptions of Toyota consumers before and after these recorded recalls. Primary research was conducted to gauge perceptions of Toyota, while recommending the best forms of future action. Through these recommendations, further research analyzing perceptions and demographics of current consumers will help strategically identify the implications that current and future campaigns will have on its target market. Secondary research was implemented to gauge demographics, social media use and the current advertising campaigns for Toyota prior to and after the recall. Through secondary research, recommendations referenced the next steps for Toyota to rebuild its brand image and reposition itself better within the minds of consumers. Overall, the report lends a cohesive analysis of how easily a recall can change consumers' perceptions of a brand while emphasizing where Toyota has an opportunity for growth and change.

Table of Contents

Introduction.....4

Background.....4

Primary Research.....5

Secondary Research.....8

Advertising Analysis.....17

Implications.....19

Conclusion.....20

Appendix.....21

Bibliography.....31

Introduction

The psychology of advertising is a complex and challenging arrangement of theories that aim to interpret messages and their effect on specific consumers, using an array of analytical approaches to define the standards of an effective advertisement. When analyzing a specific campaign and its effect on behavior change, several internal and external factors need to be taken into consideration. The psychology of advertising is not a concrete science due to the fact that messages can be processed and interpreted many ways depending on customer experience, engagement and so on. The questions arise when trying to understand how and why they react certain ways to advertisements. The fluctuating consumer perceptions of Toyota Motor Inc. as a brand after its recalls are an intriguing example of this, revealing the damages and implications of execution errors and their effect on company progress over time.

Background

The recent recalls have created major concern for Toyota and its future success within the next upcoming years. In 2009, Toyota had its first manufacture recall creating a 12.16% drop in sales within a one-month period. The drastic decline impacted Toyota's perception as a brand, challenging its safety and reliability. After a careful recovery and steady incline within the following year, Toyota had a second even more devastating recall in 2010. Within another one-month gap, Toyota had a 20.61% decrease in sales, making it even more difficult to regain its image (See figure 9 in Appendix). These recalls were devastating to the reputation of the company, but it didn't stop Toyota from trying to make it right. Using social media sites, public releases and campaigns in an effective manner to communicate with its target audience, the company rapidly regained composure and is now settling again after a difficult recovery.

Primary Research

Primary data was collected to better grasp consumers' perceptions of Toyota before and after the recall through a survey conducted in December, 2010. This empirical data references current beliefs about Toyota as a brand, if it is top of mind for consumers, as well as an extensive amount of qualitative information representing the thoughts and opinions of the brand. The sample size for the primary research encompasses data collected from 100 respondents. The average age of respondents is 23 years of age (See Figure 1 in Appendix B). Upper classmen-college aged students and recent graduates who may be out buying their first car will likely be most affected by what the media is saying about brands and how they are portrayed. This is the ideal average age of the target market chosen by Toyota in its latest advertisements, creating an opportunity for an analysis on any change in perceptions after the company's recent recalls.

The survey that was administered to college students and recent graduates strategically asked a variety of questions that delved into the minds of respondents. To better gauge the awareness of participants in the study, asking what brands were top of mind for consumers was essential. Toyota overall was the predominate brand, the number one vehicle rated as top of mind for respondents. Results yielded a very encouraging statistic that out of the 100 respondents surveyed, 22% recalled Toyota as top of mind with Ford following in a close second at 15% (See Figure 2 in Appendix B), and other major brands following farther behind.

Through surveying, the data also shows the common perceptions of participants in the Toyota study. A Likert scale was used to question how respondents value Toyota as a brand, ranging a series of feelings from fairly moderate about Toyota to desirable, safe and reliable. Numbers collected among the data reflect *desirable* has an average rating of 4.54 on a 10 point

Likert scale while *safe* has an average rating of 4.89 and *reliable* is rated 4.84 (See Figure 3 in Appendix B). These statistics reveal a “middle of the road” rating when target audiences are trying to identify with the qualities of Toyota. Having these statistics is a valuable asset to see where the opportunity for improvement lies, lending them the ability to better position themselves in the minds of consumers. They are already top of mind in the sample size, therefore room for growth emphasizes a need for heightened sense of awareness around specific qualities that could help generate sales and reinforce a stronger more positive connotation towards Toyota.

The most important research question in the survey focuses on the awareness of past Toyota recalls and their feelings for the brand both prior and after the recall. The survey shows that 100% of respondents said that they were aware of the Toyota recall. When respondents were asked to rate their feelings for Toyota pre and post recall on a 10 point Likert scale, with one being positive and ten being negative, respondents felt more positive about Toyota pre-recall. This statistic matched pre-notions for how respondents would feel toward the brand after media coverage on the company recalls. The average rating for Toyota prior to the recall is averaged at 3.4 (See Figure 4 in Appendix B) on the Likert scale, a simple depiction that attitudes and perceptions toward Toyota before the recalls was positive. A 5.2 average rating (See Figure 4 in Appendix B) on the scale reflects a decline in participant perceptions toward Toyota after the recalls. As commonly expected in a crisis situation, the survey statistics show that perceptions of Toyota after the recall had steadily declined.

There were limitations while gathering primary research for this project. All data was from a convenience sample, information collected was from classmates and friends of the survey administer. Gathering a larger sample size would be cohesive with this research study to further grasp a larger group and a more diverse range of demographics. The way the questions were

stated may have lead to limitations in data collection due to the fact that some survey participants may have been confused with the ranking system (See Figure 1 in Appendix A).

Recommendations for primary research are vitally important if further research on this topic is required. It would be helpful to survey the same sample of respondents again three months from now and again three months after that to see if their perceptions have change over a set period of time. A longitudinal study may create a more realistic interpretation of perception, with the recall being still fresh in some consumers minds its possible that time will wean these perceptions from negative to positive for some respondents. Another recommendation would be to, as previously mentioned, have more of a random sample rather than a convenience sample of respondents. The next step for primary research to gauge why consumers have these perceptions of Toyota after the recall would be to create qualitative focus groups and in-depth interviews. These one-on-one conversations will have open-ended survey questions to grasp a better sense of consumers' thoughts and feelings pre and post-recall.

Primary research is vital when trying to grasp a sense of consumers' perceptions of a brand after a recall. Strategic emphasis on primary research collection creates a better understanding of why peoples' perceptions change due to recalls in general. The findings show that respondents have average feelings towards Toyota's characteristics, yet it remains top of mind amongst respondents. Consumers felt more positive towards Toyota pre-recall rather than post-recall, which is understandable considering the amount of safety and reliability that was questioned after Toyota was blamed for its problematic engineering. This information provides the stepping-stones, possibilities and recommendations to better Toyota as a brand, allowing them to better position themselves positively in the minds of consumers.

Secondary Research

In order to effectively examine how the Toyota recall affected consumer behavior and opinions, it is necessary to first understand exactly who the consumer is, and if there was any change in consumer demographics as a direct result of the recall. In order to do so, demographic information was examined from before the recall and compared it to demographics from May 2010, a few months after the recall to investigate any changes. Unfortunately there were some limitations because most the reliable and accessible demographic sources have not yet been updated to reflect these changes in such a short period of time.

Simmons Choices in combination with the current demographic trends for visitors surfing Toyota's website offer a realistic representation of demographics. Research was conducted to compare website-to-website visits, however that information was likewise unavailable because many sources tracking website visitations do not keep records of past information. Despite these imperfections in the research methodology, valuable information was obtained between the information documented between the two time periods.

According to Simmons, pre-recall Toyota consumers had several defining characteristics. The slight majority was female, making up around 52% of total Toyota consumers. Toyota consumers also tended to be older with around 46% of overall consumers being over the age of fifty, possibly because this age group is more in the market for purchasing a new car. It is also worth noting that while this age segment purchased the majority of new Toyota vehicles, they did not have the strongest tendencies toward the brand. That honor belonged to people between the ages of thirty-five and fifty.

Meanwhile, people between the ages of eighteen and thirty-four were significantly less likely to purchase a Toyota, either because they couldn't afford a new car, or because they did not perceive a Toyota to be a 'cool' car. Different ethnic races also appear to have had strong tendencies toward or against Toyota vehicles. Caucasians, making up nearly 76% of all people who purchased new Toyota models, did not demonstrate a strong preference for or against the brand. African Americans on the other hand were significantly less likely than the average (index of 62) to purchase Toyota models, while Asian Americans showed an extraordinarily high preference for the brand with an index number of 283. Other races including Hispanics were less likely to purchase Toyota vehicles. A factor in this could be the fact that Toyota is a Japanese company and as a result may appeal more to people who feel connected to Asia as a way of expressing their cultural identity.

Another important group of purchase factors include different types of lifestyles rather than just physical characteristics. Pre-recall, nearly 60% of people purchasing new Toyotas did not have any children under the age of 18. This could be partially due to the fact that at that time, the majority of people who were buying new Toyota cars tended to be over the age of 50 and may have had fully grown children. However, it is important to note that families with children under the age of 18 actually showed a higher tendency toward purchasing the Toyota brand, lending credibility to the belief that it is the safe, reliable, family-friendly brand that people could trust. Toyota owners on average have a higher income, individuals earning under \$60K annually were statistically less likely to purchase Toyota. Families with incomes between \$60 and \$100K were not particularly inclined either way. However, people earning over \$100K a year made up nearly 50% of Toyota consumers and also reflected a significant likelihood towards purchasing Toyota vehicles with an index number of 164.

Finally, the more educated the consumer, the more likely they were to purchase a Toyota car. For example, college graduates were more likely than the average population to purchase Toyota. People who had completed graduate school demonstrated even higher purchase tendencies. So what does all of this say about the pre-recall Toyota consumer? The person who would demonstrate the most tendencies towards purchasing a Toyota would be middle aged Asian American women with children. She would have a high income and be highly educated.

Post-recall the situation is slightly different. The people paying the most attention to the Toyota brand are now males, making up 52% of the viewer ship and demonstrating a slightly higher tendency towards the brand. It is also interesting to note that the younger generation demonstrated more interest in Toyota post-recall. People between the ages of 18 and 34 made up 36% of viewer-ship and show a strong statistic tendency toward Toyota. This strong tendency is also mirrored by people between the ages of 35 and 49, though not to the same extent. People over fifty do not show any likelihood to purchase or not to purchase. The variety in sources might account for some of it since people between the ages of 18 and 34 are more likely to use the internet and visit websites than people over the age of fifty. It is worth noting that this trend should not be discounted because both groups use the Internet to search for information they consider relevant. The younger age demographic is searching for information on Toyota, interested in what the company has to say and what products it offers. This is evidence of a demographic switch, Toyota as a brand has shifted an older demographic to a younger one.

In addition to the shifts in the age and gender of Toyota consumers, there was also a slight change in which races and ethnicities show more interest in the brand. Caucasians still make up the majority of Toyota consumers, though they show a slight drop in their preference for Toyota when compared to the average. African Americans on the other hand show a

significant increase in their tendency toward purchasing Toyota, though they are still significantly below the national average. Asian Americans remain firm in their strong preference for the brand. In previous years, other minorities including Hispanics were far less likely to purchase a Toyota vehicle. Data collected after the recall show Hispanics and other minority races demonstrating a stronger preference for Toyota as a brand than in years prior.

In addition to shifting physical demographics, other important factors shifted as well. For example, pre-recall, consumers with kids showed a tendency towards purchasing a Toyota while people without kids remained fairly neutral. Post-recall, people without kids demonstrated a stronger interest in the brand making up nearly 66% of Toyota website views. This correlation is largely due to safety concerns after the company's recall. Parents concern for their children's safety remained a top priority. Income levels of the target audience quickly began to shift. Individuals earning below \$60K a year had a lower preference for Toyota, a trend that remained consistent. The change occurred when individuals making \$100K annually no longer showed the strongest preference for Toyota. The newest consumer base for Toyota soon became audiences earning between \$60K and \$100K. After analyzing the number of shifts in demographics, every aspect of the target customer flipped except for the amount of education, emphasizing the correlation between higher education and stronger preference.

Through thorough examination of demographics, it is obvious that Toyota's consumer base has shifted after the recalls. Demographics of consumers with the strongest purchasing tendencies changed from the traditional upper class Asian American mother to their new consumers, a younger educated Asian American male earning between \$60 and \$100K a year. This change reflects the implications of the recall on Toyota, a simple representation of how quickly and easily it is for a company to lose support.

Social Media Research

The Official Toyota Prius Facebook Page, the Toyota Recall (Owners page), The Toyota Recall Facebook Page, and the Official USA Toyota Page are all areas of opportunity to analyze secondary social media emphasis used by Toyota. The two official Toyota Pages, found that before, during, and after the recall, messages and comments posted by users were generally positive. There were many posted news stories, updates, and other pertinent links regarding the recall, which was a great way to let Toyota members know what was happening and how the company planned on fixing it. These sites encouraged fans to comment on these new stories, updates, and informational links, providing some of the most direct, personal and valuable information regarding their feelings and opinions on the recall. Any negative comments regarding the recall were found on third party sites not affiliated with the company.

Prior to the recall, Toyota's USA and the Toyota Prius page encompassed a majority of general questions for Toyota. Most of these questions were more about improving the page and asking the users about using their car, whatever model it was. For example the question: "Any road trips planned for the holidays? Where are you taking your Toyota?"¹ was asked. This comment was liked by 185 people and had 200 comments posted on it. A similar post mentioned: "Wishing all our fans happy holidays and a great new year!"². This comment was liked by 302 people and had 61 comments posted to it, which is a definitely a significant amount of people commenting on one single post. Looking at all the comments attached to these two posts, almost

¹ Toyota USA. (December 17th, 2009.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

² Toyota USA. (December 24th, 2009.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

every single one of them was positive and enthusiastic. An analysis of the posts reveal that this page is very popular, and that Toyota has a very enthusiastic and dedicated group of followers. The page itself has a staggering 310,829³ members. It can be safely said that before the recall, Toyota's Image among customers was overall very positive. It is important to note that most of the negative comments regarding Toyota were put on Facebook during and after the recall.

When the recall gained an increasing amount of attention, the posts on the Toyota USA and Official Prius page wall began to change. Instead of casual comments and fun questions, it now contained a plethora of information based posts and apologies. The first post from the site regarding the recall was posted on January 22nd, 2010 with Toyota acknowledging that there was a problem. Their official press release was attached to this post. As the information on the recalls continued to be added to the websites, people began to "like" and comment on posts. The majority of the posts remained positive, an encouraging sign to Toyota that its strategic crisis management efforts was working.

The most telling signs of continued support through the recall were attached to these posts from Toyota that read: "Hi fans - To date, our dealers have reinforced the accelerator pedal on more than 220,000 vehicles and are now running at a pace of more than 50,000 units a day- February 11th, 2010"⁴. This post was like by 429 people and had 112 comments, which all were positive and sounded very similar to this post from Student Natalie Wiley: "Toyota will still be

³ Toyota USA. (n.d.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

⁴ Toyota USA. (February 11th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

my number 1 car Maker”⁵, and also this post from Yousouf Emambocus, a student from overseas: “TOYOTA is classic. Another definition for a car is a Toyota. A born leader”⁶. Another glaring example of the continued support being shown throughout the recall is personified by this comment “Happy Friday, Toyota fans! We're really enjoying your continued support. Here's a message from one of our loyal fans, like you: Every once and a while, a company will come along and release a product that people genuinely love. That's how I feel about my Toyotas...Toyota will recover, they will learn from their mistakes, and continue to provide consumers with innovative and great cars. - James G. Thank you, James!”⁷ This comment was liked by 394 people and had 114 comments attached to it, all positive.

The only negative posts were from people who were disappointed with the service they received from dealerships regarding their recall fix. The majority if not all of these comments seemed that although the cars were the problem, people just wanted to get back to their normal Toyota routine. Being upset at dealerships is a lot different than being upset at the company. Car dealerships are notorious for not being trusted by consumers, so it is no surprise that the people who posted their negative feelings were driven by poor service from dealers. Then again, there were also a few Toyota owners who felt that Toyota had let them down completely and planned not to support the company in the future. The best example of these types of comments can be personified by a student from the University of Wyoming, Justin Laricey, and his

⁵ Toyota USA. (February 11th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota/posts/301619377319>

⁶ Toyota USA. (February 11th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota/posts/301619377319>

⁷ Toyota USA. (March 5th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

testimony: “I am very disappointed with the way Toyota has handled this recall from a customers viewpoint...” (See Figure 8 in Appendix). As with any recall, there will be certain customers very distraught with the proceedings, Toyota worked effortlessly to avoid this at all costs.

This testimony is a reflection of the damage inflicted on Toyota’s reputation because of the recall. He properly and logically stated why he was upset with Toyota, whereas most of the other negative comments mentioned Toyota’s follies such as Paul Anthony Buehler’s comment:

“Who at Toyota thinks an advertising campaign ‘Moving Forward’ is appropriate when you are recalling millions of cars which cannot stop due to brake failures and stuck accelerators? To Quote a press release: This is an important step for our brand,” said Jim Lentz, group vice president of Toyota marketing. Moving For...ward' means that we have a passion for innovation and discovery and that we're never standing still...This is a SNL or MadTV skit ready to happen...”⁸.

Despite the existence of these negative comments on Facebook, there are far fewer of them when compared to positive comments. Also, it should be noted that the pages on Facebook that contained mostly negative comments (Toyota Recall Owners Group- 39 fans⁹, Toyota Recall Page- 311 fans¹⁰) had far fewer fans than the two pages that contained mostly positive comments (USA Toyota Page-311,117 fans¹¹, Toyota Prius-73, 874 fans¹²).

⁸ Toyota Recall (Owner’s Group) (February 10th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/group.php?gid=311811092243&v=wall>

⁹ Toyota Recall (Owner’s Group) (n.d.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/group.php?gid=311811092243&v=wall>

¹⁰ Toyota Recall (n.d.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/pages/Toyota-Recall/263088440673?v=wall>

¹¹ Toyota USA. (n.d.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

After the recall, many people were still very happy to be loyal Toyota fans and customers, supporting Toyota through thick and thin. Consumers such as Nicole Law, a recent college grad, were very excited to purchase a Toyota: “I am shopping for a car right now... and just grad from college in May... really considering toyota... going to a toyota place saturday to look around!”¹³. Nicole then reaffirmed this positive attitude of Toyota by again posting about her car search experience. “woohoo... I am much closer to buying my first toyota !!! giving it a try... I had a 96 honda civic... looking for new toyota and low cost of owernship... getting excited !!! thinking by next week !”¹⁴ More comments like these were also posted by other young college students throughout the page “i just bought a Prius yesterday! it was love at first sight ♥”¹⁵. The negative comments persisted Post recall, but there were far fewer of them, a strong signifier of the demographic change. Toyota quickly asked that the positing of negative comments be stopped: “Let's not use this as an opportunity to spread propaganda. Learn the facts! Remember, people who buy Toyotas are more than just customers.... we are loyal fans”. The continued efforts of upset customers posting repetitive, unwarranted information on the web did not effect the overall perception of Toyota by the majority, so they have not been analyzed in depth for data collection.

¹² Toyota Prius (n.d.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/prius?v=wall>

¹³ Toyota USA (July 9th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

¹⁴ Toyota USA (July 14th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

¹⁵ Toyota Prius (July 3rd, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/prius?v=wall>

The number of positive comments about Toyota during the recall outnumbered the negative ones. Despite the negative comments and negative media attention during and after the recall, the support for Toyota stood strong. The use of social media was a great tool to keep the organization represented in a positive light. Using this media allowed the company to keep its market informed, letting them know what actions they planned on taking and what efforts were being done to help solve the problem. Social media is a great communication tool, and easily makes or breaks the difference in perception of a brand, regardless of the issue.

Advertising Analysis

Before Toyota started having problems, their campaigns were primarily focused on fuel efficiency (Figure 1) and environmental friendliness (Figure 2 and 3). Toyota understood that society is becoming more aware of environmental issues, which provided an area of opportunity for advertising campaigns. The company combined these environmental concerns and took the current economic situation into consideration. Using current lifestyles of their target market, the advertising campaigns recommended becoming green, efficient and economic.

Toyota has recently changed their advertising strategy in order to rework the company's image due to its recent recalls. In an attempt to fix their reputation, Toyota is running an aggressive campaign touting quality awards, SMART teams, and their ability to have \$1 million spent on safety per hour. The company claims to have better safety (Figure 4) than their competition and they have a safety website to prove it (www.toyota.com/safety). Toyota promotes the following:

- The Star Safety System: Toyota is the first manufacturer to make the features of the Star Safety System standard on every vehicle.

- SMART Teams: Toyota has established SMART teams (Swift Market Analysis Response Team). There are 200 engineers and technicians that make up these teams that perform on-site analysis to ensure rapid response.
- Safety Awards: Toyota has won safety awards, including five vehicles chosen by 2010 Insurance Institute for Highway Safety as Top Safety Picks.

The site promotes safety as a high priority, strategically meeting the requirements of its target in Toyota's current campaigns (Figure 5). They want to regain consumer's trust by showing advertisements that depict trustworthiness, confidence, and safety. With Toyota's efforts to portray these attributes, the Company came up with a series of testimonial ads (Figure 6 & 7). These are just two of a series highlighting various brand attributes and reworking Toyota's image.

The ad on Figure 7, focuses almost exclusively on the aspect of safety, saying that the car is reliable, safe and durable, insinuating that potential consumers can rely on Toyota to get them where they need to be. The copy also reinforces the idea of safety by mentioning that the particular car the woman was discussing is a top *2010 Safety Pick*. On the surface, this advertisement appears to be effective in changing attitudes because it has a conversational, relatable feel while providing a consumer with information through a personal connection. During the recall, Toyota should have done the same by embracing Toyota car owners. This is probably the biggest missed opportunity Toyota had. Stories from owners on how Toyota embraced the recall and exceeded expectations would go a long way shaping public perception.

Implications

The recalls had many implications on Toyota and its development as a brand. After its major losses in sales combined in 2009 and 2010, Toyota lost 33% of its sales to Honda, and 20% to Ford¹⁶. As with any recall, Toyota was quickly questioned by the public. Billions of dollars lost and a dramatic reduction in market share have contributed to a brand distortion that Toyota is aiming to conquer. Using social media to combat misrepresented information on the recalls, Toyota has relayed an unprecedented amount of time trying to regain its composure among its younger target audiences. Videos on YouTube, posts on Facebook and contributions to third party blogs have helped endorse positive reflections of Toyota and its efforts. An aggressive advertising campaign is now being emphasized in a strategic effort to erase its past mistakes and start new.

In a positive light, there are ways to look at implications that can work for the future company's success. Toyota now has the ability to take these past mistakes and recreate it's advertising, similar to what it is doing right now. The company continues to rely on safety and the amount of time they put into their engineering as a differentiator from competition. They are using advertisements to visually appear more reputable and informative. This gets them on a track to undeniable success if they continue to listen and stay in contact with their target audience.

¹⁶ TrueCar, Inc. Toyota Recall Updates. Graph. Updated February 2010. Copyright 2010. Accessed 12/1/2010. <http://www.truecar.com/truetrends/toyota-recall.html>

Conclusion

Toyota has struggled over the last couple of years to regain composure from the devastating recalls it has faced. Regardless of the problems that were created, Toyota used many aspects of strategic communication to create the best initiative possible to recover. The company is now on a long and determined road to pick itself up from the fall. All analysis proves that its past, current and future objectives are working to keep customers actively engaged and happy with the brand.

A recent switch in demographics has challenged the company to think creatively on its feet in order to meet the demands of its new target market while balancing the old. The company will continue to grow and prosper if it remains prominent on social media websites, interacting with its supporters. Toyota's recipe for success is a simple mixture of listening and simplicity: creating specific advertisements that speak to the concerns of the public. In doing so, the company has been able to recover some of its lost sales, and is now on the rise after utilizing its new campaigns to stay on top of market share.

If Toyota continues to evaluate its success, learn from its failures and stay in contact with its audiences, it will be only a matter of time before the recalls are behind everyone. Toyota will prosper from positive change and the ability to grow with a target market that it has never been able to speak to before.

Appendix

Appendix A: Sample Survey

Figure 1

Circle one: Male or Female

Age: _____

Name the top 3 automobile brands that come to mind.

- 1.
- 2.
- 3.

What are the top five things that you look for when shopping for a car?

- 1.
- 2.
- 3.
- 4.
- 5.

On a scale from 1 to 10, how do you feel about Toyota?

Desirable	1 2 3 4 5 6 7 8 9 10	Undesirable
Safe	1 2 3 4 5 6 7 8 9 10	Unsafe
Reliable	1 2 3 4 5 6 7 8 9 10	Unreliable
For someone like me	1 2 3 4 5 6 7 8 9 10	Not for someone like me
Attractive	1 2 3 4 5 6 7 8 9 10	Unattractive

Were you aware that Toyota had a recall?

Yes No

Rate your feeling of Toyota before the recall.

Positive 1 2 3 4 5 6 7 8 9 10 **Negative**

Rate your feeling of Toyota after the recall.

Positive 1 2 3 4 5 6 7 8 9 10 **Negative**

Figure 3:

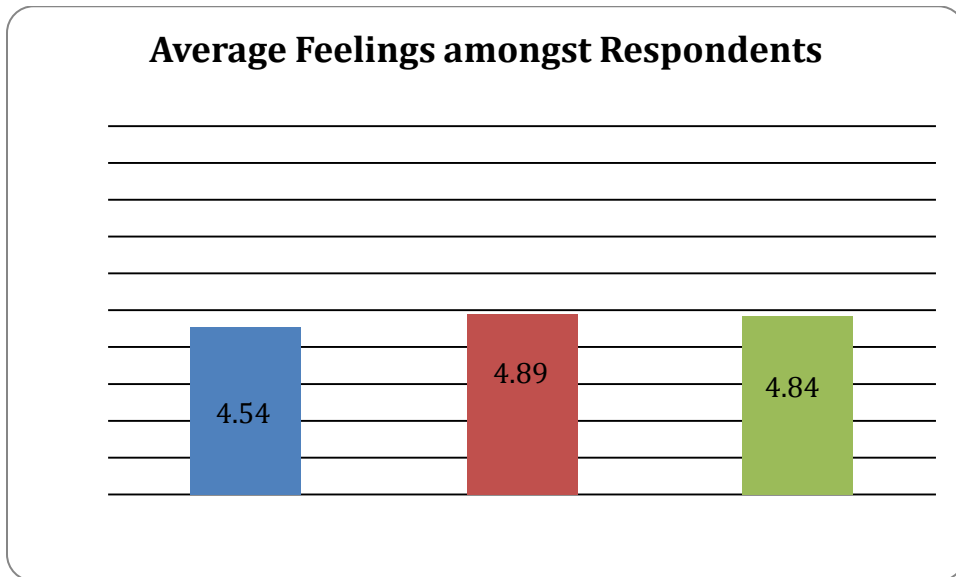


Figure 4:

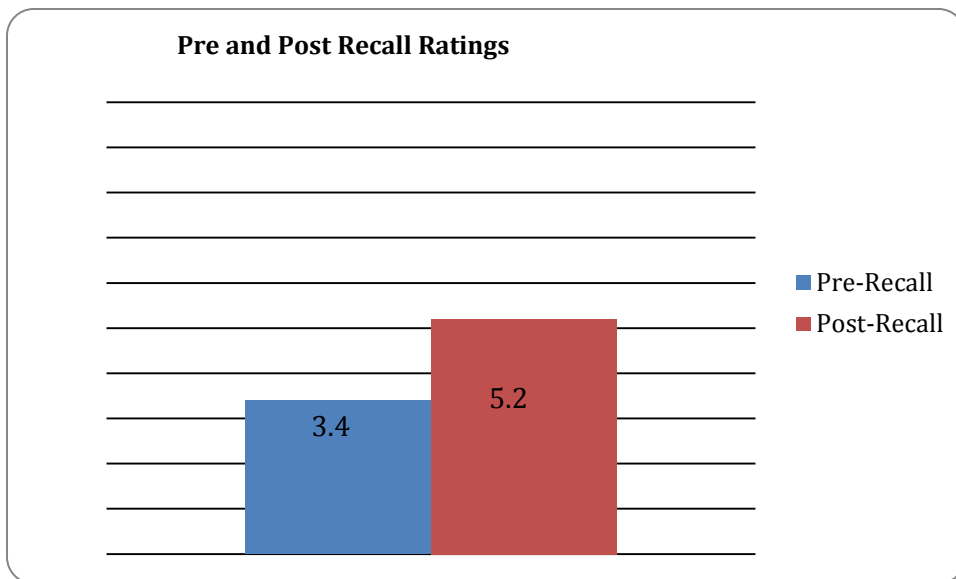


Fig. 1

TOYOTA **COROLLA**

all you **NEED** is **COROLLA**

DIESEL

Labels around 'DIESEL': durable, incomparable, economic, superior, ease, luxury

With unquestionable durability and incomparable performance in its class, the corolla diesel 2.0D, 2.0D SE and 2.0D Saloon offer you complete economy of use through its powerful engine, 7 day delivery and easy availability of fuel.

SUPERIOR

ECONOMIC

FASTEST DELIVERY
Corolla Diesel 2.0D, SE and Saloon
NOW IN 7 DAYS

COROLLA DIESEL - THE CAR

KARACHI ● TOYOTA CENTRAL MOTORS UAN: 111-786-122 ● TOYOTA DEFENCE MOTORS PHONE: (021) 588622-27 ● TOYOTA EASTERN MOTORS PHONE: (021) 4814077 ● TOYOTA SOCIETY MOTORS UAN: 111-786-118 ● TOYOTA SOUTHERN MOTORS PHONE: (021) 803182-8 ● TOYOTA UNIVERSITY MOTORS PHONE: (021) 881747 ● TOYOTA WESTERN MOTORS PHONE: (021) 2664631-5 HYDERABAD ● TOYOTA HYDERABAD MOTORS PHONE: (052) 388121-5 GHAETTA ● TOYOTA ZAFRICHON MOTORS PHONE: (081) 444440-1 LARHORE ● TOYOTA GARDEN MOTORS UAN: (042) 111-58-58-58 ● TOYOTA NAVI MOTORS UAN: (042) 111-705-800 ● TOYOTA SAHARA MOTORS UAN: (042) 111-385-858 ● TOYOTA SHAHEEN MOTORS UAN: (042) 111-385-700 ● TOYOTA TOWNSHIP MOTORS UAN: (042) 111-385-900 ● TOYOTA WALTON MOTORS UAN: (042) 111-008-009 Faisalabad ● TOYOTA Faisalabad MOTORS PHONE: (041) 871000 MULYAN ● TOYOTA CITY MOTORS PHONE: 111-11-333 ● TOYOTA MULYAN MOTORS PHONE: (093) 111-11-343 BANGORRE ● TOYOTA BANGORRE MOTORS PHONE: (093) 111-11-343 BIALKOT ● TOYOTA BIALKOT CITY MOTORS PHONE: (093) 882418-8 HAHME VAS KHAN ● TOYOTA HYVAI MOTORS PHONE: (098) 88900-81 BLAMARAS ● TOYOTA CAPITAL MOTORS UAN: (051) 111-42-142 ● TOYOTA BLAMARAS MOTORS PHONE: (051) 2570456-45 RAWALPINDI ● TOYOTA RAWAL MOTORS PHONE: (051) 4491400-5 PESHAWAR ● TOYOTA FRONTIER MOTORS UAN: (091) 111-288-236 MIRPUR JALIG ● TOYOTA AZAD MOTORS PHONE: (088610) 32803-5 MARDAN ● TOYOTA MARDAN MOTORS PHONE: (0937) 873001-5 D.I. KHAN ● TOYOTA D.I. KHAN MOTORS PHONE: (0961) 118792-83

Fig. 2

minimal impact on the environment

HYBRID SYNERGY DRIVE

Fig. 3



Fig 4.



Fig. 5



Fig. 6

A collage of images and text. The main image shows a woman smiling while driving a car, with a dog in the passenger seat. There are three inset photos: a close-up of the woman's face, a red Toyota Corolla parked in a desert landscape, and a close-up of a car's interior showing a keychain with a green key and a small photo. A handwritten-style testimonial is overlaid on the collage.

I LOVE THAT NEW ME SMELL
I had been in New York for eight years. I needed a change of pace. At twenty-six I kind of woke up and was like, "All right, time to go." A couple of months later, I drove out to California with my dad. I had to have a car to get around LA, so I got a new Corolla. It's my first brand new car that I bought on my own. It was like, I don't know, I made it. Like, I'm an adult.
Stephanie Powell
2010 Corolla owner

Every Toyota has a story. And with 35 million Corollas sold worldwide*, we want to hear yours. Share it at facebook.com/toyota





Thanks for your story, Stephanie!

TOYOTA
moving forward

*Options shown. Based on Toyota Motor Corporation sales data since Corolla's inception in 1960 through January 2009. ©2010 Toyota Motor Sales, U.S.A., Inc.

Fig. 7

NEW CAR. NEW START.



My Corolla is the first new car I've purchased. So it was a huge deal for me. It's the biggest investment I've ever made. It just feels like a really reliable, safe car. After I bought it, I drove the five-hour trip from my parents' house to my place in L.A. It was very peaceful, and I felt like I'm actually becoming an adult. You know what I mean? Like a rite of passage.

Susie Abraham
2010 Corolla Owner

Every Toyota has a story.
The 2010 Corolla – a 2010 Top Safety Pick from the Insurance Institute for Highway Safety.*
Share your story at [facebook.com/toyota](https://www.facebook.com/toyota)

Thanks for your story, Susie!



*Insurance Institute for Highway Safety 2010 rating for Corolla, vehicle class Small Cars. Ratings are only meaningful when comparing vehicles in the same class. 2010 model year tested. For more details on 2010 Top Safety Pick Awards, see www.iihs.org ©2010 Toyota Motor Sales, U.S.A., Inc.

Fig. 8

“I am very disappointed with the way Toyota has handled this recall from a customers viewpoint. Mostly the fact that I have not heard one little word from Toyota about this. Everything I know I have had to find out word-of-mouth including news stations. This is unacceptable to me. Nobody even informed me as to whether or not my car was involved in this recall so 2 days ago I went down to my dealership to find out...they took one look at it and said that my car was NOT part of the recall. Yet another Toyota dealership 45 miles away guaranteed me that my car was in fact recalled. So...I resorted to calling the corporation. Two different people there informed me that my car was not part of the recall even though my VIN number did NOT start with "J". Very confusing. So I requested that they send me a formal letter in writing stating exactly what they had told me on the phone...that my car was NOT part of the recall. That is all I wanted and they told me that they could not send me the letter. They literally could not just write down exactly what they had just told me and sign it and send it to me. Furthermore, there was never any notification that our phone call was being recorded. It's almost like they are saying off-the-record your car is fine but they are not willing to put that on-the-record. Very scary. My thoughts...I think their lawyers have advised them against sending out these letters because doing so would then make Toyota liable if something were to go wrong. That is exactly why I wanted the letter to begin with but it became very clear to me that Toyota does not want to admit accountability here. My guess is that they probably do not know what the problem is even though they claim to have a mechanical fix for a seemingly electrical problem, and as a result they suspect that there will be many more accidents to come and therefore they do not want to send out these "liability" letters as I call them. Basically, rather than making things “right” with their customers as their recent slew of ads suggests, they are, instead, more worried about covering their own butts from a legal standpoint.

People be careful! Toyota has downplayed this as something "very" rare and they make it sound like if your pedal does stick it's no big deal just hit the brake really hard. Unfortunately, traffic conditions, road conditions, road contours, speed, panic, etc. sometimes can make that an impossible task. Just ask the people that have died or been injured. There is a reason why State Farm notified Toyota of a possible accelerator problem in 2007, and it is very tragic that Toyota is just now facing this issue 3 years later. It took maybe 20 people losing their lives and hundreds more getting severely injured before they even acknowledged the issue. As a lifelong Toyota customer this will be my last Toyota...not so much because of the recall problems but more so because of the way they have handled it. As someone who lives in a college town I will do my best to spread the truth about Toyota to as many people as I can and I encourage all of you to do the same.”¹⁷

¹⁷ Toyota Recall (Owner’s Group) (February 10th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/topic.php?uid=311811092243&topic=14019>

Fig. 9 Toyota Recalls

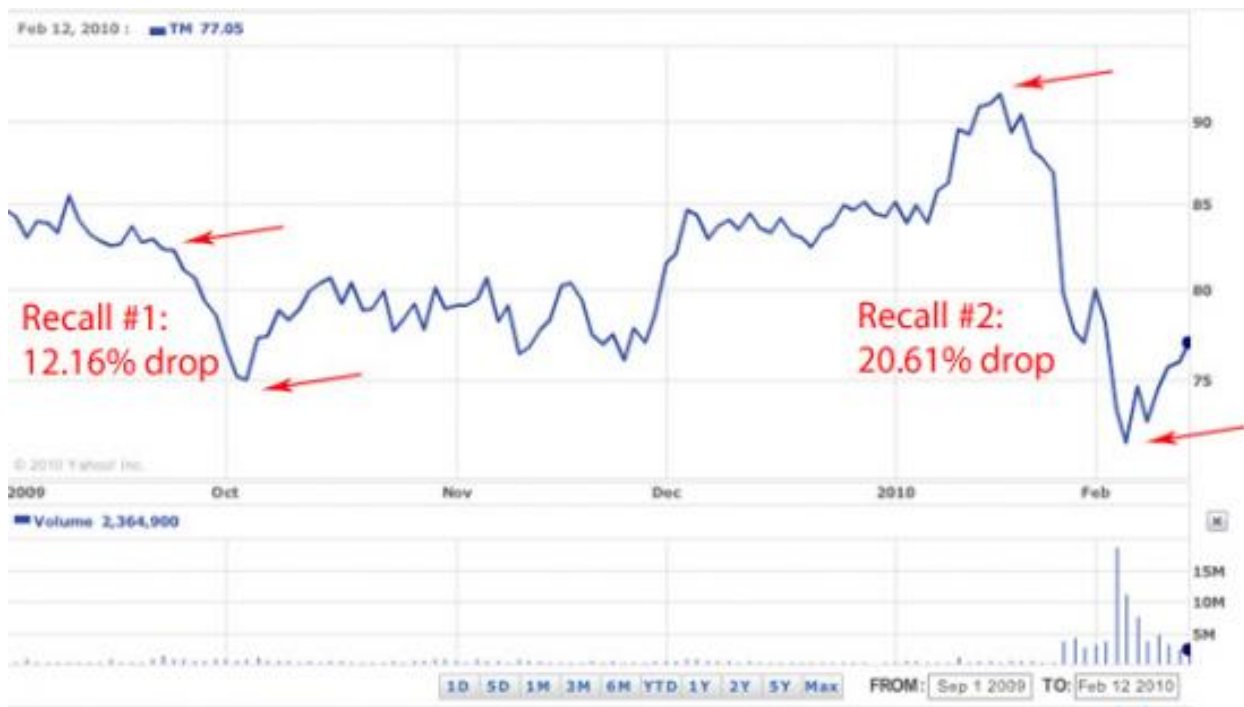


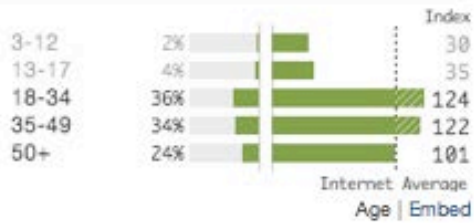
Figure 10



Male

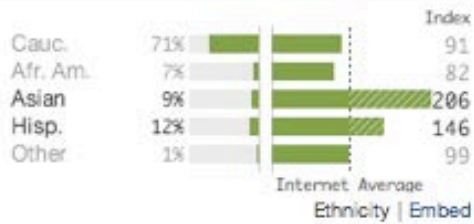


Young Adults

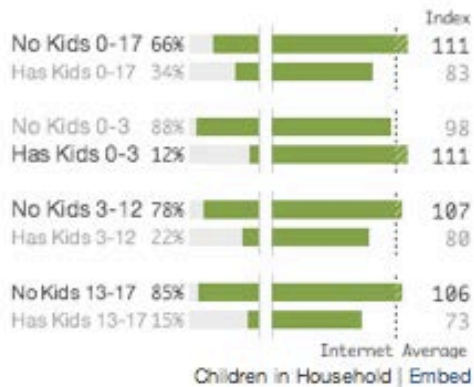


Asian

There are more Asian visitors here than average.



No Kids In Household



Bibliography

Shontell, Alysson. 12 PR Catastrophes That Crushed Company Shareholders. October 13, 2010. <http://www.google.com/imgres?imgurl=http://static.businessinsider.com/image/4cb5e3cb7f8b9a445d4a0500-547-/toyota-recall-2-2010.jpg&imgrefurl=http://www.businessinsider.com/pr-train-wrecks-2010-10%3Fslop%3D1&usq=tUInw6ABHE4gN50P8-7v4RAJz5M=&h=311&w=547&sz=20&hl=en&start=138&zoom=1&tbnid=qcLyLbVQiuhlVM:&tbnh=104&tbnw=183&prev=/images%3Fq%3Dtoyota%2Brecall%26um%3D1%26hl%3Den%26sa%3DN%26biw%3D1280%26bih%3D601%26tbs%3Disch:10%2C4058&um=1&itbs=1&iact=rc&dur=409&ei=OH8ATZngM839nAfrtaXIDQ&oei=E38ATfHAEJConweRpPTnDQ&esq=9&page=9&ndsp=18&ved=1t:429,r:14,s:138&tx=65&ty=78&biw=1280&bih=601>

Simmons Table. Data Collected: Demographics. Female/Male, Age, Race. Wilson Library, University of Minnesota. Minneapolis, MN. December 2010.

Toyota USA. *Home* / *Quantcast*. Quantcast Corporation, May 2010. Web. 22 Nov. 2010. <http://www.quantcast.com>

¹ Toyota USA. (December 17th, 2009.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

² Toyota USA. (December 24th, 2009.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

³ Toyota USA. (n.d.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

⁴ Toyota USA. (February 11th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

⁵ Toyota USA. (February 11th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota/posts/301619377319>

⁶ Toyota USA. (February 11th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota/posts/301619377319>

⁷ Toyota USA. (March 5th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

⁸ Toyota Recall (Owner's Group) (February 10th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/topic.php?uid=311811092243&topic=14019>

⁹ Toyota Recall (Owner's Group) (February 10th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/group.php?gid=311811092243&v=wall>

¹⁰ Toyota Recall (Owner's Group) (n.d.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/group.php?gid=311811092243&v=wall>

¹¹ Toyota Recall (n.d.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/pages/Toyota-Recall/263088440673?v=wall>

¹² Toyota USA. (n.d.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

¹³ Toyota Prius (n.d.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/prius?v=wall>

¹⁴ Toyota USA (July 9th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

¹⁵ Toyota USA (July 14th, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/toyota?v=wall>

¹⁶ Toyota Prius (July 3rd, 2010.). In *Facebook* [Fan Page]. Retrieved 10/22/2010, from <http://www.facebook.com/prius?v=wall>

TrueCar, Inc. Toyota Recall Updates. Graph. Updated February 2010. Copyright 2010. Accessed 12/1/2010. <http://www.truecar.com/truetrends/toyota-recall.html>