

Brand management at a motor manufacturing company

by

Henry Paul Shuttleworth

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Supervisor: Prof C.A. Bisschoff

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ABSTRACT

The purpose of this study was to investigate the brand management of a motor manufacturing company. The study set out to establish what the most important elements are that contribute towards a successful brand and to identify a potential model that can be used to measure the brand elements that are evident in the Toyota brand. By using this model, the Toyota brand was evaluated, bringing to the fore the key success factors that have made Toyota the number one motor manufacturing brand in South Africa.

The qualitative research was conducted to evaluate Toyota's understanding of its brand and then questioning the usage of the brand through an individual interview with the custodian of the Toyota Brand in South Africa. The results of this qualitative research were used to identify the key values that the manufacturer sees as brand-building elements and to then evaluate how they are using these values to build and enhance the brand. These core brand values were then evaluated in the quantitative research that followed.

The quantitative research was conducted through questionnaires where the retail network (General Managers, Sales Managers in the Toyota retail network) evaluated Toyota SA's implementation of its brand's core values through the dealer network. The sample size consisted of twenty nine (N=29) randomly selected Unitrans Toyota dealers in the country.

An extension of the study compared these key success factors with the values that are delivered through the retail network to the customers. The brand expectations that the customer has in mind to the realisation of the brand promise at retail level were compared.

This study gives insight into the workings of the Toyota brand and tests the communication of the brand blueprint through to the retail network. This study allows Toyota to review the way they communicate their brand to the direct

customer, the retail network. The study also found that Toyota should use the opportunity to communicate the brand name to its direct customers, namely the retailers, and that, if needed, Toyota should revise the communication strategy. Other recommendations are that both Toyota and its retailers should take note of the fast-changing business environment, acknowledge the importance of managing the length of the product line, and that Toyota should embrace the retailers as partners rather than mere franchisees. The retail network, in turn, can get a better understanding of the role it has to play to ensure the sustainability of the Toyota brand. The study also allows the retail network to realize the importance of customer service in the whole Toyota brand set-up.

Key words: brand equity, brand positioning; leveraging the brand; brand communication, delivering the brand.

OPSOMMING

Die doel van hierdie studie was om die handelsmerkbestuur van 'n motorvervaardigingsmaatskappy te ondersoek. 'n Verdere doel van die studie was om vas te stel wat die belangrikste beginsels is wat tot 'n suksesvolle handelsmerk bydra en om 'n potensiele model te identifiseer waarvolgens die handelsmerkbeginsels wat eie is aan die Toyota-handelsmerk, te meet. Deur die toepassing van hierdie model word die Toyota-handelsmerk geëvalueer en die vernaamste suksesfaktore bepaal wat van Toyota die voorloper op die gebied van motorvervaardigingshandelsmerke in Suid-Afrika gemaak het.

Kwalitatiewe navorsing, in die vorm van 'n in-diepte onderhoud met die beskermer van die handelsmerk Toyota, is gebruik om kernwaardes te identifiseer wat die vervaardiger beskou as die elemente wat belangrik is die handelsmerk uit te bou. Hierdie elemente is vervat in 'n gestruktureerde vraelys wat versprei is aan die kelinhandelsnetwerk.

Algemene bestuurders en verkoopsbestuurders in die Toyota-kleinhandelnetwerk het gedien as die populasie. 'n Ewekansige steekproef van 29 Unitrans Toyota handelaars in Suid-Afrika het die vraelyste ontvang om te voltooi.

Die studie word verder uitgebrei deur die vernaamste suksesfaktore te vergelyk met die waardes wat deur middel van die kleinhandelnetwerk aan kliente gelewer word. Die handelsmerkverwagtinge wat die klient in gedagte het, is verder vergelyk met in welke mate die beloftes wat gemaak is, nagekom word op kleinhandelsvlak. Hierdie studie bied insae in hoe die Toyota-handelsmerk werk en toets ook hoe die handelsmerk-bloudruk na die kleinhandelnetwerk gekommunikeer word. Die studie het verder bevind dat Toyota die geleentheid en die wyse waarop die handelsmerk aan die direkte klient, die kleinhandelnetwerk, gekommunikeer word, behoort te hersien. Verdere aanbevelings vanuit die studie toon dat beide Toyota en die kleinhandelaars kennis moet neem van die snel-veranderende besigheidsomgewing, die bestuur van die lengte van die produklyn noukeurig moet monitor, en dat Toyota die kleinhandelaars as vennote eerder as franchisees

moet beskou. Die kleinhandelnetwerk kry weer op sy beurt 'n beter begrip van die rol wat dit moet speel ten einde die volhoubaarheid van die Toyota-handelsmerk te verseker. Die studie beklemtoon ook weereens aan die kleinhandelnetwerk hoe belangrik klantediens in die hele Toyota-handelsmerkbedryf is.

Sleutelwoorde: handelsmerkwaarde, handelsmerkposisionering, handelsmerkhefboomwerking, handelsmerkkommunikasie, lewering van die handelsmerk.

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CHAPTER 1

NATURE AND SCOPE OF THIS STUDY

1.1 INTRODUCTION

The battle of the giants, according to the motor industry media, refers to the global struggle for the number one position in this highly competitive industry. Toyota Motor Corporation, General Motors and Ford Motor Company have always been the three motor manufacturers that competed to be classified as the world's biggest automotive manufacturer. The global financial crises have slowed down vehicle sales across the globe as well as across all vehicle brands. The first large victim of the global economic crisis was General Motors that declared bankruptcy in June 2009 by racking up losses of 81 billion dollars over a four-year period (Clark, 2009). According to Wheels24 (Anon., 2009a), there has been a change in sales rankings for the first six months of 2009. Toyota Motor Corporation has once again reported the highest vehicle sales for the first six months of 2009. As reported by Wheels24, Toyota ended in the first position with 3.564 million units sold followed closely by General Motors with 3.553 million units and Volkswagen (VW) now takes the third position with 3.265 million units sold (Davids, 2009).

During the last decade, the South African motor industry has experienced a proverbial see-saw of ups and downs. According to the figures published by the National Association of Automobile Manufacturers of South Africa (NAAMSA, 2008), it is evident that the last five years in the South African motor industry was very exciting. From 2003 to 2004 a growth in motor sales of 22% was reported. This was followed by a further 26% growth in 2005 and 16% in 2006. However, the upward trend proved unsustainable when the growth rate turned against manufacturers with a 5.2% reduction in sales during 2007 (Anon., 2009f). The major growth during 2004 and 2006 was predominantly attributed to the emergence of a new and up-coming black middle class (the so-called "black diamonds") that entered the vehicle market (Holmes, 2007). However, it is difficult to determine whether the aforementioned growth was because of normal

economic market growth, or the result of a major market shift owing to the market entry of these newcomers. Whatever the cause, it is undeniable that the honeymoon is over.

TABLE 1.1: WORLD'S TOP 10 VEHICLE GROUPS RANKED BY VEHICLE SALES IN FIRST HALF OF 2009

Position	Manufacturer	Units ('000)
1	Toyota	3 564
2	GM	3 553
3	VW	3 265
4	Hyundai	2 153
5	Ford	2 145
6	Peugeot & Citroën	1 587
7	Honda	1 586
8	Nissan	1 546
9	Suzuki	1 150
10	Renault	1 107

Source: Anon. (2009a)

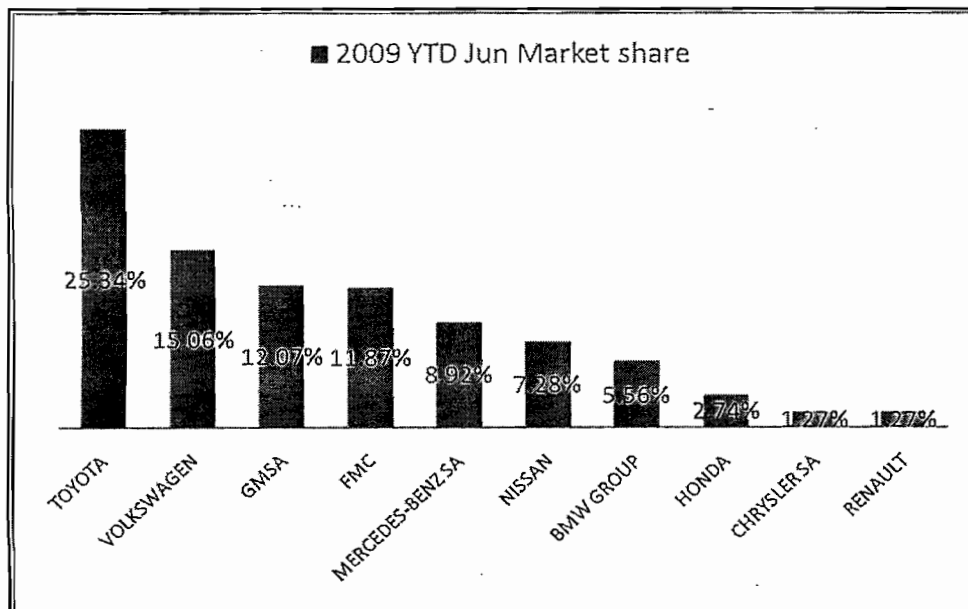
During the period 2006 to 2007 the market did not just slow down, but moved into negative growth figures. When reflecting on 2008, the picture appeared equally grim. For the year 2008 the South African vehicle market has reported a drop of 21.1% compared to the same period in 2007. Pretorius (2009) ascribes this drastic turn in the market predominantly to increasing inflation, high interest rates and the global credit crunch around the world (Venter, 2009).

In the local market Toyota is running the show with a market share of 24.1% for the year 2008, an increase of 1.3%. Toyota's share was followed by Volkswagen with 13.6% as reported by Van Zyl (2009), CEO and president of Toyota South Africa. However, the overall future of the South African motor industry does not look all that rosy and the current market conditions do not bode well for sustainable future performance. There are some strong motor manufacturing brands that have won some market share since the start of 2009. Toyota has increased its share for the first six months of 2009 from 24.1% in 2008 to 25.3% in

2009 followed second by VW that has moved from 13.6% to 15.1% (Van Zyl, 2009). In times like these, it is very important to take stock and to identify the key success factors in a company and to ensure that these strengths are maximised and exploited to their fullest potential.

In the context of Toyota being the market leader, the company needs to address the question “What is Toyota doing right?” How is Toyota managing increased market share in light of the turbulent economic conditions pinching the motor manufacturing industry? To this end, this study attempts to explore the role of Toyota’s brand and its effectiveness as a contributory factor in terms of its relative market success.

FIGURE 1.1: VEHICLE MARKET SHARE PERCENTAGES



Source: NAAMSA (2009)

When talking and exploring brands, it is inevitable that the Toyota brand will form part of the discussion. According to the 2008 BRANDZ report (Moerdyk, 2008:99), reporting on the 100 most powerful brands worldwide, Toyota ranked 12th led by Google in the first place and other popular brands like General Electric, Microsoft and Coca-Cola in close succession. In a local South African context, it is safe to state that everyone is familiar with the Toyota brand, introduced in the early days as “*Everything keeps going right, Toyota*” (Anon., 2009g), to the latest slogan of, “*Lead the way, Toyota*” (Anon., 2009b).

In difficult times, a brand is probably a company's biggest competitive edge (Barlow & Steward, 2004:259). Felthan (1989:372-385) explains that exposure to information is the first step to brand awareness. With modern technology such as the internet, people know exactly what product they want and at what price they want it. Customers know what to expect from each product and, when seeking to make a purchase, have already made up their minds on what value the product will add for them. The one thing that customers keep in the back of their minds when it comes to purchasing decisions is brand (Felthan, 1989:373).

Brand does not only play a role when customers make a purchasing decision, but also affects the competitiveness of manufacturers as well as retailers. According to Zeng *et al.* (2008), brand is one of the most important role players when it comes to competitiveness. In today's open market economy, it is an undeniable reality that the fat cats get fatter. The big brand names overpower smaller entrepreneurs and importers, denying them a significant place in the market. Large, well-known companies with strong brands often provide the same product than those of its smaller unknown counterparts, usually at a higher price with the inevitable result that the large organisation outsells the small one. This begs the question, why would customers buy the same product at a higher price, especially in difficult times? The answer is quite simple: because of brand equity.

Leiser (2004:219) stated that many savvy organisations now see the value in using brand as a focal point for its overall business strategy. The emerging view of brand as core to business strategy stems from the recognition of a strong brand's role in driving solid benefits to the bottom line, predominantly as a result of its ability to command price premiums and to fuel market share leadership (Fensen & Drozdenko, 2008:119).

Consumers determine their product choices based on the values of a brand and the associated product. Whether this is attributable to a perception of quality, exclusivity, or just value for money, all consumers have some reason why they buy a specific product or brand. This aspect of consumer behaviour relates back to the century-old Maslow needs hierarchy theory (Kreitner & Kinicki, 2004:263) that attempts to predict the way in which people will react to specific stimuli.

1.2 PROBLEM STATEMENT

This study seeks to evaluate the importance of brand management at a motor manufacturing company in today's business environment and more specifically the importance of the Toyota brand in the South African motor industry. To facilitate this assessment of the importance of brand equity, the key success factors of a brand will be evaluated and the resultant outcomes will then be compared with the success factors associated with the Toyota brand.

The empirical study analysed the brand model utilised and to determine whether Toyota South Africa's brand blueprint gets transferred through the retail environment and ultimately to the consumer that buys a new Toyota product. The focus will be on measuring how effective the brand strategy is communicated and transferred to the retail part of Toyota's business and then whether the retailers (independent businesses) also portray this brand message to the consumer.

1.3 OBJECTIVES OF THE STUDY

The primary objective of this study was to identify the key elements that have made Toyota such a successful motor manufacturing brand in South Africa. In order to achieve the primary objective, the secondary objectives of this study are particularised under section 1.3.1 to 1.3.5 as indicated below:

- 1.3.1 To determine the key elements of branding and to evaluate the different elements that contribute towards a successful brand;
- 1.3.2 To compare these key elements mentioned above with the Toyota brand blueprint. Toyota South Africa has a corporate brand strategy that it calls its brand blueprint that will be evaluated against the literature study on how to build a brand in competitive markets;
- 1.3.3 To empirically test the communication of the brand blueprint of Toyota with the communication methodologies applied by Toyota's dealer network. This will be tested on a retail and customer level to determine where there are deviations from the corporate strategic brand blueprint;

- 1.3.4 To then compare Toyota SA's brand blueprint against the actual realisation of the retail network and to determine whether the same brand message are experienced by Toyota dealers. Toyota dealers tend to be very short-term focused, and therefore give very little thought to the brand strategy that Toyota SA promotes; and to
- 1.3.5 Empirically test the communication of Toyota SA's blueprint to its customers. Does the customer experience any of the brand benefits that receive so much hype in the media? This evaluation will focus on whether the dealers convey the same brand message to the customer and whether the customer actually experience the same brand message as that which Toyota's blueprint prescribes. Does the dealer network, which is at the public billboard for the Toyota brand, really live the Toyota brand philosophy to ensure that the customers experience it as intended?

1.4 RESEARCH QUESTIONS

The above mention objectives have been developed from certain questions that was asked and that needed to be answered. These questions was formalised and particularised under section 1.4.1 to 1.4.5 as indicated below:

- 1.4.1 Branding is a buzz word that gets mentioned every day in the business environment, but one need to wonder what it is that makes a brand a successful brand. What makes one brand better than the next one? Are there some elements that you will find in every successful brand that have contributed towards that brand's success?
- 1.4.2 Toyota is one of the world's most successful brands, especially in the motor industry. The question that comes to mind is what has made Toyota to be such a successful brand and can Toyota's strong brand be contributed to the same success factors than any other successful brand?
- 1.4.3 In so many companies around the world, you see how one brand excels past another brand. In the case of Toyota, this is what happened. What makes the Toyota brand unique is that the delivery of the brand to the customer is done by people who are franchisees of the Toyota brand. Toyota entrusts the brand to their dealers who in turn then have to build the brand on customer service delivery level. How does Toyota keep such a

one voice approach when it comes to their brand and how does Toyota South Africa controls these dealers to help build the brand?

- 1.4.4 Toyota South Africa has a brand strategy that guides all activities to ensure that they always build the brand up and do not damage the brand. The researcher believes that if you then have dealers that have to contribute towards this brand, they also need to buy into the strategy. These dealers have to believe in the brand and also see the benefit of a better and stronger brand for their businesses. The question here is, does the Toyota dealer network experience the brand as positive and does it create strong brand awareness under the dealers? The way Toyota South Africa delivers the company and brand to the dealers must affect the dealer network's attitude towards the brand. Does this in turn give them a better opportunity to contribute positively towards the Toyota Brand?
- 1.4.5 Toyota South Africa prides them on the strong dealer network they have. In more than one case they have given credit to the dealers for the contribution that the Toyota dealer network has made towards the success of its brand in South Africa. This dealer network is the companies and people that are in the cold face of the brand. What this means is that they are the people that interact with the customer on a daily basis and that can play either a positive or a negative role to the brand strategy. How is it that these dealers continuously deliver the goods and keep on building the brand instead on damaging it? Is it possibly the communication of a great brand strategy that makes these two parties such a deadly combination?

1.5 LAYOUT OF THE STUDY

Chapter 1 consists of the research proposal that include the introduction to the study, the problem statement as well as the primary and secondary objectives. This is followed by the explanation of the research methodology that has been followed.

Chapter 2 encapsulates the literature study that evaluated the qualities of a successful brand and clarified the concept of “brand” and insight into the problem statement. The objective of the literature study was to provide the necessary background and insight in terms of the empirical research conducted.

Chapter 3 consists of the empirical research that included a qualitative research approach followed by the quantitative research. The qualitative research approach consisted of an interview with Toyota SA’s brand custodian to identify the right questions that needed to be used in the quantitative research study to adequately test the effectiveness of the Toyota brand in South Africa. In conclusion, the statistical analysis and an interpretation of the research results were conducted.

Chapter 4 summarises the study and then leads to conclusions that aimed to provide an overview of the whole research study and relevant findings. Recommendations to Toyota SA were made, as well as the dealer network to ensure that Toyota manages and communicates its brand throughout the value chain with maximum impact on the customer. The recommendations seek to achieve synergy between wholesalers and retailers and to ensure that the Toyota promise can be fulfilled at a customer level.

1.6 SUMMARY

This chapter set the table for the study by providing an introduction to the automotive industry. Next, it provided an overview of the problem statement and Toyota's branding, also listing the research objectives and provides the layout of the study. The next chapter concentrates on setting a sound theoretical base by means of literature research.

CHAPTER 2

THE VALUES OF A SUCCESSFUL BRAND

2.1 INTRODUCTION

The motor industry in South Africa is under tremendous pressure with the current local and global changing economic conditions. The South African vehicle market is currently begging government to bail out the industry, as more and more suppliers, wholesalers and retailers feel the effect of the global credit crunch. The main indicators that have left the South African motor industry in shambles are the relatively high interest rates, continued forced price increases due to the currency exchange as well as over-extended household debt. These factors have had a drastic influence on the GDP growth rate (as shown in Table 2.1) in South Africa. In the latest Standard Bank Economics publication in August 2009, Botha (2009) reported that debt-to-household income has risen to 76.7%. This means that for every R100 people earn, they owe R76.70 to their creditors (Venter, 2009). According to Wesbank's vehicle sales confidence indicator report for the first quarter of 2009, they believe that vehicle prices, consumer confidence and bank approvals will play the most important roles in vehicle sales in 2009 (Anon., 2009c). It is evident that all the motoring brands in South Africa are currently competing for a slice of the same cake, a cake that is getting smaller every day. There is already speculation by industry reporters that some of the foreign vehicles importing companies are busy packing up their things to leave the South African market. Toyota South Africa, on the other hand, has shown great strength in the market even though economic conditions are not positive. This is evident through the NAAMSA market share report showing a 1.2% increase in market share in the first six months of 2009 compared to 2008. The question this poses is whether the Toyota brand has anything to do with its success in the South African market. As Jeremy Sampson puts it: *"Having a glorious past is no guarantee of a prosperous future, but a successful past helps build a winning culture"* (Sampson, 2008:24).

TABLE 2.1: SOUTH AFRICA'S GDP GROWTH RATE SINCE JAN '07

Period	GDP % Growth Rate
2009/03/31	-6.40%
2008/12/31	-1.80%
2008/09/30	0.20%
2008/06/30	5.00%
2008/03/30	1.70%
2007/12/31	5.40%
2007/09/30	4.50%
2007/06/30	3.70%
2007/03/31	5.50%

Source: Statistics South Africa (2009)

All successful brands compete with other products and brands by creating points of parity in those areas where competitors are trying to find advantages, while at the same time creating points of difference to achieve a competitive advantage over competitors. Strong brand leadership is very important to consumers as it provides reassurance and strengthens the quality levels in the minds of the consumers. A leading brand creates a value that in today's competitive market can be seen as an asset that will result in future financial benefit. *"A brand, reinforced by a unifying philosophy, grows your business, creates your wealth, fulfils your aspirations and establishes a legacy"* (Chauhan, 2008).

This chapter aims to evaluate an effective brand and the elements that drive such a brand. The concepts of brand positioning, brand communication, brand performance and brand leveraging are evaluated to ensure a detailed understanding of brand and how it influences successful businesses.

2.2 HISTORY OF TOYOTA

Toyota originated from a Japanese weaving industry, when Sakichi Toyoda invented the world's first automated loom and subsequently started the Toyoda Spinning and Weaving Company in 1918. The global success of this company resulted in Sakichi's dream to be carried on by his son Kiichiro; to build an automotive vehicle. This led to the introduction of the company's first passenger car, the Toyota Model A1 (Anon., 2009g).

In 1937, the Toyota Motor Company was born. After World War II, Japanese manufacturing experienced a renaissance, where its products rapidly gained acceptance in markets all around the world. The South African public needed transport, and the traditional lines of supply were restricted as Europe and the USA recovered from the devastation of World War II (Thomas, 1993:5). The news and acceptance of a Japanese product (and Toyota vehicles as well) reached South Africa. Incidentally, another entrepreneur from the clothing industry, the South African, Albert Wessels, identified the opportunity of affordable cars for the people of South Africa. In 1961, Wessels obtained an import permit for 10 *Toyopet Stout* pick-up trucks from Japan, and the first consignment arrived in South Africa (Thomas, 1993:15; Le Page, 2008:121).

2.3 TOYOTA VALUES

The resemblance between Wessels and Toyoda is evident as both men came from the textile industry and also in the sense that both of them had a dream for bigger and greater things. The next resemblance was the fact that both of them were family people, trying to build a better future for their children. A large number of successful companies were founded by one individual or a small group of people with a dream which they followed through as they took the opportunity when it arose. Examples of entrepreneurs who founded such companies are Bill Gates and Paul Allen who started Microsoft over 30 years ago; Sir Richard

Branson who started the Virgin Group in 1970 (Anon., 2009d); Fredrick Mead together with George Raw and W.H Hackblock, who started the company now called SABMiller plc (Anon., 2009e), and so also Wessels who founded Toyota South Africa (Liker, 2004).

The philosophy around Toyota and the way Toyota conducts business has resulted in an image that is well respected in the business world as well as the public, and therefore links to the topic of Toyota's brand. Toyota's philosophy is based on 14 simple business principles that Toyota has made part of its everyday business dealings. These management principles act as Toyota's core business drivers and include the following table (Liker, 2004:67):

TABLE 2.2: TOYOTA'S 14 BUSINESS PRINCIPLES

1. Base your management decisions on a long-term philosophy, even at the expense of short-term financial goals.
2. Create continuous process flow to bring problems to the surface.
3. Use a pull system to avoid overproduction.
4. Level out the workload.
5. Build a culture of stopping to fix problems, to get quality right the first time.
6. Standardise tasks are the foundation of continuous improvement and employee empowerment.
7. Use visual control so no problems are hidden.
8. Use only reliable, thoroughly tested technology that serves your people and processes.
9. Grow leaders who thoroughly understand the work, live the philosophy, and teach it to others.
10. Develop exceptional people and teams who follow your company's philosophy.
11. Respect your extended network of partners and suppliers by challenging them and helping them improve.
12. Go and see for yourself to thoroughly understand the situation.
13. Make decisions slowly by consensus, thoroughly considering all options; implement decisions rapidly.

14. Become a learning organisation through relentless reflection and continuous improvement.
--

Source: Liker (2004:67)

The continued application of these 14 management principles along with a people focused philosophy has resulted in Toyota becoming the most successful motor manufacturer in the world (Hawkes, 2007). All of this contributed to the brand Toyota is today. This could explain why the Toyota brand has become such a well known and respected household brand that even though not everyone drives their products, everybody is well-aware of Toyota as a brand. As such, an emotional link of trust and trustworthiness has been established with businesses and customers in the market – customers trust the Toyota brand. Trust, as Burns (2008:44) states, is built through five simple, but very important business disciplines, namely to:

1. Be great.
2. Intend good.
3. Talk straight.
4. Keep promises.
5. Listen hard.

2.4 WHAT IS A BRAND?

Before the values of a brand can be investigated, it is important to understand the concept of a brand. *"A great brand raises the bar – it adds a great sense of purpose to the experience, whether it's the challenge to do your best in sports or fitness, or the affirmation that the cup of coffee you are drinking really matters."* (Schultz in Webber, 1997). According to analysts, a brand can be seen as the major enduring asset of a company, outlasting, the company's specific products and facilities. As the former CEO of McDonald's quoted, *"If every asset we own, every building and every piece of equipment were destroyed in a terrible natural disaster, we would be able to borrow all the money to replace it very quickly because of the value of our brand. The brand is more valuable than the totality of all these assets"* (King, 1991:43). Thus a brand is something that can carry one

through the good times and enable one to excel through the bad times. This is not a short-term asset, but a long-term asset with strategic future value. According to Kapferer (2004:09) in his book, "*The new strategic brand management*", he defines brand in two different paradigms. These paradigms are:

- **The customer-based paradigm:**

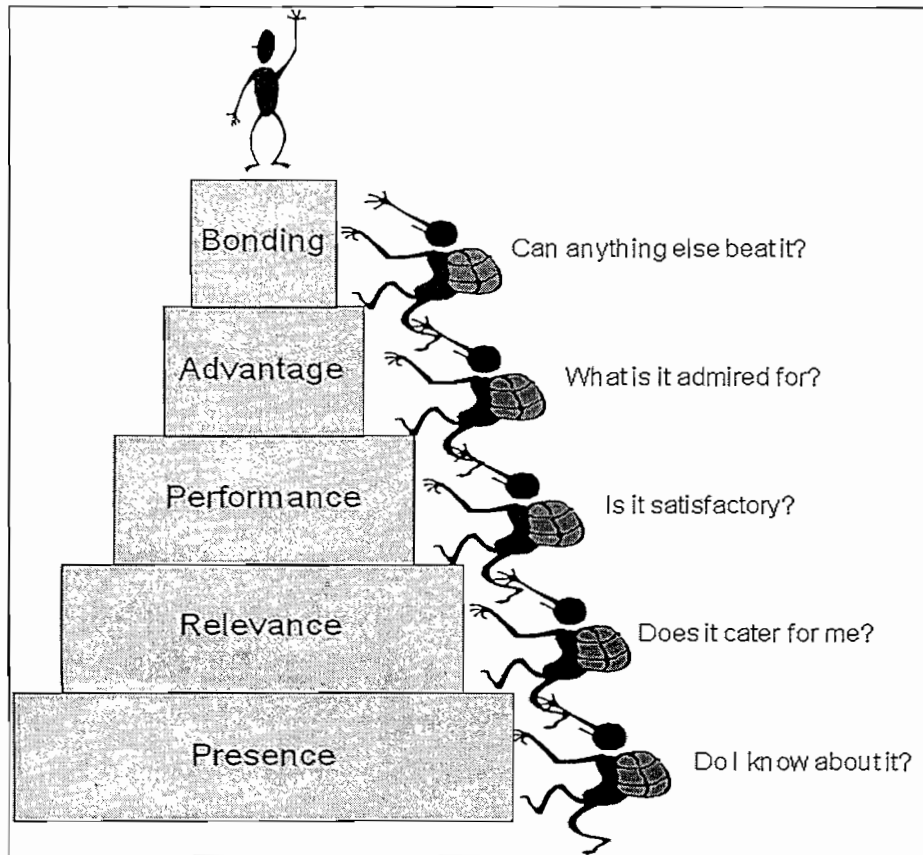
This paradigm focuses only on the relationship customers have with the brand. This is where customers buy and re-buy products based on the beliefs of superiority of the product and the company. It also evokes emotion that drives customers to stay loyal towards the company and the product. Figure 2.1 illustrates how customers perceive a brand and how they react to it.

- **The financial approach:**

The second paradigm, according to Kapferer (2004:497), is to measure the brand in euro's, dollars and rands. The financial approach measures brand value by isolating the net additional cash flow created by the brand. This is all well, but the researcher believes that one has to see both these approaches as one. These additional cash flows are the result of customers' willingness to buy one brand instead of another. People are prepared to pay more for one product over another because of the beliefs and emotional bonds that have been created in the customers' minds by continuous brand communication.

A brand has a financial value (equity) because of the assets that have been created in the hearts and minds of customers. A brand is a set of mental associations, held by the consumer, which add to the perceived value of the product or service (Keller, 1993:25). Motameni and Shahrokhi (1998:276) view brand equity in terms of incremental discounted future cash flows that will result from a branded product revenue, in comparison with the revenue that would occur if the same product did not have the brand name. A company's brand is an intangible activity of recognised value, which must be carefully managed.

FIGURE 2.1: NATURE AND DEPTH OF CONSUMER BRAND RELATIONSHIPS



Source: Brandz (2008)

Excellent brands are characterised by the ability to involve its own consumers in a lasting relationship, based on trust and richness of symbolic and emotional value (Costa & Evangelista, 2008:69). In layman terms, brand is playing an ever-increasing role in helping companies realize value from its assets. Large corporations are in a constant state of change as a result of acquisitions, mergers, product and service development, and innovation, while smaller companies are searching for ways to break out in a highly competitive marketplace. At the very core of this dramatic activity is the passion to inspire people to believe in and support the brand as the organisation builds toward greatness. For some, there is the desire to change the way people perceive the brand, while for others the need is to let people know they exist, and to do so with authority and credibility.

New products and services need to be positioned and launched to be able to achieve the abovementioned objective. To have a strong recognisable brand gives companies a competitive edge over newcomers and small, less noted companies. Combining quantitative data with the deeper insights from a qualitative approach, Synovate surveyed over 13,000 consumers in 20 Hotspots markets around the world to gain a better understanding of their relationships with brands and their brand preferences across a range of product categories (Hofmeyer & Holtsman, 2007). The results of this survey show that, regardless of the nationality of the product or the consumer, brands matter strongly to all consumers and provide a functional and emotional point of reference for purchasing behaviour for rich and poor alike. Consumers in emerging markets demonstrate a greater propensity than those in developed markets to believe that international brands are of better quality than local brands, with only 30% of developing market respondents indicating that local brands are just as good as those internationally manufactured.

Regarding price premiums, Leiser (2004:218) concluded in his Consumer Branding Study that 72% of customers are willing to pay a 20% premium for their brand of choice over the closest competitor, and that every company needs to understand what the brand stands for. In addition, the long-term impact of any, or all product introductions are consistent with the long-term brand strategy and develop an approach for measuring the value of the brand in order to determine how each new brand extension impacts its overall value (Egger, 2000:1). *“Ultimately, the power of a brand lies in the minds of consumers or customers”* (Bridges *et al.*, 2000:157), and that the meaning that customers attach to a brand may be different from that which the firm intends. As previously mentioned, the value of a brand can easily exceed that of an organisation’s physical assets. That’s why, in the world of consumer products, companies routinely spend millions developing and promoting their brand identities.

A company’s corporate image can be defined as how an organisation is currently perceived – but not necessarily how it wants to be perceived. The researcher is therefore of the opinion that consumers have a tremendous influence on a company’s brand value. The expectation of the customer and the realisation of his expectations create an image in the customer’s mind. This image is the value they link with the brand.

The value that customers link to a brand results in brand equity. Brand equity is what a company stands for and the relationship that consumers have with the brand. Another element to this is what people think of a product or service that they receive. A brand can be defined as distinguishing a name or symbol intended to identify both goods and services (Selnes, 1993:19). Too often brands are examined through its component parts: the brand name, its logo, design, packaging, advertising or name recognition. Real brand management, however, begins much earlier with a strategy and a consistent integrated vision (Tuominen, 2007:182).

2.5 PCDL MODEL

Research by Bhat and Reddy (1998:32) on the symbolic and functional positioning of brands emphasise that for the long-term success of a brand, it is very important to have a framework for strategically managing the image of the brand, as per Park *et al.* (1986:136). In this study, the conceptual model is used to evaluate a successful brand and identify the drivers that build this successful brand (Ghodeswar, 2008:6).

2.5.1 The PCDL model for building a brand

Ghodeswar (2008:6) developed a model to identify important elements of brand building based on a literature review and case studies of successful brands in India. This model covers the process from brand positioning to communication, delivering brand performance and leveraging the brand performance. This model is used to investigate how one can evaluate an effective brand and ensure that the study covers all relevant elements that influence a successful brand. The model is presented in Table 2.3.

TABLE 2.3: PCDL MODEL

POSITIONING THE BRAND	COMMUNICATING THE BRAND MESSAGE	DELIVERING THE BRAND PERFORMANCE	LEVERAGING THE BRAND EQUITY
• Features • Tangible attributes • Intangible attributes • Product functions • Benefits • Operational	• Advertising campaigns • Themes • Celebrities • Events • Shows • Consumers	• Product performance • Service performance • Customer care • Customer satisfaction • Customer delight	• Line extension • Brand extension • Ingredient branding • Co-branding • Brand alliance • Social integration

Source: Ghodeswar (2008:6)

2.5.2 Positioning the brand

Brand positioning is related to the image that gets created in the mind of the customer (Ghodeswar, 2008:6). This is the value and the promise that the customers see when they look at a brand. This image of the brand should be able to distinguish between the product or service and that of competitors. This goes hand in hand with brand identity that gets communicated to the consumers in the marketplace. The brand positioning should be able to show a benefit over the competitive products. Every product or service has features that allow an organisation to satisfy customer needs. The only reason people buy things is because they have a specific need and are prepared to pay a certain amount of money to satisfy this need.

These needs can be divided into two categories, one of which is physiological needs and the other psychological needs. Brand image is the reasoned or emotional perceptions consumers attach to a specific brand. According to Bhat and Reddy (1998:32), a brand consists of functional and symbolic brand beliefs that influence people's decisions to purchase certain brands.

Brand entails brand associations. “*Brand associations are the category of a brand’s assets and liabilities that include anything linked in memory to a brand*” (Aaker, 1991:23). Human needs and motivation have been a subject that has been researched over many years. Even though there are a large number of theoretical models available, it all boils down to the rational man that tries to maximise total utility and the emotional man whose motives are emotional of nature (Aaker, 1991:23-24). Both these approaches play a role when it comes to a buying decision. One of the above approaches will weigh more in the decision-making process, considering the type of product that the consumer is purchasing. When one purchases a motor car, different motivations can drive the decision on what vehicle to buy. The rational buyer will evaluate the different options based on an objective criteria like price, fuel economy and maintenance cost. This is typical “*A-to-Ber’s*”, as known in the motor industry, which are traditionalist consumers that want to move from point A to point B as economically as possible (Barnhoorn, 2007:1). These consumers will evaluate and weigh up the importance of each individual attribute. Consumers will then compare this with all different competitive brands and then make a decision on a judgement rule. The opposite of this kind of customer is the one that evaluates his purchase on a less factual basis. He is buying a new vehicle because it will satisfy a different set of needs. These needs are all emotional of sort. These customers are also known as trendsetters or enthusiasts that will make their purchase decision based on how it will make them feel and not for any practical reasons (Barnhoorn, 2008:1). The elements to consider when this decision gets made are taste, pride, desire for adventure; self expression and image, to name only a few.

To summarise, Park *et al.* (1986:135) noted that consumers’ needs could be classified as either functional or symbolic. They realised that functional needs are related to specific and practical consumption problems whereas symbolic needs are related to self-image and social identification. This led them to the conclusion that all brands need to have a “brand concept”, which is an overall abstract meaning that identifies a brand (Park *et al.*, 1986:145). They also suggested that a brand concept is either symbolic or functional, thus tapping into consumers’ symbolic or functional needs respectively. The recommendation to companies setting up a brand is to select a specific concept and then to use the product mix

to reinforce and support the brand over its life (Park *et al.*, 1986:145). According to Bhat and Reddy (1998:32), consumers' needs can be fiscal of nature and therefore one can have a functional brand that appeals to consumers that have fiscal needs, or, on the other hand, one could position a brand as a symbolic brand that will appeal to the customer that has emotional needs. It is evident that one has to structure the brand concept in either one of the abovementioned positions. The problem arises when one tries to create a brand with a symbolic and functional positioning. In doing so, the consumer gets confused and does not get the "feeling" that this brand is specifically for him. One tends to compromise when trying to have the best of both worlds and at the end a very weak loyal customer base emanates. It is as if the brand can satisfy neither the symbolic nor the functional needs of the customer.

After quantitative research on these two positionings, Bhat and Reddy (1998:32-43) came to the conclusion that there are in fact two elements that play a role when it comes to choosing a brand based on symbolic measurements. According to these researchers, the symbolic needs of the customer are divided into two elements, namely prestige and personal expression. The researcher is of the opinion that this discovery makes brand positioning more complex and that one has to make sure the brand and the product relate to both these elements when it is symbolic of nature.

Now that all possible needs of consumers have been established, one has to look at what a brand can offer to ensure that these needs are met. One of the first things that jump to mind is the product itself. As mentioned previously, the product itself plays a more important role in the functional needs of the customer. If *A-to-Ber's* or traditionalist customers need to make a decision to buy a motor vehicle, they will evaluate the practicality of the vehicle. It is important to develop a product range accordingly to appeal to these customers and then, in turn, create a brand that has functional attributes. The researcher believes that if this is all that a product offers, one cannot expect to appeal to the symbolic customer in the marketplace. Consumers seek emotional value and benefit from a brand and product, and these emotional ties will exceed the value derived from the technology (Harrington, 2007). The symbolic customer needs something more from his purchase. According to Xue (2008:93), the idea is that consumption of

symbolic goods helps to preserve or enhance the individual's image of self-identity either to themselves or to others. An example of this is where the customer wants to know how reliable the vehicle is. He/she needs to feel safe in the vehicle especially when the family will be driving around in the vehicle. This is all about how the customer feels when purchasing the vehicle. If a person is technologically advanced he/she would like to feel that the product bought is on the same level of technology as the person is. This is the customer who does research before enquiring about the vehicle at the dealership. He/she wants to feel that he/she knows what this vehicle is capable of; would like to know more about the vehicle than the sales person who is selling it. When people are very environmentally orientated, they want a vehicle that will not damage the environment or at least have as little as possible impact on the environment. This allows the customer to have peace of mind when driving around knowing that they are doing something to conserve the environment. This is what is called personal expression. Some customers also want all the bells and whistles' so that they can show their friends all the nice features the vehicle have. People buy an expensive car not only for the convenience but also for prestige or aspiration. This is seen as an esteem-related reason or rather for personal enrichment.

According to Temporal (2000) in Bhat and Reddy (1998:32-43), the branding focus should be on adding psychological value to products, services and companies in the form of intangible benefits – the emotional associations, beliefs, values, and feelings that people relate to the brand. The recipe is to take the fiscal product with its actual quality and combining it with its emotional assets to change a functional asset into a relationship asset. According to the researcher, to have the strongest brand in the competitive arena, one has to ensure that the product is also on top when it comes to quality and development of new products and features. When one has a product of exceptional quality and one has a brand that distinguishes the product from just any other product, one will be able to implement a price premium strategy. Should the price strategy be in place, one can manage one's intangible asset to optimise market penetration. This is when good brand positioning results in added profit. The supportive element that links the fiscal product with the emotional element is the service that goes with the product. By distinguishing between product, individual customer needs and the service that

accompanies it, the organisation can take a stance and decide where it would like to position the brand in the ever-changing marketplace.

2.5.3 Communicating the brand message

If a company has a product or service and it is well-known in the marketplace, and the company would want to establish the brand, does this imply that it is a successful brand? The answer is a definite no! Kapferer (2004:43) explains the double nature of brands. People buy branded products or services, but branding is not a substitute for marketing. Both are needed. Marketing aims at forecasting the needs of specific consumer segments, and drives the organisation to tailor products and services to these needs. According to VanAuken and Adams (2005:82), the most important element when it comes to brand communication is brand awareness. Brand building begins with awareness. Consumers must first be aware that there are different brands in the product categories in which the brand operates. Thereafter, they must be aware of the brand and, ideally, the brand should be the first one to come to their minds. The researcher believes that to establish a successful brand, the consumer should be able to identify which products and services the brand offers, be able to identify which benefits are associated with the brand, and have some idea where the brand is sold.

To achieve these very important goals in the minds of the consumers, marketing management staff has to have a focused approach when it comes to communicating the brand message. Through communication one has to create an image of the company, product and brand in the consumer's mind that differentiates the product from the others available in the marketplace. It is important to identify who the company will be communicating to. As previously discussed, a brand creates certain emotional expectations and the company has to identify the target market that will experience a positive emotional experience from the brand. In today's world, there are hundreds of different media and communication approaches, and that creates a problem for marketers. Some of the major media channels are the internet, radio, cinema, outdoor, magazines, newspapers and television (Yao, 2007:1). Customers do not perceive every message that reach them as an isolated image, but rather put every communication they get from the same brand together to create an image in their minds about the specific brand. The problem comes in when customers get

conflicting messages from different media and communication channels of the same brand. The only way to effectively carry this brand message through to the target market is through integrated marketing communication (Anantachart, 2004:101).

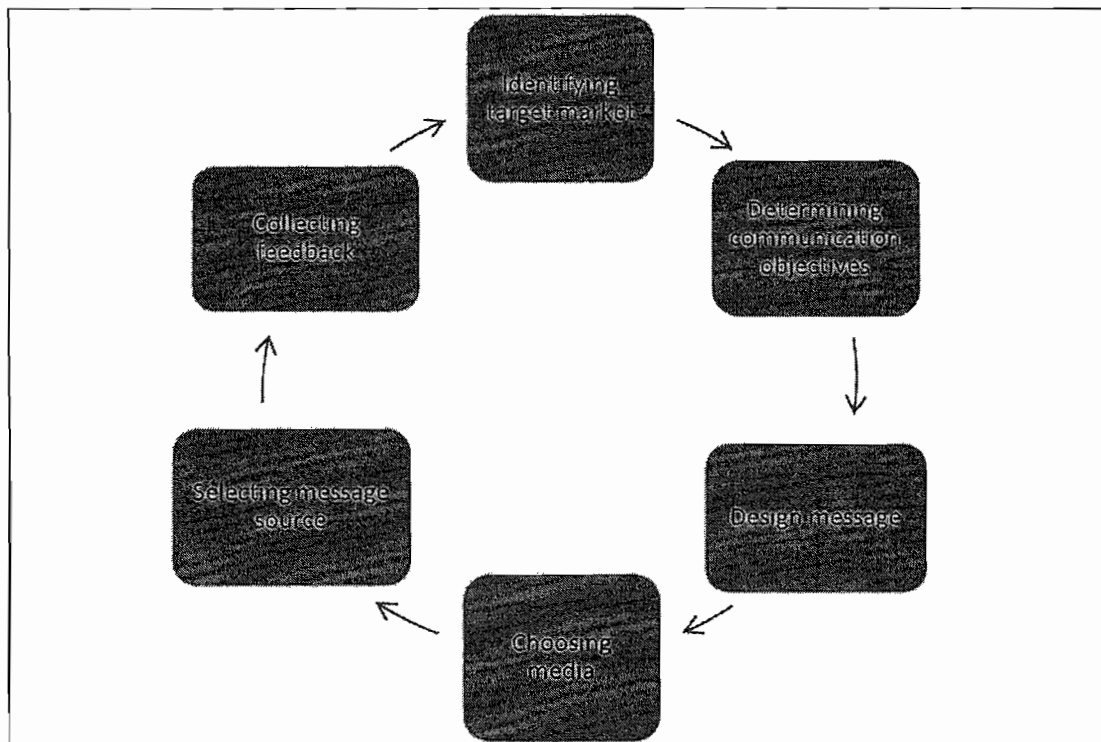
Researchers over time have tried to conceptualise the term integrated marketing communication but there are still many different schools of thought. Nowak and Phelps (1994:50) divided the definition of integrated marketing communication into three main themes:

- The first theme is the one-voice marketing communication that focuses on building a single positioning through the use of various communication components.
- The second theme is a micro-orientated, integrated communication approach, incorporating communication components to build brand image and influence consumer behaviour.
- The third approach is that coordinated marketing communication campaigns that emphasise of different communication tools to build multiple brand positioning based on multiple targets.

Currently, in practice, the micro-oriented approach is mostly practised and seen as the more applicable one. Anantachart (2004:104) refers to an integrated marketing communications perspective on how to conceptualise integrated marketing communication as the integration and coordination of all marketing and promotional efforts of a company. An example of this is media advertising, packaging, price and direct marketing to take advantage of the synergy among them and to project a consistent and unified image to the marketplace. In common language this means that one has to stay away from the shotgun approach and rather concentrate on a one-voice approach. Everything has to be focused at the same goal to ensure maximum impact and continuous success. The success of integrated marketing communication is reliant on the fact that all participants in the marketing and communication department know what is happening in the rest of the company. This includes production, logistics, product problems and customer perceptions.

An important element of integrated marketing communication is advertising. Advertising initiates, develops and preserves the long-term image of the brand as well as emphasize product positioning. A company needs to identify the response of consumers worldwide to its global advertising for a specific consumer segment (Ko *et al.*, 2007). Advertising is usually mass communication like television, newspapers and magazines. Mass media communication used to be the usual way to go, but due to this trend one ends up in a clutter of communication that results in the target customer blocking out all mass media communication. In the marketplace today, one has to be more specific and must focus on a wide array of exciting new, more targeted, more personalised media. The modern consumer is well informed about what is happening because of the improved internet communication channel. The tools that should be used for this purpose will be personal selling, public relations, direct marketing and sales promotions. All these tools should be used to communicate a clear and compelling company and brand message. Studies have indicated that sales promotions are a valuable form of communication within the larger advertising media (Lee, 2002:109). The material and images that are used should evoke emotions that can create positive feelings in the hearts and minds of consumers. Brand awareness is the ability of a potential buyer to recognise or recall that a brand is a member of a certain product category (Ghodeswar, 2008:7). Effective communication of the brand message, that allows the consumer to distinguish between a product and that of competitors and that plays an important role in the purchasing process, will add value to a company. To do this effectively, one needs to follow a simple process as illustrated in Figure 2.2 and explained below.

FIGURE 2.2: SIX STEPS TO EFFECTIVELY COMMUNICATE BRAND MESSAGE



Source: Kotler and Armstrong (2008:404-418)

1. Identifying the target market

It is important to know who one wants to target. When starting with the brand positioning, marketing the product and its emotional characteristics, it is important to identify the target market for the brand. This has to be clear to everyone that participates in the integrated marketing communication process.

2. Determining the communication objectives

What does one want to accomplish by communicating to the public? There are different objectives with marketing messages, but in the case of brand communication it is important to know that one needs to create a feeling of trust with the target market. It is a focus on the emotional elements that will bring the customer closer to the brand and its products. The ultimate goal is to create such a relationship with the target market that they become

advocates of the brand. This is not a short-term approach but focuses on the long-term results.

3. Design a message

The message has to support the objectives. This is why it is very dangerous to just give the design work to agents to develop. It is important that they know where the message comes from and what the objectives are.

4. Choosing media

As discussed earlier, one has to evaluate all possible media channels and see which of these channels will work most effectively when it comes to establishing or enhancing the brand and image. One will always make sure people know the name of the brand through mass marketing, but also make use of more direct communication channels. The secret to success is the combination of media used for the specific brand and or product.

5. Selecting the message source

This selection plays an important role when it comes to establishing a brand. One creates credibility through the words of either a celebrity or organisation. When Toyota wanted to change its slogan to "*Lead the Way, Toyota*" they used the Toyota Prius as the catalyst (Anon., 2009b). The emotion that was created through the actress Charlize Theron in Hollywood, combined with the importance of new environmental technology that contributes majorly to a cleaner transport environment, serve as examples of message sources.

6. Collecting feedback

This is probably one of the steps in brand communication that most of the companies do not take seriously, even though it is one of the most important ones. By getting feedback through a good customer contact centre and market research studies, one can get down to the things that make customers brand loyal and that creates that emotional attachment with a brand. If not, one can at least find out what does not evoke the intended emotional bonding as well as what product or service does not support the brand communication that gets shared all over. It is important

that the promise in the brand and the product share the same message that gets communicated. Only when one can get first-hand feedback can one adjust the strategy to be more effective.

In essence, integrated marketing communication is the perfect way of communicating brand to the public. The importance of the steps mentioned above cannot be stressed enough as this will ensure that the approach is focused and comprehensive. Should companies not approach its marketing communication in this way, then it is so easy to throw millions of rands in the water. According to Reid (2002), analysis suggests that a high degree of integration in marketing communications management results in better brand performance.

All marketing communications are an ingredient to brand building activities as well as a part of the long-term investment in the character of the brand and association with the brand. Park *et al.* (1986:136) added that brand image is not a perceptual phenomenon affected by marketers' communication activities alone. *"It is the understanding consumers derive from the total set of brand-related activities engaged in by the firm"* (Stern *et al.*, 2001:205).

2.5.4 Delivering the brand performance

Bladauf *et al.* (2003:220) state that firms with strong brands should incorporate brand-based performance measures rather than to concentrate on the cash-flow and short-term profits. Brand equity research has a more established conceptual logic than other areas of intangibles, making it a viable segment for considering performance measurement implications. In the marketplace today, all known brands represent a promise to the consumers out there. This promise gets continuously burned into the consumers' minds through all advertising and marketing activities of different companies. The promise is not only what the product can offer them, but also the service that goes with it. It is a promise of a certain level of customer care, customer satisfaction and customer delight. According to the researcher, when consumers recognise a brand, they also experience a string of emotions that relate directly to the brand. This can either be positive or negative. The concern here is that whether it is positive or negative, it is

very difficult to change once these emotions have been established. All companies have to have some sort of performance measurement in regard to their brand.

According to Penrose and Moorhouse (1989), merger and takeover activities in the branded goods sector have promoted a number of companies to place formal valuations on its brand assets and include these in the company's balance sheets. They have to know what the rate of customer satisfaction is for the company. A company has to be able to compare its brand to that of the competition. It should track its performance in the marketplace and identify what impact certain marketing activities or brand building activities have on the brand equity. Different measurements can be used to measure these outputs, like the level of purchases, consumption, brand recognition and advertising awareness.

Most corporate companies make use of brand measurement. In many instances, like in the case of Toyota South Africa, they rely considerably on independent researchers. For the past 18 years, the Markinor Top Brand Survey has been the only research-based, consumer-driven guide to brand performance in South Africa. This survey aims to better understand the way in which brands are perceived and experienced by all types of consumers (Moerdyk, 2008). The importance for these companies is to ensure that their brand perform the way it promises to do. Delivering brand performance covers more than just the product performance, but also relates to service performance, customer care, customer satisfaction and customer delight. According to Rajagopal (2008:30), brand performance indicators can be monitored through the so-called 4A's: awareness, acquaintance, association and appraisal spread over perception, performance and financial factors. Brand acquaintance gets described as familiarity of consumers with the brand of a firm, and buying behaviour of consumers towards the acquainted brands refers to brand association. Other brand performance indicators like allegiance and appraisal may also be described as loyalty and performance of brand against investments made by the firm.

The most effective way to manage all of this is with a "brand metrics model" (Rajagopal, 2008:31). A brand metrics model is a simple and effective way to measure the interactive performance of brand perception, brand performance and financial impact around the principle of grouping quantitative variables in various

combinations in the metrics. The elements disclosed in Table 2.4 illustrate Rajagopal's brand metrics model that will react interchangeably to evaluate the brand performance.

TABLE 2.4: RAJAGOPPAL'S BRAND METRICS MODEL

INTERACTION OF ELEMENTS THAT DETERMINE BRAND PERFORMANCE		
Perception Metrics	Performance Metrics	Financial Metrics
Awareness	Association	Appraisal
Sentiment	Brand posture	Brand value
Responsive	Price determinants	Return on brand investment
Top of mind	Customer acquisition	Brand response to market share
Indifferent	Customer retention	Cost of brand building
Acquaintance	Allegiance	Net revenue over brand
Brand performance	Brand benefits	Sunk cost on brand
Relevance	Customer value	
Commitment	Brand referral	
Perception		

Source: Rajagopal (2008:32)

The brand metrics model results in a quantitative assessment of customer sensitivity related to purchasing behaviour. This method can be used in a firm to do integrated analyses of all operational departments which include finance, marketing, logistics, sales and customer relations activities, which will then map the brand-market segment (Rajagopal, 2008:32).

In product-driven companies, service plays a very large role in the brand experience, as consumers view the brand in terms of the relationship with their suppliers. Brand performance is created over many functional lines throughout the organisation where each operational function contributes to the whole customer experience. Existing companies are very vulnerable to new exciting brands that get introduced to the marketplace on a daily basis. The only way to ensure that one stays competitive will be to keep on upgrading one's performance in all aspects of the business. The best way to do this is to continuously measure one's product as well as the service that is provided in relation to that of your competitors.

The Balanced Scorecard transforms strategic planning from an academic exercise into the nerve centre of an enterprise (Kaplan & Norton, 1996:3). The Brand Scorecard has been developed from the model of the Balance Scorecard which is defined as a management system that enables organisations to simplify its vision and strategy and transform it into action. Rajagopal (2008:32) further explains that a firm can develop a Brand Scorecard on the analysis of brand metrics. Development of a balanced, performance-based scorecard would enable the firm to measure key behavioural dynamics associated with the brand and compare it with other competing brands in the market. The importance of this Brand Scorecard is to manage and optimise the use of assets to ensure that the brand vision and the brand performance is exactly the same. Many brand management models have been introduced in the literature, in particular models that measures brand equity and brand value. Examples of these models are the Logman model, Advanced brand valuation model, Discounted Cash-flow brand valuation model and many more (Logman, 2004).

A company has to have a strategy and a vision that would satisfy its customers as well as shareholder needs. Market research and experience will allow the company to put certain operational standards and processes in place to ensure that the customer gets the desired products and services that the brand so sturdily promises. By driving these elements like product performance, service performance, customer care, customer satisfaction and customer delight the company influences the purchasing decision of the target market and create customer loyalty. It is only then that one starts to create brand equity that will deliver brand value and financial returns.

2.5.5 Leveraging the brand equity

Brand equity can also be expressed as components of brand knowledge. Brand equity represents the unique bond that consumers have with a brand owing to certain associations around previous experiences, word of mouth advertising or any other marketing material that they have been exposed to (Bridges *et al.*, 2000:116). Many academics describe brand equity as the value that a brand name adds to its products. If this is the case, the researcher is of the opinion that one

can say with confidence that an asset has been created. In today's difficult economic conditions with the world recession on the go as well as the very competitive market Toyota does business in, it is of the utmost importance for all managers to leverage every asset in the company to the maximum. When times get tough, the whole focus of a company is to slow down and consolidate by saving costs where ever possible. Does this mean one should not launch new products and just try to sit back and hope that the difficult times will go by? No (Pitta & Katsanis, 1995), this is the time where managers should become creative and maximise every asset and every opportunity that comes by. This is where the leveraging of brand equity comes to its full potential. According to the PCDL model in table 2.3, there are different ways to leverage the brand equity.

The most popular way of leveraging a brand is to make use of brand extension (Pitta & Katsanis, 1995:51). This method can be used to enter new product categories, new product formats within a category (line extension) or new markets or market segments. What this means is to take the current target market and extending it to another relevant target market. Another way of extending a brand is to extend a product range from the value segment into the premium segment. By doing this, one can probably increase profitability without a big advertising budget.

Another way of leveraging a brand is to endorse a brand by the original brand. This is known as sub-branding (Uggla, 2006:778). Co-branding is also a tool that gets used when one needs to enter a new category and that needs to get credibility on the product quickly. Brand extension is a great tool to save companies money and even allow them to extend its market into new markets. Some extensions exploit the brand capital where the new product sells because of its name. This will only be the case where the product receiving the brand has the same qualities as the parent brand (Cheng-Hsui & Shaw, 2000). Here the product only benefits from the brand's image and therefore should be in line with the parent brand's promise. There is also a risk involved in brand extension. So easily can brand equity be diluted when new products gets launched under a current brand. If the marketing team has not done their homework, the company can easily lose sales of the core product and damage the parent brand. An example of this was when Black & Decker used its family brand strategy for its newly acquired General Electric small appliance line which included hand mixers, toaster ovens,

and other kitchen appliances. Kitchen appliances like hand mixers convey a less rugged image, which clashed with power tools (Pitta & Katsanis, 1995:57).

According to the researcher, the reason for some symbolic products, where the brand licence has not been managed well, lower quality products are sold under the once elite brand name. If the new products launched do not have the same success factors than the original brand, then one shall dilute the parent brand and it will damage the image of the brand or product (Milewicz & Herbig, 1994). Another good example of this scenario is in the case of Gucci. Gucci added products that destroyed the brand capital especially because the extension was downwards. The quality of the products as well as the image did not show the qualities the Gucci brand had before the brand extension. There are many failure stories of brand extension like Harley Davidson perfume, LifeSavers soda and Smith and Wesson mountain bikes to name but a few (Schmitt & Rogers, 2008).

Another way to leverage brand equity is through ingredient branding (Ghodeswar, 2008:7). This gets used very successfully by a number of private brand owners. A good example will be a private brand company that produces industrial electricity generators and make use of John Deere engines to power the generator. By using the name John Deere, the company creates a feeling of reliability and durability with the consumers. The success of John Deere actually assists in the sales of these generators through high name recognition and a significant customer loyalty.

The risk involved in brand and line extension is that the new product can cannibalise sales of existing products or like any sort of brand extension, the national brand can be diluted if done excessively or to unsuccessful products. In the case of ingredient branding, cannibalisation is limited; as a matter of fact, it should boost the national brands product as it is used as an ingredient to the private brands product.

Brand alliance should also be used as a method to leverage one's brand equity (Uggla, 2006:798). According to Cheng-Hsui Chen (2001:443), there are two types of brand association. One is product association and the other is organisational association. Brand alliance is where more than one brand is presented to the consumer. Most of these brand alliances are more on the promotion side. This is

where two products can be used independently, but when it gets used together it complements each other. A great example of this in South Africa is Klipdrift brandy and Coca-Cola. One does not need the one to drink the other, but South African people love drinking "*Klippies and Cola*". This will be a great opportunity to join hands with each other on some sort of promotion or advertising campaign. The other method of brand alliance is when one makes use of ingredient branding. A good example is with Microsoft and Intel Inside. These are two strong brands that can be branded together that will build their image and strengthen both brands. Should two brands have a successful alliance with each other, the consumer will have the same perception on both brands than what they have on the two individual brands. Usually this will create an attitude where a customer will be prepared to pay a price premium to get their hands on the product.

The last method of brand equity leveraging in the PCDL model (Ghodeswar, 2008:6) is that of social brand integration (Ghodeswar, 2008:10). Each and every corporation has a role to play when it comes to corporate social responsibility (CSR). Today, more and more people realise the importance of CSR, whether it is to reserve a future for them or for their children. Corporations operate in certain geographical areas and the people that work for these corporations usually stay in the area. This is where the responsibility starts, close to home. It is so important to associate a corporate brand as well as some product brands with the responsibility of caring for the environment. Brand managers should look for opportunities to engage in social activities that will levitate the brand in the eyes of employees, customers, consumers and suppliers. This will create emotional attachment with the brand that has an everlasting effect on purchasing habits of consumers.

2.6 SUMMARY

From the literature study it is evident that a brand is not only an icon, a logo or a word, but that it is a combination of all the company strategies that start off with a company's vision and mission. The whole business philosophy gets transparent in a company's brand. According to Dibb and Simkin (2006:217), the McDonald's brand does not only consist of a logo, its packaging, staff uniforms and its outlet image; no, it also stands for efficient service, consistent offering and quality.

Almost all conceptualisations of brand equity agree today that the phenomena involve the value added to a product by consumers' association and perceptions of a particular brand name (Winters, 1991:70). The value that emotional attachment has with a product or brand relates into customer retention and customer loyalty. This then tells Toyota that the brand positioning is so important to be able to create an attachment with the customer, and so that the customer can see the benefit of supporting a particular brand. The next important element is to ensure that the company communicates a single message to the customer, making them a promise as to what the brand offers and that through relevant communication media. Any brand should have some sort of association that will strengthen their position in the marketplace and create emotional attachment with the brand.

One can't manage what one can't measure. This age old saying reminds one that there has to be measuring system in place to ensure that a company knows what its customers think of the products, the service levels and especially the brand. A company needs to measure customer service through a customer satisfaction index to ensure that its customers are delighted. As previously discussed, it is so important that the company delivers the promise that it makes in its brand. If the brand stands for quality products, the company has to deliver exceptional quality products. If the company promises exceptional service, then it has to ensure that customers receive exceptional service with a smile. The basic principle of customer service and satisfaction states that a service provider should never over-promise and/nor under-deliver. When a brand is well established in the marketplace, it is time to extend and leverage the brand to new markets and new market segments. This has to be done very carefully, but if done correctly, it can add tremendous value to the brand as well as the bottom line. It is evident that a brand has to be managed, but the only way for a brand manager to do this is if the whole company live, eat and breathe the brand.

All these elements will now be evaluated against the first part of the empirical study to test Toyota South Africa's brand blueprint. By doing that, it should be possible to determine what has made the Toyota brand so strong in South Africa and what can be related back the theory discussed.

CHAPTER 3

THE METHODOLOGY USED TO MEASURE THE EFFECTIVENESS OF THE TOYOTA BRAND COMMUNICATION THROUGH ITS VALUE CHAIN

3.1 INTRODUCTION

In the previous chapter brand has been discussed in general, with more specific reference to the measurement of a successful brand. This model-based measurement focused on the four most important elements that have to be managed to ensure a strong and healthy brand. To further examine brand, together with the communication of brand, an empirical study was conducted. This was done through a qualitative as well as a quantitative study.

The main objective of the research was to investigate the brand communication of Toyota in South Africa through the value chain from wholesaler through to retailer and then, ultimately, through to the customer level.

According to Oppenheimer (1979) (in Morgan & Smircich, 1980), quantitative research usually includes the following steps:

- The identification of the objective of the research project and the method of investigation;
- The selection of the target group;
- The development of the questionnaire;
- An analysis of the response rate;
- The preparation of the data; and
- The processing of the data.

3.2 METHODOLOGY OF RESEARCH

The qualitative research was done through one interview with the custodian of the Toyota brand in South Africa. The interview was set up in a semi-structured way to ensure the results have reference to the literature study conducted beforehand. Some of the advantages in using semi-structured interviews are that in-depth information can be obtained and that interviewees can ask for clarification of the questions if needed (Terre Blanche & Durrheim, 1999). The interview was based on the PCDL model (Ghodeswar, 2008) explained in depth in chapter 2 of this study. The interview was held on 28th November 2008 with Pieter Klerk, the Senior Manager: Marketing, at Toyota South Africa. This questionnaire (see Appendix A) was developed in line with the four main elements of the PCDL model that was explained in the literature study.

The interview was recorded on paper and then analysed and interpreted. The following is a summary that was incorporated into the final questionnaire:

1. Interviewee's general opinion regarding the success of the Toyota brand

Toyota has developed a brand that has grown through many years. The main contribution to the success of the brand is that people have trust in the brand. What this means is that the brand performance always meets the brand promise. The Toyota retail network has been the cutting edge of the brand: the people that have delivered the brand to the customers. They have played a major role in the brand what it is today.

2. How is Toyota's brand positioned in the market?

The key success factors that influence the Toyota brand would be quality, durability, reliability and customer service. By getting all these correct in the eyes of the customer, one creates not only a brand but also a brand promise. This brand promise is one of good

quality products, durable products, reliable products and a great customer experience. The internal values that help to focus every employee to work for this great brand is continuous improvement (Kaizen), care for people, and go to the source (Genji Genbutsu). The Toyota brand used to appeal to the customers' functional needs, but with the launch of new and more exciting products, the focus has moved towards emotional needs. Toyota has such a wide range of vehicles in the market and each product supports a different market segment, and by getting that right, creates a bigger and stronger brand.

3. How does Toyota make use of communication to ensure a strong brand?

Through all kinds of marketing communication, it is important to focus on your strengths. The most important strength is the product and its legacy that goes with it; therefore, one focuses mostly on the product ranges. By reminding people why they bought the product, one tends to create a service or product that advocates the needs of the customer. The Toyota retail network is the most important form of market communication. They are the people that are in the cold face of the customer and therefore have to live the brand as well as promote it to their customers. The experience that one gets at dealership level is the reality of the brand promise. Dealer advertising has to be focused on special deals and on one's own dealership. Important to mention is that sometimes dealers do not stick to the corporate identity when it comes to advertisement. Unprofessional advertising from dealers damages the brand and therefore Toyota has introduced an advertising approval system that will ensure that all media advertising is according to the Toyota standards. It is the manager's responsibility to create brand awareness and to make people aware of the Toyota brand and its products. Toyota communicated to the public and the media in a focused and channelled manner, looking at certain products and services that need to be promoted. That has changed in recent years as Toyota has introduced an integrated marketing communication

system that combines all marketing budgets and are more efficient and effective by means of more synergy in the communication approach.

4. How does Toyota keep track of its brand delivery/performance?

Toyota does not have a formal system that it uses to measure brand performance. We make use to the Markinor brand survey to see how the brand competes with its competitor brands. We also have market research companies like MilwardBrown (in Brandz, 2009) to determine the brand voltage, giving Toyota an indication on how strong the customer's repetitive behaviour is to buy as a result of the brand's strength. As previously mentioned, the customer satisfaction index where the CSI is being measured on the retail level is very important to Toyota SA. This is where the dealer delivers the brand to the customer. The dealer has to fulfil the promise that Toyota makes in our communication to the customers. The only way that Toyota South Africa can measure the brand performance on retail level is through actual sales and the customer satisfaction index.

5. Does Toyota leverage its brand effectively?

Toyota makes use of marketing together with public relations to ensure that Toyota's success gets leveraged as far as possible. One has to identify opportunities that will evoke positive feelings towards the brand and make people want to buy your product. Toyota makes use of its latest innovation, the so-called Prius hybrid vehicle to leverage the latest trends of earth conservation. This is an opportunity where Toyota has the competitive edge when it comes to hybrid technology. Toyota also engages in beach and river cleanups, involving the community to experience its commitment towards the environment. Toyota believes in core business and that is the manufacturing and distribution of vehicles. Toyota does not see itself as a company that will launch a retail clothing line, but it has extended its brand to products such as *Toyota Geneon Motor Oil*. Toyota Motor Corporation has also used the Formula F1 racing environment to extend the Toyota brand on an international level.

The quantitative research was conducted through a structured questionnaire (see Appendix B) that was developed from the literature study. This allowed the researcher to take the most important elements from the literature as well as the Toyota SA brand blueprint to develop the questionnaire. The reason for structured questions instead of open-ended questions was to ensure more accurate answers (Parasuraman, 1991). The target group that was identified for the empirical study was all the Unitrans Toyota dealers within the borders of South Africa. The reason for this selection was that the Unitrans Group owns the most Toyota dealers in the country and is representative of the whole South Africa. This approach had definite advantages. Firstly, by making use of one Dealer Group the researcher secured complete support from its top management to conduct the survey. As a result, responses and participation in the survey were excellent. Secondly, the Unitrans dealers were selected because they do not have a second retail brand name like the McCarthy Group or the Barloworld Group. All Unitrans dealers have their own retail name and the name Unitrans does not exist in their names. This was done to ensure that customers do not get confused with the retail brand and the Toyota brand. As a result, thus their responses were not contaminated by a sub-brand.

There were some restrictions encountered in conducting the survey. The largest restriction was that the researcher had to depend on the participants in the retail sector to also get their customers to complete the survey.

The questionnaire consisted of two main sections, namely, section A and section B. The four questions in Section A cover the socio-demographic part of the questionnaire. In section B, perceptions of the Toyota Brand was obtained from both retail outlet managers and their customers. In all the questions of section B the respondents only needed to choose one of the provided five answers. This section was evaluated on a five-point agreement Likert scale rating. The scale rating was indicated as follows:

- 1 Strongly agree
- 2 Agree
- 3 Neutral
- 4 Disagree

The respondents were asked to indicate to what extent they agreed/disagreed with each statement.

3.3 STATISTICAL PRESENTATION OF THE DATA

The returned questionnaires were statistically processed by the Department of Statistics at the North-West University.

3.3.1 Socio-demographic information

From section A in the questionnaire one can see in Table 3.1 that a total of 49 questionnaires were completed of which 20 were done by the management of the retail dealerships and 29 by their customers (see Figure 3.1). A total of 41 male participants completed the questionnaire of which 20 were at dealer management level and 21 at customer level. There was no female participant in the retail management level and eight on the customer level. This is a true indication that on the Toyota retail level there is very little female management. If one evaluates the ethnic race of the participants (Figure 3.2), one can say that the majority of them are white followed by black, coloured and then Indian. The participants were predominately from urban areas with only six questionnaires completed by rural customers and dealers.

TABLE 3.1: SOCIO-DEMOGRAPHICS OF RESEARCH QUESTIONNAIRE

Dealer Management				Customers				Total			
20				29				49			
Male		Female		Male		Female		Male		Female	
20		0		21		8		41		8	
Urban		Rural		Urban		Rural		Urban		Rural	
16		4		27		2		43		6	
Black	White	Colour	Indian	Black	White	Colour	Indian	Black	White	Colour	Indian
1	18	1	0	4	18	3	2	5	36	4	2

FIGURE 3.1: DISTRIBUTION OF PARTICIPANTS

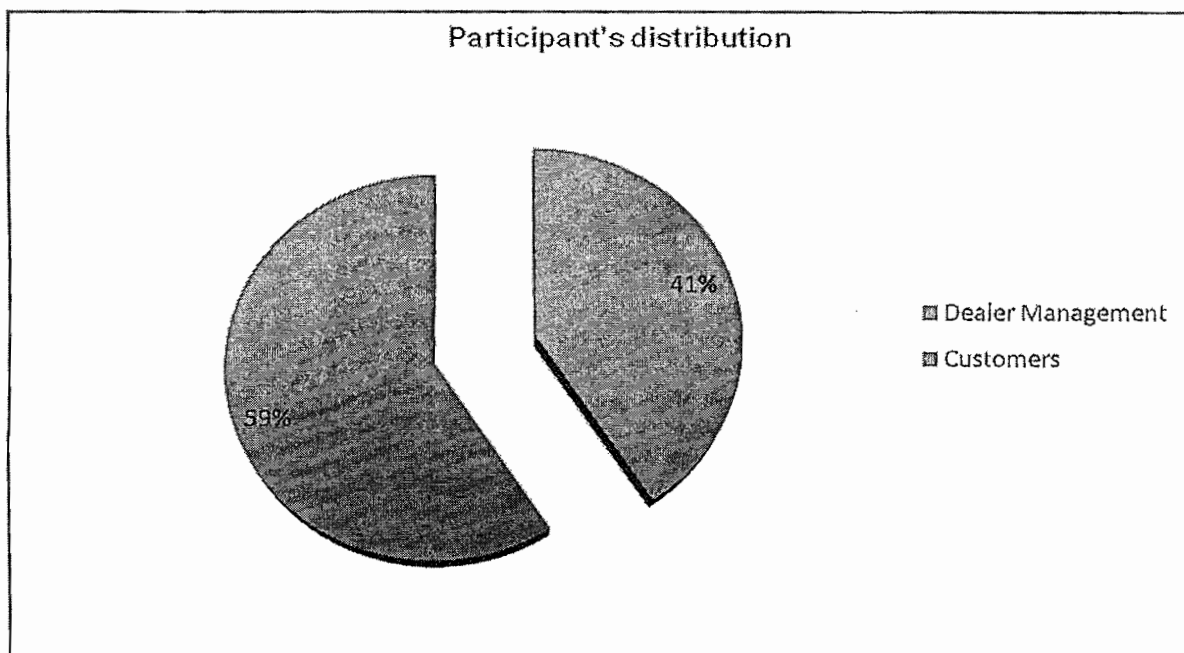
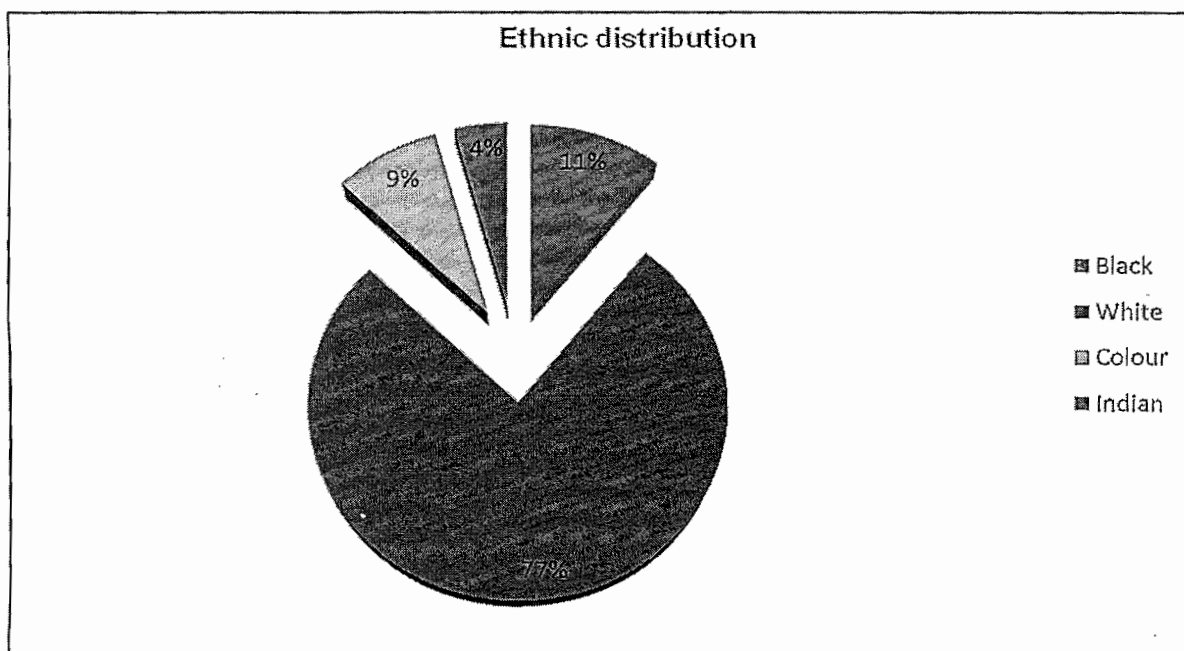


FIGURE 3.2: ETHNIC DISTRIBUTION OF PARTICIPANTS



3.3.2 Interpretation of data

The research results were interpreted in order to make the necessary conclusions and recommendations.

3.3.2.1 Reliability

As part of the analysis of the research data, statistical analyses were conducted to obtain information on the reliability. This information was important since it demonstrates the internal consistency of the data. Reliability is concerned with how consistently it measures what it is supposed to measure. It indicates the extent to which individual differences in test scores are attributable to “true” differences in the characteristics under investigation. The basic type of reliability test, Cronbach’s alpha, was carried out for this particular research (Field, 2007:668). The following section provides detailed information on the research pertaining to the reliability of the Toyota brand evaluation questionnaires where the questions have been divided into the four elements of brand evaluation (Appendix C).

Internal reliability (or consistency) refers to the degree to which all the items of a particular scale measures the same construct. This procedure estimates reliability from a single administration of the inventory, and measures the consistency of the content of the individual scale being examined. The internal consistency of the Toyota brand evaluation was examined under the groups of brand positioning, communicating the brand, delivering the brand, and leveraging the brand by using Cronbach’s Alpha.

Table 3.2 presents the internal consistency coefficient for questions one to seven in section B of the questionnaire. These questions were grouped together to determine the agreement level on brand positioning. The overall average consistency for the brand positioning was 0.783. That was high enough to estimate that the data were reliable.

TABLE 3.2: BRAND POSITIONING – CRONBACH'S ALPHA

Brand positioning			
Questions	N	Mean	Std Dev
1	49	1.35	0.60
2	49	1.65	0.78
3	49	1.33	0.52
4	49	1.78	0.80
5	49	1.53	0.58
6	49	1.84	0.75
7	49	1.65	0.66
Cronbach Coefficient Alpha			
0.78			

Table 3.3 presents the internal consistency coefficient for questions 8 to 12 in section B of the questionnaire. These questions were grouped together to determine the agreement level on brand communication. The overall average consistency for the brand communication was 0.84. That was high enough to estimate that the data were reliable.

TABLE 3.3: BRAND COMMUNICATION – CRONBACH'S ALPHA

Brand communication			
Questions	N	Mean	Std Dev
8	46	1.87	0.72
9	46	1.78	0.73
10	46	2.17	0.95
11	46	2.02	0.68
12	46	2.02	0.83
Cronbach Coefficient Alpha			
0.84			

Table 3.4 presents the internal consistency coefficient for questions 13 to 15 as well as question 19 in section B of the questionnaire. These questions were grouped together to determine the agreement level of Toyota delivering the brand. The overall average consistency for the brand delivery was 0.61, a little lower than the previous two sections, but was still high enough to estimate that the data were reliable.

TABLE 3.4: DELIVERING THE BRAND – CRONBACH’S ALPHA

Delivering the brand			
Questions	N	Mean	Std Dev
13	47	1.81	0.77
14	47	1.55	0.65
15	47	1.60	0.58
19	47	1.77	0.63
Cronbach Coefficient Alpha			
0.61			

Table 3.5 presents the internal consistency coefficient for questions 16 to 18 in section B of the questionnaire. These questions were grouped together to determine the agreement level of Toyota leveraging its brand. The overall average consistency for the brand leveraging was 0.33. In the case where the Cronbach coefficient alpha is lower than 0.5, it presents an unreliable sub-score (Field, 2007:667-669). Questions 16 to 18 were investigated individually to determine the source of unreliability. It becomes evident that question 16 is the one question that places the sub-score under suspicion. The question that relates to whether Toyota should extend its brand to other products has a mean of 2.28 and a standard deviation of 1.06. The correlation with the total is 0.07. The subsection score could not be used so the decision was made to exclude question 16 from the brand leveraging section. After exclusion, the Cronbach coefficient alpha for the brand leveraging was 0.57 (see Table 3.5). That is acceptable and the data are seen as reliable (Field, 2007:667-669).

All further statistical calculations excluded question 16 to ensure that the results from the survey conducted were reliable to use. Evaluating question 16 in section B of the questionnaire, one had to establish why this sub-score was unreliable. The researcher believes that it can either be because the participants did not understand the question correctly or that this question concerning brand extension

could not be grouped under leveraging the brand. It might be possible that brand extensions form part of its own group and should not be seen as part of brand leveraging. The researcher's conclusion is that the PCDL model is accurate and that the participants did not understand the question correctly.

TABLE 3.5: LEVERAGING THE BRAND – CRONBACH'S ALPHA

Leveraging the brand			
Questions	N	Mean	Std Dev
16	46	2.28	1.07
17	46	2.13	0.75
18	46	1.46	0.69
Cronbach Coefficient Alpha			
0.33			
Questions	N	Mean	Std Dev
17	46	2.13	0.75
18	46	1.46	0.69
Cronbach Coefficient Alpha			
0.57			

3.3.3 INFERENCE STATISTICS

In the following section inferential statistics is used to reach conclusions that extend beyond the immediate data. The inferential statistics are used to make judgements about the probability that an observed difference between two groups is a dependable one and not one that might have happened by chance. Thus the researcher used inferential statistics to make inferences from the data to more general conditions.

3.3.3.1 Analysis of data

Descriptive statistics were used to describe the study population. As seen in Table 3.6, all the questionnaires on the Toyota brand survey were considered after it has been compiled into the four main subsections of the PCDL model (see Annexure C) by calculating the mean of all questions contributing to each section. The reliability of the data was evaluated through the Cronbach's alpha coefficient of each sub-section. The Cronbach's alpha of the brand positioning was 0.78, brand communication was 0.84, the alpha of delivering the brand was 0.61 and the Cronbach's alpha of leveraging the brand were 0.57 (after excluding question 16). Afterwards, the mean responses of customers and retail managers were compared. Means for the total evaluation ranged from $\bar{x} = 1.44$ (brand positioning tested by retail management) to $\bar{x} = 2.14$ (brand communication tested by retail management). The standard deviation ranged from 0.2837 (brand positioning tested by retail management) to 0.6986 (leveraging the brand tested by the customers).

TABLE 3.6: DESCRIPTIVE STATISTICS

Variable	Retail Management/ Customer	N	Lower CL	Mean	Upper CL	Lower CL	Std Dev	Upper CL	Std Err	P-value
			Mean		Mean	Std Dev		Std Dev		
Brand Positioning	Management(1)	20	1.30	1.44	1.57	0.22	0.28	0.04	0.06	0.04
	Cust (2)	29	1.50	1.69	1.89	0.40	0.51	0.69	0.01	0.03
	Diff (1-2)		-0.51	-0.03	-0.01	0.36	0.43	0.05	0.01	
Brand Communication	Management(1)	20	1.85	2.14	2.42	0.46	0.60	0.88	0.14	0.16
	Cust (2)	28	1.63	1.88	2.12	0.50	0.63	0.86	0.12	0.16
	Diff (1-2)		-0.11	0.26	0.62	0.51	0.62	0.78	0.18	
Delivering the Brand	Management(1)	20	1.56	1.75	1.95	0.32	0.42	0.61	0.09	0.34
	Cust (2)	29	1.45	1.63	1.81	0.37	0.47	0.63	0.09	0.33
	Diff (1-2)		-0.14	0.12	0.39	0.37	0.45	0.56	0.13	
Leveraging the Brand	Management(1)	20	1.48	1.65	1.82	0.28	0.37	0.54	0.08	0.16
	Cust (2)	28	1.62	1.89	2.16	0.55	0.70	0.95	0.13	0.13
	Diff (1-2)		-0.59	-0.24	0.10	0.49	0.58	0.73	0.12	

According to Figure 3.3, it is clear that in brand positioning as well as leveraging the brand, the customers have reported a higher mean than that of the retail managers. This means that they agreed to a lesser degree with the specific statements. In the case of communicating the brand and delivering the brand, the retail managers have agreed less than the customers with the statements. It is apparent that the mean of all the participant groups fall between one and two, except in the case of the brand communication rated by the retail managers. This means that the average was either strongly agreed or agreed, except in the case of brand communication of the retail managers that had an average moving towards neutral. According to the analysis, none of these differences were statistically meaningful, except in the case of brand positioning. According to the p-value of both the customers (0.03) and the retailers (0.04), one can say with confidence that there is a statistically meaningful difference in the case of brand positioning. The p-value that is smaller than 0.05 confirms this statement.

FIGURE 3.3: MEAN FOR RETAIL MANAGERS AND CUSTOMERS GROUPED ACCORDING TO THE PCDL MODEL

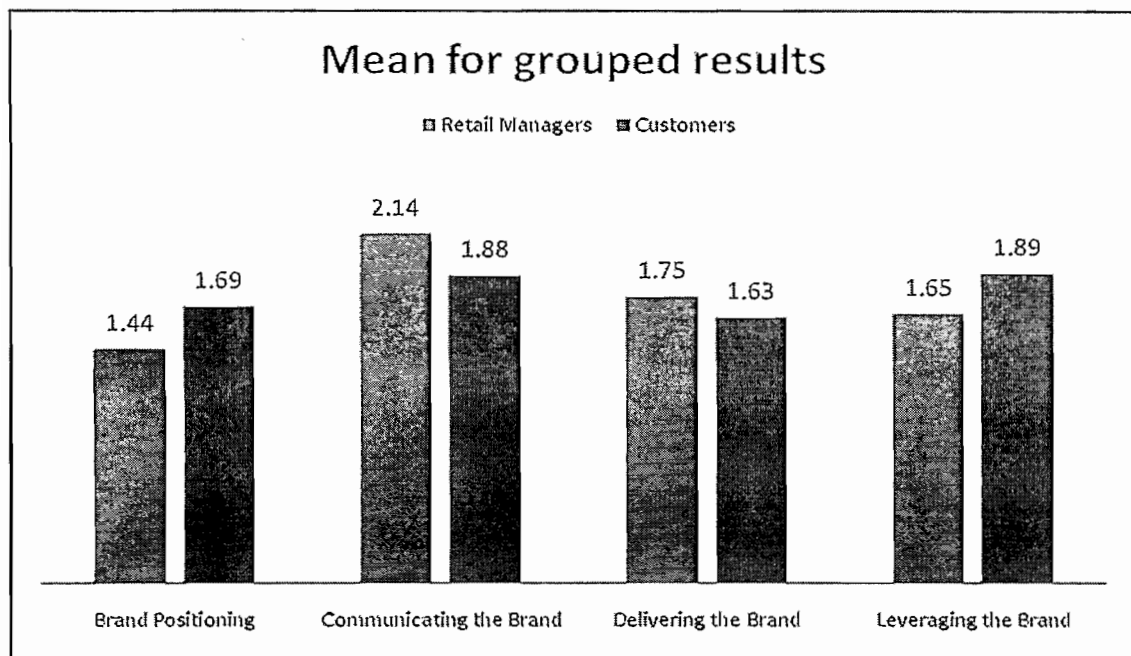


Table 3.7 shows the t-test was done for the two groups of participants based on the different four sections of the PCDL model. In the case of brand positioning it is evident that the p-value (0.03) is <0.05 and therefore one can make the assumption that there is a statistically meaningful difference between the two groups. In this study, the customers agreed stronger with the statements that confirmed that Toyota has successfully positioned its brand in South Africa. This is clearly indicated in Figure 3.3.

TABLE 3.7: T-TESTS

Variable	Method	Variance	DF	t Value	Pr > t
Brand positioning	Satterthwaite	Unequal	45.4	-2.28	0.0275
Brand communication	Satterthwaite	Unequal	42.1	1.43	0.1612
Delivering the brand	Satterthwaite	Unequal	43.8	0.98	0.3315
Leveraging the Brand	Satterthwaite	Unequal	42.8	-1.56	0.01254

3.3.4 Brand research information

In section B of the questionnaire, questions were divided into four main themes (see Appendix C) that include brand positioning, communicating the brand, delivering the brand and leveraging the brand.

3.3.4.1 Brand positioning

This section will cover questions one to question seven. These questions cover the relevant areas around brand positioning.

On the first question where participants had to give their level of agreement with the statement that the Toyota brand is the leading motor manufacturing brand in South Africa, 51.72% of the customers strongly agreed, 44.83% agreed and 3.45% were neutral. The dealers on the other hand, 95% strongly agreed and the remaining 5% said that they agree. Already one can sense that there are different views between these two groups of people regarding the acknowledgement of the Toyota brand, even though the majority of respondents agreed.

From the Toyota retail management side, 65% strongly agreed, 30% agreed and 5% were neutral with the statement that the Toyota brand made a promise to them. Compared with the consumers, 37.93% strongly agreed, 48.28% agreed, 6.90% were neutral and 6.9% disagreed. By looking at the respondents' levels of agreement that mostly agreed or strongly agreed with the statement, one can say that the theory behind a brand promise is confirmed. These retailers as well the customers understand that when they go to a Toyota dealer, there is a promise that is made to the customer and the retail network has to live up to this promise.

Question three asked the participants to give their level of agreement in regard to the four key success factors that the Toyota brand prides itself on. According to the retail staff, 75% strongly agreed and 25% agreed. Compared to the customers 65.52% strongly agreed, 31.03% agreed and 3.45% were neutral. By analysing the differences between the retail managers and the customers, one tends to see that the retail network knows and believes in these key success factors. In the case of the consumers, the problem might be that Toyota does not share its key success factors with the consumers. This creates an opportunity in the brand positioning section.

When evaluating the question regarding the emotional bond that the brand has with the participant groups, the retail management group reported that 60% of them strongly confirm the bond and 40% just confirmed. The customers were a little less convinced with 27.59% that strongly agreed, 48.28% agreed, 17.24% who were neutral and 6.9% who disagreed. This is something that Toyota would like to create with each and every customer. Toyota used to be the brand that appealed to traditional family oriented people but with very little excitement in the brand that can create an emotional bond. By introducing new technology and new products, they are starting to move towards a more emotional or symbolic brand that people can aspire to.

Large parts of brand positioning are the products that the brand offers and the positioning of these products in the brand. The question that was asked in question five was whether the participants agreed with the statement that the Toyota product range enhances the Toyota brand. Some 45% of the retail managers strongly agreed with this statement, 50% agreed and 5% were neutral. The customers, on the other hand, 55.17% strongly agreed, 41.38% agreed and only 3.45% chose to be neutral. Once again, these results between the two parties are not too far from each other and one can see a synergy between them. As a result, the product range is well positioned to support the brand.

Toyota used to have the slogan, *"Everything keeps going right, Toyota"*. A few years ago, Toyota launched its new slogan, *"Lead the way, Toyota"* (Anon., 2009b). The first slogan was well known through continuous marketing communication and it became a household saying, but the challenge was to use the well known slogan and change it to promise something more of the future. By looking at the results of question six of the questionnaire it stands to reason that the new slogan has been communicated effectively. Not only has it been communicated well, but it means something to customers and dealer staff. The dealer management confirmed that 35% of them strongly agreed with the statement, 50% agreed and 15% was neutral. The customers, on the other hand, 34.48% strongly agreed, 48.28% agreed, 13.79% were neutral and 3.45% disagreed.

Toyota's facilities support the Toyota brand message and image. This statement required participants to give their level of agreement based on the facilities where they work or buy their vehicles. What one has to understand is that all facilities are non Toyota owned and therefore Toyota cannot change facilities as they please. Toyota South Africa can only manage the franchises' standards of their dealerships through consultants that call on these dealers. Toyota introduced what they called a new retail concept program to upgrade all the dealer facilities. With current economic conditions, many of the dealers could not convert to the new retail concept due to a shortage of funds. Dealer management strongly agreed with the statement (50%), 45% agreed and 5% were neutral. Of the customers, 37.93% strongly agreed, 55.17% agreed, 3.45% were neutral and 3.45% disagreed. From this question, it looks like the dealers are under a false perception that the dealerships' image is better than what their customers expect, even if it is by a small margin.

3.3.4.2 Communicating the brand

This section covers questions 8 to 12. These questions cover the relevant areas around communicating the brand.

Question 8 of the questionnaire establishes whether Toyota advertising is creating and communicating a promise of trust to the public. According to dealer management participants, 25% strongly suggested that it does, 60% agreed with the statement, 10% stayed neutral and 5% disagreed. On the side of the customers, 35.71% strongly agreed, 50% agreed and 14.29% were neutral.

Advertising is a method of communication with your customers. The next question tested whether the Toyota dealer advertising enhances the brand and its promise. According to the interview with Klerk, dealers normally do not have the necessary skills or expertise to develop professional advertisements. In the questionnaire, 20% of dealer staff strongly agreed with the statement, 65% agreed, 10% were neutral and 5% disagreed. In the case of the customers, 46.43% strongly agreed, 39.29% agreed, 10.71% were neutral and only 3.57% disagreed. It seems that customers are less critical on dealer advertisements than what Toyota South Africa believes, but the approval system that Toyota has implemented might have influenced these results already.

Advertising the brand is only part of communication to customers. The product, together with the brand communication, should influence customers when it comes to their purchasing decision. Sales are part of the measurement of a brand as the stronger the brand gets, the better the products should sell. The next question is to evaluate if the brand or product communication encouraged the buyer to purchase a Toyota product. According to staff, 5% strongly agreed that it played a role when people purchased their vehicle, 50% agreed with this, 35% were neutral and 10% disagreed. Some 40.74% of the customers strongly agreed, 37.04% agreed, 11.11% were neutral and 11.11% disagreed. According to the dealers, only 55% of the people purchasing Toyota vehicles have been influenced by advertising whereas the customers are of the opinion that 77.78% of them that have

purchased a Toyota were influenced by advertising. Resultantly, Toyota is more effective in its communication efforts than what the dealers believe.

As explained in the literature study, there are many mediums that a company can use to communicate to its customers. The biggest mistake that companies make is to advertise different things through different channels of communication. This creates confusion with customers. Question 11 challenged the one-voice approach, asking the participant if they agree with the fact that Toyota communicates the same message through the different communication channels. According to the retail managers, 20% strongly agreed, 65% agreed and the remaining 15% were neutral. The consumers, on the other, reported that 21.43% strongly agreed, 53.57% agreed, 17.86% were neutral and 7.14% disagreed. If one evaluates the customer results, it gives the researcher the idea that dealer management understands the Toyota advertising through the different channels better than the customers. On many occasions, marketing communication through different channels has complex underlined themes that are explained to the retail network before they get communicated. These underlined themes may not be so clear to the customer in the street.

Toyota's advertisements are a real reflection of what the brand and its product stand for. This is the last statement in the brand communication section that was listed as question 12 in the questionnaire. One always has to evaluate the performance of the brand communication against the values of the brand and the product. According to the staff at the dealerships, 10.53% strongly agreed with the statement, 57.89% agreed, 21.05% were neutral and the other 10.52% disagreed. According to the customers, 35.71% strongly agreed, 50% agreed, 10.71% were neutral and 6.9% disagreed with the statement.

3.3.4.3 Delivering the brand

This section will cover question 13 to question 15 as well as question 19. These questions cover the relevant areas around brand deliverance.

Question 13 makes the statement that the service that a customer receives is a real reflection of the brand promise. The dealer management has shown that

5.26% strongly agreed with this statement, 68.42% agreed, 15.79% chose to be neutral and 10.53% disagreed. The consumers' answers showed that 57.14% strongly agreed with the statement, 39.29% agreed and 3.57% decided to be neutral. This should be a concern to Toyota South Africa as the custodian of the brand. The results of this question showed that 96.43% of the customers believe that the service they receive is the realisation of the brand promise. The concern is that only 73.68% of the dealers that should deliver this service agree with this. The question that has to be asked is, do the dealers know what an important role they play in building and protecting the Toyota brand?

Toyota has changed the way they do business. They are moving away from the traditional ways of building motor vehicles. Toyota has taken this to a new level when they introduced the Prius Hybrid. This also changed the way the brand was positioned and Prius was used as the catalyst for this change. In question 14 the researcher wanted to establish whether this catalyst was successfully used in repositioning the Toyota brand. According to the results, 70% of the dealer staff strongly agreed with the statement that Toyota is the leader in technology when it comes to energy saving motor vehicles. The other 30% also just agreed with this statement. In the case of the customers, 42.86% of the customers strongly agreed with the statement with 42.86% that agreed and 14.29% that were neutral. This tells the researcher that there are some customers out there that have not bought into the new brand concept and that Toyota has to focus more on these success elements.

From a customer and dealer perspective, question 15 establishes whether Toyota appears to be managing its brand successfully. According to the dealers, 50% strongly agreed and 50% agreed. The customers were a little bit less convinced with 41.38% that strongly agreed, 51.72% that agreed and 6.9% that were neutral.

Toyota lives up to its brand promise in all possible aspects. This question should measure an overall feeling of the fulfilling of the Toyota brand promise. Does the brand perform as it has promised to do? According to the dealers, 20% strongly agreed, 65% agreed and 15% were neutral towards the statement. On the other side, 41.38% of the customers strongly agreed with the statement with another 51.72% that agreed and only 6.9% that were neutral.

3.3.4.4 Leveraging the brand

This section will cover question 16 to question 18. These questions cover the relevant areas around leveraging the brand.

Brand extension has been discussed in full detail in the literature study in chapter 2. The main points that came from the study was that brand extension has advantages but also many risks. In the interview, the question was posed to Klerk and he commented that they will do brand extensions as long as it is in line with their core business. Question 16 makes the statement that Toyota should extend their brand to other products. The retail managers reported that 31.58% strongly agreed, 21.05% agreed, 31.58% were neutral and 15.70% disagreed. The consumers said that 20.69% strongly agreed, 48.28% agreed, 17.24% were neutral, 10.34% did not agree and 3.45% strongly disagreed. It seems that brand extension for Toyota might not be such a good idea taking the research results into consideration.

The next question states that Toyota is involved in social upliftment. According to the dealer managers, 10% strongly agreed, 80% agreed and 10% decided to be neutral. Of the customers, 21.43% strongly agreed, 42.86% agreed, 28.57% were neutral and 7.14% disagreed. By making use of soft touch points like social upliftment and nature conservation can assist a company to extend and maximise its brand.

Question 18 has reference to question 17. The statement wanted to test the participants' agreement level on whether Toyota is an environment friendly company that promotes earth conservation. According to the retail dealer managers, 78.95% strongly agreed with the statement with 15.79% that agreed and 5.26% that were neutral. Of the consumers, 57.14% strongly agreed, 28.57% agreed and 6.9% were neutral. From the previous two questions, it is evident that Toyota customers are not so much aware of the brand extensions that Toyota tries to leverage.

3.4 SUMMARY

This chapter provided the results of the empirical research. The research was conducted via a survey amongst Unitrans Toyota dealers who responded to a structured questionnaire. The next chapter is the final chapter of the study. It draws conclusions and makes recommendations regarding the research. The chapter also identifies areas for further research in the field of branding and the motor industry.

CHAPTER 4

CONCLUSIONS AND RECOMMENDATIONS

4.1 INTRODUCTION

In this final chapter, conclusions will be made relating to the objectives of the study. Initially, the conclusions reached from the empirical study will be discussed whereafter recommendations are made. These recommendations will be based on the following:

- The knowledge of experts and researchers as discussed in the literature study (Chapter 2);
- Results gained from the empirical investigation (Chapter 3); and
- The chapter will conclude the research study with a brief summary.

In the introductory chapter of this dissertation, it was indicated that the objective of the research was to identify the key success factors of a successful motor manufacturer's brand in South Africa. With no hesitation, the researcher has chosen Toyota as the successful manufacturer based on its market share in South Africa. Toyota has also been rated as the most successful motor manufacturing brand in the world (Moerdyk, 2008:99). The secondary objectives were to:

- Determine the key elements of branding and the workings of these elements that contribute towards a successful brand;
- To compare these elements with the brand blueprint of the chosen motor manufacturer (Toyota);
- To test the communication of the brand blueprint through the value chain of retailers to the end customer. This is to test whether there are any deviations down the value chain compared to the manufacturers brand blueprint;
- To test this on a retail dealer level; as well as

- To test it on a customer level.

4.2 OVERVIEW OF THE LITERATURE AND EMIRICAL STUDY

In this study, two approaches were followed to examine the foregoing aspects: a literature study and a research survey. A summary of both these approaches is presented below.

4.2.1 Literature study

In the literature study, the theoretical foundations of the subject were examined. By consulting books, periodical articles, dissertations, theses and technical reports, the key elements of a successful brand was investigated. These secondary information sources were used to explore whether previous studies could contribute to the research at hand and to identify the need for further research.

In Chapter 2, attention was focused on the past and current conditions within the motor industry. The current economic climate in the world as well as South Africa has proven to be very dark. The importance of a brand in the marketplace has then been discussed and the advantages of a strong brand have been identified.

The Toyota brand was evaluated to understand where the brand came from and what made Toyota such a strong brand. The history of Toyota was briefly discussed to give the readers a better understanding of the Toyota brand. Toyota South Africa as a company was evaluated to identify the core values with specific reference to the 14 Toyota business principles that it builds its business on.

The general description of a brand was subsequently discussed in full detail, together with the relationship that exists between a brand and its customer. Different ways of brand measurement were contemplated together with the importance of the ability to measure brand performance. The conclusion was made in this study that by creating an asset in the minds of consumers is creating

brand equity that results in bottom line income. It was discovered that a brand does not consist of many component parts, but needs to have integrated focus.

An integrated model was then used to compile the important elements that interacted with each other to establish a successful brand. This was done by means of the PCDL model that was introduced by Ghodeswar (2008).

An in-depth study was done on all four main elements of a brand that included the positioning of the brand, communicating of the brand, delivering the brand performance and leveraging the brand. All the underlined items were discussed as laid out in Table 2.1.

4.2.2 Empirical study

Empirical research was conducted to determine the perception of Toyota retail managers as well as customers of the Toyota brand. The methodology that was used to do the survey was explained in Chapter 3. An interview with the brand custodian of the Toyota brand in South Africa preceded the design of a questionnaire. The data preparation and statistical presentation of the data were also discussed. The constraints encountered in conducting the survey were mentioned.

From the study conducted around the brand positioning, it was evident that the dealer managers that completed the survey agreed that Toyota did position its brand successfully in the marketplace with an average rating of agreement of 1.44. The customers also agreed with the same statement but with less confidence. Their average rating was 1.69. The concern here is that the brand communication through the value chain looks as if it gets distorted before it reaches the customer.

The section around brand communication and the effectiveness of Toyota to communicate its brand successfully were rated an average of 2.13 by the dealer participants. The customers, on the other hand, had an average rating of 1.88, indicating that the customers tend to appreciate the communication efforts more than the dealers. This can also show that the dealer network underestimate the power of brand communication. What is important is that customers can also be

influenced by brand communication, by creating the value in the minds and hearts of the customers.

The average agreement level around delivering the brand was very close together between customers and the dealer management. The dealers had an average rating of 1.75 and the customers a rating of 1.63. The one question that stood out from the questions grouped under delivering the brand was to which extent the participants agreed with the statement that the service the customer received is the realisation of the brand promise. Of the dealer managers that completed the questionnaire, only 73.68% either agreed or strongly agreed with the statement. The customers, on the other hand, 96.43% either agreed or strongly agreed with the statement.

The results from the section leveraging the brand also showed that the dealers were more agreeable with the statements than the customers. The dealer staff gave an average rating of agreement of 1.65 whereas the customers gave an agreement level of 1.89. This only gives Toyota an indication that the dealers are more aware of the activities Toyota do to leverage its brand than what the customers are.

4.3 CONCLUSIONS

In compliance to the main research objective stated in Chapter 1, the key elements of a successful motor manufacturing brand have been identified. This was done by means of the PCDL model that was researched to completely understand the required actions and interactions of the four main elements of a successful brand. The secondary objectives to support the main research aim, were addressed in the literature study and the empirical survey. In compliance to these objectives, general conclusions were drawn from the empirical study.

4.3.1 General

With reference to problems defined in Chapter 1 of this study and the results of the literature study, the following general conclusions can be drawn:

1. A brand today is much more than just a name, symbol or slogan. In the competitive market that currently exists out there, a brand and the management of a brand have become a key success factor in a business.
2. Many companies take its brand for granted as it helps them to sell more products at higher prices. The concern is that a brand does not just exist, it has to be managed and nurtured to have longevity.
3. A brand cannot be managed by one person in a company but excels when the whole company live, sleep and eat the brand
4. A brand is just as strong as its business principles. A brand is basically an extension of the way a company manages its own business.
5. All companies need to have a model that can be used as guidance on how to manage the company's brand. Every action of the company plan has to be measured against the brand model to ensure that they are aligning its actions with the brand values, or to at least know that what they are about to do will influence the brand negatively. The PCDL model is the ideal model that covers every aspect of brand management.
6. Every brand makes a promise to the customer or potential customer and it is the responsibility of the whole value chain to deliver the promise (service) that the customers expect. This is the core success factor of any brand; it has to live up to the promise that it makes to the customers and or to the public.

4.3.2 Empirical study

Although the survey results were discussed at length in Chapter 3, the following interesting conclusions can be drawn from the research survey:

1. The Toyota brand has developed over many years whereby making a promise to its customers and Toyota; especially its dealer network has delivered this promise to the customers.
2. Toyota has positioned its brand over a very wide customer base. The position of the brand tends to appeal more to the customers' functional needs rather than their emotional needs.
3. Toyota has developed an integrated marketing communication system where all advertising and communication are controlled through one department to ensure that the message that goes out to the public keeps is

one voice “golden thread”. All departments have to know exactly what goes on to ensure success.

4. Toyota does not have a formal system that it uses to measure brand performance.
5. In the Toyota dealer network, according to the questionnaire’s completed, there are little to none managers that is of black ethnic origins’. In future, this can play a role in the positioning of the Toyota brand.
6. The Toyota dealers believe that their brand is by far the leading brand in South Africa.
7. Not only the customers but also the dealer managers believe that the Toyota brand has made them a promise that they expect to be honoured.
8. The Toyota dealer management does not realise the important impact of brand communication to the public. Customers want to be part of the brand and therefore one has to communicate to them through the different communication channels.
9. Probably one of the most important conclusions of this study is that the Toyota dealers are the realisation of the Toyota brand promise. This is the value that was promised to customers through the communication channels. The concern here is that the Toyota dealer network does not understand their important contribution to the success of the brand.
10. It is important that a company should consider all the opportunities but also all the risks when planning to engage in brand extension to leverage its brand further.
11. Predominantly most of the customers experience the Toyota brand through the service of the retail network as it was intended by the brand blueprint of Toyota South Africa.

4.4 RECOMMENDATIONS

The recommendations below on both the literature study and the survey results would presumably contribute to ensure that the ideal brand blueprint of Toyota South Africa gets communicated to the dealer network in such a manner that it will be able to deliver the brand promise to the end customer:

1. The major challenge confronting brand managers in a very fast-changing environment is that they have to keep on promoting their brand and adapting with the brand to ensure that the brand is well-positioned for the market of tomorrow. The core values of a brand can stay the same, but the ways to communicate, deliver and leverage the brand has to change as the environment changes.
2. To have a strong brand, one needs a service or product that is positioned in such a way to be able to fulfil the physical and emotional needs of customers. If this means that one has to extend the product line, so be it.
3. Brand managers should have a formal integrated marketing communication system in place to ensure maximum exposure with a strong message through all possible channels. This will assist in staying within those continuous shrinking budgets.
4. With the millions of rand that get spent by corporate companies every year on brand building exercises, it is of the utmost importance that companies have a structured brand performance measurement. By having a system like this in operation, brand managers will be able to report on the funds spent on brand building exercises. In tough economic times, companies try to save money wherever they can and a system like this will ensure that the company does not save money in the short term that will damage the brand and the company in the long term.
5. Toyota should investigate better ways of leveraging its brand so that customers can also experience the brand more and become advocates for the brand.
6. Toyota South Africa should embrace the Toyota dealer network as their customers, and not only see them as franchisees. They should treat these businesses with the same promise that the Toyota brand promises its end customer.
7. The dealer network and their staff should realize what important role they play in the sustainability of the Toyota brand. Toyota South Africa should roll out a brand awareness program to its dealer network to reiterate their importance. Every staff member that works with the end customer influences them by either reinforcing the brand promise either positively or negatively in the mind of the customer. Positive reinforcement contributes to

the brand image while the inverse causes millions of communication rands to be wasted.

8. Toyota South Africa as well as the Toyota dealer network should not fall into the trap where they start to misuse their brand just to sell more products. The core values of the Toyota brand have always been *quality*, *durability*, *reliability* and *customer service*. They cannot jeopardise the brand by letting any of these core values go backwards.

4.5 SUGGESTIONS FOR FURTHER RESEARCH

This study is an attempt to identify the important elements that make a brand successful. This study focused on the motor manufacturer Toyota. It also attempted to evaluate the communication of the Toyota brand through the value chain of retailers and customers. Although the results of the study are encouraging, more and varied research are also required in the following areas:

- Empirical testing of the manufacturing company employees on the importance of the brand they work for in their everyday lives;
- Devising a practical brand performance measurement system that can be implemented in every company;
- Assessing brand leveraging with specific reference to brand extension and the role it plays in the whole brand valuation;
- Analysing the retail network staff in regard to their own knowledge of the brand that they work for as well as the importance of their role in maintaining the parent brand;
- Evaluate the role that top management plays in the development of the company's brand strategy; and
- Empirical research on the number of large corporate companies that have a brand blueprint in a formal document, that they use this document and how this document will influence their everyday decision-making.

The abovementioned research topics highlight the fact that an area for future research is brand management and the communication of brand value. More specifically, the communication of a manufacturer to its retailers, need to be pursued in further research.

4.6 SUMMARY

Chapter 4 was the final chapter in this study. The main focus of the chapter was to draw conclusions from the literature and empirical research. In addition, the chapter offers a number of recommendations regarding the conclusions and findings. Finally, the chapter investigated areas of research that could follow from this study.

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APPENDIX A

INTERVIEW SCHEDULE

A. General

1. What has made Toyota such a successful motor manufacturer?
2. Do you believe that the Toyota retail network play a role in the success of Toyota in South Africa?

B. Brand Positioning

1. What would you say are the key success factors in the Toyota brand?
2. What are the images that the Toyota brand should create in the minds of the customers?
3. What are the Toyota values that you use in your organisation to create these images in the minds of the customers?
4. Would you say that the Toyota Brand appeals to the public customer's needs through its symbolic or functional attributes?
5. Would you say that Toyota's products are positioned in such a way that it supports the brand image?

C. BRAND COMMUNICATION

1. Does the Toyota Brand communication create trust with the consumers and would you say it creates brand advocates?
2. What role do you believe has the Toyota retail network to play in communicating the brand?
3. Do you think that your brand communication is a real reflection of what the brand and the product stands for?
4. Do you believe that your marketing communication is efficient and effective?
5. Do you make use of an integrated marketing communication system?

D. DELIVERING THE BRAND

1. Does Toyota's management measure brand performance?

2. Would you say that service levels (CSI) at dealer level is a reflection of the Toyota Brand?
3. Would it be fair to say that a customer measures the Toyota brand based on what they see in the media and experience through the retail network as well as the product that they purchase?
4. Do you measure brand communication down the distribution channel?

E. LEVERAGING THE BRAND

1. What is Toyota currently doing to leverage their brand?
2. Will Toyota ever engage in brand extensions?
3. Does Toyota engage in any social integration?
4. What is Toyota's view around corporate social responsibility?

APPENDIX B

COVERING LETTER AND QUESTIONNAIRE

Consist for participation in an academic research study

Brand management at a motor manufacturing company

Questionnaire on the effectiveness of Toyota's Brand Communication in South Africa

This questionnaire is intended for Sales Managers, General Managers and Customers from all Unitrans Toyota Dealers.

It will be appreciated if you could take 5 minutes to complete the following questions as honestly as possible.

With completion of the questionnaire, please fax it back to 086 677 8924.

We will keep all your information confidential and will not transmit it to any third party. If you have any questions regarding the survey, please contact Henry Shuttleworth at hshuttleworth@um.co.za

Please evaluate each question according to how you experience Toyota as a Brand.

PLEASE ANSWER THE FOLLOWING QUESTIONS BY CROSSING (X) THE RELEVANT BLOCK

Section A – Background information

1. Gender

Male	Female
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2. Participant's role

Toyota Dealer staff	Toyota Customer
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3. Ethnicity

Black	White	Coloured	Indian or Asian
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4. How would you describe the area in which you are residing?

Urban	Rural
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Section B – Brand research

1. Toyota is currently the leading motor manufacturing brand in South Africa

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

2. The Toyota brand made a promise to you

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

3. The key elements promised by the Toyota brand are quality, durability, reliability and excellent customer service

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

4. The Toyota Brand created an emotional bond with you as a person

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

5. The Toyota range of products enhances its brand image

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

6. The slogan "Lead the Way" means something to you

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

7. Toyota's facilities support the Toyota brand message and image

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

8. Toyota's advertising creates a feeling of trust with you

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

9. Toyota dealer advertising enhances the brand and its promise

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

10. Toyota's advertising is effective and played a role in your purchasing decision

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

11. Toyota's brand communication delivers the same brand promise through the different communication channels used

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

12. Toyota's advertisements are a real reflection of what the brand and its products stand for

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

13. The service you receive is a real reflection of the Toyota Brand promise

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

14. Toyota is the leader in technology when it comes to energy saving motor vehicles

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

15. Toyota manages its brand successfully

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
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16. Toyota should extend its brand to other products

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
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17. Toyota is involved in social upliftment projects

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

18. Toyota is an environment friendly company that promotes earth conservation

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
----------------	-------	---------	----------	-------------------

19. Toyota lives up to the their brand promise in all possible aspects

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
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Thank you very much for your participation in the questionnaire.

Can you please return the completed form on or before the

4th December 2008?

APPENDIX C

GROUPING OF QUESTIONS IN QUESTIONNAIRE IN FOUR CENTRAL THEMES

Question numbers	Positioning the Brand	Communicating the Brand	Delivering the Brand	Leveraging the Brand Equity
1	X			
2	X			
3	X			
4	X			
5	X			
6	X			
7	X			
8		X		
9		X		
10		X		
11		X		
12		X		
13			X	
14			X	
15			X	
16				X
17				X
18				X
19			X	