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Toyota Prius; Marketing Communications Plan

Prepared by <http://www.andidas.com/>

Contents:

| | |
|---|----|
| Executive Summary | 3 |
| Introduction | 3 |
| The Automobile Market | 4 |
| <i>Figure 1: UK new Car Market by Volume and Value, 1997-2001</i> | 4 |
| <i>Figure 2: Leading Suppliers of Cars to the UK Market, 2001</i> | 5 |
| <i>Figure 3: Main Advertising Expenditure on Car Brands, 2001</i> | 5 |
| Prius Target Market | 6 |
| Demographic | 6 |
| Psychographic | 6 |
| Geographic | 7 |
| Toyota | 8 |
| SWOT Analysis | 8 |
| Campaign Objectives | 10 |
| Creative Strategy | 11 |
| Communications Mix | 12 |
| Recommended Campaign | 13 |
| Media Strategy | 13 |
| Timing and Budgets | 14 |
| <i>Figure 4: Communications Schedule Year One</i> | 15 |
| <i>Figure 5: Communications Schedule Year Two & Three</i> | 15 |
| Post Campaign Testing | 17 |
| Summary | 17 |
| Appendix | 18 |
| Attitudes of Consumers Towards Green Cars (% of respondents),2002 | 18 |
| Media uses Advantages and Disadvantages | 19 |
| Brad: Advertising Costings | |
| Bibliography & References | 20 |

Executive Summary

Full service agency “*Oakly & Oakley*” has been asked to prepare a three-year communications plan for the Toyota Prius, which is to be launched in the UK. Market analysis identified the target market, which consists of two groups: private and corporate buyers. Next to the demographic profile, three different psychographic profiles amongst the private buyer and their media usage have been identified. Consequently a communications strategy that makes use of these media has been created. The strategy will use PR, Advertising, direct mail and Personal Selling. TV, Print, Outdoor and the Internet will be the main media. The Creative strategy is designed to emphasize the unique selling points of the Prius and weaken the target markets objections. The budget has been allocated, however it is suggested to change the allocation from £3m yearly to £4m, £3m, £2m in the course of the three years. The majority of the budget will be spent on TV and print advertising.

Introduction

Our full service agency, “*Oakly & Oakley*” has been asked to develop an integrated three year Communications Plan for Toyota (GB) PLC. The plan will focus on the launch of the Prius in the UK. The budget has been set at £9 million (£3m per annum).

Traditionally single car dealers are responsible for local advertising and the promotion of their special offers. However, most manufacturers create and support national, brand image and advertising campaigns. This campaign is designed for the national UK market.

The Prius has successfully been launched in Japan and the USA, and now its introduction to the European market is planned. Despite the great success of the Prius in Japan and the USA, a careful sales target has been set for Europe, considering differences in taste and culture.

The Automobile Market

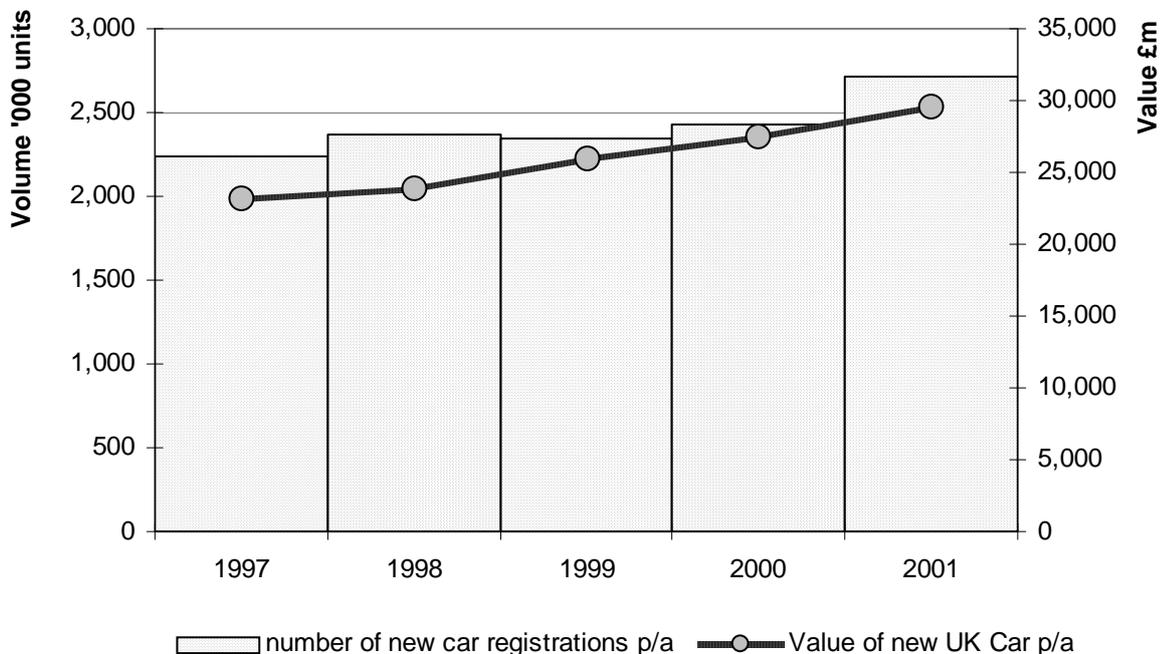
Figures and facts taken from Key Note, 2002 and Competition Commission report, 1991

The Prius falls into the car sector, which is defined as follows (KeyNote, 2002): The car sector of the motor industry covers private cars of all descriptions and engine capacities, regardless the type of fuel, providing that they conform to all the regulations for road use and are designed specifically to carry people.

The UK car market is mature and reached a new peak in terms of value and volume of new cars sold in 2001 (see graph). Car purchases are favoured by a sound UK economy, rising disposable incomes, low cost of borrowing (low interest rates) and the introduction of a new type of license plate. However during the 90s the market growth slowed down considerably due to publicity about the much higher prices of cars in the UK compared with the rest of the EU. (Monopolies and Mergers Commission report, 1992). Manufacturers and their distributors started to officially reduce their selling prices in 2001.

UK new Car Market by Volume and Value, 1997-2001

(source: DTLR, SMMT, Key Note)



The UK car market is almost totally dominated by foreign-owned groups. About 40 manufacturers offer cars, 16 of these have a market share of more than 1%. Ford leads the market with 21%. The share of Japanese manufacturers is likely to increase after the lift of the EU import quotas in 2000.

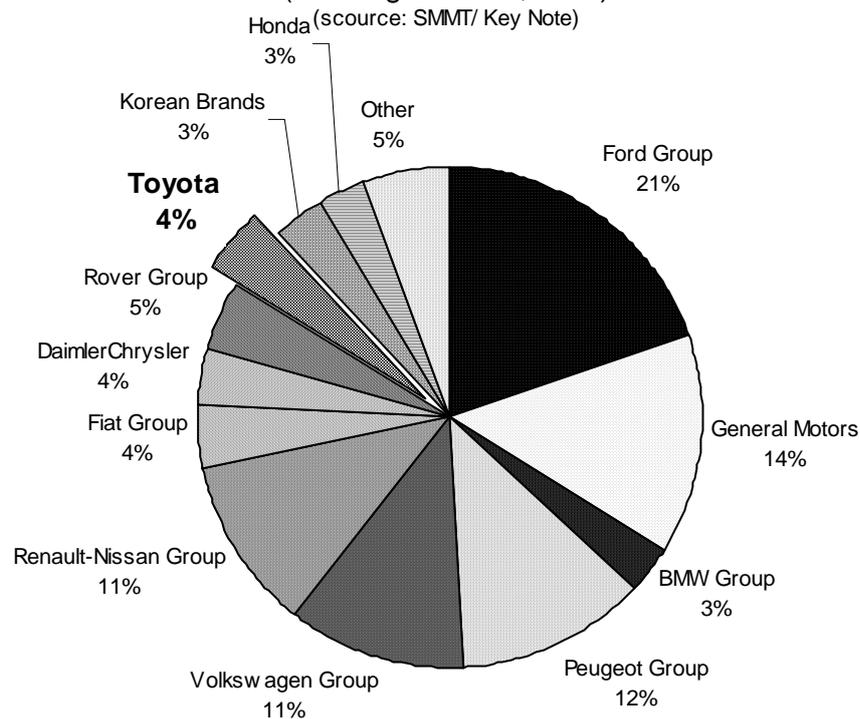
The car market is essentially divided between private buyers (consumers) and the fleet buyers (customers), which specialise in providing a range of company and general hire cars for their clients.

Private buyers will buy their cars from franchised dealers who exclusively sell one brand of car and therefore the manufacturer exercises great control over dealers since he can remove franchise should it not perform to the manufacturer's expectations. In return for the franchise, a dealer must offer a good aftercare service, to honour the warranties (typically 3 years) that are guaranteed by the manufacturer. (Key Note, 2002)

Due to the increasing competitiveness in the fleet market and the demands for price reductions from fleet buyers this segment has become less lucrative for car manufacturers despite the high volume they absorb. Therefore the private car market gained in importance.

Leading Suppliers of Cars to the UK Market

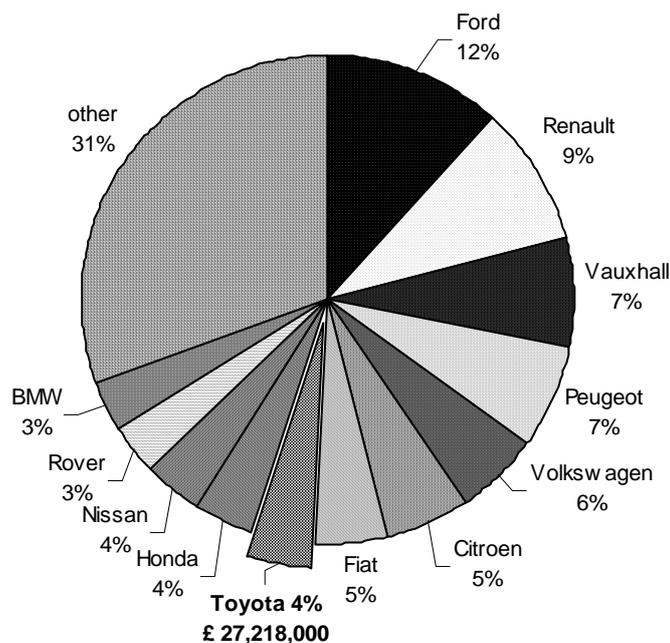
(% of registrations, 2001)



Car manufacturers make extensive use of advertising to constantly project the image of their brand and models. 'In general, customer loyalty to a particular brand is fickle, so buyers can be influenced by image as well as price and specification [...]' (Key Note, 2002). Advertising has increased by 6.5% since 2000. Toyota is one of the biggest spenders; their spending matches their relative position in the market.

Main Media Advertising Expenditure on Car Brands, 2001

(source: ASNielsen MMS)



Prius Target Market

The Prius is a hybrid vehicle that belongs in the lower/medium passenger car segment (C). However the Prius is the “first mass produced hybrid” therefore the market for this kind of car is very new and competition very light. The Honda Insight is the only other hybrid car that is currently on the market but not offering the same convenience. The Insight is designed as a two-seat sports car. However despite being a hybrid the Prius aims to provide the comfort that any other C segment car provides and therefore any other C segment car is competing against the Prius. Especially as the buyers is like to have owned a conventional car before.

The market for this car can be split into two major categories; Customers (or B2B) and consumers (or Private buyers).

Customers are fleet and corporate buyers, they buy cars either for hire/rental or for company fleets. These will be few and already known to Toyota. They can be reached especially through the business press and the traditional media as well. The environmental features make the Prius particularly interesting for business buyers, because of his low operating cost.

Car dealers are also customers but to a lesser extent as they are not as free in their choice as other parties. They will have to buy and sell the cars that Toyota produces. Eighty of Toyota’s 227 UK dealerships will be equipped to deal with the Prius and renamed Hybrid Technology Centres. Therefore the number of these ‘customers’ is already set.

Demographic

The private is the most important market. The consumer is either male or female and between 30 and 50 years old (mid-life). They are likely to be married (Full nest or Empty Nest) and with family responsibilities. They are affluent and well-informed and educated adults, classed in the AB socio-economic segment. Therefore they are in higher managerial, administrative or professional occupations and of upper middle class. Hence they are not only prepared to purchase environmentally-friendly but also able to pay more for it (higher disposable income). They are either their own property owner or rent privately. They are most likely to already own a lower medium car or similar. They are either British or living in Britain and of no specific ethnic or religious background.

Psychographic

Within the demographic profile three main mindsets of probable buyers could be identified

Early Adopters/ Technology pioneers

- those who are interested in the latest technology/ innovation, and must be the first on the block to own this technology and embrace it.

Media Usage:

- Print: Quality Daily Newspapers (Times, Telegraph, Independent, Daily Mail), Stuff, New Scientist, Wired, Trade Press, Car Magazines
- TV: Sky TV, BBC Three, Discovery Channel
- Other: intensive use of the internet, possibly wap (internet over the mobile), heavy cinema goer, little radio (has mp3 CD-player in car, or listens to internet radio)

Environmentally Friendly

- those who are recognising the environmental impact of motoring and would like to do something about it.
- those only “somewhat concerned” and seeking to express their concern and ease their conscience without causing themselves too much inconvenience. The socially aware mainstream, but more hesitant to buy new technology.

Media Usage:

- Print: Quality Daily Newspapers, National Geographic, Vanity Fair, Waitrose Food Illustrate, financial/ business press

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- TV: BCC One/Two, Channel 4
- Other: Classic FM, Jazz FM, Radio 4, occasionally use the internet

Value Conscious

- those who are looking for the ideal combination of high fuel economy and low maintenance cost in long run at an affordable price.

Media Usage:

- Print: Quality Daily Newspapers, Car Magazines
- TV: BBC One/ Two ("Bargain Hunter"), Five
- Other: Capital FM, Galaxy, occasionally use the internet
-

All three groups are likely to be exposed to the same degree of outdoor and ambient advertising.

It is difficult to estimate the exact size of each group, but most buyers will be a mix of all three and not only one reason will motivate a purchase. The overall size of these groups is probably fairly small and will explain why Hybrids are not more common yet.

Geographic

The private buyer will be from anywhere in the UK, but a higher share of people in the south are prepared to buy a car with environmentally friendly features (see Appendix). This can be attributed to the problems of pollution and congestion being more widely perceived as a problem in the south (Key Note, 2002). Consequently the target buyer is more likely to come from an urban area or a large city.

Toyota

Toyota cars are being sold in more than 160 countries. Toyota is the market leader in Japan and holds a major share (~10%) of the North American market consequently Europe (1996: ~3% market share) is targeted as the next area for expansion. Especially since import quotas were removed in 2000.

Toyota (GB) PLC (478 employees, £1.21 billion turnover, 2000) 'has become a major manufacturer of cars in the UK since it opened a production plant near Derby approximately 10 years ago. Despite recent financial losses in the UK, the company is increasing its annual production targets to 220,000 cars by 2004, up 29.4% from the current 170,000. Existing assembly lines will be worked harder, and production capacity is to be expanded to cope with expected growth in sales of its new models to British and European markets. It is expected that a high proportion (around 70%) of the auto parts and assemblies used in the manufacture of these cars will be imported to reduce costs.

Cars are being designed for European tastes in style, interior trim and performance in order to help the company retain its present market leadership for its bestselling Corolla car' (Key Note, 2002)

Toyota: SWOT Analysis with regards to the UK market, Overview

| Internal | |
|---|--|
| Strengths | Weaknesses |
| <ul style="list-style-type: none"> World's third largest car manufacturer, biggest Japanese car manufacturer Reliable and High Quality Image R&D, biggest spend amongst car manufacturers; innovative 'Just In Time' Production Corolla; best selling car, 20m units to date Lexus brand, other strong brands | <ul style="list-style-type: none"> Understanding of European market/culture Distribution network/ car dealer Prestige/ image when compared with other European makes Market share in Europe (4%) |
| External | |
| Opportunities | Threats |
| <ul style="list-style-type: none"> EU market, elimination of quotas in 2000 Hybrid technology Introduction of new models Online activities, online buying | <ul style="list-style-type: none"> Strong competitors in every segment; Ford, GM, VW, Mercedes, BMW, Honda Public/Alternative transportation Heavy taxation/ fuel prices increase |

Internal strengths

Toyota is the world's third largest car manufacturer. As such Toyota has production facilities in more than 25 countries and can achieve benefits from economies of scale. Toyota was one of the first manufacturers to introduce the concept of "Just in Time" production that allows to reduce operating cost and overheads and to respond to customer demand quicker.

The yearly budget for R&D is set at £1.5 billion for various research centres around the world, the highest amongst car manufacturers. This willingness to invest has brought Toyota an innovative image and created products such as the Prius, "the world's first mass produced hybrid" (Toyota)

Reliability and quality are regarded as Toyota's major strength. The Corolla is the world's best selling car, more than 23 million corolla cars have been produced since its introduction in 1966. Toyota also holds various other strong brands in many segments.

Internal weaknesses

Toyota has recognized that European customers have separate needs from Japanese and American buyers, yet their reputation of reliability is often not enough to convince European buyers who like to express themselves with their choice of car and therefore prefer cars with higher prestige from manufacturers such as BMW, Mercedes, VW or GM and Ford. Some buyers might prefer a car from a domestic producer to support the home industry (although Toyota has a production facility in the UK). Because of this (and the EU import restrictions until 2000) Toyota's market share has increased but still remains low at 4% in the UK.

External opportunities

Until 2000 the European market was protected to some extent as Japanese producers agreed restrict their imports to the EU market through voluntary quotas. As of January 2000 these quotas were removed and completely opened the EU market for Japanese Car manufacturers.

Toyota's new hybrid technology has proven very successful in the US and Japan and already created several brand extensions/ derived models. Toyota could obtain the benefits of being the first in this market (currently 90% market share in hybrid vehicles).

The introduction of new models in growing segments in general offer opportunities.

The new medium internet offers a wide variety of opportunities for the marketing of cars but also improve communications and to reduce operating cost (i.e. online showroom, online booking of test drives, nearest dealer locator, online purchasing, ebrochures).

External threats

The major threat comes from rich and big competitors who dominate the UK market. Indirect competition comes from alternative methods of transport of which none can really replace the convenience of the car, just as very few people are prepared to use public transport. However the introduction of the congestion charge in London has shown that car traffic can be reduced. Other government incentives are also aimed at reducing the usage of cars, e.g. tax increases and fuel prices increases. These actions can reduce the number of car purchases and reduce eventual profits.

Campaign Objectives

Objectives are important to clarify and set an objective set of targets that ought to be achieved by the planned actions. Objectives exist on three levels; Corporate, marketing and communication.

Corporate objective can be summarized as shareholder wealth maximisation and is ultimately achieved through higher profits and increased sales.

Marketing objectives are the successful introduction of a new car to the market. However, in the first place the Prius was not expected to be a profit generating commercial car. In fact in the USA the Prius is sold under its production cost. The Prius was derived from a research project and its conversion to a mass produced car might be more with the intend to improve Toyota's image, a kind of practical socially responsibility report, showcasing Toyota's engineering capabilities at the same time.

Marketing communication activities are a vital part in achieving the above two and have to be coordinated with all other company activities (production, sales, purchasing).

- Strengthening the relationship with the Toyota brand
- Increase the consideration of Toyota when planning a new car purchase.
- The target market should be reached as fully as possible
- Customer and Consumers have to be made aware of a new product and its brand name.
- Being a new product with a new technology, a prime objective is to educate consumers and explain the working of the Prius and advantages of this.
- Target markets should be excited about the new Prius and spread buzz/ word of mouth.
- Communications should motivate consumers to find out more about the Prius; visit the website, order brochures, visit a local dealer, order a test drive.
- The Prius should be considered as a full and valid alternative to traditional cars.
- Ultimately communications should lead to a purchase, a higher percentage of showroom visits should be turned into sales

In a perfect world communications will guide the target through the AIDA chain. As this product is new there are no historical data that would allow some form of trend extrapolation to determine what is possible or what is realistic. However the Prius has been launched in Japan and the USA, but these are two different markets with a different environment and therefore only to some degree of valid to be compared with the EU and UK market.

If all or some of these objectives will be met can only be determined by post campaign research which should start during the campaign and be continued in intervals to monitor the situation.

Considering the performance of the Prius in other markets sales of around 1500 units in the first year should be set a goal, 2000 in the second and 3000 in the third. With only two cars in the hybrid market the Prius should become the market leader.

Creative Strategy

The Prius offers features that now other car offers. These unique selling points should be emphasised in the promotions and any barriers to purchase be weakened at the same time (unique selling proposition strategy). Promotions messages are like to change over time, early promotion should concentrate on the awareness and education aspect, whereas later executions can focus on creating excitement and focus on specific benefits.

To appeal to the target market promotions should promote the car and its users to be innovative, imaginative, bold, intelligent, revolutionary and pioneering. Identified barriers to purchase (high initial cost, unproven technology, product ignorance) should be overcome by stressing the long run efficiency, success in Japan and product information/explanation. It is important to stress that the Prius does not need any external recharging (confusion with traditional electric vehicles) and offers the same convenience as a normal car, the Prius should therefore be perceived as 'least brown' and not 'green' (and all the disadvantages associated with that). The campaign is intended "to make the technology come alive" (Bernasconi, CD, Oasis Advertising, NY).

It would make sense to create different executions to target one of the three mindsets identified in the target market and emphasising their reasons to buy and refute their individual barriers to buy. This can be done in a subtle style and will not change the style of the promotion. Consequently promotions should appear in media where one psychographic profile is more dominant than the others.

The tone of voice should be modern, intelligent and witty/ humorous if possible, maybe screening one of the USP against a conventional competitor.

Communications Mix

There are various communication methods. Two important factors have to be considered when selecting the communication for the Prius: The type of product (high involvement) and its stage in the product life cycle (introduction). These two factors influence the consumer/customer buying behaviour and therefore the mix has to be adjusted to fit these conditions.

Public relations, "the development and maintenance of good relationships with different publics" (Smith, 1997), are essentially information within an independent medium (e.g. magazine, newspaper) that occurred because a company provided them with those (e.g. press release). Public relations are useful because they enjoy a high credibility at a low cost, but the exact message cannot be controlled. This communication form will be of major importance for the Prius campaign as many buyers draw their information from the media. Being represented, talked about in those will be an essential step in at least being considered as a choice.

Personal selling is very important because a car is a high involvement product and affords more conviction for purchase which is given by PS. Personal selling will be carried out by the local dealers who in advance should have been trained to be familiar with the Prius car (dealership launch material, conferences) and its advantages and how to overcome objections.

Personal selling will also be of major importance when targeting the corporate/ fleet buying segment, because these customers buy in bulk they expect to be given a presentation by a Toyota's representative to convince them that Prius is suitable for their fleet.

The cost of training and personal selling are assumed to be covered in dealer's and Toyota's overheads.

Sales promotion, monetary incentives to buy, is most effective to trigger a decision or purchase. SP is useful at the beginning of the product life cycle to increase acceptance or provoke a trial. Toyota is already selling the Prius beneath its production cost. However an additional third party sales promotion

mechanism has been put into place: Powershift, a government backed agency, charged with encouraging cleaner fuels, will refund a £1000 to the first 200 buyers of the Prius. To get the biggest benefit out of this Toyota should advertise this fact. Otherwise SP should be used spontaneously once a slow down in sales can be detected (PLC).

Advertising, a paid form of non-personal mass communication from an identified sponsor, should be the major communication mix ingredient for this campaign. Advertising is controllable, but expensive esp TV. Advertising can be used to increase awareness, create interest and inform about Prius USPs. Customers or consumer are reached by placing adverts in their target media.

Direct mail in the form of newsletters can useful for this campaign to create awareness (pre launch) and inform or offer of opportunity to book a test drive. Toyota has already a database in place but can also buy further data. Direct mail is also important when targeting the corporate buyers and provides them with detailed information about the Prius. People who receive direct mail in error or those who are not interested in the offers might feel annoyed and lower their image of Toyota.

Recommended Campaign

Pre-testing is important esp. for a totally new product, to check if the message sent is conceived as intended by the target market. Testing will help to determine the optimum mix between imagery and copy and reduce the risk of failure in general.

Testing with test audiences who represent the general public and the target audience should include concept, style and creative strategy of all intended communications and executions. A share of the budget has to be allocated for pre-testing.

Direct mail should be one of the first activities with pre-launch awareness letters being sent to existing Toyota customers; those in segment C and above OR fit the target group description (above seg.C because 40% of buyers in USA & Japan previously owned a more expensive car). Toyota can also buy additional databases from media that their target has subscribed to (e.g. Daily Telegraph, as far as legally possible) and then filter these for the target demographic profile.

A second wave of direct mail upon the launch with more discrete information should follow and formally announce the launch of the Prius. On this occasion the audience should be given the opportunity to either pre-order the car (benefit of Toyota loyalty) or request a test drive at a local dealer. It will have to be integrated/tuned with local dealer's own mailing efforts. Direct mail should also be sent to corporate buyers, which ought to be included in Toyota's database. Their mailings should be customized to emphasize the features that are important for fleet buyers

Direct mail should also be used in a digital form (email) to underline the Prius contemporary image. Emails could be designed to enable to directly pre-order the car and purchase the car online, something that would appeal to the pioneer mindset. Newsletters should include detailed brochures and eventually a CD-Rom.

Press releases and press conferences ought create positive public relations. These can be used for the launch and early stages of the Prius to raise awareness and create interest for the new product just as educate the public about the Prius' working and advantages. Effectiveness will be increased when PR appears in media consumed by the target market. Considering the Prius revolutionary technology media will be prepared to talk about this product and even a certain amount of requested coverage could be expected.

The Prius will be exhibited in suitable shows and exhibitions in the motor industry to initiate some buzz and prepare the market.

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Sponsorship, related to PR, offers a good opportunity later in the product life cycle, to enhance awareness and image. Esp. for activities that stand for the same social benefits as the Prius or are associated with the target group.

Advertising will be utilized as one of the most important communication methods, along with PR. The use of TV, Print, Internet and Outdoor seems most promising to reach and affect the target market. The creative strategy will be used to place advertising in target media, with slightly different executions to meet each of the three mindsets in their individual media.

Advertising will go through different stages to aware, educate and interest the target audience and then hopefully result in a dealer visit.

Personal selling (discussed above) is very important to win over both consumers and customers in the car market. Internal communication has to make sure these are executed integrated and in line with other communications.

Sales Promotion has been discussed above and a £200,000 mechanism is already in place (Powershift) and should suffice for the start. Providing up to ten vehicles as prizes in several prize-draws is recommended, which should be conducted in target market consumed media.

Obviously the campaign will be a mix between push and pull, the consumer market should be driven rather by a pull predominated strategy whereas the business customer market is recommended by a slightly more aggressive push strategy.

Media Strategy

TV is a favourite medium because of its wide reach and its high impact that is useful for showcasing a high impact product such as a car. The volume of TV ads however is limited by its costs but popular target group programmes (consult research) and times should be used as extensively as possible. Identified TV stations: BBC one, two, ITV, channel4

Print adverts will be placed in quality newspapers and esp. their weekend supplements (back cover & second page). Additional ads are placed in car industry magazines and those read by the target group.

Titles identified to read by the target audience: Daily Telegraph, The Times, The Independent, Financial Times, National Geographic, Stuff, New Scientist, Vanity Fair, Waitrose Food Illustrate, Auto Express, Car, WhatCar etc.

PR activities will concentrate on target audience print publications but also involve TV programmes that deal with cars (Top Gear, 5th Gear, new technology programmes) the environment and maybe even radio programmes. Press releases will be provided to car industry and target group used media (see above).

Outdoor billboards should be placed in urban areas to reach the broad audience of car drivers at a low cost. Placing these at busy junctions will complement TV and print advertising and be visible where the Prius is of best use: on the street.

Internet plays an important role, direct mail will be sent as email where possible and enable buyers to purchase the Prius online. A Prius specific microsite will offer all information e-brochures for download. All adverts should bear the Prius web address to make it easy for users to find.

Direct mail and sales promotion have been discussed above.

We will not use cinema because a low usage amongst our target has been detected and the extra expenses are not likely to pay off. Directories are not suitable for the image of the Prius. Regional press will not be considered because traditionally these media are used by local dealers. Radio advertising might be useful but we feel that radio will not be able to exert the necessary impact to convince; the Prius should be visible to make sure the audience understands that it is a modern and full car.

Timing and Budgets

It is important to notice that marketing communications should start before the product is actually launched, for launch activities to unfold their full potential. Even long before that all departments that contribute to the product and communication will have to meet regularly to tune into an integrated strategy.

Pre-Launch: The setup of a microsite round the Prius will happen once the Prius has been shown on exhibitions. Direct mail will be sent before and after the launch. PR will be provided scarcely before and fully after Launch. Advertising will set in once the product is available. TV adverts will start in a 'wedge pattern'⁹ (initial 'Blitz')⁹ and flow into a 'awareness pattern'⁹ after six months to maintain awareness for a product that has a long purchase cycle and a long decision time.

planning and coordination has to start long time before any activity occurs

| Toyota Prius Marketing Communications Activities | Year 1 | | | | | | | | | | | | | | | | |
|--|---|-----|-----|-----|-----|-----|--|-----|-----|-----|-----|--|---|---|---|----|----|
| | 1 | 2 | 3 | 4 | 5 | 6 | Actual Launch of the Prius, available from 80 Toyota Car Dealers in the UK | | | | | | 7 | 8 | 9 | 10 | 12 |
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Dec | | | | | | |
| Internet | Microsite | | | | | | integration into main site | | | | | | | | | | |
| Direct Mail | | | | | | | online advertising; button and banner advertising on automotive websites and on online sites of target media (e.g. DailyTelegraph.co.uk) | | | | | | | | | | |
| TV | | | | | | | <div style="display: flex; justify-content: space-between;"> <div style="width: 20%;">Awareness Mailer</div> <div style="width: 20%;">Launch Mailer</div> <div style="width: 20%;"></div> <div style="width: 20%;"></div> <div style="width: 20%;">newsletter</div> </div> | | | | | | | | | | |
| Print | | | | | | | TV Campaign | | | | | | | | | | |
| Outdoor | | | | | | | Print Advertising, in press & magazines | | | | | | | | | | |
| Other: Promotions | Motorshow exhibitions | | | | | | £1000 off for first 200 buyers (Powershift) | | | | | | | | | | |
| Sales Promotion | Press Releases, announcing the Launch of the Prius | | | | | | offer Prius as prize in prize-draws or competitions | | | | | | | | | | |
| Personal Selling & PR | Dealer Launch Pack, Staff Training | | | | | | Launch of intensive PR activities | | | | | | | | | | |
| Testing | Dealer activity, Personal Selling visits to Corporate Fleet buyer | | | | | | Dealer activity, Personal Selling visits to Corporate Fleet buyer | | | | | | | | | | |
| Cost | Pretesting | | | | | | begin of post testing | | | | | | | | | | |
| | £500,000 | | | | | | £1,000,000 | | | | | | | | | | |
| | | | | | | | £750,000 | | | | | | | | | | |
| | | | | | | | £750,000 | | | | | | | | | | |
| | | | | | | | £500,000 | | | | | | | | | | |
| | | | | | | | £500,000 | | | | | | | | | | |
| | year one total: £ 4,000,000 | | | | | | | | | | | | | | | | |

Considering the small target group of the Prius and the small projected sales figures a budget of £9million over three years seems appropriate, however we would recommend to reallocate the budget. £4m should be spent in the first year, £3m in the second and £2m in the third. That way the launch period communications can be intensified. Three years are also likely to correspond to the approximate life of this car model since car manufacturer have increased their model output to keep demand high.

Post Campaign Testing

Post-testing (during and after campaign) is important because it helps to evaluate the actual success of the campaign (was the money worth spending, were objective achieved) and feedback can also help when planning future campaigns.

Post-testing will be conducted by an agency that specialises in conducting surveys to determine the public's reaction to the communications. These tests should include the recognition/ awareness of adverts, recall rate and how it has influenced people's feelings/ attitude. Was the target group reached and was the right message received?

These results can than be compared with results measured before the campaign launch to state the impact the campaign had. Budget has to be allocated for this.

Summary

We recommend a communications strategy that makes use of advertising, PR, new media and direct mail. Personal selling will be provided by the existing network of local dealers. Advertising will use TV, Print and outdoor media to initiate purchases. The Internet will play an important role for both advertising and direct mail, using a modern medium to underline the advanced character of this car.

However that this plan sofar is only a model/ plan, and not definitive, it can and is likely to change esp. if pre or post-testing give negative results.

Before realizing the proposed action a long planning period with frequent meetings of all parties is necessary to ensure the integrity and unanimous messages of the campaign.

Appendix:

Attitudes of Consumers Towards Green Cars (% of respondents),2002

Q1: 'I would buy a car with environmentally-friendly features'

Q2: 'I would be prepare to pay extra for environmentally- friendly cars and fuel'

| | Sample Profile % | Q1 PP% | Q1 Pen% | Q2 PP% | Q2 Pen% |
|--------------------------------------|---------------------|-----------|------------|-----------|------------|
| All | 100 | 100 | 41 | 100 | 22 |
| Sex of buyer | | | | | |
| Male | 49 | 47 | 39 | 43 | 20 |
| Female | 51 | 53 | 43 | 57 | 25 |
| Age of buyer | | | | | |
| 15-24 | 15 | 16 | 43 | 16 | 24 |
| 25-34 | 18 | 18 | 40 | 17 | 20 |
| 35-44 | 19 | 23 | 51 | 21 | 26 |
| 45-54 | 16 | 18 | 47 | 23 | 32 |
| 55-64 | 13 | 13 | 41 | 11 | 19 |
| 65+ | 19 | 12 | 26 | 12 | 15 |
| Social status | | | | | |
| Married | 18 | 25 | 56 | 32 | 40 |
| Living as married | 29 | 35 | 50 | 29 | 23 |
| Single | 21 | 20 | 38 | 21 | 22 |
| Divorced/ widowed/seperated | 32 | 20 | 26 | 18 | 13 |
| Working status | | | | | |
| Full time | 39 | 44 | 46 | 42 | 24 |
| Part time | 12 | 15 | 53 | 17 | 33 |
| Not working | 49 | 41 | 34 | 41 | 19 |
| Television Region | | | | | |
| Scotland | 9 | 8 | 34 | 9 | 20 |
| Noth East | 5 | 5 | 42 | 4 | 17 |
| Yourkshire | 12 | 12 | 40 | 12 | 22 |
| Lancashire | 11 | 12 | 46 | 14 | 29 |
| Midlands(Central) | 17 | 12 | 29 | 14 | 18 |
| Wales & Weat (HTV) | 8 | 10 | 48 | 8 | 23 |
| East Anglia (Anglia) | 8 | 10 | 54 | 8 | 24 |
| London (Carlton) | 20 | 21 | 43 | 16 | 18 |
| Southern (Meridian) | 9 | 9 | 41 | 14 | 34 |
| South West (WCT) | 3 | 4 | 54 | 3 | 26 |
| Tenure | | | | | |
| All owner ocupied | 65 | 70 | 44 | 42 | 24 |
| Rented (privet) | 9 | 11 | 49 | 17 | 33 |
| Rented (local authority) | 19 | 13 | 27 | 41 | 19 |
| Children in Household | | | | | |
| Yes | 37 | 39 | 43 | 39 | 24 |
| No | 63 | 36 | 53 | 61 | 22 |
| Internet Access Last 3 Months | | | | | |
| Yes | 48 | 61 | 53 | 59 | 28 |
| No | 52 | 39 | 30 | 41 | 18 |

Weighted sample: 1,046

Base: All audlts aged 15+

(source: Key Note, 2002)

| Medium | Principal characteristics | | Media Vehicles |
|--|--|---|--|
| Type of media & selected channels | Benefits of this method for use with Prius | Disadvantages of this method for use with Prius | Prius Target Group usage |
| TV Broadcast National Cable Satellite | <ul style="list-style-type: none"> ✓ Large and mass audience / Low cost per exposure, generates awareness ✓ Highly visible and strong impact ✓ Multiple senses (sight, sound, movement & colour) ✓ Can create strong image branding ✓ Sponsorship and product placement opportunities to build and produce a combined synergy | <ul style="list-style-type: none"> ✗ Time consuming and high production cost (making Prius ad or sponsoring program) ✗ Channel hopping is easy ✗ Usually have long lead times and difficult to change message with short notice ✗ Limited information content (Prius needs to demonstrate more about its functions and benefits) ✗ May not be able to selectively choose sufficient target audiences (Prius audience is sophisticated AB group) ✗ Transient messages/ short life cycle of image projected | <ul style="list-style-type: none"> • BBC1 • BBC2 • BBC3 • ITV • Carlton TV • GMTV • British Sky Broadcasting: National Geographic, Discovery |
| Radio National | <ul style="list-style-type: none"> ✓ Low airtime and production costs ✓ Can be produced and change quickly ✓ Topical messages (chat show) ✓ Sponsorship and direct response opportunities (all in station shows) ✓ Audiences selectivity by airtime | <ul style="list-style-type: none"> ✗ Only audio message no visual stimulants ✗ Lack of persuasiveness by listeners ✗ Listeners occupied or distracted by the surrounding environment ✗ Poor reception in radio signal ✗ Very limited information content | <ul style="list-style-type: none"> • Classical FM • Virgin FM |
| Press- Newspaper Regional National / Daily/ Weekly/ Weekend | <ul style="list-style-type: none"> ✓ Short lead time with cheap production cost (pictures) ✓ Selective readers with broad acceptance ✓ Direct respond facilitated ✓ Actively read and frequent publication (reliability and believability) ✓ Geographical selective | <ul style="list-style-type: none"> ✗ Very limited impact on visual effects and printing colour ✗ Crowded with other advertisements readers cannot encode message ✗ Readers could be distracted by surrounding environment ✗ Short life cycle | <ul style="list-style-type: none"> • The Times • The Guardian • The Independent • The Daily Telegraph All above include weekends exclusive magazines • Financial Times |
| Magazines National/ Weekend Monthly/ consumers Men's / Women's Technical | <ul style="list-style-type: none"> ✓ Highly Selective (magazine target group in Motor technology) & Low production cost (pictures) ✓ High information content (detail of Prius) ✓ Editorial synergy projected by the magazines image (Prestige & credibility) ✓ Pass along audience and actively read ✓ Good quality printing | <ul style="list-style-type: none"> ✗ Long lead time for some titles ✗ Crowded with other advertisements (too much colours and details readers skip pages) ✗ Visual stimulants lack of other senses (no sounds and movement limits the ability to demonstrate Prius) | <ul style="list-style-type: none"> • National Geographic • Stuff • AutoCar • The Times magazine |
| Posters Outdoors Road sides (billboards) / Shopping areas (centres) / Airports/ taxis | <ul style="list-style-type: none"> ✓ Diverse and broad audience ✓ High frequency of exposure ✓ Prominent brand differentiation ✓ Strong impact with simple message ✓ Visible through the day | <ul style="list-style-type: none"> ✗ Creative limitation and audience activity ✗ Short exposure time ✗ Message must be simple ✗ Posters area are highly variable ✗ Many may not have effective impact | <ul style="list-style-type: none"> • JCDecaux billboards • Heathrow, City, Stansted, Luton Airport • Most congested traffic zones |
| Internet World wide web Web page E-mail | <ul style="list-style-type: none"> ✓ High interactivity level (Prius target is highly Technological orientated) ✓ Large potential audience ✓ 24h any time ✓ High information contact with direct respond (Prius audience could email and communicate) ✓ Low production costs ✓ Advertise on the web pages | <ul style="list-style-type: none"> ✗ Could rely heavily on search engines ✗ Audiences are not garnered ✗ Limited visual effect in terms of the actual product and demonstration ✗ Can create irritations | <ul style="list-style-type: none"> • Toyota web sites • Link with Amazon, google, yahoo, the times and other relevant on links to car web sites |

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