Toyota Motors Philippines Customer Story Case Study

1. *Case Study Overview*

|  |  |
| --- | --- |
| **Customer profile:**   * Automotive Industry * ~3,700 employees * The most selling car brand in the Philippines * Shared the highest number of dealerships in the Philippines with Suzuki, both having 72, as of 2020 | **Digital transformation impacts:**   * More exposure to “Phygital”(1) customers * Improve efficiency in dealer operations * Seamless digital customer experience * Developed offerings based on real-time data * Unifies user experience |
| **SAP solution technology areas:**   * SAP Business Technology Platform (BTP) * SAP CRM Software (Customer Relationship Management) * SAP Commerce Cloud * SAP Customer Data Cloud * SAP Sales and Service Cloud | **Case study material includes:**   * Video * Text-based information describing SAP engagements * Toyota Philippines CRM app’s info and insights i.e. numbers of app users, sales and daily logins etc. |

(1)Phygital: Phygital refers to the blend of physical and digital experiences, especially in customer interactions. It's about providing a seamless transition between digital and physical channels, such as online shopping and in-store experiences. This approach caters to customers who prefer to engage digitally but still value the tangibility of physical products or services. The aim is to enhance customer satisfaction by integrating the convenience of digital technology with the authenticity of physical interactions.

1. *Customer and Industry Context*
   1. ***Identify Business or Technology Trends in the Industry***

**Automotive Industry Macro Trends:**

In 2024, the automotive industry, particularly regarding CRM and sales digital transformation, is evolving with several key trends:

1. **Digital Transformation in Car Retail:** The move towards digital and omnichannel business models is significant. Dealerships are shifting from traditional brick-and-mortar setups to digital technology powerhouses. This transition involves a cultural change that focuses on agile and product-based technology organization, enhancing customer experience by enabling online purchasing and selling of vehicles.
2. **Automotive CRM Transformation:** CRM technologies in the automotive sector are becoming more sophisticated. They now play a crucial role in managing the sales process by preventing lead leakages, intelligently segmenting customers, and enabling more targeted communication strategies. Automotive CRM systems are automating many aspects of the sales process, from lead distribution to task prioritization, significantly boosting sales efficiency.
3. **Personalized Customer Experience:** Automotive dealerships are increasingly using CRM to offer personalized experiences to customers. This includes utilizing data analytics to understand customer preferences and behaviors, improving sales strategies, and enhancing overall customer engagement.
4. **Integration of AI and Advanced Analytics:** The adoption of AI and advanced analytics in CRM systems is improving the customer experience. These technologies help summarize vast amounts of customer data, providing actionable insights for better decision-making and more effective marketing strategies.
5. **Focus on Customer Retention and Loyalty:** CRM systems in the automotive sector are not just about acquiring new customers but also retaining existing ones. By engaging customers with maintenance schedules and reminders, dealerships are enhancing long-term customer relationships.

These trends indicate a shift towards more digital, data-driven, and customer-centric approaches in the automotive industry, leveraging technology to streamline processes and enhance the customer experience.

**Sources:**

Deloitte Insights: [Digital transformation in car retail](https://www2.deloitte.com/),

LeadSquared: [How CRM will Transform Automobile Sales in 2024](https://www.leadsquared.com/)

* 1. ***Customer’s Motivation***

In the Toyota Motors Philippines’ customer story, the customer’s motivations are:

* Reflect the high standards of Toyota by keeping up to pace with new trends and technology
* Maintain a competitive edge with other dealerships
* Provide a user friendly and better experience for current and new customers
* Seamless and integrated platform to offer customers all possible services in one place
  1. ***Customer’s Business Goals***

In the Toyota Motors Philippines customer story, the customer’s business goals are:

* Improve customer engagement (results in more exposure, more sales and profit from other services)
* Reduce time or cost to complete transactions or access data (customers can access and execute all car-related services with a few clicks)
* Improve visibility and quality of decision-making data (provides car prices and offers for buyers)
* Provide real time data for business owners (this data can be used in sales and production planning)
  1. ***Selecting an Analysis Framework***

1. To understand more about the customer’s business goals in the Toyota Motors Philippines mobile app project, I have selected the Strengths Weaknesses Opportunities Threats (SWOT) analysis framework and a design-thinking analysis approach. The SWOT analysis will aid in identifying internal and external factors that can impact the app's success, while the design-thinking approach will focus on creating user-centric solutions. (b) A key business goal for Toyota Motors Philippines is to enhance customer engagement and streamline dealership processes. The SWOT analysis is chosen because it helps in building on strengths and seizing new opportunities, like integrating digital solutions in the automotive sector. Alongside SWOT, the PESTLE (Political, Economic, Social, Technology, Legal, and Environmental) analysis might also be used to gain a comprehensive understanding of the external factors influencing the project. One limitation of SWOT is its inability to prioritize issues; collaboration with Toyota Motors Philippines will be necessary to identify key priorities. Design-thinking is chosen for its user-centric approach, ensuring solutions are tailored to meet the specific needs of dealership customers and staff. However, its effectiveness hinges on active participation from users, necessitating engagement strategies to involve stakeholders in the development process.
2. SWOT Analysis:

|  |  |
| --- | --- |
| **Strengths**   * Greater reach and customer engagement (200k users of the new mobile app and 1k daily logins) * Efficiency (streamlines the car buying and servicing process) * Convenience (offers a one-stop solution for all dealership-related needs) * Data Collection (gathers customer data for personalized marketing) | **Weaknesses**   * User Adoption Challenges (some customers may be reluctant to use mobile apps for car purchases or services, either due to preference for traditional methods or lack of familiarity with technology) * Digital Literacy (a portion of the target audience might be digitally illiterate or uncomfortable with app-based transactions, limiting the app's reach and effectiveness) * Awareness Gap (Potential customers, especially those who are uninformed or technology-averse, may not be aware of the app's benefits, affecting its adoption rate) |
| **Opportunities**   * Market Expansion (potential to attract new customers seeking digital convenience. * Service Innovation (opportunity to introduce new features and services) * Partnerships (possibilities for collaborations with tech companies or other dealerships) | **Threats**   * Competition (risk of other dealerships launching similar apps) * Cybersecurity (vulnerability to data breaches and hacking) |

1. *Project Team Members*
   1. ***Role on the project team***

I will be a functional consultant on the Toyota motors Philippines SAP project team. I have chosen this role because I want to use my knowledge in automotive retail industry and as my sales consultant experience to help develop a convenient mobile app that meets all current and potential customers’ needs

* 1. ***Skills and expertise***

As a functional consultant for the Toyota Motors Philippines mobile app project, my role will be to collaborate closely with the Toyota team to identify how SAP can facilitate the creation of a convenient, comprehensive app for customers. This will likely include the development of new processes or product solutions tailored to the automotive industry's needs. The key skills I will bring to this project include:

* **Strategic Thinking**: Analyzing Toyota's specific environment and challenges within the automotive industry to identify areas where the app can provide solutions.
* **Communication Skills**: Engaging in active listening with Toyota stakeholders to fully grasp their needs and articulating potential solutions in a clear and accessible manner.
* **Business Acumen**: Leveraging my understanding of the automotive industry and dealership operations to inform the app development process.
* **Collaboration Skills**: Working alongside colleagues, Toyota representatives, and other stakeholders to foster productive and effective relationships.
* **Functional Expertise**: Applying knowledge of business processes and pain points within the automotive sector to see how SAP technology and other digital solutions can provide meaningful improvements.
  1. ***Required Project Team Members***

To deliver the Toyota Motors Philippines SAP implementation, the ideal project team would include the following roles and mix of expertise/skills:

* A **project manager** responsible for building a business case for the project, setting up the schedule, setting up methods for tracking and reporting progress, determining priorities, budgeting, monitoring costs, and communicating with and supporting the team.

**Technical Consultant Roles:**

* **SAP Mobile App Developer**: Specializes in SAP mobile platform development, integrating SAP solutions into mobile applications with a focus on performance and scalability.
* **SAP Data Security Specialist**: Ensures the app's compliance with data protection laws, focusing on the security features within the SAP environment.
* **SAP System Integration Expert**: Skilled in integrating various SAP modules and external systems to ensure seamless data flow and functionality.

**Functional Consultant Roles:**

* **SAP Automotive Functional Consultant**: Brings domain expertise in automotive sales and dealership management, focusing on adapting SAP solutions to meet industry-specific requirements.
* **SAP Customer Relationship Management (CRM) Specialist**: Expertise in SAP CRM, focusing on improving customer engagement and managing customer data within the app.
* **SAP Business Analyst**: Analyzes business processes and requirements, ensuring the SAP solution aligns with Toyota Motors Philippines' strategic goals and operational needs.
  1. ***Team Collaboration***

For the SAP mobile app project at Toyota Motors Philippines, the implementation process will involve collaboration with various Toyota dealerships across the Philippines. The approach includes:

* **Project Planning**: Establishing clear objectives, scope, and standards, and defining roles and responsibilities. This plan will consider the unique operational aspects of each dealership.
* **Initial Kickoff Meeting**: Providing an overview of the project to all Toyota dealerships, ensuring alignment and understanding of the project plan.
* **Stakeholder Engagement**: Building relationships with key figures at each dealership, ensuring their needs and concerns are addressed.
* **Clear Communication of Solutions**: Explaining the functionalities and benefits of the SAP mobile app to the dealerships in a straightforward manner.
* **Providing Automotive Industry Insights**: Tailoring the app's features and capabilities to meet the specific needs of the automotive sector, particularly the dealership model.
* **Consultant Collaboration**: Ensuring technical consultants and functional consultants work together to align technical capabilities with the operational needs of Toyota dealerships.

This approach ensures that all Toyota dealerships in the Philippines are on board and that the app meets their specific needs and expectations.

1. *Presentation*

**Google drive link:**

<https://drive.google.com/file/d/1GWFZjXtOBylygdoqlmPmHUL8FyL8RBIi/view?usp=sharing>