

Survey: Toyota owners maintain high overall satisfaction despite recalls

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A report released today by Rice University's Jones Graduate School of Business found that despite the 8 million Toyota vehicles recalled since October 2009, current Toyota owners are not yet wavering in their support of or satisfaction with the company.

The rigorous survey-based study of a national sample of U.S. vehicle owners found that the level of overall satisfaction with their vehicles' quality was equally high among Toyota owners and owners of other vehicles, and Toyota owners maintained a more positive view of the company than their counterparts. Ninety-three percent of each group was aware of the recall.

"The recall does not seem to have dampened Toyota owners' evaluations of their vehicles," said Vikas Mittal, the J. Hugh Liedtke Professor of Marketing at Rice. "Before the recalls, Toyota's reservoir of brand equity was seen as unparalleled among its [customer](#) base. That didn't just vanish. The consistent and high level of satisfaction with the brand experience means that their current customers are viewing this performance lapse as an anomaly."

Mittal and his co-authors -- Rajan Sambandam, chief research officer at TRC, and Utpal Dholakia, associate professor of marketing at Rice -- found that Toyota's track record created what they called a "brand insulation effect" that shielded the company from the recall's negative effects coming from current customers.

On all aspects of the study, Toyota owners proved to have a more favorable opinion of the company than non-Toyota owners. Of the 455 vehicle owners in the U.S. surveyed, 12.8 percent were Toyota owners, which reflects the current market share of Toyota in the U.S.

Compared with the owners of other vehicles, the Toyota owners agreed more strongly, on a scale where 0 meant "completely disagree" and 10 meant "completely agree," that:

- Toyota appropriately handled issues with the brake-pedal recall.
- This incident is an outlier.
- Toyota typically has a strong reputation for quality.
- The recall shows Toyota's commitment to customer safety.

The brand insulation effect is also seen in Toyota owners' stronger belief that other automakers are equally lax when it comes to consumer safety. In contrast, they don't believe that domestic automakers such as GM, Ford and Chrysler are catching up to Toyota and Honda in either safety or reliability.

To maintain the brand insulation, the authors said, Toyota must efficiently and effectively execute the recalls to show customers that their satisfaction is paramount.

"If Toyota does return to its traditional focus of product quality and safety, it will claw its way out of this recall," Dholakia said. "It might lose some sales in the short run, but Toyota owners say they are still likely to buy a Toyota in the future."

When Toyota owners were asked to rate on the same 0-to-10 scale whether they would consider Toyota if they were to buy a new [vehicle](#) today, their ratings averaged an 8, whereas other automobile owners' ratings averaged a 4.

But Toyota and other brand owners can agree on some things: Both groups reported an equal level of agreement with the statements "We need more government regulation for safety," with an average rating each of 6.4, and "Government was too slow to act in this recall," with an average rating of 6.2 among Toyota owners and 6.6 for other brand owners.

"All the findings from our survey support one compelling and consistent conclusion: Toyota's customer base is insulated because of its consistent and high customer satisfaction levels in the past," Dholakia said. "The long-term prognosis is promising. [Toyota](#) can become a textbook example of how consistent customer-satisfaction can insulate the brand, even if it falters."

Provided by Rice University

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