

The Potential Relationship between Automobile Advertising and Consumers

Chen, Kuang-Jung, Professor, Department of Business Administration, Chihlee Institute of Technology
Chen, Mei-Liang, Lecturer, General Education Center, Hsin Sheng College of Medical Care and Management
Hsu, Ya-Ling, Graduate Student, Graduate Institute of International Business Management,
Ching Yun University, Taiwan
Chen, Yi-Chieh, Graduate Student, Graduate Institute of International Business Management,
Ching Yun University, Taiwan

ABSTRACT

Advertising is a chief conveyer of product messages. Today, the auto industry uses all kinds of advertising approaches to attract the attention of consumers. Every carmaker invests an enormous amount of money on advertising, yet the one spending the most does not always become the most recognized or the most successful in sales. The purpose of this study is to find out the principal considerations of consumers when they shop for cars, and to probe into the success of the best-selling models from the three top carmakers in 2007. It will examine the target consumer groups the latest TV commercials are targeted at and the principal advertising strategies employed, and propose reasonable suggestions based on the results.

Keywords: *Auto industry, advertising, marketing*

INTRODUCTION

Advertising master David Ogilvy once said, "Advertising is a means to sell products and acquire the market." Amidst the fierce competition in the auto industry, business management and marketing strategy become all the more important, and advertising is especially a link not to be overlooked. The diversity of modern advertising media offers carmakers many approaches to promote their cars and the advertising strategies these auto manufacturers employ rival each other intensely. Continuous technological advancement makes it possible for commercials of any variety to reach consumers everyday and achieve substantial results. Through this study, the consumer market of the auto industry and factors involved in consumers' decisions when buying cars are carefully inspected. At the same time, the commercials and marketing positioning of the top three best-selling automakers in 2007 are also analyzed on an individual basis to investigate how carmakers formulate their advertising strategies and determine their advertising appeals.

With the abovementioned combined, the purposes of this study are as follows:

1. To examine consumers' chief considerations when they shop for automobiles.
2. To investigate the consumer groups carmakers target at.
3. To research chief advertising strategies adopted by the auto industry.

LITERATURE REVIEW

Definition of the Auto Industry

The auto industry includes automakers and car component manufactures. This study is focused on carmakers. According to standard classification applied in ROC, the auto industry encompasses all businesses making vehicles with an internal combustion engine; automobiles such as passenger vehicles, busses, ambulances and fire engines all fall in this category.

The auto industry has been termed as the "locomotive industry" and management guru Peter Drucker also referred the car industry as the "industry of industries," with the expectation that it could bring development and progress for the overall industry. The car industry is a capital and technology intensive field with high-precision products and an

extensive network covering related industries such as electric engineering, electronics, steel, mechanical engineering, chemical engineering, plastics and glass, etc.

Definition of Marketing

“Marketing” is an economic term meaning promotion and distribution. Originally applied in agriculture, it drew more and more attention after the 19th century and spread rapidly. From economic, social, business and customers’ angles, the property of its definition can be determined (Li Zongru, 2004). Various definitions are as shown in the table below:

Table 1: Definitions of Marketing

Year	Scholar	Definition
1984	McCarthy & Perreault	Marketing is intrinsically a self-motivated exchange relationship. By confirming customers’ demands, needs of individuals and organizations are fulfilled and gains of profits are achieved through this exchange relationship.
1990	Drucker	The aim of marketing is for a business to fully acquaint with and understand customers to enable products or services to suit customers and at the same time promote the business itself.
1995	Li Yihong	It guides an organization to ascertain and meet the desire and demand of its target market in order to provide services more efficient than its competitors.
1998	Kotler	It is a process to satisfy human needs and desires through transaction.
1999	Xu Changtian	It purports a series of human activities by way of investigation, analysis, prediction, product development, price setting, promotion, transaction and actual sales skills to meet the needs of all walks of life for products or services.
2001	Qiu Changtai	Marketing is the process to recognize, anticipate and satisfy the needs of customers.
2004	American Marketing Association (AMA)	Marketing is an organizational function and procedure of creating, communicating and delivering value to customers, and managing customer relations to benefit the organization and concerned interest parties.
2006	Lyu Weiyun	For enterprises, the short-term target of marketing is the process to help achieve exchange of products or services to satisfy the needs and desires of customers.
2007	Jian Shichao	Marketing is a “process,” not a single business operation. When correctly executed, marketing is the process of a series of decisions in which marketing managers determine the strategies that can help the company achieve its long-term goal and employ available instruments to execute these strategies.
2007	Huang Junying	Marketing is a set of procedures to create value for customers and establish customer relations to benefit both the organization and its customers.

Source: Arrangement by this study

Combining the above, “marketing” is defined in this study as “a mode of exchange of commodities or services at prices acceptable to customers in order to meet the needs of individuals and organizations.”

Definition of Advertising

The term “Advertising” first appeared in the 17th century. It has its root in the Latin word “advertere,” which means, “to make people notice or know.” It can be roughly explained as “to extensively notify the public.” According to the *Dictionary of Chinese Etymology*, the Chinese definition of advertising means, “openly announce to the public,” with the annotation of “such as putting up notices or publishing advertisements in newspapers.” (Yan Boqin, 1978) Various definitions of advertising are shown as in the table below:

Table 2: Definitions of Advertising

Year	Scholar	Definition
1961	Colley	Advertising is the use of public media at a price. Its purpose is to convey information, change people's attitudes toward the advertised product, and induce purchase behavior to benefit the advertiser.
1978	Krugman & Arnold	Advertising is paid delegation of communication of messages by an organization or individual through various media to enable the public to identify the advertiser's product or service.
1987	Xu Shuifu	Advertising is a medium between the advertiser and the consumer, in other words, a persuasive intelligence activity to convey information about and promote sales of products or services.
1992	Guan Xinsheng	Advertising is a communicative and persuasive activity paid for by the advertiser to appropriately convey messages to specific targets through appropriate media at the appropriate time for the purpose of persuasion in a planned and systematic approach.
1998	Yang Zhi	1. Advertising is an activity of information exchange to promote market activity for businesses. 2. Advertising is information exchange techniques to make people aware of products and services and persuade them to purchase the said products and services.
2000	Xu Anqi	1. There is a specific advertiser. 2. It is paid communication. 3. It is non-interpersonal communication. 4. It sells ideas, commercial products or labor.
2002	Li Yanzu	Advertising is planned extensive publicity for a commercial product or service to generate, maintain and expand product sales or service range.
2004	Liu Jianshun	Advertising is a methodical, organized, impersonal communicative and persuasive activity paid for by specific advertisers to promote commercial products, (including tangible products, services, ideas, etc.)
2006	Wang Yuxiong	Advertising is communication of information about an organization and its products through mass media to target viewers or audiences.
2007	Hunag Manqin	Advertising is impersonal communication paid for by specific advertisers as an attempt to persuade and influence consumers through public media.

Source: Arrangement by this study

With the abovementioned combined, "advertising" is defined in this study as "planned conveyance of information about business products or services to the target public to induce purchases."

CURRENT STATUS OF THE AUTO INDUSTRY

Current Status of the Auto Industry Worldwide

In 2007, the auto markets in China, India and Latin America will continue to expand, but, affected by the loss of momentum in economic growth, the mature car markets in the United States, Canada, West Europe and Japan will weaken. The current auto market status in these countries is as shown in the table below:

Table 3: Current Status of the Auto Industry Worldwide

Region	Current Status
Chinese Market	In China, 80% of car owners are car owners for the first time. Foreign ventures like GM, Volkswagen, etc., may occupy as large as 75% of the market, yet local makers such as Geely and Chery who aim at small and medium size sedans are coming strong at a remarkable annual growth rate of 50%. In the 40% boost on the Chinese auto market in 2006, small and medium cars were the biggest growers, accounting for two thirds of the total sales which stood at 4.1 million units, exceeding the 3.4 million units sold in Germany, became the world's third largest auto market and continued to increase in 2007.
Indian market	Only 1% of Indians own cars. Annual sales are expected to increase to 2 million cars. The only local carmaker Maruti Udyog dominates the Indian market, accounting for half of the market. As a consequence, GM, Suzuki and Hyudai have made plans to invest over 5 billion US dollars as an attempt to have a piece of the pie which is predicted to multiply by four-fold in the next decade.

Latin America	Latin America has enjoyed a 4% economic growth for four consecutive years and car sales in 2007 have also maintained at a steady increase rate. Brazil and Mexico are the two largest auto markets in Latin America, while Peru showed an amazing increment of 41% in car sales in the first three quarters of 2006 and continued to move up at a strong double-digit growth. Peru has been one of the countries with the lowest auto possession in Latin America, with an average of 24 cars per thousand people and measuring merely 20% of the average throughout Latin America and the Caribbean.
US market	Compared to economically underdeveloped markets, the US car market in 2007 appeared sluggish. Since 2001, American families have spent as much as 1000 billion dollars on home purchases and this has weakened their ability to buy new sedans and light trucks to a certain extent. The budgets of American families for new automobiles have dropped to the lowest point since 1970. Plus the impact of oil price hikes and decelerated economic growth, car sales in 2006 fell 3% to 16.5 million units.
Canadian market	In Canada, sales of new cars and light trucks has been projected at 1.61 million units for 2007. Compared to the 1.61 million cars sold in 2006, the reduction would be around 70,000 cars.
Western Europe market	The Western Europe car market had a small increase in 2006 but high oil prices inflicted a negative impact on the positive effect brought by economic growth and consumer confidence upgrades. Germany, the largest auto market in West Europe, raised its value added tax by 3% to 19% in Jan. 2007. This not only would seriously affect consumers' buying power but also actually caused the release of buying power before the end of 2006. As a result, the performance of the current Western Europe auto market has been mediocre.
Japanese market	The car market in Japan suffered a 5% slump in 2006. The total sales in 2007 were around 4.5 million cars, suggesting it might be possible to reach the average sales in the previous decade, although the benchmark of 5.1 million car sales in 1990 would be a tough target. This is probably due to Japan's population of people over 65 years of age, which takes up 20% of the entire Japanese population. Sales of new automobiles are therefore limited. During peak sales periods in the past, the population of people above 65 years old was only 12%.

Source: China's Machinery and Electric Products Export Guidance (2007), arrangement by this study

Current Status of Domestic Car Industry

Current Sales Status

The total car sales in 2007 in Taiwan were 326,777 units. Compared to the 366,331 cars sold in 2006, the margin was not small. Data from DMV show that the number of cars Taiwanese people owned has not gone down. The big market decline has derived from consumers' delay on car replacement. As overall consumer confidence is weak and car quality in recent years has been reliable, most car users have chosen to stick with the cars they have, as long as they can still run. Surveys conducted by carmakers reveal that car replacement took place at the average of 8 years in 2006, but by 2007, the time has been extended to 10 years. Taiwan's auto market is a mature one. 80% of new car purchases come from owners changing their cars. When these owners decide to postpone the replacement, car sales are naturally greatly affected. Sales rankings are as shown in the table below:

Table 4: Accumulated Sales Ranking of Various Brands in 2007 (locally made and imported)

Ranking	Brand	Sales	Compared to 2006	Market share	Leading margin
1	Toyota	104,834	97.6%	32.1%	-
2	Mitsubishi	46,765	83.7%	14.3%	58,069
3	Nissan	35,791	89.2%	11.0%	69,043
4	Honda	28,356	129.1%	8.7%	76,478
5	Ford	24,898	82.4%	7.6%	79,936
6	Mazda	17,464	72.3%	5.3%	87,370
	Total market	326,777	89.2%		

Source: Taiwan Auto Market Sales Report, December 2007, arrangement by this study

Current Profile of Advertising

According to surveys by Nielsen Taiwan, Taiwan Mitsubishi was the top spender on advertising in 2006, but, compared to the 540 million Taiwan dollars it spent in 2005, the restraint was obvious. Ford, on the contrary, took a complete turn from its previous overall close-fisted advertising spending and invested over 317 million, at a 10%

increase from 2005, to become no.2. Toyota took the third place as usual. At the fourth place, Nissan had tightened its pocket, compared to former years, reducing its advertising expenditure from 479 million in 2005 to 290 million. Among imported labels, Taiwan Daimler Chrysler, who also owned Mercedes Benz, spent the most on advertising.

Table 5: 2006 Advertising Spending Ranking of Domestic Carmakers

Ranking	Carmaker	Advertising spending
1	Mitsubishi	About 363 million
2	Ford	About 317 million
3	Toyota	About 297 million
4	Nissan	About 290 million
5	Mazda	About 191 million

Source: 2006 Nielsen Taiwan Advertising Monitoring Service, arrangement by this study

In 2006, Nielsen also performed an advertising awareness survey on domestic auto makers. It showed that, despite being the biggest spender on advertising, Mitsubishi Motors In Taiwan was not the most well known brand but ranked only number 4 in advertising awareness. Toyota, the 2006 sales champion and no.3 spender in advertising spending among domestic carmakers, took the first place in advertising awareness. This proves that advertising spending does not guarantee results. Advertising awareness ranking is as shown in the table below:

Table 6: 2006 Advertising Awareness Ranking

Ranking	Carmaker	Advertising awareness index
1	Toyota	85%
2	Nissan	82%
3	Ford	77%
4	Mitsubishi	73%
5	Honda	72%

Source: Nielsen (2006), arrangement by this study

Label Image

As cars belong to high-involvement products, label image therefore may be the most important factor in consumers' consideration when shopping for a car. According to 2007 E-ICP Marketing Database, the overall label image ranking of domestic automobile makers are Toyota, Mitsubishi and Nissan. Toyota not only was rated no.1; it is ahead of the second place by a much larger leading margin than what is between the 2nd place and the 3rd place. This shows Toyota has a good label image. Label image ranking is as shown in the table below:

Table 7: 2007 Label Image Ranking of Domestic Carmakers

Ranking	%	Best image rating	Better image rating
1	Toyota	34.2	70.1
2	Mitsubishi	20.9	58.9
3	Nissan	14.2	52.7
4	Ford	12.3	40.2
5	Mazda	7.9	26.8
6	Honda	5.3	26.4
7	Suzuki	2.3	10.5
8	Hyundai	2.3	8.8
9	Formosa	0.5	4.2
10	Others	0.2	0.2

Source: 2007 E-ICP

Purchasing Considerations

Most consumers consider practicality when shopping for cars. Some consumers merely regard automobiles as means of transportation, while some others prefer a vehicle that can accommodate the entire family for outings. Some other consumers look at an automobile as a symbol of social status that can reflect the taste and preferences of its owner. In general, the majority of consumers choose cars and labels that suit their needs. However, as oil prices continue to soar, all consumers wish to buy cars that are reasonably priced, decent in all aspects, and fuel-efficient.

According to surveys by Eastern Online, a consumer research organization, on 1.8L and 2.0L car owners, when shopping for cars, their top five considerations are, in the order of importance, price, performance, fuel-efficiency, appearance and safety. This means buying a car at the most reasonable price, nice looking and fuel-efficient is consumers' biggest objective. In addition, females (38.9%) value the appearance of automobiles more than males (21.7%), except the older people get, the less they care about the appearance but the more they pay attention to safety. Over 34% of car owners between 25 and 29 and between 35 and 39 thought performance/horsepower was an important consideration. Consumer considerations when shopping for cars are as shown in the table below:

Table 8: Car Purchase Considerations in 2007

Ranking	Car shopping consideration	%	Ranking`	Car shopping consideration	%
1	Reasonable price	45%	7	Fine and comfortable interior	13.2%
2	High performance and horsepower	30.3%	8	Durability and low malfunction rate	9.7%
3	Fuel-efficiency	29.7%	9	Spacious interior	9.0%
4	appearance	26.8%	10	Equipment completeness	8.7%
5	Safety	23.8%	11	Company service availability	7.7%
6	Good label image	16.8%	12	Good reputation	6.3%

Source: 2007 E-ICP

INDIVIDUAL CASE ANALYSIS

The objects of research in this study are Toyota, Mitsubishi and Nissan, as these are the three best-selling domestic makers and the three best image labels. The analyses are conducted in line with their best selling models and their latest TV commercials in 2007.

Mitsubishi

Mitsubishi's Car Advertising Strategy

1. Use of Media: Besides beefing up TV commercials, TV (live news report), print, radio and movie theater media are also used.
2. Based on existent product strengths, the label image for the entire car series and sustenance of the positive impression toward the brand name are developed.
3. In line with consumer needs, appropriate brand name commitments are given and sensible and reasonable economic value is created to strengthen the attachment between car owners and commercial vehicles to allow car owners to have a fine expectation and build a promising future for the label as well.

Examination of Mitsubishi Car Commercials – Colt Plus

1. Commercial Focus
 - (1) Built-in tailgate remote control in the car key: Car owners only need to press the remote control to open and close the tailgate. On a rainy day or when both hands are occupied, the owner will still be able to open the trunk to load in objects with ease.
 - (2) One-touch fast recline backseat: All it takes is one touch to recline the backseats to create the trunk space.
 - (3) Adjustable trunk space partition: There is a hidden space under the trunk. The owner only needs one hand to recline the back of the backseat to any intended height. This allows flexibility in the use of the space. For some female owners who are not so strong physically, tilting the seat back will longer be a laborious task.

2. Advertising Appeal:

“Make life easier” is the overall appeal of Colt Plus. In the commercials, it is mentioned that life may be “Not easy” but Colt Plus allows you to “Take it easy.” One single touch to open the tailgate, the fast recline backseat, and the hidden adjustable partition to enlarge the trunk space make loading an easy job and rid the trouble of stacking quizzes.

3. Chief Target Consumer Groups:

Colt Plus was principally designed for office workers between 24 and 35 who are constantly under pressure and leading a busy life. It is aimed to simplify the life pace of busy office workers.

Nissan

Nissan’s Car Advertising Strategy

1. Emphasis on Comparative Advertising

Nissan’s earlier two-step comparative advertising first outdid the commercials for the imported Camry, then outshone those for Rolls Royce, and eventually established Cefiro’s label status.

Today, Livina’s TV commercials advertising its “one vehicle with the functions of three” may not have directly named its rivals, but any one with a good sense can see at a glance that Toyota’s Yaris and Wish and Honda’s CR-V are all in the picture – the image of “reeling and losing its directions” and “getting surpassed by Livina” is reserved but exactly to the point.

2. Nissan’s commercials are mostly aimed to make the strengths of its products stand out.

Examination of Nissan Car Commercials - Tiida

1. Commercial Focus

The commercials for Tiida are chiefly to stress its “magical large space” and “miraculously low fuel consumption.”

2. Advertising Appeal:

The principal appeal of the Tiida models is “minimized machine space,” “maximized seating room,” and enlarged interior of the vehicle.

3. Chief Target Consumer Groups:

- (1) The target groups in Taiwan are small consumer groups such as people born in the seventies and eighties, small families, and single men and women.
- (2) In the US the target group is independent females around 30 years old, with a successful career and looking for a balance between life and living.

Toyota

Toyota’s Car Advertising Strategy

1. Use of Media: Newspaper ads, TV commercials, posters, large outdoor billboards and the Internet – such as banners on auto websites – are adopted.

2. Free games are incorporated in commercials.

3. Event Sponsorship: Sponsorship for 2007 Taipei 101 Stair-climbing Contest is an example.

Camry Examination of Toyota Car Commercials – Camry

1. Commercial Focus

- (1) Push-start engine activation control system
- (2) 277 horsepower – the largest among domestically made cars
- (3) ACC cruise control system

2. Advertising Appeal

“Streamlining without losing stateliness” is the principal appeal

3. Chief target Consumer Groups:

- (1) In the Greater China region, Camry is targeted at successful business people between 40 and 50 years of age.
- (2) The American Camry has a young and free spirit appearance and is targeted at people between 18 and 25.

Five Forces Analysis

Figure 1: Five Forces Analysis

Source: Arrangement by this study

1. Potential Competitors

Taiwan's auto market has long been near saturation. The auto industry in Taiwan can be regarded as mature. Several big carmakers, such as Toyota, have secured their leading positions on the market. The rise of environmental protection awareness has resulted in strict government regulation on environmental protection criteria for automobiles. Enormous amounts of capital, equipment and technology would be needed for new entrants to get a foot in the market and therefore become an entry hurdle. New entrants would therefore find themselves in a more disadvantageous position.

2. Existent Competitors:

The better-known auto brands in Taiwan are big names like Toyota, Nissan, Honda, BMW, Benz, Ford, etc. There is no obvious sign of concentration; no one big label is able to monopolize the entire auto market. Today, the global auto market has been integrated into six major groups, namely Renault-Nissan, VW, Toyota, Daimler-Chrysler, Ford and GM. They occupy over 84% of markets across the globe. In Taiwan, Toyota, Mitsubishi and Nissan are the top three carmakers, accounting for 58% of the market.

3. Threat of substitute products

Taiwan has moved onto the rank of developed countries. Public transportation such as busses, the MRT, etc., are readily available in big cities. Bicycles and motorcycles are highly mobile, easy to park, and cheaper compared to cars. At the same time, trains, the high-speed rail and airplanes make good substitutes for cars for long journeys. On the other

hand, cars do have their advantages such as convenience and comfort to alleviate the threats from bicycles, motorcycles, trains, the high-speed rail and airplanes to a certain degree. But car rental services, such as Carplus, that have been gaining popularity in recent years offer long-term leases up to 3 to 5 years. Besides supplying temporary means of transportation, they can also satisfy customers who like changes and are attracted to new things and thus form a bigger threat.

4. Bargaining Power of Suppliers

For most auto component suppliers, most parts for automobiles using conventional fuels have already been modularized. Plus cancellation of local content rate and reduction of auto component tariffs have given carmakers more flexibility in purchasing, as well as the opportunity to upgrade their product levels and lower their cost pressure. This has led to the weakening of suppliers' bargaining power.

5. Bargaining Power of Customers

Thanks to free trade policy in the global auto industry, consumers have more label options of similar quality and function when shopping for cars. Moreover, on the almighty Internet, car-related websites provide thorough information and consumers are able to access relevant information and price comparisons. Their bargaining power has thus been relatively upgraded.

SWOT Analysis of Toyota, Mitsubishi and Nissan

Table 9: SWOT Analysis of Toyota, Mitsubishi and Nissan

	Toyota	Mitsubishi	Nissan
Strengths (S)	<ol style="list-style-type: none"> 1. Aiming at the needs of Chinese-speaking customers, commercials in Chinese languages are made and broadcasted through various Chinese media. 2. Games are incorporated in commercials to attract more attention. 3. Stars are invited to speak for its products. 	<ol style="list-style-type: none"> 1. The commercials combine production and marketing originality. 2. Touching commercials are made to reach consumers. 	<ol style="list-style-type: none"> 1. Comparative advertising is adopted. 2. The commercials are lively and attractive.
Weaknesses (W)	<ol style="list-style-type: none"> 1. Advertising spending is high. 2. Top decision makers are not aware of the sense of value of younger generations today. 	<ol style="list-style-type: none"> 1. The biggest spending on advertising has not brought expected brand name awareness. 	<ol style="list-style-type: none"> 1. Advertising spending is high. 2. Comparative advertising has brought backlashes from related businesses.
Opportunities (O)	<ol style="list-style-type: none"> 1. Internet platforms. 2. Internet advertising. 3. Advertising in cooperation with blogs. 	<ol style="list-style-type: none"> 1. Internet platforms. 2. Internet advertising. 3. Advertising in cooperation with blogs. 	<ol style="list-style-type: none"> 1. Internet platforms. 2. Internet advertising. 3. Advertising in cooperation with blogs.
Threats (T)	<ol style="list-style-type: none"> 1. Commercials are received differently in different cultures. 2. Low viewing rates result in unsatisfactory results of TV commercials. 	<ol style="list-style-type: none"> 1. Commercials are received differently in different cultures. 2. Low viewing rates result in unsatisfactory results of TV commercials. 	<ol style="list-style-type: none"> 1. Commercials are received differently in different cultures. 2. Low viewing rates result in unsatisfactory results of TV commercials.

Source: Arrangement by this study

CONCLUSIONS AND SUGGESTIONS

Conclusions

The "2007 Car Purchase Considerations" in this study shows that among the major considerations for car purchases, the three top factors consumers value are, in the descending order, price (45%), performance and horsepower

(30.3%), and Fuel efficiency (29.7%). This implies that advertising spending and sales do not necessarily have a direct relationship. Consumers' chief considerations are determined in line with their actual needs. The influence of advertising is limited.

Consumer groups, geographic regions, population structures and psychological analysis lead carmakers to establish different target groups for various car models: for example, for the Greater China region Toyota designed Camry as a commercial vehicle and targeted it at successful business people between 40 and 50 years old in China and Taiwan. The American Camry has a young and free spirit appearance and is targeted at the age group of people between 18 and 25. Nissan's Tiida is aimed at the market of smaller groups such as people born in the seventies and eighties, small families and single men and women. In the US, Tiida's target group is independent and hardworking females around 30 years of age with a successful career. Mitsubishi's Colt Plus is aimed to simplify the trivialities in life for office workers between 24 and 35 years old who are under constant pressure and leading a busy life.

Great numbers of car commercials can be seen everyday, but only those with unique advertising strategy and differentiation are able to create unrivaled competitive edges. This study has come to the conclusion that Mitsubishi's advertising strategy is focused on the rational and sensible value of products. Apart from the product's own strengths, the emotional connection with the consumer is also emphasized. Nissan is good at utilizing comparative advertising to stress the qualities of its products through comparisons. Toyota is more diverse with its choice of advertising media, such as combining online games in its commercials to increase attraction and sponsoring events to build its label image.

Suggestions

Rapid advancement of technology is reducing the effect of TV commercials by the year. Besides the use of the Internet, this study suggests, in order to increase sales, Toyota should increase its marketing promotion of experiencing activities such as the "complete test ride" to allow consumers to break from the Internet and their imagination and have the opportunity to really feel the advantages and disadvantages of an automobile. Carmakers should also bear in mind that since cultures vary in different countries, they must understand the local culture before releasing new commercials, in order to avoid any misunderstanding because of cultural differences. And of course, offering some small gifts at test ride activities can always increase the interest and willingness of consumers to participate.

As every carmaker uses all available media like TV, newspapers and magazines, and advertising billboards to advertise, it makes using advertising to attract consumers' attention more and more difficult. Moreover, the costly spending on advertising apparently does not guarantee results. Take Mitsubishi for example. After spending the most on advertising in 2006, it only ranked number four in advertising awareness. Needless to say, carmakers must choose their advertising media carefully to maximize advertising effects and reduce advertising cost. In addition, continuing advancement of technology generates more and more choices in available advertising media. Carmakers should choose their advertising media in line with the trends of the era. Besides stimulating the visual sense of consumers, they can also put some emphasis on senses of hearing and feel to achieve advertising results, such as Toyota's use of MSN commercial games to promote its products, for instance. There is yet the option of inviting stars to speak for different models with different appeals to increase their public awareness.

REFERENCES

- Car Reviews Net, <http://www.carreviews.com.tw/?cat=42>
- CARNEWS.COM, http://www.carnews.com/detail/2007-10/18/article_view_11653.htm
- China Motors, <http://www.china-motor.com.tw/>
- China's Machinery and Electric Products Export Guidance, <http://big5.mofcom.gov.cn/gate/big5/mep128.mofcom.gov.cn/mep/yjfx/156970.asp>
- Colley, D. (1961). *Defining Advertising Goals for Measured Advertising Results*. NY: Association of National Advertisers.
- Dong Jiayong (2007), *A Study of Consumers' Attitude toward Outdoor Advertising – Using Multimedia Billboards as an Example*, Department of Business Administration, National Dong Hwa University, unpublished master's thesis.
- Drucker, P. (1990), *Managing the Non-Profit Organization: Principles and Practices*. New York: Harper Perennial.
- Eastern Online, <http://www.isurvey.com.tw/>
- GOODNET.COM.TW, http://www.goodnet.com.tw/idea_see.asp?oneid=23&passed=&upd=-20&sql1=

- Guan Xingsheng (1992), *Advertising Design*, p.1.
- Huang Junying (2007), *Marketing Theory*, Taipei, Huatai Publishing, p.4.
- Huang Manqin (2007), *Advertising Theory and Practice*, Taipei, Peisheng Publishing, p.4.
- Jian Shichao (2007), *Marketing*, Taipei, Peisheng publishing, pp.40-42.
- Kotler, Philip. (1998), *Marketing Management: Analysis, Planning Implementation and Control*, 7th ed., New Jersey: Prentice Hall International Inc.
- Krugman, D. M. & Arnold, M. B. (1978). Cable Television and Advertising: An Assessment. *Journal of Advertising*, 7, pp.4-8.
- “Life in North America”, Chinese News Net, <http://life.chinesenewsnet.com/?p=6898>
- Li Yanzu (2002), *A Collection of Visual Communication Designs*, p.87.
- Li Yihong (1995), *Tourism Marketing*, Taipei, Wunan Publishing.
- Li Zongru (2004), *Marketing management – Application and Practice of Concepts*, Taipei, Sanmin Publishing, p.2.
- Liu Jianshun (2004), *Modern Advertising*, Zhisheng Publishing.
- Lyu Weiyun (2006), *Local Retirement – The Model of Tainan County Village Care Centers: A Policy Marketing View*, Department of Political Science, National Chung Cheng University, unpublished master’s thesis.
- McCarthy, J. E., & Perreault, D. W. (1984), *Basic Marketing*. Homewood, Illinois: Irwin, R. D. Inc.
- Nielsen Car Commercial Quantity Survey 2006, <http://tw.mb.yahoo.com/auto/board.php?bname=152957729&action=m&tid=146559>
- Nissan Taiwan, <http://www.nissan.com.tw/>
- Official website of the Third Department of Directorate-General of Budget, Accounting and Statistics, Executive Yuan, <http://www.dgbase.gov.tw/dgbas03/stat-n.htm>
- Qiu Changtai et al (2001), *Policy Analysis*, Taipei, National Open University, p.20.
- Taiwan Auto Market Sales Report, November 2007, http://auto.msn.com.tw/autonews/indnews/autonews_newspage.asp?newsid=6756
- Taiwan Transportation Vehicle Manufacturers Association, <http://www.ttvma.org.tw/>
- Toyota Motors, <http://www.toyota.com.tw/>
- Wan Yuxiong (2006), *Economic Analysis of Multinational Enterprises’ Creation of Brand Name Charms through Advertising*, Department of International Business Management, Dayeh University, unpublished master’s thesis.
- Xu Anqi, & Fan Zhiyu (2002), *Advertising Theory*, p.3.
- Xu Changtian (1999), *Marketing*, Taipei, Yangzhi Publishing, p/26.
- Xu Shuifu (1978), *Advertising* (Vol.2), Taipei, Longteng Publishing, p.2.
- Yan Boqin (1978), *Advertising*, Taipei, Sanmin Publishing.
- Yang Zhi (1998), *Advertising Psychology*, p.12.
- Yulong Motor Company, <http://www.yulon-motor.com.tw/>