Relations with Customers

**Toyota’s Customer First Policy**

Since its founding, Toyota has carried out corporate activities based on the concept of “the customer always comes first.” All divisions keep in mind our policy of “customer first, quality first” in all their activities, and the entire Toyota Group works together in responding to customers.

In addition, customer opinions sent directly to Toyota are received sincerely and Toyota responds to them in good faith. Valuable feedback is also provided to involved departments so that the information can be used in improving Toyota’s corporate activities.

**Enhancing the Customer-response System**

The Customer Relations Division is “the division within the company in direct touch with customer needs.” The staff is striving to improve customer satisfaction by providing rapid, precise, and cordial responses to customer consultations so that customers feel a sense of security and confidence in Toyota, and by reflecting customer opinions in product development, sales, and after-sales activities so as to further enhance customer satisfaction.

The Customer Assistance Center, the main contact point for customers with the Toyota brand, has been operating 365 days a year since January 2004, and its operating hours were extended by two hours to 9:00 a.m. to 6:00 p.m. in order to enhance customer convenience. In addition, to respond to diversifying means of access, customers can now call toll free from cell phones.

The number of calls to the Customer Assistance Center is increasing each year. In 2004, in addition to the operating hours being extended, the system of response was reinforced and publicity was conducted through newspaper and magazine advertisements, resulting in a 33% increase in calls compared to the previous fiscal year, to 326,000 calls, most of which were consultations or inquiries.

On April 1, 2005, the Lexus Customer Center was opened in preparation for the August launch in Japan of the Lexus brand to provide customers with detailed proposals and suggestions.

In addition to the Customer Assistance Center, Toyota has also established Customer Consultation Telephone Lines at all 294 Toyota brand dealers in Japan (as of May 2005).

**Disseminating Customer Information Internally**

Based on our desire to provide appealing products and services in response to customer needs, Toyota is publishing opinions and requests received from customers on the company’s intranet so that the information can be viewed by all employees. In addition, the Customer Assistance Center conducts hands-on training and holds internal exhibits to create a forum for employees to hear the actual opinions of customers. The Center also holds talks at plants and related companies to promote the “customer first” policy.

Customer relations training is also conducted at domestic dealers to enhance customer response capabilities, and the Customer Handling Tips is published four times a year to provide information on customer opinions and requests, and to introduce examples of dealer best practices and customer satisfaction activities in other industries.

**Quality Assurance**

Based on the concept of “quality first,” Toyota has given all divisions, including those responsible for planning, development, production engineering, production, purchasing, and sales, responsibility for ensuring product quality, and each division undertakes activities based on the company-wide policies adopted by the Quality Group concerning quality functions.

Toyota’s efforts take the following three principal directions.

1. All Toyota products and services must meet customer expectations and comply with the laws of the particular country where business is conducted; preventive action must be taken to
ensure that quality issues do not arise.
(2) If issues do arise, the causes should be swiftly elucidated and countermeasures initiated; appropriate action should be taken regarding products that have already been sold to enable early detection and early resolution of issues.
(3) Conduct audits to confirm whether each division is taking appropriate action to maintain high quality levels; work on any areas that require improvement.

Early Discovery and Early Resolution of Quality Issues

For the past several years, in conjunction with the increasing globalization of business, Toyota has been promoting activities to accelerate the implementation of measures to obtain information from markets quickly and convey it directly from the source to the relevant departments. As one part of these efforts, in 2003, the separate departments in the Overseas Service Division and the Quality Division that dealt with market issues were removed from these divisions and an independent department called Customer Quality Engineering (CQE) was established on a trial basis at Toyota's North American distributors with additional responsibility for design and manufacturing. With the establishment of CQE, market issues can be discovered and resolved more promptly, and it will be expanded to other regions, including Europe and Asia. The Customer Quality Engineering Division was created as a Japanese version of CQE (J-CQE) in January 2005. Toyota is also working to reinforce local structures in regions around the world in order to obtain information quickly and implement quality improvement in a timely manner.

Procedures and System for Recalls

In a case where product defects are discovered and it is deemed necessary to take measures to correct them, responses such as those below will be implemented.
(1) Contacting the authorities in accordance with procedures stipulated by the laws of each country
(2) Notifying customers through newspapers or by direct mail and providing explanations at the dealer
(3) Placing a notice on the relevant website
(4) Collecting products and repairing them free of charge

Protection of Personal Information

Measures Concerning Dealers

With the Personal Data Protection Law having come into effect in April 2005, there is a need for a particularly careful response on the part of dealers, since they frequently handle customer information. Dealers are responsible for protecting customers’ personal information, and to support their activities Toyota carries out educational activities, encourages thorough compliance with all applicable rules, and provides backup support.

In order to conduct educational activities, Toyota produced and distributed Personal Information Protection Guidelines in July 2003 and held briefings for all domestic dealers through December of that year. Individual briefings were also held in response to requests from dealers.

In August 2004, Toyota conducted a questionnaire survey of all 295 domestic dealers to determine problem areas and clarify current conditions. The survey asked about the current status of systems concerning protection of personal information, identification of personal information, protection policies, and training systems.

Based on the results of the survey, individual reports and check sheets were sent to all 295 dealers. The items that need action indicated in the reports were divided into those that should be addressed by December 2004 and those that should be addressed by March 2005. Dealers were requested to take action based on the check sheets.

Toyota plans to continue its educational activities to encourage thorough implementation of the guidelines.

Physical Security

In addition to promoting thorough implementation of the guidelines, Toyota is also taking measures with regard to its information systems to reinforce physical security.

Thorough risk management is implemented, such as avoiding leaving the PAL (Partner of Auto Life) devices that marketing personnel use in vehicles, not to mention reporting when a PAL device is taken off site. In addition, disk encryption tools have been installed. Toyota is currently working on development of systems that allow only the necessary minimum of information to be taken off site.

The ai21 system introduced to dealers has a number of security measures including limiting access to large volumes of data to individuals with access rights and maintaining a log of data accesses.

1. PAL: A notebook PC type sales activity support tool
2. ai21: An integrated operations system introduced to group dealers

Responses in Times of Emergency

Prevention is the most important element of protecting personal information, but if a disclosure or leak of information should occur, rapid responses are essential.

In responding to a situation, it is important to immediately gain an accurate understanding of the facts. Then the expansion of harm must be prevented by notifying customers, reporting to the relevant authorities, and making announcements through press releases and other means.

The cause of the situation must then be determined and measures taken to restore the situation as well as to prevent a recurrence. Toyota is encouraging dealers to minimize harm by taking this type of rapid action.

Future Action

With the Personal Data Protection Law having come into effect, continued educational activities to enhance individual awareness are essential. It is also important that dealers uncover new risks through internal audits and other means, and continuously conduct improvement activities. Toyota will continue to provide appropriate information to dealers to support their activities.
Universal Design

Making User-friendly Vehicles

Toyota’s Universal Design

Toyota’s initiatives with regard to universal design have been promoted within the framework of efforts to make user-friendly vehicles. Based on the idea of “diversifying needs and the vehicles to respond to them,” Toyota’s vehicle development hitherto has reflected expertise in ergonomic considerations and the scenarios in which vehicles are used, but in order to do this in a more systematic, objective, and universal way, in March 2003 Toyota announced original universal design evaluation indices.

The first index, Toyota’s Ergo-index,* evaluates vehicle performance from an ergonomic viewpoint. It features 180 ergonomics-based evaluation items, which have been arrived at through the collective experience of developing numerous different vehicles, and are used to evaluate various vehicle attributes from the viewpoint of human characteristics. The second index, Toyota’s Situational Suitability Index is used to quantify the degree to which a vehicle meets the customer’s needs (how and in what situation a vehicle is used), for instance how easily the doors can be opened and closed with one’s hands full. The two indices will be applied from now on as Toyota works on its conception of a user-friendly vehicle.

*Ergo-index: Coined by Toyota from “ergonomics” and “index”

Please see p. 85 for details on universal design

Examples of Universal Designs Adopted in Vehicle Series Launched in FY2004

Porte
The entrance is wide and the step low, facilitating easy ingress/egress

Isis
1. There are no variations in height of the luggage space floor and it is at an optimal height for easy placement and removal of items
2. An umbrella can be opened inside the Porte
3. Seat arrangements can be changed easily

Toyota Universal Design Showcase

The Toyota Universal Design Showcase at the MEGA WEB car theme park situated in a waterfront area in Tokyo exhibits more than 400 universal design items made by Japanese and overseas manufacturers spanning various industries, in addition to displays covering Welcab vehicles and other Toyota initiatives. Toyota also regularly holds a Universal Design Trial Seminar that allows visitors to experience universal designs and gain an understanding of how inconvenient it would be if they couldn’t use their hands.

Since the showcase opened in April 2004, visitors from diverse walks of life have visited the pavilion, with the cumulative number of visitors exceeding 500,000 in May 2005.

Popularity of Welcab Vehicles

Toyota has undertaken the development and popularization of Welcab vehicles (specially equipped vehicles with factory-installed features for disabled people), under the philosophy of offering all people easy mobility. Toyota has positioned the Welcab series as one form of universal design.

Against the social background of an aging society and the development of a welfare society, the need for vehicles for disabled people is growing every year, and in response Toyota has enhanced its lineup of Welcab vehicles. In 2004, Toyota sold 17,636 Welcab units, a more than ten-fold increase from ten years ago.

Toyota is also working to create a site where customers who need Welcab vehicles can see and touch the actual vehicles.

Welcab general display spaces, known as Toyota Heartful Plazas, have been opened in eight locations from Sapporo to Fukuoka. By the end of December 2004 more than 120,000 people had visited the sites. Dedicated staff are on hand to consult on the right choice of vehicle for each individual and on customization. The Plazas hold regular events, disseminate information, and provide feedback concerning customer opinions to Toyota’s development divisions.

In addition, permanent displays at showrooms and dealers are being steadily expanded. The Toyota website also provides a “Welsearch” function that allows customers to find the nearest display site.

Overseas Initiatives Concerning Vehicles for the Disabled

Overseas, Toyota is using the technologies it has developed in Japan to promote the use of vehicles for disabled people that will generate high customer satisfaction. Toyota’s initiatives vary according to different conditions in different countries and regions, but the concept of the Welcab is the same throughout the world.

In the United States, Toyota has been cooperating with a local manufacturer of equipment for disabled people to provide specially-equipped vehicles since 2003 and is implementing a support program. Also, Toyota became the first automaker to market vehicles for disabled people in South Korea, Singapore, Taiwan, and Hong Kong in 2004. Toyota plans to begin sales of such vehicles in Canada, Europe, Australia, and Saudi Arabia in 2005.

Sales of Welcab Vehicles and Market Share

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Please see p. 42 for details on Universal Design Houses in Atolis Park Kariya where visitors can experience universal design options first hand