



Guest experience

We are committed to putting our guests at the centre of everything we do, and creating Toyota fans for life. We are working with our dealers to develop ongoing relationships with guests that extend far beyond the purchase decision to the whole vehicle ownership cycle.

Franchise of the Future

We have begun shifting our culture away from a purely sales target model towards one where our guests are at the forefront of everything we do, and where guest satisfaction is a core measure of success. This process began in 2015/16, when Toyota Australia began referring to our customers as 'guests'. We aim to deliver quality at every single guest touch point.

Franchise of the Future is our program to support dealers through this transition, which is a response to challenges facing Toyota Australia in the market, including pressure on guest satisfaction, declining market share (since peaking in 2008 at 23.6%, our market share had dropped to 17.8% by 2015), reduced brand awareness and diminishing guest loyalty.

Our dealers already provided an excellent guest experience; in 2015 a record two-thirds of dealers were awarded the maximum five-star customer rating. However, Toyota is now raising the bar by focusing not just on guest experience, but on guests' loyalty and advocacy. It is vital that we listen carefully to our guests and improve the overall purchase and ownership experience. Dealer standards have been revamped to include specific initiatives to improve the interaction with guests. These may include the appointment of a guest experience manager in each dealership to enhance guest loyalty.



Showroom 360 is an engaging and interactive vehicle configuration and discovery tool that provides guests with the opportunity to browse over 78,000 vehicle and accessory combinations in real-time, allowing them to virtually build and personalise their own Toyota vehicle. The technology, developed in partnership with Rotor Studios, was installed in all Australian dealerships by the end of 2015.

In June 2016, the platform won the 'best use of user experience' category in the Mumbrella Awards, which celebrate the best, bravest and brightest work across the media and marketing industries. The immersive digital solution collects detailed vehicle information and assists dealer sales staff within the showroom environment.



To reflect this shift, dealer success is now measured by a guest satisfaction index, Net Promoter Score® (NPS) and monthly sales targets. The NPS reflects the number of guests willing to refer family and friends to Toyota. These measures help our dealers to adopt a more guest-centric culture to complement the achievement of sales targets.

Our dealerships earned an average NPS of 85.2 over the reporting period. The overall guest satisfaction with the purchase experience was 94.9%.

Alongside dealers, our Guest Experience Centre is often a first point of contact for owners and buyers of Toyota vehicles. The Centre responds to guest enquiries via telephone, email and social media. In line with our focus on guest satisfaction, the Centre was brought in-house in October 2016. All Centre staff first undertook six weeks of intensive training including visits to a dealership and the Altona plant.

Dealer support

As at 31 March 2017 there were 208 Toyota dealers, with 280 outlets, and 21 Lexus dealers, with 26 outlets. The Toyota dealer network employs 12,756 people and the Lexus dealer network 526.

Dealers of the future

Adopting a guest-centric mindset across all of our dealerships is a crucial aspect of our Franchise of the Future strategy,

A focus during the reporting period has been on the owners of the 1.8 million Toyota vehicles currently on the road that were sold in the last eight years. We want to exceed the expectations of existing owners from servicing through to repurchase. By maintaining regular and relevant contact with our guests and providing value-added service offerings, we aim to drive higher loyalty and create Toyota fans for life.

This new focus was presented at our National Business Meeting in April 2016, which convened dealer principals to talk through the strategy and the priorities for the year ahead. It was also supported by a series of training workshops for our dealership and management teams. We provide our Toyota and Lexus dealers with face-to-face and online professional development through the Toyota Institute

Australia. We also share guest feedback, both positive and negative, in our monthly newsletter for employees and dealers.

The two-day National Dealer Meeting held in February celebrated the launch of the new C-HR, our first sub-compact SUV. It was also an opportunity to share with dealers the broader vision for Toyota's long-term future.

Dealership employees are crucial in delivering a superior guest experience, and contribute strongly to our brand and reputation. We conduct an annual survey to help identify the key issues faced by dealer employees. Addressing these areas helps us to improve engagement and retention.

We recognise dealer employees through the National Skills program and at our annual gold excellence awards dinner. National Skills is a global Toyota program that aims to develop and showcase the skills and knowledge of dealer staff to enable them to deliver an outstanding guest experience. In 2016, employees across six categories competed to test their knowledge, aim for continuous improvement and showcase their talents. Six dealer staff were crowned champions of their respective areas of expertise at the National Skills final in Sydney, and will be inducted into Toyota's International Assembly of Customer Service Champions in Japan.