Abstracts

Market’s Priority and Global Brand Management Change:
The Case of Lexus from 1989 to Present

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The purpose of this study is to show that the change of market’s priority of the global brand is the trigger of global brand management (GBM) change with a historical case study of Lexus from 1989 to present.

In previous researches, consistency and continuity are considered as the success factors for building a global brand (GB). However, GBM will change when inside and outside environments of the GB change. In recent years, some studies focus on the GBM change such as brand revitalization and brand re-positioning.

Previous studies indicate that GBM changes to adjust new environmental conditions when brand equity of the brand declines. However, it ignores the market’s priority of GBM. The market’s priority is important for researching GBM change because the brand equity of the GB is different in each market. Furthermore, when a global brand manager decides its strategies, the conditions of priority markets influence it, particularly standardization decisions such as brand identity and core product function. Given the market’s priority, there are two triggers of GBM change; the adjustment of market change in current priority markets and the replacement of priority markets. Our study sheds light on the latter, and we show it as the trigger of GBM change with the case of Lexus.

Lexus is a premium automotive brand of Toyota Motor Company and launched LS 400 in the U.S. in 1989. It is also well-known for the rival of German three such as Mercedes-Benz, BMW, and Audi. Lexus has changed its GBM in 2003 and in 2012. Through historical research, we found that the replacement of priority markets was the trigger of its GBM change of Lexus.