MARKETING MIX AND CORPORATE SOCIAL RESPONSABILITY IN AUTOMOTIVE INDUSTRY – CASE STUDY: MAZDA MOTOR CORPORATION

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Abstract
In the automotive industry - a highly competitive environment in which is difficult to gain substantial competitive advantages - it has become harder to differentiate from the rest of the competitors. In order to scientifically manage the customer’s needs, a compay should carry out a rigorous marketing mix: product, price, place and promotion. The corporate social responsibility actions are also determinant. The aim of this paper is to highlight the importance of marketing mix and corporate social responsibility in automotive industry and to underline the way in which Mazda Motor Corporation relates to the components of the mix. The research methodology was based on a quantitative method. The paper presents the main components of the marketing mix in the case of the Japanese corporation. The results show that Mazda Motor Corporation managed to use the components of the marketing-mix and to implement the CSR philosophy in a unitary and modern way adapted to its profile.

Keywords: Mazda Motor Corporation, marketing mix, automotive industry, competitiveness

Clasificare JEL: M21, M31

1. Introduction and context of the study

Economic globalization has made management and marketing performance essential to the existence and prosperity of any business in an increasingly competitive environment (Toma and Naru, 2017; Toma and Marinescu, 2018). There are diverse factors that affect the automotive industry such as globalization, the diversification of consumers, and the accelerated modification and diversification of products (Toma and Marinescu, 2013; Fritschy and Spinler, 2019; Winkelhake, 2019; Dzialas, 2020; Wells, et al., 2020; Llopis-Albert et al., 2021). The recent years have been marked by the digitalization of the automotive industry. The main effect was to redefine the way retailers interact and communicate with consumers. In addition, given these aspects, customers expect a smooth interaction, both in physical and digital format (Llopis-Albert et al., 2021). Starting from these ideas, the goals of the paper are to present the marketing mix and corporate social responsibility (CSR) in automotive industry and to underline the Mazda Motor Corporation marketing mix and CSR actions. The research is based on a quantitative research and a case study. The paper contains four sections as follows: literature review, research methodology, results and discussion, and conclusions.

2. Literature review

Mazda Motor Corporation is a publicly traded company founded in the 1920 by Jujiro Matsuda (Mazda, 2020), being associated with the automotive industry and dealing with the manufacturing and marketing aspects of engines, light trucks and automobiles (Hitesh, 2019).
Globalization has affected the business and they have successfully ventured out of Japan, conquering other parts of the world including Mexico, Italy, Thailand, as well as establishing Research and Development sites in countries like Germany, China, and the United States of America (UKEssays, 2018). Marketing mix represents a conceptual framework that identifies the principal decision making managers make it configuring their offerings to suit consumers’ needs (Loendhe, 2014). There were many theoretical debates regarding the concept of marketing-mix in the literature review. Firstly, marketing-mix was presented by 4Ps (product, price, place, promotion) framework (McCarthy, 1964) and, during the time, the concept was developed with a set of 7 or 12 elements (Borden, 1965; Gradinaru, et al., 2017; Toma and Gradinaru, 2018). Taking into consideration all the perspectives, the authors considered that the traditional 4Ps marketing-mix is appropriate for products, in general, and for automotive industry, in special. Basically, the marketing mix refers to the set of actions that a company uses to promote its brand or product in the market (Antonella, 2017).

In automotive industry, social responsibility implies, first of all, attention to alternative technologies and fuels (Martinuzzi et al., 2011). There exist a variety of possible alternative fuels (LPG, CNG, methanol, bio-fuels) and new technology vehicles (electric, hybrid, and fuel cell) (Martinuzzi et al., 2011).

3. Research methodology

In order to reach the aim of this paper, the authors employed a quantitative method and deployed a comprehensive literature review. The information was obtained through desk research. First of all, the authors studied the literature on marketing-mix and CSR, and information about Mazda Motor Corporation. Secondly, the information was synthetized, highlighting the aspects regarding the Mazda marketing-mix and CSR actions. Finally, the authors concluded the paper and emphasized the conclusions following the analysis performed.

4. Results and discussion

The 4Ps framework of the marketing-mix helps companies to invest in the best option and in a more efficient way regarding their limits such as the budget (Antonella, 2017). Mazda is a manufacturer of passenger and commercial vehicles like Sedan, Hatchbacks and Sports cars. The product line includes the following passenger vehicles (Figure 1):

![Diagram](https://via.placeholder.com/150)

**Mazda 2**

**Mazda 3**

**Mazda 6**

**Mazda MX-30**

**Mazda Roadster**

**MAZDA PASSENGER VEHICLES**

**Mazda CX-8**

**Mazda CX-5**

**Mazda CX-30**
The commercial vehicles are the following (Figure 2):

Figure 2. Mazda commercial vehicles, 2020

Mazda is the only company in the world to use Wankel-engine in its vehicles and they are recognized for the modern technologies used (Hitesh, 2019). Although Mazda is well known for their Wankel-engines the company has been manufacturing piston engines since the earliest years of the Toyo Kogyo company. Early on, they produced overhead camshaft, aluminum blocks, and an innovative block containing both the engine and transmission in one unit. The company has engineered and completed a W12 engine by 1990 for use in their proposed Amati luxury car brand. Due to financial hardships during that time, the luxury brand was abandoned as well as those two engines (Wikipedia, 2020).

The engines formerly known as Sky-D (diesel) and Sky-G (gas) were the first to contribute to what Mazda calls ‘sustainable ‘Zoom Zoom’ (Ramsey, 2010). these engines are based on a low compression ratio between gasoline and air, thus reaching cars that are efficient in terms of fuel consumption and CO2 emissions.

The price policy of Mazda Motor Corporation implies an evaluation of production costs, margin profit and the amount a buyer is willing to pay for a car. The target customer is an urban youth from upper and upper-middle class. Given the fierce and price-conscious competition in the market, Mazda has decided to maintain competitive prices for its high-quality products (Hitesh, 2019).

Discussing the place in the marketing-mix, it is highlighted that Mazda is a global company which has an international presence in several countries such as: Japan, United States of America, South Africa or Canada. It has a strong distribution network that includes services of dealers and suppliers. The products are displayed in showrooms and this is an easy way for customers to make a personalized choice (Catană and Toma, 2020).

Promotion in the marketing-mix of Mazda Motors Corporation is highlighted by participation in several events, in general, and sports, particularly, to increase its brand awareness. Also, they promote the brand in trade shows, auto shows and on the social media platforms.
Besides helping to improve customer relationship, social networking can be a way for Mazda Motor Corporation to provide updates to its customers. This can include events or promotions. Thus, this form of interaction will be beneficial in helping bridging the gap between customers and the company (UKEssays, 2018). Sponsorship is another marketing tool used and Mazda sponsors professional teams like Aberfeldie Sports Club - Junior Football Division, Northern Golf Club and AC Fiorentina.

As a company engaged in global business, Mazda Motor Corporation considers social responsibility campaigns. There are three pillars in basic policy on social contribution initiatives (Mazda Social Contribution Report 2020, 2020):

- **Environmental and safety performance:**
  - Hosting environmental awareness-raising programs at various events, dispatching lecturers to environmental education programs, and carrying out volunteer activities for biodiversity conservation and various other environmental protection initiatives;
  - Offering lectures on traffic accident issues at various events, and holding safer-driving seminars.

- **Human resources development:**
  - Holding seminars and lectures by employees with specialized knowledge and skilled techniques such as manufacturing;
  - Accepting students for internship programs, supporting to learn about vehicles using facilities in the Company, etc.

- **Community contributions:**
  - Making monetary/vehicle donations to charities and participating in various charitable activities;
  - Promoting sports and culture.

5. Conclusions

The marketing-mix represents a key concept in marketing and an important tool to manage the aspirations of the customers. As the context is always changing, automotive companies need to be visionary and adopt a modern way of performing marketing-mix. The article showed that Mazda Motor Corporation managed to use the components of the marketing-mix and to implement the CSR philosophy in a unitary and modern way adapted to the its profile.

6. Bibliography


