Product recalls have become increasingly commonplace. In fact, American media reports often contain information concerning product recalls of everything from food products to toys and cars. These recalls are also increasing in global frequency in recent years. A product-harm crisis, which often necessitates a product recall, can have tremendous human and financial costs. No industry or brand—no matter how large or well known—is immune to the impact of such a crisis, as proven by Toyota. Toyota’s leadership team dealt with a massive recall effort. This recall, among other recalls, is indicative of the importance of company safety strategies (Rajasekera, 2013). Even though many leaders hope to eliminate or at least minimize product-harm crises, given recent trends and the high-stakes consequences, business leaders are interested in knowing what to expect in case of a product-harm crisis—particularly in consumer and stock market reactions. Researchers continue to study what factors influence those reactions and hope to use their findings to build viable product-harm crisis response strategies.

Despite Toyota’s historic brand reputation of quality and the trust consumers had in the Toyota products, the recall caused many to question how the company will remain competitive. Toyota’s leaders faced challenges because over 6 million vehicles were recalled for safety defects, requiring Toyota to rethink their strategies to regain their position in the automobile industry and avoid destroying their customers’ loyalty and stakeholders’ confidence in their products and return on investments.

You will examine Toyota’s real-life case and develop recommendations that would help Toyota’s global leaders recover their brand loyalty.
 **To prepare for this Assignment**, read the case, “**CHALLENGES TO TOYOTA CAUSED BY RECALL PROBLEMS, SOCIAL NETWORKS AND DIGITISATION by Jay Rajasekera**

**Submit**a 4 page scholarly analysis in which you do the following:

* Evaluate the definition of *product-harm crisis* within the context of the Toyota case study.
* Identify the problems the Toyota leaders must solve.
* Analyze the organizational changes that were successful and unsuccessful.
* Synthesize your analysis of the literature to develop one or more recommendations for strategies Toyota might used to manage this product-harm crisis and recover brand loyalty in the global market.
* Support your work with **a minimum of two**specific citations per page from this week’s Learning Resources and/or additional scholarly sources.
* Due to the nature of this assignment, your instructor may require more than 5 days to provide you with quality feedback.

Be sure to use the APA Course Paper Template to complete this Assignment. Also, refer to the Rubric for specific grading elements and criteria. **Please Note: For each page of your paper, you must include a minimum of two APA-formatted scholarly citations.**

Required Readings:

Bliesemann de Guevara, B. (2014). Studying the international crisis group. *Third World Quarterly*, 35(4), 545–562. A

Cleeren, K., Van Heerde, H. J., & Dekimpe, M. G. (2013). Rising from the ashes: How brands and categories can overcome product-harm crises. Journal of Marketing, 77(2), 58–77.

Germann, F., Grewal, R., Ross, W., & Srivastava, R. (2014). Product recalls and the moderating role of brand commitment. *Marketing Letters*, 25(2), 179–191.

[Lei, H. S., & Chang, S. C. (2016). Innovative thinking of food safety management for traditional baking industry in Taiwan - Yu Jan Shin the butter shortbread. *International Journal of Organizational Innovation*, 8(3), 282–292.](https://search-proquest-com.ezp.waldenulibrary.org/docview/1762303239?accountid=14872)

Lei, J., Dawar, N., & Gürhan-Canli, Z. (2012). Base rate information in consumer attributions of product-harm crisis. *Journal of Marketing Research*, 49(3), 336–348.

Pan, W., & Chen, Y. (2014). A case study of the corporate turnaround strategies. *International Journal of Organizational Innovation*, 7(2), 63–78.

Rajasekera, J. (2013). Challenges to Toyota caused by recall problems, social networks and digitisation. *Asian Academy of Management Journal*, 18(1), 1–17.