







# Scion

SCION



<b>Type</b>	Marque of Toyota
<b>Founded</b>	2002
<b>Headquarters</b>	Torrance, California, USA
<b>Industry</b>	Automobile
<b>Products</b>	Economy cars
<b>Parent</b>	Toyota
<b>Website</b>	Scion.com

*Scion'* is a marque of vehicles produced by Toyota Motor Corporation founded in 2002 for the North American market. Scion's long-term goal is to appeal to Generation Y consumers. Scion grew from Toyota Project Genesis, a failed effort to bring younger buyers to the Toyota marque in the United States.

## History

Scion was first introduced in March 2002, at the New York Auto Show. There were just two concept vehicles, the bbX (which was to become the xB), and the ccX, which was to become the tC. The 2004 xA and xB were unveiled at the Greater Los Angeles Auto Show on January 2, 2003. They were available only in 105 Toyota dealerships in California at their initial launch on June 6, 2003. The subsequent rollout of the brand to the South, the Southeast, and the East Coast occurred in February 2004. Scion vehicles were available nationwide in June 2004, coinciding with the release of the 2005 tC. On December 16, 2006, Scion unveiled the next-generation xB, based on the t2B concept, and the new xD, successor of the xA, at an invitation-only, no-camera event in Miami. Both cars were then publicly unveiled on February 8, 2007 at the 2007 Chicago Auto Show. Scion stems from Toyota's well publicized use of Value Innovation, a series of articles in Harvard Business Review later encapsulated in the book Blue Ocean Strategy. Key factors of Toyota's strategy canvas were never published but include "Price," "Factor Options," "Performance driving metrics," "Confidence in buying," "21st Century Radio."

## Lineup

Scion currently has three models: tC, a 3-door liftback based on the European-marketed Toyota Avensis; the second-generation xB, a 5-door box-shaped compact wagon sold as the Toyota Corolla Rumion in the Japanese market; and the xD, a 5 door-subcompact car that is sold as the Toyota iST in Japan, which is based on the Yaris 4 door platform with the 2009 Toyota Corolla's engine.

## Pricing, accessories, and availability

Scion uses sales tools such as "Pure Price" and monospec trim levels with a wide selection of factory and TRD accessories. Extensive market research and testing with Generation Y consumers formed the basis of the Scion badge. "Pure Price" means that the price posted, whether on the vehicle, in an advertisement, or on a menu display board in the dealership, is the price customers will pay. This includes vehicles, accessories, finance and insurance products. Pure Price is designed to ensure a shorter and simpler process, eliminating all negotiation. The concept aims to be open and consistent to all customers. The concept is not new to the American market, having been introduced in the early 1990s by the Geo and Saturn marques of General Motors. Scion's sales approach thus differs greatly from that of the larger Toyota entity. In the United States, for instance, the Toyota Camry offers several trim levels: the Camry grade CE "Classic Edition" (for budget-conscious drivers), LE "Luxury Edition" (popularly equipped), SE "Special Edition" (for sporty drivers), and XLE "Extra Luxury Edition" (for luxury-minded drivers). In contrast, all Scions have one standard trim level (monospec) and are designed to be uniquely customized for the driver. Beginning in late spring 2004 with the launch of the 2004 Scion xB RS 1.0 (Release Series 1.0), Scion decided to create limited edition vehicles pre-packaged with exclusive accessories in limited quantities. Limited Edition vehicles from a marketing standpoint were used to create a buzz for the brand name, with their exterior colors tending to be loud or bright hues (e.g. orange, yellow, red, blue, green). Because of the growing popularity of the Scion product line and the scarce production runs (most dealers only get 2-3 of each RS model), these limited edition vehicles quickly sell out. Pre-ordering is available at each dealership on a first-come, first-served basis. To the customer's benefit, Scion's "Pure Price" MSRP bounds dealerships against market-demand vehicle mark-up. Naturally, resale values of Release Series vehicles command a premium because of their packaged options and scarcity.

## Target market

The median age of a Toyota consumer was, as of February 2007, 54 years old. Comparatively, Scion's average buyer age is the lowest in the industry, at 39 years old. Scion's first two cars (the xA and xB), while unusual for American roads, have been well received among consumers not interested in standard entry-level vehicles. The tC was also well received with brisk sales. Toyota Canada Inc. announced that the Scion brand will be available in Canada by 2009 as 2010 models starting in Vancouver, Toronto, Montreal, and later the other cities. Launch models include tC, xD, xB The first new Scions will be shown in Canada at the 2009 Montreal International Auto Show.





















