

Hyundai: The New Lexus?

By:

Clarence W. Dasher, IV

Analysis of Automaker Hyundai's Upmarket Brand Strategy

Moving a primarily low-end brand upmarket is a difficult task for a company in any industry. Automaker Hyundai is widely known as a manufacturer that produces reliable and affordable vehicles to the general public, however, they have big dreams that soar past the low cost market in which they have been competing. In their quest to become the top global automaker and a dominant force in America, they have set out upon a bold endeavor to move their brand upmarket in hopes of adding a new clientele base to their business.

Interestingly, Hyundai's current strategy is reminiscent of the one Toyota used in the early 1990s with their Lexus luxury division. This study seeks to compare and contrast the differences and similarities in strategy between the two competing automakers. It will analyze the success/failure potential of Hyundai's plan, as well as the resulting implications upon the automotive landscape. The study will be principally of a research nature, utilizing popular media sources to provide the necessary support and credibility.