

25. Go Highlander!

April 02, 2020



Most of us don't really think about everything that goes into designing, building, and marketing a car when we drive a new car off the lot. But there are some incredible people putting a lot of time, love, and care that goes into every step of the process! So, we are bringing you behind the scenes of manufacturing and marketing the new 2020 Toyota Highlander. Our guests are Kathi Jenkins, the Vehicle Marketing and Communications Manager for Highlander and C-HR, and Millie Marshall, who was the President of Toyota Motor Manufacturing Indiana up until September of 2019 and played a key role in making sure those 2020 Highlanders got built safely and efficiently.

Resources:

- Learn more about the Highlander: www.toyota.com/highlander
- See what Toyota is doing in response to COVID-19: pressroom.toyota.com

Full transcript below.

Tyler Lichenberger: [00:00:00] Hello, everyone. It's Tyler. Before we get into this episode, we wanted to take a moment to acknowledge what's happening around the world with COVID-19 or coronavirus. It's a tough

time, we know. But, hopefully, you're staying at home, practicing social distancing, and keeping up hope and positivity, and staying in touch with friends and loved ones through social media, Facetime, Skype, whatever.

And at Toyota, we're doing our part as well, whether it's idling our plans, assisting with essential supplies, emergency relief or ongoing support to local organizations and nonprofits. If you want more information about our efforts, please visit pressroom.toyota.com. And during this extraordinary time, please make sure to stay safe and stay healthy.

Hey everyone and welcome back to Toyota Untold. I'm Tyler.

Kelsey Soule: This is Kelsey.

Tyler Litchenberger: So, Kelsey, I don't know if you know this, but the first car that was like my ever-big adult purchase was a highlander. Did you know that?

Kelsey Soule: I did not know that. I'm learning.

Tyler Litchenberger: It [00:01:00] is.

Kelsey Soule: I'm learning all about you tonight.

Tyler Litchenberger: In fact, when I applied for Toyota, I put that in my cover letter that my first big girl purchase, basically, was a Highlander. And I brought my daughter home from the hospital in this Highlander.

Kelsey Soule: That's so sweet.

Tyler Litchenberger: It was amazing.

Kelsey Soule: I don't even think I wrote a cover letter.

Tyler Litchenberger: That's amazing.

Kelsey Soule: I had to take a writing test, so.

Tyler Litchenberger: Well, yeah, I didn't have to do that 'cause I write and at the time, it was 140 characters-

Kelsey Soule: 140 characters.

Tyler Litchenberger: ... or less.

Kelsey Soule: Exactly. All right. So, why are you talking about the Highlander today?

Tyler Litchenberger: I'm talking about it because today, we have Kathi Jenkins who is the Vehicle Marketing and Communications Manager for Highlander and CHR here to talk with us.

Kelsey Soule: Welcome to the podcast.

Tyler Litchenberger: Welcome.

Kathi Jenkins: Thank you. Thanks for having me.

Tyler Litchenberger: Of course. So, like I said, this was my first vehicle that my husband and I purchased.

And I feel like such a connection to it-

Kathi Jenkins: Love it.

Tyler Litchenberger: Like emotional connection to the Highlander. But tell us, because we have the recently redesigned NexGen, looks amazing, 2020 Highlander, and it's out for everyone to see, and you got to work on it.

Kathi Jenkins: Oh yeah.

Tyler Litchenberger: That's pretty [00:02:00] exciting.

Kathi Jenkins: It's very exciting.

Tyler Litchenberger: So, talk to us about kind of marketing a NextGen vehicle and what goes into that.

Kathi Jenkins: Sure, sure. So, I want to take all the credit but I can't because I'm part of a larger team. So-

Tyler Litchenberger: Yes.

Kathi Jenkins: ... we say VMC, but it's Vehicle Marketing and Communications. That's such a mouthful. But our VMC team for Highlander consists of me. I have a senior manager, Angie White. Mia Phillips also worked on it.

Tyler Litchenberger: Yeah.

Kathi Jenkins: And then, went over to Lexus. But we have three planners. The three planners and I have been working on this for over two years. Yash Shah, Joanie Swearingen, and Erin Doughty are all the planners. We've been like knee deep in Highlander for over two years.

Tyler Litchenberger: And that's-

Kelsey Soule: Nice.

Tyler Litchenberger: Yeah. And that's ... I mean, there's been engineers and stuff on the other side for probably four-

Kathi Jenkins: Years, and years, and years.

Tyler Litchenberger: Yeah.

Kathi Jenkins: Oh, yeah.

Kelsey Soule: Yeah.

Kathi Jenkins: The planning is so comprehensive and so long. It's really impressive to-

Kelsey Soule: Yeah.

Kathi Jenkins: ... watch the process.

Kelsey Soule: I think a lot of people don't know that the planning [00:03:00] for a vehicle, generally, the design, the engineering, all that stuff is four or five years out. And then, the marketing starts a full maybe two

years before it's ever going to hit dealerships because I mean, from a consumer perspective, they just see the commercials, and they're like, "Oh, new Highlanders out."

Tyler Litchenberger: Yeah.

Kelsey Soule: But you have no idea of all the work that goes on behind it for two years

Kathi Jenkins: Yeah. And the last year has been crazy from just a marketing perspective. In the last year, in the early summer, we actually had to pivot. We've pivoted three times. So, really, I should just be at the beginning point again.

Tyler Litchenberger: Right.

Kathi Jenkins: But we ... the agencies come up with a creative idea, we saw it on TV, not from an automotive company, but from another company, and then had to say, "Okay, back to the drawing board."

Kelsey Soule: Oh.

Tyler Litchenberger: Oh no.

Kathi Jenkins: So, we then started second choice. Okay, great. Three weeks before the national dealer meeting in September, an automotive, like an SUV started running [00:04:00] almost an identical campaign.

Tyler Litchenberger: Oh my God!

Kelsey Soule: So, this is September of 2019?

Kathi Jenkins: Yes.

Kelsey Soule: And it comes out early January 2020.

Kathi Jenkins: Yes.

Kelsey Soule: Whatever, yeah.

Kathi Jenkins: So, we went with our third campaign idea, which was my favorite was Go Highlander.

Kelsey Soule: Yeah.

Kathi Jenkins: No one can steal that.

Tyler Litchenberger: So, did you start two years ago with planning the marketing campaign, or did that start with like research into who the customer is, or is that part of the marketing campaign?

Kathi Jenkins: It's all part of it. So, the research starts about 18 months prior to when we launched all of our commercials and things like that.

Tyler Litchenberger: Yeah.

Kathi Jenkins: So, it is listening to customers in focus groups. It's digging into the tools that we have at Toyota. And it is using all of the previous information databases that we have about our customers, as well as our competitors' owners as well.

Tyler Litchenberger: Oh, my gosh.

Kelsey Soule: So, I guess, how do you go about [00:05:00] getting this information and figuring out what the key demographic is and how to market to them? Because Highlander has been around since-

Kathi Jenkins: 2001.

Kelsey Soule: Thank you.

Tyler Litchenberger: Forever.

Kelsey Soule: Thank you. So, it's been around a while, right?

Kathi Jenkins: Yeah.

Kelsey Soule: But it's changed as each generation comes out but you have some existing customers, some consistent people, but then you may be trying to reach people outside of that market, the same market that you were reaching in 2001. So, how do you go about finding, "Okay, who wants this car and how should we talk to them?"

Kathi Jenkins: It's a great question because the segment, so this mid-sized SUV segment is the most competitive. We're the second largest segment. So, across the US, it's about 2.1 million vehicles are sold each year, mid-sized SUVs. There's 24 competitors.

Kelsey Soule: Wow!

Kathi Jenkins: So, our big target is older millennials, which if anybody needs a guide-

Tyler Litchenberger: Me, it's me.

Kathi Jenkins: ... it's mid-thirties all the way [00:06:00] to younger Gen-Xers. So, that's mid-50. So, 35 to 54-

Kelsey Soule: Okay.

Kathi Jenkins: ... is really our sweet spot. And we are looking for image-conscious. Like our target is image-conscious millennials and Gen-Xers that consider themselves the leader of their pack-

Kelsey Soule: Okay.

Kathi Jenkins: Sort of the ringleader or the glue to their crew. That's what we've been using.

Kelsey Soule: Glue to their crew.

Kathi Jenkins: Yeah.

Tyler Litchenberger: I love it.

Kelsey Soule: It rhymes.

Kathi Jenkins: It rhymes.

Kelsey Soule: Yeah.

Kathi Jenkins: I'm in marketing.

Kelsey Soule: Okay. So, then, you figure out your demographic, right?

Kathi Jenkins: Right.

Kelsey Soule: So, then, you're like, "Okay. Now, we have to market to these people. What's our course of action?" So, I know you mentioned that we work with our agency of record to come up with a campaign that would really reach these people. What are some of the concepts that they came up with to reach the different demographics that you're trying to get to?

Kathi Jenkins: So, we actually work with four different agencies.

Kelsey Soule: Okay.

Kathi Jenkins: And the reason why is that, the main agency is [00:07:00] Saatchi & Saatchi LA, and they handle general markets.

Kelsey Soule: Okay.

Kathi Jenkins: So, that's pretty much-

Kelsey Soule: Everybody.

Tyler Litchenberger: Everybody.

Kathi Jenkins: Anybody.

Tyler Litchenberger: Anybody and everybody, yeah.

Kathi Jenkins: And then, we have Conill, which they specifically define sort of cultural insights for Latinos and Hispanics in the US. And they do a lot of ... a lot of our Highlander work is in language. So, it's in Spanish. Then, Burrell will do work that's sort of resonates with African American consumers. And then, Inner Trend created several different campaigns for us for Asian, Indian, Chinese, and Korean. And Chinese and Korean are in language as well.

Kelsey Soule: Okay.

Kathi Jenkins: So, the four agencies work together, and they come up with ... we call it a platform. And it's really the creative north star. So, all those creative folks that only come to work in jeans, and maybe a blazer, or a really cool-

Tyler Litchenberger: Cool scarf.

Kathi Jenkins: Yeah.

Tyler Litchenberger: Yeah.

Kathi Jenkins: All ... they use that platform, and then start to develop the creative idea. And [00:08:00] then, each agency integrates their cultural insights into that. So, they sort of tweak the platform to make it the best for the consumers we're trying to reach.

Kelsey Soule: Yeah.

Tyler Litchenberger: To make it real. Is it hard getting four different agencies to play well in the sandbox or are they all used to it by now?

Kathi Jenkins: We lucked out because, I mean, we came up with a great campaign, even with all the headwinds, all the-

Kelsey Soule: Yeah.

Kathi Jenkins: All the other campaigns-

Tyler Litchenberger: Yeah.

Kathi Jenkins: ... that stole our idea. And they all worked well together. We hit every deadline. They really did a great job.

Tyler Litchenberger: Awesome.

Kelsey Soule: Yeah.

Tyler Litchenberger: That's great.

Kelsey Soule: So, you have a concept, right?

Kathi Jenkins: Yes.

Kelsey Soule: So, you have several different concepts. They're all around Go Highlander. But then, there are subsets of it to reach different markets, right?

Kathi Jenkins: Correct.

Kelsey Soule: Okay. So, then, do you test these to figure out like, "Is this going to resonate with who I'm trying to reach?" or do you just put it out there and see if it flies or flops?

Kathi Jenkins: Right. We would save a lot of money if we just put in. But yes, we test before, during, [00:09:00] after.

Kelsey Soule: Okay.

Kathi Jenkins: So, before it ever hits air. So, in February, when you saw the first commercial, that had been tested back in mid-November.

Kelsey Soule: Oh, wow!

Kathi Jenkins: And so, there's hundreds and hundreds of consumers that watch the spots and watch other commercials. So, it's not just here's stuff about Toyota.

Kelsey Soule: Yeah.

Kathi Jenkins: And then, they tell us what they liked, what they didn't, what they ... could they remember what the car was? Who was the manufacturer? What was the point of the commercial? And we use that information to then tweak our spots before they ever go on air. So, it's always-

Kelsey Soule: It's awesome.

Kathi Jenkins: It's always ongoing to test and learn.

Tyler Litchenberger: So, we talked to John Payne at Saatchi. He talked about having to integrate the spot with this campaign, and then go from there. Do you feel like the spot ... this is kind of a trick question, but do you feel like it did that, it set it up for the rest of the campaign to launch?

Kathi Jenkins: Oh, absolutely. Because if I just said, "Okay, our [00:10:00] driver is this sort of glue to the crew. They're the ringleader," we have Cobie Smulders basically saving a bunch of people in these sort of traditional movie predicaments, and that's what I think every day, men, women who are driving the Highlander, I think they hope that they're the hero to their family, their friends-

Tyler Litchenberger: Yeah.

Kathi Jenkins: Maybe even a stranger

Tyler Litchenberger: In small ways, yeah.

Kathi Jenkins: Yeah.

Tyler Litchenberger: So, we've talked about the campaign.

Kathi Jenkins: Yes.

Tyler Litchenberger: Tell us about the car. Tell us about the Highlander.

Kathi Jenkins: My baby.

Tyler Litchenberger: Exactly.

Kelsey Soule: Yeah.

Kathi Jenkins: So, the car, for Highlander, this NewGen 2020, I have to say is the best yet. Why wouldn't I say that?

Tyler Litchenberger: Yeah.

Kelsey Soule: Yeah.

Kathi Jenkins: I'm biased. But three things that I think about, and you mentioned one of them was styling. So, the exterior is dramatically different than any Highlander. In focus groups, we hear people [00:11:00] describe it as sexy. When's the last time you heard anybody call a midsize SUV sexy?

Kelsey Soule: Right.

Kathi Jenkins: Like, "Yes!" So, gorgeous exterior, really nice interior. We now have all the tech – Android Auto, Apple CarPlay, you can get wifi in your vehicle. And we have additional safety. And the safety, all standard.

Kelsey Soule: Yeah.

Kathi Jenkins: So, it doesn't matter which one you buy. And then, the third thing I'd have to say is hybrid. So, that's really different. We've had a hybrid currently for even model year '19, which is a previous gen. We have a hybrid, but it's not like the new one. It's gonna save all those drivers, like, time and money, time at the pump. And then, you, now, can afford a couple of fun dinners-

Kelsey Soule: Yeah.

Tyler Litchenberger: Yeah,

Kathi Jenkins: ... every couple of months, courtesy of your Highlander hybrid. I talked about focus groups, and we used a lot of them to determine what they like about the [00:12:00] car, what we can change even in the future. So, we're already working on NextGen Highlander. But so many people when asked about hybrid said, "Well, I don't know if I have a place to plug it in." And there, we create so many hybrids that don't have to be plugged in.

Tyler Litchenberger: Yeah.

Kelsey Soule: Yeah.

Kathi Jenkins: Plugins are awesome, but our Highlander, all you have to do is fill it up when you need to, but you get all the fuel economy benefits.

Tyler Litchenberger: So, there is a new color for hybrid too, isn't it? Like Moon Dust or something?

Kathi Jenkins: Well, it is a new color for both gas and hybrid, yes.

Tyler Litchenberger: Okay.

Kathi Jenkins: Moon Dust.

Kelsey Soule: How would you describe Moon Dust?

Kathi Jenkins: It is sexy. No. It is a blueish silver.

Kelsey Soule: Okay.

Tyler Litchenberger: Yeah.

Kathi Jenkins: So, it's really sharp. It really showcases all the lines on the new ... you know, for the new

design. So, I love the color.

Tyler Litchenberger: Yeah.

Kathi Jenkins: And we also have a new interior called Glazed Caramel.

Tyler Litchenberger: That's right.

Kelsey Soule: Wow!

Tyler Litchenberger: That looks really good with Moon Dust if you paired them together.

Kathi Jenkins: It [00:13:00] really looks good.

Kelsey Soule: Aside from the obvious hybrid differences, what are some other differences/improvements, I guess, from the previous generation to now? And how did we come ... like did we do that because people told us, "Hey, love this car would really love it more if it had a X"?

Kathi Jenkins: For improvements, overall, the vehicle is completely new from the ground up. So, we have a new platform, which is different from our creative platform, but it's actually our platform, the Toyota New Global Architecture.

Kelsey Soule: Yeah.

Kathi Jenkins: And so, that gives you really nice handling. So, the current Highlander is quiet and has fantastic ride and handling, but the new gen, NextGen is even better.

Kelsey Soule: And when you say platform-

Kathi Jenkins: Yes.

Kelsey Soule: ... just for the average person, it's the base ... it's the base of the car

Kathi Jenkins: Right. It's your chassis, it's your suspension, it's your engine, your power train, [00:14:00] all of those can be part of your ... of the platform.

Kelsey Soule: And does the Highlander have a similar platform to another Toyota vehicle?

Kathi Jenkins: Yes. Good question.

Kelsey Soule: What one is it?

Kathi Jenkins: Well, it is TNGAK. So, Rav, which we were just talking about is on the K platform, as well as I believe, RX, NX, Camry. So, a lot of us share some of the similar components-

Kelsey Soule: Yeah.

Kathi Jenkins: ... that's not the same thing under all those cars, but we share components that then allow the car to you ... it makes it more efficient-

Kelsey Soule: Yeah.

Kathi Jenkins: ... and then you can put that money into additional, you know, features.

Kelsey Soule: Yeah. I think a lot of people would be surprised to know that a similar base for the Camry is used for the Highlander and there are advantages to that. You know, it's like the handling, the efficiency, et cetera. But I don't think that's something a lot of people know.

Tyler Litchenberger: And price too, right?

Kelsey Soule: Yeah.

Tyler Litchenberger: You can build a whole new Highlander and try to do everything custom, but it's going to cost [00:15:00] the customer a lot more at the end of the day, but that's not what this Highlander does.

Kathi Jenkins: That's right, that's right. And I think the most impressive thing for me is that our base model of Highlander, it's that L grade versus previous gen, you get so many new things standard. They don't have to pay. There's no options that you can even get on that. But you get a smart case. So, if anybody has used a smart key for a while, and then you rent a car-

Tyler Litchenberger: Yeah.

Kathi Jenkins: ... and then, you realize, "Oh, I have to put this key into the steering-"

Kelsey Soule: Oh, yeah.

Tyler Litchenberger: Where do I put this?

Kelsey Soule: I have a 4Runner. So, I have to steer.

Kathi Jenkins: Oh, yes, yes. So, smart key. You get auto climate control in three different zones. You get, of course, Apple CarPlay, AndroidAuto, wifi.

Tyler Litchenberger: The safety features you were talking about earlier too.

Kathi Jenkins: Yeah, Sirius XM, yes. So, we have Toyota Safety Sense 2.0, which includes things like your lane departure alert. But we also get lane [00:16:00] trace. It's really impressive, the standard equipment that the base grade offers to anybody and everybody-

Tyler Litchenberger: Right.

Kathi Jenkins: ... that wants to get into a Highlander.

Tyler Litchenberger: Pedestrian detection.

Kathi Jenkins: Yes.

Tyler Litchenberger: Yeah, it has that too.

Kelsey Soule: And what about room? Because I feel like people that shop for Highlanders-

Tyler Litchenberger: That's right.

Kelsey Soule: ... really care about space.

Kathi Jenkins: Yes.

Kelsey Soule: They may or may not have families. They may just have a lot of stuff, but they want space.

Kathi Jenkins: They want space. But at the same time, they also want maneuverability.

Kelsey Soule: Right. They want both.

Kathi Jenkins: And I think we are ... that's why Highlander has been number one retail king or leader in the segment for the last three years because we're big enough with ... we have the third row, but at the same time, you can still park it in your garage. You can put it in a regular parking spot. On the new platform, the length of the vehicle grew 2.4 inches.

Kelsey Soule: Okay.

Kathi Jenkins: So, that gave you more room in the cargo space, and you have, now, more [00:17:00] leg room in the third row. And the second row now slides forward. So, if you have teenage kids or whatever that need to pile it back in the third row, you now can give them a little more knee room.

Tyler Litchenberger: Right.

Kelsey Soule: Gotcha, awesome.

Tyler Litchenberger: It's not just for the little kid.

Kathi Jenkins: Yeah. So ... and then, you have more room in the cargo space even behind the third row, so you can put in a couple of golf bags or more groceries.

Kelsey Soule: Yeah.

Tyler Litchenberger: Right, whatever.

Kathi Jenkins: Hockey equipment

Tyler Litchenberger: I have to say, so I didn't have a kid when I got the Highlander, and I just don't know what it was but I was compelled. I was like, "I just need a third row." My husband was like, "But why?" And I was like, "If we have family in town, you never know, like we could take them places." And he just never understood my like need to have the third row, but I just want it.

Kelsey Soule: It's like a grownup rite of passage.

Tyler Litchenberger: Yeah.

Kelsey Soule: Like, I definitely need this option.

Tyler Litchenberger: Yes.

Kelsey Soule: I need to be able to fit more people in that car.

Tyler Litchenberger: Yeah. I don't have to have it, but I just like to have it.

Kathi Jenkins: Yeah. And if you ... even if you don't have kids, you put down both third and second row, [00:18:00] you could easily put two mountain bikes inside the vehicle-

Tyler Litchenberger: Yeah.

Kathi Jenkins: ... instead of ... I'm short, so it's very hard for me to get them out-

Kelsey Soule: Yeah.

Kathi Jenkins: ... on the rack on top.

Tyler Litchenberger: Yeah. Put two of my Tibetan Mastiffs back there. I only have one, but if I had two, I'd put both of them back there.

Kelsey Soule: So, you mentioned that the customers or maybe the people that you tested it with said that the Highlander was sexy.

Kathi Jenkins: Yes.

Kelsey Soule: What else? What other kinds of feedback are you getting on the ... did you get from the Highlander on things that they liked or things that they wanted to improve?

Kathi Jenkins: Well, one of the key features is that in both the limited and platinum, you can get a 12.3-inch touchscreen.

Kelsey Soule: Okay.

Kathi Jenkins: So, I mentioned all the tech, Apple CarPlay and Android Auto. Well, this screen is where you want to see it, and use a map, and put your radio stations or your XM stations on it. [00:19:00] So, the huge screen was a huge hit. So, a lot of people said, "Oh, sold." Once they got into the interior and saw the screen, they-

Kelsey Soule: Yeah.

Kathi Jenkins: ... they were saying, "I know what car I'm going to get next," which was fun. But right now, we're also getting feedback from dealers about who they sold their ... the first-

Kelsey Soule: Yeah.

Tyler Litchenberger: Interesting, yeah.

Kathi Jenkins: There were a couple more customers that have purchased them, and they give us feedback as to what they like. And first thing was styling.

Kelsey Soule: They love the screen, yeah.

Kathi Jenkins: But they love the screen, they love the technology, which makes us happy because, okay, we're hitting what you like. I think what we'll see in the future is the compromise of, do we make the car bigger or do we keep it still more compact versus-

Kelsey Soule: Yeah.

Kathi Jenkins: ... some of our competitors because we don't know what will people want in the future. So, we're actually studying that right now to see what are [00:20:00] customers going to want in four years?

Kelsey Soule: So, the launch of the Go Highlander campaigns started with the big game, but I mean, I'm sure it's not just we launched that, and then we're done. So, what's the cadence after that for Go Highlander? And what can we expect to see moving forward?

Kathi Jenkins: Well, you're going to see a lot more Go Highlander this year, which I'm excited about. So, we'll see campaign Go Highlander running the entire or most of the year. And then, in the next year or so, you'll see a sustained campaign, and that'll be just another reminder for other shoppers that aren't in the market this year to put Highlander on their shopping list.

Kelsey Soule: Yeah, awesome.

Tyler Litchenberger: Got to keep 2020 Highlander top of mind.

Kathi Jenkins: Yeah.

Kelsey Soule: I think one other question I have 'cause I had friends who saw the Highlander campaign. And then, in the same show that we are watching, they also saw an ad from like local [00:21:00] dealers. How can the consumer tell the difference between what's a ... like a Toyota corporate ad and one that comes from the dealers, aside from when it says "North Texas Toyota Dealers"?

Kathi Jenkins: Yeah. It's ... that's a great question. And we were talking earlier about it that from our perspective at a national level, we provide as many assets to dealers as well as Toyota Dealer Associations or TDAs-

Kelsey Soule: Yeah.

Kathi Jenkins: ... to try to at least make everybody's campaign work look cohesive-

Kelsey Soule: Consistent, yeah.

Kathi Jenkins: Yeah, consistent, cohesive. When you see our ads, our strategy is fairly simple. We want to introduce Highlander as all new, so people know, "Oh, this is the new Highlander."

Kelsey Soule: Yeah.

Kathi Jenkins: And the second objective is to ... for them to come away thinking it's stylish, it's distinctive, and it's exciting because those three [00:22:00] things are different from what the current Highlander is known for. The current Highlander is known for quality, dependability, reliability, and safety. And Tyler, I hope that's what you're experiencing-

Tyler Litchenberger: Obviously, yeah.

Kathi Jenkins: It is what you experienced. But we wanted to compete against all the new entries into the segment where you gotta show it's stylish and exciting-

Kelsey Soule: Yeah.

Kathi Jenkins: ... to attract new customers to the Toyota Highlander family. So, when you see a commercial that your takeaway is like, "Ooh, that looks good, and that's all new," it's probably a national spot. When you start to look at other spots that might tell you, "Oh, it's new and it looks good," but it also has this feature, or it might be a great deal or a value, then it's probably TDA or dealer.

Kelsey Soule: Yeah.

Kathi Jenkins: And typically, dealers also, "Come here today!"

Tyler Litchenberger: Yeah.

Kelsey Soule: Yeah, yeah, yeah.

Tyler Litchenberger: Tune Bob Toyota.

Kelsey Soule: Yeah. It's also probably ... like for the most part, they're usually price-driven. Like you said, like they're announcing like a deal [00:23:00] or it's all new and here's the price and whatever. That's usually run by dealers.

Kathi Jenkins: Right. But our messaging will typically be more driving a little emotion.

Kelsey Soule: Yeah.

Kathi Jenkins: So ... because we found that, especially those image conscious millennials and Gen-Xers, they want a vehicle that represents their personality, not just, "Oh, it's getting me point A to point B."

Kelsey Soule: Right.

Kathi Jenkins: So, all of our spots are trying to say, Highlander is going to fit your personality and reflect who you are-

Kelsey Soule: Yeah.

Kathi Jenkins: ... and you're special, and exciting, and sexy.

Tyler Litchenberger: All of the things.

Kelsey Soule: Perfect, exactly.

So, I guess our last question would be, if you had to pick one thing to tell people about the new Highlander, what would it be?

Kathi Jenkins: Well, that's actually an easy question.

Kelsey Soule: Okay, cool.

Kathi Jenkins: I've been a hybrid driver since 2007. So, my heart belongs to any hybrid. And [00:24:00] hands down, the Highlander hybrid is amazing. The journalists who drove it said that its handling was on par with what you ... what SUV drivers are going to expect, as well as the gas model. And there's really no other midsize SUV out there that even comes close to what Highlander can give them. So, you save time at the pump, you save money. And-

Kelsey Soule: Yeah.

Kathi Jenkins: ... also you look good doing it.

Kelsey Soule: Yeah.

Kathi Jenkins: You're smart, but you look great getting out of your midsize SUV.

Kelsey Soule: Yeah, awesome.

Tyler Litchenberger: That's awesome. Perfect. Kathi, thank you so much for joining us on Toyota Untold. Everybody, go out and get your 2020 Highlander.

Kathi Jenkins: Thank you.

Kelsey Soule: Thanks.

Tyler Litchenberger: Our next guest is one of the people responsible for making sure those 2020 Highlanders got built safely and efficiently. It's Millie Marshall who is the President of Toyota Motor Manufacturing Indiana up until September of [00:25:00] 2019. Millie spent 20 years at Toyota before becoming the first female president of any Toyota manufacturing plant. And as you'll hear in this episode, she is so passionate about her team, the quality of the cars they produce and be one of the first people to get her hands on the 2020 Highlander. Without further ado, let's hear from Millie about her journey to plant president and what it was like being on stage during the reveal of the 2020 Highlander at the New York Auto Show.

Millie Marshall: During the downturn, 2008 through about 2013, we had some big things here in North America. The first was the Lehman shock, which that, you know, pretty much, it was a level playing field that was everybody.

Tyler Litchenberger: Right.

Millie Marshall: The second thing was the tsunami-

Tyler Litchenberger: Yes, which was in Japan.

Millie Marshall: Yeah. Dramatic for us. We had those things in 18 months.

Tyler Litchenberger: Yeah.

Millie Marshall: So, what the role of HR at that time was we probably had [00:26:00] eight facilities in North America – seven or eight, somewhere around there – was keeping everybody employed.

Tyler Litchenberger: Yeah.

Millie Marshall: And so, we worked-

Tyler Litchenberger: Keeping the doors open.

Millie Marshall: That's exactly right. So, this facility here, TMMI, went for three months, kept everybody on the payroll without building one vehicle.

Tyler Litchenberger: It's incredible. I love those stories

Millie Marshall: Incredible. And there were other facilities that did that too. But what we did is team members that came in, if they didn't want to work, that was fine. You know, no work, no pay, right? But if they came in, we would do training or Kaizen. And then, we did a lot of community work-

Tyler Litchenberger: Yeah.

Millie Marshall: ... cleaning up parks, painting fences, you know, working with kids and habitat for humanity. So, it was the most stressful up until this point now at TMMI, but it was so rewarding because we all had [00:27:00] been, that had been with Toyota for, you know, 15-20 years, you heard about, you know, that was kind of our philosophy. But here in North America, we just kept putting out plants.

Tyler Litchenberger: Right.

Millie Marshall: So, it never really, you know, resonated with us.

Tyler Litchenberger: Right.

Millie Marshall: So, to me, that was very rewarding to be in a part of that and see that the commitment was really there.

Tyler Litchenberger: Yeah.

Millie Marshall: And they walked the talk.

Tyler Litchenberger: Yeah.

Millie Marshall: So then, from HR in 2013, I was asked to go to the powertrain facility in Buffalo, West Virginia, and I was an SVP over the plant for one year. And then, in 2014, I was named the first female president in any, you know-

Tyler Litchenberger: At any plant.

Millie Marshall: ... manufacturing, yeah.

Tyler Litchenberger: You were the first.

Millie Marshall: Yeah.

Tyler Litchenberger: What an honor it was. I like ... what a big honor that was, right?

Millie Marshall: Well, it was really humbling and an honor.

Tyler Litchenberger: Long overdue, but I'm just saying.

Millie Marshall: Well, but [00:28:00] you know, now-

Tyler Litchenberger: Yeah.

Millie Marshall: ... you think about it, we have three.

Tyler Litchenberger: Three.

Millie Marshall: So-

Tyler Litchenberger: 30% of our plants are run by women.

Millie Marshall: Exactly.

Tyler Litchenberger: That's incredible.

Millie Marshall: So, you know, we picked up quick.

Tyler Litchenberger: Yes.

Millie Marshall: So, I was in West Virginia for about four years. And then, I came to TMMI in January of 2017.

Tyler Litchenberger: That's great.

Millie Marshall: And here we are.

Tyler Litchenberger: And here we are, two ... more than two years later.

Millie Marshall: Yes.

Tyler Litchenberger: And you know, what was it like ... I'm going to switch over to the New York Auto Show in April of 2019. What was it like to see the new 2020 Highlander that you're like, "Wow, we're going to have ... we're going to build this. This is going to be happening in our plant, and we got to get prepared for this," and we have been getting prepared for it. What was that experience like? Had you been to an auto show before?

Millie Marshall: I had never been to an auto show before. So, you know, they tried to prepare me to what to expect. The thing I'm most proud of is we took 18 members that had worked on the project with us [00:29:00] up there, and to watch their faces was unbelievable-

Tyler Litchenberger: Yeah.

Millie Marshall: ... 'cause I had already, you know, seen the Highlander in Japan and driven it and all that, but to see Jack Hollis in his zone-

Tyler Litchenberger: Yeah.

Millie Marshall: ... was unbelievable. I mean, he is the perfect person. So, we took reporter questions after it was revealed. He asked me to come on stage, and I did, but nobody prepared me about ... you know, there was like 30 people, and they're in my space.

Tyler Litchenberger: Yeah.

Millie Marshall: ... you know,

Tyler Litchenberger: They're crammed in there.

Millie Marshall: And they're putting these microphones in your face-

Tyler Litchenberger: Yeah.

Millie Marshall: ... and they're like touching you, and they're all just throwing out questions over and over. And you know, I'm sweating. And I look over at Jack, and he's just as calm. I think he was loving it.

Tyler Litchenberger: Oh my God. He loves it.

Millie Marshall: Yeah, I think he was loving it.

Tyler Litchenberger: He loves it.

Millie Marshall: And, you know, every question they ask, I watched him respond, [00:30:00] and they asked questions that were kind of off point, right, 'cause they're trying to get other information and he handled it. I mean, he was great. But the best thing is, you know, he's very professional, very articulate, you know, in terms of, "I don't want to say salesmanship or showmanship, but I mean that in a good way." I mean, he is the person. But this is what I remember most about Jack Hollis. We had managed other through the years-

Tyler Litchenberger: Yeah.

Millie Marshall: ... but not much, you know. When we went to dinner, one of the nights, we took our team members with-

Tyler Litchenberger: Marjorie?

Millie Marshall: Marjorie and Stacy. We went to this wonderful Italian restaurant. And when we came back to the lobby, Jack was in there with all the distributors and some of the dealers. And Jack came up. He knew we were ... this was the Toyota team members. He spoke to every single one of them.

Tyler Litchenberger: Yeah.

Millie Marshall: And that ... it was just so [00:31:00] genuine, and he listened.

Tyler Litchenberger: Yeah.

Millie Marshall: He wanted to hear what they said.

Tyler Litchenberger: Yeah.

Millie Marshall: And I thought, you know, that's a big difference between them shoving, you know, 30 microphones in your face and, now, you're here, and, you know, you're talking to some-

Tyler Litchenberger: Yeah.

Millie Marshall: ... production team members. So-

Tyler Litchenberger: He's a bit of a show pony on and off stage a little bit.

Millie Marshall: Well, maybe he is, but he does it very, very well.

Tyler Litchenberger: I think just naturally. That's his person ... he's just bubbly.

Millie Marshall: Yes.

Tyler Litchenberger: I remember one time we were at a ... I forget which auto show, but I had to get him and take him to a social media thing. We were doing a live stream with him. And I was walking with him. And like those days are long. They're long days. And I was like, "Are you just exhausted by the end of these days?" 'cause he has to do the most talking, and he has to do the most everything. And he's like, "No, they energize me." And I was like, "That's just so on-brand for you, Jack." Yeah.

Millie Marshall: And that's a true extrovert-

Tyler Litchenberger: Yes.

Millie Marshall: ... that you get energized by that.

Tyler Litchenberger: Yes, totally.

Millie Marshall: And for the true introvert with the microphones and-

Tyler Litchenberger: Right.

Millie Marshall: ... and all the lights, I'm like, "Whoa."

Tyler Litchenberger: [00:32:00] But he treats the team members. I mean, if you're the intern-

Millie Marshall: Oh, absolutely.

Tyler Litchenberger: ... and all the way, I mean, everyone is the same to him, and that's what ... you know, I'm sure those team members appreciated it.

Millie Marshall: Absolutely.

Tyler Litchenberger: Were they excited by the press conference?

Millie Marshall: Oh yeah.

Tyler Litchenberger: Yeah.

Millie Marshall: And just, you know, being there, the room was filled and-

Tyler Litchenberger: It's packed.

Millie Marshall: ... you know, all the video that comes out, it's very exciting. Very exciting.

Tyler Litchenberger: Yeah. And so, you have that, and you have the production of it. And then, it's like, "Man, we gotta make this thing." When did you find out like, "Okay, we're getting a new Highlander, we're going to have to change the line now?" When do you ... when were you privy to that information?

Millie Marshall: Well, when I came in January 27, the decision was already made.

Tyler Litchenberger: Yeah.

Millie Marshall: And I was here, in the first week I was here, I did the announcement for the Highlander, the \$600 million investment, the additional 400 jobs-

Tyler Litchenberger: Yeah.

Millie Marshall: ... and the cap-up for the Highlander of an additional 40,000 vehicles. So, for [00:33:00] me to come from a powertrain plant to come here, and I'm with the governor, and the press the first week and going through this, it's like, "Oh, my gosh, what have I gotten myself into?" But it's years of planning that goes through that.

Tyler Litchenberger: Yeah.

Millie Marshall: But really, the time that we're in right now 'cause we're running trials and things like that, that's when you see it, it's really, really exciting because you get to actually see it.

Tyler Litchenberger: Yeah.

Millie Marshall: You're not working with design. You're not working with vendors. You know, our team members get to see the new Highlander going down the line. And, you know, I really, when I thought about this is it's almost like having your first baby because you have all this planning going on and, you know, there's different milestones of-

Tyler Litchenberger: Yeah.

Millie Marshall: ... you know, what happens during your pregnancy, you know, whether you know the wife or the husband or whatever it might be. And it's the same thing here. So, every change point, we try to communicate [00:34:00] to the team members. We want them to be a part of it.

Tyler Litchenberger: Yeah.

Millie Marshall: And then, many of them have worked so long and in Japan for 10 or 12 weeks at a time, been up at TTC for 10 or 12 weeks at a time, away from their families, a lot of overtime. And, you know, now, they're getting to see part of the results of all that effort.

Tyler Litchenberger: Yeah.

Millie Marshall: It's an unbelievable feeling. It's like ... like I said, it's kind of like your very first new baby of, "Oh my gosh, you know, I just can't wait."

Tyler Litchenberger: Right.

Millie Marshall: And it's so-

Tyler Litchenberger: We're excited.

Millie Marshall: ... exciting. Yes.

Tyler Litchenberger: That's awesome. What are three things that you love about the Highlander personally?

Millie Marshall: And I'm going to do it from a customer viewpoint.

Tyler Litchenberger: Okay.

Millie Marshall: And I'm excited because when I was at the New York Auto Show, we displayed the exterior color of moon dust.

Tyler Litchenberger: That is a good color, yes.

Millie Marshall: And it's beautiful. It's kinda got a little sparkly like stars. And the blue [00:35:00] is just a beautiful combination. But I know we've had tan seats before but the glaze caramel-

Tyler Litchenberger: This is different.

Millie Marshall: ... is out of the world.

Tyler Litchenberger: Yeah. This is not like a tan seat.

Millie Marshall: Nope.

Tyler Litchenberger: This is this is next level.

Millie Marshall: And I mean, that vehicle, we reviewed, I knew then that's what I was going to drive. So, the exterior and interior color, CarPlay-

Tyler Litchenberger: Yes.

Millie Marshall: I mean, when I rent cars, I get CarPlay, so I'm so happy to get it-

Tyler Litchenberger: I know.

Millie Marshall: ... into my Toyota vehicle. And the third thing I really like is we have a 12.3 information display, which is the biggest in the segment.

Tyler Litchenberger: Really? The 12.3-inch-

Millie Marshall: Screen.

Tyler Litchenberger: Yeah, the infotainment.

Millie Marshall: Yeah.

Tyler Litchenberger: Wow.

Millie Marshall: And then, I didn't realize this till I was out with some engineers. It tilts where you're not getting that sun, you know-

Tyler Litchenberger: The player, yeah, yeah, yeah.

Millie Marshall: ... hard to read. So, they did it not only by increasing the [00:36:00] size, and it's much clear, but the other thing is it's better for the driver. They've figured out in terms of installation to make it much easier for the driver to read. So, that to me is another exciting feature.

Tyler Litchenberger: That's super cool. I always tell people, so in 2009, I had a vehicle that had caught fire on the side of the road. And so, I was in need of a new vehicle. And we got a Highlander. And it was the first vehicle that I brought my newborn daughter home. And it was our first vehicle that like I felt like an adult because we purchased it, you know. And it was a first big purchase my husband and I made as a childless couple, besides our house. And so, I just ... Highlander has a special place in my heart because I love that vehicle. It was so great. And you're going to get the moon dust with the caramel?

Millie Marshall: Oh, without a doubt.

Tyler Litchenberger: Okay.

Millie Marshall: Yeah.

Tyler Litchenberger: You heard it here first, people. [00:37:00] So, I'm going to go into a little bit about ... we talked about your background, but I don't want to be like, "What's it like to be, you know, a female plant president?" It's just like being like a man, you just go in a different bathroom, right?

Millie Marshall: That is true.

Tyler Litchenberger: It's the exact thing. Actually, we had one of our female drivers, we asked her, you know, what her most annoying question is that she gets, and she said that question, except, "What's it like being a female driver?" And her response was, "Exactly like being a male driver. I just used a different bathroom." It's exactly-

Millie Marshall: Well, I might start saying that because I was ... I've been the only female in the room for so long, I don't think of it.

Tyler Litchenberger: Yeah, even though you notice.

Millie Marshall: And then, when it was first announced, I knew it was going to be announced I was going to be president, but what I did ... I was not mentally prepared for it because I thought I'm the same person that I was yesterday before the announcement. Nothing's changed, but people treated me different. And I've really struggled with that for a long, long [00:38:00] time. And I wouldn't even talk about. I'd tell them, "Don't ask

me about females in manufacturing.”

Tyler Litchenberger: Right.

Millie Marshall: “I don’t want to talk about it-”

Tyler Litchenberger: Right.

Millie Marshall: ... because it was ... as you said, that question got asked every single time.

Tyler Litchenberger: Right, yeah.

Millie Marshall: But what I have learned is, you know, we talked about it earlier, you know, I’m very humbled and I’m very honored, but I did not realize the impact it has for other females because I didn’t want to be self-serving, it was about me. That’s why I struggled with, “Well, I’m the same person I was yesterday. Why is everybody making such a big deal about this?” But when I had others come up to me and said, “Oh, Millie, we can believe now that we can be a plant president.”

And so, it’s taken several years for me to get this in my mind but the biggest, you know, I think contribution [00:39:00] and the greatest satisfaction I get is there’s so many people that come up and say, “You know what? Once we saw you, I believe now I can do whatever I want to do, and there’s no limitation,” where before, whether. It was implied or whether it was just the growth of the company, people thought there was limitation.

Tyler Litchenberger: Right.

Millie Marshall: And so, now, so many people think, “Well, I can dream as big as I want,” and you know. And I tell them, “Start your own impossible, you know, whether you want to be a GVP in Plano, or you want to be a plant president, you know, you can do whatever you want to do-”

Tyler Litchenberger: Yeah.

Millie Marshall: “... ’cause there’s lots of opportunities in this company.” There’s no doubt about it.

Tyler Litchenberger: Yeah.

Millie Marshall: But I’m much more comfortable thinking about it now because I feel like I have a responsibility to, you know, the generations behind me where the first few years in West Virginia, it [00:40:00] was like, “Don’t ask me that question.”

Tyler Litchenberger: Yeah.

Millie Marshall: Everybody asks me that question.

Tyler Litchenberger: Yeah.

Millie Marshall: So-

Tyler Litchenberger: Like you’re a unicorn or something.

Millie Marshall: Yeah. But I’m gonna use now what you said, I’m going to say there’s no difference except for the bathrooms.

Tyler Litchenberger: Right, exactly. So, you're here inspiring the next generation of women leaders. That's fantastic. I will say, as you were speaking, you seem to be on the administrative side, as you said. And my ignorance is, I'm sitting here, I thought that you had to have like beyond the line, you had to work on the line to do-

Millie Marshall: An engineer.

Tyler Litchenberger: Right, an engineering background to do it. And that's not true. You don't

Millie Marshall: So ... and I'm unique. So, both of our other female presidents are ... have an engineering background. I think when I think about my career, I always look back and wish I started as a team leader or a group leader.

Tyler Litchenberger: Why?

Millie Marshall: Well, because then maybe in my mind I feel more worthy of doing this job. [00:41:00] But I do believe the higher you go up in the organization, it's more about leadership. It's not about technical. And I'm fortunate that this company, you know, put faith in me that I could continue to grow without that engineering background.

Tyler Litchenberger: Right.

Millie Marshall: I mean, we're clearly an engineering company.

Tyler Litchenberger: Right.

Millie Marshall: So, you know, to have an HR and IT ... IT, you can kind of relate a little bit to engineering, but not in what these engineers do on the floor here. There's no way.

Tyler Litchenberger: Right, right.

Millie Marshall: So, what I've had to learn through the years is that it's really not about what I know or what I can do specifically from a technical perspective. It's leadership of bringing the team together. And I use this example, an orchestra leader, you know, they're paid good money. You know, they're ... they have high, you know, visibility [00:42:00] for that type of job. They don't know how to play every instrument-

Tyler Litchenberger: Right.

Millie Marshall: ... or even play any instrument even very good, but they're pulling the people together to make beautiful music is their skill. So, what I've had to kind of change myself as, you know, being the person that was used to getting the work done is, now, I've got to work on the teams and relying on other people of what their capabilities are and, you know, the right questions to ask-

Tyler Litchenberger: Yeah.

Millie Marshall: ... to make sure that we're successful. The meeting I just came from was exactly on this new Highlander and where we are in the trials.

Tyler Litchenberger: Yeah.

Millie Marshall: So, I'm definitely not the technical person out there, but I can ask questions to kind of get answers to kind of give me confidence of, "Okay. It seems like we thought of everything. And if we haven't thought of it, at least, we've got a counter measure."

Tyler Litchenberger: Right. That's fantastic. I don't have any more questions. You [00:43:00] answered all of my questions perfectly. Thank you so much for joining the Toyota Untold Podcast.

Millie Marshall: Well, thank you.

Tyler Litchenberger: It's lovely.

Millie Marshall: And it's a pleasure to meet you.

Tyler Litchenberger: I love being able to hear from some of the incredible people who make everything happen behind the scenes. Most of us don't really think about everything that goes into designing, building and marketing the car when we drive a new car off the lot, but there's a lot of time, love, and care that goes into every step of the process.

Our show is produced by Derrick Brown. And the music you're rocking out to is by Wes Meixner. We're edited and mixed by Crate Media. Thanks again for listening. And if you enjoy our podcast, please give us your feedback, get subscribed, give us five stars on Apple Podcast, and email us your comments at podcast@toyota.com. And again, if you want to talk to me, Tyler, specifically on social media, make sure you tag @Toyota on Twitter and Facebook and @ToyotaUSA on Instagram. Until next time. See you guys later.

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