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An introduction

The year 2020 is witnessing the largest global pandemic so far. As the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) gradually spreads across the globe, it is wreaking havoc on humanity and the global economy. Many died and more people fell ill, which could lead to long-term health consequences, disruption of global travel and commerce, and the disintegration of societies and individual lives. At the international, national and societal level,

Companies and departments have made rapid plans to avert potential disasters and asked leaders in all sectors to respond to the direct and indirect effects of this crisis, with little time to prepare, and in an ever-changing environment.

For management, it is very certain that the challenges associated with the decision-making process are exacerbated and requires a quick adaptive response not usually associated with management in working times. However, the main challenge of the epidemic is that effective management of the situation requires a large-scale change in human behavior. When adoption is insufficient, group benefits are not guaranteed. The global pandemic is therefore a "real test of confidence in a health system" **(p. 214). 1**

Leadership Critique

Company name: Al-Futtaim Motors

Specialties: New and used cars trade

It is considered one of the largest companies in the United Arab Emirates, as it owns more than 8 international brands with a large share in the car market (Toyota, Lexus, Honda, Volvo, Jeep, Dodge, Chrysler, Ram, Hino...) and has many branches in the UAE cities.

Search background

The impact of crises and epidemics on companies and consumer purchasing decisions.

The car trading market in the UAE is dynamic and volatile, and therefore, the demand for products changes according to the times of the year and the tourist seasons. , the company faced challenges in the country as the competition is very high in the car market; there are many major companies such as Ford and Nissan. Thus, both external and internal factors influence the customer's behavior and decisions towards his purchase.

Crises and disasters in the country affect companies negatively as the flow of funds stops, assets lose their value and services become expensive which creates a very difficult situation in the country. This leads to business losses, and production becomes slower as workforces are reduced and factories are closed. Crises and epidemics in the country push people not to make any decision about buying any products that are needed or not needed for them in the event of crises and disasters. Therefore, in a time of crisis, people are more likely to make wiser decisions about the products to be purchased.

Research goals and objectives

The main objective of the study is to shed light on some of the wrong points and decisions that were taken in the past year, and to give suggestions and tips to avoid them In future plans.

It has been observed that the financial crisis and economic downturn have played an important role for companies to adopt strategies and change management's perspective on the market and target audience. Previously, epidemics occurred in many countries in

which countries were affected, causing severe financial crisis, and bringing recession to countries, resulting in many organizations being forced to close due to lack of capital and resources, and many of them merged and adopted acquisitions to save them. Organize and hold a position in the industry. Therefore, it has affected the income and financial condition of customers, the financial condition worsens and customers have less purchasing power. Therefore, the demand for products is reduced, however, they have a different effect on the organization, and the perception of customers plays a large role in purchasing products.

Company practices in 2020 during the Corona epidemic

The behavior of most companies in environmental crises and disasters, especially the Corona epidemic, depends on reducing expenses ((reducing the number of employees, reducing salaries, closing some branches of the company..... etc.

And the last challenge that Al-Futtaim faced in the market due to the recent epidemic hit the country, and hindered the import of cars. The reason for the scarcity of stock

Management plays an important role in managing planning by developing a crisis scenario.

Administrative Policies

General closure of the showrooms.

- Complete suspension of employment and job promotions
- Reducing the number of employees and working hours in the workshops by more than half.

- they started laying off 40% employees and pay them compensation for 3 months
- Partial return to work by gradually increasing working hours, according to the laws of the country's government.

Financial policies

- Reducing employee salaries to 30% or laying off work in case of rejection
- Cancellation of all incentives, bonuses and commissions for all employees. .
- Reducing the number of showrooms
- Reducing the number of employees

A strategic plan to avoid the status quo

Leaders must then recognize that the company is facing a crisis. This is the first step, but it is a difficult step, especially at the beginning of crises that do not occur suddenly but erupt as a result of the exacerbation of familiar circumstances that conceal their nature.²

One of the most prominent examples of these crises is the outbreak of the SARS epidemic between 2002-2003, and now the Corona virus pandemic. Pursuing a slow-moving crisis and predicting what it might turn out to require leaders to overcome so-called “normalcy bias,” a condition in which one underestimates the possibility of a crisis and underestimates its consequences.³

The company's management focuses on market research primarily to identify market trends and customer needs in the market. So that the company can adopt strategies that will benefit in understanding the customer's attitude towards the company and its

products. Therefore, by understanding the requirements of customers in the market and adopting strategies to attract people.

There are many challenges that these companies have to face due to the large number of competitors in the local and global market

So that the company's sales in the automotive sector account for more than 60% of the local market, and the reason for this is that it has a number of reputable brands, and therefore it addresses all segments of society.

The company's management must adopt strategies to attract customers and achieve the highest levels of sales and profit, by following the following:

- Develop an advertising plan to promote products, especially four-wheel drive vehicles, which have the largest share in the country.

(This is to direct people to use four-wheel drive vehicles in the desert because it is the only outlet for them after the closure of all vital facilities and shopping centers)

- Promotional offers and discounts Giving discounts to customers to attract them and many offers offered by companies to retain customers.
- Contacting old customers and offering replacement service for old cars.
- Internal financing without referring to the banks. Financing by the company within the laws appropriate to the current situation.
- Introducing a partial financing service for the value of cars and that is by financing part of the value of the car. And the possibility of financing the other part or returning or replacing the car to the agent by the agent.

- Rental service for one year or two with the possibility of owning the car.
- Requesting new specifications for cars that fit the current situation that would attract customers and help in obtaining new customers and retaining potential customers.
- Putting electric cars on the market

Moreover, where elite members of the community are invited and through them the company can interact directly with customers and this helps to understand their behavior and influence their purchase decision for the product. Where the company creates products and car accessories, especially for the Jeep SUV.

Customers evaluate the product and the brand before making any purchase in the company, through reviews and ratings of the products of their choice.

Raising Leaders in Crisis: The Importance of Being Calm and Cautious Optimism

Just as an organization's senior executives must be willing to temporarily delegate some responsibilities, such as command and control, to a network of teams, they must also save by managing themselves through crisis solutions in the organization. . You have started showing your work

Operations administrators must be able to select the most suitable people in the team network long before assigning a visual welcome associated with success in reading and writing. Appointing decision makers to guide crisis response. The evolution of crisis event events is a key factor in crisis response.

This experience may be the most valuable scientific relationship that has ever worked in an emergency, and is of paramount importance to an outstanding leader many qualities, chief among them being “thoughtful calm”, having the ability to detach from precarious situations and think clearly of how to get out of it.

Cautious optimism, or confidence, coated with realism, men of culture show confidence despite the apparent complexity of circumstances early in the onset of the crisis. When the crisis passes, optimism will be more useful (and may be less cautious).

Challenges Facing the Automotive Market

There are many challenges that the management faces in car marketing in the UAE. Car marketing has very high competitions between companies such as Nissan, Ford...etc.

From multiple point of view, you say that people are trying to save money for the future because of the current situation,

While the company is trying to fetch information from the market, the company's general management is facing problems while the country and the world is facing an economic and financial health crisis that is causing a recession and affecting the company's sales. Customer perception and demand for a brand or product changes due to the economic downturn.

Customer's purchasing decision is based on product cost, color and design according to the reports the company brings from the market.

It can be said that customers in the GCC are more inclined towards sponsor drive cars

Management makes predictions about customers' behavior and reactions to products during and after the crisis in the country. To retain her clients.

Factors that affect customer-buying behavior for cars

The customer's attitude to products and his decision to buy depends on his needs; Thus, there are various theories that explain the factors that influence the purchasing decision of customers.

Brand perception:

Brands in the market influence customers with their products, specifications and experiences with the brand, the post-purchase experience creates a perception of the brand and the company, which influences the customers' attitude towards the company.

Financial situation:

The financial situation and income of customers are also involved in making car purchase decisions. The financial situation of customers determines the behavior of customers towards brands in the country.

Effective communication:

Effective communication between company representatives and customers, which leads customers to have a positive attitude to the purchase of products. So it affects the decision making of customers whether they want to buy the Car from that company or not.

Economic Environment:

The economic condition of the country gives a great influence on the business environment and the strategies that must be taken for the improvement of the country. Organizations can prepare strategies for company growth and revenue generation to contribute to the country's GDP. However, the economic downturn in the country will affect the organizations due to the decrease in investments and returns in a time of crisis. Therefore, which also affects the customer's behavior towards the company's car More attention during the development of strategies appropriate to the current situation.

Such as, recommend strategies to overcome this stagnation by understanding the client's position to achieve the business objective through analyzing the scope and opportunities in the country.

Strategies to follow.

During crises, leaders do not need to implement a prepared response plan. Rather, they need to adopt behaviors and mindsets that prevent them from overreacting to yesterday's developments and help them look to the future. With this in mind, in this article, we will review 5 of these behaviors and accompanying mindsets that can help leaders navigate the coronavirus pandemic and other future crises.

To increase revenue, the company will increase the price of products in the market. It may have an impact on the target customer base as the current situation of the country can create a financial crisis for the customers, even though the company will spend on marketing to attract customers to the company. To address the changing behavior of customers, the company must conduct secure digital monitoring to analyze customers' activity and develop strategies to get them to visit the showrooms. In this time of crisis,

the company works to reduce expenses, readjust spending, postpone expansion strategy, reduce production volume, restrict media expenses, and create a management strategy. Furthermore, the company should work with more substantial digital marketing to approach customers with their current product to improve the financial business of the future.

Apply customer attitude theories that are appropriate to attract customers in the market while the country's economy is deteriorating. The epidemic will have a severe impact on the total domestic products and reduce consumers' desire to buy new cars in a time of crisis. Working hours are restricted and the number of visitors is limited to each exhibition to reduce friction between people, as there are several restrictions on the fear of infection through mistakes between people.

During the crisis, digital shopping, online advertising, and awareness of the environmental and social consequences will be emphasized, and consumers will prioritize purposeful brand purchases.

That in the post-crisis situation, companies' production capacity and management strategies depend not only on maintaining and maintaining product quality.

To be Focus more on more relevant ways to communicate with the audience and improve digital platforms. And Confidence in leadership is essential for transformative and collective action in times of uncertainty, such as during a pandemic. For leaders to instill confidence in their followers, they must take appropriate actions through preparation and planning; search for information and intelligence; Leading adaptation and ensuring a coordinated response. However, to maintain trust, leadership requires taking ongoing

responsibility and accountability, and staying in close contact with those whose decisions affect them. Developing and maintaining a leader's trust in circumstances such as a pandemic is a dynamic process, changing over time from pre-existing trust, to action-based trust, to trusting in the strength of a true relationship. As COVID-19 continues to spread around the world, it is becoming clear that ultimately trust also requires leaders to offer hope, a credible vision of our lives for the future, and guidance on how to achieve it.

Business and consumer trends

- Suggestion of business activation in the field of used cars
- Work to revitalize the electric vehicle market:

More people than ever are interested in cars with alternative powertrain technology. If they are about to buy a new car, they are likely to move away from traditional internal combustion engines, as I will always keep more electric cars in my options to satisfy consumer desire.

- Affordability, Safety, and Sustainability: These are the three massive consumer trends that will drive the growth of the automotive industry as they will always be taken into account in my goal, plan, and process towards satisfying customer trends.
- Technology:

Now the technology in the car is very important as many people would like to have a car with more options like (camera, navigation, leather kits, tie-down spot assistant).

1. Autonomous vehicles will have to wait a bit

The story of self-driving cars is really attractive. Looks like a futuristic movie we're finally getting to experience.

Imagine how the car takes you to your destination while you are working on your laptop. It seems that most people do not trust this concept yet. They are concerned about safety. If they don't have their hands on the wheel, they don't trust the car to work as they want it to.

Conclusion

In short, it can be said that the brand experience, self-concept, authenticity of the brands and the attitude of customers towards the quality of cars will influence the buying decision of customers.

The GCC countries are still able to compete with the growth of the car market and are considered one of the most importing countries in the world for cars, especially in the Middle East countries, especially SUVs , 4X4.and its accessories and so on.

During the Covid-19 outbreak, the ultimate concern of any company is to protect the health and safety of employees, consumers, stakeholders, partners etc. Al-Futtaim also faces challenges in importing and marketing vehicles. So the current scenario in the country also, gives an effect on the customer's attitude, which is the perception shown by the management that the customer's behavior may change. However, it has not yet been decided. Let's see how the market will respond in the post-COVID-19 crisis. In this time of crisis, the company is reviewing its future investment plans, sales and marketing network to survive profitably in post-crisis times with specialized management plans, personal promotional effects, and online advertising.

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