Branding in the automotive industry: The role of product experience in the buying process of the premium segment in Sweden.
Abstract

**Purpose:** The purpose of this study is to analyze and obtain a deeper understanding regarding the role of prior and present product experience and its impact on the buying process of an automobile within the premium segment in Sweden.

**Problem:** A research gap has been identified regarding the connection between a product experience and its actual role in the buying process of a premium automobile. It is argued that great measures of a consumer's perceptions of a product are formed by gathered product experience whilst no previous research conclude to what extent it actually makes an impact. Additionally, no previous research has identified if negative product experiences of automobiles deem a brand to be undesired to an individual in comparison to brand where no product experience is to be found.

**Design/Method:** This paper has utilized a qualitative research approach that includes the conduction of semi-structured interviews, which worked towards investigating the perceptions of interviewees with regards to the subject of product experience and to what extent it impacts individuals. Moreover, an abductive research approach is utilized within this paper as the approach combines all forms of known information in order to form a conclusion based upon discovered observations whilst also collecting data that enables a more thorough insight.

**Findings:** This research proves that product experience plays a vital role in subsequent buying decision processes. Previously attached meanings and values, elicited emotions and perceptions towards a specific brand are through our findings confirmed to have a direct impact on purchases of automobiles as well as feelings associated with an automotive premium brand. The conducted research also found that bad product experiences, although damaging brand perceptions, most commonly surpasses no experience at all.
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1. Introduction

In this section, the background of the automotive industry will initially be discussed. This is followed by a concise description of the main concepts that this thesis will exploit as well as the correlation between them. The chapter is then concluded by presenting the problem chosen to investigate along with the main purpose and research questions this paper aspire to answer.

1.1 Background

When the first automobile was introduced, over a 100 years ago, it was a symbol of power and wealth. It was a luxurious item only few could get their hands on and that remained to be the case for quite some time. It wasn’t until the 60’s that the car was commonly used by ordinary citizens and families, at this point in time the possession of an automobile strongly represented freedom. Through the years, the car has more and more transcended into a necessary tool for a comfortable lifestyle but it is perhaps during the last 30 years or so that the car has also developed into a status indicator. Depending on which car you drive, a noisy sports car, an eco-friendly hybrid or a huge SUV, you are telling the surroundings something about yourself, you are wearing your status on the road. Obviously, this is not the case for all owners, some just want the most price worthy vehicle that can fulfill their needs by taking them from place A to B, which in turn also shows what type of person you are since you skip the “status indicator”. There is plenty of articles regarding this phenomenon depicting all sorts peculiar information about the driver but not all is far-fetched, “Education level and computer savvy are just a couple of the things your car says about you. Your wheels also give clues to your age, gender, income level, political leanings and marital status” (O’Malley, 2009). The automotive brands are well aware of what type of status their car bring to the consumer, in most cases, the brand built this image themselves and uses it as their unique selling point.

During the last decade, the global demand for vehicles has seen a momentous rise, premium cars in particular, between 2010 and 2011 the premium segment had a 12,5% increase in sales and constituted close to 10% of the worldwide sales of automobiles (Little, 2013). The automotive industry is driven by constant
development and rapid trends, ten years ago diesel was the future but now the focus has completely shifted towards electric vehicles. “The automotive industry faces disruptive change on multiple fronts: connected vehicle services, autonomous vehicles, electric mobility and shared mobility models” (Wolcott, 2017, p. 11). The question will be, who can incorporate all these changes and outshine the competition (Wolcott, 2017). Since the introduction of electric vehicles, auto companies have been faced with tough decisions, other than Tesla, who was founded on the electric vehicle (EV) strategy, different companies have for years been trying to figure out where this trend is heading. It is becoming clear that the direction of EV-vehicles will not change and auto brands are now taking their shot at penetrating this distinct segment. Volvo, for example, made a pioneering promise when they presented their new vision of including some type of electric engine in all vehicles entering production from 2019 and forward (Vaughan, 2017).

In present Sweden, the thriving economy and a high employment rate among post-secondary graduates build the foundation for a big customer base within the premium segment. Statistics show that the number of company cars keeps growing, year after year, which is also a factor. At the top is Volvo with a third of all company cars and the rest of the top five is dominated by Germany and together, Volvo, Volkswagen, BMW, Audi, and Mercedes constitutes 75% of Swedish issued company cars (Tidningens Telegrambyrå, 2017).

1.2 Product experience

A classic Friday afternoon in the summer, people are leaving work and starting to fill the outdoor seated bars and cafes, trying to catch the last glimpse of the sun. I quickly take in the atmosphere before I pick up my car key and press the unlock button. I enter my newly purchased company car, a BMW 330i, I instantly feel excited like a little boy after starting the engine and, as I put both hands on the steering wheel, it feels like it was custom made for my hands, it is a delightful interaction, to say the least. Since I have plans to go directly to a friend’s house for a barbeque, I figured it’s about time to try out the navigation system, as I have never owned a BMW before, my previous experience with BMW’s navigations
system is virtually non-existent. I type in the address through a scrolling button which is not too hard, but when clicking on setting up the route, it says no hits found. My emotions somewhat cool off as I find out that the seamlessly perfect car does, in fact, have its flaws.

What is put into context here, is a typical everyday experience with a product, a typical experience vehicle experience that is. In 2006, Paul Hekkert provided a similar example for a typical everyday product experience with the aim of allowing his readers to form their own perception regarding what a typical everyday product experience means for them as all of us experience products in our own unique way (Hekkert, 2006).

Hekkert defines product experience as involving three distinct components, aesthetic experience, experience of meaning, and emotional experience (Hekkert, 2006). All of these three components are differentiated through having their own unique process of impact. The aesthetic element comprises of a product’s ability to satisfy our sensory modalities. The meaning element comprises of our own capability to appoint particular characteristics or other types of personalities and to determine the symbolic and/or individual meaning of the product. The last element, the emotional level comprises of experiences that often are examined within emotional psychology, feelings like love and hate are brought out by the meaning of our relation to specific products (Desmet & Hekkert, 2007). In addition to the above-mentioned definition of product experience as its own, the understanding of its connection to buying behavior is a vital point with regards to the research of this paper. An aspect of importance in this manner is the fact of what makes a product experience and how it affects a potential buyer.

Although the fact that understanding (or interacting) with a product and then relate to it in an emotional sense can be considered somewhat obvious, the connection to the aesthetic experience is not only important but crucial. Hence, in relation to buying behavior, only a part of a full experience of a product is to be reflected as aesthetic and therefore not affected by other senses and states that could be deemed important (Hekkert, 2006).
1.3 Buying process

In modern society, the importance of understanding the customers wants, needs, demands and how it affects the buying process cannot be understated, it serves as a key element in building profitable long-term relationships between brands and customers. In the process of forming an understanding of customer’s perceptions, brands and companies can use this knowledge and determine the custom action required to meet these perceptions and needs of customers. The company’s strengths and weaknesses can more easily be identified, the brand positioning made clearer in regard to competitors but also a more sensible strategy on what direction to take in the future could be revealed. Measuring customer satisfaction integrates and puts the focus on customers wants and needs, as well as it enables companies to improve and streamline processes to ultimately become more successful (Kotler & Armstrong, 2010; Monga, Triphati, & Chaudhary, 2012).

1.4 Marketing and branding in the automotive industry

During the existence of the car, our way of marketing has changed dramatically. The beginning of automobile marketing consisted of black and white posters, today, everywhere we look, we seem to find social media stunts, flashy commercials and can basically build a car tailored for our demands directly through the web. The way automobile marketing has been used through the years seem to have a close relationship with what the car represented at that point in time. The first ads, around the 1900’s, presented cars as the ultimate luxury. In the 50’s and 60’s cars were no longer a rare commodity, many marketing schemes painted out the car as a key to freedom and American brands based their ads on “rock’n roll and superlatives” (Top Gear, p6, 2014). Volkswagen took a different direction, in 1959, they presented an add without extra enhancement, a bold and truthful visualization which brought huge success and demonstrated a revolutionary way of marketing. The 70’s had the oil crisis which paved the way for efficient Japanese vehicles and it wasn’t until the 80’s and 90’s that the luxury segment really came to life (Top Gear, 2014).
The branding of an automotive company sets the fundamentals of associations connected with the company, and thus, significantly impacts the consumer buying process. For the potential car purchaser, brand awareness matters, “automotive brands that are included in the initial-consideration set can be up to three times more likely to be purchased eventually than brands that aren’t in it” (Court, Elzinga, Mulder, & Vetvik., p3, 2009). For most people, a new automobile is a significant investment and generally a lengthier buying process compared to other products, and therefore, building attachment towards the brand is a vital element for the majority of automotive brands (Haddock & Tse, 2007).

1.5 The premium segment in the automotive industry

The word premium can be defined as “a high value or a value in excess of that normally or usually expected” (Merriam-Webster, 2018). The concept of premium segment continues to build on this, the idea is to offer products at a higher price than other brands and deliver superior value compared to products offered in a lower price range. By applying this strategy, the brand automatically tries to include their product within the premium segment and hopefully reach a greater perception and an impression of exclusiveness among consumers (Marsh, 2014).

Considering the premium segment within the automotive industry, brands often mentioned in this category is BMW, Lexus and Volvo to name a few, although, dividing brands into categories, is not always simple and clear. In many cases, brands targeting the premium segment offers smaller models that usually are positioned in the lower cost range of the segment. As auto models become bigger and better, the level of premium within these vehicles becomes more apparent, some brands also complete their lineup with a luxury supercar, just to show what they are able to do.

BMW strives to put models across the whole fleet within this segment, with the i8 as the top-notch model, to demonstrate, we can also manufacture futuristic supercars. Lexus is in some sense, “the upgraded Toyota”, with the objective of
reaching out to a broader customer base in Europe and the US. In Asia, the Toyota subsidiary works as a Luxury extension while Lexus in Sweden is more aimed towards the premium segment and being in the price range for company cars (GlobalCarBrands, 2015). In terms of statistics, Lexus was in 2008 the nr1 imported luxury car but its attitude leans more towards the typical premium brand. The lack of identity and “an obsession with by-passing competition” of Lexus is something rarely seen among luxury brands (Kapferer & Bastien, 2008). Automobile brands have a clear-cut approach on how to position themselves on the market but in the end, it is up to the consumers to determine their own attitude towards the brand.

1.6 The premium segment with regards to this paper

In many ways, except for a higher/lower price, there is no distinguished difference between what is considered a premium or a luxury vehicle which can be confusing at times. As every consumer or producer of automobiles have their own perception of what makes an automobile included in a premium segment, it’s important to highlight the scope of the matter for each instance. As of this paper, the authors have chosen to analyze the premium segment of the automotive industry in Sweden. This makes this paper take various factors into account and both include as well as exclude various automotive brands. Some brands, exemplified as of Cadillac, Dodge, Chevrolet, Buick, Jaguar, Genesis, Acura, Infiniti, Alfa Romeo and likewise that could be applied as premium automobiles in various markets have been excluded for the scope of this paper due to irrelevance to the Swedish automotive market. To put into context, it has been considered irrelevant for the purpose of this thesis to include various brands that few individuals have ever been in contact with, therefore not benefiting the aim of the thesis.

The choice of brands included in this paper has been thoroughly considered and reconsidered, and the factors have been partly the beliefs and understanding of the authors themselves. Other factors considered as of choosing appropriate brands for the purpose of this study has been; number of cars on the Swedish
automotive market, and number of new cars sold in Sweden and a relevant and compelling pricing range. The parameters taken into consideration has been a combination of automobiles available for purchase on the market as of today, together with an understanding of how many new automobiles the various premium brands sell (BIL Sweden, 2018; BytBil, 2018). These price ranges exceed the cheapest segment of the automotive industry, yet below the average price ranges of well-established luxury automotive brands such as Porsche, Lamborghini, Ferrari and likewise. No exact price figure has been the key factor, but rather an overall perception of the price ranges of each manufacturer in combination with an overall impression of to what extent the brand in question is regarded well-known or well-established within the Swedish automotive industry.

From the discussion of the above-mentioned criteria among the authors, six brands have been chosen to be put into focus as of representing the premium segment of the automotive industry; Volvo, BMW, Mercedes-Benz, Audi, Volkswagen, and Lexus. The later one being the least well-established brand within the Swedish automotive market which, therefore naturally, will be taken into consideration regarding the later following analysis as to see if this factor is a vital factor or not.

1.7 Problem formulation

The impact of product experience has widely been displayed as connected to the specific history of connections between an individual and a product. It concerns both visual and technical attributes but most of all any psychological emotions triggered by an interaction with a product. These aspects come together in forming the perceptions of a consumer on a product, a fact that is to be considered vital regarding a potential purchase (Schifferstein & Hekkert, 2008).

Upon this matter, it is considered that great measures of a consumer's perceptions of a product are formed by gathered product experience. Moreover, underlying positive changes of product experience from a brands perspective stand as the single most significant change to perceptions of a brand or its
products. This is especially highlighted regarding the concept of automotive branding, as customers of automobiles tend to believe the fact that producers of automobiles excel in various attributes regardless of factual support behind the perception. Exemplified as a manufacturer of premium cars with an acknowledged reputation of prestige tend to produce cars with superior performance in terms of handling, safety and reliability without the consumer having experienced it (Hirsh, Hedlund, & Schweizer, 2003).

Hence, an interesting observation to this subject is to what extent a product experience is connected to the purchase of a certain product, more specifically, an automobile. A gap in research has been identified regarding the connection between a product experience and its actual role in the buying process of a premium automobile. Furthermore, previous research has shown that product experience is to be considered complex with a distinctive relation to each and every individual (Schifferstein and Hekkert, 2008). Due to this matter, the authors have chosen to emphasize the scope of this paper towards the consumers and premium segment of automobiles in Sweden. The choice of this country comes down to the accessibility of primary data regarding this paper as the author’s origin from Sweden as well as the paper is carried out in Sweden through a Swedish university. Additionally, the Swedish market is yet to receive academic investigation regarding this matter, which extends the gap with regards to the topic in question even further. Therefore, this paper strives towards to minimizing the existing gap in academic research regarding the role of product experience in the buying process of premium cars, with an emphasis on the automotive branding in Sweden.

1.8 Purpose and research question

The purpose of this study is to analyze and obtain a deeper understanding regarding the role of prior product experience and its impact on the buying process of an automobile within the premium segment in Sweden. Hence, the research questions of this paper are the following:
• To what extent do consumers incorporate prior, and, present product experiences into their deliberation when purchasing an automobile?

• What aspect influences a customer the most, having a negative product experience rather than no experience at all?

1.9 Delimitations

In order to make an applicable qualitative research regarding the analysis and findings of this study, the authors have chosen to narrow down some aspects of the investigation. The premium automotive brands included in this research have been limited to six, taking into account both their presence within the Swedish automotive market and to what extent they have a share of the present market. By limiting the number of brands, the researchers received a more comprehensive amount of data that more easily could be analyzed, hence further contribute to the academic value of this research. Furthermore, as pointed out in the introduction (see 1.1), the concept of product experience could be used to motivate various observations and impressions of products in general. By understanding that product experience as a whole could be considered quite wide, the researchers have chosen to limit the frame of product experience by excluding the financial aspect of product experiences. This aspect was compensated by the gathering of solely six premium brands within a very similar price range, hence reasoning and analysis of the premium brands were founded on the same financial basis. This enabled further insight into other factors of product experience and premium automotive brands, without the necessity to take prices and financial aspects into account.
2. Frame of reference

In this section, our frame of reference will be elucidated. Specific frameworks and theories have been chosen by the authors to give this thesis a more complete picture of the selected research questions. All the frameworks and theories brought up within this chapter will at some point be taken into consideration during the findings and analysis, however, the Framework of Product Experience will be heavily utilized as it works as a cornerstone for this research.

2.1 Framework of Product Experience

Product experience has been defined as the awareness of psychological effects brought out by the interaction between an individual and a product. This includes the degree to which our senses are stimulated, the meanings and values we attach to the product as well as the feelings and emotions that are arisen (Schifferstein and Hekkert, 2008). It is stated that the direct product experience is connected to one’s primary senses such as vision, touch, smell, and hearing but as well as a word of mouth, trial or through the web. Products, in general, do send emotional messages in order to help consumers to figure out why and what to buy and also what to expect during and after usage (Kapferer, 2012).

The importance and function of product experience, including familiarity and general knowledge about a product, has increasingly become a matter of interest regarding exploration among cognitive sciences. Hence, the subject gained additional interest from researchers of consumer behavior and likewise throughout the years (Chi, Glaser and Rees 1981; Larkin, McDermott, Simon, & Simon, 1980). Moreover, there has been observed various visions on how previous knowledge impacts the processing of information regarding consumer behavior. Primarily, the main theory (or vision) states that any consumer who has a high interest or at least is severely familiar with a product has a tendency towards a decreased or minor interest into search and acquire information rather than more inexperienced, or unfamiliar customers. These vastly acquainted consumers have a tendency to know additionally more specified facts about the products in general and therefore sensing that the existing knowledge is to be considered as sufficient. Hence, ironically the so-called “inverted-U” hypothesis,
states that consumers with less information and familiarity towards a product also engage in a lesser amount of research towards a product. According to the study, more than a slight amount of research are considered extensively difficult and cognitively struggling. Therefore, the theory states that a consumer with a relative, or moderate, amount of information have the highest tendency towards engaging in further product interest and research as they would then be able to comprehend with the additional information regarding the product of interest and motivate themselves to gain further knowledge. (Hekkert 2006; Crittenden, Scott, & Moriarty, 1987).

2.1.1 The three levels of product experience

A product experience can be broken down into three separate levels; the aesthetic experience, the experience of meaning as well as the emotional experience. The aesthetic experience on this instance is connected to our senses that gets a direct impact by a product, i.e. the visual appeals, sounds we hear, and scents we smell (Hekkert, 2006). Additionally, the attributes of the experience of meaning could on its own be broken down into various cognitive processes that all play an important part of how product experience mentally affects an individual. Examples of these processes could be understanding and clarification, various associations as well as retrieval of memory. Furthermore, the processes enable an individual to assign characteristics to the product, creating metaphors as well as evaluate a potential individual or symbolic importance of a product (Csikszentmihalyi & Rochberg-Halton, 1981). What this means is simply that a product experience is connected to the history of interaction with a certain product. It regards not only any visual or technical appeal but most and foremost also any emotional aspects that arise that one connects to that product. All these factors add up to a consumer’s perspective on a good and reoccurring connects to the actual purchase and the aftermaths of it (Schifferstein and Hekkert, 2008).

The three levels of product experience are closely related and in many cases dependent on each other. To be able to fully grasp the meaning of product experience and its components, illustrating real-life examples of experience is a clear tool to give further insight into the different levels (Desmet & Hekkert,
For this to be further put into context, when the owner is pleased by the harmonic sound of unlocking his or her car, the beautiful design of the 19-inch wheels, or the soft feel of the leather steering wheel, the aesthetic experience is triggered. Viewing a specific car as a symbol of success, a loud engine sound as masculine or a Ford Mustang referring to the 70’s are all examples connected to the meaning experience of a product. When the user considers the trunk space and is frustrated by the capacity, discouraged by the complexity of technological aspects of the vehicle, or influenced by the elevated self-esteem one would feel driving an environmentally friendly vehicle, these are all examples of emotional experience.

Certain types of experiences will provoke multiple levels of product experience, it could be an aesthetic experience that might also trigger an emotional response to the product. Attachment is a good example of this, as Schultz, Kleine, & Kernan, (1989), labeled attachment as an experience of meaning, but in many cases attachment to a product also initiates emotions, a car owner can be very attached to his or her vehicle and might be afraid to lose it because of various reasons (Schultz et al., 1989). Another research, conducted by Schifferstein, Mugge, & Hekkert, (2004), states that an association of positive emotions towards a product has been proven to put emotional aspects as one of the key ingredients for product attachment (Schifferstein, Mugge, & Hekkert, 2004). Desmet & Hekkert, (2007), explains that the three levels of product experience can be theoretically divided, however, they are at the same time closely connected which makes it hard to separate them in regular experience with a product (Desmet & Hekkert, 2007).

2.1.2 The adapted basic model of product emotions
To successfully apply the concept of product experience to the research, a closer look at relevant models constituting the base that product experience was founded on is needed. Desmet, (2002) delivered his own version of the appraisal theory, the basic model of product emotions. The reasoning behind labeling the model as basic is because it can be put to us to all potential emotional responses produced from interacting with a product. Desmet further established three
general key variables that are brought out during the action of emotion elicitation: Concern, Stimulus and, appraisal (the basic model of product emotions shown in appendix A), (Desmet, 2002).

In 2007, together with Hekkert, Desmet adapted his original model, changing the element of stimulus to product to be able to more directly apply the model within the concept of product experience (the Adapted version of the basic model of product emotions shown in Appendix B), (Desmet & Hekkert, 2007). The adapted version of the basic model demonstrate that emotions are elicited from encounters with products that the individual appraise as carrying over advantageous or disadvantageous consequences for the concerns one may have regarding the product, i.e. objectives, causes or preferences to name a few (Desmet & Hekkert 2007; Frijda, 1986; Lazarus, 1991). Lazarus, (1991) further explains that the concerns an individual has are the state of mind one might carry over into the emotional process which also means that products are only interpreted as emotionally significant within the individuals' concerns. To be able to fully grasp emotional reactions towards product interaction, it is crucial to understand that the concerns can severely alter depending under which circumstances the individual interacts with the product (Desmet & Hekkert 2007).

2.1.3 Optimal match

Heckert's study from 2006 presents four general principles concerning aesthetic pleasure. The fourth principle, optimal match, explains that products are always multi-modal, they consistently direct multiple and various senses all at the same time and this principle address the relationship between these responses. Once again putting it in context from an automotive perspective, when driving an automobile, various senses are triggered. We see the dashboard and the road ahead, we feel the steering wheel, we smell the materials of the interior and we hear the roaring engine. However, the aspect of hearing could be severely compromised in an EV, where the lack of engine noise could lead to an opposite type of stimulation. Previous research has found that we as consumers prefer products that do deliver similar messages to all of our senses and that this also
leads to a more present identification accuracy (Hekkert, 2006; Zellner, Bartoli, & Eckard, 1991). Heckert’s principle further discusses how the component experience of meaning also comes in to play. As products can also convey associations with a harmonious theme connected to the senses, it becomes clear that the two elements within product experience often work in consonance (Hekkert, 2006). This principle gives an interesting point of view and can help us give further insight into how automobile owners view their complete experience. The principle gives reasoning for further investigating on how a congruency between stimulation of senses and attached meaning of a product ultimately leads to certain emotions.

2.1.4 The framework of product experience model
When we as people experience the consensus of the three components; mindful happiness, meaningful interpretation and, some level of emotional involvement, only then can we speak of a complete product experience (Hekkert, 2006). Although all three levels are jointly related, Desmet and Hekkert (2007) argue that their essence are hierarchical in that the emotions are elicited from the two other components. It is the aesthetic experience together with the experience of meaning that ultimately leads to elicited emotions. In the article, the framework of product experience from The International Journal of Design in 2007, Desmet & Hekkert also presents a model that illustrates this phenomenon (shown in Appendix C), (Desmet & Hekkert 2007). This model will be taken into account and used as a foundation for the ultimate research goal as well serve as a basis for developing further investigation strategies.

2.2 The buying process
As this study aims to investigate product experience and its impact on the buying process, the need to examine buying behavior and buying processes is of considerable importance to have a complete foundation of research concerning the chosen field of study. In 1910, John Dewey, an American philosopher, and educator (Gouinlock, n.d.), introduced the five-stage decision process, the identified stages were; Problem Recognition, Information Search, Alternative
Evaluation, Choice, and Outcomes. Dewey’s research has been well received through the years and has served as a cornerstone for many researchers as well as the central pillar for models regarding buying behavior and processes (Bruner II, 1988).

2.2.1 The buyer decision process (Kotler & Armstrong 2010)
Kotler & Armstrong’s (2010), buyer decision process, is like many other consumer behavior models adapted from Dewey’s five-stage decision process, similar versions of the model have been used by numerous economic researchers and frequently presented in marketing textbooks i.e. Fahy & Jobber (2012). The five steps of Kotler & Armstrong’s model are need recognition, information search, evaluation of alternatives, purchase behavior and post-purchase behavior (shown in appendix D). The purpose of the model is to give a deeper insight of the buyer decision process as a whole, as the authors explain, the process begins long before the purchase but also continues long after and the model demonstrates all considerations that emerge when a new complex purchase decision is introduced to the consumers. As the model indicates, consumers go through all of the five stages in all purchases, although this is not entirely true as it depends on what type of purchase the consumer deal with. In more regular purchases, consumers tend to skip certain steps and not put down the same effort for making the best purchase. When it comes to automobiles, the authors of this thesis are confident that most consumers pass through all of these stages to some extent (Kotler & Armstrong, 2010).

2.2.1.1 Need recognition
Need recognition is the first step and here the buyer recognizes a problem or need. General consumer behavior theory asserts that a need can be driven by internal or external stimuli. When the internal stimuli are triggered, basic needs like hunger and thirst are stimulated enough to become a drive. The external stimuli are when the consumer is influenced by his or her surrounding, e.g. through advertisements or discussions with friends (Kotler & Armstrong, 2010, p178).
2.2.1.2 Information search
When the consumer has recognized a strong enough need, he or she might start searching for more information regarding the specific good. In some instances, when the urge is strong and a satisfying product is close at hand, this step might be more or less skipped. If the consumer feels the need for greater knowledge concerning the desired good, additional information is needed. This information can be obtained through personal sources (family and friends), commercial sources (advertisements), public sources (media and internet searches) or experiential sources which from an automotive perspective could be going for a test drive in your potential new car. When the consumer has decided there is a need for a new car, he or she will likely engage more interest in car commercials, cars owned by friends and other discussions about cars. The influence and impact of these sources can alter greatly depending on the type of good and whom it concerns. The commercial sources generally deliver the most amount of information but Kotler and Armstrong (2010) explain that it is the personal sources that have the strongest influence on customers as these are more legitimate. “A recent survey found that 78 percent of consumers found recommendations from others to be the most credible form of endorsement” (Kotler & Armstrong, 2010, p178). The amount of information collected ultimately depends on the strength of the consumers’ drive (Kotler & Armstrong, 2010; Fahy & Jobber, 2012).

2.2.1.3 Evaluation of alternatives
After the consumer is happy with the acquired knowledge regarding the product, the choices are narrowed down to a set of brand alternatives. The procedure to eventually arrive at a decision can look very different depending on consumer and the particular buying situation. Occasionally, consumers evaluate the alternatives through comprehensive calculations and rational thinking, the same consumer can at a different time skip this process and instead make decisions based on instinct and purchase impulsively. It is also not uncommon to base purchasing decisions from the advice of friends, consumer guides or other salespeople (Kotler & Armstrong, 2010). To put it in context from an automotive purchase perspective, let’s assume that the individual consumer has zoomed in on three
different car brands, Audi, BMW, and Mercedes. The individual has decided three distinct aspects that are of most importance, driving pleasure, design, and price. By the time a consumer reach the point of evaluation between alternatives, he or she probably possess some kind of opinion on how the selected brands' rates within in the chosen categories. For automotive brands and their marketers, this is the tricky part. Every consumer evaluates differently, they use particular criteria but also assign various weight to these criteria, and how much does the overall brand perception come into play?

2.2.1.4 Purchase decision

In this stage, the buyer decides which of the alternatives will be chosen. Kotler & Armstrong (2010) discuss purchase intention and purchase decision and the two factors that can come in between, namely attitudes of others and, unexpected situational factors. As previously mentioned, a consumer's heaviest influence is often surroundings like friends and family and a certain comment or attitude from these may alter the final decision. Then are the other factors that can be anything, the economy may take a dip or another campaign from a different brand might be launched just as the individual thought the choice was clear. Through the funnel of a purchase, numerous miscalculations may occur and the purchase intention does not always result in the actual purchase choice (Kotler & Armstrong, 2010)

2.2.1.5 Post-purchase behavior

The last stage of the buying process is where the consumer take additional action after the purchase is made. Is the consumer satisfied or unsatisfied with the product, the explanation often belong in the conjunction between the consumers' expectations and the products perceived performance. A bigger gap between expectation and reality results in a greater displeasure, whereas brands that deliver a product that lives up to its expectations generally experience happy customers (Kotler & Armstrong, 2010; Fahy & Jobber, 2012).
Kotler & Armstrong (2010), also state that most major purchases often leads to cognitive dissonance or inconvenience provoked by a post-purchase conflict. All purchases include some kind of compromise, seldom can we achieve maximum satisfaction across all wanted criteria. After a purchase, it is not uncommon to glance at other brands and feel unsettled about losing out on certain benefits, benefits that the consumers' selection does not fulfill. Therefore, a purchase will most likely leave the consumer with some level of cognitive dissonance. Maximizing customer satisfaction and minimizing the drawbacks is key for building long-term relationships with customers, especially in the automotive industry (Kotler & Armstrong, 2010; Jobber & Fahy, 2012).

Since this thesis deal with such valuable products and major purchases, the need for investigating our findings from a buying process perspective feels highly relevant. This model will be applied and analyzed to various interview findings but also considered in its relation to brand personality of automotive brands.

### 2.3 Branding

The concept of branding has roots tracing back as far as 2000BC, cattle, slaves and timber was branded with initials or specific symbols of the owner using a hot iron bar. The purpose was exhibiting ownership of items considered valuable (Kurtuldu, 2012). Around the 1950’s, branding as a business term started to come to life, companies started adopting the concept to boost the reputation and improve brand loyalty. The Social Research Inc. study from 1957, states that cars are mentally important as an extension to the self and one’s personality, a theory which in many aspects are still relevant today (Newman, 1957). Modern branding operates through finding a balance between enacting and directing an identity. Bastos and Levy state that branding has in many terms replaced regular marketing with the reasoning of avoiding unwanted associations connected with the word marketing (Bastos & Levy, 2012). Branding is appealing and it’s broad range of subdivisions, e.g. brand personality, brand identity and brand image further illustrate the complexity of the concepts (Stern, 2006). The significance of branding has additional importance when it comes to premium and luxury
products. Higher prices demand justification and superior value connected to the product need to be communicated through distinct approaches by the brand (Kapferer & Bastien, 2009).

To put branding into context and further visualize different brand personalities, two more diverse concepts will be put to use. The aim of including these two is to form more clear and featured personalities of the brands chosen for investigation within this research.

2.4 Brand heritage

Brand heritage often falls victim to misconceptions, one might think that brand heritage only attests to the past and the history of the brand which is not the case, the concept of brand heritage also embodies the present as well as the future. Many brands that are considered heritage brands have a long and rich history but also a story to tell about themselves. When building a meaningful past with traditions and heritage, brands also make themselves more credible and trustworthy (Aaker 1996; George 2004).

The Journal of Marketing Theory and Practice brought up some interesting findings in 2011. The chapter “Drivers and outcomes of brand heritage” discuss how a brands heritage influences customers’ perception of that brand. As this research was conveyed in 2011, the automotive industry was still on a financial downturn from the 2007-2008 financial crisis and facing various challenges within the market, hence, the author’s choice of examining this industry in particular (Wiedmann, Hennigs, Schmidt, & Wuestefeld, 2011). Now, the automotive industry is entering a time highlighted by an intense change. In the coming future, the automotive industry as we know it, will according to some, later on, be called the mobility industry. Increased connectivity, redefined mobility, autonomous vehicles and more and more electrification of cars will shape a new type of market (Kingery, 2016). Thus, the choice of looking further into brand heritage as automotive brands now have to face the mirror and scrutinize how they want to be perceived by the general public.
Leigh, Cara, & Shelton (2006), state that in an economic downturn the climate is often tremendously dynamic and very uncertain which ultimately tends to lead to severely disoriented consumers. It has been proven that especially in times like these, consumers usually prefer brands with more history and heritage as these brands often possess the characteristics of being more credible, dependable and trustworthy. The authors explain the phenomenon; by choosing these brands we minimize and often eliminate the risks involved in a purchase decision (Leigh et al., 2006). Being perceived as a brand of heritage boosts the presence of history and sustainability and poses as a security for the consumer that the brands' performance and core values are in fact authentic and genuine (Urde, 1994). Moreover, the heritage of a brand connects the authenticity and reliability to the overall perceived value of the brand. These factors often lead to better relationships between customers and brands and works as a competitive advantage or unique selling point to those consumers valuing brand heritage, which ultimately result in higher consumer loyalty as well as more acceptance towards higher prices (Urde, 1994; Wiedmann et al., 2011). In the last two decades, there has been an increased interest in studies and practice regarding companies brand identity as well as brand heritage (Brown, Kozinets, & Sherry, 2003; Liebrenz-Himes, Shamma, & Dyer, 2007).

The journal includes more niche types of branding constructs developed from previous well-known studies and with a primary aim to “establish a multidimensional framework of value-based drivers and the consequences of brand heritage; to explore this framework with a special focus on the automotive industry, a related factor structure; and to identify significant causal relationships between the dimensions of perceived heritage value”. As the article’s stated goal, these aspects will be taken into consideration for this paper as it considers to be highly relevant to this study (Wiedmann, et al., 2011).

The authors of this study will use the knowledge of brand heritage to form a better understanding of brand personalities within the automotive industry. The
concept of brand heritage will also contribute and serve as a base for the two core exercises conveyed in the interviews.

2.5 Needscope Theory

NSI (NeedScope International) states that NeedScope is a “qualitative and quantitative research approach to help clients build irresistible brands” (NeedScope International, p1, n.d.). The concept takes into consideration the particular requirements pushing brand selection in different types of clients’ categories, capture opportunities and can help create tailored strategies for the selected brand positioning. NeedScope is a tool that can be used throughout the whole marketing operation which enables companies to evaluate and try other marketing mix options in real time. The foundation of the NeedScope is based around eight different drivers for irresistible brands; know-how, momentum, differentiation, symbolism, nexus, alignment, unity and a strong emphasis towards emotion as it is always a central factor depicting consumer brand behavior (NeedScope International, n.d.).

To be able to deliver a broad and complete frame of reference foundation, another theory that could further boost the outcome and success of our interviews was desired. After reviewing existing models, such as Aaker’s brand loyalty model among others, the NeedScope Theory stood out. It is a different and quite unique tool which helps the interviewers to hold more open discussions and let the respondents take the lead which ultimately leads to exclusive answers. The NeedScope is also a very beneficial tool when trying to create association and visualization of brands personalities. From a company perspective, the NeedScope is a helpful instrument to build irresistible brands (NeedScope International, n.d.; Kantar TNS, 2018).

Subsequently, an investigation regarding the NeedScope was needed, research interviews from other marketing papers were examined as well as various forms of previously created NeedScope frameworks. The theory and alternative models based on it has been around for about 20 years and has been proven to help brands answering tough questions regarding characteristics and personal traits.
As existing literature regarding this concept is quite limited, two companies that specialize in utilizing the NeedScope was closely examined, Kantar TNS and its affiliate, NSI (NeedScope International). Kantar TNS is the world's second-largest research company and with the help of their global reach, NSI has over 10000+ projects in over 90 markets.

Figure 1 - The NeedScope chart

2.5.1 The NeedScope chart

The NeedScope is often used by brands that want to create a unique brand personality, by using the eight drivers and letting customer pinpoint brands at a NeedScope chart, fresh and unfamiliar discoveries can be made. The NeedScope chart (shown in Appendix E and figure 1) can be described as operating in three levels. The NeedScope chart first and foremost functions through 4 main elements that are positioned like an X & Y axle; is the brand introvert and static or extrovert and dynamic? Is the brand individual, self-assurred and decisive or group adaptable and passive? These four elements assist in pointing out major personality traits and making compromises among them. The second level display another six, more distinct personality traits; The capable, The confident, The dynamic, The playful, The kind, and The careful. These work as a more
further depiction and help the individual and the brand envision what these more distinct positions mean in terms of a brand personality. The third level gives further clarification in twelve unique brand characteristics; master, sage, ruler, hero, outlaw, explorer, jester, rascal, regular, caregiver, innocent, and faithful. These work as the ultimate activation for the individual or brand that are experimenting with the NeedScope chart. The NeedScope chart used in this thesis was developed by the authors, however, extensive research of previous literature regarding the subject was made as well as looking at multiple existing NeedScope charts. In the end, the decision was made to develop a unique chart, a chart that fits perfectly for the automotive industry and within the purpose of this study.
3. Methodology

To be able to conduct an accurate analysis, it's essential that the methodology is suitable towards the proposed purpose of the study as well as executed with rational thinking. This segment will contain a description of the research philosophy, an assortment of relevant approaches, the research method, the data gathering as well as analysis of data.

3.1 Methodology

A method is to be defined as the organization of an activity, of which the activity is labeled as the functional behavior of any human. This on its own signifies that humans dispose of an activity onto definite and special patterns with its own features. These features, possess the capability in order to progress and emerge in forthcoming findings. A specified or precise research methodology strives towards a simplifying regarding the rules and principles of that research. Furthermore, the research methodology generalizes certain behaviors among humans in order to complete a more sufficient understanding of them and its context to the research in question. Over the years, the methodological research has taken its turn towards a digitalization, moving from a knowledge based upon theoretical aspects onto more analytical data, enabled and made more comprehensible by programs. Gathered statistics, in combination with the programs, let research to progress into more vastly developed formulas, which has guided enhanced structure to research methodology (Novikov & Novikov, 2013).

3.2 Research philosophy

General understanding of research philosophy shows five major visions, or philosophies, with regards to the research within business and management. These philosophies are found to be positivism, pragmatism, postmodernism, critical realism and lastly interpretivism (Saunders, Lewis, & Thornhill, 2016). However, the two main models to be found are considered positivism and the interpretivism as these two are to be found as the main philosophies regarding the essentials of knowledge, existence, and reality. Positivism is considered
frequently to sustain a connection towards the research of natural sciences, which in general embraces systematic processes regarding observations and trials. Furthermore, this philosophy is conducted with both logic, rationality, and accuracy to clarify occurrences and phenomena to foresee and predict outcomes by relating possible connections. However, the general method to gather and process the data collection is considered to be quantitative, retaining wider samples as a contradict to interpretivism (Collis & Hussey, 2013).

The later, interpretivism, aims towards generating new understandings, interpretations, and explanations regarding the social world, including relevant frameworks and context (Saunders et al., 2016). Moreover, interpretivism additionally condemns the vision of positivism since its argued that the social reality is not neutral nor objective but rather severely subjective. This is arguably aroused from the fact that reality normatively is formed by the perceptions of humans, which therefore argues for a more qualitative methodology with regards to research that emphasizes not only investigating but also analyzing and most and foremost understanding of the social phenomena (Collis & Hussey, 2013).

Hence, taking these two major visions into account, this paper will work through an interpretive philosophy as the study is aimed towards interpretation and understanding of how customer's views, values and signifies the unconscious importance of product experience within the buying process of premium automobiles. Moreover, as the reasoning behind the key visions of this thesis comes from studying and interpretation of a social phenomenon, considered subjective, another call for an interpretive source of philosophical research is considered most appropriate. The authors undoubtedly find the main area of research within this paper quite difficult to comprehend in a quantitative manner and therefore reasons for a distinctive understanding of the perceptions and motives of each individual through qualitative interviews.

Thus, it exists three various methodological visions within research; the deductive, the inductive and finally the abductive approach. The deductive approach is normatively utilized while constructing a theory through the
gathering of information, most and foremost from academic sources of research that later forms strategies to test a potentially developed theory. Even though this approach is most frequently applied to quantitative research, it’s still relevant to forms of qualitative studies as well. Moreover, an inductive approach is commonly applied for research with a qualitative perspective, which initiates by collecting data. The data is then applied to a investigation of the phenomenon, enabling the structure and creation of theories that apply to function as a conceptual framework for the research. The underlying reasoning behind this approach is simplified to enable enrollment and discovery of new concepts and theories (Saunders et al., 2016).

Finally, the third approach is an alternative to the deductive and inductive approaches, which is considered as a combination of the and therefore generates a third alternative. This vision, the abductive approach, is perceived by identifying patterns, repetitions, and ideas whilst studying a specific occurring or phenomena. This, together with a concurrent testing of additional data, utilizes the possibility to observe new or unexpected variables that occur either preliminary or throughout the collection of data. This process enables analyzing of applicable research and theories regarding the occurring of the data in question (Saunders et al., 2016). Therefore, the abductive approach is chosen for the scope of this paper as its philosophy applies very well towards the intended vision of this paper. Mostly while examining the combination of existing literature and theories together with the collection and analyzing of new data, but also through the interpretation of the research as a whole. Additionally, the abductive approach is considered the most suitable for this research as it basically combines all forms of known information in order to form a conclusion based upon discovered observations, which once again suits the purpose of this study exceptionally.
3.3 Methodological technique - Semi-structured interviews

The elaborate concept of semi-structured interviews is utilized in this paper regarding the data collection in order to understand and comprehend the perceptions and reasoning of the interviewed customers. The semi-structured technique is selected as a collection of data since that method enables understanding of somewhat ambiguous and indefinite information regarding the emotions, connections and, views of consumers (Harrell & Bradley, 2009). The conducted interviews cover various relevant consumers of product experiences within the premium segment of the automotive industry, with a variety of gender, age, occupations, knowledge and, experience of the topic in question. Moreover, the participants vary regarding geographical origins in Sweden which enables a strive towards a various and diverse sample group. Furthermore, every informant has unique and differentiated perception and understanding regarding cars in general, as a result of occupations, level of income as well as life experience and personal interest.

3.4 Research Method

In the initial stage of the research process, the authors chose to conduct a preliminary frame of reference in order to essentially comprehend the subject of investigation as well as grasp the already existing literature and conducted research on the topic. This general understanding of the subject supported the forming of relevant and suitable questions for the semi-structured interviews. The data collected from the qualitative interviews later contributed with additional relevant topics worth investigating, which therefore led to further complements of secondary data to the existing frame of reference. Therefore, this theoretical framework presents various relevant areas of previous research that contributes to the understanding of the topic investigated in this paper. This framework also includes relevant concepts and models that later was implemented in the combined analysis of the all empirical data.

The existing literature and previously conducted research were collected through numerous electronic databases as well as various search engines. The databases
utilized for this paper was identified by going through the different search engines, where the electronic search engine of the Jönköping University library, entitled ‘Primo’, was frequently used as well as ‘Google Scholar’, both being vital tools in the secondary data collection of this research. Moreover, to enable the gathering of relevant previous research, various thoughtful keywords and criteria were chosen as a part of the collection of secondary data. The search terms were various, but mostly included, separately and/or joint together; “product experience”, “automotive industry”, “branding”, “branding in the automotive industry”, “automotive industry”, “buying behavior”, “premium automobiles”, “premium branding”, “NeedScope”, “premium segment” and “premium product experience”. Additionally, an emphasis was put on finding peer-reviewed articles with a high number of citations as they were considered more suitable and reliable as a foundation for a theoretical framework.

The qualitative primary data for this research was collected through semi-structured interviews with several participants contributing to their thoughts and perceptions of how product experiences affect their probability to buy a premium automobile. The choice of semi-structured as the format for the interviews was a conscious choice based upon the wishing of seeking answers to the pre-decided principal question but with additional space for an open climate for discussion and impulsive following questions. This was reasoned for as it were to generate a deeper and wider understanding of the perceptions of the target population for the study as well as enabling further discussions of the topic in question. As a contradict, the authors believe that a sole usage of prepared questions would limit this discussion and to some extent eliminate possible interesting observations and arguments. The major motive behind the prepared questions was to add a somewhat structure to the interview without guiding the individual being interviewed to any specific answers or reasoning. Moreover, the semi-structured would, therefore, contribute to the highest extent for this study as it would enable a wide and open discussion of the subject of premium automobiles, previous experiences, the probability of future ownership and likewise whilst minimizing the risk of the discussion becomes irrelevant.
Furthermore, in order to avoid potential misconceptions of the individuals being interviewed or the researchers to misunderstand any answers, all participants in the interviews were provided with equivalent information prior to the interviews. This was made clear and emphasized from the author’s point of view as this would ensure all participants with an equal understanding regarding the purpose of the interview and why it was conducted. Moreover, to able to further avoid possible misconceptions on stated answers in the interviews, the researchers utilized following question upon answers in order to ensure an accurate understanding of answers. These follow-up questions varied from interview to interview depending on the given answers from a question or a statement to address every individual in a relevant manner.

In line with the inductive methodological approach, all interviews were conducted face-to-face on various occasions and sites based on the accessibility and availability of the individual being interviewed, to increase comfortability for the individual being interviewed with an anticipation of even further increase reliable answers. Moreover, every interview followed the same managerial structure with both researchers being present with one mainly leading discussion and dialog whilst the other kept record of the interview by taking notes and recording answers. With both researchers present, a broader set of perspectives on the discussion was enabled as well as a wider set of follow-up questions as well as an increased accuracy concerning the interpretation of answers. All interviews followed the same structure, an initial set of open questions, (shown in appendix F), followed by an exercise based upon every individual’s probability to purchase a premium automobile based on previous experiences. The brands included were Volvo, BMW, Mercedes-Benz, Audi, Volkswagen, and Lexus, with the motivation of the chosen brands stated in section 1.6.

Following, the participants of the interviews were asked to motivate and reason regarding why each brand was positioned where it was. The average ranking position (ARP) was then calculated by taking the joint ranking numbers (1-6), where one was the highest and six the lowest, and the divide the joint number by the number of interviewees. Naturally, a lower number (1-3) indicates a higher
probability of a potential purchase among this target population. The ARP works towards generating as an indicator of where, on average, each brand was positioned and how favorable it was among the interviewees of this research. Furthermore, the exercise of ranking brands based on the probability of purchase together with the ARP was a joint construct in order to understand how the different individuals reasoned and why.

Finally, the interview was ended with an exercise based upon a NeedScope, where interviewees were to position a brand in the NeedScope, (shown in Appendix E), based upon a combination of their experience with the brands and their perception of the various premium automotive brands. This NeedScope worked as a positioning model for the researchers and served the purpose to further understand the perceptions of interviewees regarding premium automotive brands and how they associate them with realistic characteristics. The model let the individual being interviewed go beyond their normal unconscious perception of a brand and provide actual reasoning for why they positioned a specific brand where they did. The researchers argued, based on previous research, that this tool would further benefit the understanding of product experience of individuals and to what extent and why they get affected in the way they do.

Finally, following every interview, the researchers revised and analyzed the data collected during the interview to generate a vital general understanding of the interview, the provided answers and the collected notes whilst memory of all details of the interview were as fresh as possible.

### 3.5 Data Gathering

The foremost applicable sampling technique regarding semi-structured interviews, taken the purpose of this paper into account, is convenience sampling whereas the target population is based upon and selected by availability. Furthermore, the intended target population that will serve the sample of a study need to retain certain qualifications and prerequisites to be considered as relevant with regards to the intended purpose of a paper (Robinson, 2014). For
the sake of this paper, there were several requirements regarding prerequisites for the sample of this paper. The target population needs to be customers of automobiles that fulfill the author’s criteria’s of being premium automotive in Sweden according, of which are stated under section 1.6 “The premium segment with regards to this paper”. Moreover, other criteria for the sample of this paper include a minimum age of 18 years old and holding a driver’s license in Sweden.

There were no criteria regarding the number of previous premium automobiles owned as a diversity of this aspect was considered to be adding transparency and possibly an interesting area of observation. If customers with an extensive history of owning premium automobiles would act and argue differently in comparison to the opposite, first-owners of premium automobiles and likewise. Furthermore, the target population of this study as a whole need to be both male and female in order to add further transparency of the target market. The data gathered from the sample of this study will all be Swedish, due to the availability of the target population but also down to the fact that this study is solely considering the Swedish automotive market. The information given to participants of the study in beforehand were all equal, solely stating the purpose of the project; “to identify how product experience may or may not affect people regarding what premium cars they buy”. The semi-structured interviews were all conducted in person and individually, eliminating the risk of bias or influence of the answers provided by other participants.

The questions chosen in beforehand to be included in a part of the interview is provided in appendix F, whereas the NeedScope included in the interviews is to be found in Appendix E. The complete list of participants in the semi-structured interviews is provided below in Table 1, showcasing numerous aspects of the informants and their background to owning premium automobiles. This includes the gender, age, occupation, approximate number of premium cars bought in their life, the acronym of which they will be related to in the findings and analysis as well as their history of holding a driving license. The latter is included to gain insight of the driving and automotive history of that specific individual. This is stated as their background of automotive ownership should be based upon their
history of holding a driving license, therefore the possibility to own and drive a car, rather than their age and overall lifespan.

There has been an intended, close to complete, equal distribution of gender throughout the interviews, as four female and six male customers have been the sample for this data gathering. This has been carried out in order to try to avoid any possible biased answers that possibly could occur due to the differences in gender. Moreover, the equivalent intent applies regarding the differentiation among age, number of years owning a car and occupation.

<table>
<thead>
<tr>
<th>Date</th>
<th>Gender</th>
<th>Age</th>
<th>Occupation</th>
<th>Approx. number of premium cars bought.</th>
<th>Length of interview</th>
<th>Years holding a driving license</th>
<th>Acronym</th>
</tr>
</thead>
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<tr>
<td>19/4</td>
<td>Male</td>
<td>26</td>
<td>Student</td>
<td>2</td>
<td>01:07:14</td>
<td>8 years</td>
<td>i1</td>
</tr>
<tr>
<td>19/4</td>
<td>Female</td>
<td>35</td>
<td>Consultant</td>
<td>5</td>
<td>00:48:03</td>
<td>16 years</td>
<td>i2</td>
</tr>
<tr>
<td>20/4</td>
<td>Male</td>
<td>70</td>
<td>Retired</td>
<td>30</td>
<td>00:58:27</td>
<td>52 years</td>
<td>i3</td>
</tr>
<tr>
<td>20/4</td>
<td>Male</td>
<td>54</td>
<td>CEO</td>
<td>25</td>
<td>00:43:45</td>
<td>36 years</td>
<td>i4</td>
</tr>
<tr>
<td>20/4</td>
<td>Female</td>
<td>55</td>
<td>Accountant</td>
<td>10</td>
<td>00:42:05</td>
<td>35 years</td>
<td>i5</td>
</tr>
<tr>
<td>21/4</td>
<td>Female</td>
<td>45</td>
<td>Doctor</td>
<td>6</td>
<td>00:57:48</td>
<td>27 years</td>
<td>i6</td>
</tr>
<tr>
<td>21/4</td>
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<td>Salesman</td>
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<td>00:38:04</td>
<td>5 years</td>
<td>i7</td>
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<td>21/4</td>
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<td>37 years</td>
<td>i8</td>
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<td>01:03:28</td>
<td>45 years</td>
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<tr>
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<td>3</td>
<td>00:44:31</td>
<td>9 years</td>
<td>i10</td>
</tr>
</tbody>
</table>

### 3.6 Data Analysis

A qualitative approach has been utilized regarding the data analysis of this paper, with the same approach taken into account regarding the leading of the analysis. To be able to conduct an appropriate qualitative approach to research, the authors of this thesis has implemented a structured categorization regarding the
collection and analysis of data (Saunders et al., 2016). This categorization of data has been utilized in a dual-purpose manner, whereas emerging these categories from a foundation of the interpretation of collected data as well as extensive and embracing reading. These categories will weigh the combination of existing literature combined with theoretical concepts, described under section “Frame of reference” and further on in the section “Analysis”. These “themes” and categories will be additionally based upon various keywords and expression generate during the semi-structured interviews, forming the basis of this analysis.

Whilst the secondary data is based upon previous works, literature, journals, and concepts, the primary data is solely collected through semi-structured interviews with individuals that all to various extents have had previous experiences with premium automobiles in Sweden. The authors of this paper arranged these semi-structured interviews with a basis of openly asked questions, followed by a ranking of brands based on the probability of an informant to buy one and finally adding a NeedScope to widen the understanding of the topic. To put into context, the authors, therefore, cross-analyzed the conclusions and findings from the interview with the previously analyzed theoretical concepts, observing and looking for resemblances between answers gathered with appropriate and relevant existing literature.

### 3.7 Credibility of research

Although no guarantee can be set regarding the findings of this thesis to be completely accurate, the authors have taken measures by implementing two concepts regarding the credibility of research into account to sustain a high level of credibility. These concepts are data reliability and data validity, both of which are defined as highly applicable to sustain credibility in research as reliability works towards the extent of which techniques connected to data collection and analysis will provide consistent and reliable findings (Saunders, Lewis, & Thornhill, 2009). Moreover, Saunders et al. (2009) state that the validity additionally refers to the extent any research conducted or collected data will be supported as well as replicates the reality.
3.7.1 Data reliability

There are four major dangers that could face the reliability of data that is connected to either the participant of a study or observer of a study, including participant’s error, the participant’s bias as well as an error by the observer and finally bias by the observer (Saunders et al., 2009). The potential error of participants could occur as unpredictable or unreliable answers would be presented due to a misunderstanding or misconception of a question. To be able to evade inconsistent answering with regards to the reality of the consumers, similar questions have been asked but in various contexts. Moreover, the bias of participants is considered non-applicable for the research of this paper as bias in this context associates to any commitments to any higher authority or even hypothetical personal threat. As no higher authority is to be considered regarding any personal opinions or perceptions of either automotive brands or the probability to purchase a premium automobile, this threat to research is deemed unable to occur. Nevertheless, every individual included in the interviews have their name covered and remains anonymous throughout this paper with regards to any potential personal distress regarding sharing individual perceptions of the subject in question.

Furthermore, the potential threat of both observer error and observer bias are two additional issues that could negatively affect the reliability of research. Therefore, the authors have chosen to utilize the technique cross-validation, supporting to minimize the risk of misconception by letting each author analyze all information and gathered data individually before verifying the findings with each other (Saunders et al., 2009). This technique was not only applied to the findings of the conducted semi-structured interviews but also the overall analysis of the paper, including various aspects of the paper such as overall findings, analysis and lastly discussion.

3.7.2 Data validity

In order to enable a positive mindset of the interviewees towards reason open and freely concerning the subject in question, an emphasis was set to make the participants as comfortable as possible with the setup of the semi-structured
interviews. The individuals being interviewed were solely asked rather open questions regarding the investigated topic, enabling a rather open atmosphere for discussion. This was executed intentionally to further ease the comfort of the individuals being interviewed to speak freely. The prepared questions functioned as an outline to guide the researchers to keep a relevant track throughout every interview, avoiding potential bias of leading any interviewees to answer in a manner beneficial to the investigation.
4. Findings

In this section, the findings from the empirical data through the semi-structured interviews are presented. These findings work towards an enhanced understanding of the topic in question for the reader as well as a contribution towards reaching answers to the research questions for the researchers. The brands included in this research are to be found in section 1.6. A joint list of the prepared questions for the semi-structured interviews is provided in Appendix F.

As the semi-structured interviews were conducted, various key factors were identified as strongly connecting the individuals included in the interviews, the impact of prior and present product experience as well as the extent to which it affects individuals. Hence, this section consists of six key elements that all impact the perception of customers regarding the most vital aspects when engaging in a potential buying process and how product experience affects an individual. These elements include; the purpose of the car, previous ownership, brand loyalty, brand avoidance, the influence of market diversification and finally, most and foremost, the brand interpretations of customers.

4.1. The purpose of the car

There are various and many describing ways of what makes the sole purpose of a car to an individual. All the various interpretations are naturally down to both individual preferences and functionalities. Throughout the various conducted interviews, every individual had their own take on what makes the purpose of a car to them. However, one interesting observation was hinted, as the expression of going from point a to point b kept recurring in each and every interview. A clear majority (eight out of the total ten) of the individuals interviewed held “a-to-b” as their main purpose to why they owned a car and what purpose the car served for them. Additionally, for some people, the car also served as an extension of their personality and felt a somewhat relevant factor of having a car that gave them additional benefits to their life beyond the simplified answer of going from “a-to-b”.
Moreover, various individuals kept adding various reasoning regarding the purpose of a car for them, turning it rather difficult for them to distinguish a sole purpose for them. This was due to the fact that a car served not only as a form of transportation for some individuals but also as a hobby or an enhanced interest. That the purpose of the car wasn't solely to take them to work or for picking up the kids at school but also something beautiful to admire aesthetically or technically.

4.2. Previous ownership

Although every individual that was interviewed had bought a premium automobile and owned one currently, everyone carried their individual histories of previously owned vehicles as well as how those previous owners had affected them. Everyone taking part in the semi-structured interviews had one mutual denominator; all of them had bought a premium automobile within the last four years. Some had only owned their latest purchased car for a couple of weeks, however, these interviewees were still considered capable of providing relevant and fruitful information to this study due to an extensive history of owning premium automobiles.

Some individuals stated that their previous ownership of certain cars and brands had impacted their opinion and vision on automotive brands, both in a negative and a positive manner. Generally, all the individuals included in the interviews stated that all experiences had affected them in some sense, however embracing the fact that not all experiences carried equal importance, and that a sense of transparency regarding individualistic opinions and emotions was noted.

Exemplified, individual i9 mentioned an increased impression of certain gadgets and technical aspects of its later owned cars, which left a sense that maybe not only a single brand had developed technology, but rather the entire industry itself. This had left the individual with a more thorough analytical approach regarding the differences of technical aspects of the cars. Exemplified, many of the individuals noted that details such as how entertainment systems functioned
differed among different brands. This was something that various individuals brought up and considered important as a majority of the people being interviewed stated a similar opinion on how familiarity affected them. This meant that one aspect of previous ownership let the buyer of a car get used to how settings and gadgets were set up and designed as well as an emotion of comfort was released when buying a new car that you partly already knew would work. However, it was also noted that this was brought up in both positive and a negative manner throughout the interviews. Some people preferred to be familiar with a new automobile, knowing how some of the features worked whilst some individuals saw the excitement in getting to know a new car through experience and time with the car.

4.3. Brand loyalty - Shifting brands or not?

Regarding the question of sticking with the same automotive brand as previously or shifting to another one, the semi-structured interviews showed a notable emphasis on individualistic opinions and occasional decision-making. Initially, customers included in this study showed a clear connection between their choice of brand at an earlier stage in their life and a tendency to stick to that brand throughout upcoming purchasing situations. In every case of an individual changing to another brand than the one they previously owned, their mind was set up by a negative experience with their previous cars, leading them to seek for another brand. Often, the brand itself tended to get a vital negative impact even though a single car was the creator of the negative emotions aroused. To put into context, when individual i5 was left with a troublesome experience with a previously owned premium automobile, the person was left with a sense that the brand let her down rather than the car itself and therefore chose to ignore the brand regarding future purchases. This phenomenon was discovered on every occasion a customer had left their previous brand for another one, that the brand rather than the car itself was considered unreliable or unfitting with the desires of that customer.
Furthermore, another tendency was identified regarding the positive impacts of previous ownership of a brand. If a previous positive experience with a brand was identified, that brand gained an absolute advantage regarding possible future purchasing situations. Not only was that brand considered favorable but where almost regarded as preferred. Exemplified, individual i4 spoke about this matter as the individual almost directly went to the same brand without even comparing other brands. It was argued that regardless of what other brands had to offer, the previously owned brand was considered preferable as it had delivered according to or above already set expectations.

4.4. Brand avoidance - What makes a brand undesirable?

The results of the semi-structured interviews showed various reasoning behind why a brand could be considered undesirable or why some individuals had a tendency to either dislike or not find themselves to purchase an automobile of a certain brand. However, one individual reasoned that no brand was in reality out of the question of a purchase to them as they associated their negative experiences to that specific automobile rather than the brand. This was exemplified as individual i8 stated “I could never see myself despise any premium brand I’ve tried. Sure, I’ve had troublesome experiences but I hold the car itself, or maybe my style of driving, accountable rather than the brand”. This was further reasoned as the same individual stated to have owned additional automobiles produced by the same brand without any problems. However, this was an unusual reasoning among the conducted interviews given that the majority, eight out of the total ten interviewees, all found themselves being able to identify brands they considered undesirable by themselves.

As for the reasoning to why a brand was regarded undesirable, various factors and aspects came to showcase importance, all individually significant to a differing extent depending on the experience and perceptions of the interviewees. A common theme among the interviews was that a negative experience was persuasive enough to make a brand undesirable didn’t have to come from a personal experience but also from what an individual may have heard from a
friend or read on the internet. One example brought forward by individual i1, stating “my father constantly kept complaining over our car growing up, and I made a promise to him to never buy a car of that brand”. Hence, the experience of that person growing up affected in an extensive manner and even though the person never purchased one on its own, a clear connection was drawn towards the brand, making it unconsciously undesirable to that person. Moreover, a common perception was that reported scandals or controversies regarding an automotive brand had clear and significant impacts on the perceptions of individuals. This was well illustrated during the conducted interviews as several individuals stated that the controversy of the so-called “diesel scandal of Volkswagen”, BBC (2009), clearly affected them and that the brand reputation of Volkswagen had been severely compromised in a negative manner to their eyes. The information they possessed regarding this specific topic was solely collected through the media coverage, without any personal experience of the matter in question, and yet impacting their perception vastly. Moreover, this aspect was recurring regarding other brands as well, with individual i6 stating that the car of a friend was recalled due to an electrical issue which according to the individual made the friend to highly suggest to “avoid the brand as it made her everyday routines troublesome, and I could clearly see it irritating her as well as me if I were to be in her case”.

Furthermore, there were also additional reasoning to why a particular automotive brand could become undesirable by customers. Some individuals included in this research argued that they had owned a brand in a previous stage in life and nowadays would not consider that specific brand regarding future purchasing situation of a premium automobile. Exemplified, individual i2 reasoned that one of the first cars she bought belonged in the premium segment and its brand is one of the six brought up in this study. The previous ownership of that particular automobile left quite a negative impact towards the perceptions of that person. It was stated as the person reasoned “that car always tended to bring problems after a couple of years, probably something wrong with the car rather than the brand. But in the way that car consumed oil and in the way the repair-bills stacked up, I can’t see myself buy another one from that brand”. However, the individual added
that the brand naturally could have improved over time and that a potential purchase could be interesting but not in the present time but rather in the forthcoming, given that the brand could embrace a change in the eyes of the interviewee.

4.5. Influence of market diversification

Throughout the conducted interviews, a common theme was identified regarding both the pre-purchase information seeking behavior as well as to what extent the individuals compared similar automobiles to each other prior to engaging in the buying process. Whilst some individuals proclaimed themselves to understand the range of premium automobiles within the market, close to all individuals included in the semi-structured interviews stated that they conducted some form of market research. However, the extent to what a market research meant to them varied significantly. Individuals with a lesser or close to non-existing knowledge of the market had a tendency to either ignore the idea of market research and stick to the manufacturer of their previously purchased automobile or do a very thorough analysis of what the market had to offer. The later was often reasoned for when their previous purchase didn’t live up to their expectations, hence leading them to more thoroughly investigate what options they had. The concept of brand loyalty had a clear connection to the parameter of investigating the market or not, as some didn’t feel the need to find another brand as their previous vehicle had suited them sufficiently to simply exclude other brands. An example of this matter was brought up by individual i3, as the person stated “the previous car fulfilled its purpose to me, I was taken care of explicitly whilst in contact with the retailer and service personnel and therefore felt no need to look for another brand. Why change a winning concept?”. The person in question had been a customer to a certain brand for close to two decades and was constantly left with the sensation that the brand performed in line with what the individual expected and therefore felt no reason to try another and possibly be left disappointed. Moreover, various individuals claimed that an automotive purchase didn’t necessarily have to be “such a big deal”, as quoted by i3. The reasoning behind this motive expressed a purchase of a car as something that appeared on a regular
basis, therefore not a life-changing purchase but rather a frequent update to an individual's daily life.

However, others argued differently with some claiming that a thorough understanding of the present market was crucial in order to succeed with a purchase, regardless of its size and frequency to occur. Emphasizing its importance, i7 stated, “without a proper understanding of what my options are, how do I know that I’m not missing out on something better than what I’m about to purchase?”. Additionally, i7, among various individuals, emphasized that the matter of thorough market analysis was especially embraced when the latest previous ownership had been a disappointment or simply hadn't reached expectations. In those cases, individuals stated that they tended to engage in a deeper and more comprehensive analysis of the market, in order to avoid further disappointments.

4.6. Customer brand interpretations

Two different exercises were conducted during the semi-structured interviews regarding the perceptions of customers in the Swedish automotive industry regarding several premium automotive brands. The first one offering the individuals being interviewed to rank six different automotive brands based upon the probability of them purchasing a car of that brand. The second exercise, the positioning within the provided NeedScope, worked through the same structure with individuals being advised to position a brand within the NeedScope. The following sections showcase perceptions of the various premium automotive brands included in this research, their ranking based on probability to purchase an automotive from a brand as well as the reasoning behind their choices. Moreover, the sections jointly include the results of the NeedScope positioning exercise and the reasoning to the positions chosen by the interviewees.
4.6.1. BMW

With an average ranking position (ARP) of 1.4, BMW achieved the highest ranking within this research and was put as the most probable brand to purchase by seven out of the total ten interviewees. The reasoning behind this strong position among the target population was varying, yet united with various individuals all stating their key factors regarding the probability of a future purchase. According to the research, BMW possesses a strong brand reputation within the Swedish market with a high level of driving experience, a sense of luxury whilst maintaining a high level of quality, leaving owners with general low maintenance costs. Moreover, the interviewees mutually expressed that the brand radiates a strong sense of premium quality with reliability, design, and performance as key factors to why the brand is perceived the way it is. Several individuals stated both direct and indirect experience with the brand, with some persons owning BMW as their current automobile. Exemplified, individual i3 stated a previous ownership of several BMWs that all had lived up the expectations. Motivating the choice of BMW as the most probable brand for future purchases, the same individual reasoned “my long experience with the brand have showed that they constantly meet my expectations and continue to keep up with my standard of what a car of that price range should deliver, and have continued to do so as long as I’ve been a customer”. Furthermore, the experience of BMW within this research was considered quite extensive as all interviewees either had owned a BMW themselves or had a family member or close relative who had owned one. There was a sense throughout the conducted interviews that this experience was in favor for BMW, as the participants all argued positively towards the brand, with their previous direct or indirect experience as their main argument. The negative critic towards the brand was very minimal, “only good things to say about that brand” as individual i10 chose to phrase it.
As visualized in the NeedScope above (Figure 2), the target population of this research provided similar perceptions of BMW as a brand, emphasizing its ability to radiate both confidence and self-assuredness. Additionally, the interviewees described the brand as expressing dynamic capabilities, generating emotions that the automobiles of BMW gave you something beyond the expected. That BMW offers a sensation rather than solely excellent technical and aesthetic appealing attributes. Moreover, the individuals addressed BMW as a superior premium brand, a benchmark for how premium automobiles should be. As described by i5; “To me, BMW radiates a conscious choice of car, a combination of technical aspects that are, sort of, “wrapped” in a nice design. Their cars really appeal to me”. Similar arguments were observed in other interviews, with many individuals indicating an emotional appeal towards the brand. This was especially obvious when speaking to individuals with a longer ownership history of BMW, that their emotions had been developed early and therefore led them to recurrently continue to purchase BMW’s.
4.6.2. Mercedes-Benz

Second to BMW, Mercedes-Benz received an ARP of 2.3 that once again showcased appreciation of the German manufacturers within the Swedish automotive market. Many individuals included in the research often connected their perception of Mercedes-Benz with BMW, stating that they offer a quite similar product to BMW that however to some extent radiates to be somewhat constructed in an excessive manner, either overpowered or too flamboyant. However, the recurring perception throughout the interviews was that Mercedes-Benz, especially regarding features such as interior and overall design, had made significant progress in the past decade in order to proclaim them equal to BMW. Several individuals, seven out of the total ten, stated that their opinion of Mercedes-Benz had changed during the last decade. This had either to do with visiting dealerships and get a first-hand direct impact of the brand and their automobiles or through actually living and driving them. Individual i8 exemplified this, stating “the comfort on the road and the impact it left me really changed my way of looking at Mercedes. I’ve always found them too showy and extravagant”. The same reasoning was left by many individuals in the interviews, that their perception of Mercedes-Benz had changed over the years as they found themselves to be quite surprised by its positive aspects. That they offered automobiles up-to-date with modern technology and design, leading them to become increasingly popular among the target population of this research. These joint aspects resulted in an additional value connected to the sensation of driving and owning Mercedes-Benz, that the brand provided something else rather than what was stated in the detailed specifications of the automobile.
As for the NeedScope positioning of Mercedes-Benz, figure 3 showcase interviewees being agreeable like-minded as how they look upon Mercedes-Benz as a brand and its cars. With i3 and i7 considering the brand to be almost identical to BMW, the remaining interviewees perceive the brand as significantly self-assuring, with a delivery of quality and performance and cornerstone attributes of the brand. A common observation throughout the interviews noted many connections drawn to BMW, yet frequently describing the brand as somewhat less updated and emotionally appealing. However, their design efforts throughout the past decades in terms of exterior and interior was praised by close to everyone. As formulated by i10, the company “really appeals to me from an aesthetic point-of-view and I would probably say they make the coolest looking cars of all the premium brands”. The aesthetic aspect was, together with the sense of quality and performance, the most common attributes associated to Mercedes-Benz by the target population of this research.
4.6.3. Audi

As a result of divided perceptions and experiences, Audi received an ARP of 3.1 that kept them close to its German rivals in terms of purchase probability from the interviewees of this research. The experience of the brand among the interviewees was mixed, with some solely basing their perceptions on general thoughts and opinions formed many years ago. Some stated that they had never owned an Audi and formed their opinion in their youths and stuck with it or had been influenced by family members or close relatives that had owned Audi’s. Moreover, it was observed during the interviews that individuals with no personal experience of the brand generally held a higher or greater perception of the brand. Exemplified by i2 in the conducted interview, it was stated “my impression is that they radiate German quality and reliability. I’ve never owned or driven one, but they feel solid and I have heard good things about them”. Similar reasoning was recurring throughout the interviews with individuals who had not owned one, showing that the brand had a built-up perception around them strong enough to be considered probable to buy regardless of previous ownership or not. As for individuals who had owned Audi’s, a consensus was found claiming positive previous ownership experiences and in general positive perceptions of the brand. However, a common theme was identified throughout the interviews with previous owners, stating that the brand lacks overall development to be considered equal to brands such as BMW or Mercedes-Benz. “Although the positive development of their exterior, the interior looks the same as it did ten years ago. For being in the same price range as similar premium brands, I feel they need to “step-up” to attract my future interest”, as stated by i8 in an interview.
Regarding the positioning of Audi in a NeedScope (Figure 4), the overall impression of the brand among interviewees indicated a brand with an extrovert and dynamic charisma, signaling both innovation and playfulness. The perceptions of Audi were, in general, somewhat united by connecting the brand to both BMW and Mercedes-Benz whilst yet missing something in comparison to the other brands that kept Audi in the shadows of its major domestic rivals. The reasoning to why Audi was perceived as quite extrovert and dynamic varied, with individuals claiming the company to be innovative in terms of design but partly lacking in terms of keeping up with its rivals. As visualized in the interview with i4, it was stated that “Audi surely provides qualitative cars that look good and is similar to the other Germans in terms of technicality. However, to me, they lack the ability to give me something above the expected. I feel like I miss something special”. The reasoning of lacking value-adding attributes appeared in various interviews whilst discussing Audi, and there was a sense that individuals perceive them as a “little brother to both BMW and Mercedes-Benz”, as stated by i8.
4.6.4. Volvo

As for the Swedish representation within the premium segment of the automotive industry, Volvo received an ARP of 4.1 whilst the research showcased the brand’s struggle with its historic reputation. Throughout the conducted interviews, a pattern was early recognized regarding the perception of Volvo among interviewees where history and historic experiences clearly had impacted the perceptions of people. Including the entire target population of this research, it was stated that a change had been observed as of Volvo’s way of promoting themselves. Many individuals stressed the fact that Volvo wanted to express themselves to be something extra, something standing out from the ordinary. That there way of manufacturing and promote automobiles had changed but still left the individuals with the same sensation as before, with Volvo’s being identified as quite bland and standard. That regardless of their efforts, “a Volvo is still just a Volvo. Nothing more, nothing less”, as stated by i3. The company was repeatedly being visualized as something very reliable, a trustworthy partner that always was there for you and never let you down. Yet, the interviewees agreeably deemed the brand of being boring, with nothing value-adding to it at all. The sole exception, that also was agreed among the interviewees, was that their designing efforts in recent years had paid off significantly and that the brand nowadays delivered far more attractive automobiles in terms of looks. Apart from this matter, the brand sensed to leave the target population of this research quite uninterested, with a possible sense of hope for the future. As exemplified by i9; “Although taken recent progress of the brands into account, I can’t see myself in a Volvo. You never know for the future, but I find it hard to see it, a Volvo to me is nothing more than another car on the street”. This reasoning appeared frequently throughout the many of the interviews as if no matter how hard the company tried, the brand would still “only” be a Volvo.
Regarding the perception of Volvo with regards to a NeedScope (visible in Figure 5), no other brand had the target population of this paper more united than Volvo. Once again, the connection to the brand’s historic reputation as being quite ordinary was obvious, with close to all participants stating that it delivers what it promises, nothing more and nothing less. Whilst other brands were described as able to send an emotional appeal to individuals, the interviewees all described Volvo as a, probably, very reliable brand that wouldn’t let you down and wouldn’t surprise you. Moreover, close to all individuals, except for i1, considered the brand to radiate carefulness and innocence rather than excitement and confidence. This association further deemed the brand as quite predictable and bland, leaving desires of driving experiences and connections to emotions unanswered. As stated by i6; “with all cars produced today being safe, it feels like the lost their unique selling point. Now, their cars are just one in a bunch, not really providing anything unique. It feels like they are the “everyman's-brand”.

This reasoning was far from unique and rather a regular perception throughout the conducted interviews, reinforcing the opinion that Volvo doesn’t send any
value-adding emotions to its customers. That regardless of its aesthetic efforts, it remains a quite “ordinary” premium brand.

4.6.5. Volkswagen
As the fourth and final German brand included in this research, Volkswagen (VW) received an ARP of 5.0 which makes it the second least probable brand to purchase among the target population of this study. The reasoning regarding VW and its relatively bad reputation among the interviewees were quite united, whilst still to some extent individually connected to each and every individual’s knowledge and prior experience with the brand. Some individuals didn’t acknowledge the brand to be on the same “premium level” as the other brands included in the research, regardless of its similar price range and variety of comparable model-series. “Given my positive mindset towards Volkswagen, I cannot really see their cars as “premium automobiles”, they are just too standard and something someone with no interest in cars would buy.”, was stated by i4 whilst explaining the problem with VW. The same mindset was identified in several of the interviews, with many stating no negative personal experience with the brand, yet struggling to see themselves buying one in the near future. Moreover, several of the elder individuals included in this research stated that they historically had a positive mindset towards the brand, with some models being pointed out as iconic and appealing to them. However, the model series of today simply didn’t speak to them in the same way, as i5 reasoned “I remember the original Beetle (a VW model) being a personal favorite in my youth, and can’t see the company making those kinds of cars nowadays”. Furthermore, a clear and very common theme associated with the perceptions of VW was their involvement in the “diesel-scandal”, which apparently had left a severe mark on premium automotive customers. It was a subject that occurred in every conducted interview regarding a discussion of VW, even though some stated that their perception of the brand was already quite negative and therefore hadn’t affected them much. Finally, an interesting observation found with regards to VW was that many of the individuals included in the interview had previously owned the brand and yet saw it more probable to own a car from a brand they previously had no personal experience with. Cited from the interview with i7, “I didn’t buy a
Volkswagen again because I wanted a more exciting car, it left me quite bored. I found myself to a brand I haven’t experienced before since I wanted something more intriguing”.

As for the NeedScope positioning of VW, Figure 6 visualizes interviewees to a large extent being united regarding their perceptions of the brand to be quite innocent and careful. Logically, this went in-line with its low ARP and strengthens the observation made regarding Volvo, that brands considered careful and innocent tend to be described in reality as reliable and trustworthy, yet bland and lacking a unique “personality”. Hence, various individuals claimed the brand to be very similar to Volvo, however, in the end coming up short to their Swedish rival due to historic emission-scandals and lacking design efforts. Moreover, the same individuals that regarded the brand to radiate innocence, faithfulness and likewise associations claimed VW to end up in the overshadowed by its rivals. As noted by i10; “Volkswagen lack their own way of doing things, they tend to end up in the shadow of the other premium brands, especially the Germans (referring to BMW, Mercedes-Benz, and Audi).
4.6.6. Lexus

Lexus found itself in a struggle in this research after reaching a rather weak ARP of 5.1, marginally worse than VW. As the other premium brands to a large extent had been included in the prior experience of premium automobile among the interviewees, the case of Lexus appeared to differ. Whilst other brands had either benefited or suffered from those experiences, individuals included in the interviews showcased a somewhat limited experience and knowledge about the brand. Exemplified by i6, stating “apart from the brand having Asian heritage, I don’t really know that much about them. I’ve driven a rental car (made by Lexus) once that didn’t leave too much of an impression, nothing bad about it but neither something great”. The matter of individuals not having too much to say appeared recurrently, and those who had product experiences of the brand often reasoned negatively towards whilst in a comparison to the other premium brands. However, individual i7 argued somewhat more positively towards it in the context of ownership, stating that close relatives had owned several models of the brand and “frequently spoke well of the brand”. i7 had on occasions borrowed a Lexus from the relatives and found it “well-designed and equipped”, whilst lacking somewhat of a “character” in comparison to other premium automobiles. Moreover, several individuals (i1, i2, i9) individually struggled to rank the brand based on the probability of purchase as they expressed a lacking experience with the brand in order to sufficiently consider it a potential option for future purchases. However, every interviewee comes to the conclusion that the brand could possibly be interesting for future purchases. This could be achieved by attracting the market in a more extensive manner as well as outperform other premium brands by offering something beyond the expected.
As visualized in Figure 6, the NeedScope positioning of Lexus was the significantly most diverse and divided in terms of perceptions of the interviewees. As for the other premium brands included in this research, a pattern could be identified as for how individuals perceived the various brands where most of the interviewees had somewhat of a similar view of what a brand radiated. However, as shown in Figure 6, this was not the case for Lexus with regards to this study, supporting the fact that a limited experience and knowledge of a brand made it hard to position it. Whilst a majority of interviewees held Lexus to be quite dynamic and self-assuring, almost 50% of the interviewees had other opinions which led them to position the brand in a different manner. What becomes clear in the context of NeedScope was the observation that the brand that had the worst ARP also were the hardest for the target population of the study to position. Furthermore, the NeedScope chart of Lexus showed clear evidence that the limited experience of the brand among the interviewees made it quite unattractive, and a sense of not really knowing what to expect was identified. This reasoning recurred through several interviews, and as stated previously in this section, interviewees struggled to position the brand as well as provide reasoning.
to what made the brand attractive or unique. The simple fact of lacking product experience with a brand simply seemed to be worse than having a bad product experience. As explained by i2; “Even if I’ve had bad experiences with some brands, I still know it’s good parts and I know what I’ll get for my money. I can’t really say what Lexus could give me that no other brand would”.
5. Analysis

In this section, the authors will use previous research and selected models described in the frame of reference to analyze the empirical findings. Moreover, the analysis will assess overlying themes within findings with the support of received data and previous research.

5.1. The impact of product experience

The concept of product experience has previously been defined as the awareness of psychological effects brought out by the interaction between an individual and a product (Schifferstein and Hekkert, 2008). The empirical findings show clear evidence of this being true with regards to the automotive sector. The conducted interviews demonstrated that previously attached meanings and values, as well as elicited emotions towards a car or a brand, has a coherent connection to the impact of subsequent purchases and buying behavior. Furthermore, Kapferer (2012) implies that products generally have a tendency to send emotional messages towards consumers in order to i) attract interest and ii) assist doubt as to what should be expected from a product. The empirical findings of this research strongly argue for this matter, as both reasoning among interviewees as well as results from the semi-structured interviews, in general, apply to this philosophy. Exemplified, the findings found emotional messages from brands and products as a vital factor in order to attract customers as well as assess customer expectations on a brand. As visualized in 4.6.1., BMW was to receive the highest perceptions among the target population in terms of successfully create and sustain emotional messages. By doing so, the brand enabled a further success of loyal customers in comparison to its rivals as well as radiating a value-adding sensation to the ownership of their automobiles.

5.1.1. Brand familiarity

The factor of previous ownership and familiarity with a brand turned out to have a huge impact on brand perception and loyalty as well as on the buying decision process. Many of our respondents spoke about their previously owned vehicle and familiarities with a brand as a security. They wanted to buy a car where they know
what they will get and how it works. Kotler & Armstrong’s (2010) model on the buying decision process state that consumers generally go through five different steps when making a purchase. However, the empirical findings attest that some car consumers skip many steps of the buying decision process, instead of making the choice among brands, consumers make the decision out of models within a specific brand. In some instances, respondents showed clear signs of having a brand welded to their mind. As a result, the brand selection is already made with no indication of altering, only the model selection changes depending on the recognized need at that point in time. Hence, implying that brand familiarity is to be considered a key factor in the importance of prior product experience.

The aspect of previous ownership and familiarity is also closely connected to brand heritage. As Aaker (1996), and George (2004) states, brands with a clear history and heritage are perceived more credible and reliable. As many of our interviewees had much praise along with a high ranking for BMW vehicles, these respondents’ familiarity with the BMW brand was also analyzed. The study clearly shows that among the individuals who favored BMW over any other brand, a coherent line could be drawn to previous knowledge and awareness in relation to the brand. All except one of the interviewees that ranked BMW as number one pointed to the brands’ history as the main factor for regarding the BMW brand as trustworthy and reliable. Kotler and Armstrong (2010) also state that all purchases include some level of compromise and that it is, after a purchase, not uncommon to glance at other cars and feel unsettled about losing out on certain benefits, benefits that the consumers chosen brand do not deliver. The exercises included in the semi-structured interviews indicate that both BMW and Mercedes-Benz are considered market leaders as of letting consumers avoid a position in which they are forced to compromise upon desired benefits of a premium automobile. The study also demonstrates that both these brands deliver superior benefits on multiple levels which minimizes the risk of feeling unsettled after purchase due to excluded benefits.

This concludes that BMW masters the ability to deliver on their promise which ultimately allows them to foster prosperous long-term relationships.
5.1.2. The three elements of product experience

In the frame of reference, the three core elements within a product experience were carefully dissected. Desmet & Hekkert (2007) state that the aesthetic experience along with the experience of meaning together generate the feelings consumers attach to a product, which is exhibited by the framework of product experience model (Appendix C). These aspects have clear connections to the outcome of the semi-structured interviews, strengthening the role and importance of the three elements. The empirical findings show that all of our respondents had felt some level of aesthetic experience. However, not as many felt that the car represented something more than a necessary tool in everyday life, where eight out of ten said being able to get from a to b was the main purpose of the car. However, the gathered data showed a clear indication of appreciation for design, driving experience and innovative functions. In the case of Mercedes-Benz, one of the main reasons the brand was regarded so highly by the interviewees was down to their superiority in terms of aesthetic experience.

Of those respondents who did experience additional meaning with their vehicle, unambiguous results also showed stronger feelings for the car as well as the brand. When analyzing the results from these respondents, it became evident that when the aesthetic experience is triggered in a positive manner along with attached meaning to the vehicle, strong positive emotions arise and the brand loyalty is of much higher presence. Desmet & Hekkert’s (2007) framework of product experience touches upon this phenomenon, they deem the different elements of product experiences to be hierarchical. That it is first when the experience of meaning together with the aesthetic experience is triggered simultaneously, first then will the individual consumer attach emotions to the product. When we have a good experience in all three elements, first then can we talk about a complete experience which has the ability to elicit much stronger emotions (Hekkert 2006; Desmet & Hekkert 2007).

Experience of meaning can, not only boost, but also harm the impression of a brand. In terms of Volkswagen, respondent i5 recalled the original VW Beetle as being a personal favorite in her younger days, however, she clearly stated that she
couldn’t see the company producing such vehicles today. Multiple interviewees stated that a bad meaning or perception attached to a brand can severely alter how the potential car choice might be valued in future buying decision processes.

5.1.3. Combined analysis of exercises

NeedScope International (n.d.) state that the foundation of a NeedScope is based upon eight major drivers, all applicable towards the construct of irresistible brands. With these drivers taken into account, the NeedScope of this study was constructed in order to further comprehend and analyze the perception of interviewees. With the introduction of another exercise, where individuals ranked premium brands based on the probability of a future purchase, a further understanding of the subject was enabled. The inclusion of the two exercises in the semi-structured interviews opened a possibility to analyze the results jointly. By doing this, the perceptions of the interviewees turned, among provided answers, into a pattern.

The combination of results from the two exercises generated in an observation of preferred characteristics among premium brands. Firstly, the brands achieving the highest average ranking positions (ARP) were all positioned in the NeedScope as self-assuring and confident whilst the lesser favored brands ended up being associated with carefulness and faithfulness. Hence, it concluded that in order to achieve all three levels of product experience and be regarded as desired, a brand must possess the capability to provide value-adding experiences with their products. Secondly, as interviewees struggled to position the least favored brand (Lexus), the ability to radiate unique attributes at all was considered vital. As Lexus, in the eyes of the interviewees, were considered quite anonymous and many individuals struggled to provide any sensations triggered by Lexus, a clear connection between was drawn between product experience and desirability. Finally, as Lexus was the brand with the least amount of product experience in this research, it additionally emphasizes the importance of product experience and its importance in order to make an impact among consumers.
5.2. Bad experience vs No experience

The empirical findings showcase that when the individual had a previous bad experience, the subsequent buying process was in general more thorough as the interviewees wanted a further comprehensive understanding of the market. Kotler and Armstrong (2010) state that consumers go through all of the five stages in all purchases with the exception of regular purchases. It is doubtful whether a car would ever be considered a regular purchase, although, a few of our interviewees stated that a car was more of a frequent purchase and was therefore not reliant on an extensive market analysis. Nevertheless, for a clear majority of our respondents, the car is a major purchase with some level of assessment, considered to include all five steps of Kotler & Armstrong’s (2010) buying decision model. Moreover, a bad experience didn’t necessarily have to come from a personal purchase but also from a close relative or someone in general with an influence on an individual. Exemplified, both i1 and i6 stated examples of brands that had made a negative impact on their perceptions of the brand without themselves directly connected to the reason. However, regardless of various bad experiences among interviewees, the brand with the least amount of product experience ended up the least desired among the individuals included in this research. Hence, it must be noted that regardless of negative experiences that have impacted the perception of a brand, it would most certainly outmatch brands where product experience was absent. This concludes the importance of product experience, as individuals would rather engage in a buying process of something they are aware is lacking, to some extent rather, then something unknown.
6. Conclusion & discussions

This section consists of a conclusion with regards to the research questions, based on the analysis and empirical findings provided in previous the previous chapter. Additionally, this section includes a discussion regarding limitations, strengths as well as suggestions to further research.

6.1. Conclusion

The purpose of this study was to investigate the role of prior and present product experience when consumers purchase an automobile, but also examine if a bad vehicle experience outweighs a non-existing vehicle experience or vice versa. This has been investigated through a combination of existing literature of the subject, with an emphasis on the framework of product experience, together with ten thorough semi-structured interviews. Whilst examining the results of the interview, various interesting observations identified the impact of prior and present product experience among individuals. With all individual perceptions taken into account, various patterns and themes became evident to the researchers. Hence, the empirical findings provided the research with several interesting aspects contributing to the analysis of this research.

One of the key findings obtained from this research proves that product experience does, in fact, play a vital role in subsequent buying decision processes. Previously attached meanings and values, elicited emotions and perception towards a specific brand are through our findings confirmed to have a direct impact on vehicle selection and feelings associated with a brand. Additionally, this research provided interesting results as to what extent product experiences affects the perceptions of individuals. The findings demonstrate that it is not only direct, personal, product experiences that have an impact on how individuals perceive a product but also secondary experiences, i.e. experiences of friends and family, has been proven to generate strong influence on consumers’ decisions. This matter reassures the importance and impact of product experience on individuals as well as elaborates the extent to which it becomes relevant. Therefore, brands who impact an individual in a positive or negative manner,
could also on many occasions rely on the fact that it will not only impact that one individual but additionally people closely associated with that person.

Furthermore, the empirical findings joint together with the analysis showcase that when an individual had a prior bad experience, the following buying process was more thorough as the respondents included in the interviews urged for a further comprehensive understanding of the market. However, regardless of any bad experiences, the interviewees deemed the brand they had lesser knowledge and product experience about as their least desired alternative. Thus, its emphasized that regardless of any negative experiences that have impacted the perception of a brand, it would most commonly be the preferred one in comparison to a brand where product experience was absent. This once again highlights the importance of product experience, as the interviewees would rather engage in a buying process of something they are aware is lacking then something unknown.

6.2. Discussion

6.2.1 Limitations & strengths
As this research was conveyed through qualitative data from ten respondents, the credibility of the results can always be questioned. BMW received stellar ratings on the ARP and the most intriguing results in terms of the NeedScope. Could it be that the research had a majority of individuals biased towards BMW which tips the findings in BMW’s favor? However, all we knew about the respondents before the interviews were that they had previously owned or are in possession of one of the six automotive brands dissected within this research. Would an alternative target population with the same criteria but with different previous product experiences provide this research with the same result? Furthermore, a target population with an equal amount of product experience with all brands would increase the credibility additionally and provide superior research data.

Within this research, the authors have decided to overlook the financial aspects of purchasing a premium vehicle. It could be argued that this is of high
significance when investigating how consumers engage in the buying process, and in the conducted interview, no emphasis was put on price as a factor. The premium segment selected, was instead chosen through perception, market share, and new vehicle registrations. However, if this research were to contain the financial elements involved with a premium vehicle, a completely different thesis would be delivered. The authors felt that shedding light on the financial aspects would give less priority to the main purpose of this study, the impact of product experience.

The interviews conducted in this study was performed through a semi-structured approach. The authors strongly feel that this was the main reason for gathering applicable as well as unique data and receiving substantial contributions to the research. The respondents were in charge and in most cases, lead the interview in fine fashion. The NeedScope served as an excellent tool in the interviews, it gave the interview something out of the ordinary and lead to diverse and emotional answers that otherwise may not have been obtained. What the research showed is that the NeedScope is very effective in terms of pointing out a distinct character for brands, and its applicability to this research has been stellar. It gave the study something extra and really let the authors and respondents visualize personalities and characteristics regarding the chosen brands. However, the effectiveness of the NeedScope’s ultimate goal to create irresistible brands can be questioned, at least when it comes to Automotive brands. As previously discussed in the section on the perception of brands, it is extremely hard to change the culture and personality of automotive brands, as we could clearly see in the study, the perceptions are many times welded in the mind of the consumer.

6.2.3. Further research
The analysis of this research opened for questions that further research could provide answers to. As stated in the conclusion of this paper, product experience has a key role to what influences the perception of premium brands among consumers. With regards to this result, an interest regarding its possible influence of other segments within the automotive industry has aroused. Exemplified, the authors raise the question if the impact of product experience would be of similar
importance in the case of the economy segment, where price is assumed to be the major deciding factor to what brand is chosen. It could, therefore, be interesting to stress this matter by applying a similar approach as of this paper towards the economy segment, hence experimenting with the importance of product experience to a wider extent.

Moreover, the study of this thesis found some respondents expressing their present automobile as an extension of oneself and one’s personality. That a car optimally should do just so, addressing an additional benefit of reflecting the values of its owner. Throughout the conducted interviews, it was noted that individuals that committed to this way of reasoning often achieved a greater passion towards their car as well as the brand. This raised the attention of the authors, hence questioning if the automobile commonly should work as a personality extension or if this matter is simply dependent of a unique set of beliefs that rarely occurs in today’s society. The concept of the car as a personality extension seems to the authors quite unexplored and could, therefore, be fruitful to further research.

Finally, as analyzing the results from the NeedScope exercise of this research, it became evident that the majority of respondents, nine out of ten, positioned the brand which they currently own somewhere on the upper-left side of the NeedScope. This pattern was deemed very interesting to the authors; hence discussion arose regarding if this pattern was simply connected to the target population of this research or if this area within a NeedScope could be considered as the ideal way for brands to be perceived. A further investigation of this subject could be vital as a contribution to further understand what a successful perception of brand truly is.
References


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Appendix

Appendix A - The basic model of product emotions

Appendix B - The adapted basic model of product emotions
Appendix C - Framework of product experience model

Appendix D - The buyer decision process model

Appendix E - NeedScope chart
Appendix F - Prepared questions for the semi-structured interviews.

What is the purpose of the car for you?

Did you have the same brand before? Why the same/ Why did you switch?

How was the experience with the previous one?

Did you search information before your purchase? How/Why?

Which cars did you choose between?

Which brand would you never buy? Why?