



Consumer's Brand Choice Behavior for Luxury Cars in China

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Abstract: This paper introduces the aphorism “think globally, act locally” and examines consumer tendencies in the Chinese automobile marketplace based on the analysis of relevant local brands. Findings demonstrate significant consumer preferences for products related to the luxury category signifying the need for refining local marketing operations where performance of multinational corporations must match global standards as expected by local consumers. Car consumption has grown during the last years in China turning brand marketing into a critical variable that can forge an active place in consumer’s minds, or negative impact if a campaign is not well-implemented. The relevance of this subject result from the realities that brand marketing is one of the most important aspects of determining whether a brand succeeds or fails. Regardless of the benefits of the brand, poorly marketed brand can end in failure. Multinational corporations need to identify several factors to understand the benefits of branding such as the image and characteristics of the firm, the purpose of the brand, the consumers profile, the brand’s position within the marketplace, and the brand’s general impression. Once, multinational corporations entirely assume these aspects they can utilize brand marketing to market the benefits of the brand in any space in the marketplace. The investigation provides several recommendations to multinational corporations intending to enter Chinese market by utilizing brand marketing as a strategic tool to focus on consumer needs and preferences in the Chinese luxury automobile market.

Keywords: Automobile Industry, Brand Marketing, Brand Competitive Index, Multinational Corporations, Luxury Market

1. Introduction

Multinational corporations and their luxury products intending to enter the Chinese marketplace must struggle with strong competitors. Multinational corporations must look for a method to increase their advantage to compete; ascribing particular importance to brand marketing. The significance of branding to carry out the marketing activities is to customize them until a point of uniqueness for competition; furthermore, brand turns consequential for developing long-term profitability and uphold a market position especially in the luxury sector, where branding has become the most powerful weapon (Dou Guangli, 2004). The attempts of multinational corporations to go global have resulted in the development and promotion of global brands (Townsend, 2009; Wang, 2008); consequently, multinational corporations’ success pivots the ability to position and manage brands’ operations across numerous countries (Usunier & Lee, 2005). The luxury business has started to glimmer in Asia, particularly in China; eighty-five percent of the world’ international luxury brands have established stores in Asia since the beginning of the twenty-first century. The luxury goods market in China composes a significant proportion of all luxury sales worldwide surpassing large markets like Japan. Due to this circumstance, consumer attitudes towards multinational corporations have been the subject of numerous studies, nonetheless yet not sufficient studies have enclosed Chinese consumer attitudes despite their relevance in the international market (Guo, 2005). Cultural differences have become the most challenging task to understand for marketers due to the power of influencing the individual perception of brands.

The most notable brand model —created by Aaker (1991), describes brand equity as a set of assets such as “name awareness,” “loyal customers,” “perceived quality,” and “association” related to the brand and adding value to the product or service. The development of brand equity can create relationships that could drive market situations,

continue over long time periods and be proficient of resisting assertive competitors. While Aaker explains the issue from the perspective of the firm, Keller (1993) mentions and explains the importance of understanding brand equity from the customer's perspective. Keller states that even though the eventual goal of any marketing program is to increase sales, it is first essential to find knowledge structures for the brand so that customers respond in a favorable manner to its marketing activities. Ambler et al. (2002) indicate five dimensions of great importance when measuring the customer mindset: (a) brand awareness, (b) brand association, (c) brand attitude, (d) loyalty, and (e) activity.

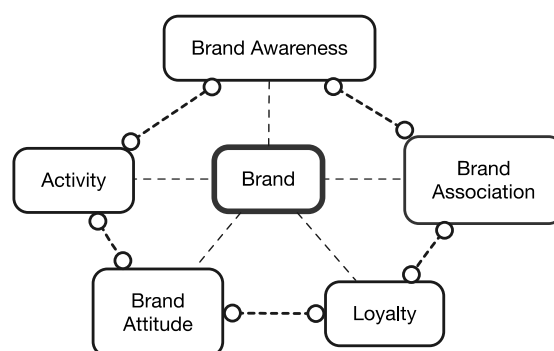


Figure 1: The Brand Model by Hagg and Jonsson (2009)

While the luxury segment established over seven percent of the vehicle industry in China amidst 2014, the market for low-range premium vehicles is advancing at accelerated rates. The increment of incomes and the sensitivity to price of Chinese consumers is rising the proportion of high net worth individuals in China expecting considerable growth in the luxury automotive market. The luxurious compact cars' segment in China is foreseen to constitute twenty percent of the luxury vehicle market in 2016; from eleven percent in 2013. Audi, which is the leading brand in the Chinese luxury cars market —prominent during the last twenty years commenced to customize production for Chinese consumers. As an example, BMW has also carried product customization; designing a model with a longer wheelbase for governmental cars, to bring more amplitude to the back seats.

Can car brands acquire significance and furthermore increase their benefits from the consumer point of view? The investigation' analyzes utilize statistic techniques to excerpt multiple brand image attributes into a set of fundamental factors, which contribute to valuable insights into consumer brand perceptions. Regarding multinational corporations, their main competitive advantage shall come from technology, capital, talent, channels, management, marketing, or several other brand aspects although in the Chinese marketplace, if all corporations have access to the same variables in the same levels, what exactly can lead to success?

2. Literature Review

Brand, correspond to the “name, term, design, symbol, or any other feature that differentiate one seller's product from those of other sellers” (American Marketing Association). Branding was formerly implemented to distinguish one person's cattle from another using a distinctive symbol burned into the animal's skin with a hot iron hallmark, brought therefore to business, marketing, and advertising. A brand is frequently the most relevant asset of a corporation; the brand can create shareholder value, raise the brand valuation and allow marketing investment to maximize shareholder value. The notion of putting a value on a brand forces marketing leaders to fixate on long-term stewardship of the brand and manage for value.

2.1 Luxury products

The term “luxury” possesses different and often contradictory meanings. Interbrand (2008) provided an in-depth definition of a luxury brand where a luxury brand must: (a) sit within a tier of a consumer-facing category that demonstrates price insensitivity; (b) show that being expensive is of neutral or even positive impact on their image; and (c) manifest that perceived price has a low role among drivers of purchase. Phau and Prendergast's (2001) (cited in Moore and Birtwistle in 2005) comprehensive definition of luxury brands, identified four factors that characterize

them: (a) luxury brands evoke exclusivity; (b) have a well-known brand identity; (c) experience high brand awareness and perceived quality; and (d) retain sales levels and customer loyalty. Luxury brands have a heightened status that allows their holders to charge premium prices (Jackson & Haid, 2002); Nueno and Quelch (1998) defined luxury brands as those brands whose ratio of functional utility to price is low while the ratio of intangible and situational utility to price is high. Luxury goods and luxury brands are costly in relative and absolute terms, moreover, the market identify them in such way and even more, considering them as trivial products, without any clear functional advantage over their non-luxury counterparts (Dubois & Duquesne, 1992); these brands possess a desirability that extends beyond their function and which provide the user with a perceived status through ownership. Their appeal and convenience are as a result of their constructed scarcity in availability —usually as a result of enforced restrictions on distribution, and because of their associations with particular consumer segments (Moore & Birtwistle, 2005).

Luxury brands' scarcity value that enables purchasers to differentiate themselves from others (Burns & Brandy, 2001) and general characteristics of recognizable styles or designs, as well as the creation of self-images and social status, seems to satisfy consumers' needs of uniqueness. Therefore, consumer manifestations of motivation for uniqueness are demonstrated by acquiring or wearing luxury fashion items, which may help individuals to establish a unique personal identity (Park et al., 2008). O'Cass and Frost (2002) believed that brands have since become a way of self-realization and identification as consumers move beyond mere consumption of product utility; they now consume the symbolic meaning the products represent (Phau, Sequeira & Dix, 2009). There may be various factors that influence luxury brand consumption by consumers, however, for the purpose of this investigation, price, quality, social status, brand loyalty, and income level are the evaluated effects.

2.2 Brand Awareness

Brand awareness refers to consumer's ability to recall and recognize the brand under different conditions and link to the brand name, logo, jingles, and others, to certain associations in memory. It consists of both, brand recognition and brand recall (Keller, 1993) and it helps consumers to understand to which product or service category a particular brand belongs and what goods and services brands sell under their names. It furthermore ensures that customers know which of their needs the brand satisfy through its products (Keller). Brand awareness holds critical importance since consumers will not consider a brand that they are not aware of (Tan Donald, 2010). Managing brands for value creation often involve applying marketing mix modeling techniques in conjunction with brand valuation. Brand awareness plays a significant role in consumer decision making for three major reasons (Keller, 1993): (a) it turns to be important that purchasers think of the brand when they think about the product category, although raising brand awareness increases the likelihood that the brand will be a member of the considerations set for purchase; (b) it can affect decisions about brands in the consideration set even if there are no other brand associations, because consumers acquire only familiar and well-established brands; and (c) it affects consumer decision making by influencing the formation and strength of the brand associations in the brand image.

2.3 Brand Association

Brand association corresponds to anything associated in memory with a brand (Aaker, 1991). Brand association takes up many forms: from concrete to abstract; conscious to unconscious; and direct to indirect. Direct associations are those that occur between two elements without the need or presence of a third and intermediary element while potential associations are those that lead to associative chains, where related elements deed together through one or more intermediary elements. Brand associations categorize into three significant groups: (a) attributes; (b) benefits, and (c) attitudes (Batey, 2008); where attributes as described by Batey (2008), may be product-related, being physical composition of a product and its elements: ingredients and design features which affect product performance or non-product-related such as extrinsic attributes that do not have direct bearing on product performance, though they may be significant in the purchasing decision process. Utilitarian considerations such as functional benefits and product-related attributes constitute the most concrete and pragmatic meanings of a brand. Non-product-related attributes and elements that are not factual, objective, or instrumental, underpin the most symbolic meanings of the brand. Products and product-related attributes form the basis for categorization of the consumer behavior, particularly when most brands are mono-brands (based on single products or product types) with particular characteristics. Benefits describe how brands can solve a problem or offer an opportunity to consumers, or how brands can make consumers life leisurely, pleasant, and evocative. The differentiating benefits that motivate brand purchase may be functional, sensorial, expressive, or emotive; strong brands often deliver a combination of those benefits type (Batey, 2008). According to Batey (2008),

brand attributes are a function of the belief that consumers have concerning a brand and the degree to which the brand possesses certain attributes or benefits and consumers' evaluative judgment of those beliefs. Brand attributes can be part of consumers' affective response to a brand; attitudes toward a brand are, in large part, determined by more rational and functional elements where consumers are likely to be capable of verbalizing their attitudes and their reasons for them. Brands consist of various components, by nature: (a) name; (b) logo; (c) tag-line; (d) graphics; (e) shapes; (f) colors; (g) sounds; (h) scents; (i) tastes; (j) movements; and (k) customer relationship management.

2.4 Brand Attitude

Brand attitudes hold relevance due to their general role in consumer behavior. An accepted approach to brand attitudes base its existence on a multi-attribute formulation in which brand attitudes are a function of the associated attributes and benefits that are significant for the brand (Keller, 1993). Percy and Rossiter (1992), highlights four important characteristics about brand attitude: (a) brand attitude depends upon the currently relevant motivation; (b) brand attitude consists of both, a cognitive and affective component; (c) the cognitive component may comprise a set of particular benefit beliefs; and (d) in almost any product category, the brand meets the consumer's underlying motivation better than others. Bolton and Drew (1991) speculated that perceived service quality is a function of a consumer's residual perception of the service's quality from the prior period and the level of satisfaction or dissatisfaction with the current level of service performance. If service quality corresponds to an attitude, a study by Oliver (1980) suggest that: (a) in the absence of prior experience with a service provider, expectations define the level of perceived service quality; (b) upon the first experience with the service provider, the disconfirmation process leads to a revision of the initial level of perceived service quality; and (d) the redefined level of perceived service quality modifies a consumer's purchase intentions towards that service provider. It is necessary to consider that similar interrelationships among the different brand equity dimensions exist; perceived service quality (customer's perception of the overall quality of superiority of a product or service for its intended purpose, regarding alternatives) shall see itself influenced by awareness, associations, and loyalty (Aaker, 1991).

2.5 Brand Loyalty

Aaker (1991) presented a schema representing five levels of loyalty: the first level contains the non-loyal buyer who is completely indifferent to the brand; the second tier includes customers satisfied with the product or at least not dissatisfied; the third level contemplates the satisfied consumers; the fourth level consists of purchasers that like the brand, and the top level represents the consumers.

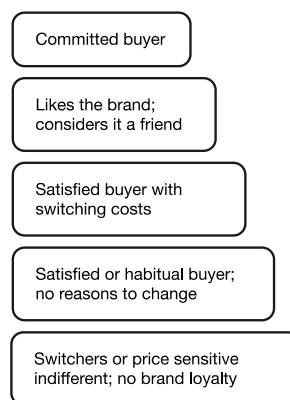


Figure 2: The loyalty pyramid (Aaker, 1991, p. 40)

Loyalty is a core dimension of brand equity; the perceived quality, the associations, and the well-known name can, together, provide reasons to buy, and can affect usage satisfaction (Aaker, 1991). A loyal consumer base represents a barrier to entry, a basis for premium prices, time to respond to competitor innovations, and a fortification against harmful price competition. Successful brands achieve high consumer loyalty; while unsuccessful brands or new brands have to attract consumers; the need to do so hits the net margin since it is much more expensive to advertise, promote, and sell to new customers than to hold existing positive ones (Doyle, 1990). Loyalty is of sufficient importance

compared to other measures such as perceived quality and associations, and can often base its understanding of the ability to influence consumers; an essential indicator of loyalty is the amount a customer will pay for the brand and its products, particularly when brands set premium prices, in comparison with another brand offering similar benefits (Aaker, 1996).

2.6 Brand Activity

Word-of-mouth communication corresponds to one of the strongest factors forming expectations in primary purchasing behavior (Mossberg, 1995). Car quality is not easy to evaluate concerning purchases; when consumer's perceptions of car quality are high, consumers are willing to recommend the company to others, to represent a positive word-of-mouth. Loyalty is key to the longevity of any brand, and one type of loyalty is word-of-mouth (ibid); word-of-mouth is the most utilized measure of commitment, and Reichheld (2003; cited in Rundle-Thiele, 2005) has demonstrated that word-of-mouth measures correlate to company profits and growth. Word-of-mouth is a strong indicator of loyalty and growth because when consumers recommend your service, they are putting their reputation on the line (Rundle-Thiele, 2005).

2.7 Brand Identity

The outward expression of a brand, including name, trademark, communications, and visual appearance, correspond to brand identity (Naumeir Marty, 2004). Identity, assembled by the brand owner, reflects how the owner wants the consumer to perceive the brand —and by extension, the branded company, organization, product, or service. This perception, in contrast to the brand image, suits what consumer's mental picture of a brand is (Neumeier Marty, 2004); the brand owner will seek to bridge the gap between the brand image and the brand identity. Active brand names build a connection between the brand personality perceived by the target audience and the actual product or service; the brand name should befall adjusted with the product or service, and with the brand demographics. Sustainable brand names are easy to remember, transcend trends and have positive connotations; brand identity turns fundamental to consumer recognition and symbolizes the brand's differentiation from competitors. Brand identity is what the owner wants to communicate to its potential consumers; and over time, a product's brand identity may acquire new attributes from a consumer perspective but not necessary from the marketing communications an owner filters to targeted consumers. Therefore, brand associations become handy to check the consumer's perception of the brand; brand identity needs to focus on certain qualities: intrinsic characteristics of value and brand promise provided and sustained by organizational and or production characteristics (Kunde J. 2002).

Brand trust, furthermore, corresponds to the degree of confidence of an individual and eagerness to act on the fundamental of the words, actions, and results of others (McAllister, 1995); and coincides to the actual believability that any entity evokes. In the commercial world, the intangible aspects of brand trust, influence the behavior and performance of its business stakeholders in many winning ways; it creates the foundation of a strong brand associated with all stakeholders, remodeling pure awareness to high commitment. This level of engagement, in turn, transmutes regular people who hold an indirect or direct stake in the organization into concerned ambassadors, leading to synergistic advantages like easier acceptability of brand extensions, the perception of premium, and acceptance of temporary quality deficiencies. Marketers are forthwith attentive in trust because high trust ratings describe loyalty (Reast, 2005), consumer repeated purchase decision, and long-term consumer satisfaction (Ballester and Aleman, 2001).

2.8 Brand Identity

Brand equity suit a phase utilized in the marketing industry which describes the value of having a well-known brand name, based on the idea that the owner of a well-known brand name can obtain greater profit from products with that brand name than from products with a lesser well-known name (Aaker, 1991). Some marketing researchers have achieved that brands are one of the most valuable assets a company has (Neumeier Marty, 2006); as brand equity is one of the factors that can increase the financial value of a brand to the brand owner, although not the only one (Grannel, Chris, 2009). Aspects contained in the assessment of brand equity comprehend —but not limited to (a) changing market share; (b) profit margins; (c) consumer recognition of logos and other visual elements; (d) brand language associations made by consumers; (e) consumers' perceptions of quality; and (f) other relevant brand values. Consumers' knowledge about a brand also controls how manufacturers and advertisers market the brand (Kevin Lane, 1993). Brand equity bears through strategic investments in communication channels and market education and

appreciates though economic growth in profit margins, market share, prestige value, and significant associations; generally, these strategic investments deliver over time return on investment. Brand equity can also comprehend without strategic direction; it is crucial but difficult to quantify without an accepted way to measure. As one of the continuing challenges that marketing professionals and academics find the concept of brand equity, concern a disconnection between quantitative and qualitative equity values, difficult to reconcile. Quantitative brand equity includes numerical values such as profit margins and market share, but fails to apprehend qualitative elements such as prestige and associations of interest; most marketing practitioners bring a more qualitative approach to brand equity because of this challenge.

When consumers trust a brand and consider it admissible, they may select the offering associated with that brand over those of competitors, even at a premium price; when a brand's promises extend beyond particular products, its owner may leverage it to enter new markets; for all these reasons, a brand can hold tremendous value, which characterize brand equity (Farris, Paul W., 2010).

3. Data and Methodology

3.1 Data

Through the survey applied, the investigation focused on uncovering consumer behavior, consumer decision, brand loyalty, brand awareness, brand quality, social class price strategy, brand name, and customer experience. All interviewees accepted the same set of questions and incentives: a questionnaire structure based on multiple choice; the investigation drawn data from luxury car owners in five cities of China.

Table 1: Demographic information on characteristics of research population (200 respondents in total)

Variable	Measuring Group	Frequency	Percentage
Gender	Male	148	74%
	Female	52	26%
Age	Below 30	82	41%
	31-40	88	44%
	41-50	30	15%
Annual Income	Below 200K	40	20%
	200K-500K	60	30%
	Above 500K	100	50%
Marital Status	Married	128	64%
	Unmarried	72	36%
Educational Status	School Level	30	15%
	Undergraduate	102	51%
	Postgraduate	68	34%
Occupation	Government	48	20%
	Private	40	30%
	Business Owner	112	50%

The investigation contemplated requesting the participants apropos the number of luxury car brands analyzed before and during the purchasing decision process. Twenty-six percent of them consider two brands, thirty-two percent consider three brands, seventeen percent consider four brands, thirteen percent consider five brands, and twelve percent consider six brands or more; although, seventy-one percent of the respondents explore beliefs from others; twenty-nine do not. Regarding seeking information about unfamiliar luxury brands, seventy-six percent do look for advice; while twenty-four percent do not. Regarding quality perception, seventy-one percent think that branded products have better characteristics than unbranded; while twenty-nine percent do not agree. About social status, forty-five percent believe that purchasing branded products tie in social status; while forty-five percent do not, fifty-five percent believe that purchasing branded products construe a social class, while thirty-seven percent do not; eighty-four percent prefer branded products, while sixteen do not. Regarding brand naming, sixty-three percent think that brand name can make a

product desired, while thirty-seven percent think do not. Concerning the logo of a brand, sixty-five percent consider the logo of a brand as a substantial characteristic, while thirty-five percent do not.

Table 2: Specific brand ownership and the factors of significance of consumers purchase of a new car

Brand Ownership	Percentage	Attribute of Purchasing	Percentage
Audi	40%	Safety	67%
Mercedes-Benz	21%	Quality	55%
BMW	18%	Value	57%
Volvo	13%	Performance	51%
Lexus	8%	Environmentally Friendly	19%
		Design	35%
		Technology	21%

Table 3: Percentage of preferred brands according to respondents' age, education, and income level

Brand	A1	A2	A3	E1	E2	E3	I1	I2	I3
Audi	8	15	20	3	6	11.25	7	10	10.6
M. Benz	2.6	7.6	13	3	7	9	6	10	18
BMW	1.5	8	7	1	8	6	5.5	11	8
Volvo	0.2	6.4	5	5	10	17.5	3.5	1.25	0.4
Lexus	0.5	4.7	3	0.5	3	2.25	2	1.25	-
Others	0.3	0.9	2	0.5	1	-	1	1.5	3
Total	10	30	60	20	35	45	25	35	40

Note: A1=group below 29 years old; A2=group between 30 and 39 years old; A3=group above 40 years old; E1=undergraduate educational level; E2=graduate educational level; E3=above graduate educational level; I1=income below 200K per year; I2=income between 200K and 500K per year; I3=income above 500K per year

Survey results indicate that Audi holds the highest percentage of ownership and Mercedes-Benz holds the first preference for luxury cars. Higher education and higher income are likely to be of lesser sophistication in purchasing a motor car; spare parts availability, brand image, and durability, emerged as the most important reasons for preferring a specific brand of luxury car.

Table 4: The degree of importance of several selected attributes for Chinese consumers when choosing a car to purchase

Factor	Most Important	Important	Indifferent	Unimportant	Most Unimportant
Brand Image	50	25	9.5	8.5	7
Spare Parts	60	20	8.5	6.5	5
Fuel Consumption	55	28	10	4	3
Price	38.86	10.38	17.9	20.58	12.28
Driving Method	10.86	20.30	40.28	18.20	10.30
Design	60	20.75	15.25	3	1
Color	55.56	18.95	12.75	9.38	3.36
Durability	30.50	20.25	20.75	17.45	11.05
Post-Sell Service	10.50	20.35	30.15	30.25	8.75
Speed	20.29	43.43	24.29	9.43	2.57
Resale Value	48	29.73	16.95	4.38	0.94
Warranty	10.36	20.18	40.23	17.85	11.28
Sound	21.14	27.71	21.72	25.15	35.14
Advertisement	3.72	14.86	21.14	25.15	35.14
Others	6.57	21.72	24.57	17.57	17.71

However, consumers consider design, color, resale, value, fuel consumption, speed, sound, and driving method as relevant. Consumers that belongs to different educational level, income level, and age level, reveal more or less similar rating patterns for several variables when choosing a luxury brand. Consumers, in general, are aware of the importance of fuel consumption; although safety was the most considered variable; followed by quality and design.

3.2 Methodology

According to Jacobsen (2002), to perform data collection, a quantitative either a qualitative approach is suitable, and the method to utilize will depend on the phenomenon and purpose of the research (Kvale, 1997). This investigation will use a quantitative approach; the theoretical study goes before the empirical one. The research will focus on the understanding of the attitude among owners of luxury cars in China, and the factors that influence consumers to choose a particular brand; looking for the description of characteristics of the phenomenon (Jacobsen, 2002). The quantitative method of the investigation consisted of a survey; with an analytical approach since the theory part turns to be fundamental for the data collection. The survey method focused on the data gathering of consumer behavior, consumer decision, brand loyalty, brand awareness, brand quality, social class price strategy, brand name, and customer experience; gathering data from Guangzhou, Beijing, Shanghai, Chengdu, and Wuhan; considering brands like Audi, BMW, Mercedes-Benz, Lexus, and Volvo.

4. Analyses and Findings

The investigation measured five statements, covering the theory of brand awareness as the principal issue, and survey results afterward. Chinese consumers seek to obtain attributes in a figurative sense when purchasing luxury products, particularly for the case of luxury cars; whereas prestige and status are the strength of brand association.

4.1 Summary of Findings

Chinese consumers' prolific usage of social media is of particular importance; suggesting those car manufacturers and their dealers may be wise to eschew significant investment in television and radio advertising for establishing a strong social media presence. The improvements in brand prestige are playing an important role in purchasing decisions; luxury car manufacturers should set up more production facilities to be closer to the growing pool of brand-conscious Chinese consumers that will develop, in this way, higher levels of brand trust. As research found that country-of-origin does matter for positive purchasing decisions and the brand story has great importance for luxury car buyers. Safety, particularly telematics services, are relevant for Chinese consumers' vehicle purchasing decisions; Chinese consumers are particularly interested in services that provide navigation support and facilitate emergency rescue, with twenty-four/seven connectivity and access to real-time traffic data. Multinational corporations should focus efforts on second-time car buyers and establish brand loyalty before anything else.

4.2 Implications of the findings

Table 5: Correlation (Pearson) of brand equity variables between each pair of measured variables; example of the dynamic relationship between constructs (1% level; 5% level)

Detail	BK	BQ	BV	BP	CS	CL	BL	BPR
Brand Knowledge	1	-	-	-	-	-	-	-
Brand Quality	.249*	1	-	-	-	-	-	-
Brand Value	.238*	.467**	1	-	-	-	-	-
Brand Prestige	.022	0.79	.239*	1	-	-	-	-
Consumer Satisfaction	0.345*	.048	.266*	.257*	1	-	-	-
Consumer Loyalty	.342*	.228**	.395**	.092	.204*	1	-	-
Brand Loyalty	.075	.263**	.045	.286*	.158	.243*	1	-
Brand Preference	.371**	.257**	.168*	.082	.505*	.325**	.266**	1

Table 6 Regression weights and lower brackets on brand equity' research variables

Attributes of Brand Equity	Brand Loyalty	Brand Preference
Brand Knowledge	0.19 (.766)	0.918 (.014)
Brand Quality	0.233 (.001)	0.72 (.332)
Brand Value	0.098 (.000)	0.267 (.000)
Brand Prestige	0.368 (.000)	0.86 (.269)
Brand Loyalty	0.081 (.246)	0.116 (.18)
Consumer Satisfaction	0.113 (.002)	0.218 (.002)
R ² and Adjusted R ² F Statistics	0.359 and 0.335 21.214 (0.00)	0.308 and 0.276 16.129 (0.00)

Note: about thirty-two percent of the variance in brand preference state (Table 6, model 1; R²=29%) where consumer satisfaction and brand quality resulted in significant attributes in brand choice illustration; sources of brand quality and consumer satisfaction depend on as inputs for supporting brand choice. Brand value, brand quality, consumer satisfaction, and brand prestige can describe brand loyalty better compared to other elements (Table 6, model 2; R²=34%)

The ever-increasing technological complexity and competition in the automobile industry is putting qualitative pressures on consumers; there is a need to diminish these pressures by increasing the personal adequacy of all consumers; achieved by providing consumers the necessary awareness and knowledge so that they can cope with the rapid development of technology and the changes associated with it.

5. Conclusions and Future Research

The main purpose the investigation focused on was clarifying a set of strategic factors in brand marketing, in charge of influence consumers to purchase several particular brands of luxury cars from multinational automobile corporations in China; concluding on a series of advice for organizations willing to participate in the Chinese marketplace. Consumer satisfaction and brand trust demonstrated significant positive impact on consumer loyalty; consumer satisfaction qualifies as the most relevant factor in consumer loyalty levels in the Chinese automobile sector. Therefore, corporations should focus efforts on comprehensive approaches towards relationship marketing including consumer satisfaction techniques. Corporations assume that premium products consist of the utilization of high-quality materials, the design of a special standard packaging, and the utilization of television stars in the advertisement, but, in fact, these variables correspond to insincere factors.

5.1 Conclusions

Corporations looking to sustain the values of premium products should quantify, collect, and understand consumer needs and its data while providing services. Data could provide customized facilities and improve the creation of long-term relationships with Chinese consumers in future; abandoning the tendencies of mass advertising. The process of manufacturing premium goods, should not be complete product development but a company-wide business improvement. The investigation has discovered how the image of Audi, BMW, Mercedes-Benz, Lexus, and Volvo get perceived among Chinese consumers: for example, Volvo is as an expensive but attractive brand, purchased by men, and with an emphasized brand value regarding propensity to signal high social status. The investigation found, regarding brand image perception by gender, differences in the perception of Chinese female respondents: their view of Volvo as an exciting brand.

Implications for multinational corporations pursuing to market their brands in the Chinese marketplace are extensive; seeking for information and understanding what targeted consumers want and need turns to be a vital part of the formula for success. Marketers should understand the cultural context in which the brand should operate, opening possibilities to adjust the marketing approaches according to local consumers, developing strategies for local implementations regarding local market requirements. Known-branded cars distinguish among consumers because of trust towards the brand name; indicating that consumers purchase cars from brands with high performance or with previously experimented experience, growing consumers' levels of loyalty. The top consideration by Chinese consumers when acquiring luxury cars is safety, followed by quality, design, and technology; with social media standing alone as the greater influence on the purchasing decision process. Chinese luxury consumers purchase influenced by their emotional bonding with brands; brands that accommodate to the consumer's sense of self and

identity, of social status, and of wealth status. Multinational corporations could gain a competitive edge by focusing on consumer value-branding; targeting consumers' emotions and leading to purchase repetition and consumer recommendation mouth-to-mouth, withstanding the marketing effectiveness of other manufacturers.

Quantitative and perceptual attitude variables interrelated and referred as "relational variables" (Morris and Holman, 1988) come into work with service loyalty; manufacturers need to prevent such backward direction due to its cost, time and money to develop and provide offerings that satisfy new and unfamiliar consumer needs, wants, and expectations rules by their perceptions (Zeithaml and Bitner, 1996). Satisfaction will then be a significant influence on the customer's "revised" attitude, also influenced by the prior attitude (Oliver, 1997); achieved by effective service marketing strategies. Multinational corporations should show interest in assessing the degree of consumer-brand dependence; with the intention of engendering brand equity; satisfied and loyal consumers are an indication of positive brand perception; particularly when competition is fierce. The results of the investigation demonstrate that brand preference and brand loyalty perform a relevant role in creating brand equity; aligning components and actions from corporations and creating a consistent image valued by consumers.

5.2 Future Research

Chinese consumers seek to obtain direct benefits from the symbolic attributes; whereas prestige and social status are the strength of brand association, several other variables consumers may neglect; such as car performance or car handling. Exploring brand image perception across national cultures; investigating turns relevant to understand how culture influences brand perception. An increase in sample sizing regarding national cultures; same as intending to increase the quantity of brands participating in the investigation and or refocusing its purpose into other levels of brands looking for new variables affecting consumers' perceptions turn to be key for future research.

Geely Holdings acquired Volvo cars from Ford for USD\$1.5B in the year 2010; Volvo is one of the world leading safety cars, famous for using an integrated high-technology in environmentally friendly vehicles. In 2009, Geely also acquired Drivetrain Systems International (DSI), the Australian World's second largest gearbox manufacturer and automatic transmission supplier. The acquisition of an automatic transmission plant is a major step forward for Geely, as about eighty percent of all vehicles sold in China are automatic (China car times, 2010). Understanding and investigating early movements of local Chinese car developers could help foreign multinational corporations to comprehend the needs of Chinese consumers; being of high relevance for future research.

Brand marketing is one of the most relevant factors in determining whether a brand succeeds or fails; it can be the difference between profit and loss, and this is why it is essential to get it correct. Whether launching a brand or trying to reinvigorate an old one, there are a number of rules from brand marketing that can help lead towards success; a good brand marketing scheme will involve thorough research of the market, including both the target audience and other similar brands, and it will also engineer a thoughtful and memorable presentation of that brand. Successful brand marketing forges a place in the audience's minds while an unsuccessful campaign will never. The present investigation acts as a first step to the understanding of brand image and loyalty, considering how these two variables are determinants of customer choices regarding any product and determining the competitive environment for a particular firm to compete in the market. This investigation explored the specific factors contributing towards brand loyalty and the image taken into consideration while developing an appropriate marketing strategy. Future research should consider the study of the variables in charge of brand switching for existing consumers, contributing to product customization.

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