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<b>CBBA</b>	Consumer-based brand equity
<b>FBBA</b>	Financial-based brand equity
<b>IDV</b>	Individualism-collectivism index
<b>EV</b>	Electric vehicle
<b>FMCG</b>	Fast-moving consumer goods
<b>HEV</b>	Hybrid
<b>KPI</b>	Key performance indicator
<b>LTO</b>	Long term orientation index
<b>MAS</b>	Masculinity-femininity index
<b>PDI</b>	Power distance index
<b>PHEV</b>	Plug-in hybrid
<b>RQ</b>	Research question
<b>TOMA</b>	Top-of-mind awareness
<b>UAI</b>	Uncertainty avoidance index



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**ABSTRACT**

**Purpose** – This research explores the relationship between consumer-brand relationship and car purchase-intention in three Nordic countries; Finland, Sweden and Denmark, from the perspective of automotive manufacturer Nissan. The research questions of the study are *Does consumer-brand relationship impact on car purchase intention in Nordics?* and *Does Nordic culture have an impact on consumer-brand relationship or purchase intention of a Nissan?*

**Definitions** – Consumer-brand relationships explain the relationship consumer has with the components of brand (brand equity, brand engagement, brand related associations, brand image, and the different levels of brand knowledge). Brand is viewed as something consumers attach feelings to, form relationships with and which forms in consumers' minds. Purchase intention forms of brand consideration and brand preference.

**Research approach** – This research is quantitative by its nature and follows a deductive approach. Data was collected through online questionnaire and analyzed via SPSS Statistics computer program. A sample of 1,500 respondents that met the following preset restrictions was collected; age of 18 to 64 years old, owns a driver's license, had an intention to purchase a car within next three years.

**Findings** – Findings of this research suggest that consumer-brand relationship and its components have a clear, non-deniable relationship to purchase intention. Brand familiarity, positive brand opinion along with aided and spontaneous brand awareness effect brand consideration and brand preference of Nordic consumer. In addition to that, Nordic culture, in particular, was not found to have an effect on consumer-brand relationships or car purchase intention.

**Contributions** – This research contributes to existing literature by offering cross-country comparisons from automotive industry, along with in-depth definitions of brand components. The research proves the relation between consumer-brand relationship and purchase intention. Managerial implications of this research suggest that brand should be viewed as combination of all of its components, instead of a single unit and the focus on marketing communications should shift to spontaneous brand awareness from traditional brand familiarity view.

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**KEYWORDS:** Consumer-brand relationship, purchase intention, international branding, automotive industry, Nordic culture



## 1. INTRODUCTION

Automobiles revolutionized the way we travel in the early 20<sup>th</sup> century. According to Interbrand (2017) from the top 30 growing global brands, ten are from automotive industry. This just goes to show, that nowadays cars are more than just a vehicle with which moving from point A to B is possible; cars have become a highly visible, image-driven consumer goods (Forbes 2015; Townsend & Calantone 2014: 4). Car as a product is a high-involvement product that is usually purchased after long and careful consideration and often demands high capital value (Jiang, Duan, Jain, Liu & Liang 2015: 195). In the competitive market, where there are as many as 55 influential car brands in European and American market (Zhang, Nudelman & Gould 2015), simply focusing on product development is no longer enough to fulfill consumers' needs. Companies must come up with other ways to attract consumers, and this is where branding steps in.

The automotive industry has been estimated to grow 4,4 % by the year 2030 (McKinsey & Company 2016: 6), and companies have just recently begun to realize that they need to focus on promoting their brand (Boone 2000: 36-37; Keller 2000: 3). Brand can be defined as a logo, trademark or package design – something that differentiates one's products from others' (American Marketing Association 2017; Ghodeswar 2008: 4). Brand have unique characteristics which not just distinguish them, but also play important role to the consumer as they engage with, as well as attach emotional and symbolic meanings to the brand (Goldsmith & Goldsmith 2012: 11). Brand has been linked to traditional marketing mix, corporate identity and consumer associations. Brands are part of social interactions between company and consumers and can even in extreme cases form a cult-like engagement. (Heding, Knudtzen & Bjerre 2009.) Despite the varying meanings brand has, it is something with which consumers attach meanings, feelings, beliefs or opinions (Bergstrom, Blumenthal & Crothers 2002: 133; Ghodeswar 2008: 4; Mumby 2013: 285;).

Companies that possess a strong brand image have found to be having higher market shares, their consumers make more purchases and repeat buying, and they have higher purchase intention than their competitors. Strong brands, reflect outside of the company with higher levels of brand engagement and they can create relationships between

consumers and brand. (Aaker 1994: 122; Burmann & König 2010 385; Burmann, Zeplin & Riley 2008: 265; Keller 2000: 3; King & Grace 2007: 358.) According to KPMG's (2017: 40) executive survey, 46 % of the respondents see that brand of car company is *extremely* important to them. As buying a car is a high-involvement decision the brand is almost an indispensable part of decision making process (Radder & Huang 2008: 241). As technology advances, having newest and most innovative features is seen as taken and the price is no longer the largest differentiating factor, the brand will be the deal breaker in purchase decision (Akdeniz, Calantone & Voorhees 2014: 731).

### **1.1. Background of the Research**

Field of branding is fragmentary, and many concepts have not been defined clearly. For even the definition of brand itself, we can find multiple definitions ranging all the way from being simply a product or service (American Marketing Association 2017) to linking human-like characteristics to a product (Goldsmith et al. 2012: 11), and even something intangible that creates competitive advantage to a company (Keller 1993: 1–6). The research has divided branding to two main parts; internal branding (e.g. Asha & Jyothi 2013; Punjaisri, Evanschitzky & Wilson 2009; Saleem & Iglesias 2016), and external branding.

Internal branding (also known as internal marketing, employer branding or internal brand management) is closely linked to HR activities of firm (e.g. Aurand, Gorchels & Bishop 2005; Punjaisri & Wilson 2007) and seen as a strategic component (e.g. Asha et al. 2013, M'zungu, Merrilees & Miller 2010). (Aaker 2004: 11.) External branding forms of different elements of brand such as brand equity (e.g. Keller 2000; Laidler-Kylander & Simonin 2009; M'zungu et al. 2010), brand identity (e.g. Ghodeswar 2008) and brand image (e.g. Boone 2000; Henkel, Tomczak, Heitmann & Herrmann 2007; Ind, Iglesias & Shultz 2003). In addition to internal and external branding, also brand management (e.g. de Chernatony 2001) and corporate branding (e.g. Balmer & Gray 2003; Burmann et al. 2010; Burmann et al. 2008) have gained interest of researchers.

Brand awareness studies have found out that brand awareness plays an important role on decision making process, as it influences which brands enter consumers' consideration

set and it is therefore an inherent part of firm performance (Huang & Sarigöllü 2012: 92). Often brand awareness has been studied as a part of other components or in relation to other brand components, such as brand equity (Hakala, Svensson & Vincze 2012; Kayaman & Arasli 2007; Sasmita & Suki 2014), brand loyalty (Liu, Perry, Moore & Warnaby 2016) or engagement (Wallace, Buil, de Chernatony 2014). As the research shows, brand awareness is a crucial part of brand and still there is a lack of research on brand awareness link to brand or purchase intention and performance (MacDonald & Sharp 2000: 5). Huang et al. (2012: 92) found out that causality between level of brand awareness in consumers' minds and market outcomes remain unexplored.

In the automotive industry alliances between companies are common, and thus the consequences of component sharing to consumer responses, has been researched (e.g. Verhoef, Pauwels & Tuk 2012). Research from automotive industry has studied the link between consumer's decision-making and brand awareness only on laboratory circumstances (e.g. MacDonald et al. 2000), connection of brand awareness' and market performance (e.g. Erdem, Swait & Valenzuala 2006) as well as brand loyalty on country level (e.g. Jørgensen, Mathisen & Pedersen 2016). This research aims to fill the existing gaps of research by studying the relation of consumer-brand relationship and purchase intention on automotive industry from perspective of Nordic consumers.

Internationalization has led to situation where national borders lose their meaning, markets are global, same goods are merchandised all over the world and consumer preferences converge (Douglas & Craig 1989: 49; Douglas, Craig & Nijssen 2001: 97, 99–100). Global branding is more prevalent, and firms must take international brand consistency into account on their marketing strategies (Townsend, Yenyurt & Berk 2009: 539–541). The extensive research from automotive industry in Asia (e.g. Bennett & Graham 2010; Tsai, Huang & Chiu 2012; Yang & Tang 2014; Zhao 2010) can be explained by, firstly the role Asia has played in manufacturing, and secondly the estimated growth of car market in Asia. Asian manufacturers rose to the top of industry by building powerful, fuel-efficient vehicles with relatively low-cost when car industry first started to bloom. Now, Asian car market is again estimated to grow tremendously; by 2025 Chinese automotive market alone is estimated to be larger than USA and Europe combined (Global Cars Brands 2018).



Comparing to the amount of research from Asia, Europe has so far been underrepresented in the studies of automotive industry branding, by having only few studies available (e.g. Novak, Sparl & Azman 2015, Jørgensen et al. 2016, Šefara, Marek & Zubr 2015). Where Asian researchers have focused on branding in automotive industry, most European researches on automotive industry have researched technical matters such as environmental-friendliness (e.g. González, Ventura & Cárcaba 2013), energy efficiency (e.g. Christian 2016) and air pollution of personal vehicles (Christian 2016, Zervas 2010). Existing research on international branding has covered most geographical areas, but still cross-country comparisons are missing. This research has a unique approach as it conducts cross-country analysis of three Nordic countries; Finland, Sweden and Denmark. Norway and Iceland differ from other Nordic countries, not only as they are the only countries not part of European Union, their automotive market is also largely hybrid (HEV), plug-in hybrid (PHEV) and electric vehicle (EV) driven. Thus, these two countries are excluded (see Al-Alawi & Bradley 2013; Shafiei, Thorkselsson, Ásgeirsson, Davidsdottir, Raberto & Stefansson 2012; Zapata & Nieuwenhuis 2010). The research is conducted from the perspective of automotive manufacturer Nissan, but it provides insights to all automotive manufacturers and managers.

## **1.2. Aim and Research Questions**

The main purpose of this research is to study the link between consumer-brand relationship and purchase intention of a car. This research aims to find a relationship between the two main concepts and whether culture affects Nordic consumers' decision-making process. To achieve the purpose of the research, the following research questions (RQs) are set out:

RQ 1. Does consumer-brand relationship impact car purchase intention in Nordics?

RQ 2. Does Nordic culture have an impact on consumer-brand relationship or purchase intention of a Nissan?

The main purpose of the research is approached via objectives. The objectives provide a direction for the research, they structure the theoretical part and assist the researcher while answering the RQs. The research objectives for this research are the following:

- to examine variables of consumer-brand relationship and purchase intention;
- to explain differences on the culture of Nordic countries;
- to identify the relationship between consumer-brand relationship and purchase intention on Nordic countries;
- to identify the role of Nordic culture on consumer-brand relationship and purchase intention;
- to understand how Nissan is perceived compared to key competitors in Nordic countries.

### **1.3. Key Definitions**

Few of the key definitions of this research paper are explained briefly in this section. These will be discussed more in depth on the following sections, which build theoretical background for the research.

*Consumer-Brand relationship* describes relationship between consumer and a brand. Consumers attach meanings to brand and form emotional relationships with them (Heding et al. 2009: 86), thus the term consumer-brand relationship is used to explain how different brand components (brand equity, engagement, related associations, image, knowledge) are perceived in consumers' minds and how strong that relationship between consumer and brand is.

*Purchase Intention* is seen in this research to form of two concepts; brand consideration and brand preference. Purchase intention can be defined as the likelihood a consumer will consider purchasing a certain brand or prefer purchasing it over other brands (Hsiao & Chen 2018: 106). Once a consumer considers purchasing a brand or tells preferring a

brand, the purchase intention of the consumer is higher. Positive purchase intention does not necessarily mean consumer will buy the brand, but it is much more likely.

#### **1.4. Delimitations**

Delimitations are “specific choices by the researcher” (Simon & Goes 2013: 3). Delimitations restrict the area of research by narrowing it down and excluding what is not directly relevant to the research. Like any other research, also this one has delimitations and restrictions regarding to the initial research setting. The research is limited to the data gathered among Nordic consumers, even though automotive products are merchandised globally. Culture affects the meanings consumers attach to the brand in terms of values, appeals, beliefs or history in the culture (Townsend et al. 2009: 539). Choosing Nordic consumers as population of this research, offers the researcher a chance to get more detailed insights on the differences between cultures, but the findings are not necessarily generalizable to all countries.

This research narrows down the population to which the research is generalizable with pre-set exclusions, and thus the sample is one of the delimitations. These exclusions are explained in more detailed in section 4.4. Data Collection. The research also uses cross-sectional data, data collected at the same time. Another option would be to use longitudinal data, data collected over time (months, years, decades) from same respondents (Cresswell 2014: 203). Longitudinal data is more reliable and valuable, but the nature of this research does not allow the researcher to collect such data sample and we acknowledge that due to time and economic constraints this research will be conducted with utilizing only cross-sectional data.

#### **1.5. Structure of the Research**

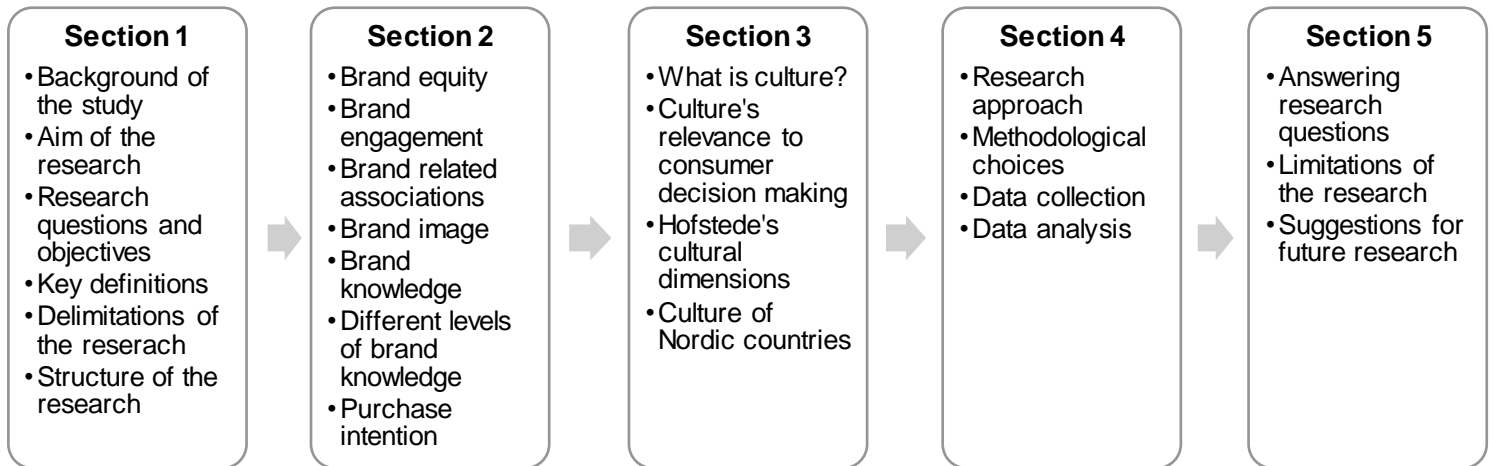
The research is organized into five main sections. The structure of the thesis is presented further in Figure 1. The first section of the research introduces the topic of the research, while the second and third section form together the theoretical background of the research. The theoretical background forms out of branding, purchase decision making

and culture. The fourth section presents the methodology of the research and the fifth chapter concludes the whole paper by presenting findings and answering the research questions settled in the first section.

The first chapter of the research, *Introduction*, presents the background of the research, along with the purpose of the research, RQs, objectives and delimitations of the research. Few key definitions are as well defined in this section to assist the reader with reading, these are dealt with more detail in section two. The hypotheses for the research paper are formed from the following two sections and based on previous research. The second section of the research is based on pre-existing theories and it presents various definitions, theories and classifications. It explains the concept of brand and its main components; brand equity, engagement, related associations, image, knowledge and different levels of brand knowledge. Along with brand also purchase intention of consumers is discussed.

Third section of the research presents the main cultural dimension model used on the research and analyzes the case countries, Finland, Sweden and Denmark, on light of the pre-existing research from their culture. This information is used to determine if any of the differences found in this research might be caused by the culture. Hypothesis for the research is drawn based on previous research. The two theoretical parts together build a base for methodology and analyses, dealt with in section four.

The fourth section, describes the methodology of this research paper by presenting the research approach along with methodological approach, research method, data collection methods, research design and collected sample. This section also explains differences between different methods, and justifies the choices made by the researcher. The section further presents the questionnaire items along with conducting quantitative analyses of the responses. The statistical analyses of this section are conducted by SPSS Statistics program.



**Figure 1.** Structure of the research.

The final part of the research paper concludes the paper by representing the findings collected from the online questionnaire. The section answers to the RQs settled at the beginning of the research, confirms hypotheses settled in sections two and three, and presents theoretical and managerial implications of the research, along with limitations of the paper and suggestions for future research.

## 2. CONSUMER-BRAND RELATIONSHIPS

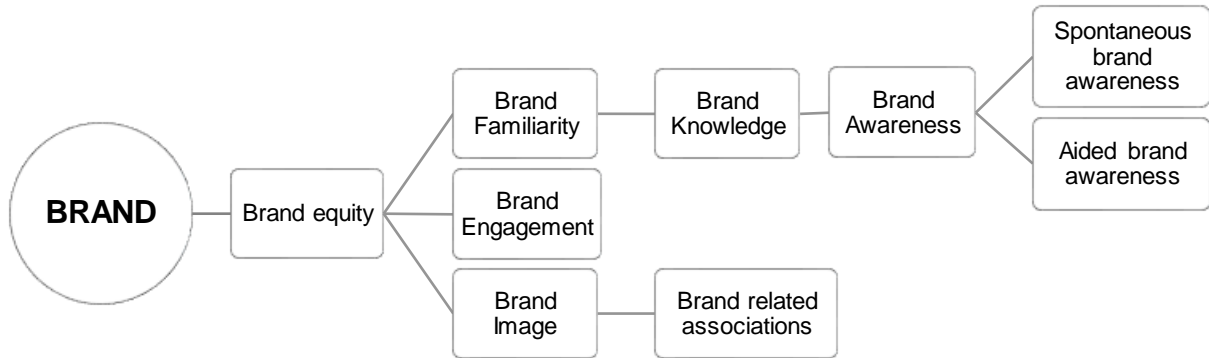
Brand is “name, term, sign, symbol, or design, or combination of them which is intended to identify the goods and services of one seller from those of competitors” (Kotler 1991: 442). Some researchers like Bergstrom et al. (2002: 133-134) have even described brand to be “the sum of all perceived functional and emotional aspects of a product or service”, Kim (1990: 63–65) further explained the brand is the sum of all the feelings, sensations and associations it evokes in the consumer. Merz, He & Vargo (2009: 328) see brand as all “collaborative, value co-creation activities of firm and all their stakeholders”.

Where traditional marketing sees brand as independent factor that forms of brand components; name, term, sign, symbol and design (Keller 1993: 2), more recent research has emphasized the meaning of consumer-brand relationships in the definition of brand (Heding et al. 2009: 85–92, 100). Despite the fragmentary definitions brand has been given in past research, most definitions have in common that; 1) brand differentiates a product or service from competitors’ products or services, 2) brand has a distinctive name, logo, symbol or other external pattern and 3) brand is something consumers attach feelings to (e.g. Kotler 1991, Merz et al. 2009; Goldsmith et al. 2012).

Consumers who have positive experiences of products or services see brand as a representation of a certain level of quality and are more likely to choose these products again, because of the associations they link to the brand (Hakala et al. 2012: 439). Consumers that can identify themselves with the brand, experience strong self-image congruence with the brand image and are likely to build relationships with the brand. These relationships affect all the aspects of brand and are in core position on building valuable brand (Lam, Ahearne, Mullins, Hayati & Schillewaert 2013: 235–236). Higher level of brand awareness, positive brand image and high brand equity among many others increase probability of consumers’ product choices, create higher customer loyalty and provide security against market changes and competitors, as well as make consumers more willing to price premiums on products or services (Hakala et al. 2012: 439; Keller 1993: 8).

In this research term *consumer-brand relationships* are used to describe the relationship between consumer and components of brand; brand equity, brand engagement, brand

related associations, brand image, and the different levels of brand knowledge. This section will describe the components of brand and provide information on what leads to purchase intention of consumer. Hypotheses for the research are also formed. Figure 2 presents the relation of different brand components, which will be discussed further on this section.



**Figure 2.** Relationship between brand components (Adapted from Aaker 1994: 116–118, Keller 1993: 7).

## 2.1. Brand Equity

Brand equity on its simplest means the value of a brand. The value can be both financial, as well as exist only on consumers' minds, or be a concrete solution to consumers' needs (Hakala et al. 2012: 440). According to Mohd Yasin, Noor & Mohamad (2007: 39) brand equity is "the tremendous value inherent in a well-known brand name". Keller (1993: 1) defines brand equity as marketing activities which are uniquely linked to the brand. Brand equity exists, if marketing activities of a product or service receive a different outcome with, that they would without, the brand name. Most recent research has expanded the definition of brand equity to a broader set of attributes, other than brand name, and that these would drive consumers' choices (Mohd Yasin et al. 2007: 39).

High level of brand equity shows in consumers' favoritism towards the brand and in higher purchase intention, and brand preference amongst brands in the same product

category (Mohd Yasin et al. 2007: 39). Brand equity can be viewed from two perspectives; customer-based and financial-based. Keller (1993: 2) described customer-based brand equity (CBBE) as, "the differential effect of brand knowledge on consumer response to the marketing of the brand". Similarly, Christodoulides & de Chernatony (2010: 48–49) define it as "a set of perceptions, attitudes, knowledge, and behaviors... ..that results in increased utility and allows a brand to earn greater volume or greater margins than it could without the brand name".

CBBE, forms in consumers' minds and consists of values consumers attach to the brands. For example, the quality consumer expects from the brand can affect their perceived quality (by for example forgiving product faults), thus the perceived quality can be higher than the actual quality is (French & Smith 2013: 1357; Hakala et al. 2012: 440). CBBE facilitates consumer's decision-making process as it can block competing brands out of the consideration set and make day-to-day decisions quicker, thus it is important for all brands to strive to make it to the small group of alternatives consumers consider. (Cuneo, Lopez & Yagüe 2012: 955.)

From company point of view, financial-based brand equity (FBBE) is what adds financial value to companies. It can be measured in price, market share or profitability (Hakala et al. 2012: 440). Where CBBE focuses on consumer's decision making and purchase intentions and the value on consumers' mind, FBBE calculates the value of a brand in terms of net present value or future generated cash flows (de Oliveira, Silveira & Luce 2015: 2560). Brand equity must be measured from both perspectives, as brand that just generates great margins and profit for company is not a long-lasting solution if the consumers do not see the brand valuable to themselves.

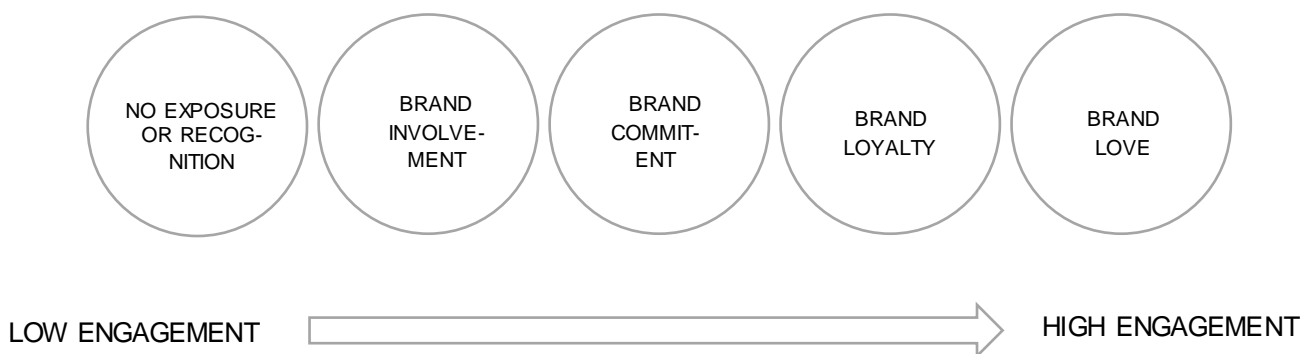
*Brand equity* bases on four assets of the brand that consumers attach on their minds to the brand – perceived quality of the brand and its products, brand engagement, brand related associations and brand knowledge (Aaker 1994: 116). Having strong brand equity increases customer engagement, efficiency and effectiveness of marketing activities and creates resistance to competitors' promotional activities (French et al. 2013: 1356–1357). Strong brand equity can as well help to create barriers on market that complicate the market entry of competing products. Building brand equity grows company's loyal customer base, which leads to financial security as loyal consumers do repeated purchases



and their willingness to pay price premium is higher (Ling 2013: 130–134; Mohd Yasin et al. 2007: 39).

## 2.2. Brand Engagement

Brand love, brand commitment, brand loyalty and brand involvement are terms used by many scholars, and often they are meant to describe different levels of brand engagement, consumers' relationship to brands (Albert & Merunka 2013: 258–260; Huang 2017: 916–917; Maxian, Bradley, Wise & Toulouse 2013: 470). Figure 3, shows the hierarchy of these different levels of brand engagement. On this research we use the term *brand loyalty* to describe high level brand engagement. According to Hollebeek (2011: 790) “the level of an individual consumer's motivational, brand-related and context-dependent state of mind characterized by specific levels of cognitive, emotional and behavioral activity in direct brand interactions” is brand engagement. Mohd Yasin et al. (2007: 39) propose that value of a brand, or brand equity, is created by brand engagement as engaged consumers represent future revenues to the firm, with their possible future purchases, and engaged consumers are more likely to recommend the product to other consumers.



**Figure 3.** Levels of brand engagement (Goldsmith et al. 2012; Wallace et al. 2014).

Brand loyalty is consumers' intention to purchase and recommend brand to other consumers over other brands (Cifci, Ekinici, Whyatt, Japutra, Molinillo & Siala 2016:

3741). Brand loyalty can be measured in terms of buying frequency, how many times brand is purchased compared to other consumers, share of category purchases, proportion of category purchases devoted to the brand compared to competitors' products and the proportion of loyal consumers compared to non-loyal consumers. Some consumers have few brands to which they are loyal and from which the purchase decision is made. (Dawes, Meyer-Waarden & Driesener 2015: 426; Romaniuk & Nenycz-Thiel 2013: 68.) Consumers seek for brands that share their values, the brand loyalty is affected by consumers' personal preferences and brand-consumer fit is defined by the congruity between consumer's self-image and brand image. Brand loyal consumers have been found to oversee their preferred brand over a competing brand, even while other brand has superior product features (Mohd Yasin et al. 2007: 39). (Wallace et al. 2014: 33–35.)

### **2.3. Brand Related Associations**

Brand associations have been found to be one of the core components of brand equity. The associations consumers attach to a brand are in the core of decision making, as “activating” a brand association causes a process where brand related information is drawn from memory and brand related associations are recalled (Anderson 1983: 86, French et al. 2013: 1357–1358). Associations can be for example functional features, consumption situations, qualities, benefits provided by the purchase, imaginaries or feelings the brand awakes in consumer (Dew & Kwon 2010: 4; Oakenfull & McCarthy 2008: 280). The overlap between management intended brand associations and actual consumer brand associations leads to positive consumer response (Kapferer 2004: 425–427; Kotler 2003: 559).

Consumers use brand associations to organize and retrieve information from their memory and to help in purchase decisions (Low & Lamb 2000: 351). Many daily purchases (especially fast-moving consumer goods, FMCGs) are made with simply retrieving information from memory and making fast decisions about product choices. All brand associations are not equal, the stronger the association is, the more likely it is that it will be memorized over other associations (French et al. 2013: 1358, Mohd Yasin et al. 2007: 40). In addition to the strength of brand associations, also the number of

associations and paths between associations increase the chance of association being activated (Koll & von Wallpach 2014: 1501).

Strength and number of brand associations on consumers' minds determine the brand familiarity (Campbell & Keller 2003: 293). The main difference between familiar and unfamiliar brands is the associations of the brand the consumer has stored in their memory (source), for unfamiliar brands consumers have more limited and weaker associations whereas for familiar brands the associations are stronger and more obtainable (Delgado-Ballester, Navarro & Sicilia 2012: 33). Unless consumers have negative experiences of a brand, high level of brand familiarity leads to greater product satisfaction and brand trust (Perera & Chaminda 2013: 248).

High level of brand familiarity helps consumers to organize the brand associations on their mind, they are more likely to pay attention to brand's advertisements and they are more involved with the given brand information (Campbell et al. 2003: 293–295). Based on this, it is hypothesized that:

*H1. High level of brand familiarity will have a positive relationship to a) brand consideration b) brand preference*

## **2.4. Brand Image**

Keller (1993: 3) defines brand image as “perceptions about a brand as reflected by the brand associations held in consumer memory”. The brand image is formed of all of consumer's previous consumption experiences, perceived quality, self-image congruence with brand image, brand belief created by the marketer, or through inferences by the consumer's existing associations (Aaker 1994: 116; Sasmita et al. 2015: 278–279). It is important to note, that brand image exists on each consumer's mind and can differ, depending on the associations held by the consumer (Mohd Yasin et al. 2007: 40). Positive brand image increases the probability of brand choice, produces greater brand loyalty and creates barriers against competitors' actions (Keller 1993: 5), thus;

*H2. Positive brand image favorably affects a) brand consideration b) brand preference.*

Researchers have found three different types of brand images; functional, symbolic and experiential brand image (Alimen & Cerit 2010; Park, Jaworski & MacInnis 1986; Yu, Lin & Chen 2013). Functional brands solve consumers' needs (Alimen et al. 2010:240). Functional brands are often tied to a product category (for example FMCG products like dish soap, laundry detergent, feminine care products) and their functions are, if not the same, similar. Functional brands can differentiate with better performance, economy or by incorporating other aspects (for example "more eco-friendly solutions"). Symbolic brands create value by associating consumer with a role, group or desired self-image. Symbolic, image-driven brands are used as an extension of self and part of identity (Lau & Phau 2007: 425). Clothing is a typical functional product, which has shifted to symbolic image as many high-end fashion brands are marketed based on the image and the status consumer receives with the brand (Radder et al. 2008: 233). Where functional brand image fulfills the concrete needs and symbolic brand image focuses on what the product represents, experiential brand image focuses on fulfilling the internally generated needs of consumer and on how the brand makes users feel. (Alimen et al. 2010: 240: Oakenfull et al. 2008: 281; Yu et al. 2013: 601–602.)

## **2.5. Brand Knowledge**

*Brand knowledge* can be defined as "global understanding of the brand in the mind of the consumer" (Heding et al. 2009: 92). Keller (1993) also claimed that brand knowledge is like a network of brand associations in consumer's mind. The associations on consumers mind are fragmentary pieces of information, and the complex network that links them all together is brand knowledge (French et al. 2013: 1357). Brand knowledge contains all the associations from consumer's mind and they vary in terms of favorability (positive evaluation), strength (closeness to brand node) and uniqueness (exclusivity in product category). As the level of brand knowledge is high and the associations in consumers' mind are favorable, strong and unique, it reflects as higher level of brand equity. (Keller 1993: 3–6.)

In addition to brand knowledge being crucial for developing brand equity, it is also fundamental for developing strong brands (Cifci et al. 2016: 2745). Brand knowledge effects on choice of brand at the time of purchase, and to consumers' willingness to pay price premiums (Keller 1993: 7). High level of brand knowledge acts as a barrier against competing brands' market entry and enhances brand loyalty. Brand knowledge can be further divided into different levels of *brand awareness* which are described on following sections. (Chatzipanagiotou, Veloutsou & Christodoulides 2016: 5480; Heding et al. 2009: 92; Koll et al. 2014 : 1502; Merz et al. 2009: 334.)

### **2.5.1. Brand Awareness**

Brand awareness on its simplest is consumer's ability to identify a brand under different conditions (Homburg, Klarmann & Schmitt 2010: 201). This can happen either by brand recognition or recalling. Hoyer & Brown (1990: 141) define brand awareness as "rudimentary level of brand knowledge involving, at the least, recognition of the brand name". As Cifci et al. (2016: 3741) pointed out brand awareness is a degree of brand knowledge on consumer's minds that goes beyond simple brand name recognition. According to researchers, the main goal of advertising is to create or maintain brand awareness (Bogart 1986: 208, Hoyer et al. 1990: 141). Thus, most advertising campaigns have the objective to inform, remind and reason consumer about the brand (Delgado-Ballester et al. 2012: 32). Brand awareness is created by increasing the familiarity of brand through repeated exposure, ultimately it will lead to consumers having "experienced" the brand by seeing, hearing or thinking about it. Once consumers have enough experience of the brand, the brand will root to their memory (Radder et al. 2008: 233–235).

Keller (1993: 3) named three reasons why brand awareness plays an important part in decision making process. Firstly, raising brand awareness increases the chances that brand enters the consideration set. Also, Mohd Yasin et al. (2007: 39–40) point out that the higher the level of brand awareness, the more likely that consumer considers the brand at the time of purchase. While brand awareness offers no guarantee of the purchase, it increases chances of brand being considered (Hakala et al. 2012: 450). Secondly, brand

awareness can affect which brands end in the final consideration set, even when consumer does not have any pre-associations of the brand. Consumers favor familiar brands (Buil, de Chernatony & Martínez 2013: 117–121), the ones they have seen advertised or discussed of. Consumers might use brand awareness as a heuristic, especially in low-involvement purchases (Hoyer et al. 1990: 141). Thirdly, brand awareness affects the strength of brand associations, and how they are formed. (Keller 1993: 3–6.)

Brand awareness is a multidimensional concept that combines consumers' ability to recognize and recall the brand and identify it under different conditions, for example at the time of purchase, or associate brand with products they aim to own in the future (Keller 1993: 3; Sasmita et al. 2014: 278). Brand-aware consumers are also able to link the brand name, logo, symbol to associations, perceptions or previous experiences from their memory. (Keller 2003: 76.)

### **2.5.2. Aided Brand Awareness**

Keller (1993: 3) explains brand recognition as “consumers' ability to confirm prior exposure to the brand when given brand as a cue”, existing research has also used term *aided awareness* for brand recognition and this research uses it as well. With a clue, for example brand name, logo or colors used in packaging, consumers can recognize the brand as being previously seen or heard somewhere (for example “Please select all the car brands that you have ever heard of, even if you're not very familiar with them.”). Aided brand recognition is stimulus-based (Hakala et al. 2012: 450), and it is simple, as it can be accessed by nominal responses (“yes, I have heard of Nissan” or “no, I have not heard of Nissan”) (Cifci et al. 2016: 3741).

Aided brand recognition is seen to be the minimum level of brand knowledge. Studies show that consumers who recognize a brand name, are more likely to buy that brand (Hoyer et al. 1990;), as consumers prefer purchasing products and brands they recognize compared to the ones that they have never heard of, seen of or experienced. Also, in case the favored brand is not available consumer uses the prior knowledge to choose the product from rest of the product category, where recognizing a brand will affect the choice (Hakala et al. 2012: 441–442; MacDonald et al. 2000: 6–7). Based on the above discussion, the following hypothesis is suggested:

*H3. Aided brand awareness has a positive influence on consumers a) brand consideration  
b) brand preference.*

### **2.5.3. Spontaneous Brand Awareness**

Brand recall is also known as unaided or spontaneous recall or awareness (Kayaman et al. 2007: 99). This research will use the term *spontaneous brand awareness* to describe brand awareness, which happens without any cues. Where aided brand awareness recognition is stimulus-based, spontaneous brand awareness is memory-based and as the name suggests happens either spontaneously or without any external aids. Spontaneous brand awareness refers to consumers' abilities to recall a brand when thinking about certain product category or needs fulfilled by the category (for example "When you consider car brands on a general level, which brands come to your mind?"). Spontaneous brand awareness might happen prior to purchase situation, when consumers identify a concrete need for certain product, service or product category (Keller 1993: 3). (Hakala et al. 2012: 250; Radder et al. 2008: 233–234.)

Consumers might recognize various brands, but only recall few. From company perspective it is important to be a brand that consumers recall, as the group of brands can be as small as one brand only (Radder et al. 2008: 234). For new brands brand recognition is important, but as brands grow brand knowledge and opinion become more important (Cifci et al. 2016: 3746). Spontaneous brand awareness requires more effort from consumers, compared to brand recognition, as they try to retrieve the brand from memory without any external aids, such as hearing the name, seeing the product in the shelf or shelf talkers at the store (Lu, Chang & Chang 2014: 260).

Researchers see that the top-of-mind awareness (TOMA) influences purchase decisions especially in terms of unaided recall (Hakala et al. 2012: 250). TOMA is influenced by consumer's memories or prior experiences of the brand. If consumer can recall a brand without any exposure, the likelihood that consumer will recall it when exposure is offered, is higher (Dew et al. 2010: 5). Therefore, spontaneous brand awareness might influence brand consideration. Researchers like Koniewski (2012), Radder et al. (2008) and Stepchenkova & Li (2014) have found that the brands that consumers name

spontaneously they have the highest level of brand awareness. Thus, it is hypothesized that;

*H4. Spontaneous brand awareness toward brand will have a positive relationship with consumers' a) brand consideration b) brand preference.*

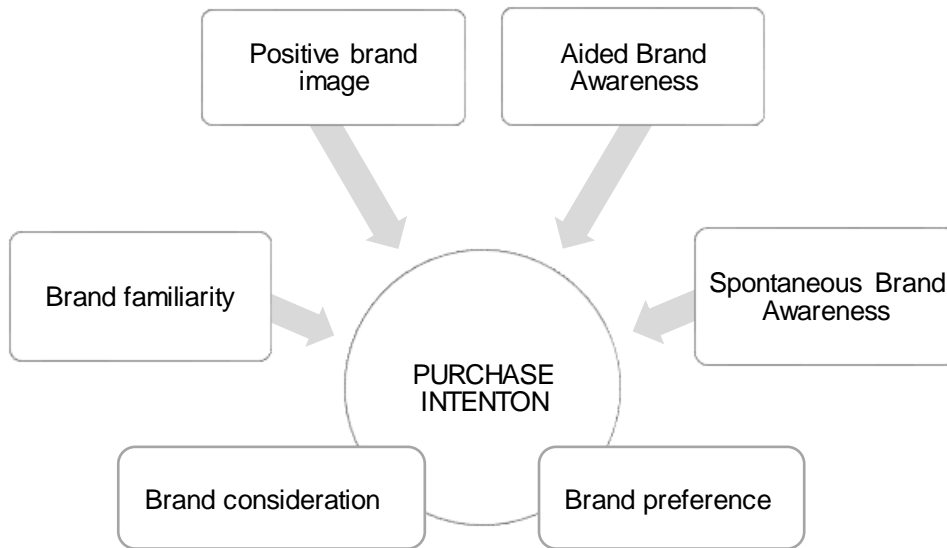
## **2.6. Purchase Intention**

Purchase intention has been defined as the likelihood that the consumer will plan to purchase a brand's product, consider purchasing, or prefer purchasing it, now or in the future (Grewal, Monroe & Krishnan 1998: 48; Hsiao et al. 2018: 106). Based on this definition this research will analyze consumers' purchase intention by two parameters; *consideration* (Which, if any, of the following car brands would you definitely consider purchasing?) and *preference* (Amongst all the car brands you would consider purchasing, which one would be your first choice?).

Consumers' purchase intentions are affected by product's value (emotional and economical), opinions of brand (own and others'), brand associations (favorable and strong associations increase purchase intention) and brand familiarity (Dehghani & Tumer 2015: 598; Hoy & Milne 2010: 40–42). Along with these, consumers use decision-making heuristics to minimize the efforts needed in purchasing situations. (Keller 1993:3.) High purchase intention indicates that consumers are responding to marketing mix elements of a brand more favorably than to other brands' (Mohd Yasin et al. 2007: 38). Purchase intention often leads to making a purchase (Morwitz, Steckel & Gupta 2007: 362).

Figure 4 explains the hypothesized interactions between consumer-brand relationship's components and purchase intention. Purchase intention is determined by the aforementioned two variables; brand consideration and brand preference.





**Figure 4.** The hypothesized interactions between consumer-brand relationship and purchase intention.

### 3. CULTURAL EFFECT

Culture influences individuals' attitudes and behaviors and can further impact their openness towards changes and innovativeness, along with perceptions of brands (Kaasa, Vadi & Varblane 2014: 826; Mahmud & Kumar 2016: 61). From marketing point of view the significance of brands, or certain product categories, may vary among different countries. As for example Germans pay more attention on vehicles than French, probably due to high level of engineering on their culture. (Fischer, Völckner & Sattler 2010: 826). Culture is defined as "the collective programming of the mind which distinguishes the members of one group or category of people from another" (Hofstede 1980: 260). In addition to culture also individual traits, like status-seeking behavior, can affect how brand associations, familiarity or brand image are formed (Koll et al. 2014: 1506).

Culture affects consumers' thinking patterns and actions. Culture forms of traditions, shared values, beliefs and habit clusters of a group of people. These behavioral patterns and customs provide guidance to member of societies. (Kaasa et al. 2014: 827; Madupu & Cooley 2010: 366.) The value systems differ between countries, and culture is something that is often learned at an early age. However, it is possible for expatriates, exchange students and other foreigners to adapt a culture with time (Hofstede 1980: 32; 1991: 20, 221–225). According to Hakala et al. (2012: 439) brands can be viewed as products of culture as they affect cultures and cultural habits, create communities around them and even form symbolic meanings, like for example Apple has created around their smartphones and devices.

Nordic countries have a close geographical proximity, similar climate and societal hierarchy; thus, it is interesting to analyze their potential cultural differences. Some researchers have researched this and claim that Nordic countries are quite homogeneous in terms of their culture (Kaasa et al. 2014: 839, 848). Nevertheless, it is still worth examining if any meaningful cultural differences exist in Nordic cultures that could influence the consumer-brand relationships or consumers' purchase intention. This research is based on the predominant approach on marketing field to examine cross-cultural differences (Henseler, Horváth, Sarstedt & Zimmermann 2010: 7, 9; Kaasa et al.

2014: 826), Hofstede's (1980, 1991) cultural dimensions. Each of the dimensions will be explained and how each dimension applies to each country is examined.

### **3.1. Hofstede's cultural dimensions**

Hofstede's study (1980) of 40 countries identified four dimensions to which each culture could be categorized. These dimensions were; power distance (unequal versus equal), uncertainty avoidance (rigid versus flexible), individualism/collectivism (alone versus together) and masculinity/femininity (tough versus tender). Later a fifth dimension; long/short term orientation was added (Hofstede 1991). This section describes each of these five dimensions and explains how the three Nordic countries analyzed on this research can be categorized on the light of the dimensions.

#### **3.1.1. Power Distance**

Power distance refers to the extent to which less powerful members of organizations and other groups expect that power is distributed equally. Power distance explains the written and unwritten hierarchy levels of each culture. (Hofstede 1980: 65–66, 72; Mahmud et al. 2016: 66.) As Table 1 shows, all countries, Finland, Sweden and Denmark, have a low power distance index (PDI). Low PDI of Nordic countries shows that equal rights are respected, power is decentralized, control is disliked and attitude towards managers are informal and employees act often on first name basis. The wealth is also distributed quite equally in the countries, and there are not or the gaps between wealthy and poor are small.

#### **3.1.2. Uncertainty Avoidance**

Uncertainty avoidance describes society's tolerance towards uncertainty and ambiguity. High uncertainty avoidance index (UAI) societies feel uncomfortable in unstructured situations, which are something unknown, surprising and different from usual. Finland scored relatively high in UAI. In high UAI societies uncertainty is avoided by strict laws and rules and other safety and security measures. Sweden and Denmark have a low UAI.

In these societies there is a more relaxed attitude, and practice counts more than principles. Schedules are more flexible, people work hard only if required to, and innovations are seen welcome and not as threatening. The overall willingness to take and accept risks is lower, along with innovativeness and entrepreneurial attitudes being higher. (Hofstede 1980: 118–119.)

### **3.1.3. Individualism-collectivism**

In individualistic cultures everyone is expected to look after themselves and their immediate family only, whereas in collectivist cultures people have strong, cohesive groups and the extended families are closer (Hofstede 1980: 161–163). All of the Nordic countries had a high IDV (individualism-collectivism index), meaning that they are all an individualistic culture, where the focus is on individual rights and personal achievements. On individualistic cultures where everyone is expected to look after themselves more independent working habits are encouraged and the relationships between individuals are looser. (Hofstede 1980: 163.)

### **3.1.4. Masculinity-femininity**

In masculine culture, men are assumed to be tough and focus on material success and wealth, whereas women should act modest, be tender and their main interest should be on house-keeping and maintaining the quality of life. In feminine cultures, men and women are expected to be both modest, tender and concerned with the quality of life. (Hofstede 1991: 261 – 262). All of the Nordic countries had a low MAS (masculinity-femininity index), Sweden being the most feminine society out of them. In these cultures, quality of life is sign of success, people are motivated by what they do, and it is common to care for others and hope the best for them. Relationships are valued more and caring for others is common, hence the government funded support systems in these countries play an important role for the society. (Hofstede 1998: 111.)

### 3.1.5. Long-term orientation

Long term orientation describes how societies prioritize their present moment and the future. Societies with long-term orientation are focused on the future, and willing to delay short-term gains in hope of future rewards, short-term oriented cultures see present or past more important than potential future success. (Hofstede 1991; 64–68.) Sweden had a medium LTO (long term orientation index) and has therefore not seen to have a clear preference in this dimension. Other countries, Finland and Denmark, had a low LTO and can be classified as normative cultures. Their thinking is normative in terms of that they are focused on establishing the absolute Truth, they respect traditions, they save money for the “rainy day” and are focused on achieving quick results. (Hofstede 1991: 65 –66.)

	FINLAND		SWEDEN		DENMARK	
Power distance (PDI)	33,0	Low PDI	31,0	Low PDI	18,0	Low PDI
Uncertainty avoidance (UAI)	59,0	High UAI	29,0	Low UAI	23,0	Low UAI
Individualism/ collectivism (IDV)	63,0	Individualist	71,0	Individualist	74,0	Individualist
Masculinity/ femininity (MAS)	26,0	Feminine	5,00	Feminine	16,0	Feminine
Long/short term orientation (LTO)	38,0	Normative	53,0	No preference	38,0	Normative

**Table 1.** Nordic countries categorized by Hofstede’s (1980; 1991) cultural dimensions (Hofstede Insights 2018).

Based on Hofstede’s cultural dimensions, and the previous findings from Nordic societies’ culture. The following hypothesis was formed;

*H5) Culture of Nordic countries does not have an influence on consumer-brand relationships or purchase intention.*

## **4. RESEARCH METHODS**

This chapter explains the research approach, methods and methodology of the research. Research approach is a plan on how the data of a research will be collected and analyzed, methods fall under research design and they are the techniques which are used to collect (for example questionnaires, interviews, observation) and analyze the data (non-statistical and statistical) (Ghauri & Grønhaug 2010: 54). Methodology is justification of data collection methods (Saunders & Rojon 2014: 7).

### **4.1. Research Approach**

The research approach of this research will be quantitative. The main difference between qualitative and quantitative approaches are, that qualitative uses words and open-ended questions to identify themes, whereas quantitative approach emphasizes numbers and closed-ended questions (Cresswell 2014: 31). Quantitative is a common noun for all data collection or analysis methods that either create or use numerical data (Ghauri et al. 2010; 103; Saunders, Lewis & Thornhill 2016: 151). Table 2 explains differences between these two research approaches.

In quantitative research researcher collects empirical and measurable data in large amounts, the data can be summarized in statistical form and further analyzed and generalized (Ghauri et al. 2010: 104–105). Quantitative research aims to predict, generalize and find connections between topics, quantitative research demands economical resources where qualitative is more time consuming. Qualitative approach aims at exploring and understanding the phenomena. Data is typically collected in participant's setting and data analysis requires inductive approach. From the data themes, interpretations are formed and used to create meanings and answer research questions. (Cresswell 2014: 68; Easterby-Smith, Thorpe & Jackson 2012: 27–34.)

	<b>Qualitative research</b>	<b>Quantitative research</b>
<b>Direction of the research</b>	Inductive approach	Deductive approach
<b>Purpose of the research</b>	To understand and interpret	To generalize and predict
<b>Use of theory</b>	Theories are a lens for the research and are developed	Theories provide explanation and can be tested
<b>Focus of the topic</b>	Examines the breadth & depth of topic	Tests very specific topic
<b>Demands from researcher</b>	Time consuming	Economical resources
<b>Direction of research</b>	Interviews, focus groups, observations	Surveys, questionnaires, experiments
<b>Form of data</b>	Interviews, notes, feelings, reflections, words, images, themes, open-ended questions	Numerical or statistical data, close-ended questions, based on precise measurements

**Table 2.** Differences between Quantitative and Qualitative Research Approach.

## 4.2. Methodological Approach

Where deductive approach uses existing literature and theories to identify theories that will be tested by data, inductive approach explores the data, develops theories out of them and afterwards looks to the literature and links the theories to the existing findings (Saunders et al 2016: 61). Deductive approach also aims to explain “causal relationships between variables” and utilizes quantitative data. Deductive approach often utilizes a collection of quantitative data (Saunders et al. 2016: 125).

This research has a deductive approach. Pre-existing literature and theories are used deductively as a framework for the RQs and to provide a direction for the research, research objectives and RQs (Cresswell 2014: 62). The main goal of using literature is to advance RQs. According to Cresswell (2014: 92) “objective of testing or verifying a theory rather than developing it, the researcher advances a theory, collects data to test it, and reflects on its confirmation or disconfirmation by the results”. The pre-existing theories are tested by examining the questions derived from them, in the light of the aim of the research.

### 4.3. Research Method

Several ways of doing research have been identified, such as case study, survey research, experiments and achieve analysis (Yin 2014: 1–4). Suitability depends on *RQs*, researcher's *level of control* on behavioral events and whether the *focus of the research* is on contemporary or historical phenomena (Cresswell 2014: 19). This research adopts a survey research. Easterby-Smith et al. (2013: 142–144) identified three survey types; factual, inferential and exploratory. Market surveys and polls are most known factual surveys and used by companies to collect fact-based data by structured interviews or questionnaires. Inferential surveys identify connections between variables and concepts, so that inferences can be generalized from sample to population, where exploratory surveys develop models. (Easterby-Smith et al. 2013: 142–144.)

The data collected in this research is factual and the main research method, online questionnaire, provides a quantitative description of attitudes, opinions or trends amongst the population, that the researcher can generalize. Standardized questionnaires are a proficient way to collect responses from large sample for quantitative analysis in an economical way (Cresswell 2014: 50; Saunders et al. 2016: 144–147, 354). It also enables rapid turnaround in data collection. Questionnaire is a general term to data collection methods in which respondents answer a pre-determined set of questions in pre-determined order. Data from questionnaires can be collected through e-mail, telephone, internet, personal face-to-face interviews. (Cresswell 2014: 201.) The data of this research was collected through online questionnaires.

### 4.4. Data Collection

Quantitative research aims to predict and generalize a topic by collecting a large set of data (Ghauri et al. 2010: 104–105). Population is a larger set of data from which the sample is taken. Dataset is a sample of the population and should represent the entire population. Collecting data from the entire population is not possible for many reasons; lack of time, lack of finances, lack of other resources, hard manageability of large amounts of data and saturation of the data. Thus, a sample is collected. Using a sample



causes uncertainty to the results, but the bigger the sample is the more the uncertainty of the research is reduced. (Cresswell 2014: 192; Saunders et al. 2016: 212–217.)

For the findings to be statistically generalizable the number of samples must be a “sufficient numerical size”. Sample size depends on the level of certainty the researcher needs from the data, the margin of error the researcher can tolerate and from size of population. (Saunders et al. 2016: 125, 217.) As per Fowler (2009) sample size can reflect the population with an error margin of +/- 4 %, confidence level of 95 % and a 50/50 change that sample respondents respond in the given way. Therefore, the sample size of this research is 500 respondents per country. Population of Finland is 5,5 million, Sweden’s is 9,9 million and Denmark’s is 5,7 million (OECD 2017; Worldometers 2017). Total population of the countries is 21,1 million. The data of this research consists of 1.465 observations in total.

This research collects a sample, with the following restrictions:

- age between 18 to 64 years
- owns a driver’s license
- intention to buy a new car within next three years

The restrictions to the sample are made for few reasons. First one being the time and economical constrains of researcher to analyze larger sample size, second being that consumers outside of the sample (meaning consumers who do not own driver’s license, have no intention to purchase a car and are not on the age group to which most drivers belong to) are not the target group from automotive manufacturer’s perspective. It is acknowledged that a consumer who is not owning a driver’s license now at the time of the questionnaire, might have an intention to purchase a car in the next three years. However, from marketing perspective, it is likely that they do not pay attention to the brand at this moment, when making a purchase is not relevant to them. Used car market is more complex to research than new car market due to its asymmetry, less meaningful position of branding and larger price sensitivity and thus the sample is narrowed to only new car buyers (Busse, Knittel & Zettelmeyer 2012: 223; Goldberg & Verboven 2011: 812–814).

## 4.5. Research Methodology

Data for this research was collected via online questionnaire. The questionnaire was distributed to Nordic consumers and a total of 1.500 responses that met the preset limitations, of *age*, owning a *driver's license* and having an *intention to purchase a car* within next three years, were collected. After the 1.500 respondents meeting the requirements were discovered, 1.465 respondents completed the entire survey (482 from Finland, 496 from Sweden and 487 from Denmark). The participation to the research was completely voluntary. The survey was spread with the help of local partners of Nissan and each survey was distributed in the local language. For this research the questionnaire items presented on Appendixes have been translated into English for the reader's sake, but some examples from questionnaire may be provided throughout the analysis in local language.

### 4.5.1. Questionnaire

The questionnaire consisted of two sections. The questionnaire items, as shown in Appendix 1, were close-ended multiple choice questions apart from the question number 8. *When you consider car brands on a general level, which brands come to your mind? Please write below all car brands that come to your mind.*

*Section A* had questions on the demographics of respondents along with some screening questions, like their age and whether respondents had a driver's license or the intention to purchase a car within the next 3 years, that determined whether the respondent fitted the research's purpose. Other questions were more general (their gender, place of living and annual household income). Income level of the respondents was determined as cars are a high-involvement purchase which requires relatively high monetary investments

*Section B* had one open question and six multiple choice questions. The aim of this section was to identify the levels of spontaneous brand awareness, aided awareness, familiarity, brand image and their purchase intention via consideration and brand preference. It was argued that the method of first asking brand recognition questions with providing a cue (in this case a list of brand names) would influence brand recall and respondents might

favor one brand above another, thus the only open question of this research was included. Perceptions of a brand reflected by brand associations in consumer memory (Keller 1993: 3) were mapped by asking about their opinion. See Table 3 for detailed questions related to KPIs (key performance indicators).

KPI	Question asked:
Spontaneous Brand Awareness	When you consider car brands on a general level, which brands come to your mind?
Aided Brand Awareness	Which, if any, of the following car brands have you ever heard of? Please choose all the car brands you have heard of, even if you do not know them otherwise.
Familiarity	Which, if any, of the following car brands do you know more about than just their name? Please choose all the brands you know more about than just the name.
Good opinion	Which of the car brands you have a good opinion of? Please choose all the car brands you have a good opinion
Consideration	Which, if any, of the following car brands would you definitely consider purchasing?
Brand preference	Amongst all the car brands you would consider purchasing, which one would be your first choice?

**Table 3.** Questionnaire questions in relation to researched KPIs.

Section B used 19 choices for the multiple-choice questions from which respondents were able to choose. In all other questions apart from the question measuring Familiarity, respondents were not limited with the amount of answers they wanted to give. The familiarity-question had the same list of choices as the other questions, but the amount of responses was limited to one. The list of brands from which the respondents chose in multiple choice questions was the following and in the following order; Audi, BMW, Citroën, Dacia, Fiat, Ford, Honda, Hyundai, Kia, Nissan, Opel, Peugeot, Renault, Seat, Skoda, Toyota, Volkswagen, I have never heard of these, None of these.

#### **4.5.2. Data analysis and discussion**

Data was analyzed via computer program IBM SPSS Statistics (Statistical Package for Social Sciences). To address possible relationships among consumer-brand relationship and purchase intention, a series descriptive statistics analyses such as crosstabulations were used. Chi-square tests were conducted to identify relationships between variables. Chi-square ( $\chi^2$ ) is a statistical test meant to identify how likely it is that two variables are associated. It is the most common method to discover whether a statistically significant difference exist between two variables. Where  $\chi^2$  gives the probability that data could occur by chance alone. In addition to Chi-square also Cramer's V was used to measure the association between two variables. Cramer's V measures the association between two variables within the scale from 0 to 1 (0 represents no association and 1 represents perfect association. (Saunders et al. 2016: 452–453, 588.) Additional tests (such as Fischer's exact test) were used to confirm the results. Fischer's exact test, reflects how far observed frequencies are from the expected frequencies.

#### **4.5.3. Profile of respondents**

Table 4 below provides more detailed profile of respondents. Majority (56 %) of respondents were male. Only 9 % of respondents were 18 to 24-year old, whereas the other age group had twice the respondents. This can however, explained by multiple things. Firstly, the age group from 18 to 24 contains only 7 years, where the other groups (25 to 34, 35 to 44, 45 to 54 and 55 to 64) contain ten different years. Other possible explanations could be from the age when driving is allowed in countries (in EU countries driving isn't allowed until the age of 18) or possible life situation (such as studying, part-time jobs) that does not allow to consider larger purchases such as car.

A total of 28 % of the respondents were new car intentioners within a year, while there were only 5 % of new car intentioners within the next month. 70 % of respondents have not leased or purchased a car, and neither has anyone in their household, during the past 12 months. This explains the relatively high intention to purchase a car within the next year or sooner (58 %). The remaining 30 % of whose households that had purchased or leased a car and were willing to purchase a new car within next three years, could be looking for a secondary car. The second car of the household is often a smaller model,

designed for running the daily errands (such as Nissan Micra, Mercedes A-series or Toyota Yaris).

Out of all the respondents, 27 % lived in city or area of 30.000-100.000 inhabitants and another 27 % in area with less than 30.000 inhabitants. Capital areas (Helsinki, Storstockholm and Capital Area of Denmark) inhabited a total of 23 % of the respondents. Both rural and urban places of living are represented in this study and therefore there is no need to expect that this would affect the findings. If all the respondents would be from either urban or rural conditions, their demands from car would be different (parkability of small car versus larger trunk, smaller distances versus longer, suitability for paving instead of dirt roads) and this could show in the results. Median income of respondents was between 50.001-75.000 EUR, 500.001-750.000 SEK and 500.001-750.000 DKK. The relative high income of the respondents, could be due to the research's focus on new car buyers.

<b>Category</b>	<b>Percentage</b>
<b>Gender</b>	
Male	56 %
Female	44 %
<b>Age</b>	
18 – 24 years	9 %
25 – 34 years	21 %
35 – 44 years	22 %
45 – 54 years	25 %
55 – 64 years	23 %
<b>Place of living</b>	
Capital area*	23 %
City with more than 100.000 inhabitants*	18 %
City/area with 30.000–100.000 inhabitants	27 %
City/area with less than 30.000 inhabitants	27 %
Rural commune***	5 %

**Annual household income**

Under 35.000 EUR / 350.000 SEK/DKK	23 %
35.001–50.000 EUR / 350.001–500.000 SEK/DKK	21 %
50.001–75.000 EUR / 500.001–750.000 SEK/DKK	22 %
Over 75.000 EUR / 750.000 SEK/DKK	20 %
Cannot tell	14 %

**Intention to buy a new car**

Yes, within the next month	5 %
Yes, within the next 2–3 months	10 %
Yes, within the next 4–6 months	15 %
Yes, within the next year	28 %
Yes, within the next 2 years	23 %
Yes, within the next 3 years	19 %

**Have you or anyone in your household purchased or leased a new car in the past 12 months?**

Yes	30 %
No	70 %

\* In Finland: Helsinki region, Sweden: Storstockholm, Denmark: Capital Area

\*\* In Finland: Turku/Tampere

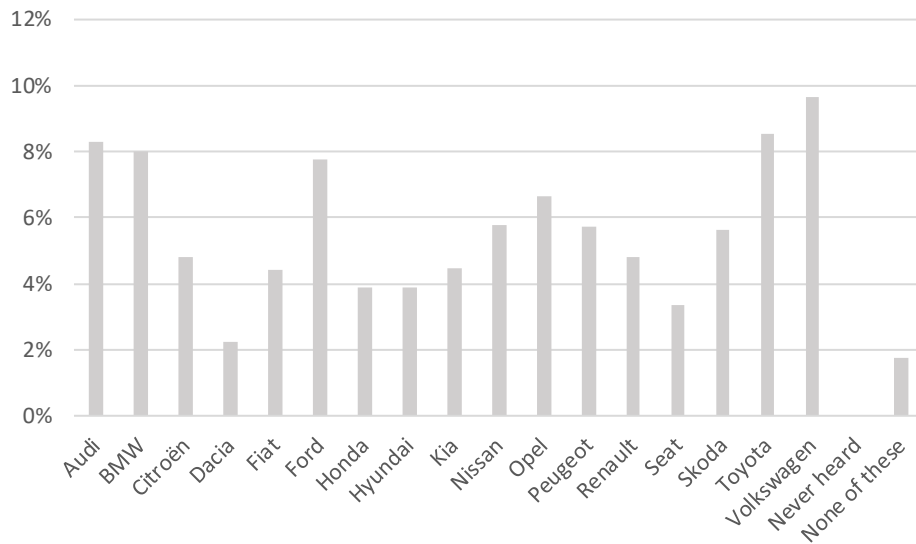
\*\*\* Only applicable in Finland

**Table 4.** Background information of respondents.

#### **4.5.4. Relationship of Brand Familiarity to Purchase Intention**

To test H1, SPSS Statistics program was used to run descriptive statistics crosstabulations and calculate correlation coefficients. Chi-square tests, along with Cramer's V test were undertaken. Crosstabulations revealed that out of the consumers that had a positive level of brand familiarity towards Nissan, 38,4 % in Finland, 34,0 % in Sweden and 35,6 % in Denmark of consumers, would also be interested of buying a Nissan. Another interesting insight was that 6,1 % of Finnish respondents, 8,0 % of Swedish respondents and 6,5 % of Danish respondents, who were not familiar with Nissan's brand would still consider purchasing it.

Findings show, that if respondents had the rudimental level of knowledge that Nissan is a car brand or manufacturer brought the brand into respondents' consideration set. Moreover, 14,5 % of Nissan-aware consumers in Finland, 10,5 % in Sweden and 9,9 % in Denmark, would prefer Nissan as a car brand. The overall brand familiarity of Nissan in Nordics was 6 % (see Figure 5). The top performing brands in terms of familiarity were Volkswagen (10 %), Toyota (9 %), Audi (8 %), BMW (8 %) and Ford (8 %).



**Figure 5.** Brand familiarity of Nissan and its key competitors in Nordics.

Chi-square test was used to determine whether the relationship between brand familiarity and consideration and preference were meaningful. The results of the testing (Table 5) suggest that brand familiarity has a statistically relevant positive relationship, at the  $p < 0.001$  level, to brand consideration (Finland:  $\chi^2(1) = 79,177$ ; Sweden:  $\chi^2(1) = 56,391$ ; Denmark:  $\chi^2(1) = 58,839$ ) and brand preference (Finland:  $\chi^2(1) = 37,213$ ; Sweden:  $\chi^2(1) = 22,822$ ; Denmark:  $\chi^2(1) = 17,445$ ). The significance of .000 means that the probability of the values occurring by chance alone is less than 0.001, therefore the findings are statistically meaningful.

Chi-square test for relationship of brand familiarity and brand preference in Denmark had one cell with expected count less than 5 (minimum expected count 2,80). As the expectations were not met, a Fischer's exact test was run to interpret the outcomes (see

Table 6). Relationship of brand familiarity and brand preference of Nissan in Denmark has a significant 2-sided p-value ( $p < 0.001$ ) and odds ratio above 1.0 along with confidence interval. Brand familiarity is *likely* to have a relationship to brand preference also in Denmark.

### Chi-Square Tests

	Brand Familiarity * Consideration								
	Finland			Sweden			Denmark		
	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	79,177	1	.000	56,391	1	.000	58,839	1	.000
N of Valid Cases	482			496			487		

	Brand familiarity * Brand Preference								
	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
	Pearson Chi-Square	37,213	1	.000	22,822	1	.000	17,445 <sup>a</sup>	1
N of Valid Cases	482			496			487		

a. 1 cell (25,0 %) has expected count less than 5. The minimum expected count is 2,80.

**Table 5.** Chi-square test for Brand Familiarity and Purchase Intention's relationship.

### Risk Estimate

	95 % Confidence Interval		
	Value	Lower	Upper
Odds Ratio for Brand Familiarity	7,152	2,478	20,646
For cohort Brand Preference = 0	1,093	1,02	1,171
For cohort Brand Preference = 1	.153	.056	.419
N for valid cases	487		

**Table 6.** Fischer's test for Brand Familiarity and Preference's relationship.



The Cramer's V values listed on Table 7 below, are significant at the .000 level and show that the associations between brand familiarity and brand consideration as well as brand familiarity and brand preference, are positive, although weak. These results together reveal that brand familiarity can affect brand consideration and brand preference of Nordic consumers.

		Symmetric Measures					
		Finland		Sweden		Denmark	
		Brand Familiarity * Consideration					
Nominal by Nominal	Cramer's V	Value	p	Value	p	Value	p
		N of Valid Cases	0,31	.000	,322	.000	,348
		482		496		487	

		Brand familiarity * Brand Preference					
		Value	p	Value	p	Value	p
Nominal by Nominal	Cramer's V	,278	.000	,205	.000	,189	.000
		N of Valid Cases	482		496		487

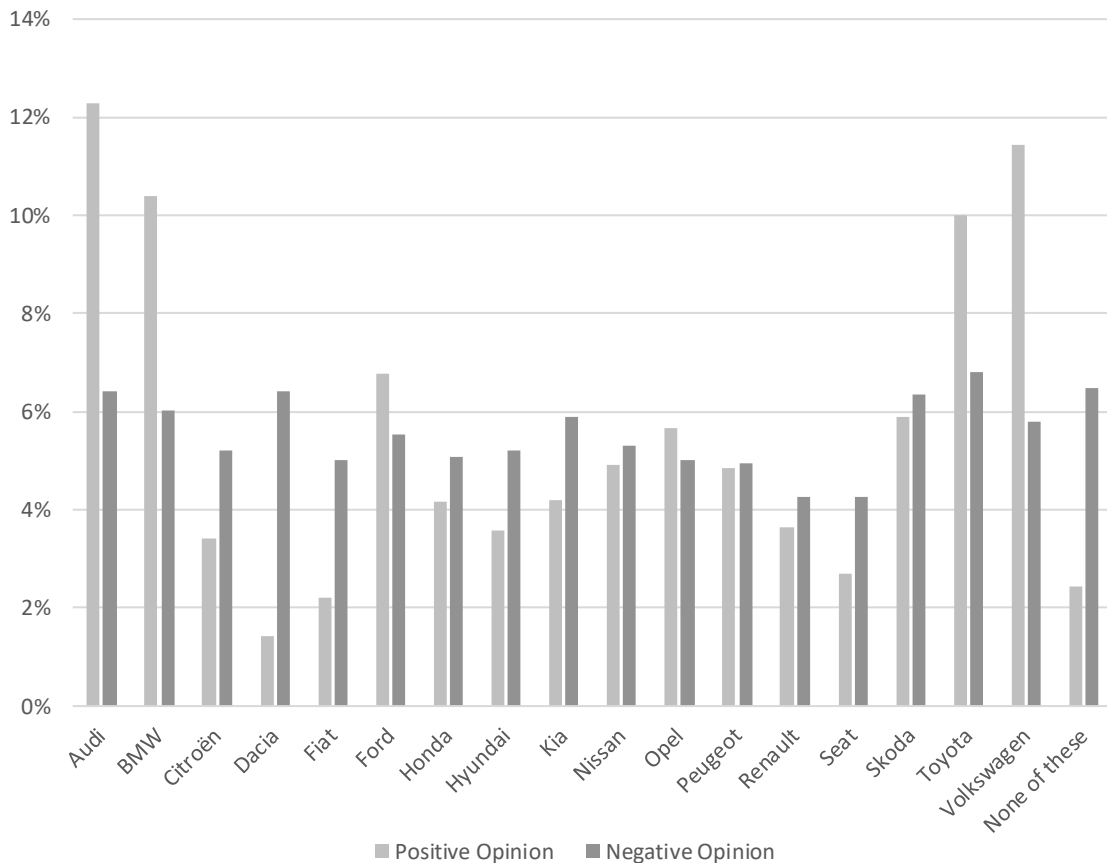
**Table 7.** Cramer's V of Brand Familiarity and Purchase Intention's relationship.

#### 4.5.5. Relationship of Brand Opinion to Purchase Intention

To test H2, crosstabulations between brand opinion, consideration and brand preference were calculated along with Chi-square test, Cramer's v and Fischer's exact test. Crosstabulations show that clear relationship between positively correlated brand opinion and consideration exists as, majority of respondents (56,3 % in Finland, 52,4 % in Sweden and 50 % in Denmark) who had a positive opinion of Nissan's brand would also consider purchasing it. Even those respondents (5,0 % in Finland, 8,2 % in Sweden and 3,3, % in Denmark) who did not have positive opinion of Nissan could nevertheless consider

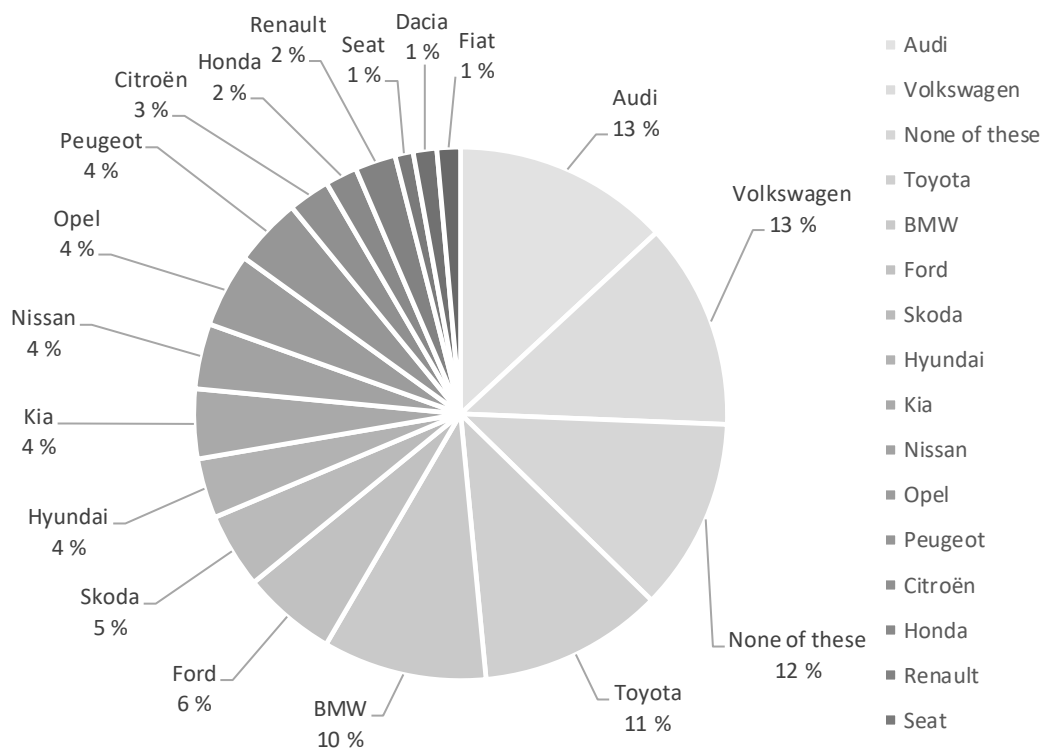
purchasing it. With the information available it is not possible to estimate why it seems that some consumers are not brand sensitive.

Respondents had most positive opinions towards Audi (12 %), Volkswagen (11 %), BMW (10 %), Toyota (10 %) and Ford (7 %). Toyota (7 %), Audi (6 %), Dacia (6 %) and Skoda (6 %) were mentioned as the brands respondents had most negative opinions of. Also 6 % of consumers indicated that they do not have negative opinion of any brand. Nissan got the equally positive and negative mentions (249 positive mentions, 248 negative mentions). See Figure 6 for more reference.



**Figure 6.** Brand opinion of Nissan and its key competitors in Nordics.

21,8 % of the respondents in Finland, 17,3 % in Sweden and 15,4 % in Denmark, with positive impression would choose Nissan as their preferred vehicle, Figure 7 shows how Nissan is perceived against its key competitors in Nordics. Out of the 17 brands the questionnaire included, Nissan ranked in the middle by having 4 % of respondents preferring it. Top-preferred brands were Audi (13 %, 202 responses), Volkswagen (13 %, 193 responses), Toyota (11 %, 153 responses) and BMW (10 %, 153 responses). Based on these findings of the relationship between brand opinion, consideration and preference a Chi-square and Cramer's V tests are run to prove that the relationship is not just existing, but also statistically meaningful.



**Figure 7.** Brand preference of Nissan and its key competitors in Nordics.

Chi-square tests prove that relationship between positive brand opinion and consideration (Finland:  $\chi^2(1) = 162,655$ ; Sweden:  $\chi^2(1) = 107,141$ ; Denmark:  $\chi^2(1) = 153,302$ ) and brand opinion and brand preference (Finland:  $\chi^2(1) = 72,249$ ; Sweden:  $\chi^2(1) = 45,977$ ; Denmark:  $\chi^2(1) = 62,726$ ) were at a statistically relevant at the  $p < 0.001$  level. To further confirm that the relationship is relevant between brand opinion and preference in Sweden and Denmark, a Fischer's exact test should be conducted. Both relationships had one cell with expected value less than 5.

However, the data contains some structural zeroes, cases that "could not theoretically have a count or perform the behavior in question" (Nussbaum 2014: 360). The number of consumers with good opinion of Nissan by the car preferers is a structural zero. Zero-inflated models that contain additional parameters, that explain structural zeroes exist, but these are not available in IBM SPSS Statistics program. Another solution, would be to obtain more samples to avoid possible *sampling zeroes*, which is also not possible in this research setting. Further test, Cramer's V test is used to confirm whether the relationship that exists between brand opinion and brand preference is statistically significant also in Sweden and Denmark.

### Chi-Square Tests

		Brand Opinion * Consideration								
		Finland			Sweden			Denmark		
		Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square		162,655	1	.000	107,141	1	.000	153,302	1	.000
N of Valid Cases		482			496			487		

		Brand Opinion * Preference								
		Finland			Sweden			Denmark		
		Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square		74,294	1	.000	45,977 <sup>a</sup>	1	.000	62,726 <sup>b</sup>	1	.000
N of Valid Cases		482			496			487		

a. 1 cells (25,0 %) have expected count less than 5. The minimum expected count is 3,14.

b. 1 cells (25,0 %) have expected count less than 5. The minimum expected count is 2,62

**Table 8.** Chi-square test for Brand Opinion and Purchase Intention's relationship.

As hypothesized the relationship between brand opinion and consideration and brand opinion and preference are both positive (see Table 9). The Cramer's V values as well show significant p value and confirm the relationship between these variables to be positive and at moderate level. We can say with certainty, that positive opinion about a car brand positively relates to brand consideration and brand preference in all of the case countries.

#### Symmetric Measures

		Brand Opinion * Consideration					
		Finland		Sweden		Denmark	
		Value	p	Value	p	Value	p
Nominal by Nominal	Cramer's V	,581	.000	,444	.000	,560	.000
N of Valid Cases		482		496		487	

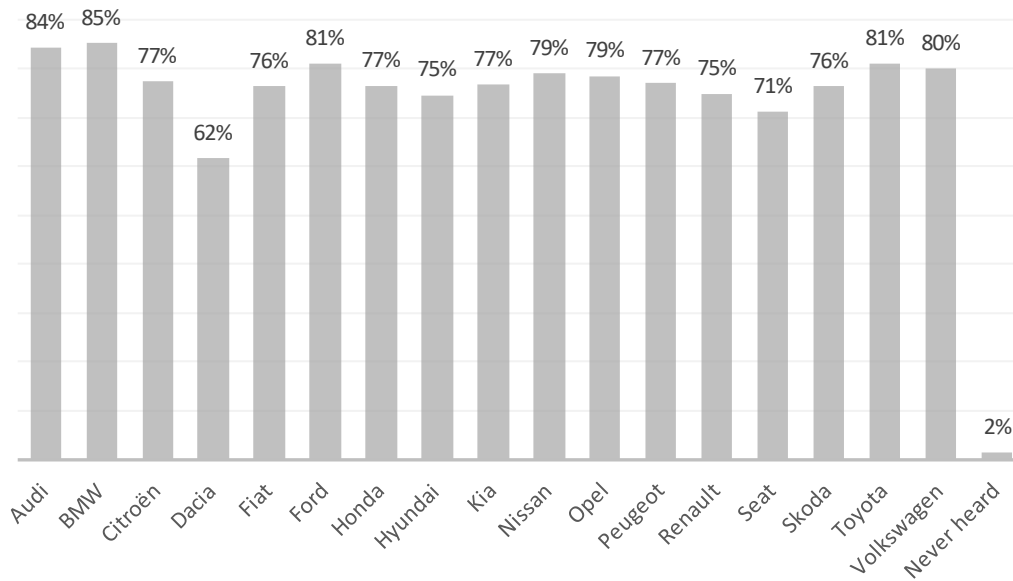
		Brand Opinion * Preference					
		Finland		Sweden		Denmark	
		Value	p	Value	p	Value	p
Nominal by Nominal	Cramer's V	,393	.000	,291	.000	,359	.000
N of Valid Cases		482		496		487	

**Table 9.** Cramer's V of Brand Opinion and Purchase Intention's relationship.

#### 4.5.6. Relationship of Aided Brand Awareness to Purchase Intention

To research the possible relationship between aided brand awareness and purchase intention (consideration and preference) series of descriptive statistics methods were used. Crosstabulations showed that 20,7 % of respondents in Finland, 18,5 % in Sweden and 15,9 % in Denmark that recognized Nissan would also consider purchasing it. 79 % of respondents had heard of Nissan (1186 responses). All brands, except Dacia, had an over 70 % recognition rate (see Figure 8). Crosstabulations also revealed that there is a positive, yet weak correlation between aided brand awareness and brand preference. 6,5

% in Finland, 5,0 % in Sweden and 3,8 % in Denmark of the respondents would choose Nissan as their preferred vehicle.



**Figure 8.** Aided brand awareness of Nissan and its key competitors in Nordics.

Chi-square test (see Table 10) for the two variables: aided brand awareness and brand consideration, was significant at the  $p < 0.05$  level. The relationship in Finland ( $\chi^2(1) = 17,828$ ) was less meaningful than the relationships in Sweden ( $\chi^2(1) = 22,822$ ) and Denmark ( $\chi^2(1) = 20,754$ ), but the analyses still prove the existing and meaningful relationship. The relationships between aided awareness and brand preference in Finland ( $\chi^2(1) = 5,135$ ), Sweden ( $\chi^2(1) = 5,497$ ) and Denmark ( $\chi^2(1) = 4,456$ ) should be further tested with Fischer's exact test. Fischer's exact test, reflects how far observed frequencies are from the expected frequencies. However, the data contains again some structural zeroes. The number of car consider or preferers by respondents with aided awareness is a structural zero. Further test, Cramer's V test will confirm whether the relationship between aided awareness and brand preference is statistically significant.

## Chi-Square Tests

	Aided Awareness * Consideration								
	Finland			Sweden			Denmark		
	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	17,828	1	.000	22,822	1	.000	20,754	1	.000
N of Valid Cases	482			496			487		

	Aided Awareness * Brand Preference								
	Finland			Sweden			Denmark		
	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5,135 <sup>a</sup>	1	0,023	5,497 <sup>b</sup>	1	0,019	4,456 <sup>c</sup>	1	0,035
N of Valid Cases	482			496			487		

a. 1 cells (25,0 %) have expected count less than 5. The minimum expected count is 4,12.

b. 1 cells (25,0 %) have expected count less than 5. The minimum expected count is 4,25.

c. 1 cells (25,0 %) have expected count less than 5. The minimum expected count is 3,31.

**Table 10.** Chi-square test of Aided Awareness and Purchase Intention's relationship.

Cramer's V test further confirms the existing relationship between aided awareness and brand consideration (Finland: 0,192, Sweden: 0.205, Denmark: 0,206), as well as relationship between aided brand awareness and brand preference in all three countries (Finland: 0.023, Sweden: 0.019, Denmark: 0.035) on a significant ( $p < 0.05$ ) level. Based on these analyses together we can conclude that aided brand awareness had a positive influence on brand consideration (H3a) and as well on brand preference (H3b).

## Symmetric Measures

	Cramer's V	Finland		Sweden		Denmark	
		Aided Awareness * Consideration					
		Value	p	Value	p	Value	p
Nominal by Nominal		0,192	.000	0,205	.000	0,206	.000
N of Valid Cases		482		496		487	

Aided Awareness * Brand Preference					
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Nominal by Nominal N of Valid Cases	Cramer's V		Cramer's V		Cramer's V	
	Value	p	Value	p	Value	p
	0,103	0,023	0,101	0,019	0,096	0,035
	482		496		487	

**Table 11.** Cramer's V of Aided Awareness and Purchase Intention's relationship.

#### 4.5.7. Relationship of Spontaneous Awareness to Purchase Intention

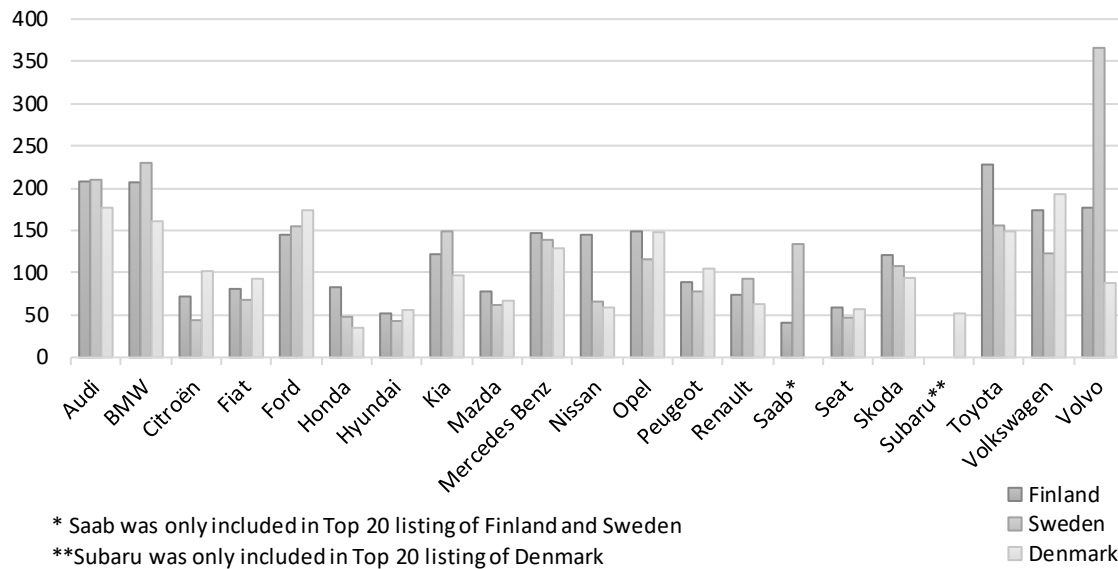
To test H4 the relationship between spontaneous brand awareness and brand consideration and preference, was researched by analyzing the open-ended answers by respondents and conducting Chi-square test, Cramer's V and Fischer's exact test with SPSS Statistics program. The questionnaire item that mapped respondents spontaneous brand awareness was an open-ended question, "When you consider car brands on a general level, which brands come to your mind? Please write below all car brands that come to your mind".

Open-ended questions leave a room for respondents' own interpretation. One respondent listed qualities they hope a car has: "ekstraudstyr", "komfort", "baggagerumstorrelse", "braendstofokonomi". Another respondent listed different types of cars: "el", "hybrid", "bensin", "diesel" and few respondents did not understand the question, did not want to answer it or did not know any car brands: "ved ikke", "vet ej", "jag vet inte", "en tiedä", "ok". The data was analyzed with statistical tools to avoid researchers own biases affecting the results and thus all of the above-mentioned answers and all spelling mistakes (for example Nissan vs Nissen) were treated like all other answers by the researcher.

The question allowed maximum of twelve brands to be mentioned. Average number of brands mentioned by the respondents was 5,63 car brands (in average Finns mentioned 5,854 brands, Swedes 6,014 and Danes 5,022). Respondents in Finland had the highest level of spontaneous awareness towards Toyota (228 persons, 8 %), in Sweden towards Volvo (366 persons, 12 %) and in Denmark towards Volkswagen (193 persons, 8 %). Nissan ranked at 9<sup>th</sup> place in Finland (145 mentions, 5 % out of all mentions), 15<sup>th</sup> place in Sweden (66 mentions, 2 %) and 16<sup>th</sup> in Denmark (59 mentions, 2 %). Overall the 20 brands that had the highest level of spontaneous awareness were same across the cultures,



exception to one brand. Saab was only mentioned by Finns and Swedes, and only Danes mentioned Subaru (see Figure 9). It appears that car brands appear to be non-culturally bound in Nordics even though some local differences exist.



**Figure 9.** 20 cars brands with highest Spontaneous Awareness in Nordics.

Crosstabulations revealed that, in Finland 11 %, in Sweden 5 % and in Denmark 3 % of consumers who identified Nissan spontaneously would consider purchasing it. Further on, 5 % in Finland, 1 % in Sweden and 1 % in Denmark would choose Nissan as their preferred car brand. The relationship can also be seen from the respondents that did not name Nissan spontaneously, 64 % of Finnish, 77 % of Swedish and 80 % of Danish respondents would not consider purchasing it. Chi-square test proves the relationship between spontaneous brand awareness and brand consideration to be meaningful for each country at  $p < 0.001$  level (Finland:  $\chi^2(1) = 59,759$ ; Sweden:  $\chi^2(1) = 28,419$ ; Denmark:  $\chi^2(1) = 19,016$ ), see Table 12. Also, the relationship of spontaneous awareness and brand preference was meaningful in Finland at  $p < 0.001$  level ( $\chi^2(1) = 44,242$ ), but also statistically meaningful relationship existed in Sweden at  $p < 0.05$  level ( $\chi^2(1) = 5,870$ ). In Denmark however, the p value is meaningful at 90 % confidence interval ( $p = 0,088$ ), the chi-square test does not provide enough evidence of the statistically significant

relationship between these two variables. Thus, a Cramer's V test was conducted to confirm the results.

#### Chi-Square Tests

		Spontaneous Awareness * Consideration								
		Finland			Sweden			Denmark		
		Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square		59,759	1	.000	28,419	1	.000	19,016	1	.000
N of Valid Cases		482			496			487		

		Spontaneous Awareness * Brand Preference								
		Finland			Sweden			Denmark		
		Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square		44,242	1	.000	5,870	1	0,015	2,914	1	0,088
N of Valid Cases		482			496			487		

**Table 12.** Chi-square test for Spontaneous Awareness and Purchase Intention's relationship.

The relationships between spontaneous brand awareness and brand purchase intention were tested by conducting a Cramer's V test. The Cramer's V values for the relationship between spontaneous awareness and brand consideration, along with the relationship of spontaneous awareness and brand preference, were both statistically meaningful at the  $p < 0.001$  level. Based on these findings (presented in Table 13), we can say with certainty that there is a positive relationship between positively correlated spontaneous brand awareness and brand consideration and between spontaneous brand awareness and brand preference.

#### Symmetric Measures

Finland	Sweden	Denmark
Spontaneous Awareness * Consideration		

Nominal by Nominal N of Valid Cases	Cramer's V		Value		p	
	Value	p	Value	p	Value	p
	0,352	.000	0,239	.000	0,198	.000
	482		496		487	

Spontaneous Awareness * Brand Preference						
Nominal by Nominal N of Valid Cases	Cramer's V		Value		p	
	Value	p	Value	p	Value	p
	0,303	.000	0,108	.000	0,077	.000
	482		496		487	

**Table 13.** Cramer's V of Spontaneous Awareness and Purchase Intention's relationship.

#### 4.5.8. Culture's effect to consumer-brand relationships in Nordics

One of the aims of this research was to research Nordic culture's role to the consumer-brand relationship or purchase intention of car buyers. Based on the analyses made on previous sections, car brands are perceived slightly differently across cultures. However, this research cannot say with absolute certainty that the differences would be influenced by the respondents' cultural background. Other factors like personal characteristics, country's history and statistical errors could have caused these differences. Hofstede's research (1980, 1991) showed that the only significant differences between Nordic cultures were in *uncertainty avoidance* (UAI) and *long-term orientation* (LTO). Sweden and Denmark had low UAI while Finland had high UAI. Sweden had a medium LTO, while Finland and Denmark had a low LTO. Based on this, it was hypothesized that no relationship between culture and consumer-brand relationship would exist (H5).

The purchase intention of respondents was analyzed to identify possible cultural differences on their LTO. The purchase intention within the next year (within the next month, next 2-3 months, next 4-6 months or the next year), was classified as short-term in this research, and purchase-intention of over a year, long-term. 42 % of respondents had a long-term orientation, whereas a total of 58 % of the respondents had a short-term orientation. From the short-term intentioners 54 % were Finns, 61 % Swedes and 58 % Danes (see Table 14). Swedish respondents were most willing to purchase a car in the span of the next year, but the difference between countries are statistically non-significant

at significance level  $p > 0,05$  (with p-value 1, there is no significant difference between two groups). The mean for the answers in Finland was 4,27, in Sweden 3,94 and in Denmark 4,10. The mean answers indicate that all countries are short-term intentioners. The answers were coded as following;

1. Yes, within the next month,
2. Yes, within the next 2-3 months,
3. Yes, within the next 4-6 months,
4. Yes, within the next year,
5. Yes, within the next 2 years,
6. Yes, within the next 3 years.

Again, there is a minor difference between the mean of the responses, Sweden having the lowest score. The research data does not provide enough evidence of whether neither of these findings is affected by culture or is the purchase intention linked to LTO of Nordic consumers, as the questionnaire items do not imply how long the respondents have been considering about purchasing a car. A question with which the measurement of LTO would be more accurate and reliable would be "From the moment you identify a need or desire to purchase a car, how long does it take until you buy it?".

	Finland		Sweden		Denmark		
	Frequency	Percent	Frequency	Percent	Frequency	Percent	
Yes, within the next month	18	4 %	33	7 %	27	5 %	5 %
Yes, within the next 2-3 months	36	7 %	64	13 %	52	10 %	10 %
Yes, within the next 4-6 months	72	14 %	74	15 %	73	15 %	14 %
Yes, within the next year	146	29 %	134	27 %	139	28 %	28 %
Yes, within the next 2 years	122	24 %	117	23 %	112	22 %	23 %
Yes, within the next 3 years	106	21 %	78	16 %	97	19 %	18 %
Total	500		500		500		

**Table 14.** Long-term orientation of Nordic consumers.

#### 4.5.9. Other findings

Few interesting insights of Nordic consumers perceptions of car brands and are worth mentioning. Finns were discovered to favor Nissan more than Swedes and Danes based on measurements on the parameters (see Table 15). As Figure 9 implied, the same set of car brands was mentioned by the respondents across cultures. Only meaningful difference was that Finns and Swedes mentioned Saab, where Danes spontaneously mentioned Subaru. This could be explained by the historical presence of these brands, as Saabs were manufactured in Sweden and from there majority of them were sold to Finland. This finding of Nordic consumers spontaneous brand awareness provides evidence that car brands are not culturally bound. It would be interesting to see how other cultures are compared to Nordic. Do these brands receive high spontaneous awareness scores globally or are these findings only generalizable to Nordic countries?

Another interesting finding worth mentioning, is the positive and negative opinions of Nissan. Where Finland scored highest on all variables, and seemed to be a culture which favors Nissan, Nissan also received the highest amount of negative mentions from Finland. This implies that Finnish consumers tolerate more bad qualities from a car (for example number of faults in the car). Danes on the other hand, had least negative opinions of Nissan but their positive opinions were at the same level with Finland and Sweden. It could be argued that this has reflected on the consideration and preference of Nissan. The consumers in Denmark appear to be more engaged, the ones that feel good about the brand also prefer it, while the rest of them stay neutral.

		Finland		Sweden		Denmark	
Spontaneous Awareness		145	5 %	66	2 %	59	2 %
Aided Awareness		415	83 %	401	80 %	370	74 %
Familiarity		172	34 %	132	26 %	86	17 %
Brand Opinion	Positive	88	18 %	74	15 %	87	17 %
	Negative	119	24 %	97	19 %	32	6 %
Consideration		85	17 %	73	15 %	57	11 %
Preference		28	6 %	19	4 %	13	3 %

**Table 15.** Nissan perceived on all parameters across Nordic countries.

## 5. CONCLUSIONS

The purpose of this section is to answer to the research questions settled on the first part of the research along with the results and findings of the research, and their interconnectedness to existing literature. The purpose of this research was to explore the relationship between consumer-brand relationship and car purchase-intention in Nordic countries; Finland, Sweden and Norway. This research aimed to find a relationship between these two variables and examine the role that Nordic culture had to the purchase intention. In addition to providing answers to research questions, this section will present the limitations of this research, several interesting managerial and theoretical implications along with suggestions for future research.

### 4.1. Summary and Key findings

The key purpose of this research is to examine the relationship between consumer-brand relationship and purchase intention. The key findings of this research are presented and discussed by providing answers to the research questions, settled on the first part of the research. Based on the research questions and literature review of this research, hypotheses were formed (see Table 16 for detailed hypotheses).

H1a	High level of brand familiarity will have a positive relationship to brand consideration
H1b	High level of brand familiarity will have a positive relationship to brand preference
H2a	Positive brand image favorably affects brand consideration
H2b	Positive brand image favorably affects brand preference.
H3a	Aided brand awareness has a positive influence on consumers brand consideration.
H3b	Aided brand awareness has a positive influence on consumers brand preference.
H4a	Spontaneous brand awareness toward brand will have a positive relationship with consumers' brand consideration.
H4b	Spontaneous brand awareness toward brand will have a positive relationship with consumers' brand preference.
H5	Culture of Nordic countries does not have an influence on consumer-brand relationships or purchase intention.

**Table 16.** Hypotheses of this research.

The first research question *Does consumer-brand relationship impact on car purchase intention in Nordics?* was analyzed through hypotheses H1a-H4b. Brand familiarity referred to associations of brand in consumers memory (Campbell et al. 2003: 293), the findings of this research prove that positive brand familiarity has a positive relationship on brand consideration (H1a) and brand preference (H1b). Consumers with stronger associations on their mind see the brand as a potential brand for them or as the number one brand. Nissan was the 7<sup>th</sup> most familiar brand in Nordics. Positive brand image was found out to favorably affect brand consideration (H2a) and brand preference (H2b). As Keller discovered (1993: 5) positive brand image effected especially on brand consideration. These findings also proved the relationship to brand preference.

Aided brand awareness was found to have a positive relationship to brand consideration (H3a) and brand preference (H3b). As aided brand awareness is simply the rudimentary recognition of brand, was spontaneous brand awareness seen to have the highest relationship to both brand consideration (H4a) and brand preference (H4b). As consumers name only a handful of brands (5,63 brands on average), and the correlation between spontaneous awareness and preference is high, companies should aim to build high levels of spontaneous brand awareness on consumers' minds. Together brand familiarity, opinion, aided brand awareness, spontaneous brand awareness form consumer-brand relationships. The results of the research show that the hypothesized relationships between consumer-brand relationships and purchase intention (brand consideration and brand preference) are statistically significant in all countries in question. Strong and positive consumer-brand relationship has a positive impact on car purchase intention on all Nordic countries.

The second research question *Does Nordic culture have an impact on consumer-brand relationship or purchase intention of a Nissan?* was approached by the fifth hypothesis. Hofstede's dimensions (1980) did not see clear difference between three Nordic cultures and the hypothesis turned out to be true. Analyzed from all the aspects, Nordic culture does not affect the purchase intention of Nissan nor the strength of consumer-brand

relationship. No meaningful relationships between Nordic culture and consumer-brand relationship or purchase intention were discovered in this research.

#### **4.2. Theoretical implications**

This research contributes to the existing literature on the field of international branding in four ways. Firstly, this research contributes to the existing literature by providing more comprehensive definition of branding by defining and discussing about the components of brand (brand equity, brand knowledge, brand engagement, brand image, brand awareness, brand recall, brand recognition and brand related associations) all together.

The second contribution of this research is to international branding literature. So far cross-cultural analyses from automotive industry have been missing. This research provides evidence from consumer-brand relationships in international car industry. The findings did not find correlation between Nordic culture and brand-consumer relationships, and therefore the third contribution of this research is to cross-cultural studies in which the cross-country comparisons of Nordic cultures have been missing.

Lastly, this research identified the importance of consumer-brand relationships to brand purchase intention. This research proved that different brand components and their strength do have a relationship with brand consideration and brand preference, which lead to the purchase intention of the consumer and can generate sales if the purchase intention transfers to actions.

#### **4.3. Managerial Implications**

The findings of this research provide several managerial implications for automotive manufacturers and other managers of international companies. First and foremost, this research calls into question the traditional mindset of managers that brand is a single unit. Brand should be viewed as all the components of consumer-brand relationship and the understanding that brand forms and lives on consumers' minds should be acquired. As the findings suggested that all components of brand-consumer relationship have effect on purchase intention of a car, none of these should be neglected.



The second managerial implication is from the perspective of potential new entrants in Nordic market. There are some brands that have gained steady foothold in the market and on mind of consumers, and one could think that it is not worth trying to persuade the entire market, while there is potential to acquire market share. As explained earlier, certain brands have really strong presence in market and gaining the leader-position is difficult. On the other hand, once market share in one of the countries is gained it is more than likely that similar, if not the same, marketing techniques work for all of the countries. Companies like Nissan do not have local marketing teams, they have just a Nordic European marketing team that manages all countries. Centralizing the marketing communications will save up some resources that are needed for gaining foothold in Nordic market.

Last managerial implication this research has to present, is that the main challenge automotive manufacturers have in terms of branding is on where they focus. The focus in past years has been on growing brand familiarity, but as the findings of this research imply spontaneous brand awareness is one of the key components of consumer-brand relationship that have a relationship to consumers' purchase intention. As Figure 3 showed, companies should start building the brand from top-down and instead of emphasizing brand familiarity, they should pay more attention to bottom levels of brand.

#### **4.4. Limitations and Suggestions for Future Research**

Limitations in this research are acknowledged. This research has several limitations that should be taken into consideration when the findings are examined. Firstly, the findings of this research should be interpreted with caution, as the sample of this research is limited in terms of size. Thus, the findings may not represent the whole Nordic society. Moreover, the research focused on examining each market as a whole, despite that the cultural values are not uniform across all members of society. Future research should consider investigation various behavioral and demographical segments separately, such as Generation X and Y's attitudes towards brands.

Secondly, the research included only three countries to gain understanding of the role of cultural practices on relationship of consumer-brand relationship and purchase intention

of a personal vehicles. Future studies can extend the scope of the analysis to a greater number of countries for a more comprehensive test of the applicability of cultural practices. Along with that it would be more meaningful to compare cultures which have more homogeneous culture than Nordic countries possess. Future research should consider expanding the research to whole Nordic area, including also Norway, Iceland, Åland and the Faroe Islands. Comparisons between Nordic culture and another culture could provide interesting insights on for example which car brands are considered global.

Moreover, the use of convenience samples in this research restricts the generalizability of the findings. The sample consisted of only Nordic consumers from ages of 18-65. Although the age restrictions and requirement to have a driver's license were preset by the researcher, future research should consider including also other consumer segments. Because of these limitations, the findings may not be applied to all consumer segments. Future research is recommended to examine the consumer-brand relationships and purchase intention addressed in this research with other consumer segments. These segments could include people without driver's license, company car drivers and elderly.

Furthermore, the focus on this research was on attitudes and purchase intentions rather than actual purchase behavior. Examining actual purchase situations and factors of decision making process would provide more insights on the actual perceptions of a brand and brand qualities. Along with this, also a research from another car brand's point of view would be meaningful and cross-comparisons between two brands in the purchase funnel would provide more reliable and generalizable findings.

Considering the trends of automotive industry, future research should explore the attitudes consumers have towards EV, HEV and PHEVs and find out how the attitudes of especially younger, more environmentally conscious generations, are shifting from traditional diesel and fuel powered vehicles. Also, other trends of the industry, autonomous driving, Big Data's role on personal vehicles, connected vehicles (cars which are more of a personal item connected to the internet, rather than just a car), cloud powered vehicles and 3D printing in car manufacturing would provide meaningful details to automotive manufacturers about constantly evolving consumer attitudes. These findings could revolutionize way we travel today – just as the first technological revolution did nearly 100 years ago.

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## **APPENDIXES**

### **Appendix 1. Questionnaire**

#### **SECTION A: BACKGROUND INFORMATION**

- 1. Gender:** Are you male or female?
- 2. Age:** How old are you?
- 3. Place of living:** Where do you live?
- 4. Driver's license:** Do you have a driver's license?
- 5. Income level:** What is the yearly brut income of your household?
- 6.** Have you, or anyone in your household, purchased or leased a new (not used) car in the past 12 months?
- 7. Purchase intention:** Have you (or anyone in your household) planned to purchase or lease a new car (not used one)?

#### **SECTION B: BRAND AWARENESS AND PURCHASE DECISION**

##### **Spontaneous awareness**

8. When you consider car brands on a general level, which brands come to your mind? Please write below all car brands that come to your mind (write one brand per box, do not write car models).

##### **Aided Awareness**

9. Which, if any, of the following car brands have you ever heard of? Please choose all the car brands you have heard of, even if you do not know them otherwise.

##### **Familiarity**

10. Which, if any, of the following car brands do you know more about than just their name? Please choose all the brands you know more about than just the name.

**Brand image**

11. Which of the car brands you have a good opinion of? Please choose all the car brands you have a good opinion

12. Which of the car brands you have a negative opinion of? Please choose all the car brands you have a negative opinion.

**Consideration**

13. Which, if any, of the following car brands would you **definitely** consider purchasing?

**Brand preference**

14. Amongst all the car brands you would consider purchasing, which one would be your first choice?