

VALUE-BASED PERCEPTION OF BRAND HERITAGE: EXPLORING CONSUMER ATTITUDES TOWARD HERITAGE BRANDS IN THE AUTOMOTIVE INDUSTRY

Dr. Nadine Hennigs
(hennigs@m2.uni-hannover.de)

Prof. Dr. Klaus-Peter Wiedmann
(wiedmann@m2.uni-hannover.de)

Dipl.-Oek. Steffen Schmidt
(steffen_schmidt@m2.uni-hannover.de)

Dipl.-Oek. Thomas Wuestefeld
(wuestefeld@m2.uni-hannover.de)

Leibniz University of Hannover
Institute of Marketing and Management
Koenigsworther Platz 1
D-30167 Hannover, Germany

SUMMARY

Objectives:

With special focus on the automotive industry, the aim of the present study is to examine the dimensions of brand heritage, focusing on the functions or value of the brand as perceived by consumers.

Methods:

Our paper is structured as follows: First, we analyze existing literature on the brand heritage construct and its elements. Second, we develop a conceptual model focusing on the value-based antecedents and consequences of brand heritage. Third, to explore the various dimensions underlying the perceived values of heritage brands, we present the methodology and the results of our empirical study. It has been organized using an internet form sent to internet forums and private costumers via personalized emails with the invitation to actively contribute to the online survey. In summer 2009, a total amount of 658 valid questionnaires was received.

Results:

Based on our factor structure, we categorize different types of drivers for the main subgroup of active user who can be distinguished along their perception of the brand heritage value aspects: The disloyal traditionalists, the identity-oriented traditionalists, and the boycotting traditionalists.

Conclusions:

A better understanding of the heritage of a brand and related value aspects in the eyes of consumers is valuable to both researchers and marketers: Particularly in times of high dynamics and purchase decisions that are associated with certain risks, the heritage aspect provides consumers with a feeling of security and wellbeing. In sum, understanding the relevant aspects of why distinct groups of consumers with a positive attitude towards heritage show differences

in brand loyalty may help to address individual needs to develop targeted marketing campaigns and improve perceived value.

Key Words:

Brand Management, Brand Heritage, Automotive Industry, Perceived Customer Value

INTRODUCTION

During recent years, the study of brands with a heritage as a part of corporate brand identity has gained growing interest in both marketing research and managerial practice. Under certain situational conditions, the heritage of a brand seems to play an important role and adds value in the eyes of consumers (Urde/Greyser/Balmer, 2007).

Particularly in the present financial and economic crisis – a time characterized by high dynamics, uncertainty, and massive consumer disorientation – consumers tend to prefer brands with a heritage because they are perceived to be more credible, trustworthy, and reliable to minimize the associated risks of a purchase decision (Leigh/Peters/Shelton, 2006). Generally speaking, the heritage aspect represents longevity and sustainability as a promise to the stakeholders that the core values and performance of the brand are authentic and true (Urde, 2003). In sum, the heritage of a brand adds the association of depth, authenticity and credibility to the brand's perceived value. In addition, as a basis for distinctiveness in positioning, the heritage is helpful in order to build up a special relationship with a consumer or a range of non-consumer stakeholders. Thus, as a competitive advantage, with reference to consumers to whom heritage is meaningful, the heritage of a brand can result into the willingness to accept higher prices and to higher consumer loyalty (e.g. Urde/Greyser/Balmer, 2007, p. 11-12).

With special focus on the automotive industry, the aim of the present study is to examine the dimensions of brand heritage, focusing on the functions or value of the brand as perceived by consumers. Our paper is structured as follows: First, we analyze existing literature on the brand heritage construct and its elements. Second, we develop a conceptual model focusing on the value-based antecedents and consequences of brand heritage. Third, to explore the various dimensions underlying the perceived values of heritage brands, we present the methodology and the results of our empirical study. Based on our factor structure, we categorize different types of drivers for the main subgroup of active user who can be distinguished along their perception of the brand heritage value aspects. Finally, the empirical results of our exploratory study are discussed with regard to future research steps and managerial implications.

THEORETICAL BACKGROUND

Definition of Brand Heritage

"To be faithful to a tradition means to be faithful to its flame and not its ashes"

Jaurès, 1859-1914

This quotation by the famous French socialist leader describes the core of the construct brand heritage. In contrast to an historical overview, which is necessarily grounded only in the past, a tradition and also brand heritage embrace not only the time frame, “the past”, but also “the present”, and “the future”. Heritage helps to make a brand relevant to the present and prospectively to the future. A brand which is infused with a heritage stands for authenticity, credibility, and trust and can provide leverage for that brand, especially in global markets (Aaker, 1996; George, 2004; Urde/Greyser/Balmer, 2007).

Urde, Greyser, and Balmer define the brand heritage construct as a part of corporate brand identity, as „ (...) *a dimension of a brand’s identity found in its track record, longevity, core values, use of symbols and particularly in an organisational belief that its history is important*“ (Urde/Greyser/Balmer, 2007, p. 4-5). Following their conceptualization, heritage brands constitute a different branding category, with its own set of defining criteria and a specific approach for effective management and leadership.

Reasoning this, it is useful to distinguish heritage brands from other kinds of branding like retro brands or iconic brands and to differentiate between the general constructs of heritage and history: While retro branding is related to just a determined epoch, often with a nostalgic character (e.g., Volkswagen’s New Beetle), a brand with a heritage (e.g. Jaguar) draws from and clarifies the past and also makes it relevant for current contexts and purposes (Urde/Greyser/Balmer, 2007). Iconic brands, which are often culturally dominant and distinctive (e.g., Nike) are not necessarily heritage brands. In the process of transforming a brand into an iconic brand, one of the strongest influences is the importance of mythmaking. For heritage branding, mythmaking is relevant but not vital. It can only be a component of building a heritage brand (Urde/Greyser/Balmer, 2007). The difference between heritage and history seems minor the perspective are distinct. While history is retrospective and grounded in the past, a heritage brand embraces all timeframes including the future. History explores and explains what often is an opaque past; heritage makes the past relevant for contemporary contexts and purposes (Urde/Greyser/Balmer, 2007).

Elements of Brand Heritage

Based on the definition of the brand heritage construct and the distinction from other kinds of branding, it is useful to consider, as shown in *Figure 1*, five major elements that indi-

cate if and to what extent heritage may be present or potentially found in a brand (Urde/Greyser/Balmer, 2007, p. 9):

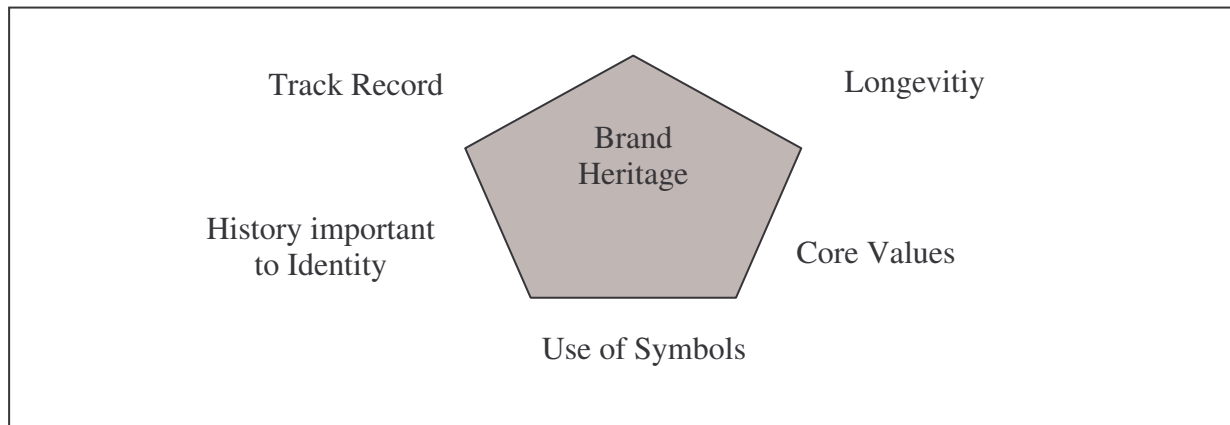


Figure 1: Key Elements of Brand Heritage

The element *track record* is related to the established performance that the brand or the company has been connected with certain values and promises over time (e.g., Volvo is continuously synonymous with safety) (Urde, 1997; Urde/Greyser/Balmer, 2007). As the second element of brand heritage, *longevity* is of special importance for large multi-generational family-owned companies like Ford or Anheuser Busch and reflects other brand heritage elements sustainable and consistent (Urde/Greyser/Balmer, 2007, p. 9). *Core values* encompass the basic values the brand is associated with. Like a promise or covenant in external communication, these values underline and help to define corporate strategy and are an integral part of the brand identity (Urde, 1994; Kapferer, 2004; Lencioni, 2002; Urde/Greyser/Balmer, 2007, p. 9). The *use of symbols* is related to logos or design and illustrates the brand's core meaning, e.g., the Mercedes star or the leaper of Jaguar (Urde/Greyser/Balmer, 2007, p. 10). The fifth component is the element *history important to identity*. Companies have to sense their own history as crucial important for the own identity. It is absolutely essential that they know who and what they are. This should also be a key part of communication, advertising, and marketing mix (Brown/Kozinets/Sherry Jr., 2003; Urde/Greyser/Balmer, 2007).

CONCEPTUAL MODEL: VALUE-BASED DRIVERS OF BRAND HERITAGE

Referring to an integrated understanding of the brand heritage construct and its elements, this research follows the statement of Buss (2007). The multidimensional model, as

shown in *Figure 2*, adds on the remarks of Urde, Greyser, and Balmer (2007), but focuses on the value-based antecedents and consequences of brand heritage.

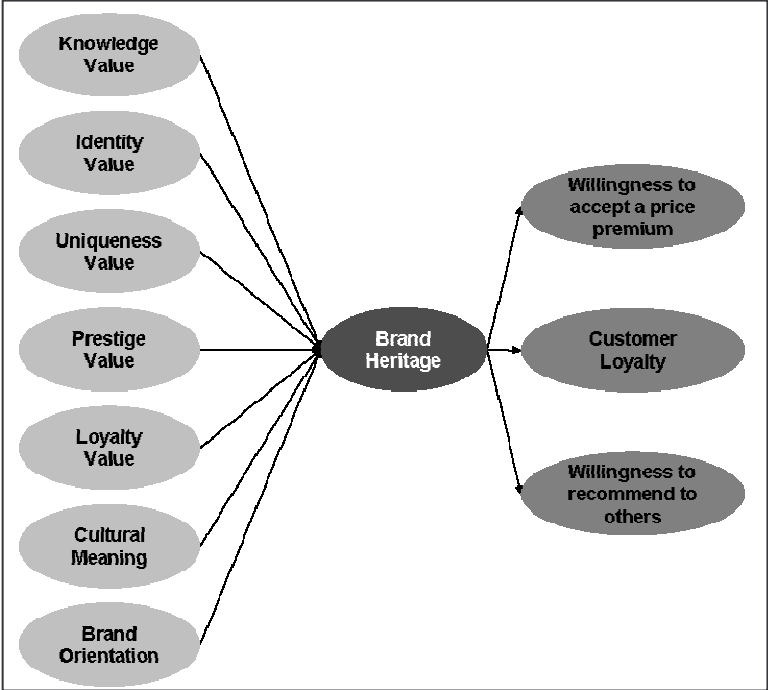


Figure 2: Conceptual Model

As a context-dependent (Holbrook, 1999; Parasuraman, 1997), highly personal, and multi-dimensional concept, perceived customer value involves a trade-off between the perceived benefits and costs (Zeithaml, 1988) and can be defined as “an interactive relativistic consumption preference experience” (Holbrook, 1994, p. 27). Research shows that successful brands must offer a superior cost/benefit-relation in terms of a superior value to consumers in order to differentiate the product or service from those of competitors (Fill, 2002). In order to enhance the current understanding of value perception in the context of brand heritage, the question of what really adds value in the consumer’s perception is defined in this paper through the existence of seven different attitude-relevant, perceived latent customer value dimensions encompassing the constructs of knowledge, identity, uniqueness, prestige, loyalty, cultural meaning, and, brand orientation as the basis for the identification of consumer segments that differ in their value perceptions. Closely related to consumers brand awareness and brand image (Keller, 1998), our value-based drivers of brand heritage can be seen as “perceptions about a brand as reflected by the brand associations held in consumer memory” (Keller, 1993, p. 3). A certain brand may satisfy functional and practical needs (e.g., safety, quality) as well as emotional and symbolic needs (e.g., self-expression, social identification,

and status) (Bhat/Reddy, 1998; del Rio et al., 2001). Heritage as part of a brand's past, present, and future identity incorporates various aspects of a brand that can foster consumer loyalty: The personal identification function in terms of a congruence between the consumer's behavior, his self-image and the product image (Graeff, 1996); the perceived exclusivity and rareness of a limited product enhances the consumer's desire or preference for a brand (Verhallen, 1982; Lynn, 1991; Pantzalis, 1995); the wish of the consumers for differentiation and exclusivity which can only be fulfilled when the consumption and use of a certain brand enhances status (Leibenstein, 1950; Vigneron/Johnson, 1999, 2004).

METHODOLOGY

The Questionnaire

To measure the underlying value dimensions of brand heritage against the background of our multidimensional model, we did both, using already existing and tested measures (e.g. Sen/Chrhan-Canli/Morwitz, 2001; Kirmani/Sood/Bridges, 1999; Dean, 1999) and generating further items resulting from exploratory interviews with marketing experts and respondents being asked what value drivers they associate with brand heritage. All items were rated on a five-point Likert scale (*1=strongly disagree, 5=strongly agree*) and, due to the fact we were able to collaborate with one of the world's leading automobile manufacturers, the items were specified to an automotive context. Especially in the automotive industry, consumers prefer brands with a heritage that are credible and authentic to minimize their risk (e.g. Leigh/Peters/Shelton, 2006). These brands stand for longevity and sustainability as a proof that the core values and performance of the products are reliable (e.g., Urde, 2003). Brands with a heritage create and confirm expectations about future behavior to the stakeholder groups and make a promise that the company will continue to deliver on these commitments (e.g., safety, quality, environment, design) (e.g., Urde/Greysen/Balmer, 2007, p. 9). Especially with reference to the present time of economic crisis and dynamics in the automotive sector, consumers tend to prefer heritage brands because they are perceived to be trustworthy and reliable (Urde, 2003). The first version of our questionnaire was face validated twice using exploratory and expert interviews and pretested with 30 respondents to identify the most important and reduce the total number of items.

The Sample

To investigate the research model, an internet survey with a snowball sampling method was developed in Germany. It has been organized using an internet form sent to internet forums and private costumers via personalized emails with the invitation to actively contri-

bute to the online survey. In summer 2009, a total amount of 658 valid questionnaires was received. *Table 1* describes the sample characteristics.

Variable	n	in %
Age	18 – 24 years	29.8
	25 – 29 years	35.9
	30 – 39 years	15.7
	40 – 49 years	10.9
	50 years +	7.8
Gender	Male	69.0
	Female	30.7
Marital status	Single	75.3
	Married	22.0
	Widowed	0.5
	Divorced	2.3
Education	Not graduated from high school	1.8
	Lower secondary school	8.7
	Intermediate secondary school	10.1
	A-Levels	38.6
	University Degree	40.7
	No graduation	0.2
Income 1	Very low income	3.7
	Low income	9.8
	Middle income	51.8
	High income	28.8
	Very high income	2.0
	not applicable	4.0
Occupation 1	Full time	36.1
	Part-time	4.3
	Pensioner / retiree	1.8
	Early retirement	0.3
	House wife / husband	0.3
	Job training	1.8
	Student	52.7
	Sick leave	0.2
	Seeking work	2.6
	Occupation 2	Self-employed
Freelancer		2.9
Employee		28.2
Executive employee		6.4
Civil servant		4.0
Worker		3.8
Student		44.9
Not employed		2.1
Income 2	> 500 Euro	9.2
	500 EUR – 999 EUR	19.0
	1.000 EUR – 1.999 EUR	18.5
	2.000 EUR – 2.999 EUR	16.8
	3.000 EUR – 3.999 EUR	11.0
	4.000 EUR – 4.999 EUR	5.5
	< als 5.000 EUR	5.7
not applicable	14.4	

Respondents mainly aged 25-39 years, those with higher education and those who are male and single were over-represented, which is indicative of the fact that many male students and employees participated as they are particularly interested in automotives. The higher percentage of young to middle-aged and male consumers in the sample may be also attributed to the greater internet usage of young to middle-aged people.

RESULTS AND DISCUSSION

Within the data analysis, we first analysed the unidimensionality of each dimension underlying the perceived values of heritage brands by a factor analysis using the principal component method with varimax rotation. As shown in *Table 2*, the factor analysis confirmed the high reliability of our identified seven factors derived from theory for the three user sub-groups in our sample: the active users (i.e., owner and driver), passive users (i.e., co-driver), and non-users of the given brand in our questionnaire.

TABLE 2: Factor Structure and Group Means

TABLE 2: Factor Structure and Group Means				
F1 Knowledge		Group = active user (n=458)	Group = passive user (n=151)	Group = no user (n=49)
	<i>KMO</i>	.812	.793	.795
	<i>DEV (%)</i>	68.94	65.31	71.48
	<i>α</i>	.843	.813	.864
	<i>Mean</i>	3,79	3,49	3,01
Items		Factor Loadings	Factor Loadings	Factor Loadings
	XY is a brand you talk very often about.	0.870	0.853	0.904
	The brand XY is very popular.	0.855	0.848	0.889
	XY is a brand which you meet very often.	0.853	0.796	0.862
	I know the brand XY much better than other brands.	0.736	0.730	0.714
F2 Identity		Group = active user (n=458)	Group = passive user (n=151)	Group = non-user (n=49)
	<i>KMO</i>	.719	.649	.642
	<i>DEV (%)</i>	73.79	64.09	63.51
	<i>α</i>	0.819	0.715	0.713
	<i>Mean</i>	3,59	3,49	2,75
Items		Factor Loadings	Factor Loadings	Factor Loadings
	The brand XY has a very unique character.	0.871	0.825	0.849
	The brand XY has a very distinctive identity.	0.853	0.847	0.821
	I identify with the brand XY.	0.852	0.724	0.714
F3 Uniqueness		Group = active user (n=458)	Group = passive user (n=151)	Group = no user (n=49)
	<i>KMO</i>	.706	.686	.655
	<i>DEV (%)</i>	75.34	71.36	67.16
	<i>α</i>	0.836	0.798	0.751
	<i>Mean</i>	3,33	2,98	2,83
Items		Factor Loadings	Factor Loadings	Factor Loadings
	The brand XY is beyond compare to other brands.	0.896	0.884	0.873
	The brand XY is totally different to other brands.	0.879	0.848	0.815
	The brand XY is very distinctive and unique.	0.827	0.801	0.767

F4 Prestige and Status		Group = active user (n=458)	Group = passive user (n=151)	Group = no user (n=49)
	<i>KMO</i>	0.816	0.784	0.790
	<i>DEV (%)</i>	73.58	67.55	74.96
	<i>α</i>	0.879	0.834	0.888
	<i>Mean</i>	3,59	3,32	2,98
Items	Factor Loadings	Factor Loadings	Factor Loadings	
The brand XY has a very high renown.	0.884	0.856	0.853	
The brand XY embodies a very high status.	0.863	0.818	0.869	
The brand XY has a very high esteem.	0.844	0.820	0.890	
The prestige of the brand XY is very high.	0.839	0.792	0.851	
F5 Loyalty		Group = active user (n=458)	Group = passive user (n=151)	Group = no user (n=49)
	<i>KMO</i>	0.758	0.730	0.694
	<i>DEV (%)</i>	87.77	84.25	69.57
	<i>α</i>	0.930	0.905	0.779
	<i>Mean</i>	3,05	2,06	1,69
Items	Factor Loadings	Factor Loadings	Factor Loadings	
I am absolutely related to the brand XY.	0.945	0.943	0.858	
I feel very grateful to the brand XY	0.944	0.917	0.803	
I am very faithful to the brand XY.	0.921	0.893	0.841	
F6 Cultural Meaning		Group = active user (n=458)	Group = passive user (n=151)	Group = no user (n=49)
	<i>KMO</i>	0.753	0.747	0.757
	<i>DEV (%)</i>	83.89	84.12	85.57
	<i>α</i>	0.904	0.905	0.914
	<i>Mean</i>	3,64	3,27	2,95
Items	Factor Loadings	Factor Loadings	Factor Loadings	
The brand XY stands for a special way of life.	0.924	0.932	0.920	
The brand XY embodies a certain awareness of life.	0.913	0.902	0.935	
The brand XY stands for an own lifestyle.	0.911	0.918	0.920	
F7 Brand Orientation		Group = active user (n=458)	Group = passive user (n=151)	Group = no user (n=49)
	<i>KMO</i>	0.730	0.756	0.680
	<i>DEV (%)</i>	64.68	61.54	63.16
	<i>α</i>	0.817	0.786	0.805
	<i>Mean</i>	3,42	3,16	2,91
Items	Factor Loadings	Factor Loadings	Factor Loadings	
The brand XY sets the valuation standard for other brands.	0.858	0.809	0.806	
The brand XY sets the benchmark in quality.	0.816	0.818	0.856	
In comparison with other brand, the brand XY is the point of orientation.	0.794	0.776	0.756	
The brand XY sets the benchmark in service.	0.746	0.732	0.757	

A brief description of each factor is given below:

Factor 1 Knowledge: This factor encompasses the consumers' experience and familiarity with a brand associated with a certain image in the eyes of our respondents. In our study, the highest loading item regarding all user groups was "XY is a brand you talk very often about" (.853 - .870) followed by "The brand XY is very popular" (.848 - .889). As expected, active users show highest mean scores of all groups for the knowledge-related items.

Factor 2 Identity: Related to the perceived identity fit between consumer's self-identity and the perceived brand identity, our second factor includes a feeling of solidarity, togetherness, and a shared identity. For active users and non-users the highest loading item was "*The brand XY has a very unique character*" (.849 – .871), for passive users "*The brand XY has a very distinctive Identity*" (.847). Again, active users show highest mean scores of all groups.

Factor 3 Uniqueness: The third factor is closely related to the perceived singularity of a brand, its clear, unique positioning in the consumers' view. For all consumer subgroups in our study, the highest loading item was: „*The brand XY is beyond compare to other brands*" (.873 - .896). More than the other groups, the active users perceived the given brand to be unique and inimitable.

Factor 4 Prestige and Status: Encompassing the need for fame and exclusivity, this factor refers to the perceived status-enhancement the usage of a certain brand may provide. In this connection, it has to be stated that some automobile brands connote a heritage of engineering excellence, style, and/or prestige. In our study, for active and passive users, the highest loading item was "*The brand XY has a very high renown*" (.856 - .884) and for non-users "*The brand XY has a very high esteem*" (.890). The given brand in our study was associated with prestige and status in particular by active users.

Factor 5 Loyalty: This factor is related to the brand-customer attachment and includes a close emotional relationship leading to higher degree of customer loyalty. For all respondent groups, the highest loading item was "*I am absolutely related to the brand XY*" (.858-.945) with highest mean scores for active users.

Factor 6 Cultural Meaning: Referring to a certain lifestyle incorporated in and associated with the brand, the cultural meaning of the given brand in our study was perceived particularly by the active users. For active users and passive users, the highest loading item was "*The brand XY stands for a special way of life*" (.924 - .932), for non-users "*The brand XY embodies a certain awareness of life*" (.935).

Factor 7 Brand Orientation: This factor refers to the brand's aptitude for a role model in a certain product category. For active users, the highest loading item was "*The brand XY sets the valuation standard for other brands*" (.858), for passive users and non-users "*The brand XY sets the benchmark in quality*" (.818-.856). Comparing the mean scores of all respondent subgroups, again the active users show highest mean scores for this factor, too.

In the next step of our data analysis, the factor mean scores for each respondent of the *active users* subgroup ($n = 458$) were saved and used in stage two for clustering them into market segments. The focus of cluster analysis in this study was on the comparison of cases according to natural relationships between the hypothesized value dimensions and factors. We used both hierarchical and non-hierarchical clustering techniques. An initial hierarchical clustering procedure for a random sample (10 percent of the original sample with $n = 45$) was employed to obtain a candidate number of clusters and seed points for a k-means cluster analysis. To identify the correct number of clusters, the respondents were first partitioned by a hierarchical procedure. Because Ward's method produces tight minimum variance clusters and is regarded as one of the best of the hierarchical clustering techniques (Wishart, 1987), Ward's method of minimum variance was chosen to check cluster differences in each stage of combinations and to maximize homogeneity within clusters and heterogeneity between clusters. The results strongly suggested the presence of three clusters. This three-cluster solution was validated using non-hierarchical k-means clustering. The typical criteria for effective segments are: (1) the segments are composed by consumers with homogeneous needs, attitudes, and responses to marketing variables (McCarthy, 1982); (2) the segments are distinct from one another (Weinstein, 1987); (3) the segments are large enough to be managerial useful (McCarthy, 1982); and (4) the segments provide operational data that are practical, usable, and readily translatable into strategy (Weinstein, 1987). The three-cluster solution as shown in *Table 3* most favorably met these criteria and produced the most interpretable and stable result.

Factor	Means Cluster 1 (n=210)	Means Cluster 2 (n=181)	Means Cluster 3 (n=67)	F	Sig.
F1 Knowledge	3.70	4.45	2.29	370.702	0.000
F2 Identity	3.42	4.34	2.11	443.617	0.000
F3 Uniqueness	3.08	4.10	2.04	316.308	0.000
F4 Prestige and Status	3.44	4.22	2.33	314.582	0.000
F5 Loyalty	2.51	4.17	1.73	295.158	0.000
F6 Cultural Meaning	3.40	4.32	2.53	149.541	0.000
F7 Brand Orientation	3.21	4.05	2.36	205.939	0.000

With regard to classification accuracy once the clusters were identified, we also used discriminant analysis to check the cluster groupings (Churchill, 1999; Hair et al., 1998). Using the categorical dependent variable a priori-defined three-cluster solution, the results of the

discriminant analysis revealed significant differences between group characteristics (cf. Table 4). The classification results were used to determine how successfully the discriminant function could work. Overall, 96.9% of cases were assigned to their correct groups which validated the results of the cluster analysis and resulted in a useful classification of consumer subgroups based on their value perception of brand heritage factors.

TABLE 4: Discriminant Analysis					
Discriminant Function	Eigenvalue	Canonical Correlation	Wilk's Lambda	χ^2	Significance
1	4.200	0.899	0.164	816.847	0.000
2	0.172	0.383	0.853	71.633	0.000
		Function 1	Function 2		
Centroids (group means)					
Cluster 1		-0.608	-0.432		
Cluster 2		2.139	0.272		
Cluster 3		-3.874	0.618		
Significant variable (structure matrix)					
F2 Identity		0.680	-0.202		
F1 Knowledge		0.615	-0.490		
F3 Uniqueness		0.574	0.161		
F4 Prestige and Status		0.573	-0.187		
F7 Brand Orientation		0.464	0.127		
F6 Cultural Meaning		0.394	0.159		
F5 Loyalty		0.534	0.769		

Classification matrix revealed that 96.9% of the cases were classified correctly.

For market segmentation purposes, profiling cluster solutions should lead to a classification scheme by describing the characteristics of each cluster to explain how they might differ in relevant dimensions. To develop a profile of each market segment, more detailed information comes from looking at the questionnaire variables cross-tabulated by cluster segment. Comparisons among the three clusters were conducted on a variety of descriptive variables, including demographic and socioeconomic characteristics. Based on the variables from which they were derived, the three clusters were labeled as follows:

Cluster 1: The disloyal Traditionalists (45.9% of the subsample, n=210; 76.2% male, 23.8% female; mean age of 31.0, 29.9% with income 3000 EUR >)

Compared to the users of both other cluster groups, the typical user in this cluster is younger. Members of this group have certain knowledge about the brand and can identify themselves with the brand in some way. In addition, they state that the brand is a traditional one based upon culture meaning plus prestige and status. However, they are in an unemotional relationship to the brand, indicated by a low loyalty compared to the other cluster segments.

Furthermore, they don't perceive the brand to be unique or to serve a role model in representing the state of the art in this car segment. To them, this brand is replaceable. One can assume that the kind of users in this cluster perceive the cars of this brand as an ordinary or commodity good.

Cluster 2: The identity-oriented Traditionalists (39.5% of the subsample. n=181; 78.9% male. 21.1% female; mean age of 32.1, 25.6% with income 3000 EUR >)

Typical consumers in this cluster are significantly more than users of the other segments aware of the heritage aspect of the given brand. They have a higher knowledge and certain experiences with the brand and moreover, they perceive an identity fit between their self-concept and the brand. In sum, members of this group state that their lifestyle is equivalent to the brand's cultural meaning as a basis for a higher degree of brand loyalty and emotional attachment. Cars of the given brand are perceived to be unique and a role model in their product category and it can be assumed that many users in this group own or have owned such a car for private reasons.

Cluster 3: The boycotting Traditionalists (14.6% of the subsample. n=67; 83.6% male. 16.4% female; mean age of 35.1, 43.9% with income 3000 EUR >)

The smallest of all cluster segments encompasses consumers with the highest mean age and income. They absolutely deny a certain degree of heritage associated with the given brand. With reference to the statements of some cluster members, it can be assumed that – even if they have once driven or owned such a car – they refuse to accept the given brand as a heritage one. Some stated that they grew up with the brand's first series of models and boycott the present model range because it is perceived to be far away from the embodied core values of the past.

NEXT RESEARCH STEPS AND MANAGERIAL IMPLICATIONS

The primary goal of this paper was to establish a multidimensional framework of value-based drivers of brand heritage, explore with special focus on the automotive industry a related factor structure, and identify market segments related to the value of the brand as perceived by different types of private drivers who can be distinguished along their perception of the brand heritage value aspects. A better understanding of the heritage of a brand and related value aspects in the eyes of consumers is valuable to both researchers and marketers: Particularly in times of high dynamics and purchase decisions that are associated with certain risks, the heritage aspect provides consumers with a feeling of security and wellbeing. Even if our

results are only initial empirical hints, they should be addressed in further research and managerial practice in different ways.

First, we should emphasize the interaction between the different variables and factors in order to examine causal relations between the dimensions of perceived heritage value and their impacts on consumer attitudes, intentions, and the resulting behaviors. In addition, future studies should compare our conceptual model of brand heritage with other complex brand constructs (e.g., brand image, brand personality) to ensure the validity of our model. Moreover, the restriction of the study to perceived value aspects associated with the given brand in our automotive study context may have limited the extent to which the conclusions can be generalized to consumer purchasing attitudes and behaviors in general. Therefore, the extension to and comparison with other product categories could enhance the conceptualization, measurement, and management of brand heritage.

For marketers, our study results may form the basis for a structured understanding of the value perception of the heritage aspect associated with their brand. Referring to our identified cluster groups, they might be able to base appropriate strategies on our empirically verified principles to improve purchase value for the different segments of consumers, who differ in their value orientations and individual heritage perceptions. To some, the heritage aspects are apparent but this does not lead to a higher loyalty to the brand. To others, the heritage of a brand is the reason to feel emotionally attached with the brand leading to a higher loyalty. A third group is heritage-conscious but prefers the products of the past and rejects a purchase in the present or the future. Due to the fact that in their opinion, the present car models do not incarnate the core values of the brand's first series of models, a lack in the brand's present communication strategy is obvious.

In sum, understanding the relevant aspects of why distinct groups of consumers with a positive attitude towards heritage show differences in brand loyalty may help to address individual needs to develop targeted marketing campaigns and improve perceived value.

BIBLIOGRAPHY

Aaker, D. A. (1996), "Building strong brands", New York.

Bhat, S.; Reddy, S.K. (1998), "Symbolic and functional positioning of brands", *Journal of Consumer Marketing*, Vol. 15 No. 1, 32-43.

Brown, S.; Kozinets, R.V.; Sherry Jr., J.F. (2003), "Teaching Old Brands New Tricks: Retro Branding and Revival Meaning", *Journal of Marketing*, Vol. 67, 19-33.

- Buß, E. (2007)**, „Geschichte und Tradition - die Eckpfeiler der Unternehmensreputation“, in: *Archiv und Wirtschaft*, 40. Jg., Heft 2, S. 72-85.
- Churchill, G.A. (1999)**, “Marketing research: Methodological foundations”, (2nd ed.), Fort Worth, TX: Dryden.
- Dean, D.H. (1999)**, “Brand Endorsement, Popularity and Event Sponsorship as Advertising Cues Affecting Consumer Pre-Purchase Attitudes”, *JA*, 28 (3), 1-12.
- Del Rio, A.B.; Vazquez, R.; Iglesias, V. (2001)**, “The effects of brand associations on consumer response”, *Journal of Consumer Marketing*, Vol. 18 No. 5, 410-425.
- Fill, C. (2002)**, “Marketing Communications, Contexts, Strategies and Applications”, 3rd ed. Person Education Limited, Italy,
- George, M. (2004)**, “Heritage branding helps in global markets”, *Marketing News*, Vol. 4, No.13.
- Grarff, T.R. (1996)**, “Using promotional messages to manage the effect of brand and self-image on brand evaluations”, *Journal of Consumer Marketing*, Vol. 13, No. 3, 4-18.
- Hair, J.F.; Anderson, R.E.; Tatham, R.L., Black, W.C. (1998)**, “Multivariate data analysis” (5th ed.), Upper Saddle River, NJ: Prentice-Hall.
- Holbrook, M.B (1994)**, “The nature of consumer value: an axiology in service in the consumption experience”, in: Rust, R.T. and Oliver R.L., Editors, 1994, *Service Quality: New Direction in Theory and Practice*, Sage Publications, Thousand Oaks pp 21-71.
- Holbrook, M.B. (1999)**, “Consumer Value: A Framework for Analysis and Research”, London: Routledge.
- Holbrook, M.B. (2005)**, “Customer Value and Autoethnography: Subjective Personal Introspection and the Meanings of a Photograph Collection”, *Journal of Business Research*, 58 (1), 45–61.
- Kapferer, J.-N. (2004)**, “The New Strategic Brand Management”, Kogan-Page, London.
- Keller, K.L. (1993)**, “Conceptualising, measuring and managing customer based brand equity”, *Journal of Marketing*, Vol. 57, January, 1-22.
- Keller, K.L. (1998)**, “Strategic Brand Management”, Prentice-Hall, Englewood Cliffs, NJ.
- Kirmani, A.; Sood, S.; Bridges, S. (1999)**, “The Ownership Effect in Consumer Response to Brand Line Stretches”, *JM*, 63 (January), 88-101.
- Leibenstein, H. (1950)**, “Bandwagon, Snob, and Veblen Effects in the Theory of Consumers' Demand.” *Quarterly Journal of Economics* 64 (May): 183-207.
- Leigh, T.W.; Peters, C.; Shelton, J. (2006)**, “The Consumer Quest for Authenticity: The Multiplicity of Meanings within the MG Subculture of Consumption”, *Journal of the Academy of Marketing Science* 2006; Vol. 34, 481-493.
- Lencioni, P.M. (2002)**, “Make Your Values Mean Something”, *Harvard Business Review*, 113-117.
- Lynn, M. (1991)**, “Scarcity Effects on Value: A Quantitative Review of the Commodity Theory Literature.” *Psychology and Marketing* 8 (1): 45-57.
- McCarthy, E. (1982)**, “Essentials of Marketing”, Chicago: Irwin.

- OECD (2009)**, “Sector specific sources of competitiveness in the Western Balkans”, 2009
- Pantzalis, I. (1995)**, “Exclusivity strategies in pricing and brand extension”, unpublished doctoral dissertation. University of Arizona: Tucson, AZ.
- Parasuraman, A. (1997)**, “Reflections on Gaining Competitive Advantage Through Customer Value”, *Journal of the Academy of Marketing Science*, 25(2), 154-161.
- Sen, S., Gurhan-Canli, Z.; Morwitz, V. (2001)**, “Withholding Consumption: A Social Dilemma Perspective on Consumer Boycotts”, *JCR*, 28 (December), 399-417.
- Urde, M. (1994)**, “Brand orientation – A strategy for survival”, *Journal of Consumer Marketing*, Vol. 11, No. 2, pp. 18-32.
- Urde, M. (1997)**, “Märkesorientering (Brand orientation)”, Doctoral thesis, Lund University Press, Lund.
- Urde, M. (2003)**, “Core value-based corporate brand building”, *European Journal of Marketing*, Vol. 37, No. 7/8, 1017-1040.
- Urde, M.; Greyser, S.A.; Balmer, J.M.T. (2007)**, “Corporate Brands With A Heritage”, *Journal of Brand Management*, Vol. 15, No.1, September, 4-19.
- Verhallen, T.M. (1982)**, “Scarcity and Consumer Choice Behavior.” *Journal of Economic Psychology* 2 (2): 299-321.
- Vigneron, F. Johnson, L.W. (1999)**, “A review and a conceptual framework of prestige-seeking consumer behavior.” *Academy of Marketing Science Review* 1999 (1): 1–15.
- Vigneron, F. Johnson L.W. (2004)**, “Measuring perceptions of brand luxury.” *Journal of Brand Management* 11 (6): 484-506.
- Weinstein, N.D. (1987)**, “Unrealistic optimism about susceptibility to health problems: Conclusions from a community-wide sample”, *Journal of Behavioral Medicine*, 10, 481-500.
- Wishart, D. (1987)**, “CLUSTAN User Manual”, St. Andrews.
- Zeithaml, V.A. (1988)**, “Consumer Perceptions of Price, Quality, and Value: A Means-End Model and Synthesis of Evidence”, *Journal of Marketing*, 52(3), 2-22.