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VOLVO AUSTRALIA'S NEW ‘MASOCHISTIC’ MARKETING APPROACH

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ABSTRACT

The ‘masochistic marketing’ approach applied by Volvo in Australia is a challenging and demanding marketing process, because it plays on the humiliation of the corporate image itself. Masochistic marketing should not be used as a common approach, unless a series of events has turned the corporate image in the marketplace into something that is highly undesirable.

INTRODUCTION

In 1990, Volvo executives in Sweden realised that to compete successfully in the future that they would have to reposition Volvo in a manner similar to their main competitors in the luxury car market segment. The cars would need to be seen as "fast, fun to drive and sexy", yet still maintain, if possible, their distinct competitive advantage as the safety leader (Rix, 2004). Volvo executives were concerned that if they could not achieve this goal then their market share would fall, thus placing the company in jeopardy. The company in Australia in 2003 was faced with just such declining sales across its passenger vehicle market. What could Volvo do to arrest this situation?

In Australia, Volvo had always suffered from the myths of popular culture as being a product that attracted more affluent customers in the society. In many cases, these individuals were more advanced in years and as such were seen as conservative. At the same time, Volvo's international reputation for safety was well known in Australia. The myth grew up in Australian popular culture that Volvo drivers were dangerous, older drivers who purchased a Volvo because it gave them a better chance of surviving their own poor driving practices than other vehicles may have done. The cars were viewed by many Australians as boxy and lacking in style (Shoebridge, 2003). Volvo themselves acknowledged that the cars in Australia were seen as "...boring, boxy cars driven by erratic, unpredictable drivers..." (McIntyre 2004). These perceptions gave rise to the often throw away line of "Bloody Volvo drivers". This phrase was not one of endearment, but one of distinct derision.

In September 2003, Volvo Australia launched a controversial marketing campaign that was designed to reposition the brand and to revitalise it in a marketplace, where its sales growth was dropping and its market share was being eroded. The company wanted however to maintain its premier status in the marketplace for safety.

THE CAMPAIGN

The campaign comprised 3 phases. The first phase was to inform current customers of the impending television advertisements. The company sent to them a brochure that led with "...sticks and stones can break your bones and you shouldn’t be called names either...". The brochure then went on to outline the advertisements that were to appear. The company used such phrases as: "...stealing the initiative...", "...attaching new meaning...", "...a few things that you can throw back...", finishing with "...they wish...". An attached sticker was included that said, "...You wish you were a Bloody Volvo Driver...". The brochure explained to Volvo drivers that, "...for far too long now Volvo and the people who drive Volvo have, in Australia, been stigmatised..." The brochure went on to say that, "...we simply do not believe those who make the intelligent choice to drive a Volvo should be the targets of one-sided, ill-considered humour..." The company then highlighted in the brochure that Volvos were Bloody Fast, Stylish, Intelligent, Caring, Innovative and Safe. The sentiments were poignant, forthright and in keeping with the advertising theme that was to emerge on Australian television screens (Volvo, 2004).
Phase Two of the advertising campaign was scheduled to be launched in mid October, 2003. The intent was to transform the phrase “Bloody Volvo driver” into a positive phrase and minimize the old stigma, if not remove it. Four advertisements were featured in this set. Three of the advertisements were of 30 seconds duration and the emporium advertisement was 15 seconds. The first one was a continuation of the Phase One motorcycle scenario where it was now shown that the motorcycle actually cut out from behind a truck into the Volvo’s path and it is only through the safety features of the car and the driver’s cool headedness that the motorcyclist is saved from injury. The second advertisement features a policeman driving a Volvo that intercepts a fast looking European sports car on a motorway. The intention is to highlight the speed of a Volvo. The third advertisement has a group of customers in a design emporium who are distracted from the chic around them by a Volvo S60 AWD that parks outside of the shop. The message here is one of class and styling to rival the cool design pieces of the emporium. The final advertisement is that of a baby playing with a noisy toy whilst sitting in the booster seat of the mother’s Volvo. The mother reaches around and removes the toy from the child’s possession: safely of course! The tagline in each advertisement is again “Bloody Volvo driver”: even from the baby. The 4 advertisements highlighted Volvo’s message of safety, speed, style and satisfaction at being a Volvo driver (Volvo, 2004).

In December of 2003, the final Volvo product message of the campaign was communicated. It centred on the theme of people wishing to be Volvo drivers. The advertisement featured the new S60R, which had been given the coveted title of “the most beautiful car in the world” by the Italian Press, Automobilia Mondo, 2000 (Walker, 2003), and the copy highlighted the speed and engine capacity of the S60R. The tag line was “YOU WISH YOU WERE A BLOODY VOLVO DRIVER!” From Volvo’s perspective, the transition was under way (Volvo, 2004).

COMMENTS ON THE CAMPAIGN

Due to its profile and unique approach, the campaign drew attention from consumers to media commentators. Neil Shoebridge, the marketing commentator for Australia’s pre-eminent business publication, the Business Review Weekly, was scathing in his condemnation of the concept. He said (Shoebridge, 2003, p63),

“The campaign is either a very smart move by Volvo to freshen its image and position the Volvo as a cool brand, or it is a very foolish move that will anger its existing customers, be dismissed by potential customers and turn the Volvo brand into a joke – well, more of a joke than it is today.”

The risk to Volvo was that the campaign may disenfranchise its existing customer base and perhaps lampoon itself into more of an urban myth. Shoebridge (2003) went on to question the mocking of one’s customers. He lambasted Volvo for breaking the rules of marketing and advertising in the segment, which requires one to provide information and pictures of cars, so that the brand is in the mindset of the customers when they go to make a decision about a possible car purchase. In a final parting shot, in which his comments were not a ringing endorsement of Volvo’s strategy he said (Shoebridge 2003, p63),

“The ‘Bloody Volvo drivers’ campaign does not give consumers any reason to include Volvo on their new-car shopping list. It might however, inspire some people to add the Volvo name to another list. That list would be headed CARS TO AVOID, or, THE SILLIEST AD CAMPAIGN OF 2003.”

RESULTS OF THE CAMPAIGN

From September 20th until November 29th, Blue Moon Research and Planning completed a tracking study on the campaign. The sample size was 350 people. They found that 49% of people recognized the tagline. In the last four weeks of the program 80% of respondents recognized the tagline. Those considering purchasing a Volvo had grown from 22% to 34% (Auto Web, 2003). Steve Blyth, managing director of Volvo Car Australia, (Auto Web, 2003) said that,
"...the unique advertising campaign has broken through many boundaries for Volvo in Australia...I can now confidently say this latest research data vindicates our decision to run the BVD campaign..."

Todd Hallenbeck, Public Affairs Manager of Volvo Car Australia, released an insight into Volvo sales figures locally and globally. The half year sales for Volvo in all of its international markets in 2004 showed Volvo increasing in all of its major international markets. As compared with 2003, Volvo world to date figures at the end of June 2004 were up 11%. In Australia they were up over the same period of time by 28.3% (Hallenbeck 2004). From Volvo’s perspective, the campaign had been successful, yet ultimately success should not just be measured by unit sales in the marketplace, as the actual units sold can be misleading. One needs to look at market share as a better method of comparison, as it shows the movement in not only the sales figures but also one’s performance against one’s competition (Belch and Belch, 2004).

What do the new car sales figures and market share performances tell us?

The figures for 2004 show a market share of 3.38%, which is a drop in market share over 2003. In 2004, Volvo had lost about 5.5% (3.38%/3.57%) of its market in the new car sales area from the 2003 figures. As compared to the loss of market share from 2002 to 2003 when Volvo’s market share dropped by 28.5% (3.57%/4.99%), then this loss is actually a favourable figure. The campaign may have halted the slide in Volvo’s popularity, but such a halt was not enough to ensure that the 2004 new car sales market share exceeded that of 2003. The market share for 2004 was 67.7% (3.38%/4.99%) of 2002. One could conclude that the Volvo marque in the area of new car sales was still in serious trouble in Australia.

THE CAMPAIGN VERSUS ACCEPTED ADVERTISING AND MARKETING THEORY

The most important aspect of developing a successful advertising campaign is in generating the desired response from the consumer, as opposed to not generating any response at all, or worse - generating a negative response. Response process models have been developed in order to represent and explain the process through which the target consumer progresses when effectively influenced (Belch and Belch, 2004).

When considering the consumer response process activated by advertising the most widely used model would be the Hierarchy of Effects model developed by Lavidge and Steiner (1961). Essentially this model describes the effect advertising has on influencing consumer attitudes progressively from the cognitive, to the affective and finally the behavioural attitudinal stages.

When Volvo’s campaign is considered by way of the Hierarchy of Effect model questions are raised in regard to the effect the campaign may have had. It is clear that the Cognitive component of consumer attitude toward Volvo was developed as a result of the campaign as illustrated by the high levels of recognition found by Blue Moon’s research. One explanation of high recognition may be that the campaign increased awareness of the “Bloody Volvo” phenomenon rather than the brand itself. Such raised awareness may then have led to the cognitive development and reinforcement of the derogatory elements of the campaign in regard to consumer knowledge.

When it comes to considering the net result of the “Bloody Volvo” campaign in terms of the behavioural component of consumers’ attitudes, it is possible perhaps that the campaign may have cultivated a psychologically different customer while, perhaps, alienating traditional (conservative) customers. The Australian passenger vehicle market has changed with a marked increase in sales of 4WDs - the psychology of this new segment appears more tolerant, perhaps even immune, or embracing of the “Bloody Volvo” taunts? Perhaps the tag line of the campaign is evolving toward a new herald of the “Bloody 4WD Volvo Driver!” which is embraced and worn as a badge of pride among Volvo’s “new” loyalists?

MASOCHISTIC MARKETING: THE CONCEPT

The masochistic marketing approach consists of two principal components, namely cause and effect. These two components are closely interrelated. The cause-component refers to the corporate behaviour and the business practices applied during the masochistic marketing approach in the marketplace. It may be divided into four cause-related phases:
✓ Information – the first phase intends to inform about the masochistic marketing message under way to current and potential customers in the marketplace and the society. The purpose is to build awareness and anticipation for what is going to come, otherwise, these customers may be taken by surprise and this approach may give rise to an upsurge of doubts and criticism amongst this group.

✓ Support – the second phase intends to support the current and potential customers to truly understand and be able to justify or “defend” the masochistic marketing message transmitted in the marketplace and the society. The purpose of this stage is to turn the stigma into a positive idiom by undermining the less attractive option, otherwise, the failure to achieve a transformation of these customers’ meanings and perceptions about the product may backfire against the corporate image that these people hold.

✓ Fortification – the third phase intends to finally convince the current and potential customers about the appropriateness of the masochistic marketing message communicated in the marketplace and society. The purpose is to provide an additional injection to overcome a potential “resistance” of transition of the stigmatic meanings and perceptions of the product.

✓ Outcome – the last phase determines the success or failure of the masochistic marketing approach undertaken in the marketplace and the society. The key issue to be evaluated in the Volvo-case at hand is whether there has been a change of idiom – from being a “Bloody Volvo Driver” to actually being a “Bloody Good Volvo Driver”.

These four phases are linked as the ultimate success of the marketing approach is determined by the ability to convince current customers, potential customers and others of the new image of the product or product range. Depending upon the success or failure of the masochistic marketing approach to remedy the persona of the corporate image and its products, one of two effect-chains is likely to be the outcome: either the negative effect-chain or the positive effect-chain). The components of the effect-chains refer to the impact of their actions on the company’s corporate image in the marketplace and in the society. This impact may be judged as either positive or negative.

The positive effect-chain leads to a change and an improvement in the perception of the company’s corporate image in the marketplace and in the society. Four successive and positive effects may be identified that are linked to and derived from the cause-related phases:

✓ Empowerment – an initial positive effect that may be achieved by the information-phase is the one of empowerment among current and potential customers in order to create a weakening of the impact of the stigma on the corporate image in the marketplace and in the society.

✓ Transformation – another positive effect that may be achieved by the support-phase is one of transformation among current and potential customers in order to create a change of meaning and perception of the corporate image in the marketplace and in the society.

✓ Persuasion – a further positive effect that may be achieved by the conviction-phase is the persuasiveness of the marketing message among current and potential customers that creates a strengthening of a positive corporate image in the marketplace and in the society.

✓ “Bloody Good Volvo Driver” – the ultimate positive effect that may be achieved in the outcome-phase is the one of the perceived success of the campaign with current and potential customers in order to have created a new positive image of the brand in the marketplace and in the society.

The negative effect-chain creates a downwards spiral that leads to a deterioration in the corporate image in the marketplace and in the society. Four successive and negative effects may also be identified that are linked to the cause-related phases:

✓ Disqualification – a negative effect that may be caused by the information-phase is one of rejection among current and potential customers. This means that they do not accept or agree that the approach will create a weakening of the impact of the stigma on the corporate image in the marketplace and in the society. It does not influence them at all.

✓ Reinforcement – another negative effect that may be caused by the support-phase is the one of distrust amongst current and potential customers. This means that the old stigmatic meanings and
perceptions of the corporate image in the marketplace and society are reinforced and may even be strengthened.

- **Stabilisation** – a further negative effect that may be caused by the conviction-phase is one of dejection among current customers that is derived from the lack of strength of the corporate image in the marketplace of the product that they have chosen to purchase. In respect to potential customers, they may become more concerned about the lack of desirability of the product.

- **“Bloody Volvo Driver”** – the ultimate negative effect that may be caused in the outcome-phase is the failure of potential customers in particular to change their perceptions. In actual fact, the disparaging perceptions of the company’s corporate image in the marketplace that led to the campaign in the first place may be further reinforced, not only to potential customers, but to existing customers as well as to the society at large.

In sum, the masochistic marketing approach may be seen as an appropriate approach when the current corporate image and/or product in the marketplace and in the society have dire consequences for the company. Such an approach may be the only way out in the short term, even though it is hazardous. If it is successful, the old stigma will change to a new perception of the brand in the marketplace. If it fails, then the old stigma may have further penetrated the perceptions and the psyche of current and potential customers in the marketplace and in the society.

**CONCLUSIONS**

The marketing approach used by Volvo to debunk the stigma of “Bloody Volvo Driver” in the Australian marketplace appears to be a rare approach and could be perceived to some extent as being ‘masochistic’. The ‘masochistic marketing’ approach applied by Volvo in Australia should be seen as a process. It is dependent upon the outcome of a series of cause and effect relationships. A masochistic marketing approach is a high-risk venture. It is a challenging and demanding marketing process, because it plays on the humiliation of the corporate image itself. The core idea of the masochistic marketing approach violates, or at least appears to oppose, the fundamentals of marketing. The underlying idea is to turn a stigmatized image in the marketplace into something useful and valuable in forthcoming marketing and business activities however, in the process the corporate image may deteriorate severely. At worst, the corporate image may be at stake in the marketplace, if the marketing process fails. In addition, it may cause a long-term and severe impact on the future prosperity of the company’s business practices in the marketplace. Masochistic marketing is not recommended to be used as a common approach, unless a series of events has turned the corporate image in the marketplace into something that is highly undesirable and a stigma, such as the idiom of “Bloody Volvo Driver” that is in apposition to Volvo’s corporate image – safety, safety and above all safety. In consequence, it should be used as an ‘ultimate’ attempt to convert an unfortunate and a damaging stigma involving the corporate image in the marketplace into one that attracts rather than repulses potential customers.

**REFERENCES**


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