Masochistic Marketing: Not one of Volvo Australia’s safest strategies?

ABSTRACT:

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’. A masochistic marketing approach, as coined by the authors of this paper, is a high-risk venture. It is a challenging and a demanding initiative 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 stigmatised image in the marketplace into something useful and valuable in forthcoming marketing and business activities, however, in the process that corporate image may deteriorate even further.

*Keywords: advertising, masochistic marketing, risk.*
INTRODUCTION

In 1990, Volvo executives in Sweden realised that to compete successfully in the future 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 leader in safety (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. Its S40 and V40 had gone respectively from 2.8% market share in 2002 to 1.0% in 2003 and from 1.2% in 2002 to 0.7% in 2003. The S60 had also suffered a slide in market share from 2.5% in 2002 to 1.6% in 2003. The Volvo XC 70 had slumped from 10.4% of market share in 2002 to 5.7% in 2003 (Polk Automotive Intelligence, 2004). The brand was obviously in trouble in Australia. What could Volvo do to arrest this situation?

In Australia, Volvo had always suffered from the myths of popular culture (Volvo, 2004) as being a product that attracted more affluent customers in the society. In the popular myth, many of these individuals were seen as more advanced in years and they suffered from a reputation, whether deserved or not, that their driving skills were waning. 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 afforded them. Many Australians viewed the cars 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.

VOLVO AND SAFETY

Kuertz (1993) in his review of the Ries and Trout book “The 22 Immutable Laws of Marketing: Violate Them at Your Own Risk!” wrote that the most powerful concept in Marketing is the Law of Focus in which a company owns “a word in the prospect’s mind”. The consumer automatically “associates certain words with certain companies”. One of the three examples given is that of Volvo and safety. Safety has been at the forefront of all that Volvo has done, since its inception. Safety and Volvo are synonymous.

Volvo has a long tradition of focussing upon the safety of its products. Volvo was founded in 1927 and a few years later, when safety issues in the automotive industry were ignored, the founders of Volvo stated that (Volvo, 2002: 1):

“...Cars are driven by people. The guiding principle behind everything we make at Volvo therefore, is – and must remain – safety...”.

This concern led Volvo to implement safety features that not only challenged the market, but that established a positive persona for the product with consumers. Volvo included features in their cars that the market did not as a whole necessarily believe was required. They included features in their cars that others only included after there was legislative intervention. For example, in 1959 Volvo introduced safety belts in Sweden. The legislative intervention in Sweden for front seat safety belts occurred in 1975 and for back seat safety belts in 1985 (Volvo, 2002). Volvo has been a world leader in a number of safety areas (Volvo, 2002). These areas include a triangular two-circuit brake-system in 1966; day-running lights in 1975; lap-diagonal safety belt in the back middle seat in 1986; Side Impact Protection System (SIPS) in 1991; integrated child cushion in 1992; SIPS-bag in 1994; Inflatable Curtain (IC) in 1998; Whiplash Protection System (WHIPS) in 1998 and Blind Spot Information System (BLIS) in 2005. Volvo
established a reputation for safety that in its obvious extension meant a concern for their customers. This focus has benefited the company since its inception. In Australia, Volvo's greatest strength of safety par excellence became its Achilles heel.

The issue that Volvo faced in Australia was 2 fold: to increase sales and to maintain its safety image that had been a brand hallmark since its inception. This task would not be an easy one for the company as the very safety that had been its strength had given rise to the urban myth in Australia of the fact that Volvo drivers were a 'problem' for other road users. By association the brand itself had become tainted. The "Bloody Volvo driver" image needed to be expunged from the minds of the Australian motoring public, but how could they achieve this change in perception? The company decided to take the public perception head on and instead of shying away from the "Bloody Volvo driver" perception they chose to use the phrase as the cornerstone of their marketing and advertising campaign. They decided to attempt to debunk the urban myth by focussing upon it and showing it as unrealistic and unrepresentative of Volvo, its cars and its customers.

**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).

The objective of Phase One of the advertising campaign was to “disempower” the “Bloody Volvo driver” stigma by stealing the expression and using it as a catch phrase by Volvo itself about Volvo. The company commissioned 3 x 15 second commercials to be aired from September 21st 2003. The commercials comprised a motorcyclist in a near miss with a Volvo XC90; a grouchy person shopping who is inconvenienced by another person’s shopping trolley; and a Volvo driver who has to endure another driver’s inattention to detail. The tagline in each advertisement is of course “Bloody Volvo driver”. The advertisements were designed to build awareness and anticipation for what was to come in subsequent advertisements (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 is parked 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 transformation was under way.

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: 63),

"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 would 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: 63),

"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."

Auto World from South Africa featured the campaign on September 17th, 2003 on its website. Walker (2003) suggested that the campaign was designed to "desensitise the term "bloody Volvo drivers" and is setting out to overcome the stigma inherent in this phrase. Interestingly it is a peculiarly Australian phenomenon." Walker went on to express surprise at the perpetuation of the myth by Volvo itself.

The campaign attracted the ire of some Australian consumers who lodged complaints about the toddler advertisement with the watchdog, the Advertising Standards Board. The complaints revolved around young children using offensive language and the exploitation of someone so young to sell a product. Volvo responded by citing the third edition of the Macquarie Dictionary that contended that the word 'bloody' had moved from a term of profanity to an idiomatic word of contemporary times. The Advertising Standards Board determined that the majority of the community would deem the advertisement to be humorous and that the advertisement did not breach the Advertiser Code of Ethics on the grounds of language or on any other grounds (Advertising Standards Board, 2003).

RESULTS OF THE CAMPAIGN

From September 20th until November 29th 2003, 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 for 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?

Table 1 presents the total new car sales by vehicle model for the Volvo marque in Australia and includes the years 2002 -2004. Also included in the table is the percentage of market share for each model of Volvo car and an overall percentage of the market share that Volvo achieved in the market segments of the car market in which its models sell. Table 1 enables some interesting insights to be drawn about the Volvo new car sales in Australia and by association the success of its advertising campaign.

In 2002, the year prior to the advertising campaign, Volvo had 4.99% market share of the new car market segments in which it competed. In 2003, the year of the campaign, its market share had dropped to 3.57%. It must be recognised that the campaign did not take place until the third quarter of 2003 hence one would have expected to see the positive results of the campaign in the sales figures for the full year of 2004.

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. This loss is actually a favourable figure 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%). 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% of 2002. One could conclude that the Volvo marque in the area of new car sales is still in serious trouble in Australia.
A few bright spots for Volvo in 2004 were in the increasing sales of the XC90, S40 and the V50 models, but will this growth be enough to sustain the brand? The S40 has resonated with buyers turning around its extremely poor performance from 2002 to 2003.

THE CAMPAIGN VERSUS ACCEPTED ADVERTISING 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 Effects model it raises questions in regard to the effect the campaign may have had.
It is clear that the Cognitive component of consumer attitude towards 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
driver” 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.

Whilst there is no specific research indicating the effect of the campaign on the affective attitude
component, the high recognition coupled with the reported increase in purchase intention, would suggest
a favourable affect resulting from the campaign. As the majority of the advertisements featured in the
campaign are (ultimately) based on a humour appeal, the development of consumer “liking” for the
message might be expected. It is important to note that such “liking” may, in fact, be directed toward the
message delivery (or worse the derogatory elements) rather than the Volvo brand itself. In turn, the
development of preference by the consumer (based on the campaign) and subsequent conviction (as
indicated by purchase intention) may in reality be more indicative of the consumer’s acceptance of the
superficial (derogatory) message content rather than the more subtle ironic conclusion intended. As such,
high purchase intention results may have been increased by acquiescence bias due to the favourable
evaluation of the message delivery and appeal.

The campaign’s effect on the behavioural component is also questionable as purchase/sales figures
(detailed in the previous section) are not congruent with the purchase intention results indicated by Blue
Moon. It may also be germane that market share dropped in the year of the campaign and comparatively
recovered when the campaign had ceased in the following year.

CONCLUSION

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’.
A masochistic marketing approach is a high-risk venture. It is a challenging and a 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 stigmatised image in the marketplace into something useful and valuable in forthcoming marketing and business activities however in the process that corporate image may deteriorate even further. At worst, the corporate image may be at stake in the marketplace, if the marketing process fails. In addition, it may have a long-term and a severe impact on the future prosperity of the company’s business practices in the marketplace.

Masochnistic 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 of 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 and current customers.
REFERENCES


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