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Masochistic marketing: Volvo Australia's not “so safe” strategy

The Authors

Göran Svensson, *Oslo School of Management, Oslo, Norway*

Greg Wood, *Bowater School of Management and Marketing, Deakin University, Warrnambool, Australia*

Michael Callaghan, *Bowater School of Management and Marketing, Deakin University, Warrnambool, Australia*

Abstract

Purpose – The objective is to describe a marketing approach used by Volvo in the Australian marketplace. It appears to be a rare approach and could be perceived to some extent as being “masochistic”.

Design/methodology/approach – The research is based upon a case study. The term “masochistic marketing” is introduced.

Findings – 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.

Research limitations/implications – The masochistic marketing approach may be divided into four cause-related phases, all of which create a dualistic outcome of either positive or negative effect-chains in respect to the corporate image in the marketplace and society.

Practical implications – 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.

Originality/value – 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.

Article Type:

Research paper

Keyword(s):

Automotive industry; Marketing strategy; Advertising effectiveness; Australia.

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. Its S40 and V40 had gone respectively from 2.8 percent market share in 2002 to 1.0 percent in 2003 and from 1.2 percent in 2002 to 0.7 percent in 2003. The S60 had also suffered a slide in market share from 2.5 percent in 2002 to 1.6 percent in 2003. The Volvo XC 70 had slumped from 10.4 percent of market share in 2002 to 5.7 percent 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 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 (Shoebidge, 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 structure of the paper considers the following issues:

- Volvo and Safety.
- The campaign.
- Comments on the campaign.
- Results of the campaign.
- Theoretical implications.
- Managerial implications.
- Conclusions.

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 the founders of Volvo stated a few years later, when safety issues in the automotive industry were ignored, that:

... Cars are driven by people. The guiding principle behind everything we make at Volvo therefore, is – and must remain – safety ... (Volvo, 2002, p. 1).

Volvo's safety philosophy may be characterised as a "holistic approach". The objective of Volvo's safety philosophy is:

... to design cars which enable you to avoid traffic accidents, theft and threatening situations whenever this is humanly possible – and which protect you and your passengers should an accident prove unavoidable ... (Volvo, 2001, p. 4).

It is not the individual details that determine car safety, but an overall consideration of the issue (Volvo, 2001, p. 4). For example, car safety has to provide the driver with the technology that enables him or her to drive more safely and avoid accidents. Car safety has to consider the design of cars which give everyone travelling in them effective protection should a collision prove unavoidable. This protection must function in real life and cover the most representative types of accident at a wide range of speeds and involving many different collision objects. The unfortunate trend towards an increasing number of car break-ins and thefts has accentuated the need for effective techniques to keep thieves at bay. The growing problem of threats to the car owner's person has also stepped up the call for greater personal protection (Volvo, 2002, p. 1).

Volvo is one of the few car manufacturers in the world that has its own accident research team. Since 1970, almost 30,000 accidents have been analysed where Volvo cars have been involved. The standards for safety required by Volvo are far more comprehensive than the legal standards that are mandated. They go beyond the law and lead public perception to what is possible in car safety. The aim is to save lives, alleviate the effect of injuries, or preferably, to prevent accidents ever occurring (Volvo, 2001). The Volvo car safety centre employs approximately 100 people. The centre includes the accident research team, technological development, testing, calculation and design. Real-life conditions can be recreated in many different ways. Before the time comes to crash two cars in a full-scale test, the systems have already been tested in the super-computers, in the unique crash sleigh or in one of the components rigs.

Volvo applies a systematic method with the aim of constantly enhancing the level of safety in its cars (Volvo, 2001, p. 4). It may be described as a circle, a never-ending process, which starts and ends in the real-life traffic environment. Accordingly, the circle is a process which involves human beings, cars and the environment: everything that happens before, during and after an accident. This process consists of components such as the traffic environment, setting requirements, development, test, and production (Volvo, 2000).

Volvo pursued safety issues well before they were palatable in other companies. They led the market and the society in terms of making safer cars. 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 that it needed. They included features in their cars that others only included after there was legislative intervention. For example, safety belts were introduced in Sweden in 1959 by Volvo. 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* in many ways became its Achilles heel.

The issue that Volvo faced in Australia was two-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 three 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 × 15 second commercials to be aired from September 21, 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 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 four 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:

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 (Shoebridge, 2003, p. 63).

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:

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 (Shoebriidge, 2003, p. 63).

Auto World from South Africa featured the campaign on September 17, 2003 on its web site. 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, 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 20 until November 29, Blue Moon Research and Planning completed a tracking study on the campaign. The sample size was 350 people. They found that 49 percent of people recognized the tagline. In the last four weeks of the program 80 percent of respondents recognized the tagline. Those considering purchasing a Volvo had grown from 22 percent to 34 percent (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 percent. In Australia they were up over the same period of time by 28.3 percent (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 I 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 possesses in the market segments of the car market in which its models sell. Table I enables some interesting insights to be suggested 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 percent 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 percent. 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 percent, which is a drop in market share over 2003. In 2004, Volvo had lost about 5.5 percent (3.38 percent/3.57 percent) 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 percent (3.57 percent/4.99 percent), 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 percent (3.38 percent/4.99 percent) of 2002. One could conclude that the Volvo marque in the area of new car sales was 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.

Theoretical implications

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.

The campaign versus accepted advertising and marketing theory

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 (Figure 1).

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 Moons 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.

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 effect 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. Further analysis of Volvo's sales by model would seem to indicate that its newly launched 4WD models (the XC70 and XC90) shouldered the burden of maintaining a rapidly declining market share.

When it comes to considering the net result of the “Bloody Volvo” campaign in terms of 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?

Managerial implications

An attempt to formalise the masochistic marketing approach is illustrated in Figure 2. The conceptual model essentially considers two components: the logical cause and, the resultant effects of the application of the approach. These two components are interrelated.

Masochistic marketing: the concept

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 (see Figure 2):

1. *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.

2. *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.
3. *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.
4. *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 (see Figure 2). 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 (see Figure 2):

1. *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.
2. *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.
3. *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.
4. *“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 the deterioration of 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 (see Figure 2):

1. *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.
2. *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.
3. *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.
4. *“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 a potentially hazardous strategy. 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. Before embarking on such an approach managers need to be cognisant of the fact that they run the real risk of the further alienation of the brand. Instead of bringing the brand to the fore in the consideration set of consumers, the company may in fact further alienate their product from the marketplace and contribute further to their own demise.

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. The masochistic marketing approach may be divided into four cause-related phases, all of which create a dualistic outcome of either positive or negative effect-chains in respect to the corporate image of Volvo in the marketplace and in the society.

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.

Attitudinal Stages	Hierarchy of effects model
Cognitive ↓	Awareness ↓ Knowledge ↓
Affective ↓	Liking ↓ Preference ↓ Conviction ↓
Behavioural	Purchase

Source: Adapted from Belch and Belch (2004, p. 147)

Figure 1 Hierarchy of effects model

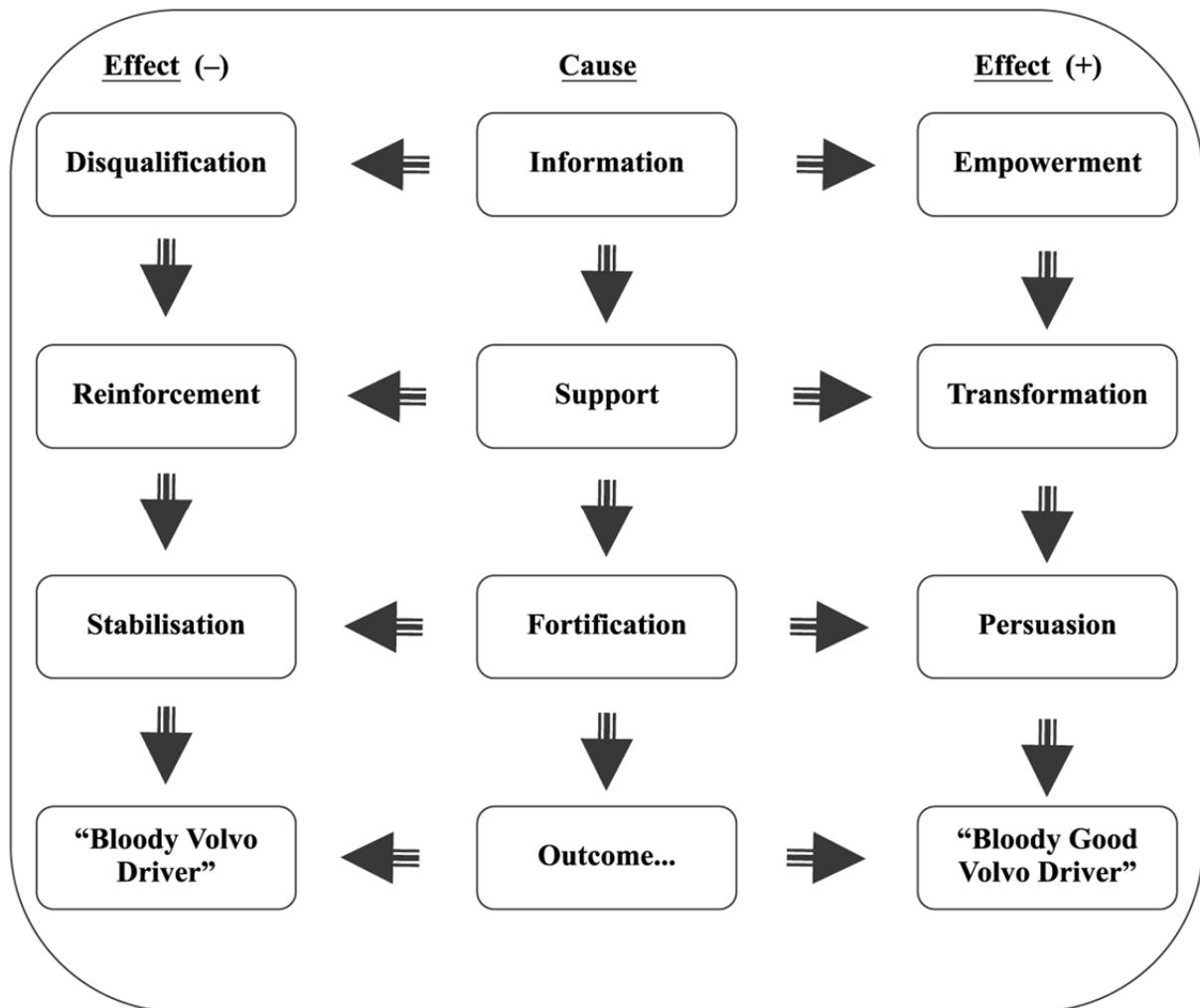


Figure 2 The masochistic marketing approach

Table I Volvo new car sales in Australia 2002-2004

Model	2002		2003		2004	
	Units sold	% market segment	Units sold	% market segment	Units sold	% market segment
C70 coupe	11	0.04	2	0.001	0	0
C70 c'nvrt	138	0.5	72	0.2	36	0.11
S40	696	2.8	298	1.0	506	1.4
S60	746	2.5	559	1.6	296	0.9
S80	7	0.02	4	0.01	61	0.2
V40	296	1.2	197	0.7	97	0.3
V50	0	0	0	0	190	0.5
V70	254	0.8	199	0.6	125	0.4
XC70	892	10.4	683	5.7	568	4.1
XC90	0	0	622	5.2	923	6.7
Total Volvo	3,169		2,692		2,802	
Total cars re segments	63,523	4.99	75,370	3.57	82,832	3.38

Source: Courtesy of Jim Rutherford, VFACTS Manager, FCAI, 18 January, 2005

Table I Volvo new car sales in Australia 2002-2004

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About the authors

Göran Svensson is a Professor at Oslo School of Management, Oslo, Norway. He is the corresponding author and can be contacted at: goran.svensson@set.hh.se

Greg Wood is an Associate Professor in the Bowater School of Management and Marketing, Deakin University, Warrnambool, Australia.

Michael Callaghan is a Lecturer and PhD candidate in the Bowater School of Management and Marketing, Deakin University, Warrnambool, Australia.