## Selling Innovativeness in the Automotive Industry

The impact of communicated brand innovativeness, product innovativeness and communication channel on brand perception and brand engagement intentions

#### Master thesis

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## Abstract

**Purpose** - Innovativeness is a buzz word in the automotive industry being used as an umbrella term for all kinds of new technologies such as Artificial Intelligence (AI) used in the interior of new cars. While development teams and innovation experts within automotive companies work on new innovative products and the implementation of new technologies, marketing and communication managers must figure out how to communicate about product and brand innovativeness to create positive brand perceptions and high brand engagement intentions, especially amongst millennials. This study focuses on the impact of innovativeness on brand perception and brand engagement intentions to give marketing-communication professionals useful insights.

**Research Design** – The study aimed to answer the question how automotive brands should communicate about brand innovativeness regarding the actual product innovativeness. A 2x2x2 experimental design was used in which communicated brand innovativeness (low vs. high), product innovativeness (low vs. high) and the communication channel (traditional vs. new-media) were manipulated. Effects on brand image, brand trust, WOM intention, and purchase intention were measured. Effects of personal innovativeness and perceived risk of innovative products were investigated to deepen the insights. The respondents (N = 165) were millennials living in Germany.

**Findings** – Results indicated that high communicated brand innovativeness and high product innovativeness lead to more positive brand perceptions and higher brand engagement intentions compared to when product innovativeness and communicated brand innovativeness were low. Using a new-media communication channel led to higher brand engagement intentions than using a traditional communication channel. Consumers' personal innovativeness and risk perception of automotive innovativeness influenced the effects of communicated brand innovativeness on brand perception.

**Implications** – Findings add to the body of research in the field of innovativeness and lay a foundation for further investigation of innovativeness as a factor influencing brand success. The results help marketing communication professionals to sell innovativeness in the automotive industry to millennials and increase brand perception and brand engagement intentions.

**Keywords** – Innovativeness, Automotive, Brand Innovativeness, Product Innovativeness, Marketing Communication, Millennials

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## 1. Introduction

Global digitization and the increasing use and developments of the Internet of Things (IoT), Artificial Intelligence (AI) and new technologies such as Virtual Reality (VR), Augmented Reality (AR) and voice control throughout all business industries affect the way companies and consumers work and communicate. Brands use such technologies within the business process, in the products or during the selling process. In the automotive industry e-mobility, innovative interior features and IoT are increasingly used for new products. The new Mercedes A-class, for example, is provided with a new voice control feature with which drivers can control navigation, music and air conditioning. Those features are relatively new to consumers and brands still need to figure out how to communicate about them to reach or maintain a high brand perception and brand engagement intentions.

A challenge the car industry is currently facing is the disparity of the described innovativeness and the decreasing number of sold cars to the young generation. In Germany the average car buyer in 2017 was 52.8 years old (Markenartikel Magazin & Horizont, & WirtschaftsWoche, 2017) and millennials seem to be less interested in owning cars. While still 62% of millennials in Germany use a car on an average day (in 2015), not all of them own one themselves but share cars with family, friends or carsharing services (Zukunftsinstitut, 2015). 10% of millennials who do not own a car use carsharing. In contrast, only 3 % of 55+ year-olds make use of carsharing services (Zukunftsinstitut, 2015). Car brands are already developing strategies to reach the millennial generation through innovative products and communicating brand innovativeness. Selling innovativeness in an appealing way could be part of the solution to reach the youngest generation of possible car buyers. 70% of younger millennials cite technology and infotainment features as "must-haves" when purchasing a car (Autotrader, 2013). The target group of this study therefore are millennials (18-30-year-olds).

There is already a lot of research conducted in the field of acceptance and adoption of innovative products (Balaji, Roy, Sarkar & Chong, 2016; Gao & Bai, 2014; Wu, Chen, & Dou, 2017), but only little research is done into the effects of innovativeness on brand engagement intentions or the consumer's perception of a brand. Kunz, Schmitt and Meyer (2011) found innovativeness to affect a brand's success and other researchers found a positive effect of innovativeness on trust (Srivastava, Dash, & Mookerjee, 2016). No previous research focusses on how to sell innovativeness to increase brand perception or engagement intentions. Although the role of innovativeness is increasingly used in marketing communication of automotive brands, no research is to be found regarding the effects of communicated brand innovativeness, product innovativeness and communication channel on brand perception and brand engagement intentions. Hence, this research aims to fill this research gap to offer brands insights into the effects of innovativeness on brand perception and brand engagement intentions and find useful practical implications for marketing and brand managers.

The construct of innovativeness in this study contains the variables communicated brand innovativeness, product innovativeness and innovativeness level of the communication channel to investigate the direct effects of each variable and the interaction effects based on (in)congruence of those concepts. The basis for this construct is the assumption that marketing communication about brand innovativeness and the actual product innovativeness are closely connected. The study investigates how those factors should be aligned for the best possible brand perception and brand engagement intentions. The channel is investigated to be able to find out whether the same

marketing communication has different effects through different channels and whether the used channel influences the outcomes.

Drawing on brand identity research such as the AC<sup>2</sup>ID (Acutal, Communicated, Conceived, Ideal and Desired Identity) model by Balmer and Greyser (2002), incongruence between the actual brand identity and the communicated brand identity leads to a decrease in brand success. Based on this assumption one can suggest that a congruent level of innovativeness of all three independent variables (communicating a high brand innovativeness through a new-media communication channel after the consumer was exposed to an innovative product) would lead to the most positive outcome (high brand perception and high brand engagement intentions) and incongruence would lead to the opposite. The effects of congruence between communicated brand innovativeness and product innovativeness is tested for two different communication channels, to differentiate practical implications for traditional communication channels vs. new-media communication channels. This strengthens the practical use of the results and generalizes insights for different purposes.

Personal innovativeness and perceived risk of innovativeness of possible customers are added to the research because they were found to impact the effects of innovativeness on brand perception in previous studies (Argwal & Prasas,1998;Xu & Gupta, 2009). While people who are open for and interested in innovativeness seem to appreciate innovativeness in brands, the opposite is true for non-innovative people. When people perceive product innovativeness to be risky, they are less likely to appreciate innovativeness and innovativeness will therefore not lead to a more positive brand perception or brand engagement.

The interest of automotive companies in mind, young adults (18-30) who are possible future customers are the focus group for this research. The results of the study are going to be used to investigate the effects of marketing communication about innovativeness and how it can be used to reach millennials. The study aims to shed light on the field of innovativeness for marketeers in the automotive industry. How should the communicated brand innovativeness be connected to the actual product innovativeness of the product to optimise the marketing strategy with the young consumer in mind? The aim of the study is to answer the research questions:

To what extent do communicated brand innovativeness, product innovativeness, and the used communication channel affect brand perception and brand engagement intentions?

To what extent do the effects of communicated brand innovativeness and product innovativeness, and the effects of communicated brand innovativeness and communication channel interact with each other?

To what extent do perceived risk and personal innovativeness in the automotive industry moderate the effects of communicated brand innovativeness and product innovativeness on brand perception?

To what extent are the effects of communicated brand innovativeness, product innovativeness and communication channel on brand engagement intentions mediated by brand perception?

## 2. Theoretical framework

In this section the dependent and independent variables and moderators will be conceptualised. Based on literature research several hypotheses are proposed and finally the research model is presented.

#### 2.1 Innovativeness definition

Innovation and innovativeness are often used interchangeably in literature, but do not have the same meaning. Innovations are the results of innovativeness; the first iPhone for example was an innovation as a result of Apple's innovativeness. Galunic and Rodan (1998) describe innovativeness as the brand's capability to implement innovations. This capability has a positive effect on a brand's success. Kunz et al. (2011) found that brand innovativeness impacts consumers' satisfaction with the brand because consumers value the functionality of innovative solutions the firm provides and because consumers are emotionally affected by the innovative identity of a firm, especially when the consumers are innovative themselves. Kunz et al. (2011) underline the necessity to conceptualise firm innovativeness from the consumer's perspective instead of the managerial view. In this study, innovativeness refers to the subjective innovativeness as perceived by the consumer. The research focuses on the effects and interactions of communicated brand innovativeness and product innovativeness on the consumer's perception of the brand and the resulting engagement intentions with the brand.

In the conducted research, innovativeness is divided into communicated brand innovativeness and product innovativeness with brand innovativeness describing the open-mindedness of brands to new ideas (Crawford & Di Benedetto, 2003 as cited in Kunz et al., 2011) and product innovativeness describing the degree of newness of a product (Garcia & Calatone, 2002). Drawing on the theory of the representativeness heuristic by Tversky and Kahneman (1974) consumers tend to make judgements about a brand based on the attributes of a product. Hence, communicated brand innovativeness and product innovativeness are assumed to be closely connected. If a consumer knows the highly innovative E-class of Mercedes, he/she is likely to transfer that innovativeness to his/her perception of the whole brand of Mercedes. A disparity between communicated brand innovativeness and product innovativeness and perception and brand engagement intentions.

A consumer's expectation towards the innovativeness of a product can be based on the brand's communicated brand innovativeness or vice versa. When a brand offers products that are extremely innovative but does not communicate brand innovativeness or the other way around this incongruence could lead to dissatisfaction resulting in a low brand perception and decreased intentions to engage with the brand. A third independent variable for the concept of innovativeness in this study is the level of innovativeness of the communication channel used to communicate brand innovativeness. The channel is added to investigate whether brands should focus on new-media channels when communicating innovativeness or if traditional channels are acceptable as well. The goal of this research therefore is to investigate the relationship between those independent variables within the construct of innovativeness and the effect of these variables on brand perception and brand engagement intentions independently.

#### 2.2 Effects of innovativeness

Research already showed that innovativeness contributes to brand image (Kunz et al., 2011) and brand trust (Shams, Brown & Alpert 2017; Srivastava, Dash, & Mookerjee, 2016). Kunz et al. (2011) claim that a high perceived firm innovativeness leads to cognitive satisfaction through functionality and to emotional satisfaction through a positive feeling, resulting in high brand loyalty and brand success. According to Shams et al. (2017) innovative firms gain higher purchase intentions through higher brand credibility. This research is going to investigate the effects of innovativeness on brand success more specifically. It analyses the effects of innovativeness on the consumer's perception of the brand and his/her intention to engage with the brand. It is analysed how consumers react to communicated brand innovativeness and product innovativeness, to create practical implications for managers to what extend automotive brand communication should be based on the innovativeness of the products.

#### 2.2.1 Effects of innovativeness on brand perception

Brand perception in this study refers to the concept of brand image and brand trust. Those two variables are chosen because of the consumer-centric approach of the study and the intention to answer the question to what extent the consumer's image of the brand and trust in the brand is affected by the innovativeness of the brand as communicated in marketing and as perceived from product information about one specific product of the brand.

Brand image is a key element of the concept of brand equity which Keller developed as the basis of brand success (1993). He describes brand image as the "perceptions about a brand as reflected by the brand associations held in consumer memory" (Keller, 1993, p.3). Previous studies (Boisvert & Ashill, 2011; Calantone, Chan, & Cui, 2006) found that innovativeness positively influences customers' image of a brand's products and the general image of that brand. According to a study in the Asian automotive industry by Hanaysha, Hilman and Abdul-Ghani (2014) product innovativeness affects the automotive brand's image. They suggested future researchers to study this phenomenon in different regions than Asia and include marketing communication as an additional independent variable. Hence, this study focuses on the effects of communicated brand innovativeness on brand perception.

Srivastava et al. (2016) claim that brand trust is affected by innovativeness because consumers tend to trust and appreciate brands that represent newness. Pappu and Quester (2016) found brand innovativeness to affect brand trust within a research about the effects of innovativeness on brand loyalty in the field of consumer electronics. They underlined the necessity for future research to examine innovativeness effects on consumer brand evaluations through experimental designs, which is done in this study. The focus of the conducted research lies on trust instead of loyalty because the participants of the study are consumers who have not (yet) experienced the brand/product and hence cannot be tested on loyalty.

#### 2.2.2 Effects of Innovativeness on engagement intentions

Engagement intention in this study refers to purchase intention and WOM intention. Engagement intention is added to the research to reach a high practical value and meaningful results for brand managers who are not only interested in the brand perception but want to go further and investigate the effects on the customer's intention to engage with the brand. Purchase intention and WOM intention are both part of the concept of consumer engagement behaviour by Van Doorn, Lemon, Mittal, Nass, Pick, Pirner, and Verhoef (2010).

Purchase intention is part of the engagement intention and describes the intention of the consumer to buy a product of a given brand. Previous research shows that brand innovativeness indirectly affects the customer's purchase intention (Boisvert & Ashill, 2011; Esch, Langener, Schmitt, & Geus, 2006; Shams et al., 2017). Shams et al. (2017) claim that brand innovativeness affects purchase intention and that this effect is partly mediated by brand credibility. When a brand emphasises its innovativeness it positively impacts perceived brand credibility and purchase intention. Boisvert and Ashill (2011) found a mediated effect of innovativeness on purchase intention through attitude, which is in line with the Theory of Planned Behaviour by Ajzen (1985), that claims a direct effect of attitude on behavioural intentions. Hence, in the conducted research brand perception is expected to mediate the positive relationship between innovativeness and purchase intention.

Besides the relation between innovativeness and purchase intention, the effects of innovativeness on the intention to talk positively about the brand – WOM intention – will be investigated. Van Doorn et al. (2010) found that brand characteristics (as innovativeness is one) affect engagement behaviour partly mediated by brand equity. Drawing on this result, innovativeness may lead to a higher brand perception which leads to a higher intent to engage with the brand. Previous research also showed a direct effect of brand image on WOM Intention (Rageh Ismail & Spinelli, 2012) and a direct effect of brand trust on WOM intention (Ranaweera & Prabhu, 2003). Hence, in this study the positive relationship between innovativeness and WOM intention is expected to be mediated by brand perception.

#### 2.3 Communicated Brand Innovativeness (CBI)

Brand innovativeness is described in literature as the open-mindedness of brands to new ideas and the capability to use new ideas to work on new solutions (Crawford & Di Benedetto, 2003 as cited in Kunz et al., 2011) or the degree to which consumers perceive a brand to be innovative (Barone and Jewell, 2013). More specifically, brand innovativeness from the perspective of consumers is identified as a firm's creativity in developing new ideas and products for their consumers (Kunz et al., 2011).

CBI here refers to the level of brand innovativeness as communicated in the marketing communication of the brand and does not describe the actual innovativeness of the brand, which could be higher or lower than communicated. One could communicate about a brand to be highly innovative or communicate a traditional brand character in marketing communication independent of the actual brand innovativeness and product innovativeness. In the conducted study, high CBI refers to a brand communication in which the brand innovativeness is underlined and clearly communicated as the most important brand characteristic. Low CBI refers to a brand communication in which the brand experience is highlighted as the most important characteristic and innovativeness is not communicated at all (see manipulations in Appendix 2).

According to previous research, high brand innovativeness leads to high brand perception. Boisvert and Ashill (2011) claim that consumers have a more positive image of a brand with high CBI. According to Pappu and Quester (2016), and Srivastava et al. (2016) consumers also have higher trust in innovative brands because they perceive an innovative brand to have higher brand quality and therefore trust the brand. Hence, when a brand is

perceived to be highly innovative, consumers have higher trust with the brand and hold a more positive image of the given brand.

*H1:* When CBI is high, (a) brand image is perceived to be more positive and (b) brand trust is higher compared to when CBI is low.

#### 2.4 Product Innovativeness (PI)

A second type of innovativeness investigated in this study is product innovativeness (PI). PI is defined as the degree of newness of a product (Garcia & Calatone, 2002). According to Garcia and Calantone (2002), PI as described in previous researches consists of three dimensions: newness to consumer, newness to industry and newness to firm. Hence, PI refers to the innovativeness of a brand's product as perceived by the consumer, the industry and the firm. This research focusses on PI as perceived by the consumer, to find out how to communicate about innovativeness to increase brand perception and the consumer's engagement with the brand. Previous studies found PI to have a significant effect on brand success (Boso, Story, Cadogan, Annan, Kadić-Maglajlić, & Micevski, 2016; Garcia & Calatone, 2002; Zhang, Ma, Wang, Li & Huo, 2016) which includes brand perception and brand engagement and call for further investigation.

Garcia and Calatone (2002) claim that consumers tend to use innovative products as a category standard and therefore admire the brand behind the innovative product which leads to a positive brand image. Hanaysha et al. (2014) also found that PI affects brand image in a research in the automotive industry. Hence, it is expected for the outcomes of this study that PI positively affects the brand image of the consumer. Henard and Dacin (2010) claim that consumers are more loyal to a brand that sells products with a high PI because consumers have trust in the brand's future success. In a study about consumer electronics, Pappu and Quester (2016) found that brand innovativeness positively affects brand loyalty because the consumer has higher trust in the brand and suggested to study this effect in different product categories than consumer electronics. It is expected that this effect also counts for product innovativeness and that brand trust is affected by PI directly.

*H2:* When PI is high, (a) brand image is perceived to be more positive and (b) brand trust is higher compared to when PI is low.

#### 2.5 Communication Channel (CC)

Besides CBI and PI, the communication channel through which brand innovativeness is communicated will be investigated. The communication channel describes the medium through which the brand innovativeness is communicated. In the conducted research the distinction between a new-media channel and a traditional channel is made.

Bruhn, Schoenmueller, and Schäfer (2012) investigated the differences between traditional and social media communication and found that traditional media has a stronger impact on brand awareness, but social media communications has a strong influence on brand image. Bruhn et al. (2012) state that the positive effect of social media media messages on brand perception is a result of the interactivity and the personal relationship character of the channel. It is thus likely that consumers who are confronted with a message through a new media channel have a more positive perception of the brand than those who are confronted with the same message through a traditional

channel. Keller and Lehman (2006) suggest that the used marketing communication channel influences the brand attitude. Consumers project the channel characteristics to the brand and the brand perception of the consumer is affected. If a consumer is exposed to a brand message through a channel with an innovative character, he/she is likely to think of the brand as being innovative for developing an ad for that medium and communicating in such a way which results in a more positive brand perception.

*H3:* When a new-media channel is used, (a) brand image is perceived to be more positive and (b) brand trust is higher compared to when a traditional channel is used.

#### 2.6 Interaction effects

Previous researchers solely focused on either brand innovativeness or product innovativeness and did not investigate the interactions between brand and product innovativeness or communication channel. According to the AC<sup>2</sup>ID model by Balmer and Gr eyser (2002) any misfit between different brand identities leads to a decreased brand perception. Drawing on this, one can expect that a misfit between the level of innovativeness of the three independent variables leads to a decreased brand perception and brand engagement. Keller (1993) claims that the image a consumer has of a brand is based on memories he/she has about the brand like experience with the products, product attributes and promotional communication of the given brand. Hence, it is expected in the conducted study that incongruence between CBI, PI and CC leads to a negative brand perception.

#### 2.6.1 CBI and PI

Drawing on Keller's brand associations model (1993) which claims that the way a consumer perceives a brand is based on product characteristics and brand communication simultaneously, one can suggest that communicated brand innovativeness and product innovativeness should be aligned for the best brand perception outcome. The conducted research investigates the interaction effects between CBI and PI and expects a congruently high level of innovativeness to lead to the highest brand perception and brand engagement intention.

*H4a:* If CBI is high and combined with a high PI, (a) brand trust and (b) brand image will be higher compared to when a high CBI is combined with a low PI.

#### 2.6.2 CBI and CC

According to Mohr and Nevin (1990), a congruence between the used channel and the content of the communicated message leads to higher outcomes. It is therefore expected that the use of a new-media channel (instead of a traditional channel) in combination with a high CBI leads to an increased brand perception and brand engagement intentions whereas an incongruence would lead to the opposite.

*H4b:* If CBI is high and communicated through a new media channel (a) brand image and (b) brand trust are higher compared to when a high CBI is communicated through a traditional channel.

#### 2.7 Mediation effects

#### 2.7.1 CBI on brand engagement intentions

Beside the direct effect of CBI on brand perception, brand engagement intentions are expected to be influenced by CBI mediated by brand perception. Eisingerich and Rubera (2010) claim that CBI positively influences brand

commitment. Brand commitment in their research includes engagement intentions and loyalty. When a brand is perceived to be innovative, consumers are more likely to become committed to the brand which includes that they have a higher intention to purchase the brand's products and talk positively about the brand. Eisingerich and Rubera (2010) did not investigate a possible mediation by brand perception. Boisvert and Ashill (2011) found a mediated effect of innovativeness on purchase intention through attitude. Van Doorn et al. (2010) also claim that brand equity mediates the positive effects of brand characteristics on engagement intentions. Drawing on previous research and the Theory of Planned Behaviour by Ajzen (1985), which describes that an effect on purchase intention is mediated by an attitudinal variable, the effect of CBI on engagement intentions is expected to be mediated by brand perception. It is expected that a brand which communicates and highlights its innovative brand character results in a higher level of brand perception and brand engagement intentions.

H5a: The effect of CBI on engagement intention is mediated by brand perception.

#### 2.7.2 PI on brand engagement intentions

Drawing on the Theory of Planned Behaviour (Ajzen, 1985), the direct effect of PI on brand perception is expected to be carried forward to brand engagement intentions. Boso et al. (2016) claim that high PI positively impacts brand success. When a firm sells highly innovative products, consumers are more likely to buy the products of that firm. Eisingerich and Rubera (2010) found that customers show higher brand commitment for brands that sell products with a high level of innovativeness. As previous researchers did not include brand perception as possible mediator, this mediation will be investigated in the conducted research. It is expected that PI has a positive effect on brand engagement intentions mediated by brand perception. If a product is perceived to have innovative features, the consumer will have a positive perception of the brand and will therefore be more likely to engage with the brand.

H5b: The effect of PI on brand engagement intentions is mediated by brand perception.

#### 2.7.3 CC on brand engagement intentions

According to Keller and Lehman (2006) what customers think and feel about a brand (brand perception) impacts what customers do about a brand (brand engagement). Hence, the positive effect of CC on brand perception is expected to be carried forward to brand engagement intentions. Hutter, Hautz, Dennhardt, and Füller (2013) investigated the impact of new media (social media) channels on brand engagement through an example of MINI on Facebook and found that communicating marketing messages through new media channels affect WOM intention and purchase intention if consumers follow the brand page. Hutter et al. (2013) found mediation by brand awareness and commitment with the social media page. Drawing on Keller and Lehman (2006), Hutter et al. (2013) and the Theory of Planned Behaviour (Ajzen, 1985) it is expected that the CC affects brand engagement intentions mediated by brand perception.

H5c: The effect of CC on brand engagement intentions is mediated by brand perception.

#### 2.8 Moderating effects

Beside the independent and dependent variables, two moderators are added to the research model because they are expected to impact the effects of the independent variables on the outcome variables. Personal innovativeness in

the automotive industry (PIAI) and perceived risk (PR) were found to moderate effects of innovativeness on brand success in previous research.

#### 2.8.1 Personal Innovativeness in the Automotive Industry (PIAI)

Personal innovativeness refers to the willingness of an individual to try out new technologies (Agarwal & Prasas, 1998). In literature there is a distinction made between global personal innovativeness and domain-specific personal innovativeness (Flynn & Goldsmith, 1993). Midgley and Dowling (1987) and Flynn and Goldsmith (1993) describe global innovativeness as a general personality trait with little impact on specific fields of interest and domain-specific innovativeness as the innovative behaviour and attitudes of an individual in a certain field. An example of domain specific innovativeness is the personal innovativeness in the domain of information technology (PIIT), defined by Agarwal and Prasad (1998) as "the willingness of an individual to try out any new information technology" (p. 206). In this study personal innovativeness also refers to domain-specific innovativeness in the automotive industry as the domain of interest referred to as personal innovativeness in the automotive industry (PIAI).

Argwal and Prasas (1998) found that personal innovativeness works as a moderator on the effect of innovative perception on usage intentions. Xu and Gupta (2009) found a moderating effect of personal innovativeness on adoption behaviour of innovations. Innovators (high personal innovativeness) are more likely to adopt, use and value innovativeness than non-innovators (low personal innovativeness). Hence, in this study the direct effects of CBI and PI on brand perception are expected to be higher for individuals with a high PIAI. Those respondents who are willing to try and accept new technologies within the automotive industry are assumed to be more influenced by the innovativeness of a brand than those respondents who hold negative or neutral attentions towards Innovativeness.

*H6:* When PIAI is high, the effect of (a) high CBI and (b) high PI on brand perception is higher compared to when PIAI is low.

#### 2.8.2 Perceived Risk (PR)

Sjöberg, Moen, and Rundmo (2004) describe risk perception as the 'subjective assessment of the probability of a specified type of accident happening and how concerned we are with the consequences' (p.8). Perceived risk is influenced by many factors like actual risk, general risk sensitivity and culture (Sjöberg, 2000) and can refer to several types of risk. In this study the focus lies on the perceived risk referring to the innovative product features.

Previous research shows that PI is strongly connected to the customer's risk perception towards the innovative functions of a product (Truong, Klink, Simmons, Grinstein & Palmer, 2017, Moriarty & Kosnik, 1989). Moriarty and Kosnik (1989) found that the moderating impact of risk perception in the relationship between product innovativeness and brand success is especially high in high tech industries. When consumers perceive high-tech products like highly innovative cars as being risky, they might not even consider buying them.

In the automotive industry the uncertainty of a customer regarding the product innovativeness may moderate the impact of PI on brand perception and brand engagement intentions. If a consumer assumes that using a product with high innovativeness may be risky, the expected effect of PI on brand perception may be diminished.

H7: When PR is low, the effect of high PI on brand perception is higher compared to when PR is high.

#### 2.9 Research model

The literature research and the hypotheses deriving from it result in a research model with three independent variables (CBI, PI and CC), four dependent variables (brand image, brand trust WOM intention, and purchase intention) and two moderators (PR and PIAI). The research model is shown in Figure 1.



Figure 1 Research Model of the expected effects

## **3** Methods

In this section the research design, manipulations, measurements and participants will be described to explain the way in which the research is conducted, and data is collected.

#### 3.1 Research Design

A 2x2x2 experimental design is used to manipulate the independent variables and create eight conditions with two levels of CBI (low vs high), two levels of PI (low vs high) and two different communication channels (traditional vs new-media). Figure 2 shows the experimental design of the conducted research. Conditions 1 and 8 are the ones with the highest congruence. Conditions 4 and 5 have a high congruence between CBI and PI but are communicated through an incongruent communication channel.

		Traditional CC		New-media CC			
		CBI		СВІ			
		Low	High	Low	High		
Id	Low	Condition 1	Condition 2	Condition 5	Condition 6		
Ч	High	Condition 3	Condition 4	Condition 7	Condition 8		

Figure 2 2x2x2 experimental design resulting in eight scenarios

#### 3.2 Pre-test

An existing car brand is being used for the experiment to increase the authenticity of the research. Using a fictitious brand would decrease the link to reality because, especially in the automotive industry, people would probably know that the brand is not real. A pre-test was conducted to find the car brand with the less extreme perceived innovativeness (neither low nor high) so that no extreme attitudes will affect the effects and interactions of the experiment. Participants (n=22) of the pre-test had to rank a list of the 13 best-selling car brands in Germany in 2017 (Bekker, 2018) based on brand innovativeness (low-moderate-high) of the brand. The brand that was scored to have the most moderate innovativeness was SEAT. SEAT will therefore be used as the car brand for the experiment.

#### 3.3 Manipulations

#### 3.3.1 Manipulation of PI

PI was manipulated by showing the participants two different product information sheets in the branding of SEAT. In Germany product sheets are typically given to prospective buyers in a car dealership and/or provided on the website of the car brand. The product sheet consisted of four interior features of the SEAT Ibiza and includes innovative vs conventional features to result in low or high PI. A pre-test served to choose the features for the different conditions. A q-sort was conducted where participants were asked to rank twelve interior features on a

scale from innovative to conventional. The four most innovative and the four most conventional ranked features were used for the two conditions. All twelve interior features were taken from product feature information pages of compact cars on car brand websites (Mercedes A-class, BMW 1, VW Polo, SEAT Ibiza, Toyota Aygo). The two different stimuli for high and low PI can be found in Appendix 2. See Table 1 for the manipulation check results.

#### 3.3.2 Manipulation of CBI & CC

CBI was manipulated using two different brand marketing texts in which the level of brand innovativeness was communicated to be low or high through innovativeness-based brand communication (high CBI) or experiencebased brand communication (low CBI). In the low innovativeness scenario, the message of the brand marketing was based on experience instead of innovativeness. For both conditions the same background picture was used and only the text was manipulated. The layout is based on the design used in SEAT's marketing communication and advertisement (see www.seat.com).

To manipulate the innovativeness of the communication channel, a new-media SEAT advertisement (high innovativeness) and a traditional newspaper ad (low innovativeness) were used as channels for CBI. As the experiment was conducted online, the scenarios were described in text reading 'you see an ad in your tv guide' and shown in picture. Participants were asked to validate the level of innovativeness of the communication channel shortly after the confrontation and with the stimuli still shown on the same page. The four stimuli for the 4 cases for the combinations of CBI and CC can be found in Appendix 2.

Independent t-tests were carried out to test whether the manipulation of CBI, PI and CC did result in the expected outcomes. Table 1 presents the extent to which the respondents perceived the stimuli CBI, PI and CC, compared to what they were shown in the experiment. The data shows that all three attributes of innovativeness were perceived as assumed based on the pre-test.

Level of innovativeness perceived bySignifDisplayed scenariorespondent, 1-7 (7 = very high)of diff								
Displayed scenario		•	, ,	e ,	of difference			
		Ν	Mean	SD	р			
CBI	Low	79	2.41	1.19	.00			
CDI	High	76	5.82	1.09	.00			
PI	Low	75	1.60	.65	0.0			
PI	High	81	5.69	1.27	.00			
00	Traditional	89	1.92	.88	0.0			
CC	New-media	66	5.84	1.03	.00			

Table 1 Overview of stimuli as displayed and how these were perceived by respondents

#### 3.4 Measurements and reliability

The experiment was conducted online using Qualtrics. The dependent variables brand perception and brand engagement and the moderators PR and PIAI were measured through survey questions. Before the online experiment the knowledge of and previous attitude towards the car brand used in the experiment was measured and questions regarding the moderators PR and PIAI were asked. After seeing the manipulated stimuli, participants were asked to answer questions regarding CBI, PI and CC to control whether the manipulations did have the expected effect. The participants then answered the questions regarding the dependent variables brand trust, brand image, WOM intention and purchase intention. All constructs were measured with a seven-point Likert-scale. The

Cronbach's alpha was determined for each scale to measure the reliability of the scales. An acceptable value is 0.7 or higher (Field, 2009). As all constructs have a value higher than 0.7 and even higher than 0.8 it can be stated that the scales are reliable. Demographical questions were being asked at the end of the survey.

#### 3.4.1 PIAI

To measure PIAI, four items of the scale of Agarwal and Prasad (1998) for measuring personal innovativeness in the domain of information technology were borrowed and adjusted to the automotive industry. Two additional items were originally designed for the conducted research. The scale includes the items "I am interested in innovative cars" and "I like to experiment with new automotive technologies". The construct is reliable (4 items;  $\alpha = .83$ ).

#### 3.4.2 PR

The construct for PR consists of four originally constructed items to measure the perceived risk of the innovative interior features in the car. Included items are "The innovativeness of a car makes it more dangerous" and "Driving an innovative car brings danger with it". The construct of PR is highly reliable (4 items;  $\alpha = .94$ ).

#### 3.4.3 CBI

The construct of CBI is based on the Consumer Perceived Brand Innovativeness (CPBI) scale from Shams, Alpert and Brown (2015). From the scale with ten items, three items with high t-value and factor loading were chosen and adapted to the automotive industry. One reverse ditem was added. The construct includes items such as "SEAT presents itself as a dynamic brand". One item was deleted resulting in a highly reliable construct (3 items;  $\alpha = .96$ ).

#### 3.4.4 PI

The construct of PI consists of four items. One item was taken from the scale as used by Song and Xie (2000) and adapted to the car industry. Three items are originally constructed for the conducted research and are based on the consumer's perception of PI, in line with the definition of product innovativeness in this study. The construct consists of items such as "The product includes technology that is new to me". The construct of PI is reliable (4 items;  $\alpha = .89$ ).

#### 3.4.5 CC

The construct of CC consists of four originally constructed items which test the perceived innovativeness of the channel with questions such as "I think that the used communication channel is highly innovative". It is highly reliable (4 items;  $\alpha = .91$ ).

#### 3.4.6 Brand image

The four items that build the construct of brand image are taken from a study about the effects of product innovation and product quality on brand image by Hanazsha, Hilman and Abdul-Ghani (2014). The construct includes items such as "SEAT has a positive image in my mind". After deleting 2 items due to lack of correct factor loadings the construct consists of 2 items but is reliable (2 items;  $\alpha = .81$ ).

#### 3.4.7 Brand trust

The construct of brand trust is based on the scale of Lau and Lee (1999) adjusted to the automotive industry. It consists of five items, of which one is reversed. The scale consists of items such as 'I feel that I can trust Seat completely''. The construct for brand trust is highly reliable (5 items;  $\alpha = .97$ ).

#### 3.4.8 WOM intention

The four items of the construct of WOM intention are based on the scale of Brown, Barry, Dacin and Gunst (2005) and adapted to the current study. One item of the scale is "I would speak positively about SEAT to others". After deleting 1 item due to incorrect factor loading the construct is highly reliable (3 items;  $\alpha = .94$ ).

#### 3.4.9 Purchase intention

The construct to test the purchase intention consists of four items like "The probability that I would consider buying a SEAT car is high". All items are based on the scale of Dodds, Monrow and Grewal (1991) with one item being reversed. The construct for purchase intention is highly reliable (4 items;  $\alpha = .97$ ).

#### **3.5 Participants**

The research was conducted in Germany only using participants who have a German nationality in the age group ranging from 18 to 30 years (millennials). The participants were collected with Qualtrics via online sharing. The link to the research was sent by e-mail and WhatsApp to possible participants and was also shared on LinkedIn and Xing. For a 2x2x2 experiment, 240 was aimed number of respondents. The final sample of the study is N = 156, (21 for condition 1, 16 for condition 2, 20 for condition 3, 24 for condition 4, 18 for condition 5, 19 for condition 6, 18 for condition 7, and 20 for condition 8) after deleting 48 invalid responses and 37 responses of respondents outside the age group. Table 2 shows an overview of the demographics for all participants and Table 3 presents age and gender per condition group.

Table 2 Overview of overall demographics

	Frequency	Percentage
Gender		
Female	77	49.4
Male	76	48.7
Age		
18-24	61	
24-30	94	
Nationality		
German	152	100
Occupation		
Student/Apprentice	53	34.0
Employed	98	62.8
Unemployed	3	1.9
Place of residence		
Bayern	5	3.2
Berlin	2	1.3
Brandenburg	2	1.3
Bremen	5	3.2
Hamburg	10	6.4
Hessen	10	6.4
Mecklemburg-Vorpommern	2	1.3
Niedersachsen	4	2.6
NRW	72	46.2
Rheinland-Pfalz	9	5.8
Saarland	8	5.1
Sachsen	6	3.8
Sachsen-Anhalt	7	4.5
Schleswig-Holstein	5	3.2
Thüringen	3	1.9

Table 3 Gender and age distribution per condition group

	Frequency							
	Condition 1	Condition 2	Condition 3	Condition 4	Condition 5	Condition 6	Condition 7	Condition 8
	Low CBI	High CBI						
	Low PI	Low PI	High PI	High PI	Low PI	Low PI	High PI	High PI
	Low CC	Low CC	Low CC	Low CC	High CC	High CC	High CC	High CC
Gender								
Female	9	7	8	9	8	11	10	14
Male	12	9	11	14	10	8	7	6
Age								
18-24	6	6	9	8	6	8	10	8
24-30	14	10	11	16	12	11	8	12

#### 3.6 Analysis of scales – Factor analysis

To indicate validity of the scales a factor analysis was carried out. Using Varimax a principal component analysis on 51 items was conducted. The Kaiser-Meyer-Olkin verified the sampling adequacy for the analysis, KMO = .83 (Appendix 3.1) which is an acceptable value according to Field (2009). The value indicates factorability and shows that the sample is adequate. Hence, the factor analysis performed is accurate and reliable.

The Varimax resulted in 4 factors. Most items loaded in factors that indicated the scales as proposed. When one of the items did not load over a value of 0.4 or loaded in a completely different factor, the item was deleted to improve construct validity of the scales. 3 items were deleted resulting in a total of 22 items for 4 factors. Most importantly, the 2 constructs for brand perception (trust and image) and the 2 constructs for brand engagement intentions (WOM intention and purchase intention) did only result in two constructs, one for brand

perception and one for brand engagement. Table 4 shows all factor loadings per construct. The original German items can be found in Appendix 3.2.

Table 4 Factor loadings based on a Varimax analysis with 22 items for 6 constructs loading in 4 constructs

Items	PIAI	PR	Brand perception	Brand engagement intention
I like cars that are innovative	.933			
I am interested in innovative cars	.896			
I am not interested in new technological features in cars*	.726			
Within my circle I am often the first to know new automotive technologies	.577			
Innovative cars seem to be unsafe		.930		
Innovative technologies make a car unreliable		.923		
Riding in an innovative car is fraught with risks		.920		
I think that innovative technologies in a car are dangerous		.890		
I cannot rely on SEAT*			.878	
I can rely on SEAT			.858	
I trust SEAT			.845	
I feel like I can totally trust on SEAT			.832	
I feel good when I buy SEAT because I can trust the brand			.769	
I would prefer SEAT over other brands			.822	
SEAT has a positive picture in my mind			.731	
Chances are high that I would buy a SEAT car				.837
My desire for a SEAT car is low*				.832
SEAT would be in my choice set if I would be going to by a				.780
car				
If I would be going to buy a car, I would think about a SEAT				.742
car WOM Intention				
I would recommend SEAT to my family				.684
I would recommend SEAT to my friends				.673
I would like others to know that I drive a SEAT car				.838
• 11				

\* items are recoded

### **4** Results

This study investigated the effects of communicated brand innovativeness, product innovativeness and communication channel on brand perception and brand engagement. Whereas brand perception is operationalized on the attributes brand trust and brand image, brand engagement is operationalized on the attributes purchase intention and WOM intention.

To indicate the impact of the innovativeness attributes (high or low CBI, high or low PI and traditional or new-media channel) on brand trust, brand image, WOM intention and purchase intention a MANOVA was carried out. Additional results were explored through univariate analysis. PROCESS by Andrew F. Hayes was used to investigate mediation. MANCOVA was used to investigate the expected moderating variables. The expected moderators PIAI and PR were tested as covariates in separate MANCOVA analyses.

In this section the main effects, the interaction effects, mediations and moderations are discussed. The results indicate which hypotheses are confirmed and which are denied. An alpha value of .05 is applied to indicate the significance of the outcomes.

#### 4.1 Main effects

The main effects of the items of the innovativeness construct (CBI high or low, PI high or low, traditional or newmedia channel) on the outcome variables brand image, brand trust, WOM intention and purchase intention were investigated through MANOVA (See Table 5 for the multivariate results, and Table 6 for the univariate results).

	Λ	F	р	Partial $\eta^2$
CBI	.89	4.26	.00	.11
PI	.64	18.30	.00	.36
CC	.94	1.96	.10	.06
PI*CBI	.98	.86	.09	.03
PI*CC	.94	2.12	.11	.06
CBI*CC	.98	.66	.62	.02
PI*CBI*CC	.95	1.6	.18	.05

Table 5 Multivariate results - main effects of CBI, PI and CC and interactions

Degrees of Freedom of 4.0

Table 6 Univariate Analysis Results – effects of CBI, PI and CC on brand image, brand trust, WOM intention and purchase intention

	Brand image		Brand t	Brand trust		ntention	Purchase intention	
	F	р	F	р	F	р	F	р
CBI	10.02	.00	11.02	.00	6.28	.01	2.76	.10
PI	52.01	.00	70.22	.00	58.57	.00	49.50	.00
CC	1.16	.28	1.52	.22	5.29	.02	4.43	.04
PI*CBI	.15	.69	1.88	.10	1.36	.25	.51	.48
PI*CC	.0	.92	2.68	.12	.10	.76	.04	.84
CBI*CC	2.26	.14	2.01	.16	1.23	.27	1.15	.29
PI*CBI*CC	.03	.86	.29	.59	1.82	.18	.86	.36

CBI has a significant effect on the outcome variables brand perception and brand engagement [F(4, 135) = 4.26, p < .001]. Separate univariate ANOVA's revealed a significant effect of CBI on brand image [F(1, 135) = 10.02, p < .001], brand trust [F(1, 135) = 11.02, p < .001] and WOM intention [F(1, 135) = 6.28, p = .01]. Communicating a high brand innovativeness significantly increased the perceived brand image (M = 4.33, SD = .15) compared to communicating a low brand innovativeness (M = 3.70, SD = .13). Brand trust was significantly higher when the brand communicated a high brand innovativeness (M = 4.51, SD = .13) compared to a low brand innovativeness (M = 3.94, SD = .12). When CBI was high, WOM intention was significantly higher (M = 4.14, SD = .15) compared to when CBI was low (M = 3.65, SD = .13).

There is a significant effect of PI on the outcome variables brand perception and brand engagement [F(4, 132) = 18.3, p < .001]. Separate univariate ANOVA's showed a significant effect of PI on brand image [F(1, 135) = 52.01, p < .001], brand trust [F(1, 135) = 70.22, p < .001], WOM intention [F(1, 135) = 58.57, p < .001] and purchase intention [F(1, 135) = 49.50, p < .001]. Presenting a car with high PI significantly increased brand image (M = 4.74, SD = .15) compared to presenting a car with low PI (M = 3.30, SD = .14). Brand trust was significantly higher when a car with high PI was presented (M = 4.94, SD = .12) compared to when a car with low PI was presented (M = 3.51, SD = .12). When PI was high, WOM intention was significantly higher (M = 4.65, SD = .14) compared to when PI was low (M = 3.13, SD = .14). Purchase intention was significantly higher when PI was high (M = 4.66, SD = .16) compared to when PI was low (M = 3.10, SD = .16).

The Communication Channel has no significant effect on the outcome variables [F(1, 135) = 1.96, p = .10]. Separate univariate ANOVA's however revealed a significant direct effect of CC on WOM intention [F(1, 135) = 5.29, p = .02] and purchase intention [F(1, 135) = 4.43, p = .04]. When advertising through a new media channel, WOM intention was significantly higher (M = 4.12, SD = .15) compared to when the message was advertised through a traditional channel (M = 3.66, SD = .13). Purchase intention was significantly higher when a new media channel was used (M = 4.12, SD = .17) compared to when a traditional channel was used (M = 3.70, SD = .14).

These results support hypotheses 1 and 2 but reject hypothesis 3.

#### 4.2 Interaction effects

Interaction effects of the independent variables were investigated (see Table 5 for the Multivariate results, and Table 6 for the Univariate results).

MANOVA results indicated no significant effect on the outcome variables for the two-way interaction between CBI and PI [F(4, 132) = .86, p = .09].

MANOVA results revealed no significant effects on the outcome variables for interaction between CBI and CC [F(4, 132) = 66, p = .62]. Hypotheses 4a and 4b are not supported. The expected congruence effects are rejected.

#### 4.3 Mediation

Mediation analysis was carried out using PROCESS by Andrew F. Hayes to investigate possible mediations of the independent variables CBI and PI on the outcome variable brand engagement (computed from WOM intention

and purchase intention) by brand perception (computed from trust and brand image). As CC did not have a main effect on brand perception it was excluded from the regression analysis.

First, possible mediation for the effect of CBI on brand engagement was investigated. Results indicated that CBI was a significant predictor of brand perception (b = .518, SE = .205, p = .01), and that brand perception was a significant predictor of brand engagement (b = 1.04, SE = .041, p < .001). These results support the mediational hypothesis. CBI was no longer a significant predictor of brand engagement after controlling for the mediator, brand perception (b = .15, SE = .102, ns), also consistent with full mediation.

Second possible mediation for the effect of PI on brand engagement was investigated. Results indicated that PI was a significant predictor of brand perception (b = 1.40, SE = .173, p < .001), and that brand perception was a significant predictor of brand engagement (b = 1.00, SE = .049, p < .001). These results support the mediational hypothesis. PI was no longer a significant predictor of brand engagement after controlling for the mediator, brand perception (b = .11, SE = .121, ns), consistent with full mediation. Thus, the effects of both independent variables CBI and PI on brand engagement are fully mediated by brand perception.

These mediation results support hypotheses 5a and 5b. Hypothesis 5c was not tested due to the lack of a main effect.

Figure 3 Mediated effects of CBI and PI on brand engagement intentions by brand perception



#### 4.4 Moderation

MANCOVA was performed to investigate the moderating effects of PIAI and PR. These variables were transformed into dichotomous variables and added as covariates in separate MANCOVA's to indicate their possible moderation of the relationship between the dependent and independent variables. Table 7 indicates the results from the MANCOVA.

PIAI was first analysed through MANCOVA. The results showed a significant change in the effects of CBI [F(4, 131) = 4.53, p < .001] and PI [F(4, 131) = 18.87, p < .001] on brand perception after controlling for the effect of PIAI. Univariate ANCOVA showed a significant effect and moderating effect of PIAI on the effect of CBI on the outcome variables brand image [F(1, 141) = 12.04, p < .001] and brand trust [F(1, 141) = 11.67, p < .001]. When PIAI was high, the effect of CBI on brand perception was significantly higher. Separate univariate ANCOVA revealed a significant moderation of PIAI on the effect of PI on the outcome variables brand image [F(1, 141) = 70.68, p < .001]. Hence, when PIAI was high, the effects of PI on brand perception was significantly higher the effects of PI on brand perception was significantly higher the effects of PI on brand perception was significantly higher the effects of PI on brand perception was significantly higher to the effects of PI on brand perception was significantly higher to the effects of PI on brand perception was significantly higher to when PIAI was high, the effects of PI on brand perception was significantly higher compared to when PIAI was low.

Secondly, PR was included to run a separate MANCOVA. The results revealed a significant moderation of PI [F(4, 131) = 18.44, p < .001] on brand perception after controlling for the effect of PR. Univariate ANCOVA revealed a significant moderation of PR on the effect of PI on the outcome variables brand image [F(1, 140) = 53.71, p < .001] and brand trust [F(1, 140) = 69.52, p < .001]. Hence, the effects of PI on brand perception is significantly moderated by PR.

These moderation results support hypotheses 6 and 7.

	Λ	F	р	Partial
				η²
PIAI	.95	1.66	.16	.05
- CBI	.88	4.53	.00	.12
Brand Image		12.04	.00	.08
Brand Trust		11.67	.00	.08
- PI	.64	18.78	.00	.36
Brand Image		45.09	.00	.29
Brand Trust		70.68	.00	.35
PR	.96	1.33	.26	.04
- PI	.64	18.44	.00	.36
Brand Image		53.71	.00	.29
Brand Trust		69.52	.00	.34

Table 7 Overview multivariate results for moderating effects of PIAI and PR

#### 4.5 Overview of results

Table 8 gives an overview of all hypotheses and whether they are rejected and therefore not significant (NS) or supported and significant (S). Figure 4 shows the significant direct effects and interaction effects.

Table 8 Overview of supported and rejected hypotheses

	Hypotheses	S/NS
1	When CBI is high, (a) brand image is perceived to be more positive and (b) brand trust is higher compared to	S**
2	when CBI is low When PI is high, (a) brand image is perceived to be more positive and (b) brand trust is higher compared to when PI is low	S**
3	When a new media channel is used, (a) brand image and (b) brand trust is perceived to be more positive compared to when a traditional channel is used	NS
<b>4</b> a	If CBI is high and combined with a high PI, (a) brand trust and (b) brand image will be higher compared to when a high CBI is combined with a low PI	NS
4b	If CBI is high and communicated through a new media channel (a) brand image and (b) brand trust are higher compared to when a high CBI is communicated through a traditional channel	NS
5a	The effect of CBI on engagement intention is mediated by brand perception	S**
5b	The effect of PI on engagement intention is mediated by brand perception	S**
5c	The effect of CC on brand engagement intentions is mediated by brand perception	-
6	When PIAI is high, the effect of (a) high PI and (b) high CBI on brand perception is higher compared to when	S**
	PIAI is low	
7	When PR is low, the effect of high PI on brand perception is higher compared to when perceived risk is high.	S**

\*\* Significant at a level of .01

Figure 4 Significant direct effects and interaction effects



\*Significant at a level of .05 \*\* Significant at a level of .01

## **5** Discussion

This research investigated if innovativeness positively impacts brand perception and brand engagement intentions in the automotive industry. The construct of innovativeness included communicated brand innovativeness (low vs. high), product innovativeness (low vs. high), and the used communication channel (traditional vs. new-media). Eight conditions were created in an online experiment and evaluated on brand image, brand trust, WOM intention and purchase intention. The level of personal innovativeness within the automotive industry and the perceived risk of innovative cars were investigated for their moderating role. In this section the results of the study and practical as well as theoretical implications of the results are being discussed. It also contains the limitations of the rese arch, suggestions for further research and an overall conclusion.

#### 5.1 Discussion of Results

#### 5.1.1 Discussion of main effects

The significant results of this study indicate that a high communicated brand innovativeness and a high product innovativeness lead to a positive brand perception and positive brand engagement intentions.

In line with previous findings of Pappu and Quester (2016), and Srivastava et al. (2016), results show that a person has higher trust in a brand that communicates to be highly innovative than in one that focussed on experience in its brand communication. Beside a higher brand trust, a high communicated brand innovativeness also positively affects brand image. Like Boisvert and Ashill (2011) claimed, current findings support that a brand with high innovativeness is perceived to be more positive than a brand with low innovativeness. While Pappu and Quester (2016) found that high brand innovativeness positively affects brand loyalty in the field of consumer electronics. The same seems to be true for the automotive industry.

High PI directly affects brand perception. The results support the claim of Garcia and Calatone (2002) that consumers admire the brand behind innovative products leading to a positive brand image. Beside brand image, brand trust was also directly affected by PI. Findings support previous research results by Henard and Dacin (2010) who stated that a consumer's loyalty is higher for brands that sell highly innovative products.

The expected effects of the innovativeness level of the communication channel on brand perception (Keller and Lehman, 2006) were not supported. Using a new-media channel did not lead to a significantly higher brand image or higher trust in the brand. Although, using a new-media channel directly led to higher brand engagement intentions. When receiving the marketing communication message through a new-media channel, people are more likely to intent to talk positively about the brand and buy a product of the brand.

#### 5.1.2 Discussion of interaction effects

Contrary to the expectations, no significant interaction effects were found. Although hypothesis 4 assumed that the effect of a high communicated brand innovativeness would be higher if (a) the brand sells a highly innovative product and (b) the marketing message is communicated through a digital channel instead of a traditional one, none of these hypotheses were supported. Apparently, the positive effect of a high communicated brand innovativeness on brand perception is not dependent on a high product innovativeness or the use of a digital

communication channel. Drawing on Keller (1993) who claims that the brand image is based on memories about product attributes and promotional communication, one can assume that high innovativeness of either product or brand already leads to a positive brand perception. The consumer might project the innovativeness of the brand on the product or vice versa.

#### 5.1.3 Discussion of mediation effects

The effects of CBI and PI on brand engagement intentions is found to be fully mediated by brand perception which is in line with the Theory of Planned Behaviour (Ajzen, 1985). When consumers read an ad with the message that the brand is highly innovative (high CBI), they hold a more positive image of the brand and have higher trust in the brand, which leads to a higher intention to engage with the brand. This result supports the claim by Van Doorn et al. (2010) that brand equity mediates the positive effects of brand characteristics on engagement intentions and is in line with the Theory of Planned Behaviour (Ajzen, 1985). Additionally, when consumers are confronted with a highly innovative product, brand perception is more positive which leads to higher brand engagement intentions. The expected effect of the level of innovativeness of the communication channel on brand perception was not found. Thus, no mediation was possible for the effect of the used channel on brand engagement intention.

#### 5.1.4 Discussion of moderation effects

In line with previous research (Argwal and Prasas, 1998; Gürhan-Canli and Batra, 2004; Moriarty and Kosnik, 1989) both personal innovativeness and perceived risk moderate the effects of CBI and PI on brand perception.

Results indicate that personal innovativeness in the automotive industry (PIAI) moderates the effects of CBI and PI on brand perception. These findings support the results of Argwal and Prasas (1998) who claim that personal innovativeness works as a moderator on the effect of innovative perception on usage intentions. Effects of innovativeness on brand perception are stronger when a person has a high personal innovativeness. People who think positively about automotive innovativeness and like innovative technologies, are more likely to be affected by CBI and PI than those who are not.

Moderating effects of perceived risk (of product innovativeness) were expected and supported for the relationship between PI with brand perception. These findings support the claims of Argwal and Prasas (1998) and Gürhan-Canli and Batra (2004) that the relationship between innovativeness and brand evaluation is moderated by perceived risk. Positive effects of PI are weaker for those who are of the opinion that automotive innovativeness makes a car riskier.

#### 5.2 Implications and recommendations for future research

#### 5.2.1 Practical implications

As stated in the introduction, this research was conducted with the aim to give marketing and communication managers in the automotive industry helpful implications for the communication about innovativeness. The results of the study show that brand innovativeness and product innovativeness have a significant impact on brand perception and brand engagement intentions of millennials. Marketing managers should therefore focus on communicating innovativeness instead of experience if they want to reach the youngest group of possible car buyers. Millennials seem to be interested in innovative cars and prefer a brand that sells innovativeness. If a main

goal of a car brand is to reach millennials, it would be recommendable to start a marketing campaign focussing on innovativeness.

One automotive brand that already succeeds in reaching millennials is Mercedes Benz that launched the new A-class in 2018 with a marketing campaign focussing on the digital and innovative features of the car and the brand itself. According to Reidel (2018) the campaign successfully reached especially the millennial generation. 44% of all people who stated that they did perceive the campaign were younger than 30 years old. The campaign, developed by advertising agency antoni, promotes the innovative interior features like voice control of the new A-class and included a tv advertisement with Nicki Minaj (Daimler, 2018).

Interestingly, the communication channel used for the marketing message does not impact the brand perception but does impact purchase intention and WOM intention. To increase the potential of a marketing campaign that aims to sell the innovativeness of the brand, a new-media communication channel such as social media should be used.

Perceived risk of product innovativeness moderated the effect of CBI on brand perception. The results of the study show that people who think that innovative interior features in a car are risky, are less likely to be positively impacted by high communicated brand innovativeness. This implies that one should keep safety in mind as an important factor when planning campaigns that focus in innovativeness. Safety should be communicated especially when extremely new innovations are being communicated to include those who perceive innovativeness as being risky. Volvo for example promotes the safety aspect of their innovative features through the IntelliSafe safety concept (Volvocars, 2017), predominantly communicating innovative features as facilitators of higher safety.

#### 5.2.2 Theoretical implications

This study was the first to take both communicated brand innovativeness and product innovativeness as factors influencing brand perception and brand engagement intentions in the automotive industry into account. It therefore adds to the field of research about innovativeness and the impact of innovativeness on brand perception and engagement intentions. Another field that this research enhances to is the research about factors influencing the purchase intention of millennials in the automotive industry.

Pappu and Quester (2016) who investigated the impact of innovativeness on brand trust and loyalty in the field of consumer electronics suggested to investigate similar effects in different industries. Focussing at the automotive industry, this study increases knowledge about the effects of marketing communication about innovativeness on brand perception and brand engagement in a different industry expanding the research field. Findings can be used as the foundation to test the effects of different marketing campaigns about innovativeness within the automotive industry in real life settings.

#### 5.2.3 Recommendations for future research

The conducted study has several limitations that can be inspirations for future research. This section discusses the most important limitations and suggests ideas for future studies.

The study was conducted in Germany and only included German respondents. Also, the brand used in the experiment (SEAT) was chosen based on a pre-test that included the top brands in Germany. Hence, the study was

tailored to the German market and results may differ in other countries and cultures. The target group of this research were millennials. Respondents that were older than 30 were excluded from the results. Results may be different for other age groups because they might have different opinions about innovativeness and/or other values and believes. Future research could focus on different cultures, regions and age-groups.

As this study investigated the automotive industry, results may differ for other industries. The brand used in this study might also have influenced outcomes. Future research could focus on other industries, different brands or test whether results differ when using a fictitious car brand. Because of the young target group of the study the chosen product for the research was a compact car (SEAT Ibiza). Not only cars with the target group of millennials like compact cars are becoming more innovative but also cars with different target groups. Future research could test whether the findings for millennials and compact cars are also true for older customers or high-class products. Baccarella, Scheiner, Trefzger, and Voigt (2016) found that premium automotive brands generally provide more and different information than standard automotive brands in their ads. Based on this claim and findings of the conducted research future research could focus on the differences between marketing campaigns that aim to sell innovativeness for different brands or different product categories within the automotive industry.

Product innovativeness was investigated in this research by manipulating the interior features of a car. It might be the case that considering other factors like the exterior of the car would change the results. Communicated brand innovativeness was manipulated using different marketing communication messages that underlined either the innovative or the traditional brand character. Future research might investigate imagery manipulation of brand communication in addition to textual manipulation to see whether results differ.

The experiment for the study was conducted online. CBI, PI and CC were manipulated using different pictures and texts, but respondents did not actually go through a brand experience and did not see the product or brand communication in real life. Respondents might have not read and watched every manipulation carefully and could have missed important details. This might have impacted the results and it is recommendable to investigate the results of this study in a real-life setting with respondents at a dealership or similar.

#### 5.3 Conclusion

The aim of this research was to investigate how marketing communication departments of automotive brands should communicate about innovativeness to reach a positive brand perception and high engagement intentions. A 2x2x2 experimental design was conducted and carried out online using eight different conditions. The impact of the independent variables communicated brand innovativeness (CBI), product innovativeness (PI) and communication channel (CC) on the dependent variables brand perception, including brand trust and brand image, and brand engagement, including WOM intention and purchase intention was investigated. Personal innovativeness in the automotive industry (PIAI) and perceived risk (PR) of innovative technologies in cars were added as moderators.

CBI and PI did both significantly impact brand engagement intentions fully mediated by brand perception. CC did have a significant effect on brand engagement directly. Communicating about the brand as being highly innovative instead of highly experienced increased brand perception and brand engagement intentions mediated by brand perception. Selling a highly innovative product also increased brand perception and brand engagement intentions through brand perception. Using a new media communication channel instead of a traditional communication channel resulted in higher brand engagement intentions. No significant interaction effects were found between the independent variables.

Furthermore, two moderators were found to significantly impact the effects of CBI and PI on brand perception. PIAI did significantly moderate the effects of CBI and PI on brand perception. The effects of CBI and PI on brand image and brand trust were higher for people who are interested and in favour of innovative technologies in cars than for those who are not. PR was found to significantly impact the effect of PI on brand perception. The effects of PI on brand image and brand trust were higher for people who did not perceive innovative technologies in a car as being risk-increasing.

In conclusion, the results of this study add to the body of research in the field of innovativeness and are helpful for marketing communication professionals in the automotive industry. Findings can be used as a foundation and inspiration for future research and as a foundation for the development of new automotive marketing campaigns aiming to sell brand innovativeness.

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## Appendix

#### Appendix 1 – Questionnaire

Car holdership

Besitzen Sie ein Auto oder fahren Sie regelmäßig eins?

 $\bigcirc$  Ja, ich besitze/fahre ein Auto von SEAT. (1)

◯ Ja, ich besitze/fahre ein Auto einer anderen Marke als SEAT. (2)

 $\bigcirc$  Nein. (3)

#### License

Haben Sie einen Führerschein der Klasse B (PKW)

O Ja (1)

 $\bigcirc$  Nein (2)

Knowledge SEAT

Kennen Sie die Marke SEAT?

O Ja (1)

O Nein (2)

Details SEAT

Kennen Sie die Ausstattungsdetails des SEAT Ibiza ?

Ja, ich kenne die Ausstattung des Autos gut. (1)

 $\bigcirc$  Ja, Ich kenne die Ausstattung des Autos grob. (2)

Nein, Ich kenne die Ausstattug des Autos nicht. (3)

#### Pref brand

Haben Sie eine lieblings Automarke ?

O Ja (2)

 $\bigcirc$  Nein (1)

#### Subscription

Haben Sie eine Autozeitschrift/Automagazin (online oder offline) abbonniert?

O Ja (1)

O Nein (2)

#### Car interest

Bitte geben Sie an inwiefern die folgenden Statements auf Sie zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
Ich interessiere mich für Autos. (1)	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
Ich mag Autos. (2)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
Ich kenne mich in der Automobilindustrie aus. (3)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
In meiner Freizeit informiere ich mich über Autos. (7)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$

Interest in technology

Bitte geben Sie an inwiefern die folgenden Statements auf Sie zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
Ich interessiere mich für Technologien. (1)	0	0	0	0	0	0	0
Ich mag technische Innovationen. (2)	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
Innovative Technologien ineteressieren mich <u>nicht.</u> (3)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
In meiner Freizeit informiere ich mich über neue Technologien. (7)	0	$\bigcirc$	$\bigcirc$	0	0	$\bigcirc$	$\bigcirc$

#### Previous brand attitude

Bitte geben Sie an inwiefern die folgenden Statements über SEAT auf Sie zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
Ich mag die Marke SEAT. (1)	0	$\bigcirc$	0	0	$\bigcirc$	0	0
Ich denke, dass SEAT eine gute Automarke ist. (2)	0	$\bigcirc$	$\bigcirc$	0	$\bigcirc$	0	0
SEAT baut gute Autos. (3)	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
Ich bin <u>kein</u> Fan von SEAT. (4)	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$

#### PIAI

Bitte geben Sie an inwiefern die folgenden Statements auf Sie zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
In meinem Bekanntenkreis bin ich meist einer der Ersten, der neue Technologien in Autos kennt. (2)	0	0	0	0	0	0	0
Mich interessieren neue technologische Features in Autos <u>nicht.</u> (3)	0	$\bigcirc$	0	0	$\bigcirc$	0	$\bigcirc$
Ich interessiere mich für innovative Autos. (5)	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
Ich mag Autos, die innovativ sind. (6)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
Bitte geben Sie an, inwiefern die folgenden Statements über innovative Technologien in Autos auf Sie zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
Ich glaube dass die innovativen Technologien in einem Fahrzeug gefährlich sind. (1)	0	0	0	0	0	0	0
Innovative Autos scheinen unsicher zu sein. (2)	0	$\bigcirc$	$\bigcirc$	0	$\bigcirc$	$\bigcirc$	$\bigcirc$
Innovative Technologien machen ein Auto unsicher. (3)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
Eine Fahrt in einem innovativen Auto ist mit Risiken verbunden. (5)	0	$\bigcirc$	$\bigcirc$	0	0	$\bigcirc$	$\bigcirc$

PR

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
Dieses Auto beinhaltet Technologien, die für mich neu sind. (1)	0	0	0	0	0	$\bigcirc$	0
Ich finde die Innenausstattung des SEAT Ibiza innovativ. (2)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
Ich denke, dass die in der Konzeption des Autos genutzten Technologien innovativ sind. (3)	0	$\bigcirc$	$\bigcirc$	0	$\bigcirc$	0	$\bigcirc$
Meiner Meinung nach ist dieser SEAT Ibiza innovativ. (4)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$

Schauen Sie sich bitte das Produktinfoblatt des SEAT Ibiza an und geben Sie an, inwiefern die folgenden Statements zutreffen.

CBl\_low\_CC\_trad

Sie haben neben der Tageszeitung einen postalischen Newsletter von SEAT in der Post erhalten. Schauen Sie sich diesen an und geben Sie an, inwiefern die folgenden Statements zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
SEAT wird als dynamische Marke dargestellt. (1)	0	0	0	0	$\bigcirc$	0	0
SEAT wird als eine moderne Automarke dargestellt. (2)	$\bigcirc$	$\bigcirc$	$\bigcirc$	0	$\bigcirc$	$\bigcirc$	0
SEAT präsentiert sich als innovative Automarke. (5)	0	$\bigcirc$	$\bigcirc$	0	$\bigcirc$	0	$\bigcirc$
SEAT präsentiert sich als <b>traditionelle</b> Automarke. (6)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$

# CBI\_low\_CC\_digi

In Ihrem Facebook Feed sehen Sie die obige Anzeige von SEAT. Schauen Sie sich diesen an und geben Sie an, inwiefern die folgenden Statements zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
SEAT wird als dynamische Marke dargestellt. (1)	0	0	0	0	0	$\bigcirc$	0
SEAT wird als eine moderne Automarke dargestellt. (2)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
SEAT präsentiert sich als innovative Automarke. (3)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
SEAT präsentiert sich als <b>traditionelle</b> Automarke. (4)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	0

CC Bitte geben Sie an inwiefern die folgenden Statements auf den genutzten Kommunikationskanal zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
Der genutzte Kommunikations kana l ist meiner Meinung nach innovativ. (1)	0	0	0	0	0	$\bigcirc$	0
Der Kommunikationskanal hat für mich einen fortschrittlichen Charakter. (2)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	0
Ich finde, dass der genutzte Kommunikations kana l <b>traditionell</b> ist. (3)	0	0	$\bigcirc$	0	$\bigcirc$	$\bigcirc$	0
Ich denke, dass die Konzeption einer Werbeanzeige in dem Kommunikations kana l innovatives Denken erfordert. (7)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	0	0

## BI

Bitte geben Sie an, inwiefern die folgenden Statements über SEAT zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
SEAT hat ein positives Bild in meinem Kopf. (1)	0	0	0	$\bigcirc$	$\bigcirc$	0	0
SEAT verbinde ich mit einem positiven Lifestyle. (2)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	0
SEAT Mitarbeiter können eine starke Markenbindung mit mir aufbauen. (3)	0	0	0	0	$\bigcirc$	0	0
Ich würde SEAT anderen Marken bevorzugen. (4)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$

#### Trust

Bitte geben Sie an, inwiefern die folgenden Statements über SEAT zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
Ich vertraue SEAT. (1)	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
Auf SEAT kann ich mich verlassen. (2)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	0	0
Ich habe das Gefühl, dass ich SEAT komplett vertrauen kann. (3)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	0
Ich kann mich <u>nicht</u> auf SEAT verlassen. (4)	0	$\bigcirc$	$\bigcirc$	0	$\bigcirc$	$\bigcirc$	0
Ich fühle mich gut, wenn ich einen SEAT kaufe, weil ich der Marke vertrauen kann. (5)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	0

#### WOM

Bitte geben Sie an, inwiefern die folgenden Statements über SEAT zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
Ich würde anderen positives über SEAT erzählen. (1)	0	0	0	0	0	0	0
Ich würde SEAT meiner Familie empfehlen. (2)	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	0
Meinen Freunden würde ich SEAT empfehlen. (3)	0	$\bigcirc$	$\bigcirc$	0	$\bigcirc$	$\bigcirc$	0
Ich häte gerne, dass andere wissen, dass ich ein SEAT Auto fahre. (4)	0	$\bigcirc$	$\bigcirc$	0	$\bigcirc$	$\bigcirc$	0

#### Purch int.

Bitte geben Sie an, inwiefern die folgenden Statements über SEAT zutreffen.

	Trifft überhaupt nicht zu (1)	Trifft nicht zu (2)	Trifft eher nicht zu (3)	Weder noch (4)	Trifft eher zu (5)	Trifft zu (6)	Trifft vollkommen zu (7)
Wenn ich ein Auto kaufen wollte, würde ich über einen SEAT nachdenken. (1)	0	$\bigcirc$	0	$\bigcirc$	0	$\bigcirc$	0
Die Wahrscheinlichkeit, dass ich ein SEAT Auto kaufen würde ist hoch. (2)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	0
Mein Wunsch nach einem SEAT auto ist <b>gering.</b> (3)	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
SEAT wäre in der engeren Auswahl, wenn ich mir ein Auto kaufen würde. (4)	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$

Age Wie alt Sind Sie?

▼ Unter 18 (40) ... 71 oder älter (47)

Gender

Was ist Ihr Geschlecht?

O Weiblich (1)

Männlich (2)

Status

Was beschreibt Ihren aktuellen Status am besten?

Student/Schüler/Auszubildender (1)

O Berufstätig (2)

O Nicht berufstätig (3)

#### Nationality

Wie ist Ihre Nationalität?

O Deutsch (1)

O Andere (2) \_\_\_\_\_

Province

Bitte geben Sie Ihren aktuellen Wohnort an.

# Appendix 2 – Stimuli

#### 2.1 Product Innovativeness

#### Low product innovativeness



#### High product innovativeness



#### 2.2 Communicated Brand Innovativeness

#### Low CBI, traditional CC



#### Low CBI, digital CC



#### High CBI, traditional CC



### High CBI, digital CC



# Appendix 3 – Results

## 3.1 KMO & Barlett's Test

Table 3.1 KMO and Barletts's

Kaiser-Meyer-Olkin Measure of	Sampling Adequacy.	.828
Bartlett's Test of Sphericity	Approx. Chi-Square	1689.081
	df	66
	Sig.	.000

# 3.2 Factor Analysis

Tabel 3.2 Factor Analysis

Items p	per construct	Loading
Previo	us attitude	
	Ich denke, dass SEAT eine gute Automarke ist (I think that SEAT is a good car brand)	.928
	SEAT baut gute Autos (SEAT builds good cars)	.91
	Ich mag die Marke SEAT (I like the brand SEAT)	.852
	Ich bin kein Fan von SEAT* (I am not a fan of SEAT*)	.79
Car int	erest	
	In meiner Freizeit informiere ich mich über Autos (In my spare time I inform myself about	.932
cars)		
	Ich kenne mich in der Automobilindustrie aus (I have knowledge of the automotive industry)	.89
	Ich interessiere mich für Autos (I am interested in cars)	.802
	Ich mag Autos (I like cars)	.56
Techno	ological interest	
	Innovative Technologien interessieren mich nicht* (I am not interested in innovative	.92
	technologies)	
	Ich mag technische Innovationen (I like technological innovations)	.86
	Ich interessiere mich für neue Technologien (I am interested in new technologies)	.79
PIAI		
	Ich mag Autos, die innovativ sind (I like cars that are innovative)	.93
	Ich interessiere mich für innovative Autos (I am interested in innovative cars)	.89
	Mich interessieren neue technologische Features in Autos nicht* (I am not interested in new	.72
technol	logical features in cars*)	
	In meinem Bekanntenkreis bin ich meist einer der Ersten, der neue Technologien in Autos	.57
kennt (	Within my circle I am often the first to know new automotive technologies)	
Risk P	erception	
	Innovative Autos scheinen unsicher zu sein (Innovative cars seem to be unsafe)	.93
	Innovative Technologien machen ein Auto unsicher (Innovative technologies make a car	.92
	unreliable)	
	Eine Fahrt in einem innovativen Auto ist mit Risiken verbunden (Riding in an innovative	.92
	car is fraught with risks)	

Ich glaube, dass die innovativen Technologien in einem Fahrzeug gefährlich sind (I think	.89
that innovative technologies in a car are dangerous)	
Product Innovativeness	
Meiner Meinung nach ist dieser SEAT Ibiza innovative (In my opinion the SEAT Ibiza is	.56
innovative)	
Ich finde die Innenausstattung des SEAT Ibiza innovative (I think that the interior of the	.62
SEAT Ibiza is innovative)	
Dieses Auto beinhaltet Technologien, die für mich neu sind (This car includes	.76
technologies that are new to me)	
Ich denke, dass die in der Konzeption des Autos genutzten Technologien innovativ sind (I think	.68
that technologies used for the development of the car are innovative)	
Communicated Brand Innovativeness	
SEAT wird als eine moderne Automarke dargestellt (SEAT displays itself as a modern car brand)	.96
SEAT präsentiert sich als innovative Automarke (SEAT presents itself as an innovative car brand)	.94
SEAT wird als dynamische Marke dargestellt (SEAT is presented as a dynamic car brand)	.93
Communication Channel	
Der Kommunikationskanal hat für mich einen fortschrittlichen Charakter (The	.92
communication channel has an innovative character)	
Ich finde, dass der genutzte Kommunikationskanal traditionell ist* (I think that the	.84
communication channel is traditional*)	
Der genutzte Kommunikationskanal ist meiner Meinung nach innovative (In my opinion	.78
the communication channel is innovative)	
Ich denke, dass die Konzeption einer Werbeanzeige in dem Kommunikationskanal	.78
innovatives Denken erfordert (I think that designing an ad for this channel requires innovative	
thinking)	
Brand Perception	
Ich kann mich nicht auf SEAT verlassen* (I cannot rely on SEAT*)	.87
Auf SEAT kann ich mich verlassen (I can rely on SEAT)	.85
Ich vertraue SEAT (I trust SEAT)	.84
Ich habe das Gefühl, dass ich SEAT komplett vertrauen kann (I feel like I can totally trust on	.83
SEAT)	
Ich fühle mich gut, wenn ich einen SEAT kaufe, weil ich der Marke vertrauen kann (I feel good	.76
when I buy SEAT because I can trust the brand)	
Ich würde SEAT anderen Marken bevorzugen (I would prefer SEAT over other brands)	.82
SEAT hat ein positives Bild in meinem Kopf (SEAT has a positive picture in my mind)	.73
Brand Engagement	
	.83
-	
-	.83
	.78
	.74
	• / -
	.68
Die Wahrscheinlichkeit, dass ich ein SEAT Auto kaufen würde ist hoch (Chances are high that I vould buy a SEAT car) Mein Wunsch nach einem SEAT auto ist gering* (My desire for a SEAT car is low) SEAT wäre in der engeren Auswahl, wenn ich mir ein Auto kaufen würde (SEAT would be in my choice set if I would be going to by a car) Wenn ich ein Auto kaufen wollte, würde ich über einen SEAT nachdenken (If I would be going to buy a car I would think about a SEAT car)	.8 .7
Ich würde SEAT meiner Familie empfehlen (I would recommend SEAT to my family)	

Meinen Freunden würde ich SEAT empfehlen (I would recommend SEAT to my	friends)	.673
Ich hätte gerne, dass andere wissen, dass ich ein SEAT Auto fahre (I would like others t	0	.838
know that I drive a SEAT car)		