

Audi case study

Business



Why do companies such as Audi use testimonials as part of their marketing strategy, and why did Audi use Justine Timberline for the Ass's 'The Next Big Thing' promotion? Testimonials are also known as sources, usually involving a person that is highly likeable and believable, who endorses a brand or product.

Testimonials, or endorsements, are getting common, and it is not the first time automobile engage celebrities; such as Roger Federer for Mercedes Benz (Mercedes-Benz USA 2014), Lacked Chain for Mutinous (Rollover 2014) and many more. An appropriate celebrity when used aptly can become a powerful branding device. One more obvious benefit for using celebrities is that their popularity can build brand awareness and entice new consumers. Also, their likeability can significantly impact consumers' emotional responses positively, in terms of enjoyment. Thirdly, source credibility theory mentions that consumers are likely to be persuaded when the source presents itself as credible (Havilland, Janis and Kelley 2001). These behaviors support a research showing consumers who recognized the famous endorser showed greater purchase intent.

Next, celebrity endorsements can also help challenge and manipulate preconceived notion of the brand, and help in brand repositioning (Crucified 2010). The match-up theory proposes that qualities of the product must suit the image of the celebrity, in order for it to have a positive impact on consumers (Nag and Tubercular 2006). Likewise, the celebrity has to possess qualities such as fame, likeability, and most importantly, what they represent among the targeted consumers. Hence, Timberline was chosen to be Audi's AH ambassador.

He was GO Magazine's Man of the Year for his unique style and popularity (Howard 013), and is a popular role model with high credibility among the younger audience. Audi can also tap into Timberland's huge fan base to gain greater brand awareness and reach out to new potential buyers.

Timberline is also associated with other major quality brands like Sony and Given, portraying him as a cool trendsetter. He also has no relation to negative or scandalous behavior. Audi is commonly known as luxury car brand catering to older car-owners, around mid thirties to forties.

However, Audi AH can now reposition itself as a young urban professionals automobile by leveraging on Timberland's young, fresh and stylish characteristics. His promotional image makes the new Audi AH appear sophisticated, high quality and extensively accepted in numerous social milieus.

Thus, Audi has made a good choice in using Justine Timberline as he has great likeability, popularity and his personality makes a good fit with how Audi wishes to portray AH to its target audience. 3. Create an overview of the main structural barriers that can occur in e-marketing, including a short description.

E-marketing occurs when Internet or other technology is applied to traditional marketing. This consists of websites, electronic mailers, web banners that are similar to the concept of newspaper advertorial, and social media. Audi cleverly utilizes digital channels for marketing as it effectively reaches out to its target audience, who are mostly active on social media.

Additionally, while traditional mediums can help boost popularity of certain products by exposing it to millions of lowers, social channels are the only way things go viral, which was why Audio used future for “ The Next Big Thing” videos.

Virility not only entails millions of users seeing it at the same time, but also the mass passing along the information through haring on Backbone, rewetting and more (Kelley 2013). However, every channel has its pros and cons. E-marketing poses certain structural barriers as business models that succeed in one country may not work well in another: Ere first barrier that Audio will face is language difference. Majority of the content on the Internet is English, and it is deemed as the common language in business.

However, there is still a large part of users who are not proficient in that.

Studies have shown that consumers are more likely to purchase products on sites that speak their native tongue (Encyclopedia 2014). Even so, attempts to localize web content achieve partial success due to wholesale usage of translation software that lack recognition. Another common barrier will be culture. To be familiarized with the local market through the Internet is highly unlikely.

In high-context societies, such as economically advanced Japan, physical personal transactions and business relationships contribute greatly to transactions and production loyalty.

Moreover, although Timberline is famous and credible in US, this is not the case in other countries. Hence, customer satisfaction in those countries

cannot rely on online viral campaigns, rational evaluation or testimonials. Additionally, colors, symbols and contexts can vary greatly in each culture hence marketers should be sensitive and attentive. Lastly, in certain countries, credit card for online shopping penetration is low, unlike United States (Encyclopedia 2014). Therefore, when tackling certain markets, Audio has to be flexible and adaptive to the various markets.

Lastly, infrastructure is another barrier.

Internet access in some countries is limited by low computer penetration, high charge to access Internet, restrictions on usage, and government attempts to control content and ownership, amongst other reasons (Encyclopedia 2014). Hence a good approach for Audio is to also support their campaign through traditional channels. 4. Can the marketing campaign be considered successful? If yes, can you name indicators for your decision? According to The European Marketing Confederation the success of a marketing campaign is determined 'in terms of consumers' attitude, awareness, purchasing intention, etc.

Also, to gauge a campaign's effectiveness is when the objectives and quantifiable key performance indicators (KPIs), that were established prior to campaign launch, are met. Thus after evaluating Audio's campaign 'The Next Big Thing', it is considered as a successful campaign that has contributed to corporate vision and strategy. One of Audio's main objectives was to generate strong awareness and for that they had 185, 000 registered potential buyers, over 5.9 million website visitors and 30, 000 fans gained on Facebook (Name Awards 2011).

The next main objective was to create greater desire for the product, especially amongst new customers.

This was also met Ninth 16, 000 pre-orders, exceeding their expectation of 10, 000. They have also succeeded in capturing new market shares as 90% of pre-orders were from new consumers. Next, Audi's secondary goal was to reposition itself against the MINI series. After the campaign was launched, more than 28, 000 Alls were sold, which was 3, 000 more " hen Minim's new car was launched.