

BMW: THE ULTIMATE BRAND & THE SCIENCE BEHIND EMOTIVE MARKETING

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Thesis Overview

This thesis seeks to examine the benefits that can be extracted from leveraging emotion in marketing. First, BMW's marketing and overall business strategies will be examined, followed by how they study their consumers and effectively differentiate their product segments.

Next, the Joy and Unscripted campaigns will be examined and compared to Freud's emotional involvement psychology. Product placement, mobile marketing, print ads, and innovative guerilla and buzz efforts will also be examined.

Introduction to BMW

From its humble beginnings as an aircraft engine manufacturer, the BMW Group now encompasses the BMW, Rolls Royce, and Mini brands. “With these three brands, the BMW Group is represented in all the currently relevant premium segments on the international automobile and motorcycle markets. Thus, the company offers a truly unique product range, which is linked by a common claim: premium—and nothing else” (BMW Group 2006 Annual Report).

Year after year, BMW Group has posted record figures. In 2010, they achieved their highest pre-tax result, highest profit, second-highest sales volume, and highest dividend of all time. Their share price also increased in value by 85% from year-end 2009 to year-end 2010, making it the most successful ordinary share in the DAX index and thereby earning it a spot on the EURO STOXX 50. Chairman of the Board Dr. Norbert Reithofer credits this performance to the Group’s “innovative, efficient, and highly motivated employees,” as well as *Strategy Number ONE* (B., Horatiu).

Looking forward, BMW Group wants “to be the leading provider of premium products and premium services for individual mobility” by maintaining their premium focus, offering customers a wide range of customized services, and continuing to strengthen their lead in the automotive industry. This strategy and vision looking forward gained BMW Group the ranking of *World’s Most Admired Company* in the Motor Vehicles Segment by *Fortune Magazine* (B., Horatiu).

Equally admirable is their ability to post profits and increased sales figures in the midst of a recession¹. Reithofer said, “Dealing with volatility has become a constant in our business.” He credits the Group’s success to a targeted approach of “ensuring maximum flexibility among [its] associates and production” and “striving to maintain a balanced performance in the various markets of the world.” This includes investing in and operating plants all over the world (B., Horatiu).

Regarding flexibility, *Strategy Number ONE*² was adopted in fall 2007 and initially “concentrated on profitability targets, the evaluation of processes and the reduction of costs” by adopting platform sharing matrices in manufacturing and using common parts across different model lines. “Now, the focus is on further shaping [the Group’s] future, which involves topics such as technology leadership,” including sustainable mobility, innovative mobility services, the *EfficientDynamics* engine range, and strategic alliances with other auto manufacturers” (B., Horatiu).

Perhaps the Group’s success can be best described in Rotheifer’s closing statements of his 2011 annual accounts press conference: “We at the BMW Group think ahead and focus on the long term in every aspect of our business. We are pleased with the positive results for 2010. However, we see it as our responsibility to ensure the future success of the BMW Group” (B., Horatiu).

¹ Appendix A: BMW Group in Figures (BMW Group Annual Report 2010)

² Appendix B: Strategic Realignment in Decisive Phase (BMW Group Corporate News 2008)

Overview of Marketing

BMW makes use of television spots, print advertisements, mega-posters, radio spots, and events for most of its marketing activities. BMW's global advertising remains mostly standardized in its messages throughout Europe, the United States, Asia, South Africa, and the Middle East markets.

Since its inception, the BMW brand has built itself on core values of technology, quality, performance, and exclusivity. Using a consistent advertising strategy that "explicitly expresses one or more of these values in all...advertisements," BMW successfully positioned itself into a niche market that was receptive to these values. In all their marketing efforts, "BMW has remained consistent to its beliefs of focusing on the substance of the cars themselves" (Hellhake B2-3).

As seen from recent marketing efforts, including the JOY and Unscripted campaigns, BMW "[made] the decision to create an emotional product instead of an automobile." A video on the BMW Group's website about its corporate culture described BMW as a company of "outstanding brands with unmistakable profile" that builds "automobiles and motorcycles which fascinate people." The narrator goes on to conclude, "We are BMW. We don't just build cars, we create emotions- enthusiasm, fascination, goose bumps guaranteed." Because of this focus on the emotional substance behind the car, BMW's marketing efforts are much more emotive than its competitors (Sexton).

Ex chairman of the board Helmet Panke explained that BMW offers “emotional products, which, through the strength of the brand and the substance of the products, fulfill the customer’s wish for individualization and differentiation.” Because of this, BMW is “far more dependent upon the successful branding of their product than almost any other mainstream automobile company in the world. The company has forged a passionate loyalty among their customers based on both owning an aesthetically pleasing and functional machine,” and must work hard to retain them (Sexton).

Customer Profile of a BMW Driver

The one thing that marketing managers are most interested in identifying are “consumer characteristics that are associated with the likelihood of purchasing products” (Babin 103). BMW “regularly undertakes research into its customers’ profiles looking at demographic criteria, such as age and sex, lifestyle, their views on motoring, and the way in which they use their cars.” BMW uses this information in “all areas of the business,” from design and development to advertising.

For example, our female customers tend to prefer open driving, reflected in a preference for the BMW 3 Series Convertible and BMW Z4.

The spaciousness and interior versatility of the BMW X Models, X3 and X5, attract modern families with children in their households (50%-60% having at least one child).

Customers of our 3 Series and 5 Series Touring models are characterised by an active lifestyle, with an exceptionally high interest in outdoor activities, such as water sports, cycling and skiing.

Together with the Z4, the BMW 1 series shows the highest share of urban customers aged 39 years or younger (40%). This truly makes the BMW 1 series, not only in terms of its launch date, a young model in the BMW portfolio.

Though different products appeal to different customer profiles, the “one thing all BMW customers have in common is their appreciation of driving fun and sporty, yet elegantly designed cars” (“Company Facts”). This is, in part, driven by rapidly changing societal values as Generation X’ers and dot-comers begin to outnumber the baby boomers. This new cohort is recognized as business savvy and entrepreneurial. They desire lifelong learning and “demand even more advanced telecommunications and net-based transactions” that allow for transparency in pricing and delivery times associated with consumerism (Hellhake).

As a result, the marketing battle will now take place on the service improvement and salesmanship front, as consumers begin to look for more value and substance in the products they consume (Hellhake). “In a 21st century market that will hold few competitive advantages in terms of product or price, emotional engagement comprises a growing proportion of the value being exchanged” (Robinette 14). This is where BMW’s decision to “create an emotional product instead of an automobile” (Sexton) proves to be a game-changing move since “the things that tap our deepest emotions have the ability to evoke the greatest value” (Babin 87-98).

While other auto manufacturers advertise their cars’ zero to sixty times, automatic wipers or traction control systems, BMW realized that this in-your-face, product-feature-pitching means of advertising would be “[eyeballed] a mile away, [chewed] up and [spit] out” by the current consumer audience (Hellhake). For a generation that pays less attention to

product features and more to the value and substance a product creates, BMW realized “what you make people feel is just as important as what you make” (Joy is BMW). As such, BMW’s marketing efforts need to match their emotive product strategy.

The JOY Campaign³

In early 2010, BMW launched a series of television, digital, mobile and out-of-home ads under the ‘Joy’ campaign. To date, it was BMW’s biggest brand campaign and “maybe the first that puts as much focus on the drivers and their pleasure in driving as the cars themselves. It’s part of a big media strategy the company is doing to raise its profile worldwide with a more emotional, optimistic voice” (Greenberg).

Jack Pitney, VP of Marketing for BMW North America, says the idea came up in mid 2008 when the company realized the U. S. and global economies were going into a recession.

“All of our research says in a recession, brands that do the best are those that are authentic, purpose-driven brands that have defined themselves over decades as being true to their core purpose. We thought if ever there has been a time to remind people what the BMW is about, now would be the time. So we challenged ourselves to think about ways to bring that promise to life in an emotionally compelling way. What we landed upon was, well, maybe it’s really about what our products do—how they make you feel. That’s why people keep coming back to the brand.”

Pitney notes that before this campaign, “we focused primarily on the cars themselves and the technological innovations under the skin. Now what we have chosen to do is focus on the end result of all that: it’s the way the cars make you feel” (Greenberg).

³ Appendix C: PRNewswire Joy Article (13 February 2010)

The ads are characterized by “strong, colorful images often conveying people and their experiences with the subtlest of references to BMW products punctuated by various three-word headlines leading off with ‘Joy is...’.” The campaign was developed between BMW, GSD&M Idea City, Universal McCann, and Dotglu, and was launched at the 2010 Winter Olympics (“BMW Introduces Joy”).

The execution of the launch, however, is equally as impressive as the collaboration required for designing it. “In an exclusive arrangement with MSN, BMW [mounted] a homepage takeover on February 15th distinguishing the automaker as the first advertiser to employ the web site's new proprietary enhanced video capabilities...[that] creates a 3-D-like display which allows users to access any of the nine BMW-sponsored ‘Golden Moments of Joy’ video panels directly from the homepage.” It was estimated that 125 million users were exposed to the one-day homepage takeover, which could not be bypassed before arriving at MSN’s homepage (“BMW Introduces Joy”).

The Joy campaign is a textbook definition of an emotional involvement advertisement that plays off of hedonic motivation, emotional contagion and the schema-based affect. The video footage of people driving in BMWs laughing and smiling presents the correlation to consumers that people who drive BMWs experience joy. This appeals to hedonic motivation, which is defined as “a desire to experience something personally gratifying...usually emotionally satisfying” (Babin 85-93).

The displays of happiness exhibited by the people in the videos also are attributed to the principle of emotional contagion. By definition, emotional contagion “represents the extent to which an emotional display by one person influences the emotional state of a bystander. Consumers who perceive other consumers or employees surrounding them as either happy or sad may experience a corresponding change in actual happiness or sadness themselves.” By itself, the principle has little meaning. When paired with the hedonic motivation hardwired into humans, however, a consumer’s subconscious may view this correlation as fact and be motivated to purchase a BMW (Babin 85-93).

The Joy videos are also an excellent attempt at achieving a schema affect in the minds of viewers. “As we know from consumer information processing theory, knowledge of familiar things becomes organized in a cognitive unit of meaning known as a schema. A schema contains the knowledge of a brand, product, or any concept...these emotions also become part of the meaning for a brand in the form of schema-based affect. Schema-based affect helps provide meaning and thus is another example of how affect and cognition are wired together.” Since the Joy campaign is all about the joyous emotions one experiences when driving a BMW, the correlation is solidified into a definition for the BMW brand through schema-based affect. In the consumer cognitive process, this only gives natural hedonic motivation more power (Babin 85-93).

CB2 deems emotional involvement a powerful motivator: “the type of deep personal interest that evokes strong felt feelings simply from the thoughts or behavior associated with some object or activity. Thus, emotional involvement drives one to consume

generally through relatively strong hedonic motivations.” At times, emotional ‘thinking’ can overpower rational thinking, resulting in impulse buys (Babin 85-93).

Psychoanalytics: Emotional Involvement is Science

“According to behavioral scientists, motives or basic human needs are at the root of all behavior. Regardless of gender, culture, or upbringing, there are common needs all people share...Emotion also plays a part in more carefully considered decisions. Once a choice has been made, there is an emotional response to the final answer. This explains why emotion is so powerful and persuasive in determining the outcome of many purchase decisions” (Robinette 27-29).

Looking further into the science behind emotional involvement, it is crucial to examine famed psychologist Sigmund Freud’s psychoanalytical approach to personality. His approach establishes that human behavior “is influenced by an inner struggle...[and] highlights the importance of unconscious mental processes in influencing behavior.” For Freud, the human personality consists of three components:

The id focuses on pleasure-seeking and immediate gratification. It operates on a pleasure principle that motivates a person to focus on maximizing pleasure and minimizing pain. One’s id, therefore, focuses on hedonic value.

The superego works against the id by motivating behavior that matches societal norms and expectations. The superego can be conceptualized as being similar to a consumer’s conscience.

The ego focuses on resolving the conflicts between the id and the superego. The ego works largely in accordance with the reality principle. Under this principle, the ego seeks to satisfy the id within the constraints of society. As such, the ego attempts to balance the desires of the id with the constraints of, and expectations

found in, the superego.

BMW has this in mind not only for marketing efforts, but also in other offers it makes to consumers. Maintenance of luxury automobiles is often a concern for potential buyers based on the sheer cost implications. To suppress the customer's ego, BMW began offering *Ultimate Service* with the purchase of new BMWs. Under the program, buyers will not pay a single dime for regular scheduled maintenance for four years or 50,000 miles from the time of purchase. Brakes, tires, oil changes, etc., which would normally total thousands of dollars in maintenance costs, are all covered under the plan. Financing specials including zero money down, or low to zero rate financing also minimize the constraints of the ego and superego, allowing the id to frolic (Babin 104-105).

Emotional contagion contributes to the superego in that what is common collective belief in the minds of other consumers largely dictates the societal norm. Emotional contagion “represents the extent to which an emotional display by one person influences the emotional state of a bystander. Consumers who perceive other consumers or employees surrounding them as either happy or sad may experience a corresponding change in actual happiness or sadness themselves.” The Joy campaign largely exudes efforts of emotional contagion, as does the Unscripted campaign, which will be examined next (Robinette 9).

Most important to note is that schema affect and emotional contagion both produce return customers and lower price sensitivity (Babin 98). This is important because “the cost of acquiring new customers is high and rising. Retaining customers is not only less

expensive, but existing, loyal customers purchase more. They're more open to cross-selling. They generate positive word-of-mouth and referrals. And they're less likely to defect for bargains. In short, increased customer loyalty is the single most important driver of long-term profitability," which is why BMW makes every effort to lock customers in by seizing their emotions (Robinette 9).

Another practice BMW engages in to maintain an active relationship with consumers is the concept of enduring involvement. Enduring involvement "represents an ongoing interest in some product or activity. The consumer is always searching for opportunities to consume the product or participate in the activity. Enduring involvement is often associated with hedonic value because learning about, shopping for, or consuming a product for which a consumer has high enduring involvement is personally gratifying" (Babin 87). BMW offers many opportunities for enduring involvement, ranging from BMW-sponsored performance driving schools at their facilities in South Carolina and different racetracks around the United States to European Delivery, which allows customers to fly to Germany and pick up their vehicle at the production plant. From BMW's European Delivery webpage:

Your first drive doesn't have to go from the lot to your driveway. Meet your vehicle at the renowned BMW Welt, enjoy exclusive VIP tours of BMW facilities, take your new vehicle for its first spin across the famed Autobahn, choose from five Driving Adventure packages, indulge at world-class hotels, and then meet your vehicle back home at the end.

Enjoy all of that plus an added financial benefit of costing less than traditional delivery.

European Delivery price includes:
· 14 days of free, road insurance

- *Tourist registration*
- *Factory preparation*
- *European inland transportation from the drop-off point to the nearest port*
- *Marine insurance*
- *Customs duty and clearance*
- *U.S. port processing and accessory installation*
- *Wharf and handling fees*

Taking delivery of your new BMW in Europe will definitely make you smile. So will the savings. You may save up to 7 percent of the base Manufacturer Suggested Retail Price.

If the savings pay for the trip itself, why wouldn't customers want to engage in European Delivery? Arguably, the memories and emotional equity that come about from flying over and driving a recently purchased BMW around Europe would create an emotional bond with the BMW brand that would be hard to break ("European Delivery").

"Customers who feel true commitment are true assets...willing to sacrifice to continue doing business with the brand and serve as a source of promotion" (Babin 276).

The Unscripted Campaign

Committed customers also "serve as a source of promotion by spreading positive word" (Babin 276). BMW was the first car manufacturer to leverage these customer assets by making them highly visible through the Unscripted campaign. "In a new initiative to engage the BMW fans and owners, the Munich-based automaker [kicked]-off a new project: BMW Unscripted...a series about people, talking about their life, passion and joy with the brand BMW. First one to tell the story of his car is Murray of Costa Mesa, California. Murray is a proud owner of a 2800 CS with over 400,000 miles" (B., Horatiu). BMW credits the films as celebrating "the intangible and the infectious: a passion for something because...it's the fundamental human truth behind each story."

Each video is a narration by a BMW owner about his experience, passion and history with the brand. In addition to Murray, the series also interviews race driver Sabine Schmitz, the famed ‘Queen of the Ring,’ who is employed by BMW to drive the M5 Ring Taxi around the Nurburgring, taking tourists for rides. In the video, she explains how the experience from her first ride in her mother’s BMW manifested itself into her career as a racing driver (Greenberg).

When GDS&M spearheaded the project, they sought to answer the question, “How do you humanize a brand built on engineering?” Their answer? “By meeting its drivers. We didn’t create the voice for BMW. We found it.” Jack Pitney says the campaign lets customers “tell their stories in their own words. And it will manifest in both above-the-line and below-the-line activities worldwide. What makes it work so strongly is, it rings so true to what we are all about” (Greenberg).

The videos are available for viewing and download on BMW’s website.

History of BMW and Online Video Advertising: BMWFilms.com

In 2001, BMW “stunned the advertising world by investing ad spending normally set aside for Super Bowl spots in short films that had nothing to do with telling consumers about its cars” by launching BMWFilms.com (Edmondson). The films “blurred the lines between entertainment and advertising” and was recognized as “the first high profile, big-

budget, celebrity-laden” viral video campaign, and featured BMWs in high performance car chase scenes with well-known actors and directors. Besides the 100 million cumulative views the videos attracted, the campaign were so popular that the videos prompted a Harvard Business Review case study and were inducted into the Museum of Modern Art. The main goal behind the campaign was not only to differentiate BMW from other auto manufacturers, who had adopted BMW’s “advertising messages of outstanding quality,” but “to make BMW look, not only cool, but likeable, which the brand [needed] to do to combat negative perceptions some people [had] based on old associations with the 80’s style yuppie arrogance” (Hellhake).

BMWFilms.com was “the latest and hippest web site to make use of streaming video in order to lure prospective customers. Fast cars, mysterious passengers...rock superstars, and sinister enemies [were] all part of the film series,” which was advertised on television “the same way that movie trailers are advertised; the difference [was] that instead of the catch phrase ‘coming soon to a theater near you,’ this catch phrase [read] ‘see it only on BMWFilms.com.’” While the “skilled mercenary driver...is certainly a smooth operator behind the wheel...it is always the Ultimate Driving Machine that saves the day. The car is definitely the star of the show” (Hellhake).

In three weeks time, 382,000 people had visited the site, making “BMWFilms one of the internet’s fastest growing sites.”

BMW did not randomly decide to initiate a web based advertising campaign. The company clearly did its homework. It is a well known fact among advertising firms that over 85% of potential car buyers will conduct most (if not all) of their initial research on the internet before they make a final decision on a purchase.

Therefore, BMW has made it convenient for shoppers by adding a link on their film site to BMWUSA.com. This site gives consumers basic information about the cars, as well as the location and phone number of the local dealerships.

At the time, high speed internet connections were costly. Fallon Worldwide research indicated that the majority of potential BMW customers were “tech savvy, and had fast, reliable access to the web.”

Given that the average BMW automobile starts at approximately \$30,000, the company’s decision to design a classy film series, which can be viewed on a high speed internet connection by an upscale, mostly male audience, is clearly targeted.

In the spring of 2000, BMW was trying to determine how effective TV advertising would remain and also how they could “exploit the popularity of the internet.”

The executives at BMW saw this as a way to differentiate the company from other manufacturers. BMW wanted something done exclusively for the Internet, something not only entertaining but also cinematic. A concept was born – a longer film that would be shot in segments and distributed via the Internet as a series. This series would combine product placement with entertainment. Most importantly, it would allow BMW to push the envelope when it came to scripting the series. The Internet would allow the company to show what a BMW can do when pushed to the limits, under extreme conditions and circumstances. BMW would not be able to convey this type of advertising through traditional TV ads, without a few hundred disclaimers.

The films not only made BMW “look cool,” but took advantage of how “when people watch entertainment or a movie, they’re watching in an entirely different way where they enjoy the fantasy, and hopefully remember it and share it with others” instead of the “filter of disbelief” many consumers have in the back of their heads when watching traditional advertising (Hellhake).

Viewers were given the opportunity to register and recommend the films to their friends (by entering email addresses) on the website. Out of the two million that did register,

60% gave further information about themselves, and 94% recommended the site to their friends (Hespos). This referral rate paired with the effectiveness of emotional contagion is huge.

Implications of and Psychology Behind Product Placement Efforts: Self Congruency Theory

“Cars have always been much sought after objects in film and television. In many cinema, film and television series, the heroes often drive the best-equipped cars. When the cars are supplied by the manufacturer this is known as product placement”

(“Company Facts”). BMW products have been featured in many films, ranging from *The Italian Job* to *Mission: Impossible*, in which “reference group members share similar symbolic meanings. This is an important assumption of self-congruency theory. This theory proposes that much of consumer behavior can be explained by the congruence (match) between a consumer’s self-concept and the image of typical users of a focal product.”

Marketers can use congruency theory by segmenting markets into groups of consumers who perceive high self-concept congruence with product-use image. Imagine a consumer who sees himself as being a stylish person. If he believes that people who drive [BMW] are stylish, then he will be motivated to drive a [BMW]. In this way, brands become vehicles for self expression.

“One study found that the purchase of privately consumable items is heavily influenced by the actual self-concept, while the purchase of publicly visible products is more strongly related to the ideal self-concept.” For this reason, BMW leverages its product placement efforts to play on their targeted consumers’ idea of their ideal self. Since the consumer profile of a BMW driver (discussed at the beginning of this report) includes

“driving fun and sporty, yet elegant cars,” product placements in movies like those on BMWFilms.com are highly effective in appealing to this segment (Babin 118).

BMW TV and Mobile Advertising

The original BMWFilms.com series is no longer available online; however, BMW has continued their online video advertising efforts (including the Joy and Unscripted campaigns) on BMW.tv. The website showcases videos featuring new vehicles, proprietary technologies, product launches, testing videos, teasers, and motor sport coverage. All films are available for direct download, as a podcast, and are also accessible through the BMW.TV app available for mobile devices.

“BMW was one of the first companies to pull the mobile channel into its marketing mix...and it first turned to the medium in a bid to stimulate awareness and extend its reach at the youngest end of its addressable market” with the launch of the 1 Series coupe, described as the ‘youngest’ car in the BMW lineup. “In some markets, BMW launched a handset in conjunction with Nokia that came with preloaded 1 Series content. In others the firm made available a downloadable racing game featuring the new car, which could be configured in different colours and with different wheels” (Hibberd).

According to Marc Mielau, head of Mobile Marketing for BMW Group, their “mobile marketing strategy is based on what [he] calls the ‘save time/kill time paradigm’. People appreciate objects or applications that save them time when they’re busy, or help them pass it when they have it in surplus, the thinking runs. And if customers perceive content

as useful, the marketing is likely to be all the more persuasive.” If used effectively, it allows BMW to “build loyalty among existing customers, to grow awareness in new market segments or drive after-sales revenues” (Hibberd).

Mielau recalls BMW’s most successful mobile marketing campaign to date, in which 30% of recipients purchased through the message they received:

By German law, everyone who buys a new car between May and September has to have fitted winter tyres by the end of November, when the winter snows usually start to fall. Mielau’s team took a sample of customers for whom they had mobile phone data and sent them an MMS featuring an image of their specific car, remind them that they needed to fit winter tyres. Customers also had the opportunity to download an application that allowed them to configure different tyres and rims with their car model to see which ones they wanted. They could then click to call a dealer to make an order or send an SMS asking the dealer to call them.

Mielau says, “so long as you treat the mobile channel as a service channel rather than an advertising channel, you can add lots of value.” BMW has found direct to mobile advertisements much more timely than regular mail, which is “always two weeks too early, or two weeks too late.” Above all, the mobile channel is cheap to use. This method also aligns with their targeted segment. “BMW is a premium brand and so one would expect that its mobile marketing strategy would be directed towards consumers of other premium brands; namely those who own and use higher-end smartphones” (Hibberd).

Other BMW mobile app offerings include an official motor sport app that allows enthusiasts to track BMW’s performance in the different types of racing they participate in, a BMW M Power meter that uses the accelerometer in iPhones to measure how many

G's a customer's car pulls under acceleration, and a remote vehicle monitoring and control system that syncs with the user's BMW to display things like battery charge level.

Print Ads

Though digital marketing campaigns continue to grow, BMW still maintains print advertising. Rarely, however, do BMW's print ads talk about the vehicles themselves. Like their video advertising, or arguably more so, print ads make extensive use of emotional involvement, message appeals and peripheral cues. It is rare to see a BMW print ad with more than one line of text. Though just one line, the text has a lot of meaning, especially when paired with the other peripherals in the ad. It aims to involve the viewer and provoke a thought process. BMW does this because it's the most effective route to change consumer's attitudes; BMW could talk about their vehicles in ads all day long, but a consumer isn't going to buy a BMW unless their attitude changes.

Peripheral cues are effective because they require involvement processing. Through the Elaboration Likelihood Model, the consumer is highly involved in processing the line of text presented in the print ad, and develops "a number of thoughts (or cognitive responses) regarding the incoming message that may either support or contradict the information." Because there is only one line of text, the consumer "will likely think carefully about the message he sees and the arguments that are presented...the arguments presented in the ad are critical. The [consumer] will consider the arguments presented and compare them to his current beliefs...if the consumer's beliefs are changed as a result of message exposure, attitude and behavior change will follow. Because the consumer is

highly involved and because he has taken the effort to carefully attend to the message, it is likely that the attitude change will be relatively enduring” (Babin 133-134).

Within the one or statements of BMW’s print ads, they make use of message appeals.

The ad in Appendix D uses a sex appeal, which consumers “often find...persuasive, even when they consider [it] to be exploitative or offensive” (Babin 138). The ad is for BMW’s Certified Pre-Owned program, and reads, “You know you’re not the first” over an image of a seemingly naked woman lying down in a bed. Important to note is the fact that there is no car in the ad.

Logic appeals are often used by BMW to explain their precision in engineering or the quality of their vehicles in an indirect way. The ad in Appendix E exemplifies this by showing a picture of a rabbit whose front legs are larger than its rear legs. At the bottom, the ad reads, “That’s why we don’t have front wheel drives.” BMW has long prided itself in the fact that all of its cars are rear-wheel drive for handling and performance purposes, and uses this ad to justify their decision to not compromise the handling and feel of their cars by making a front wheel drive.

Exclusivity appeals are popular methods of advertising cars from the M division, but also for the BMW brand itself. The ad in Appendix F utilizes an exclusivity appeal by showing 80 BMW roundels and reading, “One of these is not like the others.” At first glance, all the roundels on the page are the same, meaning that all BMWs are not like any other car; however, one is rotated slightly. In addition, the ad further motivates the

consumer to spend more time looking at the ad by appealing to his ego and saying, “Find it and we’ll not only offer you an incredibly low interest rate, we’ll pay your 10% down payment on any 2008 model you want. You have until October 31st. So go!”

Humor appeals are effective in “today’s age of tremendous advertising clutter,” and “can attract attention, create a positive mood, and enhance the credibility of the source” (Babin 139). Perhaps the most recognized ad, in Appendix G, employing this occurred by sheer chance. “On the corner of Santa Monica Blvd. and Beverly Glen Blvd...Audi [put] up some billboards showing the all new Audi A4 along with the headline: ‘Your move, BMW.’ Santa Monica BMW, a local dealership, took on the challenge and entered a virtual chess gameof course, with cars rather than pawns, kings or queens...

Juggernaut Advertising’s creative work features the BMW M3 with the headline ‘Checkmate.’ and is positioned prominently within the same sightline to westbound traffic as the Audi ad” (B., Horatiu). The ad was an instant overnight sensation among the online BMW community.

Other BMW ads use basic emotional appeals, especially those in conjunction with the Joy campaign. Appendix H shows an ad released with the Joy campaign that shows a young child gazing out enthusiastically over the wheel of a BMW, reading, “Joy is impatient.” This is both a hedonic appeal and also one that makes consumers reflect of the simple surprise and joy they experienced towards things as a child. Also in Appendix H is an ad for the 6 Series, with three letters at the top, “U.O.U.” A different spin on the term, “I

owe you,' this is also a hedonic appeal, telling consumers that they owe it to themselves to drive a BMW.

BMW has also found that sometimes, nothing needs to be said. Many of their Motorrad division ads or the newer M division ads (especially for the E92 M3), simply have a picture of the vehicle and no text, or text that simply identifies the model of the car. Examples can be found in Appendix I.

Other Avenues: Guerilla Marketing

In addition to television, print, online and mobile advertising, BMW makes use of other guerilla approaches. “Although marketers have attempted to get consumers talking about their products for years, generating a buzz around products and services is currently becoming very popular. And, in today’s world of mass media fragmentation and advertising clutter, these techniques can be very effective.” BMW accomplishes this by “using unconventional means” such as product launch events, sneak peaks, interactive events, and social media (Babin 180).

For example, when the new 1 Series M coupe was about to be released, BMW flew ten individuals to Europe to drive the car, video taped their comments and reactions to the car’s performance (without showing the car itself), and posted the videos online. By registering on M-Power.com, consumers had a chance to be one of the lucky ten. BMW has always been secretive about its new products. All cars are wrapped in vinyl camouflage during testing until they are officially revealed, usually at international auto

shows. In order to create a buzz about the 1 Series M coupe just prior to the official revealing, BMW presented the car in public areas with one or two areas of the car uncovered to give consumers a sneak peak at some of the design features. The exposed areas were small, usually just the front or rear quarter panel, involving a small area of the front or rear bumper and hood or trunk lid.

Recently, BMW has moved towards interactive drive events for new product rollouts. Consumers registered on BMW's website receive an email inviting them to their local dealership for things like the "X3 Difference Event," which traveled across the US with a small fleet of X3's and competitor vehicles. Consumers were given the opportunity to test drive the new X3 as well as the competitor vehicles to see how the X3 compared. Attendees were fed, given a product demonstration before the drive, and a thank you gift and financing incentive before they departed.

With the release of BMW.TV, viral marketing became huge for BMW. BMW augments BMW.TV with their Facebook and Twitter pages, allowing consumers to spread word of mouth through online conversations. At the time of this report, the BMW Facebook page had twice the amount of fans compared to the Mercedes page. On Twitter, BMW has separate pages for its corporate, Motorrad, motor sport, and BMWi divisions and sub brands.

BMW has, and always will be, heavily involved in motor sports. After ending its participation in Formula 1, BMW still maintains strong performance in DTM, Formula,

24 hour racing, and Le Mans. For fans and enthusiasts, these activities as well as sponsorships serve as another marketing channel for BMW to reach the passionate segment interested in racing and high performance driving.

Conclusion

BMW has long prided itself on being an independent company and different from other organizations who “stifle creativity and make it difficult for great ideas to thrive.” This is visible not only in their product offering, but their marketing efforts as well. For a company who believes “not taking risks is risky” and goes “to great lengths to protect ideas,” BMW has managed to differentiate their marketing one step ahead of its competitors.

Typically, advertising has always had an affective and cognitive component. As seen from BMW’s recent Joy and Unscripted campaigns, we see much less presence of a cognitive component. At times, only an affective component is present. This is a new avenue for connecting with customers and securing their interests in new products. Gone are the days of beating consumers over the head with product features and benefits; marketers today are instead interested with making customers realize the value products will bring to their lives. At times, as is the case for BMW, this value is emotional.

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