

Luxury cars: different and purchased differently

Craig Kleber, Y&R and Wunderman Irvine, describes a hard-to-reach, high-value, idiosyncratic market

ALUXURY CAR IS AN uncommon thing, and each genuine luxury car brand is uncommon by virtue of its persona. In fact, most of the people who own such vehicles are uncommon, and if they are not they aspire to be. So when developing marketing communications, should one apply a common, even one-size-fits-all, framing of how luxury cars are purchased?

We asked ourselves this very question earlier in the year while creating more inspired and efficient lead management programmes on our Jaguar and Land Rover business. The answer was a categorical 'no', quickly followed by a lot of questions, such as, 'How do wealthier people buy luxury cars?' So we asked them.

A tailored research project

We had no intention to replace Allison-Fisher's purchase funnel or other industry standards for monitoring purchase behaviour. You need normative data to compare and benchmark. However, to best meet the objectives of greater inspiration and efficiency, we designed and conducted our own research.

This was predominantly qualitative, as we wanted to understand the mindset and even the idiosyncrasies behind behaviours: the research attempted to understand as well as test a few hypotheses. We spoke to those in the process of shopping and those who had just come out of shopping - that is, who had just purchased). Being immersed in something versus having a recent historical perspective was, we believed, an important difference, and it turned out that it was. We also made sure that we covered off markets with very different sensibilities: values in the very wealthy 'Westside' of LA varied greatly from those in the exclusive 'mainline' of Philadelphia.

For obvious reasons we can't go into depth on our findings; they're being used by us for our clients' marketing. We can, however, touch on the highlights of the research, and these confirmed many of our suppositions and unearthed some critical points. We can't and don't want to



Land Rover in the US: becoming a conviction brand

challenge completely the way we analyse the existing method of monitoring the luxury car purchase process. But we now feel that to accept the status quo in this area would be to deny reality, thereby stunting brand-specific inspiration and impeding efficiency.

A top-line summary of the most salient points was more than enough to show that change is required. Each very special brand needs its own understanding of what its purchase path looks like and how it behaves. Moreover, there is more than one type of luxury car buyer, with differences implying major shifts in approach.

It's people who buy cars

We sell cars, people purchase them. That is the first thing to remember. Ignore the people side of it at your own risk. These wealthier people are fiercely independent: it is hard for them to hand over information. Only a genuine exchange of value will get them to surrender personal details. Moreover, one cannot say a contact is a lead, not even close. It's not what we wanted to hear, but it's what we needed to hear. Finally, they are also hard to read: signals implying imminent action are not easy to identify short of a briefcase full of cash; in one case this was how the respondent bought his cars!

People don't live in caves; they draw on associated luxury experiences. The laws

of contiguity apply. The way they are treated in first class by British Airways, the greetings they receive at the Waldorf Astoria and the patience the salesman showed them when buying a Vacheron & Constantin at Wempe are all used as reference points. What is the point in sending out less-than-premium contacts and inviting them to a less-than-premium dealership when selling what is in most cases a premium vehicle? We clearly saw the gap between how they are handled during purchasing a luxury car compared with other luxury purchases. This inconsistent behaviour, to the wealthier customer's eyes, does not build value, conviction or loyalty.

More important than their disposition to being targeted is how they buy. The full spectrum is represented. There are some strong archetypes that must be treated accordingly. For example, the 'pampered' and the 'researcher' both exist in all brands, however the relative weighting within each brand differs. In some cases this can be understood intuitively, and in some not. The 'pampered' are less likely to be wooed by a deal and certainly are not deeply interested in the subcutaneous product; however, they need to believe the brand is worthy of their attention and they are buying into something special, a club. Once they decide to buy they buy: little waiting is tolerated.

'Researchers', although a luxury pur-

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chase could be argued to be irrational, are highly rational creatures. They are avid users of the internet, both manufacturer's site and third-party sites, and will ask mechanics, owners and anyone else they can find to reassure or dispel hunches. Here we could be dealing with months of courtship. The important thing is that 'pampered', 'researchers' and the other groups we identified are all buying A8s and Range Rovers. Can we afford to treat all of them the same way? Doing so courts irrelevance.

Conviction brands

Different brands have very different natures and standings. Certain 'conviction' brands have a very straight and often short line between the beginning and end of the path (see Figure 1). Two well-known German brands and one Japanese brand were the essence of this. Short of being seriously derailed by a terminal comment from a current owner or a horrendous dealer experience, these brands are fast-tracked - so time-compressed that, in effect, the traditional purchase funnel doesn't exist. In some cases the experience, no matter how bad, did not deter the buyer.

On the other hand, we saw quite a few 'curiosity' brands where a lot of basic interest exists, but very little real knowl-

edge - the kind of knowledge necessary to commit to purchase. These brands have a meandering and hard-to-predict path of love, hate, doubt, fear, and so on. In short, we realised that knowing *of a* brand does not equate to knowing that brand. Brands are at different stages with different people: surely a place for direct marketing, in whatever form, content and frequency, to play a major part. Whether it is straight line or a pattern resembling an ant farm, we must configure appropriately.

What sequence?

Sequence? What sequence? Very few people are aware of or practise anything that looks like a manageable sequence. What seems chaos to us is perfectly natural to them. They do not segment communication by media but by meaning - for example, product comparison versus aesthetics. The word that describes their interaction with all the contact points to which we expose them is 'concurrency'. We know we have to be there for them to piece their purchase melange together, but we can't tip consumers from bucket to bucket or expect baton-to-baton exchange. This flies in the face of managing and controlling leads: these people are not leads, they are high-demand, high-value clients.

We learned many other things, while

having others reinforced. As one would expect, the more transient, 'what have you done for me lately' attitude in Beverly Hills begets less dealer loyalty and more aggressive bargaining tactics (briefcase of cash included). What surprised us was the general numbing that many luxury car brand magazines' fantastical content seemed to elicit. After a point there are only so many stylish cocktails to be sipped in exotic locations that owners want to read about.

The message to us was pretty clear. Luxury car brands and luxury car buyers are not created equal. Luxury car buyers and the way they purchase are not best served by an off-the-shelf approach.

'Each brand has a varied nature and situation creating its own path to purchase - direct or circuitous'

Knowing what stage your brand is in and what level of knowledge exists is necessary - is there a lot of knowledge with little interest or a lot of interest with little knowledge? Very different types of buyers exist and each brand has different amounts of each type of buyer. Each brand has a varied nature and situation creating its own path to purchase - direct or circuitous.

To get to that straighter line requires not seeing a car purchase but a brand purchase, and all that that entails. That straighter line, if handled properly, sets the course for creative inspiration, added brand value and greater loyalty. The differences we accept in style, driver imagery and heritage between a Porsche and a Jaguar, or a retired professor versus a nightclub owner, don't stop when it comes to how the purchase path is handled.

The differences matter, they really *do*.

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FIGURE 1

Deviating purchase paths: conviction and curiosity brands

