



SEAT Case-Study:

An approach to repositioning strategies: the case of SEAT - from “Auto Emoción” to “Technology to Enjoy”

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ABSTRACT

Dissertation title: “An approach to repositioning strategies: the case of SEAT – from “Auto Emoción” to “Technology to Enjoy””

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The aim of this research is to understand and measure the perceptual impact of the repositioning of the brand in Portugal, by addressing the old positioning, the reasons behind the repositioning, the steps taken and the impact it had in consumers.

SEAT is a Spanish brand owned by Volkswagen Group. In Portugal SEAT has been gaining some market share, however it was not always like this. In 2012, crisis was in the highest levels since its start. The automotive sector was one of the most affected sectors. People stopped buying cars and thus sales dropped off. Automotive brands, like SEAT were struggling and a change was necessary. In 2012, SEAT decided to reposition. In order to that, they decided to adopt some new strategies, change their logotype and change their old slogan “Auto Emoción” to a new slogan: “Enjoyneering”. However, this last slogan wasn’t well perceived by consumers, suppliers and partners, no one understood the meaning of the word. Thus, the brand decided to change to its real meaning “Technology to Enjoy”.

This research includes an academic revision, Literature Review, in order to address specific concepts inserted in the study. A Case-Study was developed as well as Teaching Notes so that it can be given in class. Finally, a Market Research was conducted through both primary and secondary sources – an In-depth interview with the Marketing Director of SEAT Portugal and a Survey to understand the perceptual impact of the repositioning strategy.

We might say that the brand is succeeding with the repositioning, however it still has a long way to go since a significant percentage still think SEAT as “Auto Emoción” and from those who knew the current slogan did not associated with the brand.

RESUMO

Título da Dissertação: “An approach to repositioning strategies: the case of SEAT – from “Auto Emoción” to “Technology to Enjoy””

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O objetivo deste estudo é compreender e medir o impacto perceptual do reposicionamento da marca SEAT em Portugal, abordando o antigo posicionamento da mesma, as razões que levaram a marca ao reposicionamento, os passos tomados e o impacto que teve nos consumidores.

A SEAT é uma marca espanhola detida pelo grupo Volkswagen Group. Em Portugal, a marca tem vindo a ganhar quota de mercado, no entanto nem sempre foi assim. Em 2012, a crise económico-financeira tomou níveis muito elevados. O sector automóvel foi dos mais afectados e no geral, a população deixou de comprar carro e desta forma as vendas automóvel caíram. A SEAT foi das marcas mais afectadas, as marcas automóveis estavam encurraladas e uma forte mudança era necessária. Em 2012, a SEAT decidiu reposicionar-se no mercado. Para tal, adoptou novas estratégias, mudou o logotipo e o seu antigo slogan “Auto Emoción” para “Enjoyneering”. No entanto, este último não foi compreendido tanto por consumidores como por fornecedores e parceiros. Assim a marca decidiu alterar para o actual slogan e verdadeiro significado da palavra “Enjoyneering” para “Technology to Enjoy”.

Este estudo inclui uma revisão literária a fim de abordar conceitos teóricos inseridos no caso. Foi desenvolvido um Estudo de Caso assim como Notas para que o mesmo possa ser dado em aula.

Por fim, desenvolveu-se uma pesquisa do mercado através de fontes primárias e secundárias. As chaves foram diversas entrevistas com a Directora de Marketing da SEAT Portugal, Dra. Teresa Lameiras e um questionário para perceber o impacto da estratégia de reposicionamento.

Podemos afirmar que a estratégia de reposicionamento tem vindo a ser bem sucedida, contudo, há um longo caminho a percorrer dado que uma percentagem significativa ainda pensa na SEAT como “Auto Emoción” e daqueles consumidores que conhecem o atual slogan não o associam diretamente com a marca.

TABLE OF CONTENTS

Acknowledgements	i
Abstract	ii
Resumo	iii
1. Introduction	3
1.1 Research Problem	3
1.2 Key Research Questions	3
1.3 Methodology	4
2. Literature Review	5
2.1 Introduction	5
2.2 New challenges of positioning	5
2.3 The increasing importance of repositioning in an ever-changing market	7
2.4 Importance of strong brands in retail	8
2.5 Brand Image drives brand equity	9
2.6 Communication in the Automotive Industry	10
2.7 Effective logotype as an important factor	12
2.8 Slogan as a way to position the brand	13
2.9 Trends in Automotive advertising	14
3. Case-Study	16
3.1 Automotive Sector in Portugal 2004-2014	16
3.2 SEAT's origins	18
3.2.1 SEAT's presence in Portugal	19
3.3 SEAT brand values "Our six values to make it happen"	20
3.4 Major competitors	21
3.5 Key success factors	23
3.6 SEAT's competitive advantages	23
3.7 Old Positioning	24
3.8 New Strategy, new image and new slogan	25
3.9 "Technology to Enjoy" as a new positioning	27
3.9.1 Why repositioning?	27
3.9.2 Meaning of the message	27
3.9.3 Current Positioning	28

3.10	Communication strategy and results	28
3.11	The year of 2014 for SEAT	29
4.	Market Research	31
4.1.	Interview with the Marketing Director of SEAT Portugal	31
4.2.	Online Survey	31
4.2.1.	Demographics	32
4.2.2.	Key factors and features in car purchase	32
4.2.3.	Brand Knowledge and Recognition	33
4.2.4.	Brand Awareness	33
4.2.5.	Impact in Consumers	34
5.	Conclusion	38
6.	Limitations and Future Research	40
7.	Teaching Notes	41
7.1.	Synopsis	41
7.2.	Target and Audience of the case	42
7.3.	Teaching Objectives	42
7.4.	Relevant Theory	43
7.5.	Teaching Plan – In-class discussion	43
7.6.	Additional areas of discussion	49
8.	Case-Study Exhibits	50
9.	Market Research Exhibits	56
10.	Appendix	62
10.1.	Interview Guide with Teresa Lameiras	62
10.2.	Online Survey Guide	64
11.	References	70
11.1.	Academic Papers	70
11.2.	Other Sources	73

1 INTRODUCTION

SEAT is a Spanish automobile manufacturer belonging to Volkswagen Group, with its head office in Martorell, Spain. In 2012, and to keep going forward SEAT changed its positioning.

Since SEAT entered in the market they always tried to show how emotional was to drive a SEAT. But, nowadays not only emotion is important as it is also innovation. Being the only automotive brand that has its own area of R&D, SEAT started to send a new message to the consumer – Technology – with this they came up with a new slogan: “Enjoyneering”. Later on, in this year, they changed to the real meaning of “Enjoyneering”, that wasn’t understood by the consumers, to “Technology to Enjoy”.

We will see later on about this new positioning of the brand.

1.1 RESEARCH PROBLEM

Understand and measure the perceptual impact of repositioning by addressing the old positioning, the reasons behind the repositioning, the steps taken and the impact it had in consumers.

1.2 KEY RESEARCH QUESTIONS

RQ1: What was the old positioning of SEAT?

In order to understand what was changed we should address the old positioning and understand what was missing.

RQ2: What were the reasons behind the repositioning? What were the steps taken?

It is not everyday a company does a repositioning. It is risky but it can bring many advantages for the company. We should understand why the company wanted a different slogan and consequently a new positioning.

RQ3: What is the current positioning of SEAT?

Understand what message the company wants to place in the consumer’s mind and what the desired associations are.

RQ4: What were the customers and non-customers reaction to the new positioning?

Understand if the customer perceived the change, if they liked or not, if the perceptions were different among different groups in order to evaluate the effectiveness of the repositioning – If the consumer’s perceptions were as the ones the company intended to communicate.

1.3 METHODOLOGY

In order to provide reliable and relevant information, bearing in mind the research questions presented above, primary data was collected.

It was necessary to gather information about specific topics for the case. Thus several online and face-to-face interviews were conducted with the Marketing Director of SEAT Portugal, Teresa Lameiras. This detail and rich information was essential for the development of the Case-Study.

Besides the interview market research was necessary to answer the research questions, more precisely to measure the perceptual impact of the repositioning and its effectiveness regarding consumers. Thus it was developed an online survey in Qualtrics.

The survey was directed mainly at adults, which means, people more than 18 years old. Since we are talking about cars, driving experiences and perceptions when people intend to buy a car, the survey would only make sense to people that can legally drive one. It was spread online through social media, namely Facebook, and by e-mail. From 247 surveys started only 165 were finished. Thus, we should consider a sample of 165 respondents, which is a significant sample for this study.

In addition secondary data was collected from scientific articles from Top Journals in order to create the Literature Review providing an overview of the most important concepts of this study and to complement the Teaching Notes. Moreover, information was collected through other sources such as websites, reports, and internal presentations of the company in order to complete the Case-Study.

2 LITERATURE REVIEW

2.1 INTRODUCTION

The current section of this case-study aims to analyze the theoretical background which sustains the academic knowledge of this study. The purpose is to analyze information related to branding and positioning – with a major focus on repositioning strategies.

The first part will have a focus on the challenging of positioning and then approaches the increasing need of repositioning strategies due to the changing environment in this market.

Then it will focus more on branding, specifically regarding the importance of strong brands in retail.

Finally it will focus on the communication in the automotive industry by highlighting two important factors: heritage and quality. Then it will be explain the importance of effective logotypes and the slogan as a key to position a brand.

Due to the lack of specific information regarding the automotive sector about branding, positioning and communication it will have a focus, mainly, on retail.

2.2 NEW CHALLENGES OF POSITIONING

Today and from the start of our Marketing lectures we've all learned that positioning is place attributes, impressions of a brand in the mind of the consumers. Kotler (2003) defines positioning as “the act of designing the company’s offering and image to occupy a distinctive place in the mind of the target market”. Positioning involves selecting the attributes with which the brand is intended to be associated (Gwin&Gwin, 2003). During this association phase, the objective of the brand is to enter the consideration set (Urban et al., 1993), which means that the brand’s product or service get in the range of choices when a consumer intends to buy something. Moreover marketers use a positioning strategy to distinguish their firm’s offerings from those of competitors and to create promotions that communicate the desired position (Boone and Kurz, 2001).

Successful brand positioning is one of the ultimate goals of brand management (Bei, Chu & Shen, 2011) and also assumes an important key for the company since “it represents the key strategic framework for a company’s communication campaign on behalf of the brand” (Wind, 1990). It aims to create a unique and favorable image in the mind of target customers (Bhat, 1998).

Positioning has been gaining greater importance over time. Marketing has changed significantly to the extent that as features of offerings become less distinctive, intangible factors gain importance whereby the management of reputation and manipulation of consumer perceptions and the positioning of the firm and its offerings in the marketplace become more important (Hooley, Greenley, Fahy and Cadogan, 2001; Lindgreen, Plamer and Vanhamme, 2004; Ries and Trout, 1986).

There are several types of positioning strategies. Kotler et al. (1999) presented a series of strategies that companies can adopt to influence consumer's perceptions about their products: Positioning based on the product attributes, based on benefits or needs they satisfy, based on usage, based according to the user, based on activity, based on personality. Based on origin, based on another brand and positioning based on competition.

To sum up, positioning aims to create an image of the brand in the consumer's mind with the brand's desired associations in order to simplify consumer's buying decisions, to influence the consumer's perceptions to different products and achieve a superior competitive positioning up to its competitors. To be successful a firm's offering must be well positioned in the marketplace.

One of the keys of success of the positioning strategy is "favorability". This "determines whether the customers have created a set of positive associations" (Fush & Diamantopoulos, 2012) with the brand or not. Thus companies have to give a major importance to the attributes. According to Aaker (2005) determinant attributes define not only the products benefits and value to the user, but also associations with the product consuming process and with the consumer himself.

Usually companies select two attributes from several. Those two chosen attributes "are then emphasized when communicating to the target market (Aaker and Shansby, 1982).

Thus, we should consider position of the brand as one of the most important factors when communicating with the customer and brands should have well indentified the attributes they want to transmit and the image they want customers to perceive about the brand.

2.3 THE INCREASING IMPORTANCE OF REPOSITIONING IN AN EVER-CHANGING MARKET

Companies are trying to manage their positioning strategies and change them over time. Thus they are using different positioning strategies to move to new positions in consumers' minds and so generate an advantage over their competitors (Ostaseviciute and Sliburyte, 2008).

Repositioning is conscious adaptation to a changing environment, representing a fundamental shift in the firm's value (Turner, 2003) and an action off resetting the brand identity elements to be actively communicated an audience given (Telles,2004). Moreover Turner (2003) states that "strategic repositioning is a conscious act undertaken by enterprises as they adapt to a changing commercial environment. Such strategic change often represents a fundamental shift in the underlying value proposition of the enterprise as it seeks to change its targeted market segment(s) and/or its basis of differential advantage"

When a firm decides to reposition a brand, it is attempting to achieve two results. First, the firm is expecting that a strong association will develop between the brand name node and the new-positioning-attribute node. Second, the firm is expecting that consumers will fail to retrieve the old positioning that the brand has cultivated I the past. Thus, successful repositioning requires that both the old positioning is weakened and the new positioning is learned (Jewell, 2007). In order to achieve awareness and make consumers learn the new positioning the message has to be repeated so that consumers keep the new message inside their minds and weak the message of the old positioning.

Repositioning can occur due to many reasons, introducing a new brand, change existing brand, alter beliefs about the brand, alter beliefs about competitive brands, alter attribute importance weights, introduce new and neglected attributes or to find a new market segment (Stern, 2006).

In order to adapt to the changing environment retail companies have been repositioning their products/services. That changes sometimes are small and gradual however other times are more radical and riskier. "They are riskier in that the abrupt change can lose existing customers without successfully creating a new customer base" (Cortjens and Doyle, 1989).

To sum up repositioning strategies have been increasing overtime due to a lot of factors, mainly, the ever-changing environment. Companies have to adapt and create new positions in consumer's mind so they can be differentiated more effectively from other competitors.

2.4 IMPORTANCE OF STRONG BRANDS IN RETAIL

“Brands not only furnish the environment in which I live, but they also enrobe me, and by so doing, help define who I am. They help define who I am not: if I were to tell you which brands I avoid, you would learn still more about me” Alexander L. Biel in Journal of Advertising Research

The marketing communications environment has been changing overtime. Technology and the internet are fundamentally changing the way the world interacts and communicates. At the same time, branding has become a key marketing priority for most companies (Aaker and Joachimsthaler, 2000; Kapferer, 2005).

We have learned that brands are meaningful to consumers not just because they are strategically managed by companies, but because consumers incorporate them into their lives and add their own idiosyncratic stories to them (Brown, Kozinets, and Sherry Jr. 2003).

“In consumer marketing, brands often provide the primary points of differentiation between competitive offerings, and as such they can be critical to the success of companies” (Sheffield, 2000).

A brand is more than a name (or “mark”). Other brand elements such as logos and symbols (Nike’s swoosh and McDonalds’ golden arches), packaging (Coke’s counter bottle and Kodak’s yellow and black film box), and slogans (BMW’s “Ultimate Driving Machine” and VISA’s “It’s Everywhere You Want to Be”) play an important branding role as well (Keller and Lehmann, 2006). A brand is what defines the firm, it leads customers to identify and differ from other firms which simplify their choices. Thus it’s an important asset that should be considerate during the lifetime of the business.

Building and developing a strong brand is not easy. Branding is the initial means to build consumer awareness by naming the offer, but also to distinguish the offer from other similar products or services within an establish category (Kay, 2005). For instances General Motors, when introduced Saturn with the slogan “a different kind of company, a different kind of car” was highlighting the difference of the group with respect to other competitors. However, being different is not enough to create a strong brand. This differentiation needs to have a meaningful basis otherwise it won’t be effective. Now, the goal is not only create differentiation but to develop the “brand meaning”. The main goal is to engage with

consumers and cultivate the meaning of the brand. Consumers should identify with the brand, connect with it, and feel part of it.

2.5 BRAND IMAGE DRIVES BRAND EQUITY

Many authors define brand image as the associations linked to the brands. Kotler (2001) defines brand image as the set of beliefs, idea and impression that person hold regarding as an object. On the other hand Biel (1992) defines brand image as that cluster of attributes and associations that consumers connect to a brand name. Those can be tangible or intangible attributes. For instances, the tangible is the security that Volvo cars have. On the other hand an intangible is the emotion a SEAT car brings to the driving of customers.

Another definition given by Keller (1994) is brand image refers to the set of associations linked to the brand that consumers hold in memory.

With regard to content, there are three different types of brand associations: attributes, benefits, and attitudes. Customer-based brand equity develops when a consumer holds favorable, strong, and unique brand associations in memory (Bauer et al. 2008).

The image of the retailer in the minds of consumers is the basis of this brand equity. In retail, a retailer's brand equity is exhibited in consumers responding more favorably to its marketing actions than they do to competing retailers (Keller 2003). Thus, it's really important to develop a strong, coherent and positive brand image since it defines part of the effectiveness of the brand equity.

Nowadays, one of the major goals, of companies is to establish a health and good relation with consumers and, with this, create brand equity. Brand equity has been viewed from a variety of perspectives. There have been two areas that define differently brand equity – account and marketing.

Feldwick (1996) simplifies and suggests a classification of the different meanings as “the total value of a brand as a separable asset”, “a measure of the strength of consumer's attachment to a brand” and “a description of the associations and beliefs the consumer has about the brand”.

Recalling what we've learning in our marketing lectures we usually call to the first definition given by Feldwick the “brand value”, the second we call “brand loyalty” and finally the third definition we call “brand image”. Thus brand equity is a mix of these three sides of the brand.

A broader definition of brand equity is “the set of associations and behavior on the part of a brand’s customers, channel members and parent corporation that permits the brand to earn greater volume or greater margins than it could without the brand name” (Leuthesser, 1998).

Although the details of the approaches to brand equity may sometimes differ, they tend to share a common core: all definitions either implicitly or explicitly rely on brand knowledge structures in the mind of consumers – individuals or organizations – as the source or foundation of brand equity (Hoeffler and Keller, 2003).

The brand knowledge is defined in terms of brand awareness, which is related to the brand recall and recognition performance by consumers and brand image as it was defined above.

2.6 COMMUNICATION IN THE AUTOMOTIVE INDUSTRY

Marketing communication has been playing an important role in building relationships with stakeholders and with this an increase the brand equity. Advertising and promotions of brands drive traffic and sales volume; marketing efforts and outcomes are measured and managed at the brand level; and brands are central to a firm’s responses to short-term competitive moves. In effect, brands have become the focal of many company’s marketing efforts and are seen as a source of market power, competitive leverage and higher returns (Dawar, 2004).

Regarding positioning and creating space for a new positioning, a new idea of the brand is complex and takes time to get in the mind of consumers. For example, a meaningful space is created for a random word like “Volvo” in people’s mind only because it is associated and referenced with a useful benefit like “safety”, which already exists in their mind-space” (Aziz, 2013).

In order to achieve the desired associations, ad positioning has to be done. Taken in conjunction with brand positioning, ad positioning can serve as a useful framework for the second half of the brand management process, ie creating effective communication based on important messages that can capture meaningful space in the minds of consumers (Aziz, 2013).

There are some important factors when communicating, advertising and selling in the automotive industry. Heritage and quality are two of them.

Perceived quality can be defined as the consumer’s judgment about a product’s overall excellence or superiority (Lewin, 1936). The perceived quality of services is the result of the

comparison that customers make between their expectations of service and their perception of how the service was executed (CARUANA et al ., 2000; Grönroos , 1984; MALIK , 2012; Parasuraman et al ., 1985, 1988, 1991). Quality has a great impact on customers' perception and their buying behaviors; it becomes another key factor for product providers (Choy, Lam & Lee, 2012).

Usually consumers, before buying a car, try to gather all the information they can. Thus, for high involvement purchases, like an automobile, perceived quality of a product can be a dominant driver of product selection, and consumers often gauge quality based on signals in the market (Olshavsky, 1985).

In order to influence the consumer to buy their brand rather than the competitors brand, companies usually try to exploit quality signals to the consumers. In an automotive context, the most commonly employed quality signals include price, advertising, warranty and brand names (Akdeniz, Calantone and Voorhes, 2013). Thus, there is a big importance of the brand in automotive industry and specifically their image and name.

Heritage is another key factor when communicating in this industry.

With the economic and financial crisis consumers tend to prefer brands in which they are more related to, which they know better – brands with heritage – which consumers can trust.

In the automotive sector, trust is an important factor. According Wiedmann, Hennings, Schmidt and Wuestefed (2011) consumers tend to prefer brands with heritage because these brands are perceived to be more credible, trustworthily and reliable. Those choices minimize the sense of risk in the purchase decision. Thus this simplifies the choices of consumers and put brands in the set of choices of consumers.

Heritage is an important value driver, especially for corporate brands, as the early roots add authenticity and differentiation to the brands (Aaker, 2004).

Heritage is composed by five main elements: Track record which means the company has been known or connected with a certain value or attribute (for instances Volvo is related with “safety”). In addition, longevity, which is the “family business”, with years of existence (for instances de Volkswagen Group in which SEAT belongs), core values that are the basic values that a brand is associated with, use of symbols such as the logotype and its meaning through the design or colors (“S” for SEAT) and finally the importance of the history to the identity of the brand. It's of utmost importance that companies know their mission, what they

are and who they are. If they do understand, this is a key part of communication, advertising and the marketing mix (Brown, Kozinets and Sherry, 2003).

To sum-up, any brand, but especially those that are struggling, which is the case of some automotive brands nowadays, can benefit from going back to its roots and identifying what made it special and successful in the first place (Aaker, 2004).

2.7 EFFECTIVE LOGOTYPE AS AN IMPORTANT FACTOR

The corporate identity of a firm is strategically important in differentiating companies and helps to establish customer loyalty. Of the elements which help to establish this, corporate visual identity (CVI) includes all visual aspects of the firm including buildings, products, uniforms of staff, paperwork and the corporate logo (Van Riel and Van Den Ban, 2001; Green and Loveluck, 1994). The logo is regarded as the first interaction between a brand and its consumers (Banerjee 2008).

The word logo refers to a graphic design that a company uses, with or without its name, to identify itself or its products (Giberson and Hulland, 1994). It can be used to express the identity of a brand in its industry, provide legal protection and develop a holistic recognition of the company. (Banerjee 2008).

Logos should be recognizable and meaningful for the target market. Moreover it should be coherent with the brand values and also, should speed recognition of a company or a brand (Peter, 1989).

For retail, in particular, logos are highly important since they help consumers to immediately recognize a product from a specific brand.

There are two major aspects of the logo's characteristics: colors and design. It's important to have these two aspects having in consideration the image of the brand that the company wants customers to perceive. Despite the importance of logotypes, little academic research was done.

2.8 SLOGAN AS A WAY TO POSITION THE BRAND

The slogan plays an important role in the advertising of a retail brand. It captures the meaning of the brand's positioning and transmits the main message that the company, or the brand, wants to transmit to the customer. Nowadays, almost every brands or companies employ slogans. This is an important attribute for the brand's identity and differentiation and also for positioning and repositioning of brands or companies in an ever-changing market.

Advertisement is present on a daily basis. Every day people are exposed to a huge number of advertisements. An advertisement slogan is a form of logo that sums up specialty, benefit, and marketing position (Shi, 2013). An advertisement slogan is a short phrase used to help form an image and identity. Similarly, Hatim (2001) notes that slogan is a short and laconic phrase that a company uses over and over in its advertisement. Slogans contribute to attainment of two broad objectives: (1) enhancing the brand awareness and (2) creating, supporting or changing the brand's image or perceptions; that is, positioning or repositioning of the brand (C. Kohli et al. 2007).

The advertisement slogans are important in transmitting messages to the consumers. The slogan is frequently repeated in the advertisements with one of the major goals, which is recall and thus creating brand awareness and identity. It's very useful to enhance brand identity and transmit the main message that customers should perceive about the brand. The slogan can be proved to be more powerful than a logo. People can remember and recite the advertisement slogan, whereas they are unlikely to doodle over the logo. Thus managers should deliver the key message to the customer through the slogan advertisement.

There are three main features of advertisement slogans which are, the lexical, sentence structure and rhetorical. Shi (2013) suggests one more which is the social and psychological features.

- a) **Lexical features:** new words and phrases that are created to attract customer's attention and, to meet their needs for curiosity. Those words or phrases usually suggest the main attributes of the brand. For instances, in the old slogan of SEAT "Enjoyneering" showed two sides of the brand: the emotion and the technology. Nowadays, these misspelling words are deliberated. Many authors suggest that those new words are highly memorable in the mind of the consumer. However,

they have to be meaningful and understood by customers otherwise it ends up by being a failure.

- b) **Sentence structure:** In order to be understood the language of the advertise slogan should be simple and concise. This is the word or phrase that is repeated more in advertisements and it's what distinguishes the advertisements from texts.
- c) **Rhetorical features:** Rhetoriciatians maintain that any proposition can be expressed in a variety of ways (Newmark, 2001).

According to Ke and Wang (2013) the advertising slogan is the most important part in the advertisement. It should attract the consumer's attention as soon and long as possible. Therefore, an advertising slogan should have attentive value which means that should have a language of immediate impact and persuasion. It should leave the main image of the brand and the value of having a product of that brand. It should capt the customer desire to buy or at least to consider the brand in their range of choices. Another key is memorability and readability. This means that the slogan should create an impression of the brand that lasts for a long time and able to affect the consumer's buying behavior. Here the heritage that we've mentioned above as key to communicate in automotive industry. Finally, the selling power – all of this effects of recall, influence in the purchase behavior lead to the main goal of advertising – sell.

Finally, and regarding branding background, the advertising has been key to positioning and repositioning strategies, and has potential to change brand perceptions. When it is effectively communicated it can enhance the brand image and awareness and this contributes to the brand equity.

To sum-up it should be part of the strategy of a brand when it the brand is defining its identity. Moreover it should be memorable, meaningful and understood by consumers, so they can recall and differentiate from other competitors.

2.9 TRENDS IN AUTOMOTIVE ADVERTISING

The automotive industry has been changing. High-technology is gaining space and the supply chain is changing.

Today's high-risk society, in which safety has become a growing concern, has grown out of human advances in science and technology. There have been changing in the patterns of consumption and in consequence there is a change of direction in automotive advertising

content. Shifts in market demand, as well as social values that demand increased safety levels, have occurred in tandem with complementary innovations in motor vehicle technology (Byron, 2003; Deep, 2000).

The automotive industry is currently facing international pressure to eliminate unsafe driving content, such as portrayals of speeding and aggressive driving from its advertising (Power, 2007).

Several studies indicate that the content of automotive advertising messages is based on performance such as speed or acceleration and power and sometimes related to aggressive driving practices. This has to be changed. Consumers are more concerned about safety issues and technological equipment, always aligned with the safety. Thus, communicating in a different way is key to succeed and automotive brands have to change the way they communicate.

3 CASE-STUDY

The economic crisis has been very demanding on the automotive sector. In 2012 automotive brands saw their sales drop dramatically. Sales had dropped for the lowest values of the last 27 years. The segment of light passenger was the most affected being sold less than 100 000 units, a drop of 39,7% (Exhibit 1). Moreover, this automotive crisis also saw a fiscal drag in the sector, the families' income had decreased and the granting credit was more difficult than before.

In addition to these economic factors, consumers were also becoming more demanding, and their patterns of consumption have been changing overtime. According to Teresa Lameiras¹, nowadays we have more rational buying behaviors and not anymore emotional buying behaviors due to a lot of factors, mainly the economic crisis. Thus, brands needed to adapt and SEAT was no exception.

In 2012 SEAT decided to change its positioning strategy. They changed their logotype and also their old and well-known slogan "Auto Emoción" to "Enjoyneering". The objective of this new slogan was not well understood by the consumers, thus SEAT changed again for the real meaning of the word to "Technology to Enjoy". The main objective was to communicate not only the emotion but also the technology.

It's here where our journey starts, a journey that will lead us to the reasons behind this repositioning of the brand SEAT and the impact it had in consumers.

3.1 AUTOMOTIVE SECTOR IN PORTUGAL 2004-2014

The automotive industry in Portugal hosts five car manufacturers: Volkswagen AutoEuropa, PSA Peugeot Citroen, Mitsubishi, ISUZU and Salvador Caetano. Most of its total production is sent to international markets such as France, Spain and United Kingdom. Moreover it hosts 200 automotive suppliers companies and nowadays is highly committed in developing a sustainable automotive sector.

It represents an important sector of the Portuguese economy. It exists 30 thousand companies dedicated to this activity which ensure a position work to 124 thousand people and thus representing 2,7% of the total employment. Furthermore it represents 3% of the GDP².

¹ Marketing Director of SEAT Portugal

² Source: AICEP – Agência para o Investimento e Comércio Externo de Portugal

In terms of sales of light vehicles from 2004 till 2008 there were no significant oscillations being in average sold 268.044 vehicles per year (Exhibit 2 and 3). However 2009 was a year of a severe recession, being sold only 199.919 light vehicles, a variation of -25,6% up to the previous year. Since then sales decreased dramatically (Exhibit 3). 2012 was the worst year since 1985 in terms of sales. There were only sold 111.320 vehicles, a decrease up to 2011 of -40,9% (Exhibit 4). This was the dramatic year for the automotive sector in Portugal a lot due to the financial and economic crisis the country was living. The purchasing power had decreased, the GDP per capita adjusted for purchasing power parity felt. Moreover people were saving more money and thus they stopped buying cars (Exhibit 5).

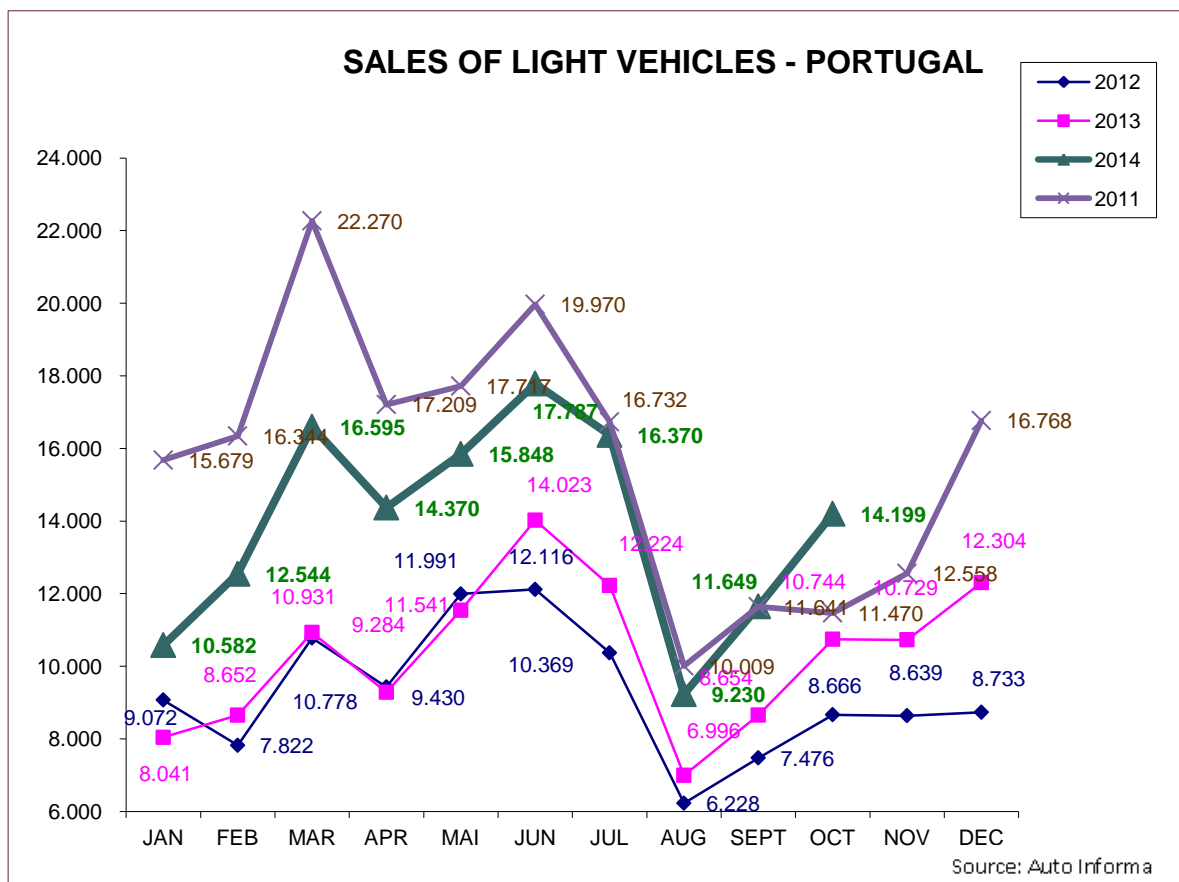


Figure 1 – Sales of Light Vehicles

Fortunately in 2013 there was a little increase on sales, about + 11,5% (Exhibit 4).

In this year, 2014, sales have been growing however the crisis still remains and companies have to face the crisis and adapt (Exhibit 4).

It was due to this crisis in Portugal that companies had to change the “rules of the game”. Business models, repositioning, were some of the changes that had to be done in order to face the crisis by automotive brands.

3.2 SEAT’S ORIGINS

Back in the first half of the 20th century Spain’s economy was relatively underdeveloped and had a limited automobile market. Spain’s limited market for mass-produced vehicles was taken over by foreign companies. With the Spanish Civil War car demand collapsed and the interest of foreign companies in Spain decreased. This threat became an opportunity for the development of the Spanish automobile market.

In 1950 SEAT was founded under the name “Sociedad Española de Automóviles de Turismo, S.A.” (S.E.A.T.) by the Instituto Nacional de Industria (INI)³, with a starting capital of 600 million pesetas⁴ (the equivalent of 3,6 million Euros nowadays). The objective was to enhance the sales in Spain after the Civil War.

By that time six Spain banks and the Spanish government signed an alliance contract with the Italian car manufacturer Fiat. The objective was to bring life to Spain’s major car manufacturer. In 1953 the first plant was constructed in Zona Franca District of Barcelona with an initial workforce of 925 employees and by November of that year the first SEAT 1400 model was constructed.

In mid of 1980 SEAT needed a capital investment that Fiat could not afford, thus by 1982 SEAT ended its co-operation with Fiat. It was time for Volkswagen Group to examine the opportunity of approaching SEAT. In 1982 an Industrial and Commercial cooperation agreement was signed with Volkswagen. Due to the success of SEAT’s models and the need to increase the levels of production in 1993 was created a new industrial plant in Martorell⁵, the nowadays R&D⁶ facilities.

Today, SEAT is wholly owned subsidiary of Volkswagen Group⁷ and is the only major Spanish car manufacturer with the ability and the infrastructure to develop its own cars in-house. It launches its own models of cars in more than 76 markets worldwide.

³ National Institute of Industry

⁴ Spanish currency before 2002

⁵ Municipality in Catalonia, Spain

⁶ Research and Development

⁷ Since 1990

Nowadays SEAT’s cars are considered as a “generalists”, affordable to many social classes, from mid to high class.

Its core market is Europe and in this year the brand had 355.000 units sold worldwide. Moreover in terms of marketing, the brand saw its image growing in “Image Momentum”, which means that the brand became trendier (Figure 2).

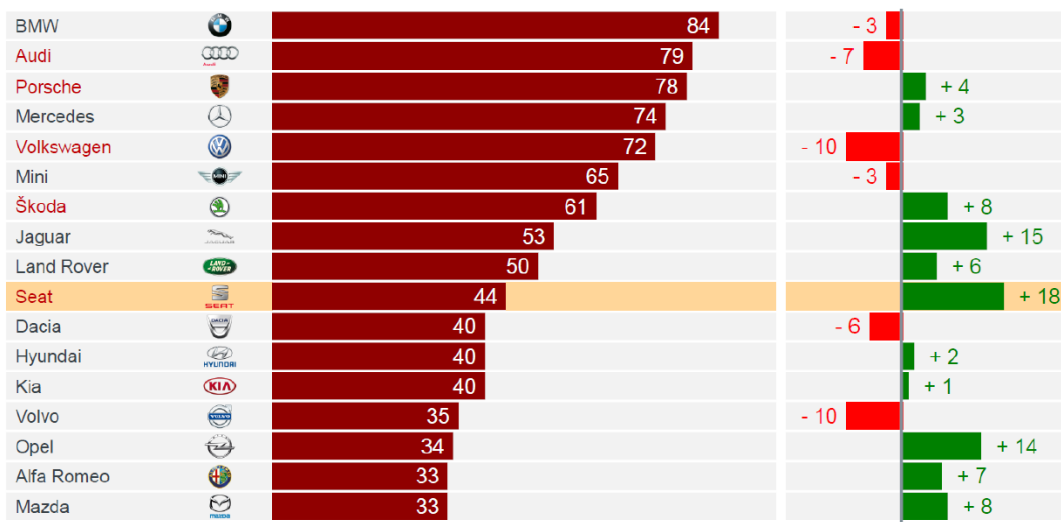


Figure 2: Image Momentum 2014

Source: Internal Documents

It counts today with staff of

14.010 people and offers 13 different models of cars.

Finally in Portugal the brand has been gaining some awards and has been growing inside the country. In terms of market share, in this year, SEAT reached 4,9% in total volume of sales⁸, an increase of +1,35% up to 2013 (Figure 3).

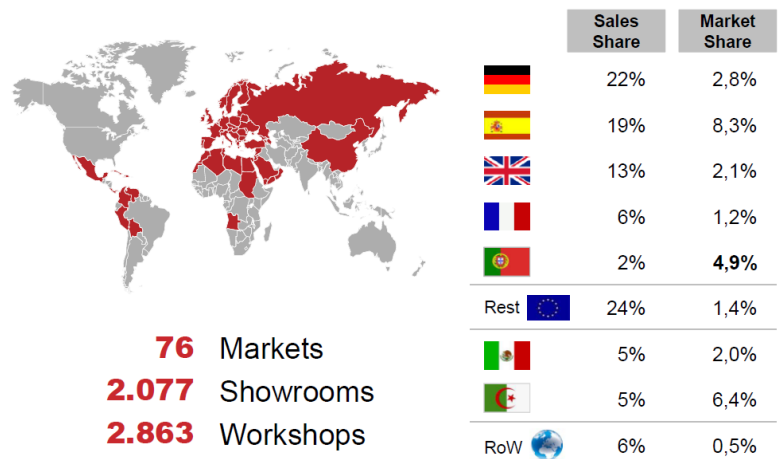


Figure 3: SEAT’s market share 2014 Source: Internal Documents


3.2.1 SEAT’S PRESENCE IN PORTUGAL

SEAT is one of the most sold brands of passenger cars in Portugal, with two models being the main drivers for this fact: the Seat Ibiza and Seat Leon. Being one of the leader brands to young people it has been demonstrating a huge sportive style and reliable status.

⁸ YTD (Year to Date) 2014 (Jan-Aug) – Internal Documents

Nowadays the brand is in the top ten brands that, in percentage terms, is growing the most – about 89,1% from 2013 to 2014 (Exhibit 6). Moreover SEAT is the brand in Portugal that has the most equilibrated “mix by channels” over its competitors (Exhibit 7).

This year, 2014, SEAT increased 1,4 pp of its market share – from 3,5% in 2013 to 4,9% in 2014, in the passenger market⁹.

	Market Share
 2013	3,55%
2014	4,90%

The fleet segment¹⁰ has been a key segment for the brand in Portugal. Since the crisis, purchasing power has decreased and, particular customers can't afford to buy a new car as they could before. Thus, the fleet segment has become the major customer for SEAT. Not only has the new Seat Leon allowed the brand to regain this segment but also Ibiza. Both of these models have a high residual value which makes the offer more attractive for companies (Exhibit 8).

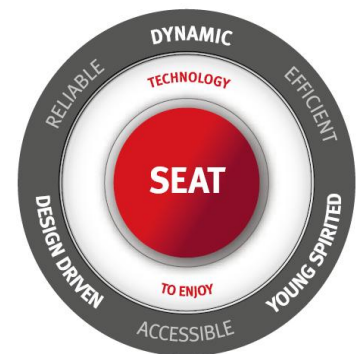
Figure 4: SEAT market share in Portugal

We can conclude that SEAT has been achieving good ranking places in Portugal and we should highlight that this year, 2014, they won the “Car of the Year” award with the new range of the brand - Seat Leon (Exhibit 9).

3.3 SEAT BRAND VALUES – “OUR SIX VALUES TO MAKE IT HAPPEN”

“Brand values are the core values represented by a brand. They are the code by which the brand lives. They represent what the brand holds dear, and they build an emotional connection with all brands ‘stakeholders, be them internal (staff) or external (clients)”

SEAT



SEAT is driven by six main values: design driven, dynamic, young spirited, efficient, reliable and accessible (Figure 5).¹¹

Figure 5: SEAT Brand Values

SEAT is continuously improving its design. It's a value that has been following the brand for many years. The objective of the brand when you see a SEAT car is to engage with your eyes. SEAT combines technology with the entire look and all the sensations inside and out the car. They are continually seeking to shape driving excitement and provide quality in the cars performance and also its design – *“We are design driven”*.

⁹ Shown in Exhibit 6 and Figure 4

¹⁰ Segmento das Frotas

¹¹ Company's Internal Presentation

Agile and with a great performance in all the cars that are made, SEAT combines the finest engine technology with agile chassis for superior handling. Every detail is important to stimulate and enhance the pleasure of driving a SEAT – “*We are dynamic*”.

“*We are young spirited*” – SEAT tries to show how challenging it is to drive a SEAT car. They try to show that their cars are full of life, turning the ordinary into the extraordinary.

Concerns about the environment have been rising and companies like SEAT are trying to respond to people desires by having in mind the people’s environment concerns. SEAT has always tried to have the lowest CO2 emissions on the market. An example of this is “SEAT al Sol” the largest solar plant in the world of the automotive industry. All the solar panels generate 25% of the energy required for the annual manufacture of the SEAT Leon “Car of the Year 2014” in Portugal. Besides the environmental concerns SEAT looks for flexible interiors in each car they produce, with intelligent features and storages – “*We are efficient*”.

As part of the Volkswagen Group SEAT is committed to deliver the highest levels of precision engineering, high quality and state-of-the-art innovations – “*We are reliable*”

Finally SEAT addresses itself as an accessible brand which combines quality and price. SEAT believes everybody should enjoy technology so their ranges of cars are accessible to many. – “*We are accessible*”.

3.4 MAJOR COMPETITORS

In the automotive industry we have several brands that are distributed into four categories: low-cost, generalist brands, premium and luxury brands. SEAT is located in the “generalist brands”. These are the accessible brands from mid to high class levels. We could talk about many of them but we’re going to analyze the major competitors even though, Teresa Lameiras¹² highlights that, in Portugal SEAT also competes with premium brands such as BMW or Mercedes. According to Teresa Lameiras those are the “operational” competitors that are in the automotive ranking in Portugal¹³. Premium brands in Portugal are in the top of sales (Exhibit 10), which is different from the rest of Europe. Due to economic crisis those brands felt the need to have lower prices and different products in order to do “operational” competition to this “generalist brands” where SEAT is included.

¹² Marketing Director of SEAT Portugal

¹³ Shown in Exhibit 6

However in this case-study, regarding Teresa Lameiras, we should take a deep look at SEAT's direct competitors.

Peugeot "Motion&Emotion"

Peugeot is a French car brand that belongs to the Group PSA Peugeot Citroen and has its presence in 80 countries.

Back in 1810 the Peugeot family entered in the market by starting in the food industry, more precisely coffee mills. In 1889 Armand Peugeot built the first car, a steam tricycle in collaboration with Leon Serpollet¹⁴. Due to family discord, Armand Peugeot founded in 1896 the Société des Automobiles Peugeot.

Nowadays Peugeot produces cars, motorcycles and vans. Peugeot has a wide range of cars such as Electrical/Hybrids, Saloons such as Peugeot 207, Sedans such as the Peugeot 408, Station Wagons – the compact family cars – Coupés, MPVS, SUVS and Pick-Ups. It has, in Portugal, a market share of 8,8% just next to Renault.

Renault "Drive the Change"

Renault is a French vehicle manufacturer established in 1899. Founded by Louis Renault and his brothers, Louis Renault was responsible for the engineering and design and the brothers took care of the management of the company.

As part of the Renault-Nissan Alliance the company is the fourth largest automotive group. It produces a range of cars and vans and in the past they produced trucks, tractors, tanks, buses and auto rail vehicles.

Nowadays Renault is present in 128 countries and its market share in Portugal is 11,7%.

Citroen "Creative Technology"

Citroen was founded in 1919 by a French industrialist – André Gustave Citroen. It was the first mass-production car company outside the USA. Since the beginning Citroen earned a reputation for innovation and revolutionary engineering which is represented by its slogan "Creative Technology".

¹⁴ French industrialist and pioneer of steam automobiles

It belongs to PSA Peugeot Citroen, produces cars and vans. In Portugal the brand has a market share of 5,3%.

Ford “Go Further”

Ford Motor Company is an American automaker and the fifth largest automaker based on worldwide vehicles sales. It was founded by Henry Ford in 1903 and by that year they were present in Europe. Ford has its head-quarters in Michigan¹⁵ and distributes cars over six continents. It has 65 factories all over the world and the automotive brands of the company include Ford and Lincoln¹⁶. It produces vans, cars, pick-ups and chassis cab.

In Portugal Ford retains a market share of 3,9%.

Opel “Wir Leben Autos”

Adam Opel founded Adam Opel AG in 1862. In 1886 the company started to manufacture bicycles and produced its first automobile in 1899. It's a German brand and a subsidiary of General Motors Company. The company designs, engineers, manufactures and distributes passenger vehicles, light commercial vehicles and vehicles part to four continents: Africa, Asia, Europe and South America. Selling vehicles in more than 50 markets, in Portugal Opel has a market share of 6,2%.¹⁷

3.5 KEY SUCCESS FACTORS

When interviewing Teresa Lameiras we asked what the key success factors were. Teresa Lameiras stated that the image of the brand, quality of the cars, after-sales service, price and the residual value of the car are the five key success factors for this industry.

3.6 SEAT'S COMPETITIVE ADVANTAGES

After having an overview of the competitors we should understand what makes customers prefer SEAT over other car brands.

Teresa Lameiras stated that design, quality, price, equipment and good residual values are the competitive advantages of the brand.

¹⁵ State of USA

¹⁶ Division of Ford Motor Company that sells luxury vehicles

¹⁷ The market shares in Portugal mentioned above are relatively to light passenger vehicles

Overtime the brand has achieved high levels of design and with their center of R&D SEAT is always seeking to innovate at the level of design, dynamics and engineering.

Quality and price are two more competitive advantages. Teresa Lameiras stated that the brand has a high quality-price ratio. It combines German engineering and precision with an affordable price. Moreover their cars are full of technology. Although that the brand tries to maintain its fair prices, the brand is also attempting to achieve financial objectives of the brand. We can find in SEAT cars technology, equipment and quality just like premium brands. And this is what defines the brand: high quality and a fair price. One recent award that the brand gained was the “Spanish Quality award”.

The equipment is another advantage. As mentioned before, the cars are equipped with the latest technologies. Nowadays we can buy a SEAT that is comparable in terms of equipment with premium brands but at a lower price. This is what really makes the difference. Their cars are equipped with many details such as technologies to predict your reaction, its “Coming Home” function, SEAT Media Touch, pos-collision braking system and many other details.

Finally the residual value of Seat’s cars is very high. This fact helps the brand to conquer the fleet segment.

3.7 SEAT’S OLD POSITIONING - “AUTO EMOCION”

SEAT was born in Spain, a country that is known as sunny, happy and passionate. It might be a stereotype that we all follow, but indeed, it is all that. SEAT created its identity based on its origins – Spanish origins.

In 2001 there appeared a new slogan for SEAT: “Auto Emoción”¹⁸. Despite its worldwide presence, the brand has remained committed to its origins and thus developed its slogan in Spanish. The objective of the brand was to show how emotional it was to have a SEAT, to show the Mediterranean side characterized as passionate and involved by an atmosphere of sun and party.

They were focusing their communication in emotion, and according to Teresa Lameiras they succeeded. Nowadays SEAT is known as a young spirited brand, with a sporting style and full of emotion.

¹⁸ “Self Emotion”

However, time passes and consumer habits, patterns and tastes change. To be sustainable over time, brands need to adapt. Having already, according to Teresa Lameiras, a slogan established in the market and the “mission accomplished” SEAT needed a change.

3.8 NEW STRATEGY, NEW LOGO AND NEW SLOGAN

The automotive sector is one of the sectors most affected by the crisis. In order to improve the annual results and reach new markets automotive companies sharpen their communication strategies by changing their campaigns and redesigning their corporative images – the logotype.

SEAT was one of the companies in Portugal that suffered more with the crisis in 2012. The sales dropped off and SEAT started to face challenging scenarios. Despite this Teresa Lameiras says that “SEAT was able to reverse the trend and doubled sales this year, 2014”.

One of the key elements that helped the brand overcome the crisis was the fact that SEAT Portugal has the decision center in Portugal which is something uncommon for multinational brands present in our country. As Teresa Lameiras said “It allows us to nimbly respond to market needs” and this enabled the brand to influence the trend. Another two keys were the equilibrium in the sales by channel and the fact that the brand prioritized the sales over the network (dealership) (Exhibit 11).

“The market fell, it’s real and we had to adjust” said Teresa Lameiras. Another major change of the brand strategy to recover, was the increase of the fleet channel. This was the major adaptation of the brand in Portugal. The private segment saw its purchasing power decrease and thus they stopped buying cars (Exhibit 12). The company had to choose and adapt and thus the fleet channel gained more importance for SEAT. Nowadays the fleet channel is the channel that has the major impact for the brand (Exhibit 13).

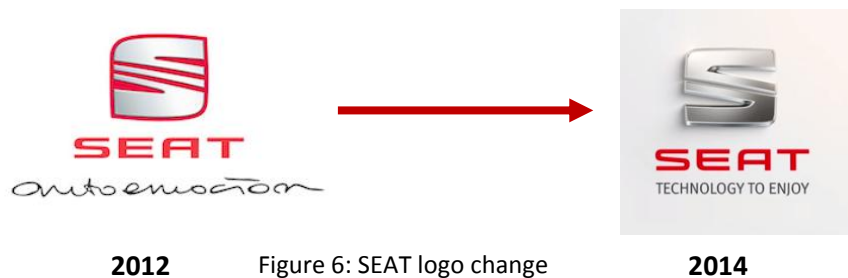
This change of the strategy coincided with the launch of a new car in the market – SEAT Leon. Many people thought, “Is it the right time to launch a car?”, but SEAT took this launch as an opportunity to overcome the crisis. As Teresa Lameiras said “We had a good product cycle” and with Leon and a new segment they were able in eight months to recover.

Finally, the brand underwent a change in its communication strategy. A refresh in SEAT’s image and positioning was needed and thus, in this period of crisis, the brand decided to

change its logotype and its old slogan “Auto Emoción”. A new positioning was coming for the brand.

New Logotype

And from here we can say that 2012 was a year of change for the brand. Not only did the fleet channel gain the greater importance for the brand as a segment, but the brand changed its communication strategy. In order to refresh their image the brand redesigned its logotype (Figure 6).



The SEAT logo has come a long way (Exhibit 14). Over the past years the logo has been redrawn, always trying to chase their brand values. Well known among people the famous “S” changed once more in 2012. SEAT wanted something simpler, clearly defined and precise because as SEAT says “the brand is true to its beliefs” and is full of transparency.

The new logo represents the continuous development of SEAT’s image and the rational-emotional balance of the brand. The color red remains to evoke the brand’s Spanish soul characterized by emotion, passion and warmth. Moreover, it has a strong force line, more precisely a diagonal which represents Barcelona’s iconic avenue. The line makes a creative and precise vision and gives the logo a strong design – which is the SEAT DNA.

3.9 “TECHNOLOGY TO ENJOY” AS NEW POSITIONING STRATEGY

In 2012 a new slogan appeared in SEAT’s communication campaigns. It started as “Enjoyneering” and after two years after it changed to its real meaning “Technology to Enjoy”.

3.9.1 WHY REPOSITIONING?

“SEAT brings technology to life” this was the message they wanted to transmit to the customer. As the old slogan was kept and retained in the consumers mind, and the emotion, the thrill of the car is already very entrenched in the consumer, according to Teresa Lameiras, the brand needed a refresh in its positioning. It was time for technology to take place. Thus, a new concept was born “Enjoyneering”.

The meaning of the word was “Technology to Enjoy”. It was chosen by SEAT in 2012, by the then president James Muir. Later on, in 2014, it was changed to “Technology to Enjoy”, once the word was not understood by the customers, suppliers and dealers and also it was difficult to pronounce.

Another reason behind the repositioning was that “nowadays consumers have more rational purchasing behaviors than emotional” said Teresa Lameiras. The emotion hasn’t enough substance and the customer is looking for tangible aspects of the car. The brand had to look to another side, a more rational side that showed other features of the brand.

Finally, SEAT wanted to show they were German, due to being part of Volkswagen Group and not Fiat, and Spanish. The fact that it is a brand that belongs to a German group brings credibility and trust in it.

Those were the major reasons for the brand repositioning: refresh of the image, go on a trip to the rational side of the brand, show the German engineering they have and the mainly the high-technology inside and out of SEAT cars.

3.9.2 MEANING OF THE MESSAGE

“Technology to Enjoy” gives new life to SEAT. It combines emotion and technology, meaning the emotional and the rational sides of the brand. The objective of the new slogan is to keep in consumer’s mind that the brand is not only emotional and brings to SEAT’s customer pure fun and enjoyment when they drive the car, but also that is a high-tech brand,

full of precision in every detail and reliable in when it comes to engineering. It pretends to show both sides of the brand, the Spanish side full of emotion and young spirited and the German side full of precision, great engineering and high standards of technology. Overall it's all about "Emotion + Technology".

3.9.3 CURRENT POSITIONING

"For 60 years, we have put our minds to work on designing superior driving experiences. We create inspiring cars, engaging all those who look towards intense driving sensations, while combining the best of both worlds: rational and emotional. Technology and design. We take you forward on your road to tomorrow" SEAT

Nowadays SEAT is a generalist brand with a strong component of emotion and it is a tremendous giant in design.

Always trying to pass the message to the customer, SEAT states that it is a brand that is Spanish by origin but also German. As a brand within the Volkswagen Group SEAT seeks to manufacture the finest vehicles and is constantly seeking to set new standards of what car enjoyment can be.

They are combining technology with emotion by designing their cars with the Latin spirit, staying true to their heritage and on the other hand they want to show that they are German too by looking carefully to details, that they are rigorous when it comes to manufacturing and they seek new ways of innovation in order to achieve the highest technology for their cars.

They want to be seen by consumers as a young spirited brand, affordable, dynamic, efficient, reliable, and accessible with a high quality-price ratio, with high standards of design and from now, also as a technologist that is always seeking new ways of transforming their car's technology, with the best features that enter into comparison with premium brands.

3.10 COMMUNICATION STRATEGY AND RESULTS

Selling is no longer the only objective when the brand is communicating. Nowadays SEAT tells a story and engages with the consumers. As the brand states that they already have high notoriety, the communication campaigns don't have the objective of making the brand known and increasing brand awareness. Instead the brand intends to communicate the true value or price of a car (and not "from X euros"), to present a product; in this case a new car and always try to engage with the consumer and create a relationship with them.

The brand is present in all media channels, including television, radio, outdoor, digital, press (journals and magazines) and events. SEAT states that there is no communication to a specific target but to all the consumers that want to buy a car. These are coherent with one of the main objectives of the brand, which is, to gain more customers.

We can say that SEAT has been very successful in its campaign. From the beginning of the year, January of 2014 till October 2014, the brand grew in terms of sales 87,2% with 5729 light passenger vehicles sold. When we first contacted SEAT with this, we asked what kind of data could give us a proof of the success of the communication strategy of the brand, and they immediately told us there was nothing better than to look at sales. The brand was able to double the sales from 2013 to 2014 and according to the brand this is due a lot to its communication. In this last month, October 2014, the brand sold in Portugal 614 light passenger vehicles, a variation of + 82,2% from the last year in which there were sold 337 vehicles. (Exhibit 15)

Despite this a question remains: was the repositioning effective? Are consumers perceiving the technology?

3.11 THE YEAR 2014 FOR SEAT

Till the last year, 2013, the big objective of the brand was creating its own identity.

From now on the objective is to become a power brand. Moreover Teresa Lameiras states that “the brand wants to have a solid growth”, which means that the brand intends to combine growth with profitability. The brand doesn’t buy market share, but sells what customers demand through the network of dealerships and enter discount policies having always into account the profitability. Finally the brand intends to conquer new clients by extending the range.

Starting the press conference in Lisbon with the President Jurgen Stackmann it was time to define the three actions fields – having an intelligent portfolio in order to “go into big” and achieve customers, sales performance in order to have a professionalize network, volume growth, revenue and win new customers and finally business models and costs – be an efficient and effective brand.

Moreover it was time to understand whether the repositioning was a good choice or not. Is the new slogan effective? Is the message well perceived by the consumers? Is the company doing well? Is the brand growing?

By the end of the press conference the President Jurgen Stackmann stated that “We are still in crisis but we are focused on opportunities and we will continue to take advantage of them to strengthen SEAT”.

4. MARKET RESEARCH

4.1 INTERVIEW WITH SEAT'S MARKETING DIRECTOR

When we first decided to take the case of SEAT as the research theme, we immediately thought that we had to have contact directly with the company. And so it was, this last month's we have interviewed and had meetings on-line and face-to-face with Teresa Lameiras, the Marketing Director of SEAT Portugal. The contact with Teresa Lameiras was essential to the development of this case-study.

In SEAT there is a group of professionals of Marketing where Portugal is included – Euro 6 (Portugal, Spain, England, Germany and Italy) whose views are considered. Moreover Portugal has the decision center for the activity. These bring the major importance to have direct contact with SEAT Portugal. The majority of the information that was collected with Teresa Lameiras is written in the case-study.

The objective of this research is to understand whether the repositioning was effective and the impact it had in consumers. With the new positioning coupled with the new slogan “Technology to Enjoy”, the brand wanted to transmit to the customer the technology inside and out of the SEAT's cars. Moreover the company wanted to be seen as young spirited, design driven, dynamic, efficient, reliable and accessible.

4.2 ONLINE SURVEY

In order to understand the consumer's perceptions about the brand and the impact the change of the slogan had in consumers, regarding the effectiveness of the repositioning, an online survey was conducted through Qualtrics.

Data that was collected in the interview was also exposed in the survey. This helped to understand the desired perceptions the brand wanted consumers to have.

The survey was directed at adults, which means, people with more than 18 years old. Since we are talking about cars, driving experiences and perceptions when people intend to buy a car, the survey would only make sense to people that can legally have and drive one.

Finally, the survey was spread online through social media, namely Facebook and by e-mail. From 247 surveys started only 165 were finished. Thus, we should consider a sample of 165 respondents, which is a significant sample for this study.

SAMPLE DESCRIPTION

4.2.1 DEMOGRAPHICS

The survey was answered by females, about 49% of the respondents, and males 51% (Exhibit 16).

Regarding the age of the respondents, the survey was mainly answered by young people from [18-25] years, being 52% of the sample. The second segment with more respondents was [More than 45] and counted with 17% of the sample. Finally, the segments with fewer respondents with ages between [26-35] and [36-45] counted with 15% each (Exhibit 17).

In what comes to the annual gross income, which is important to the research since the survey asked about the main features that people take into account when buying a car, the respondents were mainly people that haven't started their professional activity yet, with 35% of the total respondents. The second major segment was people with annual gross income of [7000€-15000€], with 25% of the sample. [16000€-25000€] represent 14% of the sample and [26000€-35000€] represent 9%. Then we have [Less than 7000€] and [36000€-50000€] that counted with 7% each. Finally the less referred by respondents was [+50000€], with 4% (Exhibit 18).

Finally, regarding the type of customer, which is important since it enables to cross the results with other questions regarding the attributes of the brand, 83% of the respondents weren't SEAT's clients, 12% were and 5% were but they aren't anymore clients of SEAT (Exhibit 19).

4.2.2 KEY FACTORS AND FEATURES IN CAR PURCHASE

When people intend to buy a car they have into account several factors. It was stated six major factors that were found important: price, image of the brand, after-sales service, performance, design and extras. Moreover it was defined a field where people could write some factor that wasn't given by the survey.

Price was the major factor that respondents found as one of most important, about 76% of the respondents stated price as the major decision factor when they buy a car. The second was the performance which counted about 42% of the respondents. Real close of this factor was design with 38% of the respondents. With less importance for the respondents were the image of the brand, with 12%, the after-sales service with 10% and the extras with 1%. Finally, the

option in which respondents could write another factor that wasn't given by the survey, counted with 5% of the respondents. They stated that consumption, ecological factors, security, space, comfort, German origins and the mechanic quality were important factors when they intend to buy a car (Exhibit 20).

4.2.3 BRAND KNOWLEDGE AND RECOGNITION

The survey results showed that the majority of the respondents know what the brand's origin is. 73% knew that SEAT is a Spanish brand. Despite that not everyone knew it, 16% thought SEAT was a German brand. In fact, the brand wants also to be seen as a German brand due of being part of Volkswagen Group. Moreover 6% thought SEAT was French and 5% thought SEAT was Italian (Exhibit 21).

Regarding the automotive group the 66% knew that SEAT belongs to Volkswagen Group. 18% answered as being part of General Motors Company, 2% thought SEAT belonged to Toyota and another 2% didn't knew to which group SEAT belongs. Finally 11% still think SEAT as being part of Fiat Group which confirms what the previous SEAT President, James Muir, said "people still think SEAT as being part of Fiat" (Exhibit 22).

4.2.4 BRAND AWARENESS – TECHNOLOGY TO ENJOY

Regarding the new slogan it was firstly asked what the current slogan of the brand is, in order to understand if consumers were aware of the change. 50% of the respondents referred to the old slogan "Auto Emoción" while 32% knew the correct current slogan "Technology to Enjoy". 4% of the respondents referred as "Enjoyneering", the slogan that was replaced by the "Technology to Enjoy" in this year. There were also referred other slogans, one that was invented and another from a close competitor– 8% of the respondents stated that the current slogan was "Design Innovation" and 6% chose "Motion&Emotion" which is Peugeot's current slogan (Exhibit 23).

Although the old slogan had the majority of the responses we should highlight the fact that SEAT just changed its slogan this year 2014. It takes time to get in the mind of the consumers and retain the pretended message. Moreover "kill" a slogan as the "Auto Emoción", that had been following the brand for years, it's hard.

Then, in another block, it was revealed the current slogan in order to enable respondents to answer to the further questions.

Regarding the knowledge of the slogan respondents were asked if they heard or saw the slogan, if they associated immediately with the brand or if they didn't see it or heard it. 41% stated that they know and they had associated directly with the brand. 30% only heard but they don't know anything about the slogan. 14% knew it but they related with another brand. 14% never heard or saw it and finally, just 1% stated that they knew it but they associated with another product category. (Exhibit 24)

Another approach was the place of promotion. Where respondents heard or saw the slogan. Television was the major channel; about 70% stated they've heard it on television. 19% didn't know or remember. 12% heard it in the radio, 11% saw it in the internet, 11% on outdoor, 8% on social networks, 7% in press (journals and magazines) and finally, 3% heard or saw it in the cinema (Exhibit 25).

From those who knew what was the current slogan, the channel that was the major conductor of the message was the television with 85,25% of the respondents, then radio with 26,23%, internet (websites) with 19,67%, social networks with 18%, press with 14,75% and finally cinema with 4,92% of the respondents (Exhibit 26). Although the brand is present in every media channels, television is the most viewed.

4.2.5 IMPACT IN CONSUMERS – CONSUMERS PERCEPTIONS OF THE REPOSITIONING

The main objective of the research was to understand the impact of the repositioning and whether the message the brand wanted to transmit was perceived by the consumers or not. Thus, we've tried to come up with questions that helped us to answer to that.

It was firstly asked to respondents whether they like "Technology to Enjoy" as a slogan for the brand or not. The majority of the respondents said they liked the slogan, about 81,63%, but still there is a percentage that didn't like – about 10,71% of the respondents (Exhibit 27).

The second question regarding the perception of the consumers was to what extent the respondent was reviewing some attributes on the brand. There were ten attributes that were found essential, since they are those that the brand wants to transmit. The majority of the respondents agreed ("Agree" and "Totally Agree") with all the attributes.

The results show that all the desired associations to the repositioning coupled with new slogan were partly achieved. All the of the attributes show means above 3,35, in a scale of 1 to 5 (Exhibit 28). The most significant attribute was the "young spirit" (4,10). This is an attribute

that has been following the brand for years and is one of the brand values. “Urban” was the second most perceived attribute (3,91). The third was “functional” with a mean of 3,84. The fourth most perceived was “accessible” (3,76) which is one of the brand values and one important attribute the brand wants to transmit to the customer . The fifth most agreed was “dynamic” (3,74) which is another brand value and an attribute that the company wants to customers to perceive. Then “agile” had a mean of 3,73, “reliable” with 3,69 which is another brand value, “economical” with 3,67, “efficient” with 3,64 and finally “high technology quality” with 3,35 which is also a brand value.

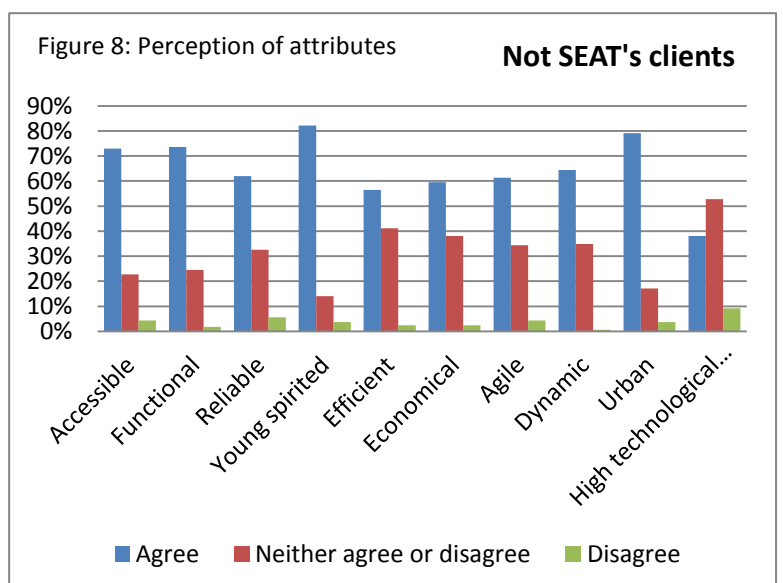
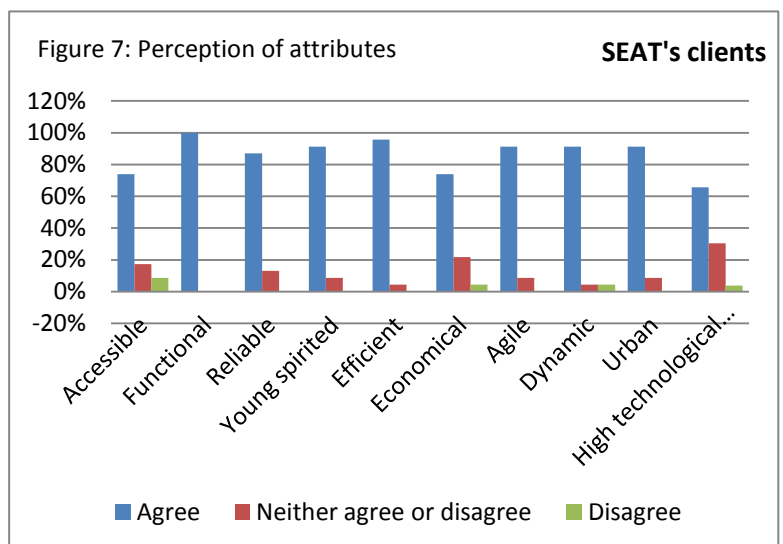
We should now state the importance of those results. The brand is moved by six major values: accessible, young spirited, dynamic, efficient, reliable and design driven. From those six values, five were putted in this question. From those five all of them had significant percentages of respondents agreeing.

It is also important to understand, separately, what were the clients of SEAT opinion since they have a more tangible knowledge than respondents that aren't SEAT clients. Thus a cross table was developed.

As we can see (Figure 7, 8 and 9) there are differences between the total respondents and each of the segments.

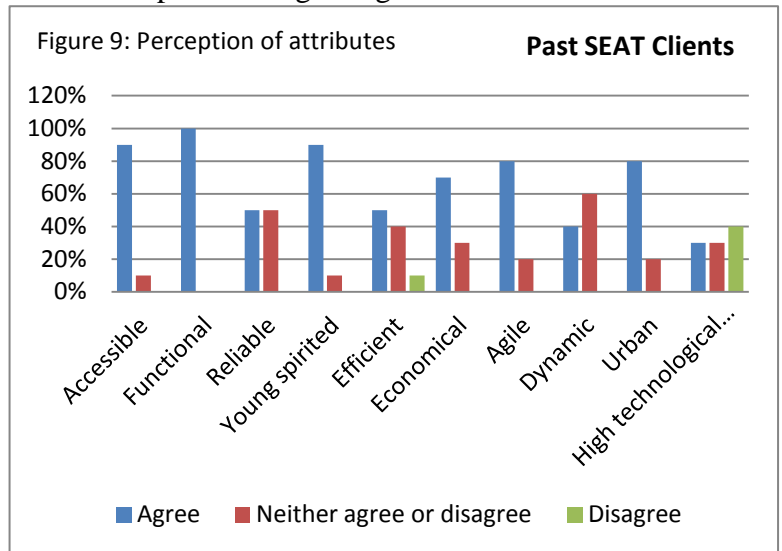
Regarding the current consumers the major attribute that they perceive in SEAT is “functionality”, with 100% of the respondents agreeing, and the less perceive (but still with more than 50% agreeing) is the technological quality with 65,76%.

For respondents that are not SEAT's clients the major attribute is “young spirited” with 82,2% of the respondents



agreeing. The attribute with fewer approvals, thus the less perceived is the “technological quality”.

Finally from those respondents that were SEAT client’s but they are not anymore, the most perceived attribute is “functional” with 100% of the respondents agreeing. This is the same as the current clients of SEAT which means that having owned a SEAT perceive the attributes differently from those that do not have one. The less perceived by this segment is also the “technological quality” (Exhibit 29).



What is in common with these three segments? The less perceived attribute is the technological quality. The two major attributes are functionality and the young

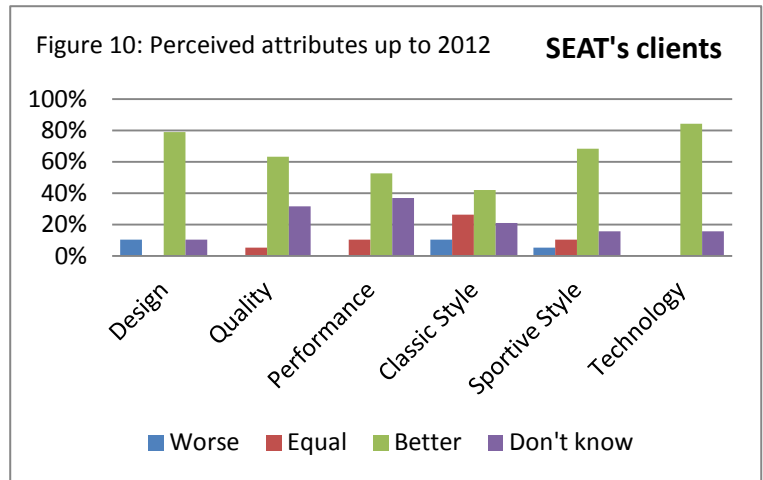
spirit of the brand. And to conclude also we should highlight the fact that both current customers of SEAT and old customers perceive “functionality” as the major attribute of the brand.

Another approach to the attributes and characteristics of the brand was to understand whether the brand, since 2012, had improved or not in what comes to design, quality, performance, classic style, sportive style and technology.

The one that was perceived has the most improved characteristic of the brand was the “design”. Consumers nowadays perceive better design in SEAT and this is one of the goals of the brand. About 76,69% of the respondents said that the design had improved. Only 4,294% said it was worse. The second attribute of the brand that consumers stated has being better than before was the “sportive style”. The brand is perceived as more sportive than classical. 68,1% of the respondents said the brand had improved in its sportive style, while only 24,07% of the respondents said the brand had improved its classic style. Technology was the third attribute that consumers said it was improved. 61,96% of the respondents said the technology had improved while no respondent said it was worse. This is great for the brand. They are communicating technology since 2012 and consumers perceive that change.

In what comes to performance, no respondent said it was worse and 42,95% said it had improved. Finally, in terms of quality 49,1% of the respondents said the brand had improved and just 0,61% said it was worse.

It was also important to understand, independently, SEAT current client's opinion (Figure 10). Thus, from those who are clients, at the moment, of SEAT "technology" was the better improved attribute with 84,21% of the respondents saying it was better, followed by "design", "sportive style", "quality", "performance" and "classic style" (Exhibit 30 and 31).



Regarding the perceptions about the positioning of the brand this was the last question of the survey. The objective was to understand how the customers see the brand compared with the direct competitors, namely, Citroen, Ford, Peugeot, Renault and Opel (Exhibit 32).

After analyze the results respondents consider the brand as being **younger** than competitors. Moreover respondents consider the brand as being more **radical** rather than conservative, **faster** in what comes to velocity which leads us to a better performance, more **sportive**, more **emotional**, more **technological**, more **effective** and finally more **accessible** than competitors. Those are all values and attributes the brand wants to transmit and to be perceived by consumers (Figure 11).



Figure 11: Perceived attributes and characteristics of the brand up to

5. CONCLUSIONS

SEAT is a Spanish company, created in 1950 and nowadays is owned by Volkswagen Group. In 2012 the brand decided to take a repositioning in order to respond to the demands of the changing environment. Thus the company redesign the logotype and changed the slogan “Auto Emoción” to “Technology to Enjoy” in order to send the positioning message to the customer.

This chapter aims to collect the answers to the research questions defined in the beginning of the study to address the effectiveness of the decision of the brand and the reasons behind those decisions. There were stated four research questions:

1. What was the old positioning of SEAT?

SEAT has been always staying truthful to its origins. Coupled with the “Auto Emoción” slogan SEAT wanted to be perceived as an emotional brand. SEAT was seen as a Mediterranean, due to its Spanish origins brand, cheerful, emotional, warm, and young spirited with a unique design.

SEAT was stating its positioning in an emotional basis.

2. What were the reasons behind the repositioning? What were the steps taken?

The automotive market in Portugal, in 2012, broke down. Sales dropped-off and automotive brands saw their brands losing power in the market.

SEAT was one of the companies that suffered more with the crisis in 2012. SEAT needed a change and a different positioning was needed. It was time to show not only the emotion and the Spanish style of the brand but also the technology of their cars and the German engineering.

SEAT took three main steps: they change the logotype, to a more sophisticated “S”, full of design and precision, their slogan to “Technology to Enjoy” and change the strategy of the brand mainly changes in the main segment. The fleet channel gain greater importance and became the major channel of the brand.

3. What is the current positioning of SEAT?

Now, SEAT is positioning as a brand full of: Technology + Emotion. As Teresa Lameiras stated the emotion is already positioned in consumer's mind. They do perceive SEAT as a strong emotional brand, derived by the Latin spirit, surrounded by happiness, sun and enjoyment of life.

Now, it is time for consumer's to perceive the technology inside and out of SEAT cars. Technology has been developed and consumers are becoming more demanding in what comes to cars. We can see nowadays, the enormous changes in the technology of the cars. SEAT can bring to the customer high-technology with high quality patterns at an accessible price which is compared, in the Portugal automotive rankings, with premium brands such as BMW or Mercedes. Moreover the brand wants to be seen as young spirited, reliable, dynamic, efficient and accessible.

4. What were the customers and non-customers reaction to new positioning?

This study could not be ended without understanding the perceptual impact of the repositioning in consumer's mind.

The slogan was well received by consumers; they do like it – about 81.63% of the respondents answered positively. Regarding awareness, for the time that the new slogan has in the Portuguese market (since May 2014), the brand has been able to transmit the new message for the consumers, and, within the time, they are retaining that message. As it was previously said, it's difficult to “kill” an old slogan, well rooted in the mind of the consumers and change it to a different meaning – technology. SEAT is putting all its efforts to transmit technology, since emotion is already associated with the brand.

Regarding the technology itself consumers perceive SEAT has a more technological brand, always seeking ways of improvement. Note that SEAT customers in this survey are the ones that agreed more in what comes to the technology improvements of the brand. About 84.21% of SEAT customers stated that the brand was better (in relation to 2012) in technology. Consumers are seeing emotion plus technology. This was the main objective of the brand regarding the repositioning.

Finally, consumers perceive the values that SEAT wants to transmit, namely young spirited, accessible, reliable, dynamic, efficient and design driven.

We might say that the brand is succeeding with the repositioning aligned with the change of the old slogan, however it still has a long way to go since a significant percentage still think SEAT as “Auto Emoción” and from those who knew the current slogan did not associated with the brand. Moreover there is still work to do regarding the perception of technology in consumer’s mind, especially to those who are not SEAT clients. They perceive emotion however a significant percentage of non- SEAT clients do not perceive technology as the brand intends to. Communication needs to carry on and the slogan must be repeated and kept in consumers mind so the brand can be recalled and associated with technology.

6. LIMITATIONS AND FUTURE RESEARCH

This Master thesis has faced some limitations. Regarding the Literature Review little academic literature was available in the automotive sector and thus the major focus was on retail cases. Moreover academic research in slogans is scarce even more regarding this field.

Regarding the market research ages, it could have a more balanced distribution since we have 51% of the respondents with ages between 18-25 years old. Despite that fact, the number of samples was significant even though there were still a significant number of surveys started but not finished – 247 surveys were started and 165 of those 247 were finished. Moreover the research might have been too early to interpret, since the slogan “Technology to Enjoy” was presented in May of this year, 2014 and for consumers to keep messages in their mind and recall them takes time.

7. TEACHING NOTES

7.1 SYNOPSIS

This case-study regards SEAT Portugal, a Spanish automobile brand. It focuses on the repositioning of the brand coupled with the change of the old slogan “Auto Emoción” to the current slogan “Technology to Enjoy”.

SEAT is Spanish automobile brand founded in 1950, with the main objective of enhance car sales in Spain after the Civil War.

Nowadays SEAT is owned by Volkswagen Group and it’s the only Spanish car manufacturer with the ability and infrastructure to develop its own cars-in-house. SEAT cars are considerer has being in the set of “generalists” affordable and highly developed in terms of design.

It has been seeing as a young spirited brand full of emotion. Well known among customers, SEAT developed a strong and well perceived slogan reinforcing the idea of the emotion when having and driving a SEAT car – “Auto Emoción”.

Back in 2012, a crisis in the automotive sector was increasing, and especially in Portugal the sales had dropped off for the lowest values since 1985. Companies saw their volume of sales down and strategic changes were needed to adapt and recover.

One of the strategies that SEAT adopted was the repositioning. According to Teresa Lameiras, the Marketing Director of SEAT Portugal, customers already perceived the emotion of the SEAT car. Then, it was time to communicate and reinforce one important factor and key to sell in the automotive industry – technology. Thus, the company decided to change the slogan and to make some changes in their logotype.

The major focus of this study is the slogan of the brand. To change the brand decided to substitute the “Auto Emoción” slogan to “Enjoyneering”, a misspelling word that wanted to communicate Enjoyment and Engineering/Technology. However, this was not well understood either by suppliers, partners or customers. Having this in mind, the company decided to change to its real meaning, without misspellings but the all sentence, “Technology to Enjoy”. This slogan was launched recently, in May of this year, 2014.

The main objective is to communicate the technology of the car, the German engineering inside and out of them. Moreover they maintain the emotion being the sentence a conjugation of Emotion + Technology.

The last objective is to send a message to the customers and to them perceive SEAT as a technological brand with great design and excellent engineering.

7.2 TARGET AUDIENCE

This study is aimed at undergraduate and master students in the management area. It might also be used in more advanced courses. Having a special focus in Marketing and Strategy, the study develops concepts of marketing, strategic marketing and strategy. We should also be noted that the questions should be appropriate to the degree of knowledge of the students concerned.

7.3 TEACHING OBJECTIVES

With this study students will have the opportunity to approach a real case approaching repositioning, a strategy that has been challenging managers. Having theoretical and practical approach students will have the opportunity to apply their knowledge by answering questions about the study. Those questions will be about the case itself and specific marketing concepts.

Depending on the course and their knowledge about marketing concepts, students will have the opportunity to analyze following main themes:

- Understand the concept of positioning, types of positioning and the importance it has for the brand
- Understand the challenges of repositioning strategies, the reasons behind a repositioning, the increasing importance of this strategy in an ever-changing environment and its definition
- Reflect on the importance of strong brands with an approach to the definition of brand
- Understand the importance of brand image as a way to enhance brand equity
- Regard specifically the communication in automotive brands and the trends in this field – with safety concerns gaining bigger importance when communicating
- Importance the logotype for the brand
- Understand the impact of the slogan in the position of the brand and the perceptions of consumers. Moreover understand the main objectives of the slogan, its features and definition.

7.4 RELEVANT THEORY

In order to assess their answers, students should take into consideration not only the case-study and the market research, but also the following scientific articles that should be given by the Professor a few days before class in order to them to prepare by reading the cases and possible related articles.

The four articles that students should prepare for class-discussion are the following:

- Stavros P. Kalafatis Markos H. Tsogas Charles Blankson, (2000), “Positioning strategies in business markets”, *Journal of Business & Industrial Marketing*, Vol. 15 Iss 6 pp. 416-437
- Bei, L. T., Chu, C. H., & Shen, Y. C. (2011). Positioning brand extensions in comparative advertising: An assessment of the roles of comparative brand similarity, comparative claims, and consumer product knowledge. *Journal of Marketing Communications*, 17(4), 229-244.
- Jewell, R. D. (2007). Establishing effective repositioning communications in a competitive marketplace. *Journal of marketing communications*, 13(4), 231-241.
- Kohli, C., Leuthesser, L., & Suri, R. (2007). Got slogan? Guidelines for creating effective slogans. *Business Horizons*, 50(5), 415-422.

7.5 IN-CLASS DISCUSSION

Question 1

Based on this case how do you define the old positioning of SEAT?

In this question students should be able to combine practical facts given by the case and theoretical factors based on the articles.

In 2001 appeared a new claim for SEAT: “Auto Emoción”. Despite its worldwide presence, the brand has remained committed to its origins and thus developed its slogan in Spanish. The objective of the brand was to show how emotional was to have a SEAT, to show the Mediterranean side characterized as passionate and involved by an atmosphere of sun, passion, happiness and party.

They were focusing their communication in emotion, design, sportive style and in the young spirit of the brand.

Regarding the type of positioning and according to Kotler et al. (1999), there are several types of positioning: positioning based on the product attributes, based on benefits or needs they satisfy, based on usage, based according to the user, based on activity, based on personality. Based on origin, based on another brand and positioning based on competition.

In this case, SEAT's positioning had two approaches: based on attributes such as the sportive style and based on personality such as the emotion and the passion behind a SEAT car.

Question 2

Consistent positioning is crucial to any retail brand. Explain why and comment on the situation of SEAT before the repositioning.

Building and develop a strong brand is not easy. Branding is the initial means to build consumer awareness by naming the offer, but also to distinguish the offer from other similar products or services within an establish category (Kay, 2005). Thus positioning a brand is fundamental to any brand.

Positioning is about placing attributes, impressions of a brand in the mind of the consumers. It involves selecting the attributes with which the brand is intended to be associated (Gwin&Gwin, 2003). During this association phase, the objective of the brand is to enter the consideration set (Urban et al., 1993), which means that the brand's product or service get in the range of choices when a consumer intends to buy something. Moreover it's used to distinguish their firm's offerings from those of competitors and to create promotions that communicate the desired position (Boone and Kurz, 2001).

Successful brand positioning is one of the ultimate goals of brand management (Bei, Chu & Shen, 2011) and also assumes an important key for the company since "it represents the key strategic framework for a company's communication campaign on behalf of the brand" (Wind, 1990). It aims to create a unique and favorable image in the mind of target customers (Bhat, 1998).

Positioning has been gaining bigger importance overtime. Marketing has changed significantly to the extent that as features of offerings become less distinctive, intangible factors gain importance whereby the management of reputation and manipulation of consumer perceptions and the positioning of the firm and its offerings in the marketplace

become more important (Hooley, Greenley, Fahy and Cadogan, 2001; Lindgreen, Plamer and Vanhamme, 2004; Ries and Trout, 1986).

SEAT was positioned, mainly, as emotional – an intangible attribute of the brand – reflecting its personality as a car brand. However, firms need to adapt to changing environments and SEAT needed to leave this already entrenched attribute, and communicate a new one – technology. Technology has been gaining bigger importance in the car business. Safety, for instances have been highly developed by automotive manufacturers (such as Volvo has now developed a new seatbelt) and consumers are aware of that but still, they are demanding concerning this theme. Thus SEAT needed to communicate this tangible attribute in order to achieve the desired positioning in consumers mind. Not only an emotional and young spirited brand, but also a brand with high technology standards.

Consumers do need to perceive these standards so that the brand is positioned as it intends to in the mind of the consumers with a major goal of entering in their consideration set.

Question 3

Explain the actions taken by SEAT when they decided to reposition the brand. State four reasons for firms reposition a brand.

There were three main steps: change in the strategy, the slogan and the logotype.

“The market fell, it’s real and we had to adjust” said Teresa Lameiras. One major strategy was the increase of the fleet channel. This was the major adaptation of the brand in Portugal. The private segment saw a decrease in purchasing power and thus they stopped buying cars (Exhibit 12). The company had to choose and adapt and thus the fleet channel gained more importance for SEAT. Nowadays the fleet channel is the one that has the major impact for the brand (Exhibit 13).

Regarding the positioning strategy itself the brand redesigned its logotype and its slogan.

SEAT decided to redesign the famous “S” in 2012. SEAT wanted something simpler, clearly defined and precise because as SEAT says “the brand is true to its beliefs” and is full of transparency. The objective of this new logotype is to represent the continuous development of SEAT’s image and the rational-emotional balance of the brand. The color red remains to evoke the brand’s Spanish soul characterized by emotion, passion and warm. Moreover, it has a strong force line, more precisely a diagonal which represents the Barcelona’s iconic avenue.

The line makes a creative and precise vision and gives the logo a strong design – which is the SEAT DNA.

In the same year and to position the brand as “technological” the brand changed its slogan. It started as “Enjoyneering” and by two years after it changed to its real meaning “Technology to Enjoy”.

Those were the main steps taken by SEAT to position in the market.

Regarding the repositioning, according to Stern (2006) there are several reasons behind this approach: introducing a new brand, change existing brand, alter beliefs about the brand, alter beliefs about competitive brands, alter attribute importance weights, introduce new and neglected attributes or to find a new market segment.

Students could choose any of this reasons that are mentioned in the scientific articles.

Question 4

Slogan plays an important role when communicating the positioning of the brand. Describe the new slogan and what are their values considering the repositioning strategy and explain how this will affect the communication strategy.

In 2012 and due to a lot of factors, mainly the economic crisis and the ever-changing market SEAT needed a change in its positioning strategy. Thus, in that year the brand decided to reposition the brand. One of the strategies played by the brand was the change of the old slogan “Auto Emoción” to “Enjoyneering”. However, this was not the effective choice of the brand since anyone including suppliers, partners and consumers did not understand the meaning of the word. The brand stated that it was supposed to be Enjoyment plus Engineering/Technology. Thus, the brand changed again to the real meaning of the word which is “Technology to Enjoy”.

“Technology to Enjoy” gives a new life to SEAT. It combines emotion and technology, meaning the emotional and the rational sides of the brand. The objective of the new slogan is to keep in consumer’s mind that the brand is not only emotional and brings to SEAT’s customer pure fun and enjoyment when they drive the car, but also is an high-tech brand, full of precision in every detail and reliable in what comes to engineering. It pretends to show the both sides of the brand, the Spanish side full of emotion and young spirited and the German

side full of precision, great engineering and high standards of technology. In overall it's all about "Emotion + Technology".

Slogans play an important role when positioning the brand in consumer's mind. It is frequently repeated in the advertisements with one of the major goals, which is recall and thus creating brand awareness and identity. It captures the meaning of the brand's positioning and transmits the main message that the company, or the brand, wants to transmit to the customer. Moreover, it's very useful to enhance brand identity and transmit the main message that customers should perceive about the brand.

Nowadays, almost every brands or companies employ slogans. Advertisement is present in daily basis. Every day people are exposed to a huge number of advertisements. Slogans contribute to attainment of two broad objectives: (1) enhancing the brand awareness and (2) creating, supporting or changing the brand's image or perceptions; that is, positioning or repositioning of the brand (C. Kohli et al. 2007).

According to Ke and Wang (2013) the advertising slogan is the most important part in the advertisement. It should attract the consumer's attention as soon and long as possible. Therefore, an advertising slogan should have attentive value which means that should have a language of immediate impact and persuasion. It should leave the main image of the brand and the value of having a product of that brand. It should capture the customer desire to buy or at least to consider the brand in their range of choices. Another key is memorability and readability. This means that the slogan should create an impression of the brand that lasts for a long time and able to affect the consumer's buying behavior. Finally, the selling power – all of this effects of recall, influence in the purchase behavior lead to the main goal of advertising – sell.

To sum-up it should be part of the strategy of a brand when it the brand is defining its identity since it's key to position a brand and has potential to change brand perceptions. Moreover it should be memorable, meaningful and understood by consumers, so they can recall and differentiate from other competitors.

Question 5 – Group Work

SEAT decided to change its slogan by passing a different message of its new positioning strategy. Marketers should evaluate this new positioning and the perceptions of consumers to understand whether it was effective or not. Regarding the market research results, do you think the new slogan of SEAT created the desired perceptions in consumer's minds? Why?

In this question students should be able to analyze the market research results by providing answers regarding the effectiveness of the new slogan, having in mind the year of launch of this slogan (May, 2014).

Looking to the market research results they can state that:

- Regarding awareness, 32% of the respondents knew the current slogan – given the time the slogan students could say that it is a good percentage of brand recognition; On the other hand students could say that it is not a good percentage since 50% still think SEAT as “Auto Emoción”, a slogan that was ended in 2012. As much it would be remember “Enjoyneering”, but this had a low percentage of respondents – 4%.
- From those respondents who knew the current slogan 41% associated immediately with the brand – students could say that given the other results it is positive due to the time it has. However they could say too, that indeed people heard it but they do not associate with the brand – thus it brings no value to SEAT. It needs to enhance brand identity and relate the slogan with the brand otherwise it will not be effective.
- The majority of the respondents like the slogan – 81,63%. Students in this point would say that this is positive for the brand. It seems consumers do understand the slogan otherwise the majority wouldn't like the slogan.
- Looking to the perception of the attributes by the respondents, they seem to perceive all the attributes the brand intended too (See Exhibit 28). However not all the respondents agreed in all the attributes thus the brand needs to pass the message and transmits the attributes that the brand intends consumers to perceive.
- Besides the classic style respondents consider SEAT has being better in what comes to design, quality, performance and sportive style. (See Exhibit 30 and 31 for SEAT's clients).

- Comparing with competitors students can say that the brand is perceived as it intends to since respondents stated that the brand is younger, more radical, more sportive, more emotional and more technological. These were the five attributes more distinct from competitors by the respondents. From those, two are attributes that the brand wants to transmit, namely the EMOTION + TECHNOLOGY.

Students could say that the slogan has been effective; however, there are improvements to do and a long way to go. The slogan is not well entrenched in consumers mind and they are not associating immediately with the brand. “Auto Emoción” needs to be weakened and “Technology to Enjoy” needs to be strengthened in consumer’s mind. This will be helped by the advertisement in TV (which is the major channel where consumers heard or saw it), radio and others, by repeating constantly the message, so consumers have the time to remind “Technology to Enjoy” as the SEAT slogan.

Memorability and readability are keys. This means that the slogan should create an impression of the brand that lasts for a long time in consumer’s mind.

This is an open question and students could answer in other different ways with different reasons.

7.6 ADDITIONAL AREAS OF DISCUSSION

Other questions could be asked such as:

- What were the reasons behind the repositioning strategy of SEAT?
- In resume, what were the changes of SEAT’s logotype? Define logotype and its importance.
- Regard the effectiveness of SEAT brand perceptions and define the concept of brand image and its importance for building strong brands.
- What are the two main factors when communicating and selling in automotive industry?
- What are the three main features of advertisement slogans?
- What is the factor that has been gaining importance in automotive advertising in relation to unsafe driving content?

8. CASE-STUDY EXHIBITS

Exhibit 1 – Sales of the automotive industry in Portugal (2012)

	Septembre 2012		January-Septembre 2012	
Private car	6358	-30,90%	74461	-39,70%
Light Comercial vehicles	1119	-54,10%	10823	-55,10%
Total of passenger car	7477	-35,80%	85284	-42,20%
Heavy vehicle	216	13,10%	1519	-38,60%
Total Automotive Market	7693	-35,00%	86803	-42,10%

Source: ACAP – Associação Automóvel de Portugal

Exhibit 2 - Sales of Total of Light Vehicles from 2004-2007 in Portugal (includes: Light Passengers, Off-Road Vehicles, Light Commercial and mini-vans with +23000Kg)

MÊS	2004		2005		% Variaç. 2005/04		2006		% Variaç. 2006/05		2007		% Variaç. 2007/06	
	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.
JAN	19.997	19.997	22.164	22.164	10,8	10,8	20.980	20.980	-5,3	-5,3	19.901	19.901	-5,1	-5,1
FEV	20.044	40.041	20.883	43.047	4,2	7,5	20.720	41.700	-0,8	-3,1	19.079	38.980	-7,9	-6,5
MAR	28.100	68.141	27.284	70.331	-2,9	3,2	27.096	68.796	-0,7	-2,2	27.601	66.581	1,9	-3,2
ABR	23.122	91.263	22.245	92.576	-3,8	1,4	22.074	90.870	-0,8	-1,8	21.959	88.540	-0,5	-2,6
MAI	25.627	116.890	25.878	118.454	1,0	1,3	24.568	115.438	-5,1	-2,5	25.586	114.126	4,1	-1,1
JUN	25.820	142.710	33.487	151.941	29,7	6,5	27.011	142.449	-19,3	-6,2	34.102	148.228	26,3	4,1
JUL	24.510	167.220	24.271	176.212	-1,0	5,4	23.159	165.608	-4,6	-6,0	26.402	174.630	14,0	5,4
AGO	16.858	184.078	14.958	191.170	-11,3	3,9	15.569	181.177	4,1	-5,2	15.048	189.678	-3,3	4,7
SET	19.187	203.265	18.777	209.947	-2,1	3,3	17.503	198.680	-6,8	-5,4	17.148	206.826	-2,0	4,1
OUT	20.562	223.827	19.492	229.439	-5,2	2,5	19.945	218.625	2,3	-4,7	20.656	227.482	3,6	4,1
NOV	23.540	247.367	21.783	251.222	-7,5	1,6	20.738	239.363	-4,8	-4,7	21.425	248.907	3,3	4,0
DEZ	21.508	268.875	21.904	273.126	1,8	1,6	19.826	259.189	-9,5	-5,1	21.330	270.237	7,6	4,3

Source: ACAP – Associação Automóvel de Portugal

Exhibit 3 - Sales of Total of Light Vehicles from 2008-2011 in Portugal (includes: Light Passengers, Off-Road Vehicles, Light Commercial and mini-vans with +23000Kg)

MÊS	2008		% Variaç. 2008/07		2009		% Variaç. 2009/08		2010		2011		% Variaç. 2011/10	
	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.
JAN	20.206	20.206	1,5	1,5	11.357	11.357	-43,8	-43,8	17.516	17.516	15.679	15.679	-10,5	-10,5
FEV	21.763	41.969	14,1	7,7	12.761	24.118	-41,4	-42,5	18.464	35.980	16.344	32.023	-11,5	-11,0
MAR	27.253	69.222	-1,3	4,0	15.984	40.102	-41,3	-42,1	27.719	63.699	22.270	54.293	-19,7	-14,8
ABR	23.193	92.415	5,6	4,4	15.376	55.478	-33,7	-40,0	20.047	83.746	17.209	71.502	-14,2	-14,6
MAI	25.141	117.556	-1,7	3,0	16.245	71.723	-35,4	-39,0	23.337	107.083	17.717	89.219	-24,1	-16,7
JUN	25.468	143.024	-25,3	-3,5	18.972	90.695	-25,5	-36,6	30.077	137.160	19.970	109.189	-33,6	-20,4
JUL	26.350	169.374	-0,2	-3,0	20.306	111.001	-22,9	-34,5	23.916	161.076	16.732	125.921	-30,0	-21,8
AGO	15.481	184.855	2,9	-2,5	12.901	123.902	-16,7	-33,0	14.627	175.703	10.009	135.930	-31,6	-22,6
SET	17.927	202.782	4,5	-2,0	15.554	139.456	-13,2	-31,2	17.659	193.362	11.641	147.571	-34,1	-23,7
OUT	19.200	221.982	-7,0	-2,4	18.845	158.301	-1,8	-28,7	19.248	212.610	11.470	159.041	-40,4	-25,2
NOV	19.919	241.901	-7,0	-2,8	19.646	177.947	-1,4	-26,4	22.651	235.261	12.558	171.599	-44,6	-27,1
DEZ	26.892	268.793	26,1	-0,5	21.972	199.919	-18,3	-25,6	33.872	269.133	16.768	188.367	-50,5	-30,0

Source: ACAP – Associação Automóvel de Portugal

Exhibit 4 - Sales of Total of Light Vehicles from 2012-2014 in Portugal (includes: Light Passengers, Off-Road Vehicles, Light Commercial and mini-vans with +23000Kg)

MÊS	2012		% Variaç. 2012/11		2013		% Variaç. 2013/12		2014		% Variaç. 2014/13	
	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.	Mensal	Acumul.
JAN	9.072	9.072	-42,1	-42,1	8.041	8.041	-11,4	-11,4	10.582	10.582	31,6	31,6
FEV	7.822	16.894	-52,1	-47,2	8.652	16.693	10,6	-1,2	12.544	23.126	45,0	38,5
MAR	10.778	27.672	-51,6	-49,0	10.931	27.624	1,4	-0,2	16.595	39.721	51,8	43,8
ABR	9.430	37.102	-45,2	-48,1	9.284	36.908	-1,5	-0,5	14.370	54.091	54,8	46,6
MAI	11.991	49.093	-32,3	-45,0	11.541	48.449	-3,8	-1,3	15.848	69.939	37,3	44,4
JUN	12.116	61.209	-39,3	-43,9	14.023	62.472	15,7	2,1	17.787	87.726	26,8	40,4
JUL	10.369	71.578	-38,0	-43,2	12.224	74.696	17,9	4,4	16.369	104.095	33,9	39,4
AGO	6.228	77.806	-37,8	-42,8	6.996	81.692	12,3	5,0	9.229	113.324	31,9	38,7
SET	7.476	85.282	-35,8	-42,2	8.654	90.346	15,8	5,9	11.646 *	124.970	34,6	38,3
OUT	8.666	93.948	-24,4	-40,9	10.744	101.090	24,0	7,6				
NOV	8.639	102.587	-31,2	-40,2	10.729	111.819	24,2	9,0				
DEZ	8.733	111.320	-47,9	-40,9	12.304	124.123	40,9	11,5				

*Temporary data

Source: ACAP – Associação Automóvel de Portugal

Exhibit 5 - Private consumption (final consumption expenditure - P.3) of resident households by durability

Un.: %	
Year	Cars
2000	5,2
2001	-9,2
2002	-4,4
2003	-12,6
2004	12,5
2005	8,1
2006	0,3
2007	6,0
2008	-3,4
2009	-24,0
2010	27,7
2011	-23,1
2012Pe	-35,4
2013Pe	6,4

Source: INE (Instituto Nacional de Estatísticas), Statistics Portugal, National Accounts

Exhibit 6 - Passengers Market Ranking in Portugal

	YTD Aug 2014		YTD Aug 2013		Var. %	
1	Renault	11.447	11,70%	7.868	10,90%	45,50%
2	Volkswagen	9.364	9,60%	7.090	9,80%	32,10%
3	Peugeot	8.615	8,80%	6.364	8,80%	35,40%
4	BMW	7.219	7,40%	5.246	7,30%	37,60%
5	Mercedes	6.961	7,10%	4.731	6,60%	47,10%
6	Opel	6.019	6,20%	4.825	6,70%	24,70%
7	Audi	5.556	5,70%	4.234	5,90%	31,20%
8	Citroen	5.216	5,30%	3.593	5,00%	45,20%
9	Nissan	4.771	4,90%	3.000	4,20%	59,00%
10	SEAT	4.755	4,90%	2.514	3,50%	89,10%
11	FIAT	4.701	4,80%	3.867	5,40%	21,60%
12	Toyota	4.107	4,20%	3.048	4,20%	34,70%
13	Ford	3.853	3,90%	2.994	4,20%	28,70%
14	Dacia	2.134	2,20%	957	1,30%	123,00%
15	Kia	1.646	1,70%	1.100	1,50%	49,60%
	Others	11.335	11,60%	10.585	14,70%	7,10%
	Total	97.699	100,00%	72.016	100,00%	35,70%

Source: Internal Documents

Exhibit 7 – Market Share by channel in Portugal

	Total	RAC	LTR
Renault	11,70%	14,50%	11,70%
Volkswagen	9,60%	13,10%	8,20%
Peugeot	8,80%	9,50%	8,80%
Opel	6,20%	8,30%	6,40%
Citroen	5,30%	4,50%	7,40%
Nissan	4,90%	4,20%	5,70%
SEAT	4,90%	5,10%	5,00%
Fiat	4,80%	11,50%	3,20%
Toyota	4,20%	3,60%	5,00%
Ford	3,90%	5,50%	5,00%

Legend:

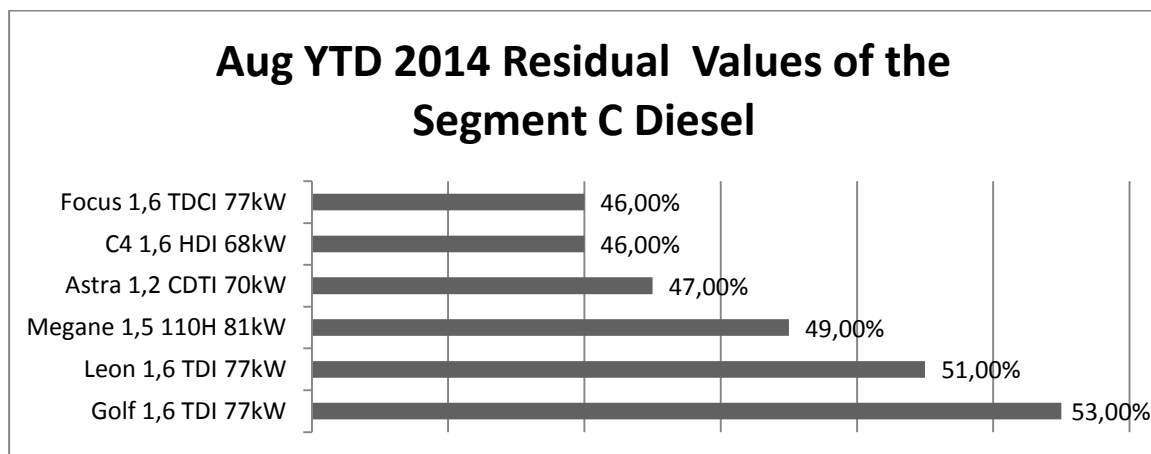
RAC – Rent-a-Car

LTR –Long Term Rental

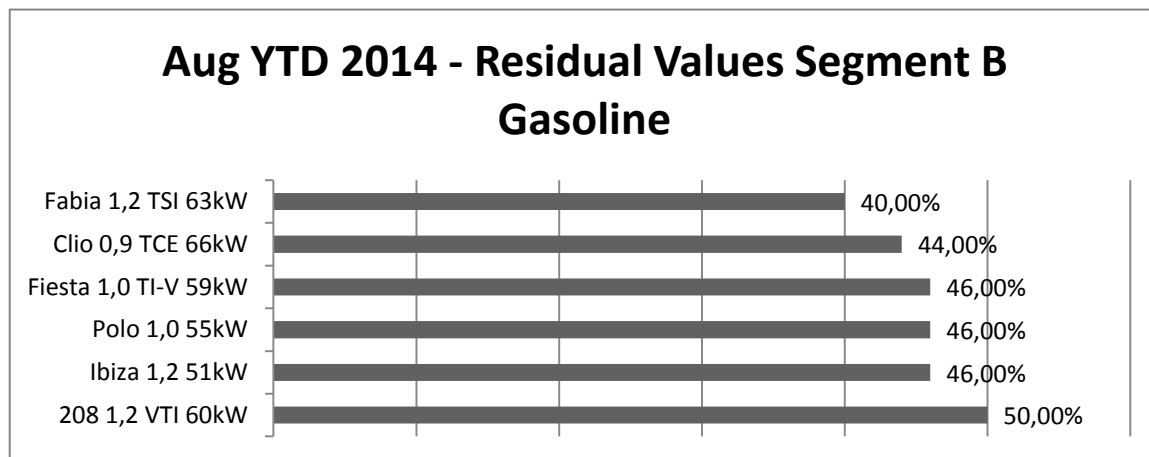
Source: ARAC – Associação dos Industriais de Aluguer de Automóveis sem Condutor

Exhibit 8 – Residual Value of Seat Leon (36 months and 90k Km) and Seat Ibiza (36 months and 60k Km)

Leon



Ibiza



Source: EUROTAX

Exhibit 9 – Seat Leon “Car of the year 2014 in Portugal”



“Familiar of the year”

“Estate car of the year”

Source: SEAT Portugal website (www.seat.pt)

Exhibit 10 - Sales of light passenger vehicles in Portugal by brands January-September 2014

	SETEMBRO					JANEIRO A SETEMBRO				
	Unidades		%	% no Mercado		Unidades		%	% no Mercado	
	2014	2013	Var.	2014	2013	2014	2013	Var.	2014	2013
Renault	862	1002	-14,0	8,90	13,60	12309	8870	38,8	11,46	11,17
Volkswage	939	501	87,4	9,69	6,80	10303	7591	35,7	9,59	9,56
Peugeot	1025	616	66,4	10,58	8,36	9640	6980	38,1	8,98	8,79
BMW	721	672	7,3	7,44	9,12	7940	5918	34,2	7,39	7,45
Mercedes	878	615	42,8	9,06	8,35	7834	5346	46,5	7,29	6,73
Opel	470	373	26,0	4,85	5,06	6489	5198	24,8	6,04	6,55
Audi	512	416	23,1	5,28	5,65	6068	4650	30,5	5,65	5,86
Citroën	430	291	47,8	4,44	3,95	5646	3884	45,4	5,26	4,89
Nissan	636	308	106,5	6,56	4,18	5410	3308	63,5	5,04	4,17
Seat	360	209	72,2	3,72	2,84	5115	2723	87,8	4,76	3,43
Fiat	290	261	11,1	2,99	3,54	4991	4128	20,9	4,65	5,20

Source: ACAP – Associação Automóvel de Portugal

Exhibit 11 – Keys for facing de crisis used by SEAT

Decision center in Portugal

Two strong ranges in each of their segment

Equilibrium in sales by channel

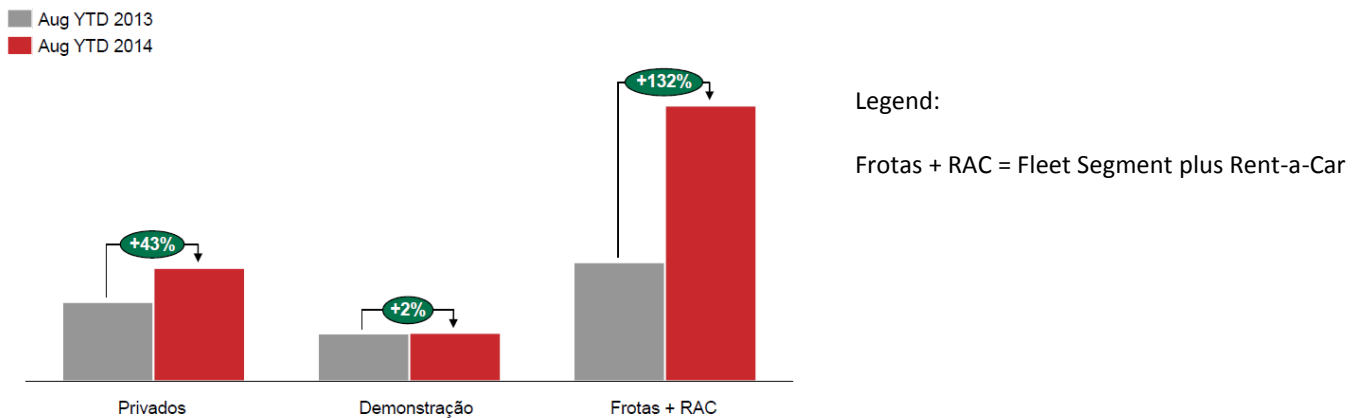
Prioritize the sales by channel

Exhibit 12 - Perspective on car buying (Balance)

Período de referência dos dados	Perspectiva sobre compra de automóvel nos próximos 12 meses (Saldo de respostas extremas); Trimestral
	Local de residência
	Portugal
	PT
	%
3.º Trimestre de 2014	-92,7
2.º Trimestre de 2014	-93,6
1.º Trimestre de 2014	-93,3
4.º Trimestre de 2013	-90,7
3.º Trimestre de 2013	-92,1

Source: INE (Instituto Nacional de Estatística) – Survey on consumer

Exhibit 13 - Sales by channels of SEAT Portugal from 2013 to 2014



Source: SEAT’s Press Conference 2014

Exhibit 14 - Evolution of SEAT’s logotypes

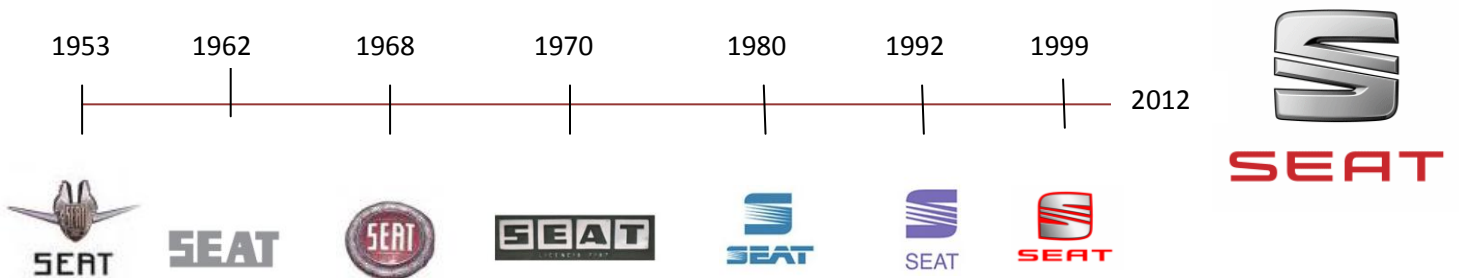


Exhibit 15 - Sales of light passenger vehicles January–October 2014

Vendas 2014	Unidades		%	% no Mercado		Unidades		%	% no Mercado	
	2014	2013	Var.	2014	2013	2014	2013	Var.	2014	2013
Renault	1247	1119	11,4	10,59	12,31	13556	9989	35,7	11,37	11,29
Volkswage	1162	898	29,4	9,86	9,88	11465	8489	35,1	9,62	9,59
Peugeot	1154	871	32,5	9,80	9,58	10794	7851	37,5	9,06	8,87
BMW	992	716	38,5	8,42	7,88	8932	6634	34,6	7,49	7,50
Mercedes	840	600	40,0	7,13	6,60	8675	5946	45,9	7,28	6,72
Opel	719	470	53,0	6,10	5,17	7211	5668	27,2	6,05	6,41
Audi	633	517	22,4	5,37	5,69	6701	5167	29,7	5,62	5,84
Citroën	584	445	31,2	4,96	4,89	6230	4329	43,9	5,23	4,89
Nissan	603	351	71,8	5,12	3,86	6010	3659	64,3	5,04	4,14
Seat	614	337	82,2	5,21	3,71	5729	3060	87,2	4,81	3,46
Fiat	336	351	-4,3	2,85	3,86	5327	4479	18,9	4,47	5,06
Toyota	581	420	38,3	4,93	4,62	5167	3831	34,9	4,34	4,33
Ford	378	411	-8,0	3,21	4,52	4671	3743	24,8	3,92	4,23

Source: Auto Informa

9. MARKET RESEARCH EXHIBITS**Exhibit 16- Survey Sample Gender**

#	Answer	Response	%
1	Female	80	49%
2	Male	82	51%
	Total	162	

Statistic	1
Min Value	2
Max Value	1.51
Variance	0.25
Standard Deviation	0.50
Total Responses	162

Exhibit 17 - Survey Sample Age

#	Answer	Response	%
1	18-25	84	52%
2	26-35	25	15%
3	36-45	25	15%
4	More than 45	28	17%
	Total	162	

	Value
Statistic	1
Min Value	4
Max Value	1.98
Variance	1.37
Standard Deviation	1.17
Total Responses	162

Exhibit 18 - Survey Sample Annual Gross Income

#	Answer	Response	%
1	Less than 7000€	12	7%
2	7000€-15000€	40	25%
3	16000€-25000€	22	14%
4	26000€-35000€	14	9%
5	36000€-50000€	11	7%
6	More than 50000€	7	4%
7	Didn't start my professional activity yet	56	35%
Total		162	

Statistic	Value
1	1
Min Value	7
Max Value	3.76
Variance	2.76
Standard Deviation	1.66
Total Responses	162

Exhibit 19 - Survey Sample SEAT's customers

#	Answer	Response	%
1	Yes	23	12%
2	No	163	83%
3	I was	10	5%
Total		196	

Statistic	Value
Min Value	1
Max Value	3
Mean	1.93
Variation	0.16
Standard Deviation	0.41
Total Responses	196

Exhibit 20 - Survey Sample Major Factors that consumers have into account when buying a car

#	Answer	Response	%
1	Price	150	76%
2	Image of the brand	24	12%
3	After-Sales service	19	10%
4	Performance	83	42%
5	Design	74	38%
6	Extras	1	1%
7	Other(s)	10	5%

Statistic	Value
Min Value	1
Max Value	7
Total Responses	197

Other(s):

Consumption
Ecology
Space
Comfort
Security
Mechanical Quality
Being German

Exhibit 21 - Survey Sample Brand's origin

#	Answer	Response	%
1	Italian	11	5%
2	Spanish	152	72%
3	German	33	16%
4	French	12	6%
5	Other(s)	2	1%
	Total	210	
Other(s):			
	German		

Statistic	Value
Min Value	1
Max Value	5
Mean	2.25
Variance	0.46
Standard Deviation	0.68
Total Responses	210

Exhibit 22 - Survey Sample Brand's Group

#	Answer	Response	%
1	General Motors Company	38	18%
2	Volkswagen Group AG	138	66%
3	Toyota Motor Corporation	1	0%
4	Ford Motor Company	4	2%
5	Fiat S.p.A	24	11%
6	Other	4	2%
	Total	209	

Statistic	Value
Min Value	1
Max Value	6
Mean	2.28
Variance	1.53
Standard Deviation	1.24
Total Responses	209

Exhibit 23 - Survey Sample Brand's Slogan

#	Answer	Response	%
1	Auto Emoción	105	50%
2	Design Innovation	17	8%
3	Motion&Emotion	13	6%
4	Technology to Enjoy	66	32%
5	Enjoyneering	8	4%
	Total	209	

Statistic	Value
Min Value	1
Max Value	5
Mean	2.31
Variance	2.09
Standard Deviation	1.45
Total Responses	209

Exhibit 24 - Survey Sample Level of Knowledge of the slogan

#	Answer	Response	%
1	I know it and I have associated it directly with SEAT	80	41%
2	I know it but I have associated with another car brand	28	14%
3	I know it but I have associated with a brand from another product category	2	1%
4	I have only heard or seen the slogan but don't know anything so far	58	30%
5	I never heard or seen the slogan so far	28	14%
	Total	196	

Statistic	Value
Min Value	1
Max Value	5
Mean	2.62
Variance	2.51
Standard Deviation	1.59
Total Responses	196

Exhibit 25 - Survey Sample Channel where the consumer saw or heard the slogan

#	Answer	Response	%
1	TV	137	70%
2	Radio	23	12%
3	Cinema	5	3%
4	Internet (Websites)	22	11%
5	Social Networks (Facebook, Twitter,...)	16	8%
6	Press (Journals and magazines)	14	7%
7	Outdoor	21	11%
8	Other(s)	2	1%
9	Never heard or saw it	38	19%
Other(s):			
	I don't know		

Statistic	Value
Min Value	1
Max Value	9
Total Responses	195

Exhibit 26 - Cross Tabulation Consumers that knew the slogan with the channel where they saw or heard it

Cross Tab	TV	Radio	Cinema	Internet	Social Networks	Press	Outdoor	Other	Never saw or heard
Knows "Technology to Enjoy"	85,246%	26,230%	4,918%	19,672%	18,033%	14,754%	18,033%	1,639%	3,279%
									4,918%

Exhibit 27 - Survey Sample "I like the slogan "Technology to Enjoy""

#	Question	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't know	Total responses	Mean
1	I like the slogan "Technology to Enjoy"	3	18	129	31	15	196	3.19

Statistic	Value
Min Value	1
Max Value	5
Mean	3.19
Variance	0.58
Standard Deviation	0.76
Total Responses	196

Exhibit 28 - Survey Sample Attributes of the Brand

#	Question	Strongly Disagree	Disagree	Neither agree or disagree	Agree	Strongly Agree	Total responses	Mean
1	Is accessible	2	7	42	132	14	197	3.76
2	Is functional	0	3	41	137	16	197	3.84
3	Is reliable	0	9	61	108	18	196	3.69
4	Is young spirited	0	6	26	106	58	196	4.10
5	Is efficient	0	5	72	108	11	196	3.64
6	Is economical	0	5	70	106	15	196	3.67
7	Is agile	1	6	60	107	22	196	3.73
8	Is dynamic	1	6	59	107	23	196	3.74
9	Is urban	0	6	32	131	27	196	3.91
10	Stands for high quality engineering/technology	1	19	96	70	10	196	3.35

Statistic	Is accessible	Is functional	Is reliable	Is young spirited	Is efficient	Is economical	Is agile	Is dynamic	Is urban	Stands for high quality engineering/technology
Min value	1	2	2	2	2	2	1	1	2	1
Max Value	5	5	5	5	5	5	5	5	5	5
Mean	3.76	3.84	3.69	4.10	3.64	3.67	3.73	3.74	3.91	3.35
Variance	0.46	0.33	0.49	0.54	0.40	0.43	0.52	0.52	0.42	0.56
Standard Deviation	0.68	0.57	0.70	0.74	0.63	0.65	0.72	0.72	0.65	0.75
Total Responses	197	197	196	196	196	196	196	196	196	196

Exhibit 29– Percentage Cross Tabulation Attributes with Clients/Non clients

Cross Tab	Are you a SEAT client?			
		Yes	No	I was
Accessible	Strongly Disagree	0,00%	1,23%	0,00%
	Disagree	8,70%	3,07%	0,00%
	Neither agree or disagree	17,39%	22,70%	10,00%
	Agree	60,87%	66,26%	90,00%
	Strongly Agree	13,04%	6,75%	0,00%
Functional	Strongly Disagree	0,00%	0,00%	0,00%
	Disagree	0,00%	1,84%	0,00%
	Neither agree or disagree	0,00%	24,54%	0,00%
	Agree	69,57%	68,10%	100,00%
	Strongly Agree	30,43%	5,52%	0,00%
Reliable	Strongly Disagree	0,00%	0,00%	0,00%
	Disagree	0,00%	5,52%	0,00%
	Neither agree or disagree	13,04%	32,52%	50,00%
	Agree	56,52%	56,44%	30,00%
	Strongly Agree	30,43%	5,52%	20,00%
Young spirited	Strongly Disagree	0,00%	0,00%	0,00%
	Disagree	0,00%	3,68%	0,00%
	Neither agree or disagree	8,70%	14,11%	10,00%
	Agree	47,83%	55,21%	50,00%
	Strongly Agree	43,48%	26,99%	40,00%
Efficient	Strongly Disagree	0,00%	0,00%	0,00%
	Disagree	0,00%	2,45%	10,00%
	Neither agree or disagree	4,35%	41,10%	40,00%
	Agree	69,57%	53,37%	50,00%
	Strongly Agree	26,09%	3,07%	0,00%
Economical	Strongly Disagree	0,00%	0,00%	0,00%
	Disagree	4,35%	2,45%	0,00%
	Neither agree or disagree	21,74%	38,04%	30,00%
	Agree	52,17%	53,99%	60,00%
	Strongly Agree	21,74%	5,52%	10,00%
Agile	Strongly Disagree	0,00%	0,61%	0,00%
	Disagree	0,00%	3,68%	0,00%
	Neither agree or disagree	8,70%	34,36%	20,00%
	Agree	65,22%	51,53%	80,00%
	Strongly Agree	26,09%	9,82%	0,00%
Dynamic	Strongly Disagree	0,00%	0,61%	0,00%
	Disagree	4,35%	3,07%	0,00%
	Neither agree or disagree	4,35%	31,90%	60,00%
	Agree	65,22%	53,99%	40,00%
	Strongly Agree	26,09%	10,43%	0,00%
Urban	Strongly Disagree	0,00%	0,00%	0,00%
	Disagree	0,00%	3,68%	0,00%
	Neither agree or disagree	8,70%	17,18%	20,00%
	Agree	69,57%	66,26%	70,00%
	Strongly Agree	21,74%	12,88%	10,00%
High technology quality	Strongly Disagree	0,00%	0,61%	0,00%
	Disagree	4,35%	8,59%	40,00%
	Neither agree or disagree	30,43%	52,76%	30,00%
	Agree	47,83%	34,36%	30,00%
	Strongly Agree	17,39%	3,68%	0,00%

Exhibit 30 - Survey Sample Improvements of the brand since 2012

Question	Worse	Equal	Better	Don't know	Total Responses	Mean
Design	7	17	125	14	163	2.90
Quality	3	30	80	50	163	3.09
Performance	1	36	70	56	163	3.11
Classic Style	18	63	39	42	162	2.65
Sportive Style	5	24	111	23	163	2.93
Technology	0	23	101	39	163	3.10

Statistic	Design	Quality	Performance	Classic Style	Sportive Style	Technology
Min Value	1	1	1	1	1	2
Max Value	4	4	4	4	4	4
Mean	2.90	3.09	3.11	2.65	2.93	3.10
Variance	0.35	0.56	0.58	0.97	0.41	0.37
Standard Deviation	0.59	0.75	0.76	0.99	0.64	0.61
Total Responses	163	163	163	162	163	163

Exhibit 31 - Survey Sample Cross Tab Client-Attributes

Clients of SEAT	Worse	Equal	Better	Don't know	Total
Design	2	0	15	2	19
Quality	0	1	12	6	19
Performance	0	2	10	7	19
Classic Style	2	5	8	4	19
Sportive Style	1	2	13	3	19
Technology	0	0	16	3	19

Chi Square	11,97
Degrees of freedom	6
p-value	0,06

Exhibit 32 - Survey Sample Comparison between close competitors

#	Answer	Min Value	Max Value	Average Value	Standard Deviation	Responses
1	Younger	0.00	81.00	4.07	6.14	165
2	More adult	0.00	5.00	2.46	1.08	165
3	More radical	1.00	58.00	3.62	4.43	164
4	More conservative	1.00	5.00	1.91	1.00	163
5	Faster (speed)	1.00	5.00	2.99	1.08	163
6	Slower (speed)	1.00	4.00	2.07	0.99	163
7	More sportive (style)	1.00	5.00	3.56	1.11	163
8	More classic (style)	1.00	4.00	1.92	0.93	163
9	More emotional	1.00	5.00	3.02	1.19	159
10	More technological	1.00	5.00	3.01	1.01	159
11	More efficient	1.00	5.00	2.86	1.02	159
12	More accessible (price)	1.00	5.00	2.95	1.08	159

10. APPENDIX

10.1 APPENDIX 1 – INTERVIEW GUIDE WITH TERESA LAMEIRAS

Introduction:

- Ask to record the interview
- Ask permission to use Teresa Lameiras's citations on the case-study

Questions:

1. What are the core values of the brand?
2. What's your mission?
3. How do you characterize SEAT brand?
4. Who are the major competitors of SEAT?
5. Did the key success factors in the automotive industry changed? What are today the main key success factors?
6. What was de positioning of the brand in the beginning?
7. What has changed, regarding the positioning, since then?
8. Is there any study of the positioning of the brand that proves that evolution?
9. What are the main competitive advantages of the brand?
10. In 2012 there was a big in the automotive industry, and thus, a big decrease on sales
 - a. Did SEAT feel that breaking?
 - b. Or did it feel more in other years?
 - c. If indeed the brand felt that crisis did you adopt any strategy to recover?
 - d. If yes, what strategy?
11. How do you define the old target/channel of the brand?
12. What is the current target/channel of the brand?
 - a. Did it increase?
13. Regarding the slogan, how do you define the old slogan "Auto Emoción"?
 - a. What was the main message the brand wanted to transmit to the consumer?
14. Why did SEAT decided to change the slogan?
 - a. Was it a repositioning of the brand?
15. The slogan "Enjoyneering" came to substitute, in 2012, the slogan "Auto Emoción". Why did you change very fast for the current slogan "Technology to Enjoy"?
 - a. What does the brand want to transmit with this new slogan?

16. Recently the brand has launch new ranges of cars, does the brand pretend to keep this expansion politic?
17. What is the future strategy regarding the management of the brand?
18. What are the challenges for the brand?

Closing comments:

- Any additional comments?
- Thank you very much for your collaboration

10.2 APPENDIX 2 - ONLINE SURVEY GUIDE

I'm a Master Student at Católica-Lisbon and currently I'm doing my master thesis. It's about SEAT, an automotive brand present in many countries. The objective of my research is to understand the effectiveness of SEAT's communication strategy and positioning.

Your contribution is essential to my study. All the answers are completely anonymous and the survey takes approximately five minutes.

Thank you very much in advance!

SEAT is:

- Italian
- Spanish
- German
- French
- Other: _____

To which automotive group SEAT belongs?

- General Motors Company
- Volkswagen Group AG
- Toyota Motor Corporation
- Ford Motor Company
- Fiat S.p.A.
- Other: _____

Could you tell me which slogan SEAT uses at the moment?

- Auto Emoción
- Design Innovation
- Motion&Emotion
- Technology to Enjoy
- Enjoyneering

The current slogan of SEAT is "Technology to Enjoy".

Identify the two main reasons why you would buy a car nowadays (please, select only 2):

- Price
- Image of the brand
- After-Sales Service
- Performance
- Design
- Extras
- Other(s): _____

Are you a customer of SEAT?

- Yes
- No
- I was

Which of the following sentence describes better your level of knowledge about the slogan "Technology to Enjoy"?

- I know it and I have associated it directly with SEAT
- I know it but I have associated with another car brand
- I know it but I have associated with a brand from another product category
- I have only heard or seen the slogan but don't know anything so far
- I never heard or seen the slogan so far

Can you recall where you saw or heard this campaign?

- TV
- Radio
- Cinema
- Internet (Websites)
- Social Networks (Facebook, Twitter, ...)
- Press (Journals and magazines)
- Outdoor
- Other(s): _____
- Never heard or saw it

Regarding the slogan "Technology to Enjoy", to what extent do you agree with the following statement?

	Strongly Disagree	Disagree	Agree	Strongly Agree	I don't know
I like the slogan "Technology to Enjoy"	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please indicate for each statement to what extent you agree with it regard to the car brand SEAT:

	Strongly Disagree	Disagree	Neither agree or disagree	Agree	Strongly Agree
Is accessible	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is functional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is reliable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is young spirited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is efficient	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is economical	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is agile	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is dynamic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is urban	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stands for high quality engineering	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>













SEAT has been a brand with a very own style. Please watch this video about the brand and its slogan:



From the following attributes how do you classify SEAT today with two years ago (2012)?

	Worse	Equal	Better	Don't know
Design	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Classic style	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sportive style	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technology	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Relatively to other brands, including Citroën, Ford, Peugeot, Renault and Opel SEAT is:

- Younger 
- More adult 
- More radical 
- More conservative 
- Faster (speed) 
- Slower (speed) 
- More sportive (style) 
- More classic (style) 
- More emotional 
- More technological 
- More efficient 
- More accessible (price) 

Gender:

- Female
- Male

Age:

- 18-25
- 26-35
- 36-45
- More than 45

Nationality:

- Portuguese
- Other: _____

At what level is your gross annual income?

- Less than 7000€
- 7000€-15000€
- 16000€-25000€
- 26000€-35000€
- 36000€-50000€
- More than 50000€
- Didn't start my professional activity yet

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