Toward a 'masstige' theory and strategy for marketing

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Abstract: The term 'Masstige' stands for mass prestige. Masstige marketing is a strategic phenomenon with the goal of market penetration and brand management in the era of globalisation. The main purpose of this paper is to contribute towards the development of the masstige marketing theory to explain the brand management phenomenon of high value/premium/moderately highly priced (but attainable) brands with a new theoretical model – focused on product, promotion and place strategies, keeping prices constant. Besides, we assess and contrast the effectiveness of marketing strategy of foreign and domestic car brands in the USA using Masstige Mean Index (MMI) developed by Paul (2015). This study is based on the survey data of owners of Japanese and American car brands. It was found that brands can create higher mass prestige value in a foreign country if they follow masstige marketing strategy. The study shows how MMI may facilitate masstige score estimates, allowing comparisons and aiding brands in devising strategies.

Keywords: brand perception; foreign brand; brand equity; mass prestige; masstige mean index.

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1   Introduction

The basic question in the business world is how firms gain market share and succeed (Paul, 2015a; Alon et al., 2016). This question is confronted in this study on 'Mass prestige'-based strategic marketing approach grounded in brand positioning, which endeavours to analyse the factors that determine the mass prestige of a brand in a

society/region/state/country. Mass Prestige is commonly referred to as "masstige," which is a marketing term akin to better brand perception and brand equity. A portmanteau of mass and prestige, the term has been described in layman's terms as 'prestige for the masses' (Silverstein and Fiske, 2003; Truong et al., 2009; Paul; 2015b; Kumar and Paul, 2018). The development of masstige strategy and theory flows from a recognition that marketing theory is replete with recycled and repeat analyses of different marketing mix elements, but has not grounded well on how and why certain firms build brand equity and achieve international success in this competitive era of globalisation compared to others.

Regarding price and prestige, masstige brands are just a step below traditional luxury brands and a step above mid-priced brands (Truong et al., 2009). Accordingly, Masstige marketing can be defined as a phenomenon in which regular products with moderately high prices are marketed to the maximum number of consumers by creating mass prestige without lowering prices or without offering discounts. Starbucks, Apple, Body works or Toyota Lexus etc. are good examples for this approach. Masstige strategy implies brand positioning, aiming at creating mass prestige value for the brand. Therefore, mid-priced brand managers could also use masstige strategy as it aims at maximising sales neither by lowering prices nor by offering discount. Product and promotion strategies play a critical role as part of Masstige marketing. Although "masstige marketing" sounds like a catchy buzzword, this topic has been scarcely researched (Truong et al., 2009; Shukla and Purani, 2012; Paul, 2015b; Kumar and Paul, 2018), because "masstige" as a term has been coined just a decade ago and adopted by the academics in the recent past. Thus, there are gaps in the literature, both in the areas of measurement of masstige value, theory development and positioning and linking it within the broad spectrum of brand management. Therefore, we contribute to developing 'masstige' theory and strategy for brand management in this era of globalisation.

In tandem with the globalisation of consumer culture, brands have become a focal notion for both corporations and consumers (Schroeder, 2009). Branding has emerged as a top management priority due to the growing realisation that brands are one of the most valuable intangible assets that firms have (Keller and Lehmann, 2006). The globalisation of brands is an evolutionary process that is determined by macro-environmental and firm-level factors, in the firm's global brand architecture (Townsend et al., 2010). For instance, all leading automotive multinational corporations (MNCs) have engaged in foreign direct investment (FDI) by establishing subsidiaries in foreign countries. For example, Japan's Toyota Motor Corp. ("Toyota") manufactures cars in Kentucky, USA, due to the firm's strategy to build a global brand and because of the location's sizeable market. From Toyota's point of view, there is a need to reach global consumers faster and reduce production and transportation costs.

In a competitive marketplace, the effectiveness of the marketing mix is determined not only by its absolute value but also by its relative value on the competition (Sudhir, 2001). The masstige marketing strategy and measure help explaining the extent of marketing success and failure grounded in the approach of building brand prestige, brand love and brand equity. The concepts of brand prestige and brand love have garnered great attention in branding and consumer behavior research lately (Nguyen et al., 2013; Schaefer and Kuehlwein, 2015; Paul, 2015b). Despite extensive research and significant advances in our understanding of brand equity conceptualisation and measurement (e.g. Aaker, 1996; Keller, 1993; Yoo et al., 2000; Yoo and Donthu, 2001; Netemeyer et al., 2004; Pappu et al., 2005), over the last three decades, important questions on brand

equity and likeability remain unanswered (Christodoulides and de Chernatony, 2010; Nguyen et al., 2013). Filling this gap, the present paper examines and compares the effectiveness of marketing strategy (taking all marketing mix elements together) of foreign brands, Toyota and Honda Motor Co., Ltd. ("Honda") from Japan ("Foreign brands"), and domestic automotive brands, General Motors Co. ("GM") and Ford Motor Co. ("Ford") in the USA (GM and Ford collectively referred to as "Domestic brands," and together with Foreign brands referred to as our "Study brands"), by calculating and juxtaposing their Masstige Mean Index – MMI (Paul, 2015b). We use MMI as an alternate method to measure the effectiveness of international marketing strategies that creates better brand equity in this study. Besides, we seek to extend the use of MMI (previously used only in the case of ultra-luxury brands such as Luis Vuitton) in the context of popular brands with high value/moderately high prices, which are targeted not only for the high-income group but also middle-income group. Drawing upon Sudhir's (2001) structural analysis of automobile sector in the USA, an effort has been taken in this study to estimate the mass prestige value of corporate brands in American car industry using the Masstige Mean Score Scale (MMSS) and Masstige Mean Index (MMI) developed by Paul (2015b). We present MMI as a tool to examine the effectiveness of marketing strategy, and as a measure to estimate the relative 'masstige' value of Japanese and American car brands in the USA, in this study. Thus, the true purpose of this study is to familiarise the academia with the masstige strategy and its effectiveness linking with the tenets of strategic management. Accordingly, the scope of this study is both building a better theory of marketing performance grounded in the mass prestige approach as well as explaining these practical insights for managers.

Insights into why consumers differ in their attitudes towards global brands are scant (Riefler, 2012; Steenkamp and de Jong, 2010; Alden et al., 2006b). Besides researchers (Roth et al., 2008; Pappu et al., 2006; Pappu et al., 2007; Pappu and Quester, 2010) show that country brand equity has a significant effect on consumer's brand perception and preferences. However, few or no studies have empirically explored masstige positioning strategies influence on consumer behaviour (Truong et al., 2009). First, little research has been carried out exploring the masstige strategy so far. Second, not much is known about the relationship between masstige value and the success of a brand. Third, there are no efforts till now to examine the factors affecting the mass prestige and customer-based brand equity and their relationship. Fourth, the link between the country of origin and mass prestige of a brand is also under-researched. By addressing these important research gaps, we make a number of contributions to the literature. First, an effort has been taken to conceptualise the theory of masstige marketing. Second, we extend prior research on masstige marketing, contributing towards building a new theory i.e., a theory of masstige marketing based on the approaches developed by other experts. Third, we shed light on the relationship between the mass prestige value, perceived brand equity and country origin. Finally, a benchmark parity between a top of mind brand, brand prestige and masstige value is established with empirical evidence.

To fill these gaps in the literature, we extend prior research (Kirmani et al., 1999; Sudhir, 2001; Yoo et al., 2000; Yoo and Donthu, 2001; Roth et al., 2008; Zhou et al., 2010; Pappu and Quester, 2010; Paul, 2015b; Kumar and Paul, 2018), with the specific research objectives as follows:

1 Measure and compare the perceived Mass Prestige value of Foreign versus Domestic Car Brands in the USA using Masstige Mean Index (MMI).

2 Assess masstige marketing strategy effectiveness and determine which brands are successful, based on their MMI.

This article proceeds as follows. The next section is designed towards developing a theory of masstige marketing grounded in the extant masstige marketing literature. The research hypotheses are described in Section 3. The methodology is given in Section 4. Sections 5 and 6 describe the study firms' brief profile and marketing strategies with reference to product, promotion, and place. Furthermore, Section 7 discusses findings, Section 8 discusses limitations and directions for future research, and Section 9 provides concluding remarks.

2 Toward a 'masstige' theory and strategy

In this section, an attempt has been made to develop a Masstige theoretical framework, grounded in the extant theoretical models and measures in these areas of research.

2.1 Mass prestige and brand management

The topic of masstige marketing is very important because of the common usage by industry practitioners, who often employ brand positioning and marketing strategies to increase market share and profits, particularly in the case of prestige brands as well as premium brands. Masstige marketing helps in the efforts to create high level of mass prestige for the brand in the long run. The examples used by Silverstein and Fiske (2003) in their Harvard Business Review article to coin the term 'Masstige' include brands such as Bath & Body, Victoria's Secret, Starbucks, and Whirlpool. All of which offer a range of prices in their offerings and their customers span various income groups. Hence, it is possible that masstige strategic approach can be employed in wide variety of brands that carry some prestige such as luxury fashion goods, cars, smartphones, laptops, desktop computers and star hotels.

Chabowski et al. (2013) provide a bibliometric analysis of global branding literature incorporating five areas with suggestions for the future development of the area. The areas conceptualised are international branding strategy, brand positioning, brand/country origin, brand concept-image, and brand performance. Baek et al. (2010) explored how brand prestige and brand credibility affected the purchase intention and proposed a model of six latent constructs. They tested the model with structural equation modelling analysis and found that both brand credibility and brand prestige positively influence purchase intention through perceived quality, information costs saved, and perceived risk under different product categories that represent the high and low self-expressive nature.

The goal of brand positioning and extension is normally to develop a firm's brand equity, rather than to develop a new product itself (Ambler and Styles, 1997). The mass prestige-based brand equity comprises brand symbolism, which is made up, in part, by the brand's prestige in the eye of the consumer (Bhat and Reddy, 1998). The brand's prestige increases the likelihood of a purchase (Steenkamp et al., 2003; Baek et al.,

2010). The leveraging of this prestige and brand equity significantly reduces the costs for the incumbent firm. This enables the firm to save on costs associated with marketing its new brand.

Broniarczyk and Alba (1994) show that consumer perception includes the feelings that the brand evokes (affect) and how similar it is to the parent brand. Following a broader perspective in exploring customer perceptions and motives for purchasing brands, it is not sufficient to explain the whole picture of consumption regarding socially oriented consumer motives and the desire to impress others (Wiedmann et al., 2009). The knowledge and image consumers have of the existing parent brand are the most critical for the success of marketing (Lane and Jacobson, 1995; Pitta and Prevel Katsanis, 1995). The prestige attributed to the brand is an influencer on re-purchase behaviour (Kuenzel and Vaux Halliday, 2008). Additionally, increasing the consumer's exposure to the extended brand can increase the perceived fit with the parent brand (Klink and Smith, 2001).

Swaminathan et al. (2001) researched the reciprocal effect that a successful or failed brand extension could have on a parent brand. If consumers view the extended brand positively, it is likely to impact the brand image of the parent brand positively; however, this works vice-versa, as well. Consumers, who already own the parent brand, are also affected by the extension. Kirmani et al. (1999) demonstrate that these current owners react favourably if the extensions increase the prestige of the brand. They argue that brand extension facilitates mass marketing, which is a critical step in creating mass prestige (masstige) value.

As aforementioned, "masstige" is a marketing term implying brand positioning in terms of mass prestige and downward brand extension. A combination of "mass" and "prestige," the term is an acronym for 'mass prestige'. To position this as an article in a manner that displays similarities and differences with existing theoretical approaches, we briefly review the prior theoretical research around masstige marketing and management. Based on the review, the different dimensions and tenets of masstige approach are developed in this article to build a new theoretical model for strategic brand management and contribute towards building a new theory – the theory of masstige marketing. Keeping the aforesaid objective in mind, we identify and critically examine the following prior research in this context for comparison.

1   *Masstige-based market penetration model (Silverstein and Fiske, 2003)*: Silverstein and Fiske (2003) coined the term 'masstige' in their article titled "Luxury for the masses' and discussed it in detail in the book "Trading up: Why consumers want new luxury goods and how companies create them" (Silverstein et al., 2008). "Masstige" marketing strategy is a market penetration approach for medium and large firms. With the booming middle class, more consumers are trading up to higher quality products. Therefore; these products are no longer just for the affluent, but also for mass-market consumers (Silverstein and Fiske, 2003). The term "Masstige" was derived based on recent consumer behaviour in the USA (Silverstein and Fiske, 2003). As opposed to traditional luxury brands, masstige brands sell at a relatively competitive price and boast mass-artisanal production, providing certain exclusivity to consumers (Silverstein and Fiske, 2003).

2   *Masstige-based brand positioning model (Truong et al., 2009)*: Truong et al. (2009) developed a brand positioning model grounded in the tenets of masstige marketing. Masstige marketing allows consumers to buy high-quality items at a reasonable price, thereby leaving the consumers a feeling of fulfilment upon acquiring these status symbols (Truong et al., 2009). By comparing positioning of masstige brands and traditional luxury brands, they determined that in terms of price and prestige, masstige brands are just a step below traditional luxury brands and a step above mid-priced brands. As for perceived prestige, masstige brands are substantially closer to traditional luxury brands.

3   *Bandwagon luxury consumption model (Kastanakis and Balabanis, 2012)*: Some researchers have investigated the non-product-related brand associations (O'Cass and Frost, 2002), motivations (Vigneron and Johnson, 2004), and psychological factors (Kastanakis and Balabanis, 2012; O'Cass and McEwen, 2004) that influence consumers' propensity for masstige-led consumption. For instance, Kastanakis and Balabanis (2012) studied psychological factors' impact on consumers' propensity to engage in "bandwagon" luxury consumption. This type of market penetration and brand position strategies aiming at creating mass prestige, in particular, among middle-class consumers is called "bandwagon luxury consumption" (Kastanakis and Balabanis, 2012).

4   *Global market penetration model (Kapferer, 2012)*: Kapferer (2012) explained how luxury brands could penetrate mass global markets, particularly the emerging Asian markets without compromising their exclusive appeal, by shifting from rarity tactics to "virtual rarity" tactics, creating elitism through art and adopting a specific business model. In order to capture more market share, the premium brands need to create demand, not only from extra ordinary people, but also from ordinary individuals. The brand, its products, and prices must be known by many people, even though only a few can buy them (Kapferer, 2012).

5   *Populence paradigm (Granot et al., 2013)*: Granot et al. (2013) show that the meaning of luxury has changed in the contemporary USA based on an integrative review of research. They offer theoretical extensions and propose a new luxury paradigm that they that refer to as 'populence.' They argue that the prestige goods can be targeted and popularised towards a wide audience. The theory of masstige marketing is grounded in the populence paradigm.

6   *Masstige mean index and pyramid model (Paul, 2015b)*: There were no measures to generalise masstige marketing and stimulate further research. Nevertheless, Paul (2015b) redefined masstige marketing with a Masstige Mean Score Sales (MMSS) and MMI (MMSS as a scale-based instrument containing 10 questions that measure (see Table 3) the impact of masstige marketing, in terms of mass prestige value with the Masstige Mean Index (MMI), with scores ranging from 10 to 70 (on MMSS). Based on this scale, the masstige value of competing brands in a state/region/country can be measured. The higher the score on this instrument, the higher the masstige value, and vice versa. To determine masstige value, one must collect data from a sample of customers or potential customers, calculate mean scores of responses to each question and sum all mean scores to arrive at MMIs. Besides, Paul (2015b) introduced a pyramid model to show how managers can reach out to middle income and higher-low income groups, when they sell premium products.

7   *Brand dilution debate*: Masstige positioning strategies are perceived as innovative and effective because they merge successful prestige positioning with mass appeal, boosting revenues with minimal or no brand dilution (Kapferer and Bastien, 2009). Not all researchers agree that masstige positioning strategies cause minimal or no brand dilution. Some suggest that these strategies may dilute brands' image (Truong et al., 2009; Riley et al., 2004; Silverstein and Fiske, 2003). This is particularly the case with prestige brands compared to traditional luxury brands, depending on the product category (Riley et al., 2013).

8   *Other studies with theoretical implications*: Some other researchers refer to these strategies as "democratisation of luxury" (Shukla and Purani, 2012). Masstige strategies often rely on logo-stamped, relatively affordable status products or accessories (e.g., Premium car models or brands such as Hermès, Louis Vuitton and Tiffany), "junior" mass products sold as fashion items (e.g., Christian Lacroix's Bazar line, Marc by Marc Jacobs, and Must by Cartier) or downscale extensions (Catry, 2003; Nueno and Quelch, 1998). On the other hand, Zhang et al. (2014) investigated the link between customer equity drivers – value, brand equity, and loyalty intention based on a sample of 1553 Chinese and 1085 Dutch consumers in the banking and supermarket industries and found that all three drivers exert greater impact in Western than in Eastern cultures. However, they demonstrated that Eastern consumers have higher brand loyalty intention than Western consumers. The authors did not refer to the term "masstige."

9   *A new step-by-step theoretical model*: Grounded in brand positioning and penetration approach, the above-mentioned models offer marketers a comprehensive set of frameworks to help them devise branding strategies and tactics to build long-term brand equity. Based on the limited extant literature, we posit that masstige marketing's success depends on how strategies are formulated with respect to product, promotion and distribution, not price. However, product and promotion (for instance, brand positioning) strategies are more critical in masstige approach. Grounded in these tenets, we develop a new step-by-step model for masstige value creation focusing on product, promotion and place, as shown in Figure 1 with the examples, such as Toyota's innovative brands such as Lexus, RAV 4 and Prius.

The model drawn in Figure 1 shows the relationship between explanatory variables and masstige value. This discussion leads towards the need for brand managers to align their masstige marketing strategy based on consumer psychology and culture of a society. The real key to a brand's success lies in its ability to create a higher mass prestige value that is truly distinctive. The masstige theory envisaged in this study requires exploitation of existing and potential brand-specific capabilities to achieve congruence with the changing business environment. Thus, masstige marketing approach seeks to provide a coherent model and measure which can both integrate existing theoretical and empirical knowledge and facilitate prescription. In doing so, it builds upon the theoretical foundations, frameworks and measures provided by prior research (Keller, 1993; Keller and Lehmann, 2006; Yoo and Donthu, 2001; Silverstein and Fiske, 2003; Pappu et al., 2005; Paul, 2015b; Keller, 2016; Kumar and Paul, 2018).

Figure 1 A step by step model for masstige value creation

PRODUCT	Product launch	Product innovation and product differentiation. Example Hybrid car Prius from Toyota	Offering sub brands and new product lines Example: Toyota RAV4 Innovation arbitrage
PROMOTION	Eyes-Catching Advertisement through channels, that have high income group audience	Advertisements at location and a city centres & airport lobby where both middle and high class consumers likely to go	Strategic brand management and endorsement by celebrities
PLACE	Controlled distribution to maintain exclusivity	Distribution through franchising as well as direct channels	Outline at sale begins to attract new gen-consumers
PRICE	Constant	Constant	Constant

To facilitate theory development and intellectual dialogue, some acceptable propositions are desirable. Considering the factors included in the masstige questionnaire and scale (Paul 2015b), and based on the assumptions and findings of prior researchers (Keller, 1993; Silverstein and Fiske, 2003; Truong et al., 2009; Schroeder, 2009; Granot et al., 2013; Paul, 2015b; Kumar and Paul, 2018), the tenets of the theory of masstige marketing can be specified in the following propositions. They are grounded in brand knowledge, brand love, brand prestige, perceived quality, excitement and status.

Proposition 1: Consumers buy a specific brand because of brand knowledge.

Proposition 2: Consumers believe that there is high correlation between the mass prestige value and brand perception of the people around.

Proposition 3: Consumers like a brand because of mass prestige.

Grounded in masstige marketing theory, the step-by-step model and the theoretical approach shown in Figure 1, research objectives and methodology are specified in the following section.

3 Research hypotheses

Brand equity and masstige value can be considered as outcomes of the marketing strategies of the firm. Brand origin also has a moderating effect on the strategic value of perceived brand foreignness (Zhou et al., 2010). Brand equity is also influenced by perceptions of the brand's country of origin and country brand equity positively impacts product preferences (Roth et al., 2008; Pappu and Quester, 2010). Hennart et al. (2002) examined whether the problems such as liability of foreignness create issues for foreign firms, based on the sample of Japanese firms exiting from the US Market. On the other

hand, Laforet and Chen (2010) examined Chinese and British consumers' evaluations of Chinese and international brands, and factors affecting their brand choice. Their findings show that country of origin does not affect brand choice of Chinese consumers but has a great effect on British choice. In addition, brand value, and brand familiarity influence Chinese choice whereas brand reputation, and brand trust determine British choice. Martín and Cerviño (2011) contributed to the brand Country of Origin (CO) awareness literature by integrating consumer and brand characteristics in a theoretical model and found that brand equity explains the country of origin brand recognition. Similarly, experience with brands and the integration between the consumer and the CO of a foreign brand are positively related with brand CO recognition (Martín and Cerviño, 2011).

Moreover, the nation-wide car brand perception survey 2014 conducted in the USA ranked Japanese car brand Toyota on top of domestic brands such as Ford and General Motors. Thus, we would expect that the marketing strategies of leading Japanese brands like Toyota are more effective than the domestic brands in the USA. Besides, blending the tenets of the theory of masstige marketing and following the theoretical link between brand origin, country brand equity, brand preferences and perceived brand value established by researchers (Balmer and Gray, 2003; Roth et al., 2008; Zhou et al., 2010; Pappu and Quester, 2010; Paul, 2015b), we hypothesise as follows.

Hypothesis 1: Foreign (Japanese) automobile brands have high mass prestige value in the US market, in comparison to domestic brands.

Different customer-level marketing tactics drive marketing strategy (Kumar and Petersen, 2005). Similarly, it is important to note that consumers recall a brand mainly because of the prestige associated with it through the lens of the society they are living in (Shukla and Purani, 2012). Besides, Paul (2015b) posits that MMI's between 50 and 60 signifies that firms have built strong brand equity, but not top-of-mind brand awareness (a MMI score ranging from 60 to 70 (MMI being an index with 70 as maximum score) is required to be classified as top-of-mind brand as well as strong brand equity). Based on this, we formulate:

Hypothesis 2: The domestic car brands have built strong masstige value in the USA, but not top-of-mind perceived brand equity.

Prior research has revealed the role and influence of gender (in particular, female consumers) on the consumer brand choice and the brand consumption patterns, especially taking their preferences into consideration (Granot et al., 2013; Stokburger-Sauer and Teichmann, 2013; Baek et al., 2010). Higher perceived symbolic and social value of prestige brands have traditionally been more important for women than men (Stokburger-Sauer and Teichmann, 2013). We thus propose the following hypotheses.

H3a: Gender (female consumers) influences the mass prestige of a car brand significantly.

H3b: Gender (female consumers) does influence brand perception due to mass prestige.

H3c: Gender (female consumers) does influence the tendency to pay a premium for a car brand as a status symbol.

The consumption of prestige brands (whose price is high by normal standards) is viewed as a signal of status and wealth (Vigneron and Johnson, 1999; Silverstein and Fiske, 2003; Stokburger-Sauer and Teichmann, 2013; Baek et al., 2010). This implies that the low-income consumers would find it difficult to purchase prestigious brands. Therefore, the following hypotheses are proposed.

H4a: Income level of the consumer significantly influences purchase of prestigious brands.

H4b: Income level of the consumer significantly influences brand choice due to mass prestige.

H4c: Income level of the consumer significantly influences tendency to pay a premium for a brand as a status symbol.

4 Methodology

4.1 Data and analytical framework

MMI is a measure of masstige marketing strategies' effectiveness and popularity regardless of industry and region, country or state. In this article, we use MMI to measure Study Firms' masstige marketing strategy effectiveness by deriving their masstige mean score.

The automotive industry in the USA consists of domestic brands, as well as foreign brands from Japan and Europe, and more recently from South Korea (e.g., Hyundai and Kia). We assume that brands with relatively high value or moderately high price can fall in the category of masstige brands. A masstige brand need not be a luxury brand (Silverstein and Fiske, 2003; Paul, 2015b). Four car brands (Toyota, Honda, Ford and General Motors) because they hold the top four positions in the US Consumer Reports' 2014 Car-Brand Perception Survey. This survey scores show how consumers perceive each automotive brand in seven categories: quality, safety, performance, value, fuel economy, design/style, and technology/innovation. Those survey scores reflect brands' image, equity, quality etc. We aim to combine these factors to generate a comprehensive Index score – to measure brand equity, in terms of MMI.

This study is both exploratory and descriptive. Primary data was collected using the Masstige Questionnaire (see Table 1) designed by Paul (2015b) with additional customer feedback. We administered the survey in two southern states and a territory of the USA (Florida, Georgia and Puerto Rico) with a sample of 300 car owner respondents. Respondents were asked to rate all four car brands on the masstige scale. Our criteria were to select those respondents who own one of the car brands included for this study (Toyota, Honda, Ford and GM). The questionnaire was also distributed through the online channel surveymonkey.com. Study Firms' dealerships were visited to experience first-hand products and prices, and conducted face-to-face, open-ended interviews with customers and potential customers to collect additional information. Responses were elicited from over 400 car owners, but only 300 filled the questionnaire, amounting to approximately 75% response rate. Secondary data were collected from public sources, including magazines, research papers, books, websites and annual reports.

For statistical analysis, we employed Kruskal-Wallis and Mann-Whitney tests. The Kruskal-Wallis test, also referred to as 'one-way analysis of variance (ANOVA) by ranks', is a rank-based nonparametric test used to determine whether any statistically significant differences between two or more groups of an independent variable or a continuous or ordinal dependent variable exist. An example of ordinal variables is Likert scales (e.g., a seven-point scale from 'strongly agree' through 'strongly disagree'). Typically, a Kruskal-Wallis test is used where three or more categorical, independent groups are considered, but it also works well for just two groups. A requirement, however, is observation independence, meaning that no relationship between observations in each group or between the groups exists.

The Mann-Whitney test, on the other hand, compares differences between two independent variable groups, when the dependent variable is either ordinal or continuous, without normal distribution. For instance, this test could be used to determine whether attitudes towards pay discrimination (dependent variable), differ as to gender (independent variable), where attitudes are measured on an ordinal scale. It could also be used to assess whether salaries (dependent variable), measured on a continuous scale, vary with educational level (independent variable). The Mann-Whitney test is often considered the nonparametric alternative to the independent t-test.

This study is anchored on a Likert seven-point scale and therefore data is ordinal. Since normality tests with ordinal data are not possible, we employed nonparametric tests. For our discrete data, both Kruskal-Wallis and Mann-Whitney tests were employed, as they are equally effective and minimally affected by outliers.

5   Validity and reliability tests of instrument

Validity, on the other hand, refers to whether measurements are actually capturing the desired construct. Reliability refers to measures' ability to capture subjects' true score to accurately distinguish among them. Reliability measurement of qualitative data is important to determine the stability and quality of the data obtained (Rust and Cooil, 1994; Netemeyer et al., 2004).

5.1   Instrument's validity test

To test the validity of the scale used for collecting data from the factors extracted, we took the factor loadings, squared and divided them by the total number of statements. If this value is greater than 0.5, the research instrument (Masstige Mean Score Scale) has construct validity (see Table 1).

In our case, we have taken squares of above figures, summed $[(0.948)^2 + (0.938)^2 \ldots + (0.850)^2]$, and divided by the total number of statements, which is 10, obtaining a validity statistic of 0.832. Since this statistic exceeds 0.5, we determined that our instrument has construct validity.

Table 1   Component matrix

	Component
	1
I would buy this brand because of its masstige.	.948
I believe that individuals in my country, state or district perceive this brand as prestigious.	.938
I consider this brand a top-of-mind brand in my country, state or district.	.935
I would recommend this brand to friends and relatives.	.927
I like this brand because of its prestige.	.918
I believe this brand meets international standards.	.913
I believe this brand is known for high quality.	.909
I love to buy this brand regardless of price.	.896
Nothing is more exciting than this brand.	.884
I tend to pay a premium for this brand as a status symbol.	.850

5.2   Instrument's reliability test

In this sub-section, following Rust and Cooil (1994), we report the results of the reliability test of the instrument (Masstige Mean Score Scale. see Tables 2 and 3).

Table 2   Reliability statistics

Cronbach's alpha based on standardised items	*No. of items*	*No. of items*
.977	.977	10

Table 3   Item-total statistics

	Scale mean if item deleted	*Scale variance if item deleted*	*Corrected item-total correlation*	*Squared multiple correlation*	*Cronbach's alpha if item deleted*
I like this brand because of its mass prestige.	43.6102	188.227	.896	.877	.974
I would buy this brand because of its mass prestige.	43.7062	186.707	.935	.921	.973
I tend to a pay a premium for this brand as a status symbol.	44.0989	189.562	.819	.728	.977
I consider this brand a top-of-mind brand in my country, state or district.	43.6921	187.851	.918	.867	.974
I would recommend this brand to friends and relatives.	43.5621	188.462	.906	.887	.974
Nothing is more exciting than this brand.	44.0847	187.794	.860	.847	.976

Table 3   Item-total statistics (continued)

	Scale mean if item deleted	Scale variance if item deleted	Corrected item-total correlation	Squared multiple correlation	Cronbach's alpha if item deleted
I believe this brand is known for high quality.	43.4802	189.412	.884	.880	.975
I believe this brand meets international standards.	43.5706	189.889	.889	.894	.975
I love to buy this brand regardless of price.	44.0734	185.932	.873	.830	.975
I believe that individuals in my country state or district perceive this brand as prestigious.	43.7147	187.632	.922	.877	.974

As reported in Table 2, Cronbach's Alpha for the instrument is 0.977. Since this figure exceeds 0.7, we determined that our Masstige Questionnaire's reliability is quite high. Furthermore, we did not delete any items as all have Cronbach's Alpha scores above 0.7. Hence, our Masstige Questionnaire used for constructing MMSS is reliable.

6   Car brands and marketing strategies

We discuss the profile of car brands studied (GM, Ford, Toyota and Honda) and their marketing strategies in this section.

General Motors (GM)

Founded on 16 September 1908, GM is an American firm headquartered in Detroit, Michigan that designs, manufactures, markets and distributes vehicles, parts and accessories.[1] GM has brands for different segments, such as Cadillac, the luxury brand. GM focuses on its core brands and differentiates itself by offering high technology products (Townsend et al., 2010). GM's promotional programs include auto shows, magazines and news. The company deploys a mass marketing and customisation strategy to reach out to consumers in different segments (Alford et al., 2000). Maximising revenues by focusing on brand strategy, GM delivers higher residual value vehicles, at a reasonable price (Colombo and Morrison, 1989; Townsend et al., 2010). GM distributes cars in six regions in the world: North America, Europe, Latin America, Africa, Asia and the Middle East (Townsend et al., 2010). In North America, GM manufactures and markets under four brands: Buick, Cadillac, Chevrolet and GMC, whereas outside North America, it does the same under these brands: Holden, Opel, Vauxhall, Wuling, Baojun, Jie Fang, and Daewoo (Kay, 2006). GM holds equity ownership, in many entities through various regional subsidiaries. These subsidiaries design, manufacture and market vehicles under Alpheon, Baojun, Buick, Cadillac, Chevrolet, Daewoo, Jiefang and Wuling brands (Alden et al., 2006a; Olivares and Cachon, 2009).

Ford

Incorporated on 1903, Ford was the first giant American automobile multi-national corporation that sells passenger automobiles worldwide (Pietrykowski, 1995). The conglomerate encompasses many global brands, including luxury brands, Lincoln and Mercury sold in the US market. Based on their comparative study of Ford and Merecedez-Benz, Kuenzel and Vaux-Halliday (2008) found that consumers' development of relationships via brand identification results in word of mouth about the brand with intentions to repurchase the brand. This is one of the main tenets of the theory of masstige marketing.

Ford's business strategy is embodied in its four-point business plan for global success, which consists of: (1) restructuring to profitably operate at the current demand and changing model mix, (2) accelerating product development, (3) financing to improve balance sheet, and (4) working as a unified team (Ginn and Zairi, 2005). Ford's product portfolio includes passenger, commercial and transport vehicles encompassing a diversified line of high-quality products (Clark, 1991). According to respondents in our survey, Ford seeks customer loyalty by delivering cars and trucks that are price-competitive to a large extent. Ford adapt to local market differences, to exploit economies of global scale, to exploit economies of global scope, to tap optimal locations for activities and resources, and to maximise knowledge transfer across locations (Gupta and Govindarajan, 2001).

Toyota

Toyota is a Japanese automotive manufacturer established in 1937. Toyota brand has a large market share in the USA (Magee, 2007). In the USA, the conglomerate sells under the Toyota brand, as well as its economic brand Scion and its luxury brand Lexus. Its management strategies are principled on long-term thinking, problem-solving, employee development and continuous learning (Adler et al., 1999; Black, 2007). Toyota' marketing strategies, are, to a large extent, grounded in the theory of masstige marketing.

Toyota's production system is based on lean manufacturing and just-in-time production. Companies around the world, in all sectors of the economy, now embrace these approaches to improve quality, minimise cost and increase productivity (Piercy and Rich, 2009). According to the respondents participated, Toyota cars are ergonomically designed with features, constant upgrades and warranties that help the company to foster customer loyalty. This is nothing but brand awareness and knowledge (first factor in the masstige marketing approach/scale) of Toyota among the respondents. Based on the answers to the open-ended part of questionnaire, we found that Toyota promotes its brand via e-commerce marketing, billboards, celebrity endorsements and TV advertisements. Most of the respondents were satisfied with the price they pay for Toyota brands. As part of placement strategy, Toyota distributes via retailers, agents and dealership networks. It showcases vehicles at auto shows, mall exhibitions and other special events.

Honda

Honda was established in 1948, and in 1959, they branched out to the international market by opening its first overseas store in Los Angeles, California (Pascale, 1984). Honda sought a unique way to reach out to potential consumers, influencers, and making consumers the instruments of advocacy (Dobele et al., 2005). Honda was the first

Japanese automaker to establish a production facility in the USA (Pascale, 1984). Its contributions to the design and manufacturing process, and the success of their brands such as Acura (luxury) or CRV (innovative brand) have helped the company to create mass prestige, according to our respondents. Respondents believe that Honda conceives exceptional designs among its competitors and perceive that Honda's focus is on quality and innovation. This is an important tenet of masstige marketing approach. Our results show that Honda created masstige by providing better customer services (primarily a promotion strategy). Honda's advertising exalts the company's technologically innovative and ecofriendly image. Honda's promotional channels include magazines, newspapers and Television advertising.[2]

Our results show that Honda has been successful in the USA, offering high efficiency and quality vehicles at affordable prices that highly satisfy customers. Honda's success is linked not only to its core competence, but also to its global strategy.

7   Results and discussion

In this section, we discuss the results of statistical analysis (Descriptive statistics, Masstige mean index values, Mann-Whitney and Kruskal-Wallis test).

7.1   Descriptive statistics

The Masstige Questionnaire was administered to 300 respondents in the Study Market and collected primary data. Table 4 provides sample's demographic statistics.

Table 4   Demographic statistics

	Frequency	*Valid percentage*	*Cumulative percentage*
Age			
18–25	90	30	30.
26–33	73	24	54
33–40	71	23.6	77.6
40–47	22	7.3	84.9
47–54	24	8	92.9
54+	20	7	100.0
Total	300	100.0	
Income			
Low Income Group	103	34.3	34.3
Middle Income Group	151	50.3	84.7
High Income Group	46	15.4	100.0
Total	300	100.0	
Gender			
Female	182	60.5	60.5
Male	118	39.5	100.0
Total	300	100.0	

The demographic statistics indicate that 60% of respondents were females and 40% were males. 30% of respondents were between the ages of 18 to 25, 27% were between 33 and 40, and 22% were between 26 and 33. Remaining respondents were in the age group of above 40. 54% of respondents self-categorised themselves in the middle-income group, 34% in the high-income group and 12% in the low-income group.

7.2 Masstige mean index (MMI)

Masstige Index scores of study's firms – Toyota, Honda, GM and Ford are given in Table 5. Hypothesis 1 predicted that leading Japanese automobile firms have created high mass prestige value in the US market, in terms of Mass Prestige value, in comparison to domestic brands. As reported in Table 5, the estimated MMI for Japanese firms, Toyota and Honda, is 54.45 and 52.11, respectively, which implies that they have succeeded in the US market in terms of brand value creation, consistent with the hypothesis 1. Similarly, hypothesis 2 stated that domestic car brands have not succeeded in creating top-of mind brand in the USA. We find strong support for hypothesis 2 in the results of the MMI analysis. For instance, domestic firms Ford and GM have an MMI of 39.31 and 31.97, respectively, implying that these firms have not yet succeeded in brand building, in terms of mass prestige in the Study Market. We also found that Toyota and Honda have succeeded in building their strong brands but not in instituting top-of-mind brand awareness.

Table 5 Study brands' masstige mean index in the USA

Brand	MMSS
Toyota	54.45
Honda	52.11
GM	31.97
Ford	39.31

7.3 Mann-Whitney and Kruskal-Wallis test

In this study, the grouping variable for the Mann-Whitney Test is "gender" (Table 6) whereas the grouping variables for the Kruskal-Wallis Test are "income" (Table 7). Tables 6 and 7 describe inferential statistics. As shown in Table 6, the results of the Mann-Whitney test show that with Ford, the males' median rank is higher than the females', which implies that males give more weight to mass prestige of Ford than females. Therefore, hypothesis 3a is rejected for Toyota, Honda and GM, but we find support for accepting it in the case of Ford. Similarly, we find evidence to accept the hypothesis H3b: Gender significantly influences brand perception due to mass prestige, in the case of Toyota and Ford, but reject it in the case of Honda and GM. The reason is, as regards to Toyota and Ford, males' median rank is higher than females', indicating that males give more weight to mass prestige in developing brand perception. Next, it is worth reporting that we find evidence for accepting hypothesis H3c: Gender significantly influences the tendency to pay a premium as a status symbol in the case of Ford, but did not find supporting evidence to accept this hypothesis in the case of Toyota, Honda and GM. The evidence indicates that males perceive the same way in the case of Ford's mass prestige, while female consumers show the same type of brand preference due to mass prestige and tend to pay a premium for brands such as Toyota, Honda and GM.

Table 6   Gender (Mann-Whitney test)

S. No.	Hypotheses	Assigned Significant Values				Results	Inferences
		Toyota	Honda	GM	Ford		
1	H3a: Gender does significantly influence mass prestige of a brand	.088	.610	.276	.001	Rejected for Toyota, Honda and GM. Accepted for Ford.	As to Ford, males' median rank is higher than females, meaning that males give more weight to masstige than females.
2	H3b: Gender does significantly influence brand perception due to mass prestige	.010	.333	.157	.001	Rejected for Honda and GM. Accepted for Toyota and Ford.	Concerning Toyota and Ford, males' median rank is higher than females', indicating that males give more weight to masstige.
3	H3c: Gender does significantly influence tendency to pay a premium as a status symbol	.126	.732	.151	.007	Rejected for Toyota, Honda and GM. Accepted for Ford.	Regarding Ford, males' median rank is higher than females', meaning that males give more weight to masstige.

Table 7   Income (Kruskal-Wallis test)

S. No.	Hypotheses	Assigned Significant Values				Results	Inferences
		Toyota	Honda	GM	Ford		
1	Income level does significantly influence purchase of prestige goods.	.945	.081	.001	.671	Rejected for Toyota, Honda and Ford. Accepted for GM.	In GM's case, the high income group's median rank is higher than all other income groups', thus they give more weight to masstige than other groups.
2	Income level does significantly influence brand perception due to masstige.	.979	.258	.001	.413	Rejected for Toyota, Ford and Honda. Accepted for GM.	As to GM, the high income groups' median rank is higher than all other groups', indicating that they give more weight to masstige.
3	Income level does significantly influence tendency to pay a premium as a status symbol.	.143	.753	.000	.185	Rejected for Toyota, Ford and Honda. Accepted for GM.	Concerning GM, the high income group's median rank is higher than all other groups', meaning that the high income group gives more weight to masstige to show their societal status.

The results of Kriskal-Wallis test (see Table 7) using income as a grouping variable lead us to derive an insightful generalisation based on this study. Based on the test results, we find supporting evidence to accept H4a: Income level of the consumer significantly influences the purchase of prestigious goods, but only in the case of GM brand; therefore, rejecting this hypothesis for Toyota, Honda and Ford. Income level does not significantly influence the consumption pattern of Toyota, Honda and Ford. The evidence from the same tests can also be considered as supporting information to accept hypothesis 4b and 4c only in the case of GM and to reject it in the case of Toyota, Honda and Ford. Income level does not significantly influence tendency to pay a premium for those three brands as a status symbol. This can be interpreted in a such a way that consumers need not belong to high income group to pay a premium price for Toyota, Honda and Ford as those consumers perceive them as prestige brands.

7.4 Findings

Our results show that Japanese firms Toyota and Honda have succeeded in creating mass prestige in the US market, attaining a 54.45 and 52.11 MMI, respectively. On the other hand, GM and Ford obtained a 31.97 and 39.31 MMI, respectively, implying that these American firms either do not enjoy strong brand equity or have not created top-of-the-mind brand awareness in the states in which we conducted our study (based on benchmark MMI score defined by Paul (2015b)), but may be possible to do so in the long run. Following is a firm-specific discussion of our findings.

We find that the Toyota brand has the maximum masstige value in terms of MMI. Per questions three and six of Masstige Questionnaire, pertaining to price and quality respectively, respondents deem that Toyota offers high quality vehicles at a relatively low price, viewing Toyota as the sensible choice. With respect to quality both Honda and Toyota excelled, as evinced by total points obtained in question seven, in masstige questionnaire. Toyota's strategy has been centred on high quality rather than luxury and technology. Honda has the second highest masstige value in the USA in terms of MMI. Just like Toyota, respondents consider Honda a high quality and technology brand but are not willing to pay a premium for its vehicles. In terms of masstige, Ford ranks third among the four brands that we studied. Respondents believe that Ford meets international standards and are willing to recommend it to friends and relatives. However, just like in Honda's case, respondents are not willing to pay a premium for this brand. GM ranked last in terms of MMI. Respondents perceive GM brand meeting international standards but are not willing to pay a premium for it.

8 Limitations and directions for future research

This study is not without limitations. Our survey was conducted among car owners from three states/territories of USA. The results might be different if we conduct a nation-wide survey. Therefore, the scope for generalisation for the US market based on our finding is limited to some extent. Another limitation in our study is that one of the hypothesis measures impact of gender – females (hypothesis 3), however, the sample distribution is slightly skewed in favour of females with males accounting for only 40% of sample. Since the main goal of this paper is to build/contribute toward the development of the theory of masstige marketing with the help of figures, drawn grounded in the prior

literature and extant models/measures, this is not a major problem, however, researchers can overcome this kind of problem, if they have equal numbers of females and males in the sample, if they like to test the effect of gender.

Another point worth mentioning here is regarding the choice of the product category for this study, we selected cars assuming that cars are relatively expensive items to buy, thousands of dollars, and there is scope for focusing on masstige constructs such as product, promotion and place, without lowering the prices. On the other hand, the methodological specifications and the scope of MMI as an alternative measure of brand equity readily point to important avenues for future research. Along this line, we invite researchers to examine whether our findings can be replicated with a larger and nation-wide sample of consumers in the USA or in the context of other countries. The sample can also be collected from other regions, countries and people with different ethnic or religious background. Besides, cross-sectional and cross-country studies can also be conducted selecting brands from a specific industry such as smartphones or personal computers, estimating the MMI of those brands and comparing and contrasting the index value of those brands with that of competitors. MMI can also be estimated for different local brands in the same market. A comparative study of a single brand's MMI in a neighbouring/far-away state/country can also be carried out. MMI can also be used as a tool for analysis and measurement of mass prestige in distinct markets in terms of cultural, administrative, geographic and economic distance.

The potential for future research in this area is immense because the efforts taken in this study might help researchers to extend several theoretical frameworks and measures in the area of brand management: (i) Keller's (1993) conceptualisation of brand equity to country brands, (ii) Yoo and Donthu's (2001) scale to measure brand equity, (iii) Pappu and Quester's (2010) conceptualisation of country equity, (iv) Silverstein and Fiske's (2003) masstige-based market penetration model. (v) Paul's (2015b) masstige mean score scale. Besides, it would be theoretically and practically worthwhile to examine the effects of income, gender and age by segmenting consumers based on those variables. Moreover, researchers might want to look at how demographics affect perceptions of masstige across different products and industries. Likewise, it would be prudent to observe whether certain factors like country of origin and considerations would play an influential role in consumers' minds, which will indirectly contribute towards creating higher mass prestige value. In addition, there are opportunities for researching how masstige perceptions affect (or are related to) attitudes toward the brand, attitudes toward the products, brand credibility and likeability, purchase intentions and loyalty. Understanding the relationships between these constructs would help researchers to develop a strong theoretical foundation for masstige marketing phenomenon within the already developed literature surrounding brand perceptions. Moreover, there is scope for creating an MMI database for leading brands in different sectors in a country (can be done in all the countries) on a yearly basis, like the yearly nation-wide car brand perception survey being conducted in the USA. This will work as a benchmark criterion for many brands with low MMI to revisit and redraft their marketing plans, which is important for their survival and success.

The scope of masstige marketing research is much greater in emerging countries as there are more products that are generally considered 'expensive' but attainable from the point of view of 'middle class' and upper low-income group consumers, as defined by Silverstein and Friske (2003). Those products include cars, diamonds, laptops, smartphones, cosmetics, perfumes and television, etc. Therefore, researchers can carry

out studies estimating masstige values of such brands in any of those industries with data from a developing country. There are many opportunities for undertaking cross-country studies as well. It is also suggested that researchers can extend the scope of masstige marketing model as well as the measure, replacing some items included in the masstige questionnaire with new ideas.

9 Conclusion

Based on our MMI analysis, we find that foreign firms (Japanese brands) have outperformed domestic firms (American brands) in establishing mass prestige, suggesting that those brands have created a niche and higher brand equity in the US automobile market. Attaining a higher MMI will induce consumers to pay a premium for these brands' luxury, as well as mid-level models. Conversely, domestic brands must devise strategies to survive and compete with the foreign brands in the USA. Our findings corroborate the results of a nationwide automotive brand perception survey conducted by the National Research Center in the USA in 2014. Therefore, we call for future research in this area by using MMI as an alternative measurement tool, to estimate brand equity in terms of mass prestige. Besides, this study will help the car brands to evaluate and fine-tune their marketing strategies in terms of mass prestige value to remain competitive. Most importantly, the scope of the study is not limited to automobile sector. Researchers and practitioners can extend the scope of the study to measure the mass prestige value of brands in industries such as laptops (Apple-Mac, Dell, Lenovo, Acer, HP) or Television (Sony, Samsung etc.) in different countries, particularly in emerging countries. Studies linking the relationship between country of origin and mass prestige value such as Japanese versus Korean brands in different segments in the electronics sector would also be interesting. Last, but not least, we hope that this study will serve as a benchmark work for different brand managers to evaluate and examine the effectiveness of their masstige marketing strategies.

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Notes

1 http://en.wikipedia.org/wiki/Automotive_industry_in_the_United_States

2 http://corporate.honda.com/america/history.aspx