Evening Tabloids
Enhancing Brand Equity Through Extensions in Alternative Media Channels

Master Thesis within Business Administration - Marketing
Author: Staffan Kollander
Carl Lejon
Tutor: Karl Erik Gustafsson
Jönköping  Spring 2007
Acknowledgments

The authors would like to thank some people who made this thesis possible. Especially our tutor Karl Erik Gustafsson, Professor at Jönköping International Business School, which has guided us through the process and has given us the necessary support and feedback. The authors would also like to thank the seminar group and the opponents for listening and being well prepared at the seminars and finally the respondents for sharing their experiences and for taking the time.

Staffan Kollander
Carl Lejon
Jönköping International Business School, June 2007
Abstract

Introduction
The evening tabloids in Sweden have been going through a change towards moving into alternative media channels during the last decades. It is essential to capitalize on the evening tabloids strong brands in order to enhance growth and to stay in the top of the tough competition. Advertising has become of larger importance for Aftonbladet and Expressen since the move into alternative media channels. People tend to be increasingly interested in free news media and one of the most essential issues that Aftonbladet and Expressen are facing is how to increase its brand equity through entering alternative media channels.

Purpose
To research and analyze the development of Aftonbladet’s and Expressen’s brand equity in terms of brand extensions and establishments in alternative media channels.

Method
To fulfill the purpose the authors have conducted a quantitative study with a standardized questionnaire. The sample consists of 100 respondents between 19-24 years of age who have been contacted at Jönköping University, A6 shopping mall in Jönköping and at the city centre of Jönköping.

Results
The study revealed that this group has an extremely low purchasing rate of the actual hard copy. Although the awareness of the brands Aftonbladet and Expressen are solid in their mind set. Instead it is of greater importance for this group what type of extra services and activities that is provided online.

The researched target group is attracted by customized and accessible information which are of high quality and is distributed without any additional cost. Aftonbladet has developed a more efficient strategy in terms of brand extensions than Expressen in order to enhance its brand equity.
# Table of Contents

1 Introduction.................................................................................................................. 1  
1.1 Background ............................................................................................................. 1  
1.2 Background Evening Tabloids ............................................................................... 2  
1.3 Background Aftonbladet ....................................................................................... 3  
1.4 Background Expressen ......................................................................................... 4  
1.5 Problem Discussion ............................................................................................... 5  
1.6 Purpose .................................................................................................................. 5  
1.7 Research Questions ............................................................................................... 5  
1.8 Delimitations ......................................................................................................... 6  
1.9 Outline of the Thesis ............................................................................................. 7  

2 Frame of Reference .................................................................................................. 8  
2.1 Concept of Branding .............................................................................................. 8  
2.2 The Brand as an Asset .......................................................................................... 9  
2.3 Brand Equity ......................................................................................................... 9  
2.3.1 Definition of Brand Equity .............................................................................. 9  
2.4 Aaker’s Brand Equity Model ............................................................................. 10  
2.4.1 Brand Loyalty ............................................................................................... 11  
2.4.2 Brand Awareness .......................................................................................... 13  
2.4.2.1 Nedungadi’s Memory-Based Choice Experiment ....................................... 13  
2.4.3 Perceived Quality ......................................................................................... 14  
2.4.4 Brand Associations ...................................................................................... 16  
2.4.4.1 Image and Positioning ............................................................................... 16  
2.4.4.2 Symbols and Logotypes ........................................................................... 16  
2.4.5 The Authors Interpretation of Aaker’s Brand Equity Model ...................... 17  
2.5 Brand Portfolio Management ............................................................................ 18  
2.5.1 Brand Extension ............................................................................................ 18  

3 Method ...................................................................................................................... 21  
3.1 Research approach ............................................................................................... 21  
3.2 Research technique .............................................................................................. 21  
3.3 Sample Selection .................................................................................................. 23  
3.4 Performing the interview .................................................................................... 23  
3.5 Credibility of the respondent ............................................................................. 24  
3.6 Validity and Reliability ....................................................................................... 25  
3.7 Reflection and Criticism ..................................................................................... 26  

4 Empirical Study and Analysis ................................................................................. 27  
4.1 Brand Diversification ......................................................................................... 27  
4.2 Name Awareness ............................................................................................... 28  
4.3 Perceived Quality ............................................................................................... 31  
4.4 Brand Associations ............................................................................................ 34  
4.5 Brand Loyalty ..................................................................................................... 37  

5 Conclusion ............................................................................................................... 41  

6 Final Discussion ..................................................................................................... 43  
6.1 Suggestions for Further Research ........................................................................ 43  

References .................................................................................................................. 44
Appendices .................................................................................. 47
Appendix 1: English Questionnaire .............................................. 47
Appendix 2: Swedish Questionnaire ............................................. 52

Table of Figures

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>The Brand Equity Model</td>
<td>10</td>
</tr>
<tr>
<td>2.2</td>
<td>The Value of Brand Loyalty</td>
<td>11</td>
</tr>
<tr>
<td>2.3</td>
<td>Brand Loyalty Pyramid</td>
<td>12</td>
</tr>
<tr>
<td>2.4</td>
<td>Category Structure</td>
<td>14</td>
</tr>
<tr>
<td>2.5</td>
<td>Authors Interpretation of the Model</td>
<td>17</td>
</tr>
<tr>
<td>2.6</td>
<td>Extending a Brand Name</td>
<td>19</td>
</tr>
<tr>
<td>3.1</td>
<td>Gender distribution</td>
<td>24</td>
</tr>
<tr>
<td>4.1</td>
<td>Name Awareness</td>
<td>28</td>
</tr>
<tr>
<td>4.2</td>
<td>Influence of Current Market Position</td>
<td>29</td>
</tr>
<tr>
<td>4.3</td>
<td>Last Purchase</td>
<td>29</td>
</tr>
<tr>
<td>4.4</td>
<td>Brand Awareness of Side Section</td>
<td>30</td>
</tr>
<tr>
<td>4.5</td>
<td>Perceived Quality</td>
<td>31</td>
</tr>
<tr>
<td>4.6</td>
<td>Reliable Information Source</td>
<td>31</td>
</tr>
<tr>
<td>4.7</td>
<td>Quality originated from the Establishment in Alternative Media Channels</td>
<td>32</td>
</tr>
<tr>
<td>4.8</td>
<td>The Perceived Quality Affects the Choice of Evening Tabloid</td>
<td>33</td>
</tr>
<tr>
<td>4.9</td>
<td>Brand Associations</td>
<td>34</td>
</tr>
<tr>
<td>4.10</td>
<td>Brand Awareness of Side Section</td>
<td>34</td>
</tr>
<tr>
<td>4.11</td>
<td>The Development of Products and Extra Services</td>
<td>35</td>
</tr>
<tr>
<td>4.12</td>
<td>Importance of Services Provided Along with the Core Product</td>
<td>35</td>
</tr>
<tr>
<td>4.13</td>
<td>Site the Respondent Last Visited</td>
<td>36</td>
</tr>
<tr>
<td>4.14</td>
<td>The Internet Site Enhance the Willingness to Purchase the Hard Copy</td>
<td>36</td>
</tr>
<tr>
<td>4.15</td>
<td>Brand Loyalty</td>
<td>37</td>
</tr>
<tr>
<td>4.16</td>
<td>Number of Times per Week the Respondent Purchase an Evening Tabloid</td>
<td>37</td>
</tr>
<tr>
<td>4.17</td>
<td>Last Purchase</td>
<td>38</td>
</tr>
<tr>
<td>4.18</td>
<td>Extensive Product Portfolio Strengthens the Loyalty to the Evening Tabloid</td>
<td>39</td>
</tr>
<tr>
<td>4.19</td>
<td>The Number of Times the Respondent Visit the Internet Sites</td>
<td>39</td>
</tr>
<tr>
<td>4.20</td>
<td>The Site the Respondent Last Visited</td>
<td>40</td>
</tr>
</tbody>
</table>
1 Introduction

This chapter aims to give the reader an understanding and perspective of the evening newspaper industry in Sweden and the transformation process that the industry is facing. This is followed by a brief discussion and reasons why the authors have chosen this topic. The background gives an initial vision into the topic, which is followed by a problem discussion that is narrowed down into research questions that are of importance to execute the purpose of this thesis. This is followed by a concise summary of the two dominators Aftonbladet and Expressen in the Swedish evening tabloid industry. Finally, the authors present the delimitations, definitions and finally, visually display the disposition of the thesis.

1.1 Background

The newspaper industry greatly exceeds other information and media channels when it comes to tradition and age (Petersson & Pettersson, 1999). For centuries newspapers played an important role in the society as the major information source, later on followed by the radio as an important media channel. Ever since Gutenberg’s days, the written word has been distributed in one way or another on printed papers. The power of distributing the written and spoken word made the industry not only interesting but also sometimes extremely powerful. Historically newspapers have been more influenced by private ownership and human interest in comparison to other media channels for example the radio that was regulated by the government, consequently the newspapers accuracy to capture the news in an objective way. The newspaper industry is the oldest, most established media form and the pressure on the newspapers is increasing constantly, due to the competition from rivalry information companies. The toughest and most significant challenge the newspapers are facing is the decline in readership of roughly one percent per year (Aris & Bughin, 2005).

There is a distinction between different types of printed newspapers. The industry usually makes a distinction between newspapers published in the morning and in the evening (Bergström, Wadbring & Weibull, 2005). The newspapers that are facing the largest challenge are the evening tabloids and the two major competitors Aftonbladet and Expressen. For these companies it is essential to capitalize on their strong brands in order to enhance growth and to stay in the top of the tough competition.

Branding is a vital part for all companies in order to create an image and to distinguish the product from those provided by competitors. The meaning of the brand has changed over time. Initially representing the products name the importance of the brand has developed and become the difference between failure and success (Murphy, 1992). Only using the products name in branding is not enough, all the elements in the marketing mix have to be used in a consistent way when marketing the product (de Chernatony & McDonald, 1998).

The newspaper industry is heading towards the end of its life cycle stage (Gustafsson, 2006). Even though the evening tabloid industry had a constant decrease in readership, Aftonbladet and Expressen have managed to sustain its profit level. This is due to the launch of brand extensions in alternative media channels. The information technology era triggered the industry to take action, expand its brand and focusing on alternative media channels. 1994 Aftonbladet went online, and the newspaper became available globally. Since, the online edition was not connected with any additional cost for the consumer, the advertising issue became even more important for Aftonbladet in order to generate profit,
but also to avoid cannibalism of its core product. This action was followed by Expressen, which a short period later on launched its online edition. Finally, one of the most essential issues that Aftonbladet and Expressen are facing is how to increase its brand equity through entering alternative media channels.

The evening tabloid companies are currently searching for alternative channels to take positions in the fast growing advertising market to be able to maintain the profit levels (Jöns-son, 2006). The evening tabloids capitalization on alternative media usage enlarges their market shares of the overall media scene and strengthens the brand of the newspaper companies. Internet has risen for the last decade and is one of the largest triggering factors that have restructured the media landscape for the evening tabloids. Other media channels that have been exploited by the evening tabloid industry are for instance TV and additional online activities. All these alternative media channels have become common elements in the media landscape of the evening tabloid industry.

1.2 Background Evening Tabloids

In this thesis the authors have chosen to focus on the media conglomerates Aftonbladet and Expressen. Aftonbladet was established 1830 by Lars Johan Hierta (Torbacke, 1999), and has been an institution in the Swedish media landscape for almost two centuries. Expressen launched its first edition 1944. Aftonbladet’s and Expressen’s popularity has fluctuated over time. Ever since 1971 the readership has facing a declining trend (Orvesto Konsument, 2006:3). When comparing the readership from 2005 and 2006 Aftonbladet has decreased by 9,000 readers to 1,365,000 and Expressen has decreased by 24,000 readers to 1,147,000 during week days (Orvesto Konsument, 2006:3).

Aftonbladet along with Expressen make up the Swedish evening tabloid market in Sweden. Aftonbladet is currently the greatest actor in the Swedish evening tabloid war, continuously challenged by Expressen. The development pace within this industry has been extreme and the industry has gone through a rapid change since these two major competitors produce and offer almost identical products and services, hence fighting for the same customers. Looking back in the past, there is almost an indistinguishable pattern of brand extension and events of Aftonbladet and Expressen.

The two competitors seem to have similar strategies to attract customers. Historically, Aftonbladet and Expressen have been characterized by different political ideologies and the choice between the two evening tabloids had a correlation with the consumer’s political sympathies. Nowadays the political message has become less and less significant and instead it is the provided product and service that is of interest in the mind set of the consumers when they make their choice what evening tabloid to enjoy.
1.3 Background Aftonbladet

Aftonbladet is Sweden’s leading newspaper, along with the hard copy that is the core product Aftonbladet distributes several products and services in alternative media channels. The hard copy is distributed every day of the week and has a frequency of 429000 copies per day (Tidningsutgivarna, 2007). The price is 9 SEK in the weekdays and 10 SEK in the weekends. Aftonbladet also provides side sections that are additional for the consumer to purchase, these usually cost about 5 SEK.

Aftonbladet had turnover of 2.38 billion SEK and made an all time high profit 2005 with almost 225 million SEK. The profit has been steadily improving for the last years despite the fact that number of sold copies is decreasing, which shows that Aftonbladet adapted to the changing business climate in a smooth way. The positive result originates mainly from advertising that increased with 23% 2005 (Aftonbladet annual report, 2005).

The founder of Aftonbladet Lars Johan Hierta was an intensive fighter with the objective to achieve freedom of the press and the 6th of December 1830 Aftonbladet saw the daylight for the first time. The founder Lars Johan Hierta was a noble man who despite his heritage positioned Aftonbladet as liberal. During the past Aftonbladet has been influenced by several political ideologies, but has had a social democratic oriented approach for more than a half century from today. However, the tendency of the political ideologies is decreasing and the political messages are shadowing in the context of the daily information flow.

The Norwegian media conglomerate Schibsted purchased 49.9% of Aftonbladet in 1996, the same year Aftonbladet took the lead in the competition against Expressen and became the largest newspaper in Sweden. This outcome may originate from Schibsted who possesses and has interest in several additional media activities and from these activities transferred actual and tacit knowledge to Aftonbladet. The transferred knowledge had an impact on strategically decisions and improved activities executed by Aftonbladet (Aftonbladet annual Report, 2005).

Aftonbladet took a huge step when they entered a totally new media channel 1994, this was the year when Aftonbladet was established on the internet. Aftonbladet.se has become a huge success ever since with over 2 million unique visitors per day and along with the hard copy Aftonbladet reach over 2.5 million people per day (Aftonbladet annual Report, 2005). Many media specialists argue that this was the strategically decision that made Aftonbladet number one in the competition race with Expressen.

Aftonbladet was also the first newspaper who customized its product with side section related to sports. The Italian daily sport paper Gazetto dello Sport served as the inspiration source with its pink color of the sport section Sportbladet. This decision strengthened the brand and made the newspaper more accessible to enjoy in company since the newspaper always were delivered in two sections.

Aftonbladet also produce and distributes a free newspaper under the name Punkt.se which is distributed in the urban areas, Stockholm, Göteborg and Lund/Malmö. Aftonbladet has managed to establish synergy effects among its product portfolio. One example is that some of the content in Punkt.se is derived from the internet site Aftonbladet.se (Aftonbladet annual Report, 2005).
Aftonbladet’s introduction of its own TV-channel, TV7 is the latest course of more action. It was launched in the fall 2006 and it is too soon to evaluate the result from this brand extension. Although, this action reveals that Aftonbladet continuously is improving and aims to capitalize on the brand Aftonbladet in the future.

Hitta.se, Blocket.se and Byt Bil.se, extensions of Aftonbladet, have performed well and showed satisfactory financial results for the last years. The advertising boom on the internet had positive impact on these extensions as well as Aftonbladet’s online activities (Aftonbladet annual Report, 2005).

1.4 Background Expressen

The evening tabloid Expressen is distributed in different packages Kvällsposten, Göteborgs-Tidningen and Expressen are the three different profiles that comprise the newspaper Expressen. The evening tabloid was established in 1944 and was in comparison to its competitor Aftonbladet nationwide oriented. Expressen has traditionally been appealing to the conservative segment of the population and has today an independent liberal approach. Expressen is one of several media companies that is owned and controlled by the Bonnier group that is a Swedish media conglomerate (Expressen annual Report, 2005).

In 2005 Expressen had a turnover of 1.35 billion SEK and made a profit after taxation of more than 70 million SEK. The result follows the same pattern as the competitor Aftonbladet. It is the profitable increase in advertising with 17% that mainly affects the result. Expressen has a frequency of 339400 copies per day (Tidningsutgivarna, 2007). The newspaper is distributed seven days per week and charges a price of 9 SEK. Expressen also offers additional side sections along with the original hard copy, these sections are additional choices for the consumer and usually cost about 5 SEK.

Historically, Expressen had a steady grip among the newspaper consumers in Sweden, but in the last decade the media environment has gone through a transformation process and Expressen has been lacking to some extent to win the battle with Aftonbladet. Many media specialists claims that Expressen waited to long before allocating the right amount of resources into their online activities.

The Bonnier Corporation has launched several brand extensions that originates from the brand Expressen. The free newspaper, Stockholm City is one of the extensions that have an intensive cooperation with Expressen. Another extension is the side section “Fredag” that is a very popular element distributed on Fridays and Saturdays. Many of the journalists producing this section have become benchmark setters in terms of fashion and style. After Aftonbladet’s introduction of Sportbladet, Expressen responded with Sport-Expressen who also was a separate section, which resulted in a more customized content of the provided product. The success of the separate sport section initiated an extension of the sport segment. In 2005 Expressen launched TV4 Sport-Expressen a sport oriented Swedish TV-channel in cooperation with Swedish TV4 (Expressen annual Report, 2005).

Even though, Expressen lost the position as market leader to Aftonbladet in the Swedish newspaper industry. The faith and confidence in the organization is still good and the financial resources are capable to generate more value to the consumers in terms of even more customized content in the provided products and services (Expressen annual Report, 2005).
1.5 Problem Discussion

The evening tabloid industry has been facing declining numbers of sold hard copies for over three decades. The consumers, especially young people in the age range 19-24 tend to be less willing to pay for information that can be received for free in other media channels. The trend towards a declining number of sold copies for the traditional newspaper industry is evident. Ever since 1971, the tabloid papers in the Swedish market have experienced a diminished demand from the consumers (Tidningen i skolan, 2006).

The media landscape that the evening tabloids Aftonbladet and Expressen are operating in has gone through a vast transformation. Traditionally the newspaper media were a product-oriented good, with heavy focus on the produced good. The rise and establishment of internet has forced the whole newspaper industry to renew its strategies and search for new business opportunities (Aris & Bughin, 2005).

The transformation process has been a triggering factor for the evening tabloids, since it forced the evening tabloids to capitalize on the information revolution. Online editions, side sections and later on TV channels were introduced to the market by the two giants in the Swedish evening tabloid market. These operations were in line with the current tendency, to customize the products, adapt its content in order to match the consumer preferences.

Closing the gap between the provided information/products and the customer preferences is the single largest challenge the evening tabloids are facing. Some progress has been done in this field for the last years. Which of the evening tabloid companies that will conquer the market, depends on their ability to capitalize on the transformation process from a traditional newspaper company to a diversified media company using the brand as the vehicle for stimulating growth (Aris & Bughin, 2005).

According to Aris & Bughin (2005) media researchers and specialists discussion on this topic has been controversial. The debate about how to meet the consumer’s preferences in the best possible way is always under expansion and has been ever since the establishment of alternative media channels. The company that enjoys the most powerful brand equity will have a tremendous lead in the competitive setting. This is one of the reasons that make this topic interesting to focus on.

1.6 Purpose

To research and analyze the development of Aftonbladet’s and Expressen’s brand equity in terms of brand extensions and establishments in alternative media channels.

1.7 Research Questions

• How does the evening tabloids’ capitalization on alternative media meet consumer preferences?

• What are the major differences between Aftonbladet’s and Expressen’s brand equity?

• Which of the evening tabloids has the most effective and efficient strategy in order to build and create brand equity in the mindset of the consumer?
1.8 Delimitations

With the selected population the authors have decided to limit the research area to Jönköping, even though the sample consisted of people from other places in Sweden it is difficult to generalize the results to the entire country. To be able to do this, samples from each city in Sweden must be investigated. Considering the time frame of the thesis the authors decided to investigate the sample in Jönköping. However the authors have been careful to get information from people in various occupations. Issues concerning ethnicity and social class have been disregarded in the interview process.
1.9 Outline of the Thesis

Chapter 1
Introduction

The first chapter aims to give a clear picture of the background, problem discussion, purpose and the delimitations. Finally, it declares the reason why this topic is of interest.

Chapter 2
Frame of Reference

Chapter two intends to present and describe relevant theories originating from the purpose of the thesis. The purpose of this chapter is to give the reader a clear picture of the chosen theories as well as a good understanding.

Chapter 3
Methodology

The third chapter describes the relevance of the methodology, the chosen method, the approach and why the authors have chosen it and finally information of the selected sample.

Chapter 4
Empirical Findings and Analysis

In this chapter the findings are presented and analyzed. The figures display the result of the findings. The findings are analyzed according to the theoretical framework.

Chapter 5
Conclusion

In this chapter the authors present the conclusions from the analysis, in order to fulfill the purpose.

Chapter 6
Final Discussion

The last chapter of the thesis gives a discussion of the subject, what more or else that could have been done. Criticism and reflections that have emerged during the study are discussed.
2 Frame of Reference

In this chapter the authors will present the theoretical framework concerning branding concepts and other relevant theory associated with the topic. The theoretical framework is the foundation for the empirical findings and analysis in the thesis. The authors will in this chapter focus on the importance of brand equity and the process of establishing a strong brand.

2.1 Concept of Branding

Ries and Ries (1999), claims that the branding process is the single most important objective of the marketing process. A strong brand is a very abstract term and relates to the subjective values in the mindset of the consumer. It creates an emotional relation to the consumer and attaches a human identity, independently of the product type. The concept of positioning was introduced in the 1970’s by Al Ries and Jack Trout, and involves the idea to position the product or service in a certain place in the consumer’s minds. This is supported by Belch and Belch (2004) who argues that the concept of positioning is the most popular strategy to build a brand. From a company’s perspective a strong brand is always admirable, and something that is essential in order to be successful in a competitive market place. A strong brand is intangible and may be considered as a strategic resource. This strategic resource can be used in several ways, but always with the same objective to create a positive image around the brand. The purpose of brand strategy is to strengthen the brand continuously in order to achieve a long term profit (Melin, 1999).

A fundamental component in creating a promising brand is that the distribution is adapted after the brand’s characteristics. Nilson (1999) argues that the relation between distribution and the brand’s strength can have long term effects. The brand can by being distributed at places that do not attract the average consumer damage the abstract values that surround the brand. The distribution has to support and be an important part of the total brand strategy in order to create a strong and beneficial brand on long term perspective (Nilson, 1999).

“Symbols engage intelligence, imagination, emotion, in a way that no other learning does”

(Georgetown University Identity Standards Manual, in Wheeler, 2003 p. 18)

The symbol of a brand has the power to heavily influence and inspire the consumer to develop a personal relationship towards the brand. The symbol is the main communication tool, which is established as graphical, vocal, written or other physical objects. The symbol represents the congregated complex actions executed by the organization narrowed down to a specific characteristic. The brand is not just the logotype and symbols, it contains all actions the company embodies and executes. The brand represents the accumulated actions generated by a company (Armstrong & Kotler, 2005).
2.2 The Brand as an Asset

The brand is a company’s key strategic asset (Kapferer, 1997). Philip Morris and Procter & Gamble were the initiators of capitalization of brands. These companies merged and purchased some not so promising companies, but they managed to position these purchases in a profitable manner with assistance of its initial brand strength, and from that strength transfer tacit and explicit knowledge to the purchased brands.

Kapferer (1997) further states that in the 1980’s financial institutions started to evaluate and calculate the financial value of the brand, which could be included as an asset in the balance sheet. The companies become aware of that the brand itself was an asset, now when there was to some extent a tangible value related to the brand name. Uggla (2002) illustrates an example of the brand as an asset, in 2001 Coca-Cola’s brand value was set to 50% over the company’s total market value. Consequently, a major part of the company’s value originates from reputation, association, perceived quality and other factors. These intangible factors summarized are the foundation for a company’s brand equity.

2.3 Brand Equity

2.3.1 Definition of Brand Equity

Melin (1999) argues that the concept of brand equity does not have a proper definition however brand equity is often defined as: "the added value with which a brand endows a product". (Farquhar, 1989 in Melin 1999:45). Melin (1999) further discusses that brand equity is closely related to the added value and that the consumer brand loyalty shows that a brand creates added value. Aaker (1991) claims that brand equity is a set of brand assets and liabilities linked to a brand, its symbol and name adds or subtracts value from the provided product or service. The accumulated value represents the brand equity that the company has accomplished and benefit from.

Brand equity is a complex matter that often can be considered as intangible. Further, the brand can be separated from the actual product and advantages can originate from the brand instead from the actual product. The awareness of brand equity has increased over the last decade as a result of the increased competition in equivalent industry sectors. Hence, the brand equity that a company enjoys may be the essential piece that reflects the performance of the company and is the guide towards future strategies and decisions (Aaker, 1991).

A product is something that is made in a factory; a brand is something that is bought by a customer. A product can be copied by a competitor; a brand is unique. A product can be quickly outdated; a successful brand is timeless.

(King in Aaker, 1991 p. 1)
2.4 Aaker’s Brand Equity Model

David A. Aaker is the J. Gary Shansby professor of marketing strategy at the University of California at Berkeley. He is the author of over 70 articles and eight books on branding, advertising, and business strategy and is one of the most widely cited authors in the field of marketing today. David Aaker’s brand equity model (1991) is the mother of many following researchers’ findings and results. The model has become the standard template for researchers such as Kapferer (1997) and Melin (1999), yet their models are built upon similar factors that Aaker (1991) stresses. Consequently, the authors feel that this model provide the whole spectra within the field of brand equity even though some parts of the model are of less significance within this study.

This model divides the assets that build brand equity into five categories: brand loyalty, brand awareness, perceived quality, brand associations and other proprietary brand assets. These categories are the fundamental cornerstones and symbolize crucial pieces in the process of enhancing brand equity. It is essential to create a network between these cornerstones and establish links that improve and accumulate actions and events between the cornerstones. The network symbolizes the glue that ties the cornerstones together and enhances solidity to the brand (Aaker, 1991). Furthermore, the Aaker’s brand equity model can be looked upon as a puzzle, where more value is achieved when the whole puzzle is correctly fitted.

![Diagram of Aaker's Brand Equity Model]

Figure 2.2 – The Brand Equity Model

Source: Adapted from Aaker, 1991, p. 17
2.4.1 Brand Loyalty

"You have to have a brand become a friend."

(Posner in Aaker, 1991 p. 34)

Brand loyalty is one of most important part in the brand equity process and is often considered as the core of which further brand equity actions originates from. To possess loyalty is an incredible advantage for every person operating within the area of business. The loyalty is something that is deserved not something that is bought or gained by pure luck, it demands a long term strategy from the company perspective to position and present the brand as a necessary ally in the mind set of consumers (Aaker, 1991).

A habitual buyer that by routine consistently chose the same brand is the perfect customer for companies, since brand loyalty is highly correlated to future sales resulting in future profits. The revenue flow from these consumers is long term and demands a low amount of marketing action in comparison to what it takes to attract new customers for the first time, they need to be exposed to the brand at several occasions in order to become habitual buyers. The marketing costs will be heavily reduced when the majority of the customers become loyal to the brand (Aaker, 1991). As an effect of brand loyalty the trade leverage of the brand will be facilitated in terms of an increase in distribution hubs.

![Diagram of BRAND LOYALTY]

Reduced Marketing Costs

Trade Leverage

Attracting New Customers

Time to Respond to Competitive Threats

Figure 2.2 – The Value of Brand Loyalty

Source: Adapted from Aaker (1991, p. 47)

The figure 2:1 visually displays the positive assets that originate from brand loyalty. These strategic assets give the brand an initial satisfactory foundation, which will make it easier for the brand to increase loyalty towards the brand in the future as well as increasing the overall brand equity in the mind set of the consumers (Aaker, 1991). The results of brand loyalty can be looked upon as economies of scale generated from the executed brand loyalty events.

W.T Tucker a professor of marketing at University of Texas, argues in the article: The development of brand loyalty (1964) that brand loyalty is conceived to simply favoritism choice behavior with respect to branded products. Brand loyalty is always a biased response to some combination of characteristics, not all of which are critical stimuli. Tucker (1964) furthermore, stress that consumers will become brand loyal even when there is no evident differ-
ence between brands other than the brand itself. A consumer can build loyalty towards a brand even though it does not provide higher advantage than the competitive brand. Finally, Tucker (1964) claims that one may learn to like what he chooses as willingly as he may learn to like what he chose.

Brand loyalty differs amongst diverse type of products. For instance a consumer may be loyal to the same type of car brand an entire lifetime whilst the level of loyalty towards consumer goods may fluctuate on occasion. It is obvious that the process of purchasing consumer goods have a higher frequency than for intense financial goods. Newman & Werbel (1973) classifies loyalty in the area of consumer goods as that the consumer would go to another store or postpone purchase rather than buy another brand if their preferred brand was out of stock. This classification is supported by Aaker (1991) who defines loyalty as the likeliness that a consumer switches to another brand when the initial brand makes a change, either in product features or in price.

Brand loyalty can be divided into different levels according to the loyalty pyramid displayed in figure 2.3. Each level demands a specific and customized approach in order to capture the consumer’s attention and create loyalty towards the brand. Further, the pyramid consists of the whole loyalty spectra, the non-loyal consumer at the bottom and the committed buyer at the top. Between these opposites there are three additional levels with different amount of loyalty tendencies. The main objective for brand managers is to perform and execute actions that influence consumers in the lower levels to become more loyal towards the brand, hence accomplish synergy effects as described in figure 2.2.

![Brand Loyalty Pyramid](image)

**Figure 2.3 - Brand Loyalty Pyramid**

Source: Adapted from Aaker, 1991, p. 40
2.4.2 Brand Awareness

The procedure of establishing awareness in the mind of the consumers of a specific brand is a crucial piece that needs to be executed in a correct manner in order to define the brand’s uniqueness and highlight the advantages that comes along with the brand. Name awareness is a triggering factor that builds the brand and makes it easier for advertising campaigns to create a long term success of the brand rather than just captivating short term advertising campaigns. Simply, if a potential customer is not aware of the brand and the company, the consumer will not purchase the product. Familiarity and recognition creates a foundation of trust, and to establish additional trust in the consumer segment, it is vital that the credibility at least exceeds the expectations of the consumers (Aaker, 1991).

Apéria (2001) claims that brand awareness is essential for a company for three different reasons. Firstly, brand awareness is crucial for a company to communicate the attributes that follows with the brand. Secondly, brand awareness establishes a relationship between the company and the customer. Finally, brand awareness symbolizes to the customer that the product is of high quality. Aaker (1991) argues that consumers in general turn their attention towards a recognized brand rather than an unfamiliar brand. Aaker (1991) further states that there is an underlying level of assumption that a recognizable brand is superior the competitors in terms of quality.

Aaker (1991) argues that brand awareness is the ability of a potential buyer to categorize the brand’s membership of a specific product class. The connection between the product and the product class is the key for the brand to be successful. For instance, if a potential buyer feels a need for a soda beverage, Coca-Cola will most likely be the brand that pops up in the buyers mind, hence Coca-Cola will the selected brand, and will increase their position in the buyer’s mind-set. The brand that keeps the highest recall and recognition rate in a product class has a tremendous advantage when it comes to capitalize on the brand further, in terms of extensions and advertising campaigns.

An important aspect of brand awareness is the level of recognition, Aaker (1991) highlights the fact that the brand itself cannot create sales. Even though the recognition level is extremely high and is a crucial piece of brand equity, the actual core product and brand extensions has to be related to the recognition of the brand in order to achieve stronger brand equity.

2.4.2.1 Nedungadi’s Memory-Based Choice Experiment

The late Prakash Nedungadi an associate marketing professor at Indiana University demonstrated in an experiment the relationship between brand recall and purchase decisions. The experiment was named “Recall and consumer considerations sets: Influencing choice without altering brand evaluations”. The experiment focus on memory-based choice situations where changes in a brand’s accessibility may affect the probability that is retrieved and considered for choice (Nedungadi, 1990).

The experiment was build upon one product category (P, fast food), two subcategories (A, national chains and B, local stores). Within each subcategory, a major brand (a1, McDonald’s, a2, Joe’s Deli) and a minor brand (b1, Wendy’s, b2, Subway) were identified on the foundation of usage and liking surveys. Further, the four brands were chosen (a1, a2, b1, b2) within the product class to serve as brand primes due to their particular positions within the category structure. The selected persons for the experiment initially answered a series of 12 yes/no questions about the four brands. Each subject had three of questions
involve one of the four test brands, (the brand name was “primed”). Subjects were then asked what brand they would select for a specific lunch and what other brands they would consider. When one of the major brands was primed (McDonald’s, Joe’s Deli) the percent selecting the brand went up significantly even though the comparative liking of that brand did not change. Further, brand recall was enhanced and affected choice without affected liking. For the other subcategory, the local store category, an analogous amplifies in choice for the major brand (Joe’s Deli) took place when the minor brand in the subcategory (Subway) was primed.

![Figure 2.4 - Category Structure](source: Adapted from Nedungadi, 1990, p. 268)

Nedungadi (1990) argues that for a brand to be selected in memory-based choice, the consumer must recall that brand and fail to recall other brands that might otherwise be preferred. Nedungadi (1990) findings in the experiment can be concluded as that brand recall is an extremely complex matter, and that a strong position in the subcategory can enhance recall by positioning attention to the subcategory as well as by creating awareness for the overall brand.

### 2.4.3 Perceived Quality

“Quality is the only patent protection we’ve got.”

(James Robinson, CEO American Express in Aaker, 1991 p. 78)

Aaker (1991) claims that a brand is associated with an overall quality level, which not necessarily is based upon the products actual and objective quality. A product that is consid-
erected to be of poor quality can be perceived by the consumer as good quality depending upon consumers expectations of the product. The consumer may also have a positive image towards the products quality if the price low in relation to the perceived quality. Aaker (1991) further, argues that perceived quality is an essential in enhancing brand equity in long term perspective. If the quality is an asset within the company, and the consumers share that perception the company can charge a relatively higher premium price. The generated result can reinvested in brand equity actions and enhance activities that strength the overall brand. Aaker (1991) ultimately argues that the perceived quality has a direct influence on the purchase decision and the brand loyalty. Apéria (2001) claims that it is the awareness, which results in curiosity purchase and that it is the level perceived quality that create affection towards the brand.

Aaker (1991) divide quality into three subcategories.

- Actual or objective quality – the extent to which the product or service delivers superior service.
- Product-based quality – the nature and quantity of ingredients, features, or services included.
- Manufacturing quality – conformance to specification, the “zero defect” goal.

Perceived quality is a key strategic variable and is highly correlated with the financial performance of the company. Aaker (1991) executed a study how perceived quality create profitability within the company. This study resulted in four statements originated from perceived quality.

- Perceived quality affects market share. Products with the attribute “high quality” are preferred and will receive an increasing share of the market.
- Perceived quality affects the price. Higher perceived quality allows the company to charge a higher price, a premium price. This affects the profitability of the company and will also enhance a higher entrance barrier.
- Perceived quality has a direct impact on profitability in addition to its effect on market share and price. Improved perceived quality will, in general, increase profitability even when the price and market are not affected. The input of maintain existing customers declines with higher quality.
- Perceived quality does not affect cost negatively. The consequence shows that there is a natural association between a quality/prestige niche strategy and high cost is not reflected in the study.

Phil Crosby argues in Aaker (1991:78) that “quality is free.” Which is supported by the study, enhanced quality generates reduced defects and lowered manufacturing costs. Perceived quality is a complex matter since it originates from the specific customer. Although quality is of great importance and the dimensions that lie beneath perceived quality conclusion will depend upon the situational circumstance. For a lawn mower perceived quality might comprise cutting quality, reliability, availability of maintenance, and cost of maintenance. To be aware of relevant dimension in a given context, it is useful for companies to carry out investigative research amongst its customers. This will give a better understanding of the op-
eriating environment and the relative significance of the dimensions that needs to be considered (Aaker, 1991).

2.4.4 Brand Associations

A brand specific association is defined as an attribute or benefit that differentiates a brand from competing brands (MacInnis & Nakamoto, 1990). According to Aaker (1991) a brand association is anything linked in memory to a brand. McDonalds is an easy company to perform brand association research on. The McDonalds concept has several associations depending on your personality and age. Young kids may associate McDonalds with the funny clown Ronald McDonald and the “free” toy that comes along with the happy meal, whether adults associate McDonalds with efficient and effective service and satisfied kids. The level of associations can be divided into different intensity of strength. The link to the brand will be stronger if the associations are based on many positive experiences. Brand association is also enhanced when the brand established itself as a hub from which it grows a network that connects and customizes the brand towards several different preferences.

2.4.4.1 Image and Positioning

Communicating a brand image is an essential part of marketing and a fundamental marketing activity in order to be successful. Aaker (1991) defines brand image as a set of associations that are organized in a consequential order. As mentioned the image is built up upon a set associations, each association is like a piece of a puzzle and all associations categorized into one group creates a puzzle, which communicate a meaning that the consumer can identify according to her preferences. Reynolds and Gutman, (1984), argue that a well communicated brand image should help establish a brand’s position, protect the company from competition and therefore enhance the brand’s market performance.

The brand positioning is the foundation for the following brand image. According to Gardner and Levy (1955), long term brand success originates and depends on the marketers’ abilities to select and highlight the association that creates the image into a meaningful appearance and to be consequent and maintain the image over time. The fact that several brands managed to maintain their position for over a century supports their academic research.

Aaker (1991) further states that there is an undefined portion of subjectivity when it comes to the consumer’s perceived image of the brand. Perceptions in general differ from person to person, therefore it is crucial for the company to have a well defined objective of how they wish to be portrayed and perceived by their consumers. A company that has developed a well defines positioning plan, will enjoy a competitive and attractive position that is supported by strong associations (Aaker, 1991).

2.4.4.2 Symbols and Logotypes

The symbol and logotype is the key differentiating characteristic of a brand. In an environment where product substitutes and complements are close at hand, it is important to link the companies and the brands core competencies and advantages into a symbol that characterizes the company’s attributes. The symbol itself is not valuable, it is the consumers gathered perception of the attributes and associations that is packaged into symbol that is of fundamental value and importance (Aaker, 1991). Symbols and logotypes are easier to remember than for instance a piece of paper with all the advantages written down it, and
are therefore more appealing to the consumers since the human brain find it easier learn and remember visual images than words. Aaker (1991) further argues that symbols and logotypes is the major tool to gain and enhance awareness of the brand.

The symbol can have almost every shape, the most important thing is that communicate the wanted associations, and these associations can very specific or extremely general, where the consumers have to experience the actual product or service in order to be able to recall what the symbol characterize (Aaker, 1991).

2.4.5 The Authors Interpretation of Aaker’s Brand Equity Model

The authors have chosen to interpret the Aaker’s brand equity in a suitable manner for this specific study. Therefore some adjustments have been done in comparison to the initial model. The authors find that the brand loyalty section is of such significance for the producer that it should be highlighted and separated from the other factors that enhance brand equity. Firstly, there is a cluster consisting of name awareness, perceived quality and brand association that enjoys correlation with each other. These factors generate a positive experience for the consumer and enhance brand loyalty. The authors have chosen to disregard from other proprietary brand assets originated from the original model, since this factor does not have any effect on this study. The remaining factors: Name awareness, perceived quality, brand association and brand loyalty are the foundation for stimulating the overall brand equity. The brand equity is divided into two categories, one that provides value to the consumer by enhancing satisfaction and the other category provides value to the producer, by strengthening the brand equity factors that the model is built upon.

Figure 2.5 – Authors Interpretation of the Model
2.5 Brand Portfolio Management

Portfolio management is a dynamic process, where new products and projects are revised. A portfolio decision process, focus on investigating and evaluating the projects, and to gather and allocate the right amount of resources to each project. The portfolio decision process also include a number of decision making processes, such as evaluating the entire set of projects and comparing all projects against each other. The result generated from these processes lie as a foundation for the new product strategy for the business along with strategic resource allocation decisions (Cooper, 1993).

Peter Dacin an assistant professor of marketing, school of business, University of Wisconsin-Madison and Daniel Smith assistant professor of business, The Joseph M. Katz Graduate school, University of Pittsburgh, argue in an article from 1994 that the reputation is one the company’s more valuable resources and opportunities on the market are continuously revised for further capitalization. In attempts to leveraging this resource an increasing number of companies are extending its brands into numerous product categories.

Criticism have been raised about the extension of the brand into multiple product categories, since adding products to a brand may decrease the brand equity of the core brand (Dacin and Smith, 1994). Many companies develop explicit strategic plans for extending their brands, the power of the core brand facilitates the advertising efficiency. The main objective with these actions is to increase the market share by localize and distribute synergy effects towards the brand extension.

2.5.1 Brand Extension

Springen and Miller (1990) defines brand extension as a vehicle to growth. Brand extension is sometimes a necessary action to execute, to enlarge and penetrate the target group additionally. The extension of the brand is over and over again the incubator for future corporate success. Aaker (1991) argues that brand extensions can enhance the core brand, but history has also showed frightening examples of brand extensions that has harmed and generated severe damages on the brand name. Consequently, it is essential to scan and revise the market before launching an extension under the core brand. Therefore it can be wise to conduct investigative research in order to reveal the relevant dimension in the operational environment. This will enhance a more solid understanding of the operating context and the relative significance of the dimensions that need to be evaluated before launching the extension (Claycamp and Liddy, 1969).

However, a brand extension is the most powerful instrument to utilize, since the attraction of leveraging the brand name is extremely influential. The list of advantages of extensions is long, marketing and advertising expenditures are totally in reverse of introducing a totally new brand on the market, economies of scale and synergy effects from the core brand facilitates enhancing of the extension. There are other alternatives for a company to consider, when the brand name established in one product class to enter another product class. Licensing is the path in the middle, where the brand is outsourced for others to use the brand name. The financial risk is minimized in licensing, although the consequences may be devastating if the licensed product does not deliver the expected perceived quality to the customers (Keller and Aaker, 1992).
The figure 2.6 visually describes the different effects of an extension. Many researchers have stressed the fact that brand extensions are the natural strategy to stimulate growth and gain synergy effects. “The Good” symbolize a successful extensions, simply the brand name helps the extension. When the customer enter the store, the purchase decision is based upon a small number of product attributes, and if the initial brand symbolize credibility and has established an association in the mind set of the consumer, it is likely that the extended brand will be preferred. Further, it is of great importance that the extension that goes under the same brand name shares the fundamental vision as the core brand, such as the relation between quality associations versus price (Ries and Trout in Aaker, 1991).

The “More Good” effect will reinforce the whole activity related to the brand, and will create synergy effects for the whole organization. The “More Good” result can help the brand to repositioning its core brand, with help of the extension. The car manufacturer Toyota launched some years ago an extension in terms of a luxury concept, Lexus. This was a tremendous success, which not only generated profit by the sales of the luxury cars, but also strengthened the brand name Toyota. The consumers became aware of that Toyota was capable to manufacture and distribute a luxury concept, which differed from their main product line. This was positive for Toyota, consumers did see a link between Lexus and Toyota, consequently the core brand was strengthened (Aaker, 1991).

The figure 2.6 further elaborates upon three additional categories that are not reinforcing the extension. The mildest one is “The Bad”, a situation where the core brand name does not add any extra value to the extension, in other words fail to provide the necessary en-

---

**Frame of Reference**

**Figure 2.6 – Extending a Brand Name**

Source: Adapted from Aaker, 1991, p. 209
ergy to the extension. Consequently, the company starts on scratch in terms of brand eq-

uity and need to establish and implement a totally new brand in the mind set of the con-

sumer, something that comes along with an intense workload and heavy expenditures in
terms of advertising and promotion (Keller and Aaker, 1990). The next scenario is “The

Ugly” which severely harm the brand name, which is the key asset of the firm. The exten-
sion originates from the core brand and its success or failure generates echo absorbed by
the entire organization. Finally, the worst case scenario is the “More Ugly”. This state of af-
fairs focuses on when the brand name is relinquished, a harsh status where the brand equity
is not enhanced to any extent (Keller and Aaker, 1990). Once again Aaker (1991) stresses
the importance of being extremely selective in the process of picking candidate products.
3 Method

This section provides a detailed portrayal of the utilization of the methodology used in the thesis. Motivation of the research approach chosen for collecting data and the process of sample selection will be provided. The method will be described gradually.

3.1 Research approach

When considering the problem and the purpose of this thesis a quantitative research method is relevant. According to Eriksson & Wiedersheim (1987) quantitative research method allows the authors to make generalizations on the whole population based on the conducted research and analysis. The results in this thesis can therefore be generalized and adopted on consumers of evening tabloids in Sweden.

The choice of method is motivated through the authors’ belief that relevant variables can be measured and structured in a way that permits a quantitative study to generate a suitable base for analysis (Holme & Solvang, 1997; Patel & Tebelius, 1987). Holme and Solvang 1997 further discusses that quantitative research methods generally are believed to illustrate a more objective of reality as it allow generalizations on whole populations. The generalizations are possible as quantitative methods are largely structured and standardized and are achieved through questioners where all respondents answer the same questions in a prearranged order (Andersen, 1994).

Quantitative and qualitative research methods give researchers better understanding of society and how groups act in different situations (Holme & Solvang, 1997). The research methods differs in many ways, however the largest difference is that a quantitative research method uses few variables on many respondents to reach a result that can be generalized and structured while a qualitative research method uses few respondents with many variables in order to achieve a deeper understanding (Darmer & Frevtag, 1995).

3.2 Research technique

According to Ejvegård (2003), research based on questionnaires is a technique well suited when the researchers want to achieve information about an opinion in a population in a quick and accurate manner. In order to be able to evaluate the assessments, when available, secondary data was used, to either support or oppose the findings. The authors have decided to conduct a research based on a questionnaire where the respondents answer the same questions and it is therefore possible to generalize the data on the entire population.

Questionnaire interviews conducted through personal interaction generate a higher respondent frequency compared to questionnaires sent by mail. Furthermore, interviews conducted via personal handouts are less time consuming and more cost-efficient than mail questionnaires, considering stamps and the time between when the questionnaire is sent to the time it is returned (Eriksson & Wiedersheim, 1987). Personal handouts consume more labor with conducting the interviews however the answers are instant. As a personal interaction is a two-way communication channel the risk of non-respondents or misunderstandings are essentially lower compared to the alternatives (Winter, 1979).

Criticism has been raised towards questionnaires and is mainly based on the researcher inability to know whether the information generated from the questions can be used in
the analysis. In case the information cannot be used and the problem is realized to late, the researcher has a difficult task to attend the problem (Holme & Solvang, 1997). During the process of this research the researchers have been aware of this problem and have therefore made an attempt to be as objective as possible while forming the questionnaire. Further the researchers have evaluated and tested the questions by asking other researchers and customers to read and comment the questionnaire. Moreover a test-interview has been conducted after which smaller changes and clarifications were made. Through doing this the authors believe that the information problem has been avoided to a large extent.

There are many advantages with a closed questionnaire combined with open-ended questions in a quantitative study compared to a questionnaire based on only open-ended questions. The answers given are relatively effortless to compare and to structure as the respondents normally only have to choose between alternatives with given answer. This could be a question where the respondent is able to choose between a yes and a no answer. Closed questions can be beneficially complemented with open-ended questions for the researcher to obtain more detailed information and nuances. The respondent has therefore the opportunity to express opinions with own words. Furthermore advantages with questionnaires are achieved through questions ordered in a pre-decided way. The respondents have similar prerequisites to answer the questions (Ejvegård, 2003).

The questionnaire used in this research includes mainly two categories of questions; ordinal and nominal questions. In ordinal questions the respondents are asked to rank or give an alternative a grade of importance (Holme & Solvang, 1997). An ordinal question in the questionnaire in this thesis is for instance question 5 where the respondent is asked to rank 1 – 5, where 1 is the most important (See appendix).

There is however disadvantages realized with ordinal questions. There is a risk that the respondent does not understand the meaning of the alternatives and therefore chooses the alternative that the individual is the most familiar with instead of showing the actual preferences. Another weakness with ordinal questions is that the ranking is only internal. Meaning that the researcher will only find out that one alternative is superior to the other and not how much more important or valuable the alternative is. Furthermore ordinal questions there is a risk that the researcher is more enthusiastic about one alternative than the others and thus pronounces this alternative differently or with more power (Holme & Solvang, 1997). The authors are aware of problems with ordinal questions and have therefore tried to ask the questions and list the alternatives as neutral as possible.

Ordinal questions also have advantages. One of these is that the researcher finds out what internal ranking the respondent has between the given alternatives. These numbers can then be used to calculate the whole populations order.

Nominal questions are for instance yes and no questions. Examples of nominal questions in the questionnaire are for example: 6 and 7 where the respondents are asked whether they agree or disagree with a statement.

The correct answers to the above mentioned question would be the actual evening tabloid which the person last purchased. Fact questions are with benefit used when the researcher wants to be able to detect differences and nuances between the respondents’ answers and opinions. The researcher will through fact questions and the answers given to them are able to calculate means, variances and to rank the answers in preferred ways. The fact that fact questions normally are asked with an open end, the respondents do not have any alterna-
tives to choose from and this is one of the downsides with fact questions. This is a problem, as the researcher has to code the answers before putting them into a computer. (Holme & Solvang, 1997). To avoid this, the authors have double-checked the computerized tables with the respondents’ answers to the questionnaire. Through doing this, mistyping or miscoding has been avoided as far as possible.

3.3 Sample Selection

To be able to conduct a questionnaire, a target population for the research needs to be defined and the sample size and procedure should be determined. To make sure that the answers of the questionnaire fulfill the requirements of the Central Limit Theorem and that the answers statistically are normally distributed, it was important that \( n \) (\( n = \) the number of respondents) was at least 30 (Aczel & Saunderpandian, 2002).

The procedures of sampling can be classified into probability sampling and non probability sampling. In a probability procedure, each element of the population has a known chance of being selected for the sample. The selection procedures include simple random sample, stratified sample, and cluster sample (Saunders, Lewis & Thornhill, 2003).

The non probability sampling gives the researcher some discretion in selecting the population the target population and the sample is known. Non probability procedures can be classified into convenience sample, judgment sample and quota sample (Saunders, et al. 2003). In this research the authors have decided on a non probability sampling.

As the authors were interested in behaviors of people in the range of 19-24 years of age the authors decided to use a judgmental selection instead of a stochastic selection. The judgmental selection method further implies that when one of the desired respondents is unable or unwilling to take part in the research the next coming respondent should be contacted (Svenning, 1997). This means that when one respondent was unable or unwilling to answer the next was contacted.

3.4 Performing the interview

The questions included in the questionnaire are based on theories and methods presented in the frame of references. To achieve highest level of accuracy possible it was important that the persons who filled out the questionnaire represented the respondents well and fitted in to the profile of this research.

To receive as many answers as possible to the questionnaires during the limited time period the decision was made to personally contact and ask people to fill out the questionnaire, through doing this most people that were asked agreed to participate in the investigation. All interviews were conducted during week 17 and 18, 2007 between 09.00 and 17.00. The authors explained the situation of being students at Jönköping International Business School and also that this was going to be used in a master thesis regarding brand equity and the evening tabloids extension into alternative media channels.

As stated earlier the authors required at least 30 respondents to attain the prerequisites of the central limit theorem. To be able to make assumption on the whole population the authors decided that a sample of 100 respondents would be a sufficient number considering the time frame and scope of the thesis. The 100 respondents where contacted in the shop-
Method

Pinging mall A6 in Jönköping, Jönköping University and at the city centre of Jönköping where respondents were asked to fill out the questionnaires. According to Tidningsutgivarna (2007) the readership of the hard copy tabloid has decreased most noticeable in the ages 15-24 since 1990. The decision was therefore made to research the population between 19-24 years of age in the sample. A person in this age range has probably started to make money and is therefore interesting for the study and for the future success of the evening tabloid companies.

The gender distribution of the research turned out to be 48 percent women and 52 percent men.

![Gender Distribution](image)

**Figure 3.1 – Gender distribution**

### 3.5 Credibility of the respondent

When evaluating opinions and attitudes towards a specific topic it is essential for the researcher to ask the research questions in a way that the answers mirrors the respondents actual or planned future behavior. Priming is a phenomenon that could emerge and would result in an error. Priming implies that recent experiences increases the chance that the individual interprets the situation and colors the answers based on these experiences (Atkinson, Smith, Nolen-Hoeksema, Fredricson & Hilgard, 2003). The experiences can be originated from the respondent’s environment, from recent happenings or from questions previously asked in the questionnaire. In this research there is a risk that the questions asked in the beginning of the questionnaire influence the respondent’s answers in the latter questions. It was therefore essential that the questionnaire was thoroughly tested to avoid such errors.
3.6 Validity and Reliability

The authors have tried to ensure that the conclusions based on the analysis in this thesis have a high level of validity and reliability. A research has validity when the same result can be achieved independent of what research method is used (Andersson et al., 2001). The researcher has an objective to achieve a high level of validity to assure that the information gathered and measured actually is what was intended to be measured (Befring, 1994; Svenning, 1997; Holme & Solvang, 1997). This is also known as internal validity. The ability to generalize the results and to be able to apply the results on a whole population is called external validity (Svenning, 1997). Reliability, which will be discussed below, is a requirement for validity. If the reliability is low, one cannot know that one measures what one intended to measure (Winter, 1979).

The authors believe that a high level of validity is achieved as models have been used, both statistical and non-statistical, that are well recognized and constructed by acknowledged and well-reputed researchers. Furthermore, the results are considered to be able to be applied on the whole population (external validity) and what was intended to measure actually has been measured (internal validity). As mentioned above, validity cannot be achieved without reliability. High levels of reliability provide a fair and trustworthy portrait of reality. This is achieved when the same answers and results are obtained from several independent sources (Andersen, 1994). Furthermore, how the research is conducted and the level of accuracy and precision while treating the information influences the level of reliability. Would the same result be achieved if the research was conducted again with the same problem (Holme & Solvang, 1997). One way to achieve objectivity and reliability is by using structured questionnaires with given and predetermined answer alternatives (Befring, 1994).

Definitions and scientific statements in scientific journals and books are based on choices and thus also on the researcher’s values and opinions. Critics imply that subjectivity is impossible to avoid and that it therefore is impossible to find perfectly objective statements or publications to build research on. It is important to identify the obvious cases of subjectivity and to avoid or acknowledge them as far as possible (Bergström, 1976; Mannenheim, 1936; NE, 2006). The authors believe that the reliability in the research is high because almost every person asked has agreed to participate in the research. To be able to receive 100 responses, 107 persons were asked to fill out the questionnaire. The authors therefore believe that the reliability of the research is as high as 93 percent (100 out of 107).

According to Ejvegård (2003), a frequency over 80% gives an accurate and fair portrait of reality and thus a good base for analysis. The reliability was strengthened by the fact that all respondents were presented, and answered the same questions. The reliability was strengthen even more as the questions followed the standardized questionnaire and the respondents answered the questions in the exact same order and the questions where formulated in the exact same way. This made it possible to avoid the ‘interview effect’ in which the respondents are influenced by the interviewer’s personal references and values (Ejvegård, 2003). A possible bias in our research is the fact that we have no information about the seven persons that decided not to take part in the research.

One method to measure the level of reliability is to conduct the exact same research once again but on a different statistical selection and then to compare the results to see if they correspond, a so-called test-retest method (Anderson et al., 2001; Befring, 1994). Due to the limited time and restricted budget the authors have chosen not to conduct this. The authors believe that based on the above mentioned, achieved a high level of reliability.
3.7 Reflection and Criticism

The variables in the questionnaire are not unconditional, else variables could serve as equally important in this thesis. The motivation of the respondents is a factor that may influence the accuracy level of the study, since their ambition and willingness to answer correctly affects the outcome. Earlier researches have shown that the motivation level when it comes to answer questionnaires is lacking to some extent.

The authors had the prerequisite to conduct the interview with the respondents, days where the news bills of Aftonbladet and Expressen did not differ in particular from each other, in order to achieve accurate data input.

The authors chose to create a foundation around the thesis upon Aaker’s brand equity model, however other models or instruments could have been used in order to achieve a different approach of the thesis.
4 Empirical Study and Analysis

This chapter aims to present and analyze the empirical results generated from the questionnaire, analyzed through the perspective originated from the theoretical framework. The analyzed results are based on the 100 respondents’ answers in the questionnaires. The population consisted of persons situated in Jönköping in the age variety 19-24 years of age. Further the questionnaire outcome showed a diversification of 52% males respectively 48% females.

4.1 Brand Diversification

The purpose of brand strategy is according to Melin (1999) to strengthen the brand continuously in order to achieve a long term profit. Aftonbladet and Expressen have been working hard to accomplish this objective. The evening tabloid industry has gone through and still is experiencing a transformation process with the strong growth of alternative media channels and along with that changed profit sources. The traditional evening tabloid has become a media conglomerate providing services in diversified areas, in order to customize the product content. The authors have conducted a study of Aftonbladet and Expressen, with the objective to find a pattern of how brand equity is enhanced in the best way and what actions taken by the evening tabloids affect the position in the mind set of the consumer. The empirical finding reveals several interesting patterns. The fact that young people in the age range 19-24 tend to purchase the actual newspaper rarely is supported by earlier research from Orvesto Konsument, 2006:3.

The evening tabloids have to develop a plan in order to attract young people without any additional charge, since this group is not interested of paying for information in general. Aftonbladet and Expressen have done similar actions in order to capitalize on their brands, TV-channels, online activities and side sections seem to be the most common actions of attracting customers. Cooper (1993) describe brand portfolio management as a dynamic process, which include investigate and evaluate projects, and from that information gather and allocate the right amount of resources to each project. Aftonbladet and Expressen have developed their brand portfolios in an ongoing high pace during the last decade. Alternative media channels have been exploited by the both Aftonbladet and Expressen in terms of TV-channels, online activities and side sections etc. The additional services are mainly introduced and launched under the original brand name as brand extensions. According to Springen and Miller (1990) brand extensions is the optimal vehicle for enhancing growth, and since the competitive level within this industry is exceptionally high, brand extensions are essential to keep track with the competitor and to meet the consumers preferences. These brand extension actions are supported by Aaker (1991) who states that brand extensions is the incubator for future corporate success.

Aaker (1991), Apéria (2001) and Aaker and Keller (1992) mentions that the brand is the most valuable strategic asset for a company, consequently the carefulness of the brand is essential when it comes to brand extensions. The authors found that Aftonbladet and Expressen do not follow a predetermined pattern of introducing and launching brand extensions. Instead each brand extension has a specific tailored designed approach in order to delimit the fall pits described in Aaker’s model “Effect of extending a brand to a new product”.

27
The questionnaire that lie as the foundation for the empirical findings were develop in order to localize and measure the strength of brand equity that Aftonbladet and Expressen enjoys, and further to investigate what actions and events that are prioritized by the interviewed sample. The generated outcome divulges an extremely low level of purchasing rate and also reveals fluctuating dissatisfaction of the perceived quality. The perceived quality level is according to Aaker (1991) the only factor that is highly correlated to the company’s financial long term performance. Apéria (2001) further argues that perceived quality creates affection towards the brand, and reinforces the additional attributes linked to the product. Dacin and Smith (1994) mention that brand extensions into multiple product categories may have a negative impact on the perceived quality level. The respondents experience to some extent that the perceived quality level is lacking, which have negative effects on the loyalty towards the brand, which results in lowered brand equity.

### 4.2 Name Awareness

Aaker (1991) discusses name awareness as crucial to be able to define the brand’s uniqueness and to highlight its advantages. The authors measured the role of which the current market position of the evening tabloid companies plays, the response were fairly split. 29 percent claimed that the current market position of the evening tabloid company did not affect the decision at all. However, 55 percent had the answer five ore more on a scale from one to ten whether they agreed that the market position affected their purchasing decision. Even though many argue that the evening tabloid company’s current market position has a rather slim role in the choice of tabloid quite few mean that it has at least some role when making the purchase. People assume that the largest company which in this case would be Aftonbladet has better quality than Expressen, people may have the belief that the company must be the largest because it has a better tabloid (Aaker, 1991).

This has greatly to do with name awareness, the evening tabloid companies strive hard to let people know about their brands. The respondents consider Aftonbladet and Expressen to have rather strong brands and most people have heard of them. The challenge is as Aaker (1991) argues; to establish the awareness in an accurate manner to clarify the specific brand’s uniqueness and to highlight the advantages that comes along with it.

Aftonbladet clearly experiences a great advantage from being the larger, more widely read tabloid. This study has shown that the market position of the company does in fact play a rather large part in people’s minds when choosing between the two products.
The Current Market Position Influences the Choice of Evening Tabloid

Moreover Aaker (1991) discusses that familiarity and recognition creates a foundation of trust, and to establish additional trust in the consumer segment, it is vital that the credibility exceeds the expectations of the consumers. When the respondents were asked which evening tabloid they last purchased, the response was that 59 percent purchased Aftonbladet. Only 17 percent answered that they purchased Expressen and 10 percent bought both evening tabloids at their last purchase (See figure 4.3). Further, 14 percent claimed that they had not purchased an evening tabloid.

In this research one could assume that Aftonbladet has succeeded in a superior way compared to Expressen in establishing familiarity and recognition. Event though this particular question does not take in to account which tabloid that the consumer purchase continuously, statistically it means that the respondents in the targeted population purchase Aftonbladet more often than Expressen.

The reasons why brand awareness is essential for a company are according to Apéria (2001) that it is crucial to communicate the attributes that follows with the brand, it establishes a relationship between the company and the customer and it also symbolizes that the product is of high quality. When taking this in to consideration, even though many variables influence the last purchase Aftonbladet seem to have established these attributes in a more sufficient way than Expressen.
Furthermore, Aaker (1991) argues that consumers generally turn their attention towards a recognized brand rather than an unfamiliar brand. Aftonbladet has according to this study managed to establish a stronger brand than Expressen and therefore possesses many advantages. It can be of less effort to establish and succeed in alternative media channels when the attention is turned towards the company.

Aaker (1991) argues that brand awareness is the ability of a potential buyer to categorize the brand’s belonging of a specific product class. The connection between the product and the product class is the key for the brand to be successful. If someone desires to read an evening tabloid, it will either be Aftonbladet, Expressen or both of them that comes to mind. In the population researched in this study it is likely that Aftonbladet comes to mind for the customer. However, there were still 17 of the respondents that purchased Expressen, in this case the customers are likely to find Expressen close to mind. There is still however 14 percent that has never purchased an evening tabloid and this can be seen as a challenge and a big opportunity for the companies. 14 percent of the market in this particular segment is a rather large share and a part of the future for the evening tabloid industry.

An important aspect of brand awareness is the level of recognition. Aaker (1991) highlights the fact that the brand itself cannot create sales. Even though the recognition level is extremely high and is a crucial piece of brand equity, the actual core product and brand extensions has to be related to the recognition of the brand in order to achieve stronger brand equity. As the authors investigated the brand awareness of the side sections in one of the question, interesting results were found. The respondents were asked which side section that belongs to which evening tabloid. In this question the results were quite even among the side sections. 59 percent of the respondents knew that “Fredag” is a side section of Expressen and 72 gave the correct answer that “Klick” is a side section of Aftonbladet. Further 58 percent answered correctly that “Söndag” belongs to Aftonbladet and 61 percent had “Hallå” correctly as a side section to Expressen. The remaining respondents either answered incorrectly or left the question blank as they did not know the answer.

By asking this question the authors found that the brand awareness of the side sections of the evening tabloids are fairly even among the two companies. One could argue that as almost 100 percent are aware of the two evening tabloids, perhaps these percentages show poor brand awareness of the companies. What can be analyzed from the figure above is that the awareness is fairly even amongst the side sections, however the fact that the last
purchase is much higher of Aftonbladet than Expressen other factors such as perceived quality and brand associations play a part in this.

### 4.3 Perceived Quality

Dacin and Smith (1994) mention that the effect of perceived quality might suffer from a broad brand portfolio. This is something that the evening tabloids Aftonbladet and Expressen experience on a daily basis. The perceived quality level of the evening tabloid segment, were according to the respondents equally distributed in terms of perceived quality level. Figure 4.6 visualize the result and displays the distribution in terms of percentage.

![Figure 4.5 – Perceived Quality](image)

Figure 4.6 displays some tendency towards low perceived quality, although the result is not significant towards any extreme and can be considered as an average result.

![Figure 4.6 - Reliable Information Source](image)

The respondents were asked if extensions of the evening tabloids brand portfolio in terms of brand extension affected the perceived quality level. The result differ to some extent from Dacin and Smith (1994) findings that the quality level tend to be affected in a negative spiral from brand extensions. The generated outcome from the survey showed that the major part thought that the quality level had been unchanged in relation to additional establishments in alternative media channels. In figure 4.7 the distribution between “increased”
and “decreased” of the perceived quality level was almost equally distributed. The figure 4.7 further displays a weighted relation between Aftonbladet and Expressen, the research shows that the buyers of Aftonbladet have a more positivistic view upon the perceived quality. The result might originate from what Aaker (1991) discusses, when he mentions that the brand is associated with an overall quality level, which not necessarily is based upon the products actual and objective quality. Consequently, some of the respondents might have a predetermined approach towards evening tabloids and its content. People are creating their own personal awareness based upon their personal subjectivity, which may be separated from the actual and objective quality level. The figure 4.7 further displays a weighted relation between Aftonbladet and Expressen. The buyers of Aftonbladet have a more positivistic view upon the perceived quality originated from alternative media channels.

Figure 4.7 – Quality originated from the Establishment in Alternative Media Channels

Aaker (1991) discusses the companies’ dilemma of the subjectivity that affects and influences the memory based choice of a specific product. Even though, for instance Expressen have achieved a higher quality level in objective eyes, consumers always have predetermined subjective opinion that influences their choice when it comes down to chose between Aftonbladet and Expressen if disregarding the stimulation instruments that Aftonbladet and Expressen are using to attract customers such as news bills. This generated outcome clearly states that the perceived quality have significant impact on the choice that the consumer execute. Several academic researchers such as Phil Crosby who argues in Aaker (1991:78) that “quality is free.” simply mean that the company and brand that enjoys the highest quality level will be successful. There is linear relation between the provided quality and the consumer’s ability to reveal and perceive the packaged and delivered quality distributed by Aftonbladet and Expressen. Aaker (1991) further, mentions that the consumers choice originated from the perceived quality also gain approval from the situational context, for example Expressen provide a James Bond movie to a beneficial price if purchasing the newspaper a specific weekday. This event was appreciated by the respondents and shown in the final open question in the handout.
The Perceived Quality Affects the Choice of Evening Tabloid

Figure 4.8 displays a relatively high level of people agreeing in terms of perceived quality. The major part of the respondents holds quality as an important factor when it comes down to selecting which of Aftonbladet or Expressen that have and provides the highest level of quality. Moreover figure 4.8 shows the distribution of Aftonbladet’s and Expressen’s buyer attitude towards the perceived quality.

The last question in the questionnaire was an open question and revealed some discontent of the provided information of the evening tabloids, the respondents answers were mainly focused on the tabloids in general and did not highlight any specific part that they were dissatisfied with. Further, there were some respondents that in comparison to the previous opinions that honored and were extremely positivistic towards specific section within the evening tabloids portfolio, such as the sport section. Apéria (2001) and Aaker (1991) mention in their research that the consumer may create a positive image towards the products quality if the product provide some superior value in terms of information and quality, which results in a positive awareness of the brand in all-purposes. Apéria (2001) further claims that perceptions like mentioned above will create and enhance brand equity, which results in future profits. Aaker (1991) argues that the level of perceived quality has a high correlation with the profit rate, and these potential future profits gained by Aftonbladet and Expressen can be reinvested and have an impact on the future market share and the relation between quality versus price, consequently, Aftonbladet and Expressen can charge a premium price if they provide quality that is superior and of significant importance.
4.4 Brand Associations

A specific brand association is defined by MacInnis and Nakamoto (1990) as an attribute or benefit that differentiates a brand from the competitors. As mentioned in the name awareness section the awareness of side sections were fairly good and was also quite even between the two tabloids. Aftonbladet and Expressen have established associations in this area. The study showed that many of the respondents associated the side sections to the evening tabloid. This can affect the purchase of the tabloid. If a person considers for instance “Hallå” or “Fredag” to be good side sections it is likely that the person fancies Expressen above Aftonbladet even the days when the side section is not available.

![Brand Associations Diagram]

Figure 4.9 - Brand Associations

![Brand Awareness of Side Sections]

Figure 4.10 – Brand Awareness of Side Section

An essential part of marketing is communicating the brand image. Aaker (1991) defines brand image as a set of associations that are organized in a consequential order. The respondents were asked how they considered the development the extra products and services of Aftonbladet and Expressen in relation to their own preferences and almost 60 percent considered the development to be better than before. Only 3 percent considered that it had become worse and 38 percent considered it to be unchanged. The consumers of Aftonbladet represented a larger part of the positive approach towards product development related to personal preferences. Since these products and services are associated to the brands, the brand image of the companies has probably become better in regard to the question asked (See figure 4.11).
Aaker (1991) further discusses that there is an undefined portion of subjectivity when it comes to the perceived image of the brand and it is important to have a well defined objective of how to be perceived by the customers. In this research it has shown that the importance of services provided by the two companies play a large role for the brand image.

Both companies provide Web TV and seem to put a lot of effort in to this added service. The respondents did however not seem to consider this to be an important factor for the image of the tabloids. In fact none of the respondents considered Web TV to be the most important service that is provided along with the core product. Figure 4.12 displays that almost 20 percent considered the side section to be the most important service that was provided.

The news bill was also important for many of the respondents as over 20 percent claimed that that was the most influencing service when choosing between tabloids. When considering the extra services such as crosswords, sudoko and mobile phone services there were only 4 percent that considered it to be the most important. The internet site seemed to be the most important service that influenced the choice of an evening tabloid. In fact 56 percent put the internet site as the most valuable service.

As shown in figure 4.13 concerning which internet site the respondent last visited the results show that 86 percent last visited Aftonbladet and only 10 percent visited Expressen. From this one could say that Aftonbladet has had a greater success in establishing the
brand image from the brand associations. Since it has shown that the internet site is of such importance for the brand image and that the majority enter Aftonbladet’s site more frequently than Expressen it is a major challenge for Expressen to try to attract people from this population in order to be able to take market share from Aftonbladet.

![The Site the Respondent Last Visited](image)

**Figure 4.13 – Site the Respondent Last Visited**

The symbol and logotype is considered to be the key differentiating characteristic of a brand and according to Aaker (1991) it stands for all the associations that people have in relation to a brand. Aftonbladet and Expressen have according to the associations mentioned previously both been able to link the associations to the brands. Aftonbladet however seem to have performed this in a more successful way than Expressen and when considering the internet site influence on the willingness to purchase the hard copy the respondents had quite spread distribution (See figure 4.14).

![The Internet Site Enhance the Willingness to Purchase the Hard Copy](image)

**Figure 4.14 – The Internet Site Enhance the Willingness to Purchase the Hard Copy**
4.5 Brand Loyalty

As mentioned in the authors own interpretation of the brand equity model by Aaker (1991), name awareness, perceived quality and brand associations together create brand loyalty. Aaker (1991) argues that brand loyalty is one of most important part in the brand equity process and is often considered as the core of which further brand equity actions originates from. To possess loyalty is an incredible advantage for every person operating within the area of business. The loyalty is something that is deserved not something that is bought or gained by pure luck, it demands a long term strategy from the company perspective to position and present the brand as a necessary ally in the mind set of consumers.

This is very important for Aftonbladet and Expressen to consider. In the study the respondents were asked how many times per week they purchase and evening tabloid. The results were that amazingly that 64 percent claimed that they did not purchase any evening tabloid per week. 15 percent purchase on average one evening tabloid per week and 13 percent two. This means that only 8 percent purchases an evening tabloid more than two times per week. The research has shown that the loyalty to the hard copy of Aftonbladet and Expressen is rather limited in the researched population. This question does however not take into account the actual brand loyalty to individual brands although more an introductory question to measure the number of times per week the respondent actually purchases the hard copy tabloid (See figure 4.16).

To be able to research the actual brand loyalty the respondents were asked which evening tabloid they last purchased (See figure 4.17). Almost 60 percent of the respondents last purchased Aftonbladet and about 20 purchased Expressen. Of the remaining respondents 14 percent claimed that they had never purchased an evening tabloid and the remaining 10 percent argued that they purchased both tabloids. This results in that the market share of
this industry can vary and even though someone is used to purchasing one or the other tabloid it means the company does not have to steal market share, it can simply stimulate the consumers to purchase the evening tabloid in addition to the other. The authors believe that this can be considered as a great opportunity and challenge for Aftonbladet and Expressen.

![Graph showing Last Purchase](image)

**Figure 4.17 – Last Purchase**

Aaker (1991) discusses that a habitual buyer who by routine consistently chose the same brand, is the perfect customer for companies, since brand loyalty is highly correlated to future sales resulting in future profits. Assumptions that can be drawn from figure 4.17 can be that Aftonbladet has more habitual buyers than Expressen at the moment in the targeted population. Aftonbladet can therefore gain more from long term revenue flow and can focus less on marketing actions to attract more customers. The challenge here is to be able to maintain the habitual buyers whilst Expressen need to focus more on trying to get more habitual buyers and will probably have high marketing costs in order for them to create loyal customers within this population.

Tucker (1964) argues that brand loyalty is conceived simply as a favoritism choice behavior with respect to branded products. Brand loyalty is always a biased response to some combination of characteristics, not all of which are critical stimuli. Tucker (1964) furthermore, stress that consumers will become brand loyal even when there is no evident difference between brands other than the brand itself. When taking this into consideration the respondents were asked whether an extensive product portfolio strengthens the loyalty to the evening tabloid.

Figure 4.18 show that the respondents did not totally agree with each other. As much as 32 percent of the respondents disagreed, 35 percent had five on a scale from one to ten meaning that they did not agree or disagree with that the extensive portfolio strengthens the loyalty to the evening tabloid. However, 23 percent had six or higher on the scale and meant that the extensive portfolio does in fact strengthen the loyalty towards the evening tabloid. Aaker (1991) argues in the brand equity model that name awareness, perceived quality and brand associations have to do with brand loyalty while in this question many actually claim that the extensive product portfolio does not strengthen the loyalty to the tabloid. There can yet be many explanations for this, since marketing and branding is many times below the consciousness stage in peoples minds they may not be aware of the factors influencing them to be loyal towards a specific brand.
Brand loyalty differs amongst diverse products. For instance a consumer may be loyal to the same type of car brand an entire lifetime whilst the level of loyalty towards consumer goods may fluctuate on occasion. It is obvious that the process of purchasing consumer goods have a higher frequency than for intense financial goods. Newman & Werbel (1973) classifies loyalty in the area of consumer goods as that the consumer would go to another store or postpone purchase rather than buy another brand if their preferred brand was out of stock. This classification is supported by Aaker (1991) who defines loyalty as the likelihood that a consumer switches to another brand when the initial brand makes a change, either in product features or in price.

Evening tabloids can be seen as this kind of consumer good, if the desired tabloid is out of stock many would perhaps purchase the other. However it is also likely that many would go to the next store to find the desired tabloid. When considering the loyalty to the internet sites the respondents were asked how many times per week that they visit the internet sites of the evening tabloids (See figure 4.19). This is one product that the company can never go out of stock of. The results were that almost all of the respondents visited the internet sites at least one time per week. There were only 5 percent that never entered the internet sites. 18 percent entered the sites one time per week, 4 percent two times, 3 percent three times, 9 percent four times, 27 percent five times and 34 percent visited the internet sites more than five times per week. Actually 26 percent answered that they visit the internet sites more than once a day.
When having the information given above in mind the respondents were also asked which of the internet sites they last visited. The results showed that Aftonbladet clearly has more loyal users than Expressen within the targeted population. Aftonbladet had over 80 percent visitors compared to Expressen’s 10 percent (See figure 4.20).

![The Site the Respondent Last Visited](image_url)

Figure 4.20 – The Site the Respondent Last Visited
5 Conclusion

In this chapter the authors give a summary of the conclusions from the study. The findings are analyzed in relation to the purpose of the thesis.

The purpose of this thesis has been to research and analyze the effects on Aftonbladet’s and Expressen’s brand equity in terms of brand extensions and establishments in alternative media channels. This study has been linked to Aaker’s brand equity model which lies as the foundation for the generated result.

Aftonbladet and Expressen have developed and extended their brand portfolios and several additional services have become closely related to the evening tabloids brands. The product portfolios of Aftonbladet and Expressen are almost identical and the enhancing of brand equity is consequently of great importance. The study was conducted amongst respondents in the age range of 19-24 years. The study revealed that this group has an extremely low purchasing rate of the actual hard copy. Although the awareness of the brands Aftonbladet and Expressen are solid in the mindset of the respondents and the extra services and activities that are provided online are of greater importance for this segment. The internet sites were frequently visited by the respondents over 60% visited the evening tabloids internet sites more than five times per week. Aftonbladet is currently more successful than Expressen and enjoys by far the most online traffic.

The respondents ranked the internet site as the most important characteristic followed by the news bill and the provided side section when it comes down to chose between Aftonbladet and Expressen. Extra services online and Webb-TV were of less significance for the respondents. Further, the study revealed that the tabloids extensions and extra services have developed in a suitable manner in order to meet the consumer preferences. However, the respondents are not experiencing a linear relation between the perceived quality level and subjective preferences. Evening tabloids are not enjoyed by the respondents for its accurate and reliable information. The respondents claim that the quality level of the tabloids has decreased slightly more than increased after the establishment in alternative media channels.

When analyzing the awareness part of the brand equity model the research showed that Aftonbladet experiences a great advantage from being the largest company. The market position of the company seems to play a rather large part in people’s minds when choosing between the two products. Aftonbladet was further the evening tabloid that a majority of the respondents purchased last. The respondents were also fairly aware of the side sections distributed along with the hard copy of Aftonbladet and Expressen. Aftonbladet enjoys a small but not significant advantage of brand awareness in terms of provided side sections.

Furthermore, the analysis of the side sections also has to do with brand associations. The effect of the extensions can be that if a person considers the side sections of the tabloid to be better than the alternative, this person may choose this tabloid both when the side section is available and the days when it is not. Moreover, it has been exposed in this research that the internet sites have the most impact on how the evening tabloid company is perceived compared to other additional products and services. Further, the study revealed that Aftonbladet has succeeded far better in this field than Expressen has.
The authors theoretical contribution in this study is the model constructed and originated from Aaker’s brand equity model. The author’s model is adapted to the chosen topic and the perspective that were of interest for the study.

From this study the conclusion can be drawn that this target group is attracted by customized and accessible information that is of high quality and is distributed without any additional cost. Aftonbladet possess stronger brand recall of its extensions and activities than Expressen. Although the interviewed sample express a tendency to always search for most satisfaction, independently if it is Aftonbladet or Expressen that is providing the product. Aftonbladet was the initiator of online activities, and still enjoys capitalization on that enterprise. Expressen that was the follower into this new media channel is considered by the respondents to lack some of the innovativeness that Aftonbladet benefit from. This result in that Aftonbladet has power over a larger piece of brand equity than Expressen. Through analyzing these companies in the lens of Aaker’s brand equity model that consists of brand awareness, brand association, perceived quality and brand loyalty, the authors have found that Aftonbladet has developed a more efficient strategy in terms of extensions than Expressen in order to enhance brand equity.
6 Final Discussion

In this final chapter, the authors reflect and comment on the obtained result. Further, the authors evaluate their performance in order to display what could have been done differently to improve the findings and the result of the thesis. Finally, the brand equity development is revised from different perspectives in order to provide some leads for future research.

This study reveals that young people in general are not willing to pay for information. Input in terms of information is considered to be an asset that is not linked with any additional cost. The tabloids have to some extent adapted its content and product package to the current market situation. Instead of making benefits from the traditional hard copy purchases, the tabloids are now making profits from advertisements. The battle of the consumers in the future will be a continuous challenge for the tabloids. The phenomenon with alternative media channels is relatively new and there is still many things and opportunities that be capitalized upon. Which one of the two competitors that will be the winner of the tabloid battle is too early to announce. However, Aftonbladet seems to have the most positive future due to its brand equity strength.

6.1 Suggestions for Further Research

During the process of writing this thesis the authors have reflected upon some questions that could be of interest in additional studies concerning this topic.

The authors value generalization higher than a deeper understanding and thereby a quantitative method has been chosen. With additional time complements a quantitative study with a qualitative follow-up had been applicable. This would allow the authors to receive better knowledge about the respondents and their actions. A suggestion for further studies could be to look at the same problem statement but chose a qualitative method based on this research.

It would be interesting to do a similar study in the future using the same questionnaire in order to discover and analyze the brand equity development of Aftonbladet and Expressen. Another aspect that would have been interesting to research further is to select a specific activity executed by both Aftonbladet and Expressen and analyze how it is perceived by the consumers and strategy that is the most successful.

Another interesting aspect would have been to conduct further studies that compare different age distributions and analyze them, in order to reveal differences in the target segments. Finally this study was conducted in the Jönköping area exclusively, studies that with a larger geographic boundary, and could generate a different result.
References


Uggla, H., 2002, Affärsutveckling genom varumärket, Liber Ekonomi, Malmö


Appendices

Appendix 1: English Questionnaire
Brand Equity Research and Buying Behaviors of Aftonbladet and Expressen

Male   Female
☐   ☐

Age: __

1) The number of times per week you purchase an evening tabloid?  
☐ 0  1  2  3  4  5  6  7  ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

2) Which evening tabloid do you purchase last?  
☐ Aftonbladet
☐ Expressen
☐ Both
☐ None

3) How many times per week do you visit the evening tabloids homepages?  
0  1  2  3  4  5  6  7  >7
4) Which site did you visit last?

☐ Aftonbladet.se

☐ Expressen.se

☐ None

5) How do you consider the following to influence the choice of the hard copy? (Rank: 1-5, with 1 as most important and 5 as least important).

- Webb-TV

- Side Section

- News Bill

- Extra Services such as: Games, Sudoku, Cell Phone Services

- Internet Site

6) The evening tabloid companies current market position influence the choice of tabloid.

1 2 3 4 5 6 7 8 9 10

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

(Disagree) ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ (Strongly Agree)
7) The evening tabloids are a good information source.

1 2 3 4 5 6 7 8 9 10

□ □ □ □ □ □ □ □ □ □

(Disagree)  (Strongly Agree)

8) How do you consider that the quality of the information has been influenced by the evening tabloids establishments in alternative media channels?

□ Increased

□ Unchanged

□ Decreased

9) Which of the following media products do you associate with Aftonbladet and/or Expressen?

<table>
<thead>
<tr>
<th>Aftonbladet</th>
<th>Expressen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Punkt.se</td>
<td>□</td>
</tr>
<tr>
<td>TV7</td>
<td>□</td>
</tr>
<tr>
<td>&quot;Fredag&quot;</td>
<td>□</td>
</tr>
<tr>
<td>&quot;Klick&quot;</td>
<td>□</td>
</tr>
<tr>
<td>&quot;Dina pengar&quot;</td>
<td>□</td>
</tr>
<tr>
<td>E24</td>
<td>□</td>
</tr>
</tbody>
</table>
10) The perceived quality of information influences your choice of evening tabloid.

1  2  3  4  5  6  7  8  9  10
□  □  □  □  □  □  □  □  □  □
(Disagree)  (Strongly Agree)

11) How do you consider the evening tabloids additional services have changed according to your own preferences?

Increased      Unchanged      Decrease
□  □  □

12) An extensive product portfolio in alternative media channels strengthens your loyalty to the evening tabloid.

1  2  3  4  5  6  7  8  9  10
□  □  □  □  □  □  □  □  □  □
(Disagree)  (Strongly Agree)

13) The homepage of the evening tabloid strengthens your purchasing inclination of the hard copy tabloid.
14) Is there something specific that you consider that the evening tabloid companies are lacking concerning alternative media channels?

……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………
Appendix 2: Swedish Questionnaire
Brand Equity undersökning samt läs och köpvanor av Aftonbladet och Expressen

Man  Kvinna

☐  ☐

Ålder: ___

1) Hur många gånger per vecka köper du en kvällstidning?

0 1 2 3 4 5 6 7

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

2) Vilken tidning köpte du senast?

☐ Aftonbladet
☐ Expressen
☐ Båda
☐ Ingen

3) Hur många gånger per vecka besöker du kvällstidningar online?
4) Vilken sajt besökte du senast?

☐ Aftonbladet.se

☐ Expressen.se

☐ Ingen

5) Hur anser du att följande påverkar ditt val av faktisk kvällstidning (Ranka:1-5 med 1 som mest viktig och 5 som minst viktig)

☐ Webb-TV

☐ Bilaga (sport, nöje, resa….)

☐ Löpsedel

☐ Extratjänster, spel, mobiltjänster, sudoko.

☐ Internet sida

6) Kvällstidningarnas nuvarande marknadsposition påverkar ditt val av kvällstidning.

1 2 3 4 5 6 7 8 9 10

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

(Stämmer inte alls) (Stämmer mycket bra)

7) Kvällstidningarna är ett bra informationsmedium.
8) Hur anser du att kvaliteten av informationen har påverkats av kvällstidningarnas etablering i alternativa mediakanaler?

<table>
<thead>
<tr>
<th>Ökat</th>
<th>Minskat</th>
<th>Oförändrat</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9) Vilka av följande mediaprodukter associerar du med Aftonbladet och/eller Expressen?

<table>
<thead>
<tr>
<th>Aftonbladet</th>
<th>Expressen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Punkt.se</td>
<td></td>
</tr>
<tr>
<td>TV7</td>
<td></td>
</tr>
<tr>
<td>”Fredag”</td>
<td></td>
</tr>
<tr>
<td>”Klick”</td>
<td></td>
</tr>
<tr>
<td>Dina pengar</td>
<td></td>
</tr>
<tr>
<td>E24</td>
<td></td>
</tr>
<tr>
<td>Blocket.se</td>
<td></td>
</tr>
<tr>
<td>Stockholm City</td>
<td></td>
</tr>
<tr>
<td>Söndag</td>
<td></td>
</tr>
<tr>
<td>Hallå!</td>
<td></td>
</tr>
</tbody>
</table>
10) Den upplevda kvaliteten av information påverkar ditt val av kvällstidning.

   1  2  3  4  5  6  7  8  9  10
   □ □ □ □ □ □ □ □ □ □

(Stämmer inte alls) (Stämmer mycket bra)

11) Hur tycker du att kvällstidningarnas extra tjänster och produkter har utvecklats i relation till dina egna preferenser?

   Bättre   Sämre   Oförändrat
   □ □ □

12) En bred produktportfölj i alternativa mediakanaler stärker din lojalitet till kvällstidningen.

   1  2  3  4  5  6  7  8  9  10
   □ □ □ □ □ □ □ □ □ □

(Stämmer inte alls) (Stämmer mycket bra)

13) Internetsajten stärker din köplust av den faktiska kvällstidningen.

   1  2  3  4  5  6  7  8  9  10
   □ □ □ □ □ □ □ □ □ □

(Stämmer inte alls) (Stämmer mycket bra)
14) Är det något specifikt du saknar i respektive tidning angående alternativa medier?

……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………