

**The role of consumers' brand legitimacy perceptions in terms of
their loyalty towards car brands**

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Abstract

This study aims to evaluate the factors of brand legitimacy that influence consumers to switch to purchasing new Asian car brands from established car brands. The study is conducted in the context of South Africa, outlining the impact of diluting the market with price-cutting foreign brands in the automotive manufacturing and retail sector. The research is a qualitative study conducted using focus groups of consumers who are car owners. Findings from the study show that the brand loyalty of established brands is at risk of being cannibalised. However focusing on building customer relationships and improving customer experiences can reinvigorate the legitimacy of established brands.

Key Words

Brand, Branding, Customer Brand Loyalty, Marketing Activities, Car brands, Brand Legitimacy Perceptions, Consumer Decision Making, Consumer Behaviour

Plagiarism Declaration

I declare that this research project is my work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Signed

Date

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List of Abbreviations

AfCTA	The African Continental Free Trade Area
BO	Brand Origin
CMS	Consumer Motivation Scale
COO	Country Of Origin
CRB	Customer Brand Relationship
CSR	Corporate Social Responsibility
CTB	Consumer Trust in the Brand
DTIC	Department of Trade and Industry
EV	Electric Vehicles
ICE	Internal Combustion Engine
SA	South Africa
SAAM35	South African Masterplan 2035
SSA	Sub-Saharan Africa
SBC	Self-Brand Connectedness
SUV	Sports Utility Vehicle

CHAPTER 1: INTRODUCTION TO THE RESEARCH PROBLEM

1.1 Introduction

The manufacturing sector contributes significantly to the South African (SA) economy (Statistics South Africa, 2023). A key player in the manufacturing sector is the automotive industry. The South African automotive industry contributes 4.9% (2.9% manufacturing and 2.0% retail) to the GDP of the South African economy (NAAMSA, 2023). Demographic data indicates that the growing middle class in Sub-Saharan Africa (SSA) will grow 149% to a 349 million middle-class population by 2030 (B&M Analysts, 2018), demonstrating the size of the opportunity in the middle-class market of SSA.

To drive the growth and sustainability in the SA industry, the automotive industry stakeholders, in collaboration with the Department of Trade Industry and Competition (DTIC), established the South African Masterplan 2035 (SAAM35) in 2016, outlining ambitions and aspirations for the industry towards 2035, refer to Appendix 1.

SAAM 35 (Appendix 1) has six key strategic pillars of focus to be actioned by 2035. The key objective of the master plan is to drive the competitiveness and value of the SA automotive market to achieve a 1% global market share of vehicle production, increase local content vehicles assembled in SA to 60%, double employment and drive transformation in the industry. Of the six, there is a clear emphasis on localisation in its guidelines. The local market optimisation is concerned with growing the market's support towards local products.

Manufacturers must expand the production of product segments that are in demand to develop the sector (B&M Analysts, 2018). The vehicle products in demand are small entry-level and small crossover SUV (Sports Utility Vehicles) vehicles. Almost 50% of these products are imported into the country despite the growing rate of local consumer demand (NAAMSA, 2022).

The automotive manufacturing industry comprises seven Local Original Equipment (OEM) Manufacturers and Importers from six regions (Figure 1).

Figure 1:

South African Automotive Industry Structure

Local OEM Manufacturers (2.9% GDP)	Importers (2.0% GDP)
BMW	European (Renault, Porsche, Peugeot),
Ford	Japanese (Honda, Mazda, Subaru, Suzuki),
Isuzu	Korean (Hyundai, Kia),
Mercedes-Benz	Indian (Tata, Jaguar, Mahindra),
Nissan	Chinese brands (Chery, Foton, GWM),
Toyota	Italian/American (Fiat, Chrysler)
Volkswagen	

Source: (SA Economy: Fuelling the Economy, 2023)

The significant size of the automotive industry means that it also contributes 110,000 formal jobs to the economy, making an impact to the employment rate of South Africa (NAAMSA, 2022). Although still a substantial contributor to the South African economy, the Automotive manufacturing market has declined from 6.9% GDP contribution to 4.9% since 2017 (SA Economy: Fuelling the Economy, 2023) refer to appendix 2. This is concerning as the automotive industry has been the leader in driving employment and improving the living standards of South Africans for many years.

For manufacturing endeavours, trade agreements are required to develop South Africa as an attractive destination for automotive trade and production in Sub Saharan Africa (SSA). The African Continental Free Trade Area [AfCFTA] facilitates local content production development as well as innovation, accelerating investment and enabling Africa to move beyond the production of fewer than one million vehicles a year and become globally competitive (NAAMSA ABSA Trend Report, 2023).

While the strategic aspirations and actions are identified, several macro-environmental factors have impacted the industry's performance. As a result of the COVID-19 Global pandemic for example, there was a shortage of semiconductors in the global supply chain, a critical technical component in vehicle manufacturing

(NAAMSA, 2023) .The impact resulted in a worldwide decline of 4.2 million fewer vehicles produced in 2022, following a loss of 7 million in 2021 at the height of the pandemic and global lockdowns. Locally, along with the pandemic supply chain shortages, the market was also affected by flooding in Kwa Zulu Natal, a key vehicle production hub in SA, in 2022.

Additionally, consumers are strained by inflation. Interest rates have increased ten times in the last year (NAAMSA, 2023), affecting South African consumers' disposable income and affordability (NAAMSA, 2023). A weakened and volatile currency makes the automotive industry a complex and unpredictable business environment.

The impact of supply chain issues, flooding disruptions and unfavourable economic conditions are reflected in the inflated growth of 23% in Q2 2023 versus Q2 2022, based on the low base of the previous period, although beginning to show some recovery (NAAMSA 2023).

The new vehicle sales 2022 performance for all regions declined by 1.4%, at 81,628,533 units, compared to the 82,755,197 new vehicle sales units recorded for 2021. The region with the most significant share in the new sales is China at 26,863,745 units. China's new vehicle sales in 2022 was one-third of the global total new vehicle sales and increased by 2,1% versus 2021. India was up 25,7% in 2022, at 4,725,472 units, versus 3 759 398 in 2021. The African region was down by 3,8%, from 1,133,520 units in 2021 to 1,090,662 new vehicle units 2022. South Africa grew sales by 17,5%, 529,562, compared to 2021(NAAMSA ABSA Trend Report, 2023).

Total global vehicle production grew 6% from 80,205,102 units in 2021 to 85,016,728 units in 2022. The Asia-Oceania vehicle production increased by 7% in 2022 to 50,020,793 vehicles produced. Africa's vehicle production increased by 13%, recorded at 1,022,783, compared to the 907,302 vehicle production units for 2021. Looking at country-specific performance, China produced 31,78% of the global total. India and Indonesia registered significant increases in vehicle production at 24% and 31%, with total units recorded at 5,456,857 and 1,470,146 units, for the respective countries. South Africa accounted for 0,65% of the overall

global vehicle production and 54,4% of Africa's vehicle production, at 555,889 units. (NAAMS ABSA Trends, 2023)

In addition to the strained market activity which is slowing down the objectives of growing and developing the industry, the key brands' brand profile is shifting. Since 2021, the top five brands driving new vehicle sales performance were established brand players: Toyota, Volkswagen, Hyundai, Ford, Kia and Renault (NAAMSA, 2023). This performance has been changing since 2022, with more value-for-money Asian competitors driving growth, such as Suzuki, Haval and Chery. Brand activity growth is shifting to new entrants, Chinese brands, who only entered the market in the last three years. Diluting the value of the industry by driving low prices.

1.2 Background of the Research Problem

As the world becomes more global-minded, the effects of globalisation are interesting to evaluate. Remarkably, when looking at companies, brands and products, the industry market leaders and their dominance in global markets can change over time. This is the case, for example, where Nokia was a leading brand and was consequently overtaken by Apple as consumer preferences changed over time. Furthermore, how brands and products are perceived and adapted to different needs is sometimes different depending on the market they exist in. For example, a leading car brand, Toyota, is number one in the automobile market in South Africa; however, it is not featured in the top ten in China (NAAMSA, 2023; White, 2023). In a business context, managers should be concerned that brands from foreign countries have the potential to dominate markets over time as they start to infiltrate the minds of consumers and become the brand of choice despite the preferred brand history of the market leaders in a region.

China has the largest car market in the world, stealing the global market share of the legacy car manufacturers Toyota, VW and GM Motors; this is possible because Chinese automotive manufacturers are subsidised by the state and backed by vertically integrated supply chains (White, 2023). The growth is backed by European investments, which have grown from \$1.7 Bn in automotive and \$5.5 Bn in other sectors in 2018 to \$6.2 Bn in Automotive and \$ 1.5 Bn in other sectors in

2022 (White, 2023). In 2023, the state's backing of the automotive industry is mainly focused on electric vehicle technology, which is in alignment with China's climate change goals. With the reduction of air pollution from Internal Combustion Engines (ICE), the state focuses on energy and technology self-sufficiency (Campbell et al., 2023).

China began growing in Western markets by buying existing brands; Chinese brand Geely acquired Volvo, and SAIC bought MG in the UK (Campbell et al., 2023). Chery, China's largest exporter, plans to sell 15 000 EVs (electric vehicles) alone in 2024, outselling Jeep, Jaguar and Suzuki in the UK (Campbell et al., 2023).

China is perceived negatively by high-income countries, primarily driven by their pessimistic views on China's foreign policy activities. However, the average perception is that China's technological advancements are above average (Silver et al., 2023). Sub-Saharan countries consider China's technology favourable, driven by their increasing exposure and reliance on tech brands like Huawei, and consider these products to be well-made (Silver et al., 2023).

South African businesses have been affected by trading with foreign companies where the products imported into the country have wiped out industries such as the textile and shoe industry because of competitive pricing that is difficult to compete with (Edwards et al., 2014). Consumers generally prefer brands they know, trust, and perceive to be of good quality and value (Barbopoulos & Johansson, 2017). While there is always a risk of being outpriced, products with a brand heritage, as well as more expensive products such as motor vehicles, nevertheless attract consumers due to consumers' perceptions that price signals quality and due to consumers' loyalty towards certain brands, trusting them as being of good quality (Barbopoulos & Johansson, 2017). This is even true amongst low-income households who struggled to accept generic products in the grocery category, which did not display branding they could trust (Barbopoulos & Johansson, 2017). With the recent economic downturn, consumers have less income, choosing to cut down on spending, while, somewhat surprisingly, the automotive market is growing at 17% (NAAMSA, 2023). However, it appears that the biggest market growth driver is new entrants, namely , Haval and Chery (NAAMSA, 2023).

Given that Asian brands have, for some time, had a negative reputation, signalling poor quality and imitation of, and that mainly South African consumers are often irrationally loyal to car brands as a status symbol, the drivers of consumers' brand decisions are not fully understood. Given that price is not necessarily crucial, a pertinent issue yet to be well understood concerning consumers' brand preferences is their legitimacy perceptions of brands. Understanding consumers' brand legitimacy perceptions can shed light on an essential driver of consumers' adoption of new brands, enabling retailers to respond aptly to market threats to secure market growth. Consumer brand choices are currently threatening established automotive brands in South Africa. How new brand entrants steal the market share of leading brands can significantly erode the businesses of critical players.

1.3 Purpose of the Research

The research aims to evaluate what drives the legitimacy perceptions of car brands, especially brands that consumers have no experience with. The key deliverable is to understand how car brands with low perceived legitimacy in consumers' minds can change their perceived credibility, stealing market share from brands with high legitimacy perceptions. The practical benefits are that consumers' legitimacy perceptions are better understood, and that branding and marketing is executed with meaningful insight into consumer behaviour.

1.4 Research Questions

The main research question that this research seeks to answer is :

What is the role of consumers' brand legitimacy perceptions in terms of their loyalty towards car brands?

The following sub-questions were derived:

- 1) What are the drivers of consumers' brand decisions when purchasing a car?
- 2) How do consumers' brand legitimacy perceptions influence their car brand preferences?

- 3) What drives consumers' adoption of new car brands they have no previous experience with?
- 4) How do consumers' legitimacy perceptions of car brands differ across different countries of origin?
- 5) What is required of new car brands to change consumers' legitimacy assessment of the brands?

1.6 Business Significance

The research explores consumers' perceptions of the legitimacy of car brands in the automotive industry in South Africa. The findings are essential in assisting businesses to maintain their competitive branding advantage, especially in the increasingly competitive business environment.

For brand managers, the research is useful in terms of advertising and marketing activities such as brand messaging, considering the impact of globalisation and the way consumers perceive and compare brands.

The research is conducted in South Africa, contributing to the relevance of the outcomes for local manufacturing and retail businesses.

The research also aims to enhance marketing initiatives concerning brands and branding in the automotive industry by providing insight into locals' mindsets and perceptions. The finding from the research aims to empower businesses to anticipate market threats from competitors in order to remain to remain competitive.

1.7 Theoretical Contribution

The research aims to develop a framework for mature brands to reinvigorate their relevance in the minds of consumers. The research explores various theories derived from consumer psychology and consumer behaviour, including consumer decision-making, brand identity, consumer connectedness, legitimacy perceptions as well research brands' country of origin. Findings from the study will contribute to the themes in the aforementioned theory.

In addition, because the research is conducted in the context of an emerging market, the results will offer insights into consumer theory from a sub Saharan perspective.

1.9 Outline of Document

The research report comprises of seven chapters:

Chapter 1 describes the research problem as the threat of foreign brand importers to the sustainability of the automotive sector in South Africa. The purpose of the research is defined and scoped to address the business relevance and the theoretical contribution of the research.

Chapter 2 provides a literature review of themes concerned with the drivers of consumer brand preferences based on four themes. The principles of branding are introduced, illustrating how they can be utilised to create brand perception and to establish customer brand relationships. This is followed by a review of the factors that influence consumer decision making. Brand legitimacy perceptions theories are reviewed and linked to the branding principles and consumer decision making factors. The chapter is concluded with a review of consumer legitimacy perceptions in the context of different countries of origin.

Chapter 3 is an overview of the main research question and the sub-questions developed based on the research problem in chapter 1 and the findings identified from the literature review in chapter 2.

Chapter 4 presents the research methodology used in the research. It provides the justification of choice of methodology and describes the research processes implored. The limitations of the study are discussed.

Chapter 5 provides an analysis of the research data collected. The data is presented as research findings, categorised into emerging themes that are discussed in chapter 6.

Chapter 6 is a discussion of the results from chapter 5. The findings are organised to address the research questions in chapter 3 and discussed in the context of the literature review in chapter 2.

Chapter 7 concludes the research with a description of the significance of the research, the limitations identified and recommendations for future research.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

Chapter 2 is a literature review that is structured to present an overview of the definitions and factors concerning branding, consumer decision making, brand legitimacy perceptions and the consumer legitimacy perceptions across different countries of origin.

2.2 Branding

2.2.1 Definition

A brand is an identity created for products or services that make it easier for a consumer to choose a product based on apparent identifiers (Keller, 2021). These identifiers are qualities that are inferred from the product to convey so-called personality features like fun, sophistication, intelligence, country-of-origin, etc. (Smith & Keller, 2021). Accordingly, brands can signal the consumer's values (for example, status orientation) as well as their current or aspirational identities and beliefs (sustainability orientation) (Keller, 2021). These characteristics, like human personas, are inferred to differentiate products, giving them their uniqueness and, over time, provide the established identity that makes them recognisable to consumers so that the decision to choose them is quicker (Chae et al., 2020). As a brand becomes more recognisable to a consumer, it builds brand trust, and the consumer's product research time and purchase risk are reduced (Rajavi et al., 2019). It also eases the purchaser's decision if the options are complex to distinguish (Erasmus, Donoghue & Dobbelstein, 2014).

In essence, branding aims to establish a value that consumers attach to a product or service; this is done through marketing activities (Rajavi et al., 2019). Consumer Trust in the Brand (CTB) is built through marketing activities - advertising and introducing new product innovations (Rajavi et al., 2019). Once a consumer has committed to the brand, their decision to return and consistently purchase the product is called Customer Brand Loyalty, which is highly desirable to

manufacturers in terms of the growth of a business's market share and profitability (Khamitov et al., 2019). In making a purchase decision, brand preference is initiated in the consumer's mind (Rahnel, 2021), who has developed a relationship with the product's brand credentials.

2.2.2 Brand Image and Perception

Consumers can judge a brand's reputation based on its social responsibility activities, illustrating its commitment to society and philanthropy or its ability, which indicates the brand's quality and innovation (Sun et al., 2021). Brands use various strategies to create brand perceptions, and the response depends on the consumers' identity and how they connect to the brands. For example, consumers who value warm and caring relationships can forge strong "emotional brand attachment" (Bagozzi et al., 2020) , and are more likely to respond to socially responsible brand reputations more than ability and quality credentials from brands (Sun et al., 2021). Contrarily, driven by the desire to cope with social exclusion, consumers who have a high motivation for distinctiveness will purchase products that are unique and, where possible, customised so that their identities stand out (Puzakova & Aggarwal, 2018). They will look to brands as a form of expression. A strategy that may be more appealing to them is heritage branding to leverage authenticity for a brand consumers' likelihood of liking, trusting and considering a brand to be credible (Park et al., 2022), even when a brand is unfamiliar.

Most literature suggests that effective strategies for driving a positive brand image mainly concern Corporate Social Responsibility (CSR) activities (Johnson et al., 2019; Newman & Brucks, 2018; Sun et al., 2021). Researchers Sun, Wu and Grewal (2021) find that brands that "do good" motivate consumers to pay them back for their kindness, especially when a brand requires consumer support in adopting a new brand extension that does not perform as well as the parent brand (Bagozzi et al., 2020; Sun et al., 2021). Consumers will reciprocate its former activities by supporting the brand based on its reputation. CSR activities help preserve the perceived values of a company when the brands are exposed to negative sentiment (Sun et al., 2021).

Additionally, because consumers' identities are connected to the brand, "self-brand connection" and "brand identification" (Khamitov et al., 2019), the consumers' image also benefits from the CSR activities of brands (Newman & Brucks, 2018). Consumers will associate the behaviours of socially responsible brands with their moral selves; as "self-brand overlap" occurs, they infer their identity to the moral behaviour of the brands that represent their identity. Vicariously attributing observed brand behaviours to themselves without actually acting on the positive behaviours (Newman & Brucks, 2018). They can either feel a sense of pride or guilt and shame if they have a close self-brand overlap; they will be influenced by the behaviours of the brands they identify with.

2.2.3 Establishing Brand Relationships: Brand Loyalty and Trust

As brand perceptions are tested and proven to match or surpass a consumer's perceived brand value, Customer Trust in the Brand (CTB) is developed. CTB allows for the customer to establish a relationship with the brand, Customer Brand Relationship (CBR); this is experienced through the marketing activities that exist for the product, like advertising commercials, branded events and CSR, and branded material that the consumer engages with (Rajavi et al., 2019) as the marketing touchpoints bring the brand credentials to life and live up to the brand image, brand equity develops, while the consumer continues to consume the product. The constant repeat buy-in of the product is what Khamitov et al. (2019) coin brand loyalty. Brand loyalty is a shortcut for consumers to deal with an overwhelming array of brands in the market, which is true with motor vehicles.

2.3 Consumer Decision Making

2.3.1 Consumer Preferences and Personal Values

Although consumers may think they make independent choices when choosing a brand over another, their preferences are predetermined by factors like identity perceptions and the influence of their peers in the consumer's social network (Ng et al., 2021; Nie et al., 2022; Pyo et al., 2022). Generally, consumers are expected to prefer brands congruent with their identities (Ng et al., 2021; Nie et al., 2022). The type of identity consumers have impacts their consumer decision behaviour,

either towards more open and experimental preferences or more closed and conservative local identity-driven preferences (Nie et al., 2022). If consumers feel that the brand's identity aligns with their identity, they are more likely to prefer that brand.

However, because of the global environment that we live in, consumers often have dual identity affiliations, globalised identities versus localised identities (Nie et al., 2022). Consumers with a more global identity have a higher affinity for being open to trying new products. They tend to be open to the characteristics of diverse products. Consumers with more global and consumption openness are likelier to desire diverse experiences and products. Their values are more flexible than locally minded consumers who tend to stick to the characteristics aligned with what they know and affiliate to be similar to their environment and their communities (Nie et al., 2022; Pyo et al., 2022).

Furthermore, scholars Pyo et al., (2022) of the "social contagion" theory also find the influence of peer recommendations significant in driving brand preference. The preferences of peers strongly influence a consumer's decision towards a new brand or product, and the literature also highlights that peers do not necessarily have to have the same preferences for them to influence another consumer in the decision-making and selection of a brand or product. For a brand to stand out in the saturation of the advertising, when the recommendation comes from an unexpected user, there is standout awareness, which is more likely to drive the trial of a product. Thus, preference can be influenced by like-minded individuals as well as dissimilar individuals (Pyo et al., 2022).

2.3.2 Pricing and Economic Factors

Globalisation is changing the perception of price as an indicator of quality. Consumers with a more global mindset perceive product quality as more homogeneous and, therefore, have a lower perception of product quality differences (Batra et al., 2017; Nie et al., 2022; Yang et al., 2019). They do not see a difference in the quality of a product but rather seek to identify similarities that influence them to be more experimental in their preferences. Contrarily, consumers with a higher local identity prefer brands they perceive to be local and familiar

despite the globalisation of brands and products (Yang et al., 2019). Consumers with a local-minded identity use price perception as a cue for the quality of products (Cinelli & LeBoeuf, 2020; Lee et al., 2020; J. K. Park & John, 2018). That is to say that local-minded consumers or consumers who identify as locals will look to higher priced products as an indicator of superior quality of a product versus global-minded consumers who compare brand characteristics other than just price to signal product quality (Yang et al., 2019).

Brands that establish local identities and values for their products can connect to their target consumers' identities, giving them the advantage of driving premium pricing strategies (Batra et al., 2017; Nie et al., 2022; Pyo et al., 2022; Yang et al., 2019). Communities and societies with a local mindset and a strong affiliation to a local identity have a higher power distance belief (PDB); that is, they value hierarchies and structure in how their social groups behave (Lee et al., 2020). Consumers with high PDBs have a low tolerance for diversity (Lee et al., 2020; Nie et al., 2022). They prefer to stick to the status quo and are uncomfortable with unpredictability. These consumers also have very low price sensitivity; hence, they are willing to pay a premium price for products if it means that the complexity of having to explore and try new products is removed. They have fixed views and ideas of how things should be, preferring to remove any barriers to decision-making. This means that when they must select the product, they will choose to stick to what they know and be willing to pay a premium price if it means they do not have to explore add alternatives and research more information, and they are less likely to look for better price options (Lee et al., 2020).

2.4 Brand Legitimacy Perceptions

2.4.1 Definition

Legitimacy perception theory is about the judgements and assessments by individuals or groups on the appropriateness of an organisational product, practice or characteristics (Suddaby et al., 2017). The response to legitimacy perceptions can have a macro-level impact that either legitimises the perception positively or illegitimises it as inappropriate. Suddaby, Bitektine and Haack (2017) describe the foundation of judgements to be based on an individual's core internal beliefs,

cognition and judgements. However, evaluating legitimacy encompasses the sensemaking of the collective, a group of actors. Thus, legitimacy perceptions are influenced by the collective standard of acceptability, where the majority's perceptions can override the individuals' microlevel personal judgements (Suddaby et al., 2017).

2.4.2 Brand Legitimacy and Trust

Exposure to the brand happens through marketing activities communicated through media that shape consumers' perceptions of brands and products, legitimised by social groups (Rahinel et al, 2021). To make an impact in developing the sociocultural meaning of brands, leveraging the shared norms and beliefs of a community connects the brands to a group that can vouch for the brand, legitimising its relevance (Kates, 2004; Chung et al., 2016; Hakal et al., 2017). Consequently, however, a brand's risk is to be delegitimised by community groups who might switch to different brands, driven by criticism (Kates, 2004; Rahinel et al., 2021). This means that if members of a social group no longer support a particular brand, their influence can shift the support of other group members towards a different brand.

There are several other considerations influencing consumers' decision-making in brand selection. A recurring construct in decision-making theory is brand authenticity, how a consumer makes a holistic assessment of the brand's validity based on its accuracy, connectedness, integrity, legitimacy, originality, and proficiency (Nunes et al., 2021) with the role of each changing depending on the consumers' consumption context. Originality and legitimacy in context may have different effects on consumer judgement; where originality is about distinctness and legitimacy is about adherence to standards, the perceived authenticity is either strengthened or weakened (Cinelli & LeBoeuf, 2020; Fritz et al., 2017; Nunes et al., 2021).

An antecedent to brand authenticity is brand heritage, where consumers perceive the brand's values fit with their values and culture; this is where the most vital relationship with consumers can be forged (Fritz et al., 2017). While brand heritage, nostalgia, and legitimacy positively affect brand authenticity (Fritz et al., 2017),

brand heritage can create a distance between consumers who are not connected to the meaning construed from the brand (Scarpi et al., 2021). The stronger the connection forged to consumers with the brand, the stronger Self Brand Connectedness (SBC) is strengthened to consumers who see brands as an extensive of themselves. Brand connection is personal (Cheng et al., 2012; Pirsons et al., 2017). High SBC consumers will forgive brand failures as they would be of themselves.

While collective perceptions determine legitimacy perceptions, individuals' perceptions have a role in influencing the collective view from the bottom up to the group (Alexiou et al., 2019; Bitektine et al., 2015; Haack et al., 2021). According to Pirson et al.,(2017) the basis of stakeholder trust of an organisation originates in an individual's perception and judgement of the organisation's competence and character, even if the group shares similar views . However, at an individual level, the consumer's mood and beliefs about how their moods inform their decision play a core role in their judgement; their evaluation can change depending on their mood (White et al., 2009). When consumer preferences are more niche, consumers will look to brands to give them value through exclusivity and customisation. This more individualistic connection can only be offered by brands that only want to connect with specific individuals through limited-edition products (Chae et al., 2020). Consumers who experience brand rejection from legitimised brands have a higher regard for the brand's status, which signals that the brand is superior. Legitimate rejection has a positive effect (Hu et al., 2018).

In emerging markets, the motivation for shopping is not just hedonistic; it is more complex than in Western markets and includes cognitive considerations such as buying power and functionality, unlike the Western markets, which skew to more hedonistic. A consideration in shopping behaviour that affects both emerging and developed markets is the findings that compulsive buyers seek new brands and innovation (Barbopoulos et al., 2017). When consumers seek a sense of control, lack of control leads to perceived resource scarcity and drives them to compensation purchase decisions for control. When this occurs, they acquire utilitarian products or switch to counter-hedonic products (Yang et al., 2022).

If capitalised as a strategy for an organisation that wants to disrupt the status quo, there is an argument for the developments in legitimacy in the literature that further classifies institutionalised legitimacy into three interdependent levels- micro, macro and meso (Haack et al., 2020). Considering that at a macro level, actors may be influenced by the obligation to accept the collective beliefs that are institutionalised to fit into the social norms, contradictory judgements that are privately held at an individual level may be concealed to fit in with the norms (Bitektine et al., 2015). Individuals may have a private misalignment with the collective belief; once shared and found to have consensus, it could impact change. Consensus describes the degree of agreement that exists amongst individual evaluators. If consensus is low, it can change the institutionalised validity (Haack et al., 2020).

According to Zimmerman et al., (2002), new ventures require legitimacy to be granted to them to acquire the resources they need to survive and grow. New entrants can acquire legitimacy by visibly conforming to normative institutions and endorsing and implementing values and norms within the industry. Depending on the objectives of the new venture, there is an opportunity to use proactive strategies for influencing legitimacy. These strategies include conforming to the norms and regulations of the industry, selecting a new environment to set up in, manipulating and changing the rules and norms of the society or community, or creating a new context for norms, beliefs and values in the society (Zimmerman et al., 2002).

2.4.3 Understanding Consumer Legitimacy Judgements

It is useful to understand the motivation of the consumers' decision-making. The choice a consumer makes per the Consumer Motivation Scale (CMS) on a car brand depends on the context distinguishing seven dimensions, namely Gain- (value for money, quality and safety); Hedonic- (stimulation and comfort) or Normative motivations (ethics and social acceptance) (Barbopoulos & Johansson, 2017).

In this study, a market that seems mature and saturated was identified, with high barriers to entry, which is why it is surprising that new foreign brand entrants are successfully growing but appealing to consumers, despite having a negative brand

reputation in the past. Institutionalised legitimacy theory argues that there are strategies that influence how an organisation is perceived at a macro level, where the collective beliefs of a group or institution are validated as legitimate and at a micro-level, where the individual assesses their personal beliefs of their perception (Bitektine et al., 2015; Haack et al., 2020). Judgement takes place at a micro-level individually as a "propriety" component. Then collective sense-making occurs at the macro-level where the actors have "validity" and act upon macro-level judgement. The credibility that people ascribe to organisations at an individual level is based on the motives the individual believes are why companies are doing what they are doing. Attributed motives harm corporate brand identity if perceived to be for external rewards (extrinsic motives) (Jahn et al., 2020).

Thus, as a new organisation introducing a new brand, it must be considered how to connect with consumers at an individual level for long-term survival. Individuals assess organisations based on their values and beliefs, influenced by the credibility of the industry, environmental or government organisations and mass media (Finch et al., 2015). Long term survival of a company is determined not only by economic performance but by its social performance. An organisation that is seen to have internal and external CSR principles that align with the individual consumer's values, for example, will establish moral legitimacy (Ahn & Park, 2018; Jahn et al., 2020).

For new market entrants, legitimacy perceptions are non-conforming, as they enter existing markets as new players, and their competitive advantage is captured by the novelty of an innovative offering, a form of so-called innovation legitimacy (Vossen & Ihl, 2020). New product entrants are an example of disruption theory. The theory of disruption change argues that old technology is cannibalised by new technologies where new technology entrants surpass existing brands and products because existing brands often become too focussed on their primary consumers who are satisfied with old existing technology (Chandrasekaran, 2022). This complacency, which does not anticipate and prepare for the disruption of new technology, is a threat (Chandrasekaran, 2022).

2.4.4 Social and Cultural Influences on Legitimacy Judgements

Analysing how cultural norms and social influences shape consumers' perceptions of brand legitimacy and how this varies across different demographics and regions, researchers acknowledge there are homogeneous values that connect different societies and consumers (Batra et al., 2017; Ng et al., 2021; Nie et al., 2022). To exert social and cultural influences on consumers, they must be exposed to and connect to the values that brands are positioned towards (Batra et al., 2017). Global brands can be positioned to have brand values that resonate universally. They tend to be values that speak to the similarities across most cultures. Brands positioned towards values that speak to power and hedonism are less likely to have a universal appeal and, therefore, connect less with the broader universal and global perceptions of consumers. The positioning needs to be curated to leverage different legitimacy appeals for consumers so that the consumers' identity is considered (Krishna, 2019; Nie et al., 2022). In some societies and cultural groups, an emphasis on local values will resonate better to drive the legitimacy of a product (Klein et al., 2019).

2.4.5 Consumer Psychology and Brand Image

Consumer psychology processes such as entitativity (the degree to which groups of people or brands are homogenous or unified as a collective) connect consumers' perceptions with their preferences (Smith & Keller, 2021). Consumers have a biased perception of brands as entitative, where they judge brands the same way they judge people. When a group of people are of a homogenous race, age, religion or origin, they expect them to have the same beliefs and behaviours. Similarly, they expect homogenous products from a single brand with similar features to give the same brand experience. The entire brand or group is perceived as either good or bad depending on the judgement of the single product or experience of the member. Therefore, new products from brands with an established image will be judged according to consumers' biased experience of the former product (J. K. Park & John, 2018; Smith & Keller, 2021).

2.4.6 Consumer Behaviour and Decision-Making

According to Cinelli and LeBoeuf (2020), when consumers perceive a brand as intrinsically genuine, they emotionally connect with it. This connection leads to repeat purchases, brand loyalty, and advocacy for the brand, resulting in word-of-mouth recommendations to their community. Intrinsic authenticity, which refers to the genuine passion of the people who work behind the brand and the organisation, positively affects how consumers perceive the brand to be authentic. Consumers respond positively to brands they perceive to be legitimately produced with passion rather than solely for profit. When consumers perceive brands to be intrinsically motivated, genuine, transparent, and open, they interpret them as a cue of higher quality products (Cinelli & LeBoeuf, 2020). Consumers are more likely to believe the product claims of a brand when they know its intrinsic or internal authenticity. Therefore, a brand's authenticity is vital to building brand trust and creating a positive image in the minds of consumers.

While the general assumption is that most consumers will infer the brand persona of products to the people who buy them and use them, authors Park and John (2018) argue that depending on the self-theories of the individual perceiving other people, some people do not necessarily have the impression that the brand someone is using reflects that person's values or status or success.

2.5 Consumers' Legitimacy Perception: Different Countries of Origin

2.5.1 Cultural Influence on Brand Perception

Brands have become resources for identity-making and navigating life (Fournier & Alvarez, 2019). Brand managers create and attach myths with cultural associations to brands, which connect consumers to them. They also create cultural meaning by associating brands with social groups as identity cues to link social groups to belonging (MacInnis & Torelli, 2019; J. K. Park & John, 2018; Pyo et al., 2022). Brands appropriate culture to create cultural myths associated with the products that inevitably grab hold of consumers' lives and personal identities as an extension of themselves.

"Cultural meaning is an understanding that a brand image represents the essence of a cultural group" (Fournier & Alvarez, 2019). It is established when people use creative cognitive frameworks to make sense of their shared experiences and inform how they behave in society. Cultural meaning, thus, is shared through cultural models that are institutionalised to become generally accepted in society. Accordingly, therefore, because brand meaning is embedded into cultural models, brand associations can be considered cultural. The identity value of brands is a cultural creation (MacInnis & Torelli, 2019).

Research on brands creating cultural meaning suggests that inferred brand meanings indicate the legitimacy of the brand associations with a cultural group (Fournier & Alvarez, 2019; MacInnis & Torelli, 2019; Suddaby et al., 2017). The more aligned to the brand's cultural associations, the more genuine and authentic the brand is perceived. Thus, marketing activities such as using culturally congruent influencers (well-known personalities who endorse brands) have become a growing tool for linking brands to cultural meaning and creating the consumer perception of legitimacy (MacInnis & Torelli, 2019).

2.5.2 Globalisation and Branding

Country of origin (COO) strongly influences the institutional legitimacy and judgement of the normative and regulatory environment. Brand Origin (BO) evokes legitimacy perceptions like brand identity. The Country of Manufacture (COM) evokes industry normative perceptions such as product quality and safety. Where there is congruency in BO and COM, the product produced can charge a high premium. The BO value is more significant in Countries of Origin (COO) in emerging countries; however, developed countries' COM is stronger than BO (Chen et al., 2020). Sales of local products are highest in its local geography because of the high authenticity perception credentials (Hoskins et al., 2021).

According to Fournier and Alvarez (2019), consumers' belief in branded products has become a passport to global citizenship. Globalness and localness overlap and have brand connection effects; consumers feel connected to universal brand identity and local links to cultural identity. Both positively affect consumer brand

identification (Sichman et al., 2019). During periods of certainty, people prefer brands congruent with their identities. In times of uncertainty, people prefer brands that are novel and incongruent with their identities; they want to explore new information or experiment with new ideas and brands (Ng et al., 2021).

The strength of the association between the brand and its country of origin determines its cultural meaning (MacInnis & Torelli, 2019). People tend to view the brand image of countries as human personalities and judge them according to the stereotypes linked to those personalities based on their perception of the dominant personality trait of the country of origin, which affects the attitudes towards a brand. Brand traits of warmth (friendliness, good-naturedness and sincerity) or competence (capability, skilfulness and confidence) are stronger indicators of the brand value and meaning associated with the brand than information about its origin, according to research (Gidaković et al., 2022).

When the knowledge and perceptions of a country are cognitively congruent with the personality traits positioning of the brand, the brand is viewed to be culturally authentic and perceived positively. The stereotypes are positively reinforced by the consumer, influencing the positive consideration of the brand. If a brand image of a country is confident and competitive, positioning personality cues of passion as a trait from the country is incongruent with the perceived stereotypes and likely to be rejected by the consumer's perceptions as not genuine (Magnusson et al., 2019). Where the brand benefits from the perceived stereotypes and cues of the brand, then is only useful to use that country of origin information as a positioning tool (Magnusson et al., 2019; Mandler et al., 2023). Consumers link their beliefs and stereotypes about the users of brands as cues to the value of the brand (Gidaković et al., 2022).

2.6 Chapter Summary

Chapter 2 provides an overview of the research constructs identified. It describes the definition of branding , brand legitimacy perceptions and the legitimacy perceptions of brands across different countries of origin. Each construct includes a review with evidence from literature to illustrate the value and significance of this study.

CHAPTER 3: RESEARCH QUESTIONS

3.1 Introduction

Foreign brands successfully entering a mature market with no brand loyalty or credibility can unexpectedly disrupt and threaten the status quo. The biggest driver of market growth in the South African automotive market since 2016 are Chinese brands, the newest brand entries in the market, despite having a negative reputation for bad quality and having no brand and identity or connection with the local market because they are perceived to be foreign products (Chen et al., 2020; Naamsa, 2023). This is surprising as manufacturers of already established and market-leading brands rely on Customer Brand Loyalty, to drive the growth of a business's market share and profitability (Khamitov et al., 2019).

Various factors influence consumer decision-making. To determine the key drivers in the South African automotive market, the consideration is made that change in consumer behaviour is in the context of an emerging market experiencing an economic downturn. Consumers are open to experimenting with new brands, in times of uncertainty (Ng et al., 2021). Brand authenticity influences consumers' brand preference and loyalty, which literature indicates should be evaluated to determine how consumers derive the legitimacy of car brands in their assessment of brand authenticity (Nunes et al., 2021).

Institutionalised legitimacy theory demonstrates the strategies that can be leveraged to influence legitimacy for new products to create credibility where none exists. New entrants can acquire legitimacy through the three interdependent levels in legitimacy theory- micro, macro and meso (Haack et al., 2020). Depending on the objectives of new ventures, there is an opportunity to use proactive strategies for influencing legitimacy.

Established manufacturers that understand the drivers of consumer behaviour towards the unexpected adoption of new brands can respond to competitive threats to market growth accordingly. This is an opportunity to understand the drivers of legitimacy perceptions of high-value brands.

3.2 Research questions

Having established the purpose of the research, the main research question this study envisaged to answer is :

RQ: What is the role of consumers' brand legitimacy perceptions in terms of their loyalty towards car brands?

The main research question explores the criteria influencing how consumers perceive brands as credible, leading to their decision to choose a particular car brand over another, by establishing brand loyalty with current established brands compared to new entrants in the market.

This main research question is further evaluated and defined through five sub-questions.

1) What are the drivers of consumers' brand decisions when purchasing a car?

This question aims to determine what factors consumers consider when buying a car.

2) How do consumers' brand legitimacy perceptions influence their car brand preferences?

This question aims to establish the role of brand legitimacy perceptions in brand preference.

3) What drives consumers' adoption of new car brands they have no previous experience with?

This question aims to determine new brands' legitimacy strategies for establishing legitimacy with consumers.

4) How do consumers' legitimacy perceptions of car brands differ across different countries of origin?

This question aims to determine the brand legitimacy perceptions of different car brands based on their countries of origin.

- 5) What is required of new car brands in the market to change consumers' legitimacy assessment of the brands?

This question aims to determine the validity of the role of branding in building CTB and CBR.

CHAPTER 4: RESEARCH METHODOLOGY

4.1 Research Philosophy

4.1.1 Ontology

This study is based on the ontology of relativism, believing that based on the context being in a South African market, the brand perception and legitimacy are understood and interpreted differently to that of a different market, but that all interpretations are valid (Creswell & Creswell, 2018; Saunders, 2018). There is an understanding that all people have different realities. The participants in the research study have subjective views on the brands they consume relative to the context of their environment. The reason they choose one brand over another is also relative to their lived experiences.

4.1.2 Epistemology

The epistemology undertaken combines social constructivism and interpretivism, which seeks to extrapolate complex meanings on how people make sense of their decision-making. This is the belief in finding meaning from the understanding that the information shared by individuals is subjective and unique to their experiences (Creswell & Creswell, 2018; Saunders, 2018). To establish how consumers establish the legitimacy perceptions they form about car brands, the researcher was immersed in the participants' world to gain an in-depth understanding of the drivers of their behaviours, driving the perceptions that determine how they choose brands. The philosophical ideas advocated aimed to illustrate the belief is that all meaning is socially created and changes as society changes and that the meaning of the research findings are based on the researcher's interpretation.

The research constructs – *legitimacy perceptions* and *branding* are concerned with personal human experiences, perceptions and insights. The questions to the respondents were broad and open to allow for the interpretation of the complex subject matter, understanding that the findings were not expected to be rigid (Chowdhury, 2014; Saunders, 2018).

4.2 Research Approach

The research approach was qualitative, typically done in the social sciences. The information was prompted by words and stories shared. An inductive approach was used to develop the theory, beginning with a literature review of the existing theory. Through induction, observations and looking for patterns in the findings from the data, with no prior confirmed conclusions, which is typical of induction (Woo et al.,2017). The findings explain a phenomenon that could be a new contribution to social science and marketing, therefore, a bottom-up research approach (Saunders, 2018; Woo et al., 2017), to seek new insights into consumers' legitimacy perceptions of brands. This was conducted by investigating existing academic literature and then using an unstructured approach to collect data through semi- structured and unstructured interviews (Saunders et al., 2018).

An exploratory design is congruent with discovering insights as they emerge through the various data. Creswell et al. (2018) describe the emergent design as part of the process in qualitative research, indicating that the research design may change as the findings emerge and a deeper understanding of the findings is established.

4.3 Methodological Choice

The research method type depends on the study's intent (Creswell & Creswell, 2007). This study intended to allow the information to develop through the research process as the findings were established. This mono-method study relied on a single data collection phase. The researcher, whom is considered the research instrument typical in qualitative studies, collected the data (Creswell et al.,2018; Saunders et al., 2018) using an open-ended questionnaire to direct focus group interviews.

4.4 Research Strategy

Through the constructive-interpretivism worldview, the data was collected directly from respondents using mono-method focus groups to gather data. The focus group discussions were facilitated by the researcher, who used semi-structured and open-ended questions to establish the personal views and opinions of the respondents (Creswell et al., 2018).

4.5 Time Horizon

The time horizon was **cross-sectional**, summarising the data collected from the group of people interviewed within the specified timeframe of the research period allocated by the academic institution, indicating consumer perceptions at a given point in time (Saunders & Lewis, 2018).

4.6 Techniques and Procedures

The chosen technique was an online focus group discussion, a convenient and popular research method for marketing and consumer behaviour studies (Macdonald, 1993).

An invitation for participants who fit the research criteria was published on social media. Volunteers were contacted and invited to the online sessions in the allocated time slots. Four focus group sessions were set up, anticipating a minimum of six participants per session. Participants were sent emails requesting consent, followed by an invitation link to the virtual focus group session.

Using a semi-structured interview process, the interviewer posed questions to the group. Focus groups encourage the participants to have an interpersonal engagement, allowing the discussion to be interactive. (Richard et al, 2018; Onwuegbuzie et al, 2009). Unlike surveys, the focus group creates an environment for a more in-depth expression of the participant's feelings and beliefs.

The use of a computer-mediated discourse (CMD) (Richard et al., 2018; Paulus & Lesters, 2022) was used to allow for an anonymous online focus group discussion. This helped gain in-depth insights into the participants and avoid the influence that forms in groups. Cameras were switched off. No friends or family members of the researcher were included. Individuals reluctant to share their true beliefs were made comfortable as nobody could identify them (Richard et al., 2018). The online focus group (four sessions were held) offered the advantage of anonymity, simultaneous contribution, and access to a broader geography for the sample. Participants discussed the topic with the additional advantage of a recording of the session with their permission for interpretation by the researcher.

4.7 Population

As the data required cannot include all members of the population, non-probability sampling techniques were used. The target population aligned with the research question was all car owners who have purchased a new passenger vehicle anywhere in South Africa since 2020. Using a purposive sampling method based on the researcher's judgement (Saunders et al., 2018), the sample selected included the target population from age 30 years to 60 years. Selecting participants from the age of 30 ensures that the sample is representative of people who are most likely to have the buying power to purchase a car and have likely had the experience of purchasing cars before. Older participants, between 50 years and 60 years, were selected to represent people who have bought cars before and are likely to have developed some brand loyalty. This target group represents people still in the market to buy a car.

Each focus group interview included a mixed group of participants representing varying age groups who own and drive different car brands. Therefore, the participants for each session was predetermined or limited to specific demographics or brand preference to allow for diversity in response.

Three focus group sessions were initially set up, anticipating having a minimum of six participants in each session. The number of participants who confirmed their attendance for sessions one, two and three was five, seven and nine. Unfortunately, however, at the time of the sessions, there were only five

participants (one had a technical issue and had to use the chat to participate), four and four, respectively.

Following the data analysis process, the researcher set up a fourth session to improve the data insights. The fourth session had nine attendance confirmations but only four participants attended. The overall sample size of the study was 16 valid participants.

4.8 Unit of Analysis

The unit of analysis refers to the people in the research study that will be analysed. (Saunders et al., 2018). To gain insight into the brand perceptions and drivers, the participants analysed were car owners who have purchased passenger vehicles anywhere in South Africa. The participants must have purchased a passenger vehicle between 2020 and 2023. Any car brand purchased was accepted into the study.

4.9 Sampling Method and Size

The target population list was obtained from online platforms. Using non-probability purposive sampling, the identified participants were contacted via the social media platform, email or phone and invited to participate in a focus group. An appropriate size for a focus group is at least six participants and three focus group discussion sessions for approximately one hour (Onwuegbuzie et al., 2009). However, four focus group sessions were conducted to allow the results to reach saturation. In addition, the researcher conducted interview sessions with no less than four participants per session to accommodate each participant to have "air" time to respond within one hour. Respondents who wanted to continue the interview beyond the allocated hour were allowed to continue, while the other participants could leave the session. The interviews were conducted virtually via Microsoft Teams, an online virtual meeting program and were conducted by the researcher using an interview schedule with open-ended interview questions as a guide.

4.10 Measurement Instrument

Semi-structured interviews are recommended for qualitative studies (Creswell et al., 2018; Saunders et al., 2018). This allows for the questionnaire to be adapted to get relevant insights from the participants and omit information that is not relevant, focusing on key themes and questions.

The interview questionnaire was developed using open, semi-structured questions inspired by literature concerned with similar subjects (Appendix 2d).

4.11 Data Gathering Process

Following ethical clearance approval (Appendix 5), the participants were recruited. Having identified and recruited the focus group participants, participants were all e-mailed the consent letter (Appendix 3b) and requested to respond with consent beforehand to confirm their willingness to participate. Four separate focus group sessions were arranged to be conducted remotely. Participants were invited to join an online focus group session on a digital video conferencing platform, Microsoft Teams. At the beginning of the focus group session, the researcher read the consent statement and asked the group to confirm consent to continue with the session (Appendix 3c). They were instructed to keep their cameras off and to remain anonymous throughout the group interview session. Each participant was allocated a participant identity and instructed to refer to themselves using the participant identity to allow for anonymity.

To gather data in the computer-mediated communication (CMC) focus group discussion, the researcher endeavoured to use notes like Venn diagrams (Appendix 4) to track the patterns of the identified subgroups (Onwuegbuzie et al., 2010). The researcher was cognisant to allow every participant to contribute to the discussion. Additionally, the groups' notes and the recording of words and background comments expanded on the insights.

4.12 Analysis Approach

The data collected from the focus group discussions was transcribed into text by the researcher and prepared to be suitable for qualitative analysis. The transcribed text was uploaded to a computer-aided quality data analysis software (CAQDAS), ATLAS.ti (Saunders et al., 2018), enabling the data collected to be grouped into themes to create testable propositions, and being linked to the constructs of the research question (thematic coding) (Saunders et al., 2018).

To test the theory using the patterns from the data, the themes serve as codes, according to which similar responses are categorised. The next step was to use a data unit based on the thematic data findings. The recurring codes were inductively analysed to reveal the storylines within the data to assemble the overall findings of the data (Saunders et al., 2018).

4.13 Quality Controls

Various approaches towards achieving credibility, confirmability, dependability and transferability were undertaken to ensure the study's trustworthiness and rigour. Through the method of thematic analysis, which is flexible and easier for a new researcher to access, the researcher can identify themes in the data and identify similarities and differences to compile a coherent storyline, typical of a systematic approach to organise and analyse and interpret the data (Nowell et al., 2017). The thematic analysis identifies the themes in the research findings based on the participant's responses (rather than the researcher's views). The researcher probed the participants' responses in real-time during the focus group interview, using a guided questionnaire with open-ended questions that allowed freedom of expression. To ensure the trustworthiness of the data collected, the researcher did not use questions that led the respondents to the assumed responses of the researcher, nor did the researcher influence or change responses.

The interviews conducted in a focus group setting were recorded and transcribed by the researcher without changing details. Recorded and transcribed data was used after the focus group interviews for the researcher to confirm the written information captured during the focus group sessions. The transcripts were

checked to ensure/check whether any small details had been missed in the themes when coded and could be revisited to enhance the reliability of the data collected (Creswell & Creswell, 2007).

Recorded and transcribed data is secured for storage (in a protected folder for 10 years) to be made available for future researchers to access should they need to use the research findings for other studies or for whatever reason. Providing detailed descriptions of the data and including the details on where and how the data was collected and varied perspectives on the result findings improves the data's validity and allows future researchers to transfer the data to other settings (Creswell et al. 2007). Capturing and storing in-depth data allows for the transferability and confirmability of the research findings by future researchers.

Additionally, validity was achieved through triangulation, using 'rich, thick descriptions' of four groups and clarifying the biases (Creswell et al., 2018). As a point of transparency, it must be mentioned that the researcher has biases to be considered upfront. The researcher is the marketing manager of a car manufacturer brand. The reflexive disclosure of the bias that may influence the interpretation of the findings brings honesty to the study, which is core to qualitative research credentials (Creswell et al., 2018).

To ensure authenticity, the researcher disclosed the nature of the study to the participants ahead of the focus group interviews, stating the purpose of the research as an academic research assignment, the results will be made available to them upon request, and that participation is voluntary (Amin et al., 2020). At the start of the interviews, the researcher explained the interview format and stated the purpose of the research upfront. To maintain fairness, the researcher made all efforts to ensure all the participants can share their perspectives without being interrupted or imposed by the researcher's assumptions, ideas and beliefs. The researcher explained that the interview seeks to capture a balanced view from all participants.

The credibility of the data was tested through triangulation, bringing together the collected data and converging various data sources and opinions from the participants into themes, thus validating the data (Nowell et al., 2017).

Demonstrated reliability was ensured through rich, saturated data, including a description of the participants' demographics and the relevant rationale for selecting them as participants (Lugo-Caballero et al., 2015). By selecting participants of varying ages who have driven any passenger car brand bought in the last three years, the researcher collected diverse information, providing rich and thick descriptions of the decision-making process. The sample size was a minimum of four participants per interview to ensure depth and variety in the interview responses and to allow for more diversity in the representation of the participants' perspectives, further ensuring the study's validity and transferability (Lugo-Caballero et al., 2015).

For each session, the number of participants who had confirmed their attendance was five, seven, nine and nine for sessions one to four, but only five and four per session showed up for the balance of the sessions.

Using a supervisor in this study is considered a form of peer review and allows the study to be authentic and honest (Creswell & Creswell, 2007). The researcher conducted regular sessions with the supervisor, interrogating the study and debriefing on the data findings.

4.15 Limitations

The research's limitations include the researcher's biases, given that the researcher works in the automotive industry for a car manufacturer. Because the study is limited to a short period and the time horizon of the research is cross-sectional, it limits the research study to a short timeframe and the availability of motor car brands at the time; therefore, the findings from the study can only be considered to represent a short event within the time of the research. Furthermore, the data gathered represents the views of the sample. It is possible that another sample composition may contribute additional information. The researcher did, however, strive to extract as much as possible, and relied on the fact that motor car brands is usually a topic that evokes vibrant discussion. The study did not try to convince participants of particular views.

CHAPTER 5: RESULTS

5.1. Introduction

Chapter five reviews the data collected through the focus group discussions. The data is presented based on the structure of the research questions outlined in chapter three. Each research question will be reviewed and linked to the thematic codes discovered in the data collected.

5.2. Focus Group Participants

The study had 16 participants who attended the focus group sessions in four separate groups of four participants in each group. The participants were all passenger car owners who purchased a vehicle between 2020 and 2023. The population was diverse in demographics, with the age groups of the participants ranging from 30 – 40 years and 50 -60 years. Participants were allocated participant identifiers from A to I. Table 1 below illustrates the participant identifiers and the participants' references used to present the data findings.

Table 1:

Focus Group Participant Identifiers

Participant ID	Group. 1	Group 2	Group 3	Group 4
A		G2A		G4A
B			G3B	G4B
C	G1C	G2C		G4C
D	G1D	G2D	G3D	G4D
E	G1E		G3E	
F	G1F			
G		G2G		
H				
I			G3I	

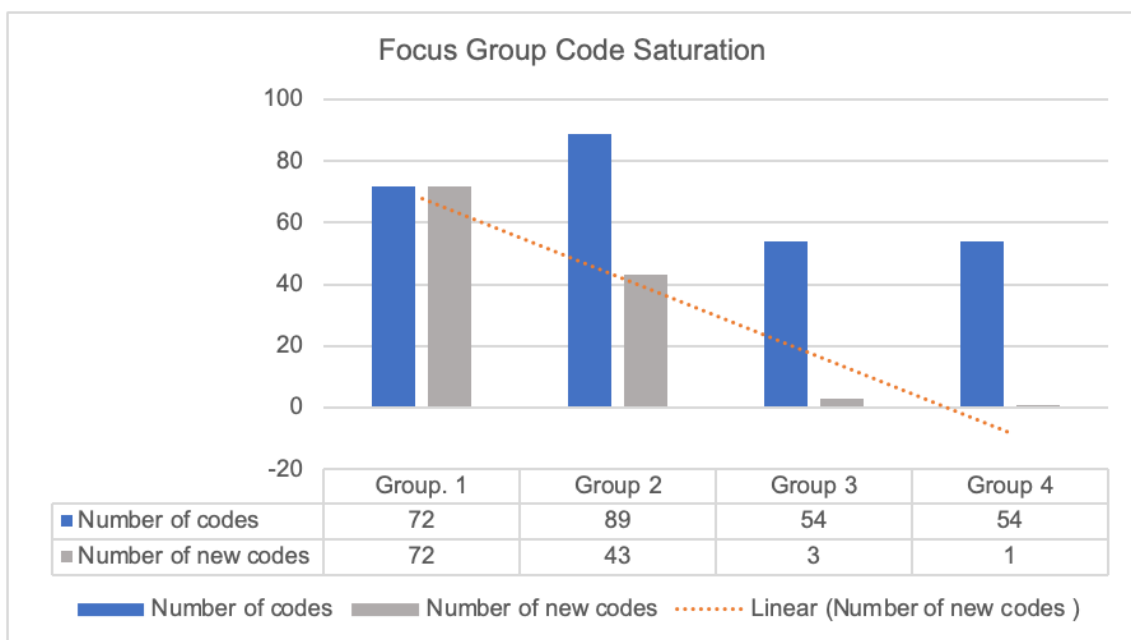
5.3 Analysis of Focus Group Data

5.3.1 Data Saturation

Figure 2 below illustrates the codes collected from each focus group's transcripts. The number of new codes decreased from group one to group four as the codes allocated got saturated. No new information emerged by group four, and only one new code was recorded.

Figure 2:

Focus Group Code Saturation



5.3.2 Emerging Themes

Main Research Question: What is the role of consumers' brand legitimacy perceptions in terms of their loyalty to car brands?

The main research question explores the criteria influencing how consumers perceive brands as legitimate, leading to their decision to choose a particular car brand over another, by establishing brand loyalty with current established brands compared to new entrants in the market. Data findings were interpreted into themes and then linked to the research sub-questions. Table 2 is an overview of the research questions and the themes established from the data findings.

Table 2:

Table of Codes and Themes per Research Question

Main Research Question: What is the role of consumers' brand legitimacy perceptions in terms of their loyalty to car brands?		
Supporting Research Questions	Code Groups	Themes
RQ1: What are the drivers of consumers' brand decisions when purchasing a car?	Aftersales	Customer Engagement
	Customer Experience	
RQ2: How do consumers' brand legitimacy perceptions influence their car brand preferences?	Branding	Brand Development
	Brand Reputation	
RQ1: What are the drivers of consumers' brand decisions when purchasing a car?	Hedonistic Factors	Consumer Preferences and Psychology
	Individual Preferences	
RQ3: What drives consumers' adoption of new car brands they have no previous experience with?	Status	
	Practical Considerations	
RQ4: How do consumers' legitimacy perceptions of car brands differ across different countries of origin?	Industry Awareness and Trends	Market Dynamics and Competitiveness
	Market Competition	
	New Entrants	
RQ4: How do consumers' legitimacy perceptions of car brands differ across different countries of origin?	Patriotism	Cultural Factors
RQ5: What is required of new car brands in the market to change consumers' legitimacy assessment of the brands?	Social Influences	

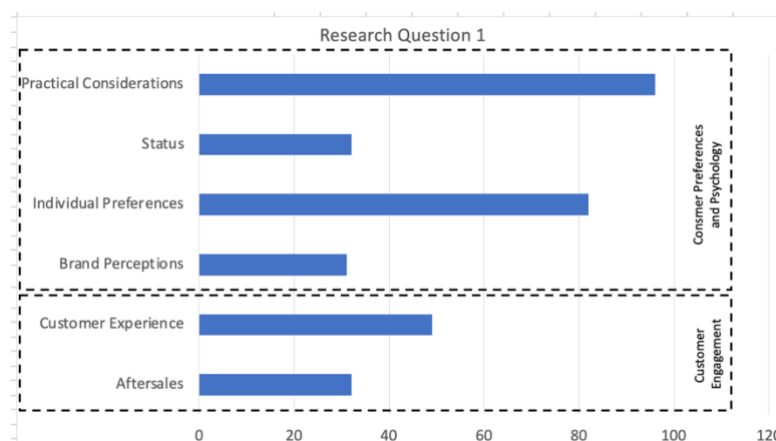
5.4 Research Findings: Research Question One

Research question one: What are the drivers of consumers' brand decisions when purchasing a car?

Research question one aims to determine what factors consumers consider when buying a car. The emerging themes around the factors that drive consumers' decision-making when purchasing a vehicle were customer engagement, consumer preference and psychology. Figure 2 illustrates the number of codes per theme under research question one.

Figure 3:

Research Question One Codes and Themes



5.4.1 Customer Engagement Theme

Customer engagement emerged as a theme based on coding about aftersales activities and customer experience, as outlined in Figure 3.

Figure 4:

Customer Engagement

Supporting Research Questions	Code Groups	Themes
RQ1: What are the drivers of consumers' brand decisions when purchasing a car?	Aftersales	Customer Engagement
	Customer Experience	

When asked why they purchased their vehicles, many participants reflected on some positive experiences with their car brands. Several participants shared personal stories of when their brands showed them support on occasions when they needed it the most. Highlighting the value of their customer experience.

G1C: When I was involved in a very bad accident, I felt that they were able to live up to their promises ... the resale value.

G2D: So I don't look at one brand and say, no matter what, I'm sticking with this. But what tends to happen is if they are closer to me, they take care of me. They keep in touch. I feel like if maybe I'm driving another car or I'm posting on social media, they see another brand, I always think about that. I've got one car the Mercedes, the lady who sold it to me, we are very chatty on social media, so it's hard for me even if I'm riding in a friend's car.

On the contrary, the participants in focus group two were especially passionate about the lack of commitment and support from brands once the sale was complete. They expressed that they did not feel too many brands were worthy of their loyalty because of the lack of customer engagement with them

G2D: Loyalty for your brand is a two-way street if I buy a car and then after sales ...they follow up on me, they call me to launch new products.

G2C: For me, it starts off with if maybe that brand is loyal to me. If they constantly check up on me, if there are rewards programs that are tailor-

made for me, and I see now that they're playing on my mind, they're consistent.

G2A: I think there's a lot of effort that is put in in terms of attracting the sale and perhaps less effort, which is put in, in terms of retaining that customer, because that customer may keep that vehicle for at least five to seven years depending on their plan.

The ease of service and maintenance of cars came up often when participants talked about their experiences and the experiences of people they know. All the participants had owned a vehicle before and shared the importance of the accessibility to parts and services in making an impression on their choice of car brands.

G4B: The parts have to be reliable and accessible as well. I don't have to be having my car breakdown, and now I have to wait for like six months to get the part.

G1D: But I've heard lots of stories around aftersales service, which worries me a lot when you think about making it decision to purchase that kind of a brand.

G4B: VW stands out the most, and I think it's because I have a lot more peace of mind. If I am driving a VW and I get stuck anywhere, I think, you know, the perception of my mind is that it would be very easy for me to find parts.

G3E: For me, Ford generally has a lot of dealerships, and there's access to parts.

5.4.2 Consumer Preference and Psychology Theme

The consumer preferences and psychology theme emerged from code groups about brand perceptions, individual preferences, status symbols and practical consideration, outlined in Figure 4.

Figure 5:

Consumer Preferences and Psychology

Supporting Research Questions	Code Groups	Themes
RQ1: What are the drivers of consumers' brand decisions when purchasing a car?	Brand Perceptions	Consumer Preferences and Psychology
	Individual Preferences	
	Status	
	Practical Considerations	

When discussing specific brand perceptions, the participants mentioned German brands frequently and consistently referred to similar positive brand associations as being of high quality and status. They described a few established brands as brands that most people are familiar with, giving them the impression of reliability and trust. All participants who drive German cars were aware of their cars' brand origin and generally considered that when purchasing their vehicles.

G3B: Yes, it was manufactured in Germany and it did influence how I purchase. Quality and style.

G1F: I've driven VW, so German cars, and I think there is a perception obviously of you know, style, class etc.

G2A: I just thought it would be a good fit in terms of a kind of car and also in terms of the comfortability of the car, but I would be lying if I didn't say that it had a lot to do with the perception and status of that vehicle.

Regarding individual preferences, the participants regarded their lifestyle and life stage as influential in the type of cars purchased over time.

G3B: I'm not loyal to a specific brand, but as it sits now it needs to fit where I am now in my life. Where my family are, and it will change over time.

G4D: I purchased the vehicle for functional purposes some of the components were suitable for my work and personal life and value for money.

G3I: I was a bachelor at the time when I bought it, so I didn't really need anything more than two doors.

G1F: I guess it was time. First of all, just to get a new car. And also, my family is growing significantly.

The practical features of a car were mentioned as an essential complement to the participants, giving a balanced account of the characteristics considered. They were further emphasising the lifestyle and life stage fit.

G4A: I was looking for a bigger car, and there was also looking for space, like enough space for me when I'm travelling and stuff.

G1D: Why I drive the car that I drive right now is because of safety and comfort.

G4D: I chose the car that I drive because of the nature of the work that I do. I can travel between 25 to 30,000 kilometres a year, so I needed a car that is more reliable.

G3B: For me, it's very much lifestyle at the moment, the kids growing up, becoming more active. Especially with the mountain biking and all of the sports they are busy with, I honestly like driving a double cab.

While there were various versions of lifestyle preferences indicated, all the participants across the focus groups had similar preferences when asked about the brands they aspire to own, stating cues of luxury, sophistication and class as aspirational.

G2C: I would definitely say Rolls Royce, you know so that the luxury, the style, the elegance.

G2A: I think it's just how it looks ... it looks like luxury, I guess and comfort. If it's sophisticated, that's it.

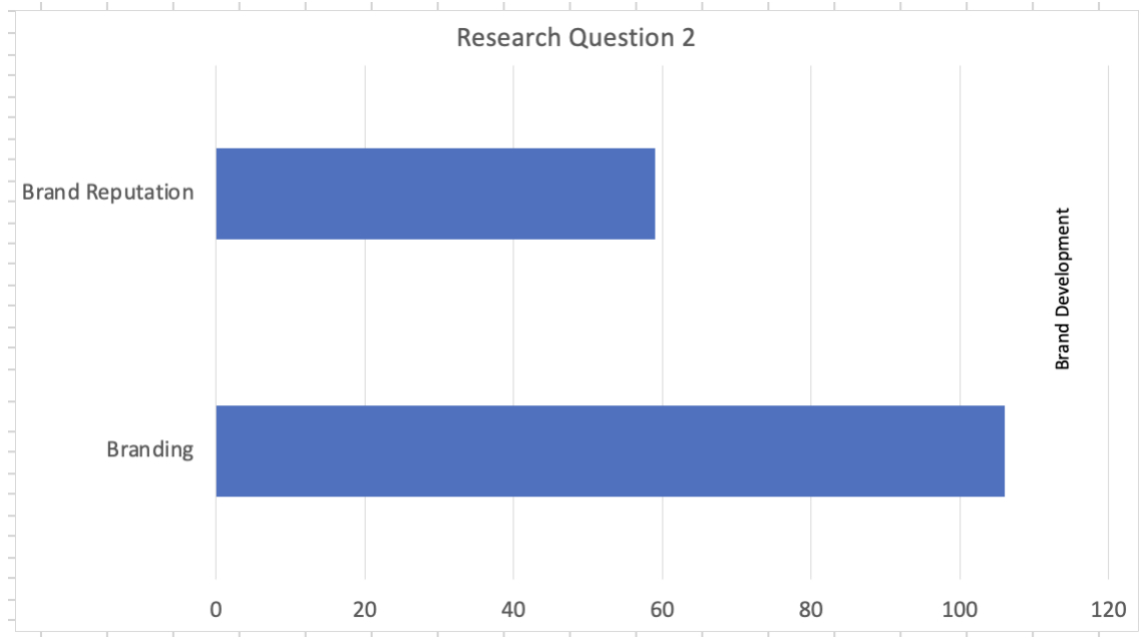
5.5 Research Findings: Research Question Two

Research question two: How do consumers' brand legitimacy perceptions influence their car brand preferences?

Research question two aims to establish the role of brand legitimacy perceptions in influencing brand preference. The key theme emerging from this topic was brand development, evaluating the brand factors that influence consumer preferences. Figure 5 illustrates the number of codes per theme under research question two.

Figure 6:

Research Question Two Themes and Codes



5.5.1 Brand Development Theme

The theme of brand development emerged from codes groups regarding branding activities and brand reputation, see Figure 6.

Figure 7:

Brand Development

Supporting Research Questions	Code Groups	Themes
RQ2: How do consumers' brand legitimacy perceptions influence their car brand preferences?	Branding	Brand Development
	Brand Reputation	

Interestingly, the brand attributes of the established brands were consistent across all focus groups, which is a testament to the strong branding and positioning of the

traditional brands. Participants mostly referred to Toyota, Volkswagen, Ford, BMW and Mercedes.

G1C: I'll still vouch for a VW in terms of its being a more affordable car, to be honest.

G2B: I mean, it's performance, and besides, I mean, we grew up knowing that, you've got a Toyota, you've got an investment.

G2G: Toyota, as the gentleman has mentioned. I just feel like it's for me. It's all about the tried and tested.

G3E: I'd probably go with the Toyota Legend 50. I think the reason for that is I have the perception that it can probably outlive me and the number of things that can do both, you know, luxury lifestyle.

Whilst the positive brand sentiments towards the established brands were strong, the participants expressed some flexibility to exploring different brands, describing that from their own research, they have found new brands to offer value for money, which is attractive to them.

G4A: So you can never stay loyal to the brand that you are currently with or that you've been with for the past three, five or ten years because now these other brands have a lot to offer, and you can easily choose something different.

G1F: A level of affordability or just accessibility to those that might not be able to have had access to those cars like your beamers your Bentleys. In my opinion honestly, I'm the kind of person who would never have gone for the car that I currently have. I have it now because we did research, we looked into the brand itself.

In alignment with the brand perceptions, the participants shared strong opinions on their perceptions of brand reputation.

G4D: They are known for their technology, and the perception of Toyota was too high to resist not to buy it.

G4C: Volvo is known for safety, so that's also influenced my decision in terms of buying it as well.

G2D: Traditionally who's been building those cars like German has been doing it for decades.

G2G: I think it takes time for consumer trust to be built and I however, by the time they come to South Africa, these brands have been in different markets and you know, research can then be done in terms of how they performed in those markets.

G1D: Personal experience, having been in one of the cars made from Germany. Based on that alone, and the fact that there's many other brands that come from that country, they could have come from any country, but they'll those group of cars have been associated with the same perception has been safe, has been comfortable and as being fast.

Whilst the traditional established brands were generally reviewed with positivity and trust, the views were mixed when asked about new brands in the market. Participants expressed scepticism with regards to the latest entry Asian brands, although some negative sentiment was shared, it was minimal , with participants impressed by the styling and technology , however largely uncertain about the reputation.

G3E: Well, I won't be sold too soon until I see them continue with a specific range or particular vehicle over an X amount of years.

G2D: ... other countries like South East Asia and the like I avoid if I can. But I do use a Lexus, so maybe that's not fact.

G1C: Whether it's true or not in terms of when people want parts, so they involved in accident cases like I think it's Haval or Chery's, one of the other ones, I think they're very nice cars in terms of the features. But I've heard lots of stories around after sales service which worries me a lot when you think about making it decision to purchase that that, that kind of a brand.

G4D: I think because of the technology that they offer as well as if they can get their support and their dealership in the countries they operate in, I think they will be a force to reckon with in less than 10 years from now.

G4B: I think that they are legitimate I do like the technology.

5.6 Research Findings: Research Question Three

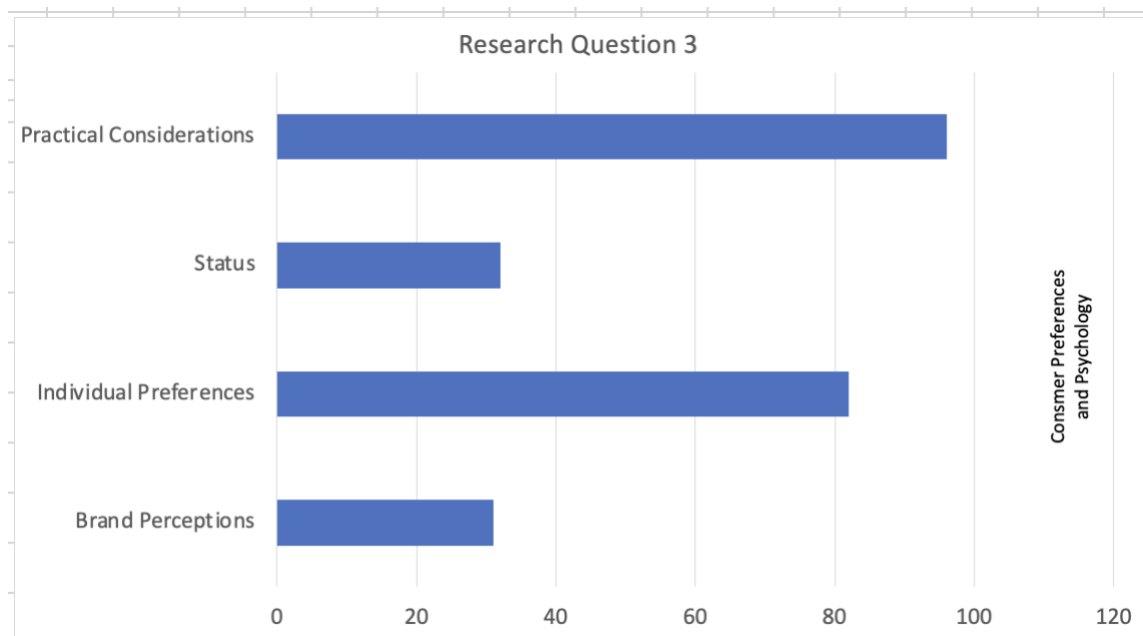
5.6.1 Discussion on Research Question Three Findings

Research question three: What drives consumers' adoption of new car brands they have no previous experience with?

Research question three aims to determine new brands' legitimacy strategies for establishing legitimacy with consumers. The key theme identified from the focus groups is consumer preference and psychology. Figure 7 illustrates the number of codes per theme under research question three.

Figure 8:

Research Question Three Themes and Codes



5.6.2 Consumer Preference and Psychology Theme

Consumer preference and psychology emerged based on code groups brand perceptions, individual preferences, status and practical considerations as presented in Figure 8.

Figure 9:

Consumer Preferences and Psychology (RQ3)

Supporting Research Questions	Code Groups	Themes
RQ3: What drives consumers' adoption of new car brands they have no previous experience with?	Brand Perceptions	Consumer Preferences and Psychology
	Individual Preferences	
	Status	
	Practical Considerations	

In the discussions on the new brand entrants, the participants highlighted that their perception of the new Asian brands is that they are more technologically advanced and offer stylish designs, for a fraction of the price, which seemed to be the reason they have some curiosity on the new product offerings in the market. The perception articulated seems to be that of innovation, style and value for money.

G2G: A lot of these new entrants come with technology that even surpasses their established brands. You know, simple Chery, the AI in that thing is, is something else, right? For a third of the price of a Mercedes Benz, for instance, even a quarter in some instances, but it gives you the same experience.

G4A: So you can never stay loyal to the brand that you are currently with or that you've been with for the past three, five or ten years because now these other brands have a lot to offer, and you can, like easily choose something different.

G3I: I think I know where Kia comes from. Somewhere in Asia, I don't want say for I can't say for certain if it's. I know it's not China I think it's Korea, actually. I was more influenced by the style of the car versus the manufacturer and the country of origin.

All the participants shared strong opinions on their personal preferences, but it was interesting to note that they intentionally qualified their preferences as a personal choice, and often reinforced that everyone has the right to their own choices.

G1E: Some people, I believe switch easily and but I'm not one of them.

G1F: I think it's entirely up to you if you feel like other brands are offering you the same thing you're getting with your current brand, then it's the choice is yours to change.

G2D: It is something that I would not necessarily be the first one to act and want to procure just based on, you know, just based on consumer trust and having to at least see a brand working for a bit of time.

G2D: Beautiful looking cars but my personal opinion. I feel that they're lacking so I do not really put them in the same level.

When asked about brand loyalty and what factors could influence a switch to the new brands, participants practical factors like technology and the current economic strain on comers and expressed that brand loyalty is not warranted on the basis of practicality. For people driven by the cars' practical features, an openness to try new entrants was expressed if their rational needs were met.

G4A: I'll say yes, because these brands come with great features and good to technology, which some other established brands don't have.

G4A: So right now I would say no. One taking into account everything that's also happening in the country and the economy and everything else. If you're able to get it better, I mean why not?

G3I: Hey for me, if the car looks good, interior exterior, fuel efficient and I know that the to a large extent rather I if something was to happen parts are available then I'm there. I don't care for the brand. Yes, we have the aspirational brands like I mentioned. I mean, I just want to drive a Lambo. I don't want to necessarily own one, so I might just get one on a lease agreement, but I don't need to own it, but I'm not loyal to anybody.

G3D: *Honestly, I really don't think it makes sense . My personal reason is that just for me, when I purchase a car, if you can answer two things, can it accommodate my lifestyles, and also can it be reliable quality. If you meet those two criteria, I don't mind. Even if they can come with a car called Jomo tomorrow, I will still drive it as long as if it accommodate those two things.*

5.7 Research Findings: Research Question Four

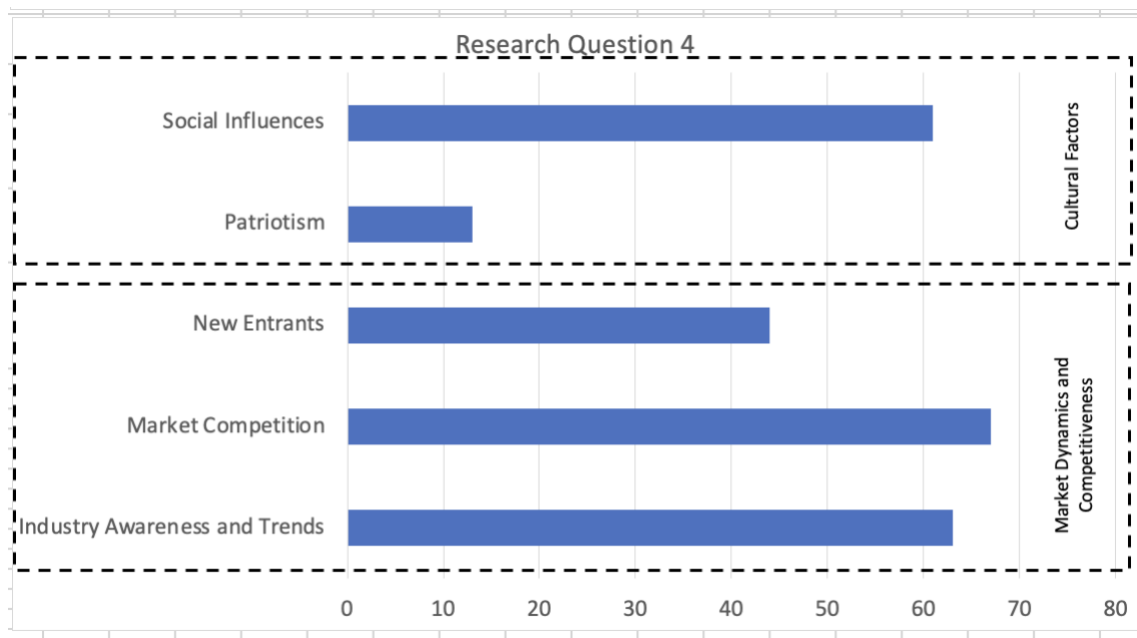
5.7.1 Discussion on Research Question Four Findings

Research question four: How do consumers' legitimacy perceptions of car differ across different countries of origin?

Research question four aims to determine the brand legitimacy perceptions of different car brands based on their countries of origin. Market dynamics and cultural factors are the themes that emerged from the focus group discussions. Figure 9 illustrates the number of codes per theme under research question four.

Figure 10:

Research Question Four Themes and Codes



5.7.2 Market Dynamics and Competitiveness Theme

Market dynamics and competitiveness emerged from code groups concerning industry awareness and trends, market competition and new entrants, refer to Figure 10.

Figure 11:

Market Dynamics and Competitiveness

Supporting Research Questions	Code Groups	Themes
RQ4: How do consumers' legitimacy perceptions of car brands differ across different countries of origin?	Industry Awareness and Trends	Market Dynamics and Competitiveness
	Market Competition	
	New Entrants	

Most participants were aware of the country of origin of their car brands. They pridefully shared the positive credentials attributed to the country of origin, some suggesting it was a key influence on their brand of choice.

G2D: I'm agnostic as to what country, but obviously I will be partial to German brands and American brands because they tend to have bigger engines.

G4C: So I'm very well aware of Volvo coming from Sweden, and it did influence me. Volvo is known for safety, so that's also influenced my decision in terms of buying it as well.

G4C: ... the reports I heard from the sales lady was that the Chery Tiggor were getting a lot of returns even though they had 1,000,000 guaranteed miles on the engine. She said that it has quite a bit of problems. She would rather go with the most trusted brand, which is the Volvo at the time because she hasn't had many problems.

While the awareness and pride was strong, the participants shared views on the impact of market trends, suggesting the country of origin reputation might be at risk in the near future.

G4D: I think now the new entrants have an advantage because now you have non-traditional brands like Tesla, BYD, who are actually outperforming the traditional brands. So I think in the new emerging technologies, I'll probably put what I'll call non-traditional brands on a higher pedestal than the ones that we used to, like the Germans where the Germans will probably be behind.

The legitimacy of the new entrant's brands was acknowledged by all the participants, citing innovation, technology and styling as a key step change for the new entrants. However, some participants explicitly vocalised that legitimacy was insufficient to switch their preferences. Although some participants expressed some consideration, the enthusiasm was noticeably lower than it was for established and aspirational brands.

G2D: But in the drive unit, like internal combustion, I still believe that most of the new entrants that we've seen in the past 20 years or so they got good cars. Beautiful looking cars but my personal opinion. I feel that they're lacking, so I do not put them on the same level.

G2G: And personally, I think, and I'll speak specifically on the HAVAL. It's definitely interesting in terms of I think, in a short space of time . I'm tempted to use the word quality, but at least in terms of the appearance and the aesthetic, the visual aesthetic of the cars that have been produced definitely make one consider purchasing.

G1F: My opinion is, I think if the vehicle can stand up to the claims that it claims and the vehicle is of the safety is safe and then wherever it comes from shouldn't necessarily dictate, you know, whether it's a great car, it it's quality and it's proof of you know, functionality should kind of, yeah.

Many of the participants expressed their excitement in having new players to give the established brands some competition and offer consumers more options.

G4B: I think that it should be a cause for concern for them as well, because the more we have to choose from, I think as the customer as well decisions and minds can sway.

Some of the participants highlighted the competitive advantage of differentiation in the market by leveraging and owning the innovation and technological offerings that new Asian entrants have to offer.

G2D: ... if you were to look at cars like the EV cars. I think now the new entrants have an advantage.

Contrarily, some participants seemed to have different insights on the industry activities and opposing sentiments about the impact of new entrants, which stunned the other participants, however no one debated the facts.

Participants G2D and G3B separately noted that their view was that the industry response was to collaborate and not compete.

G2D: On the new entrance, I think it's more collaboration than competition to be honest. Where I think the established companies have realised that the new entrants are coming with something more innovative and they are basically competing head-to-head with them.

G3B: On the new entrants, I think it's more collaboration than competition to be honest. Where I think the established companies have realised that the new entrants are coming with something more innovative and they are basically competing head-to-head with them. And in the sense to get around that, they started to collaborate where you find establish European brands in partnership with some Asian companies. You know there's a cross shareholding or they're sharing technology or sharing the platforms of manufacturing. So I think the new entrants were a threat, but to get around it it's more they started to collaborate than trying to fight to the bottom like competing against each other because that's like a lose-lose situation for all of that.

Participant G4C, although still aligned to the idea of new competition in market, shared the point of view that it was largely a threat towards the lower end of the market.

G4C: If you are a premium brand, I don't think so. If you look at the likes of Mercedes, Audi, Lexus or so, not necessarily. But if you go lower the segments, then yes, it's a cheaper product that's coming into the market, which would then, force you to cut cost and to be competitive.

A more localised take on the market shared by G3D, didn't yield a group discussion, but it suggested that South Africans are more likely to be receptive to new models in the market than other countries.

G3D: I think you know, maybe somewhat different to what has been said. Now, I think what appeals to a lot of people is the design of a vehicle for the brands to penetrate a market and then layered with all the probably arguably most important bits which is, you know, emphasising reliability and affordability because I don't know what the culture is in SA but I think for the most part we're not as petrol head oriented as like maybe America, American, the men population is. But yeah, if it looks good, which is what I think gave HAVAL an advantage in their improvement in design in order for it to be accepted as like a brand that could arguably stay for longer than the tatas of the world did because they look bad. You know, we didn't get to know, you know, what? Consumer perception at large was around whether it was a reliable car, whether it was fuel efficient, you know, interior design.

Although briefly discussed, the consideration of the current economic climate came across each focus group, suggesting the awareness of the financial impact car ownership has on the decision-making of buying a vehicle.

G3A: This is a long-term investment for some people besides a house; this is probably the largest investment anyone will do in their lives.

G2G: Let's be honest, a lot of people have been quite indebted in the past years just because of cars you know and then you also realise during COVID that flip, I must make sure I'm not living above my means.

G1D: Given the economic climates where we are now as a country, so to speak about our country in particular, the new brands are actually bringing a bit more cost-effective vehicles or modes of transport I've seen people have been downgrading from all these other known brands that are deemed more pricey, given the interest rates and just the cost of owning that car even when it goes out of motor plan.

G2D: ... there's hardship that is happening in the country. Most of us are experiencing it, and you know people are attached to their vehicle and they don't really like to lose them and you find some people who are losing their car and it's a depressing situation.

G2G: I'm very stingy to myself as well. But I'm learning to loosen up. I've driven a Chevy Spark for the longest time over 10 years.

5.7.3 Cultural Factors Theme

Cultural factors based on code groups regarding patriotism and social influences emerged, see Figure 11.

Figure 12:

Cultural Factors (RQ4)

Supporting Research Questions	Code Groups	Themes
RQ4: How do consumers' legitimacy perceptions of car brands differ across different countries of origin?	Patriotism	Cultural Factors
	Social Influences	

When asked about reputable car brands being manufactured locally, all participants had an optimistic and patriotic acceptance and appreciation of the quality of manufacturing standards offered in South Africa. Some participants expressed a preference for it for ease of maintenance.

G2D: I think you know, I'm so, like, almost like in between all that because if you look at the cars that are currently coming from South Africa, quite a number of them are reliable and utilised quite well.

G4D: No, it doesn't really matter because whichever plant it comes from could be Thailand, could be Japan, or it could be anywhere in South Africa where it's got assembled in Durban as long as they follow the company standard.

G2C: But normally when you buy a car, you hardly think about that. You're just thinking, it looks nice and I want to drive it. Most of the time, it's not being marketed as to where it is manufactured. So for me, it's not on my checklist. It's the last thing that I hardly worry about, but if maybe I found out it's what manufacturer in South Africa, you know, even more better -produce South African.

G2A: So even if it is then physically manufactured in South Africa, the assumption from a consumer perspective would be that the same quality checks are being applied to distantly because it is a particular brand.

G1F: Participant, if I think it's a great initiative because I think we, you know, as a country we're really good at making cars any vehicles and cars and meeting quality standards.

G1D: Well, it's good for our country if it's made here, then the brand remains the same regardless of where it's made.

5.8 Research Findings: Research Question Five

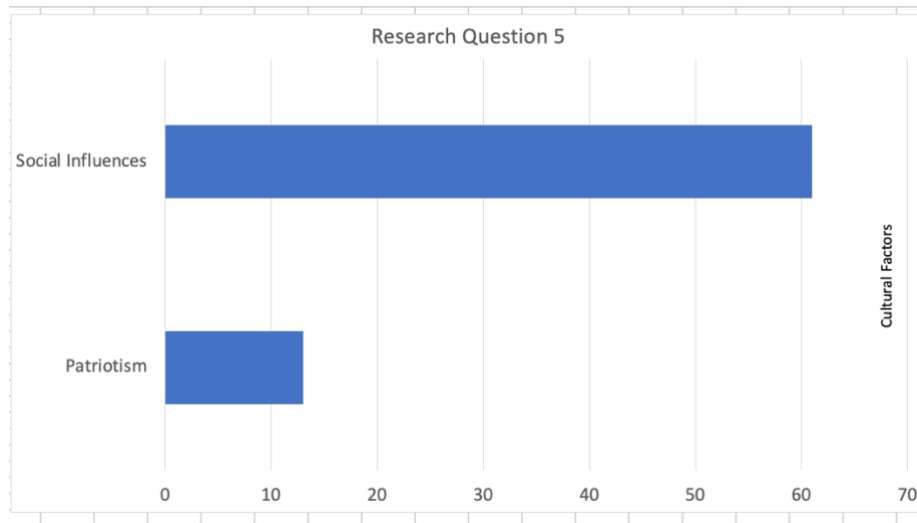
5.8.1 Discussion on Research Question Five Findings

Research question 5: What is required of new car brands in the market to change consumers' legitimacy assessment of the brands?

Research question five aims to determine the validity of the role of branding in building Consumer Trust in Brands and Consumer Brand Relationships. The theme explored in this discussion is cultural factors. Figure 12 illustrates the number of codes per theme under research question five.

Figure 12:

Research Question Five Themes and Codes



5.8.2 Cultural Factors Theme

The theme of cultural factors emerged from codes concerned with patriotism and social influences concerning how car brands can change consumers' legitimacy assessments of their brands , presented in figure 13.

Figure 13:

Cultural Factor (RQ5)

Supporting Research Questions	Code Groups	Themes
RQ5: What is required of new car brands in the market to change consumers' legitimacy assessment of the brands?	Patriotism	Cultural Factors
	Social Influences	

Participants shared how social groups and the social expectations have the power to influence the brand preferences of consumers , based on their background and environment.

G4D: Perhaps it's the most popular car that you see in the road is the most car that you advised when you go out of university or when you start your first job.

G1F: I would like to say yes, they have something to be worried about, but in the South African market and you know, it's aspirational to go for, the bigger names and the well knowns so.

G2A: My cousin, you cannot say anything wrong against the BMW and that has a lot to do with the influence from his father and the love that the father had for that particular brand.

The participants shared some touchpoints that could be considered to be opportunities for new brands to establish themselves , and create some brand resonance, based on the activities they have observed in the industry.

G3E: Social media is putting a lot more information, you know, at the top of our fingers and educating us more about vehicles and whole lot of other aspects around vehicle ownership, which makes considering new entrants in the market easier.

G2C: Now it's sort of like appealing to the market to those guys that are thinking, I want be the first one I want be seen in this car. I want be the one that people talk about.

5.9 Summary of Research Findings

The data in Chapter 5 was reviewed and categorised into themes. Each theme was logically presented in the context of the research questions from Chapter 3. The next chapter will interpret and discuss the research findings concerning the literature review in Chapter 2.

CHAPTER 6: DISCUSSION OF RESULTS

6.1 Introduction

Chapter 6 will discuss the results presented in Chapter 5 regarding the literature review in Chapter 2. The discussion addresses the main research question, the role of consumers' brand legitimacy perceptions in terms of their loyalty towards car brands, in the logical sequence of the supporting research questions outlined in chapter three.

6.2 Focus Group Participants

Four focus group sessions were conducted with a total of 16 participants. There was a good mix of participants, which gave a varied energy to the groups. The first focus group session had a slow pace, as the researcher delayed the start of the session to allow for late attendees and warm-up to the process. The participants were quite formal at the beginning of the session, but the pace picked up as they started to share their personal stories. Participants started to make references to each other's points.

Group one was very structured and formal, all the participants were very cautious about following the process. Focus group two was less formal, as the researcher also improved the processes. Each group had a good mix of profiles, which helped bring diverse perspectives to the discussions.

6.3 Analysis of Focus Group Data

6.3.1 Data Saturation

The progress of the focus groups is illustrated in the number of codes collected for each group (Figure 1). A total of 127 codes were collected. 72 of the 127 codes were gathered through focus group one. There were 89 codes in group two. 43 new codes emerged in group two because the participants were more vibrant. The participants were eager to share their points of view and gave elaborately described responses for each answer. With 54 codes, group three was the shortest

of the focus group sessions; the group only had two participants who were descriptive in their responses, the other two respondents were not very enthusiastic and gave short responses, and only three new codes were discovered. Group four had one respondent interested in cars and was excited to share his knowledge of cars; only one new code was added from the 54 codes found. After many codes were repeated, no new codes emerged from the data.

6.3.2 Emerging Themes

Five themes emerged from the study: market dynamics and competitiveness, customer engagement, consumer preferences and psychology, cultural factors and brand development.

The first theme was customer engagement, with two code categories (aftersales and customer experience). The second theme was brand development with two code categories (brand perceptions and brand reputation). The third theme was consumer preferences and psychology, with four code categories (brand perceptions, individual preferences, status, and practical considerations). The fourth theme was market dynamics and competitiveness, with three code groups (industry trends, market competition, and new entrants). The fifth theme was cultural factors, with two code groups (patriotism and social influences).

Main Research Question: What is the role of consumers' brand legitimacy perceptions in terms of their loyalty to car brands?

The main research question explores the criteria influencing how consumers perceive brands as legitimate, leading to their decision to choose a particular car brand over another, by establishing brand loyalty with current established brands compared to new entrants in the market. Data findings are interpreted and linked to the research sub-questions. Insights are discussed in the evaluation of the findings and concluded with theme summaries for each research question.

6.4. Research Findings: Research Question One

Research question one: What are the drivers of consumers' brand decisions when purchasing a car?

Research question one aims to determine what factors consumers consider when buying a car. The emerging themes around the factors that drive consumers' decision-making when purchasing a vehicle were customer engagement, consumer preference and psychology.

6.4.1. Customer Engagement Theme

How the participants described the way the brands made them feel is noteworthy. They were passionate about the emotion evoked from either the positive customer experience received or the negative experiences from the brands they own. Their references to their experiences and expectations from car brand manufacturers are comparable to those of an interpersonal relationship. This is because of branding; brand managers have inferred car brands with human personality traits through marketing activities like advertising to connect with their consumer's identities (Smith & Keller, 2021).

According to the literature review, the long-term survival of an organisation is based on either economic or social performance (Ahn & Park, 2018; Jahn et al., 2020). That would be accurate if social performance is regarded as the customer relationship support a brand can offer consumers. However, there is an incongruency between the research findings and the literature review in that many researchers (Bagozzi et al., 2020; Johnson et al., 2019; Newman & Brucks, 2018; Sun et al., 2021) recommend that brands integrate CSR values and activities in their marketing and brand development plans so that they can establish moral legitimacy (Ahn & Park, 2018; Jahn et al., 2020; Keller, 2021). There is a gap in the literature review on the role of customer engagement and how brands must maintain the relationships they forge with their consumers after purchasing the product.

The participants shared a very strong insight into the significance of aftersales support for their cars. All the participants described the ease of access to parts as a strong motivation to trust and continue supporting a brand. The recurring emphasis on the value of having access to parts and services aligns with Yang et al., (2022) in that emerging markets, unlike western markets, are more inclined to choose products for their utilitarian benefits over hedonistic benefits.

The participants shared many stories of established brands that they consider to have reliable parts and services. They shared positive sentiments about brands like VW, Ford and Toyota and the confidence these brands provide them. These findings can be interpreted as consumer satisfaction with the brands and the status quo they have come to know from the brands they own. Therefore, the relationship between these brands and the consumers is considered strong. However, it is at risk of the threat of disruption (Chandrasekaran, 2022) due to the complacency of traditional brands making little effort to develop customer relationships beyond the status quo.

Thus, Finch et al. (2015) recommend that organisations endeavour to connect with consumers individually, which is congruent with the research findings on the importance of customer engagement.

6.4.2. Consumer Preference and Psychology Theme

Most of the participants had a very strong affinity for German brands. The participants who owned German cars were all well aware of their cars' Country of Origin (COO) and clear that their decision to purchase the vehicle was influenced by its COO. The participants perceived German brands to be of high quality and style. They described the ownership of German brands as giving them a sense of high status because of German cars' good reputation. The consensus on the positive perception of German brands is an example of macro-level legitimacy perception theory Suddaby, Bitektine and Haack (2017). The positive macro-level response to German brands legitimises them based on the collective standard of acceptability from the majority's perceptions (Suddaby et al., 2017)

The decision to own German brands comes easily to them because their upbringing, backgrounds and environments influence them. Many of the

participants mentioned that their families and friends drove German cars like Toyota and VW and that they always perceived them to be cars that were safe, reliable and comfortable. Given that the established brands have existed for many years, they have a brand identity that is localised and familiar as a brand many of the participants are familiar with because they grew up with them in their lives. This confirms the literature research in that brands that have localised identities and values can connect with their target consumers and, therefore, charge a premium because their target consumers are loyal (Batra et al., 2017; Nie et al., 2022; Pyo et al., 2022; Yang et al., 2019). Consumers tend to stick to the comfort and predictability of the products they know and trust, even at a price premium, to avoid the complexity of exploring new information (Lee et al., 2020).

While the general positive sentiment of German cars was important to the participants, they also emphasised the importance of having a car that fits with their individual lifestyles. Again, this is in alignment with the literature that although consumers may believe they have independent individual preferences, their choices are largely influenced by their identity perceptions and social influence (Ng et al., 2021; Nie et al., 2022; Pyo et al., 2022). This was particularly evident in the consistency of brand preferences and perceptions across the various focus groups.

6.4.3 Research Question One Conclusion

Consumer decisions are influenced by the relationship established with customers through after-sales engagement and product services and support. The established positioning of a brand gave the car owners interviewed reassurance and pride in their brand preference. However, brand preference does shift over time.

German car brands came up frequently in the group discussions. The sentiment shared by the participants about German cars indicates that they are well-established and positioned positively in car owners' minds. While the participants shared that there is a sense of personal preference in their choice of car brand, their choices are also influenced by their lifestyles at different stages.

None of the participants interviewed mentioned CSR-related activities from the brands they support. Citing rather a desire for better customer relationship support.

This may be influenced by the context of being in an emerging market versus a developed market, which drives a lot of CSR activities.

A gap in the literature review is the importance of engaging with customers after purchasing the brand. Maintaining the relationship developed with them

6.5 Research Findings: Research Question Two

Research question two: How do consumers' brand legitimacy perceptions influence their car brand preferences?

Research question two aims to establish the role of brand legitimacy perceptions in influencing brand preference. The theme emerging from this topic was brand development, evaluating the brand factors that influence consumer preferences.

6.5.1 Brand Development Theme

The theme of brand development emerged from code groups regarding branding activities and brand reputation.

The participants described the brands they were familiar with using similar descriptors across the different groups for each brand. Many of the participants had the perception that Toyota was reliable and good quality. They described VW as being known to be stylish and affordable. Many participants described the more premium brands like Mercedes as comfortable and classy. This is congruent with the literature, describing consumers as having biased perceptions of brands, that is that they will judge all products from a particular brand with the expectation of a homogenous experience that is either always good or always bad (J. K. Park & John, 2018; Smith & Keller, 2021). The entire brand will always be good or bad in its entitative perception (Smith & Keller, 2021).

The consistency in the attributes they assign to each of the brands confirms the efforts each of the brands has made to establish the brand positioning in the minds of the consumers. Some participants personally vouched for the brands' attributes because they had first-hand experiences with the brand, and their perceptions were deeply entrenched.

6.5.2 Research Question Two Conclusion

The participants consistently perceive the brand attributes across the range of established brands. This suggests that the positioning of traditional car brands is secure, although participants are aware of the value offering of less established brands, which they may be open to exploring. The positive brand reputation of established brands evokes trust however, according to the participants, the technology and styling of the new products differentiate the new brands from the established ones. Established brands have developed their brands over time and have well-known brand attributes. The reputation of established brands makes them seem trustworthy to car owners. However, the new car brands offer technology and style that stand out to consumers.

6.6 Research Findings: Research Question Three

6.6.1 Discussion on Research Question Three Findings

Research question three: What drives consumers' adoption of new car brands they have no previous experience with?

Research question three aims to determine new brands' legitimacy strategies for establishing legitimacy with consumers. The key theme identified from the focus groups is consumer preference and psychology.

6.6.2 Consumer Preference and Psychology Theme

Consumer preference and psychology emerged based on code groups, brand perceptions, individual preferences, status and practical considerations.

The participants have noticed that the new Asian brands are more technologically advanced and beautifully designed. The new Asian brands offer more features and stylish designs for a lower price than established products and signal value for money, making them appealing to most of the participants interviewed. This is congruent with the literature research, confirming consumers' motivation for brand

choices. According to the Consumer Motivation Scale (CMS), consumers' choices are based on gain, hedonic or normative factors (Barbopoulos & Johansson, 2017). Thus, the product offering of the new Asian brands appeals to gain motivation and the rational need for good value for the participants. They shared an appreciation for more options and less reason to be loyal to familiar established brands.

The premise of personal preferences was quite strong with the participants. They were emphatic about everyone having the liberty to choose what brands suit them and had a strong stance on their personal standards when confronted with the views of people who were open to the new brands. This is congruent with the institutionalised legitimacy theory in the literature review (Haack et al., 2020). At a macro-level, the participants share a positive collective perception of established brands that fit the accepted norms however, at a micro-level, as described by Haack (2020) and Bitektine et al.,(2015), actors can have contradictory preferences that they conceal to fit in with the collective to avoid being judged and outcast. The implication, according to Haack et al., (2020), is that micro-level legitimacy could impact change if found to have consensus with other individuals as individuals start to align their privately held preferences. Thus, established brand perceptions are at risk of being diluted by the growing legitimacy of new Asian brands.

6.6.3 Question Three Conclusion

The participants perceived Asian car brands to be innovative and well-designed however, the participants had an overall scepticism about choosing the brands for themselves. Participants had a rational inclination to the product features of Asian brands. They consider the rational features and benefits of new car brands. The new Asian brands have the practical features and styling consumers desire; however, consumers are sceptical about Asian brands overall. The value offered by the new Asian brands leaves brand loyalty in question.

6.7 Research Findings: Research Question Four

6.7.1. Discussion on Research Question Four Findings

Research question four: How do consumers' legitimacy perceptions of cars differ across different countries of origin?

Research question four aims to determine the brand legitimacy perceptions of different car brands based on their countries of origin. Market dynamics and cultural factors are the themes that emerged from the focus group discussions.

6.7.2. Market Dynamics Theme

Market dynamics and competitiveness emerged from code groups concerning industry awareness and trends, market competition and new entrants.

Most participants were aware of the COO of their cars and confirmed that it influenced their brand choice. The brand reputation of characteristics like safety and reliability were strong attributes in their preference of the COO. They were also aware of remarkable changes and trends in the automotive industry, such as Electric Vehicles (EVs) coming from regions alternative to the traditional automotive BO countries. Some car enthusiasts in the focus groups knew about global industry activities like OEM partnerships and development in EV innovation. This concurs with the research findings on the effects of globalisation on changing consumers' mindsets towards being more global minded.

According to (Nie et al., 2022; Pyo et al., 2022), consumers with a more global identity, like the participants with a more global interest in the brand activities, have a higher affinity to experimenting with new products. The general collective sentiment towards the COO of established brands was positive. Contrarily, however, although participants shared an openness to the competition and options the new brands brought into the market, many other participants strongly believed that the legitimacy and innovation of new brands were not compelling enough for them to switch from their tried and trusted brands. These participants are considered to be more locally minded consumers who tend to stick more to the brand characteristics they are familiar with and have a low tolerance for diversity. They prefer to avoid unpredictability and stick to the status quo.

The financial impact of a depressed economy was expressed as a major concern across all the focus groups, and the financial impact on affordability was noted as a factor when deciding on brand options. According to (Yang et al., 2022),

consumers' spending behaviours change in times of uncertainty. Consumers tend to acquire more utilitarian or counter-hedonic products.

6.7.3. Cultural Factors Theme

Cultural factors based on code groups regarding patriotism and social influences emerged.

The discussions around South Africa brought about a positive sentiment from all the participants, with everyone expressing an openness to products manufactured locally. The Country of Manufacture (COM) evokes product quality and safety perceptions (Chen et al., 2020). All the participants expressed confidence and a sense of pride in locally manufactured car brands. They still believed that the COO of the brand still upheld the standard of quality for the brand, regardless of the COM. This aligns with the literature, which states that the BO value is more significant in Countries of Origin (COO) for emerging countries (Chen et al., 2020).

6.7.4. Research Question Four Conclusion

Established brands were associated with their countries of origin. Participants were aware of the trends shifting towards new competitors in the market from Asian countries. The discussions around South Africa brought about a positive sentiment from all the participants, with everyone expressing an openness to products manufactured locally. The South African Economic status was described to be a concern on the car brand choices of consumers.

6.8 Research Findings: Research Question Five

6.8.1 Discussion on Research Question Five Findings

Research question five: What is required of new car brands in the market to change consumers' legitimacy assessment of the brands?

Research question five aims to determine the validity of the role of branding in building Consumer Trust in Brands and Consumer Brand Relationships. The theme explored in this discussion is cultural factors.

6.8.2 Cultural Factors Theme

The theme of cultural factors emerged from codes concerned with social influences concerning how car brands can change consumers' legitimacy assessments of their brands.

The participants cited that social influences, friends, family and society influenced the brands they purchased. This confirms the social contagion' theory that the influence of peer recommendations significantly drives brand preference (Pyo et al., 2022). Furthermore, according to legitimacy theory, the legitimacy perceptions of brands are also evaluated through the sense-making of a collective group. Thus, the legitimacy of brands at a macro level is determined by the collective influence of a group of people (Suddaby et al., 2017). Social media is a platform they have referred to compare brand reviews from their social networks.

The participants' perceptions of car brands are also influenced by their environment and the social groups they are exposed to. Their perceptions have been adjusted over time as the views and opinions of their social networks evolve. How the participants described the brands as evolving to suit their lifestyle at different stages is an example of the cultural meaning inferred by the brand image of the car brands, as described in the literature review. Consumers use creative cognitive frameworks to make sense of their shared experiences and inform how they behave or perceive the behaviour of certain groups in society based on their cultural references or brand images associated with their brand preferences ” (Fournier & Alvarez, 2019).

6.8.3. Research Question Five Conclusion

Social norms play a significant role in influencing the perception of an individual. The expectations of how an individual must behave based on the ideals of their environment of family beliefs drive brand preferences over time.

6.9 Summary of Research Findings

Chapter 6 discussed the research findings compared to the literature review in Chapter 2, see Figure 13.

Figure 13:
Research Findings and Literature Review

Main Research Question: What is the role of consumers' brand legitimacy perceptions in terms of their loyalty to car brands?				
Supporting Research Questions	Themes	Code Groups	Aligned Literature Sources	New Findings/ Incongruities
RQ1: What are the drivers of consumers' brand decisions when purchasing a car?	Customer Engagement	Aftersales	Emerging markets utilitarian products Yang et al., (2022)	CSR from literature not mentioned in research groups
		Customer Experience	Brand identity connections (Keller, 2021) Brands connecting with Individuals (Finch et al., 2015) (Chandrasekaran, 2022) Status quo complacency of brands	Desire for CRM and improved customer
RQ2: How do consumers' brand legitimacy perceptions influence their car brand preferences?	Brand Development	Branding	Brand perception halo effect/ entativity (J. K. Park & John, 2018; Smith & Keller, 2021)	
		Brand Reputation	Brand reputation (Smith & Keller, 2021).	
RQ1: What are the drivers of consumers' brand decisions when purchasing a car?	Consumer Preferences and Psychology	Brand Perceptions	Institutionalised legitimacy (Suddaby et al., 2017)	
		Individual Preferences	Identity perceptions (Batra et al., 2017; Lee et al., 2020; Nie et al., 2022; Pyo et al., 2022; Yang et al., 2019) Micro-legitimacy levels (Haack et al., 2020; Bitektine et al., 2015)	
Status		Institutionalised Legitimacy (Haack et al., 2020).		
Practical Considerations		Consumer motivation (Barbopoulos & Johansson, 2017)		
RQ4: How do consumers' legitimacy perceptions of car brands differ across different countries of origin?	Market Dynamics and Competitiveness	Industry Awareness and Trends	Globalisation / global identities (Nie et al., 2022; Pyo et al., 2022) Consumer spend (Yang et al., 2022)	
		Market Competition	Global vs local affinity (Nie et al., 2022; Pyo et al., 2022)	
		New Entrants	COO quality perceptions (Chen et al., 2020)	
RQ4: How do consumers' legitimacy perceptions of car brands differ across different countries of origin?	Cultural Factors	Patriotism	COM quality perceptions (Chen et al., 2020)	
RQ5: What is required of new car brands in the market to change consumers' legitimacy assessment of the brands?		Social Influences	Social Contagion Theory (Pyo et al., 2022) Collective legitimacy perceptions (Suddaby et al., 2017) Cultural brand image (Fournier & Alvarez, 2019)	

CHAPTER 7: CONCLUSION AND RECOMMENDATIONS

7.1 Introduction

One of the sectors the South African economy depends on is manufacturing, of which the automotive manufacturing sector is a significant contributor. Automotive is strategically focused on growing the localisation of production in automotive to drive growth in the industry, based on the SAAM35 goals. However, the market performance is slowing down due to COVID-19 supply restrictions, a shift in the global demand for EVs from ICE vehicles and a depressed economy. The growth of the SA automotive industry is further diluted by the entry of new Asian brands in the market, who threaten to devalue the industry with their price advantage strategies, moving consumers from premium locally produced products to more affordable imported products.

The study outlines the factors to consider in understanding how new brand entrants can influence consumers into switching from established and trusted brands to new, unfamiliar brands in a mature market, with brand-loyal consumers of high-value products such as motor vehicles, who have invested years into establishing brand equity with their consumers.

To understand the factors that influence consumers' purchasing decisions, the literature review outlined key considerations in the purchasing journey for consumers. The literature indicated that branding principles, consumer legitimacy perceptions and the brand reputation of the Countries of Origin of products in the context of the market dynamics are critical for organisations to evaluate to meet their consumers' needs.

This study aimed to answer the main research question: What is the role of consumers' brand legitimacy perceptions in terms of their loyalty to car brands? Key constructs were identified and evaluated in the literature review in Chapter 2 to answer the question. The constructs evaluated were legitimacy perceptions and branding, and they were reviewed to give insights into how established brands can leverage them to reinvigorate their brands.

The research questions in Chapter 3 were subsequently developed from the identified research constructs. Using the research methodology outlined in Chapter 4, the research findings were presented in Chapter 5. The findings introduced themes of customer engagement, market dynamics and competitiveness, consumer preferences and psychology, cultural factors and brand development that emerged from the data.

The findings indicate that established brand perceptions are entrenched in the legitimacy perceptions of local-minded consumers. However, the differentiated value offering of new brands is penetrating consumers' consideration. It highlighted a critical need for brands to develop and maintain consumer relationships to secure brand loyalty.

7.2. Research Question Conclusions

This section addresses the research questions based on the discussion from Chapter 6, which incorporated the research findings in Chapter 5 and the literature review in Chapter 2.

7.2.1 Research Question One Conclusion

Research question one: What are the drivers of consumers' brand decisions when purchasing a car? This research question aimed to determine what factors consumers consider when buying a car.

The findings indicated that the aftersales support is critical in the decision-making criteria for consumers. While many consumers perceive that traditional, well-known brands provide reliable parts and services for their cars, which is important in their purchasing consideration, brands are not offering them quality customer experiences and engagement after the of their vehicles.

The literature indicates the long-term survival of a company is determined not only by economic performance but by its social performance, suggesting that brands should partake in CSR activities to connect with consumers and establish social legitimacy (Ahn & Park, 2018; Jahn et al., 2020). Literature encourages new entrants to consider how to connect with consumers individually for long-term survival. However, based on the findings, established brands must also look to

more personalised consumer experiences to connect with consumers to sustain the relationship throughout the car ownership journey.

The research concluded that brands are complacent with the status quo of hygiene products, services and products they offer loyal customers, and consumers are aware of the lack of effort for brands to connect with them beyond the car sale. To build a sustained relationship, brands must develop customer engagement initiatives to keep them loyal to the brand.

Although the literature has a lot of evidence regarding the value of CSR, South African consumers do not consider CSR a top-of-mind consideration in their brand perceptions.

7.2.2 Research Question Two Conclusion

Research question two: How do consumers' brand legitimacy perceptions influence their car brand preferences? This research question aimed to establish the role of brand legitimacy perceptions in brand preference.

The findings suggested that established brands are perceived to be trustworthy and most worthy of the support of consumers. The perception of traditional brands is that they are reliable and represent a status symbol, which is important to consumers.

The research concluded while established brands have good reputations, there is an appeal to new Asian brands in the market, that offer a differentiated value proposition to the traditional brands. Technology, style, innovation and value for money are increasingly becoming a consideration for consumers, who have less regard for maintaining brand loyalty.

7.2.3 Research Question Three Conclusion

Research question three: What drives consumers' adoption of new car brands they have no previous experience with? This research question aimed to determine new brands' legitimacy strategies for establishing legitimacy with consumers.

The findings presented that consumers consider the new Asians attractive and innovative. The value-for-money proposition is also compelling to consumers, particularly during economic strain.

The research concluded in times of uncertainty, people prefer brands that are novel and incongruent with their identities; they want to explore new information or experiment with new ideas and brands (Ng et al., 2021). With the complacency of established brands in maintaining customer experiences and the lag in innovation, new brands must optimise their innovation, style and innovation credentials. Appealing to the consumer motivation of satisfying practical desires.

The participants perceived Asian car brands to be innovative and well-designed however, the participants had an overall scepticism about choosing the brands for themselves. Participants had a rational inclination to the product features of Asian brands. They consider the rational features and benefits of new car brands. The new Asian brands have the practical features and styling consumers desire; however, consumers are sceptical about Asian brands overall. The value offered by the new Asian brands leaves brand loyalty in question.

7.2.4 Research Question Four Conclusion

Research question four: How do consumers' legitimacy perceptions of cars differ across different countries of origin? This research question aimed to determine the brand legitimacy perceptions of different car brands based on their countries of origin.

The findings suggested consumers are aware of the COO of established car brands. The COO is considered in influencing the decision to purchase their cars based on the perceived positive attributes of the COO. Where the brand benefits from the perceived stereotypes and cues of the brand, it is only useful for the organisation to use that country of origin information as a positioning tool (Magnusson et al., 2019; Mandler et al., 2023). The Country of Manufacture (COM) evokes industry normative perceptions such as product quality and safety. Where there is congruency in BO and COM, the product produced can charge a high premium.

The research concluded that consumers with a higher local identity prefer brands they perceive to be local and familiar despite the globalisation of brands and products (Yang et al., 2019). Brands that establish local identities and values for their products can connect to their target consumers' identities, giving them the advantage of driving premium pricing strategies (Batra et al., 2017; Nie et al., 2022; Pyo et al., 2022; Yang et al., 2019). This is a good focus for South African-produced products. Automotive manufacturers can leverage the credentials of being locally manufactured quality products by investing in communicating COM in their marketing communication.

7.2.5 Research Question Five Conclusion

Research question five: What is required of new car brands in the market to change consumers' legitimacy assessment of the brands? This research question aimed to determine the validity of the role of branding in building CTB and CBR.

The findings showed that individuals are significantly influenced by social groups. They value the recommendations and endorsements from people on their social networks. The research concluded that the principles of legitimacy theory mean that the majority's brand preferences will override the individual's choices (Suddaby et al., 2017).

Therefore, to change consumers' mindsets, brands must use strategies that infer cultural meaning acceptable to those targeted to buy your product. Leveraging institutionalised cultural models will influence the brand's acceptance (MacInnis & Torelli, 2019).

7.2.6 Main Research Question Conclusion

What is the role of consumers' brand legitimacy perceptions in terms of their loyalty to car brands? This research question aimed to explore the criteria influencing how consumers perceive brands as credible, leading to their decision to choose a particular car brand over another, by establishing brand loyalty with current established brands compared to new entrants in the market.

The findings indicated that brand legitimacy is influenced by the themes emerging from the research results, market dynamics and competitiveness, customer

engagement, consumer preferences and psychology, cultural factors and brand development.

The research concluded there is an alignment in the literature on factors concerning, brand legitimacy and trust, globalisation, pricing and economic factors, cultural factors, consumer psychology and consumer behaviour and decision-making.

Brand legitimacy is influenced by institutionalised legitimacy perceptions of brands and personal brand experiences individual experience with brands. Where there is complacency from traditional brands, new entrants can take advantage of the negative shortcomings of the brand, and offer a differentiated innovative experience.

7.3 Contribution to Research

Literature regarding brand legitimacy perceptions in the context of an emerging market that is experiencing an economic depression is limited. This research explores the drivers in consumer behaviour towards high-value products that factor into the context of a developing market.

7.4 Contribution to Business

It is recommended that local businesses leverage their local identity credentials to connect to their consumers. The automotive sector has a significant local production of cars, car components, parts and world-class aftersales technical services and expertise support to offer. There is value in building the legitimacy of the skilfulness and craftsmanship of South African-produced products as a competitive advantage.

7.5 Recommendations to Managers

The recommendation for managers is to embrace the legitimacy perceptions of their organisation and brands. Managers should research the brand perceptions of the products so understand their consumer sentiment towards their brands. Depending on the sentiment, managers can leverage either the positive brand perception and brand loyalty credentials, by emphasising the quality of their products and showcasing the quality of the origin of where products are produced.

Alternatively, managers of new products must build the brand legitimacy of their brands by connecting customer identities with the brands. They can further amplify that by showcasing the innovation and technology benefits of their products to appeal to the desires of their customers.

7.6 Limitations

The research process presented some limitations that must be highlighted from the study:

The researcher had no research experience. The process of gathering data, including recruiting participants, conducting the virtual interviews and then interpreting the data, was challenging for a novice. The planned process had many changes, and the researcher had to iterate the process to maintain the integrity of the research, with the expected number of participants not attending the session, technical difficulties with the online sessions and learning how to use the data interpretation software.

The researcher was also limited by the limited time horizon, which affected the number of participants that could be included in the given time available.

The researcher is in the automotive industry, and some of her interpretations may be biased based on her experience.

7.8 Suggestions For Future Research

In this study, constructs that seemed important were customer engagement in aftersales. The value of CSR for consumers in South Africa is also an interesting construct. Studies that could be done could be “ the role of customer relationships with car dealerships in maintaining brand loyalty” and “ the value of CSR initiatives for connecting with consumers in emerging markets”.

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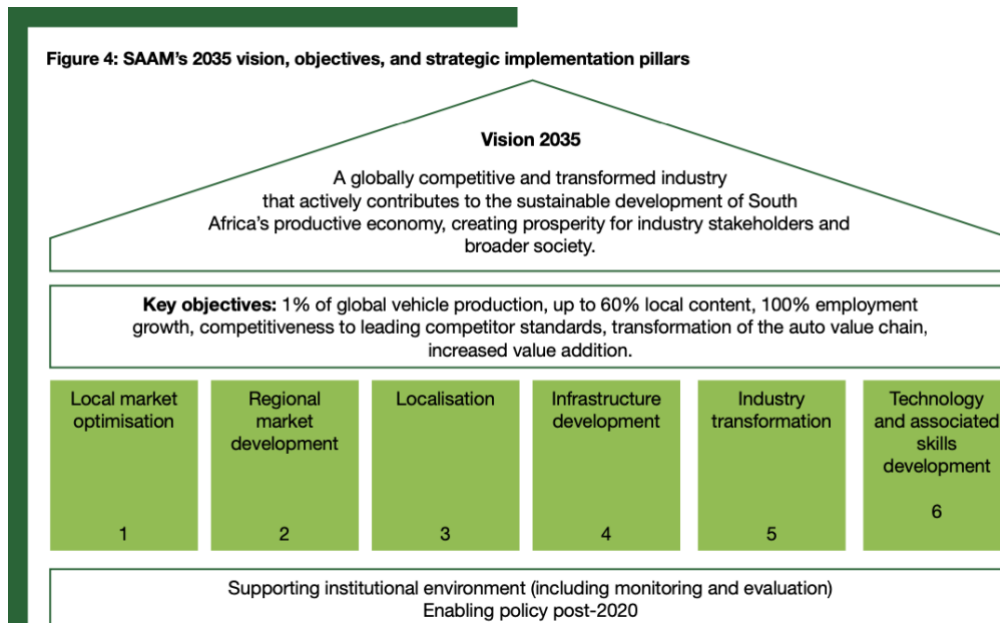
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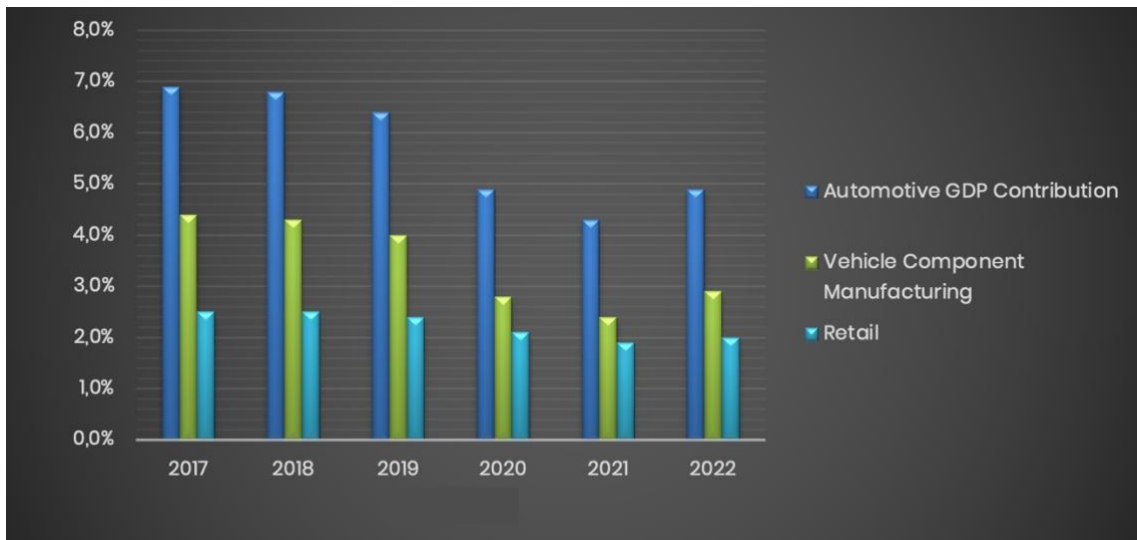
Appendices

Appendix 1: SAAM 2035 Vision



Source: (B&M Analysts, 2018)

Appendix 2: SA Automotive Industry GDP Contribution 2017 - 2022



Source: (NAAMSA, 2023)

Appendix 3a: Consent Letter

Consent statement also to be shared before commencement of every group session:

Dear participants,

I am currently a student at the University of Pretoria's Gordon Institute of Business Science and completing my research in partial fulfilment of a Master's degree in Business Administration (MBA).

I am conducting research on the role of consumers' brand legitimacy perceptions. I am trying to find out more about the drivers of car brand loyalty in the South African market. Our interview session is expected to last **about an hour** and help us understand what drives South African consumers' decision-making when purchasing a vehicle. Your participation is **voluntary**, and therefore, you can **withdraw at any time from this meeting without penalty** if, for some reason, you wish to opt out. To ensure smooth discussion, the **meeting will be recorded** provided all the participants agree to the recording being made. Throughout the meeting, **cameras will remain switched off**. Every participant will receive a **code number**, for example participant "A", "B" etc. to distinguish contributions in the recording. So, please start your contribution stating: *"I am participant G. In my view....."*.

All data will be **reported without identifiers**, only using the code names. An **aggregate report** will be compiled using the exact contributions of participants, without altering words, views, or sentences.

Please acknowledge consent by signing the below, or responding to the e-mail with "I consent". If you have any concerns, please contact my supervisor or me.

Thank you for your time!

Our details are provided below:

Katleho Mahapa:

Professor Alet Erasmus

Email:

ErasmusA@gibs.co.za; Cell: 0827842467

Email: 28237065@mygibs.co.za; Cell:

0820727949

Appendix 3b: Consent Email to Participants

Dear Ms Mahapa

Please find attached the signed consent letter as requested.

Regards

<image002.png>

From: Katleho Mahapa <28237065@mygibs.co.za>

Sent: Wednesday, 06 September 2023 22:11

Subject: MBA Research Focus Group Consent I Please respond "I Consent"

Dear participants,

Thank you for signing up to participate in my research focus group.

I am conducting research on the role of consumers' brand legitimacy perceptions. I am trying to learn more about car brand loyalty drivers in the South African market. Our interview session will last **about an hour** and help us understand what drives South African consumers' decision-making when purchasing a vehicle. Your participation is **voluntary**, and therefore, you can **withdraw at any time from this meeting without penalty** if, for some reason, you wish to opt-out. The meeting will be recorded to ensure smooth discussion provided all the participants agree to the recording being made. Throughout the meeting, **cameras will remain switched off**. Every participant will receive a **code number**, for example, participant "A", "B" etc. to distinguish contributions in the recording. So, please start your contribution stating: *"I am participant G. In my view....."*.

All data will be **reported without identifiers**, only using the code names. An **aggregate report** will be compiled using the exact contributions of participants without altering words, views, or sentences.

Please acknowledge consent by signing the attached or responding to the e-mail with "I consent". If you have any concerns, please contact my supervisor or me.

Thank you for your time!

Our details are provided below:

Katleho Mahapa:

Email: 28237065@mygibs.co.za

Cell: 0820727949

Professor Alet Erasmus:

Email: ErasmusA@gibs.co.za

Cell: 0827842467

<Research Consent Letter_L Gidini.pdt>

Appendix 3c : Consent Statement and Interview guide

Consent statement to be read at the start of the group session:

Dear participants,

Welcome to this group session! As indicated to you before, I am currently a student at the University of Pretoria's Gordon Institute of Business Science and completing my research in partial fulfilment of a Master's degree in Business Administration (MBA). I am conducting research on the role of consumers' brand legitimacy perceptions and am trying to find out more about the drivers of car brand loyalty in the South African market. Our interview session is expected to last **about an hour** and will help us understand what drives South African consumers' decision-making when purchasing a vehicle. Your participation is **voluntary**, and therefore, you can **withdraw at any time from this meeting without penalty** if, for some reason, you wish to opt out. To ensure smooth discussion, the **meeting will be recorded** provided all the participants agree to the recording being made. Throughout the meeting, **cameras will remain switched off**. Every participant will receive a **code number**, for example participant "A", "B" etc to distinguish contributions in the recording. Please start your contribution stating: *"I am participant G. In my view....."*. All data will be **reported without identifiers**, only using the code names. An **aggregate report** will be compiled using the exact contributions of participants, without altering words, views, or sentences.

If you have any concerns, please contact my supervisor or me.

Thank you for your time!

Our details are provided below:

Katleho Mahapa

Email: 28237065@mygibs.co.za; Cell: 0820727949

Professor Alet Erasmus

Email: ErasmusA@gibs.co.za; Cell: 0827842467

Appendix 3d: Interview guide: Anticipated interview duration: 60 minutes

Research question: **What is the role of consumers' brand legitimacy perceptions in terms of their loyalty towards car brands?**

The following questions will direct the discussion.

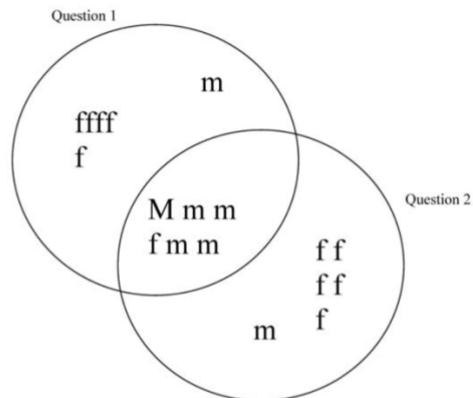
Interview questions :

Remember, there are NO correct or incorrect answers. Please share your honest views.

- 1) Will every participant kindly first indicate what brand of car do you drive? And what cars have you owned previously?
- 2) Why did you purchase the car brand that you drive now?
- 3) Do you know where your car brand originates from, and has that influenced your choice of car brand?
- 4) What about the origin of your car brand is important to you?
- 5) Is the country of manufacture important to you, considering that it might be different to the origin of the car brand?
- 6) If you could own any car you wanted, what car brand would it be and why?
- 7) The dictionary indicates that a "legitimate" car brand is one that is worthy of support. So, in your view, which car brand/brands are worthy of your support, hence considered legitimate in the market place? Explain why.
- 8) What is your view about new car brands that are entering the market? Can they be considered legitimate brands that are worth your attention, and support? Explain.
- 9) What do you consider particularly appealing about new car brands?
- 10) Should established car brands have anything to be concerned about?
- 11) What is it about car brands that make you particularly exciting, or concerned?
- 12) Do you think it makes sense to be loyal to a car brand these days?

Appendix 4: Focus group Venn Diagram

Figure 2. Venn Diagram comparing the response patterns of the male (x) and female (y) focus group members for the first two questions



The focus group contains six males (m) and six females (f). The capital letters denote the person who responded to the question first. Here, the same male responded to both questions first. Also, five of the males responded to both questions, as shown by the elements in the intersection, whereas only one female responded to both questions. From this Venn diagram representation, the researcher might conclude that males were denominating the discussion pertaining to the first two questions. This diagram can be extended to monitor the response patterns for more than two questions. Also, a Venn diagram can be used to monitor other demographic information deemed important.

Onwuegbuzie et al., 2009.

Appendix 5: Ethical Clearance Approval



Masters Research

Ethical Clearance Approved

To: 28237065@mygibs.co.za, Cc: Masters Research

Inbox -...dent Account

23 August 2023 at 10:07



[Details](#)

**Gordon Institute
of Business Science**
University of Pretoria

**Ethical Clearance
Approved**

Dear Katleho Mahapa,

Please be advised that your application for Ethical Clearance has been approved.
You are therefore allowed to continue collecting your data.
We wish you everything of the best for the rest of the project.

[Ethical Clearance Form](#)

Kind Regards

This email has been sent from an unmonitored email account. If you have any comments or concerns, please contact the GIBS Research Admin team.



**EthicalClearanc
eReport.pdf**