

Analysis of External Influences (Assignment 4)

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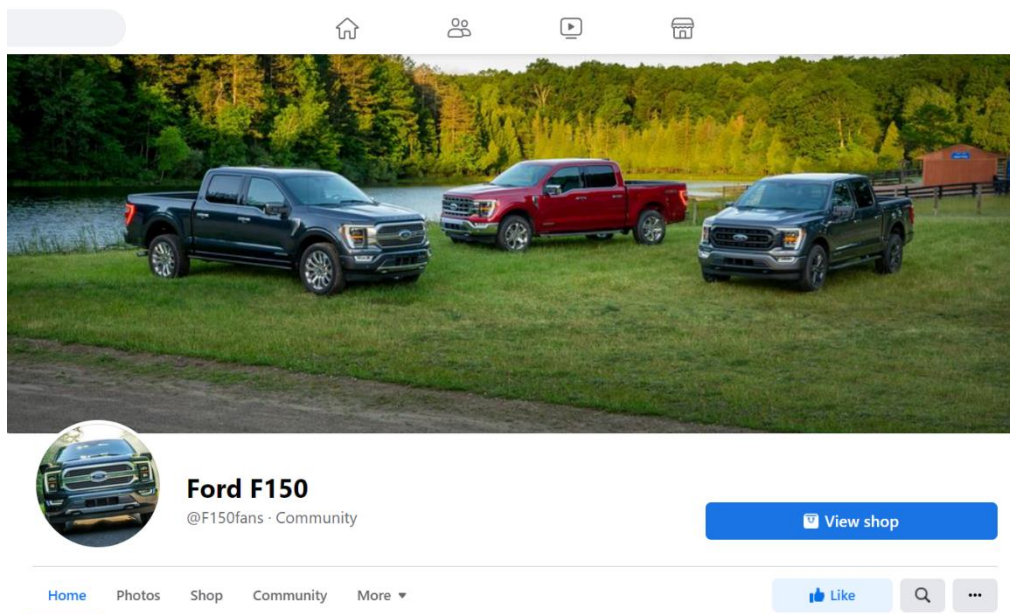
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Section 1. Group Influence



Ford F150, Facebook, n.d

Brand Community: Ford F150 Facebook fan page

Description: The Ford F150 fan page where people share their builds of F-150, discuss news and updates published by Ford, and share the troubles they face using the truck.

1. Ford F150 build sharing

The fans share their custom builds of F150. It shows how creative you can be with the F150. This creative approach highlights that F-150 is not just a boring truck, it is customizable and suits those who want to make their vehicle fancy. It gives the inspiration to the other customers to customize their ford too.



Tracy Bourdon ▸ Ford F150
January 12, 2019 · 🌐
My F150 military tribute in the making.

Ford F150, Facebook, n.d

Recommendation: To satisfy the needs of customers who want to customize their vehicles, Ford can implement the “Customize Your Vehicle” function, as Nike does in its online store.

2. Discussion of news and updates

The fans share news and updates of Ford Motor Company in the brand community.

It, definitely, helps deliver the message to the users and customers faster. It

connects the brand and the audience, and also it highlights the level of achievement.

For example, this post on the Ford F150

(January 12, 2019) highlights the

“dominance” of Ford F-series trucks. The positive brand communities usually share and celebrate the achievements of the company, not the downsides (Solomon, 2020, p.333). This tendency can create a vision that Ford is the greatest brand in the market with no downsides for a person, willing to buy a truck.

Recommendation: For marketers, to understand better what news and posts work better in the community, it is good to check brand communities like this one and find out for themselves what kind of news is discussed by the knowledgeable community.

3. Troubles discussions

The most crucial function of brand communities is the connection of customers.

Customers can help each other by serving as FAQs and making the life of the company easier. If something is broken, customers can always ask for help in the community and get a piece of advice much faster than calling or emailing the



Ford F150, Facebook, n.d

customer service representative of the company.

Recommendation: It is not only a great option for customers to find answers, but also it is a brilliant opportunity for the constructors to find out what is breaking more than usual. Scrolling brand communities for information may be very beneficial for service improvements.



Ford F150, Facebook, n.d

Other Reference Groups

- **Antibrand Communities**

The anti-brand communities are just the opposite of brand communities. Usually, the users of the community hate the



the " I hate ford" page
Public group · 1.5K members

Join group

brand for one or a number of

The " I hate ford" page, Facebook, n.d

issues that they have experienced. These groups focus on the downsides of a particular company or brand and exaggerate them sometimes not in a kind way. For example, "the I hate ford page" community posts inappropriate and insulting quotes like: "Happy pride month to all Ford owners!" (Wanko, June 3, 2022).

Communities like this one will not do a lot of harm to the company, as the posts are not made using critical thinking. However, if an anti-brand community has only reasonable posts that can be trusted, this community can bring some bad days to the brand's management

- **Formal Group**

Formal groups have a structure, they are identifiable and accessible (Solomon, 2020, p. 332). Ford Motor Company's website and official social media can be considered a formal group. These sources can be trusted, when customers look for the company's general information and updates. However, customers do not trust formal groups, as they understand that the aim of formal groups (official sources) is to sell their products.

- **Informal Group**

Research says that 83% of customers tend to trust their friends and family while choosing a product (Solomon, 2020, p. 332). According to my own experience, when I was choosing a car, first of all, I asked my dad, brother, and uncle what option was better. Then, I did the research by myself. Informal groups (family and friends) have a huge influence on consumers' behaviour.

- **Membership**

People from the same country, same class, same school, and same religion can have different attitudes on products. For example, in Germany, the car market is dominated by German models. According to the Car Sales Statistics (2020), Volkswagen and Mercedes-Benz are the two leading models in Germany. The propinquity and exposure of German models support the trend development. In Canada, the top-3 are Ford, Toyota, and Honda (Cain, 2022). It is noticeable that customers stick to the marks and models that are produced on their land.

- **Aspirational**

These reference groups involve successful people in their marketing campaigns to connect the brand with the person and the lifestyle. Nike signed a contract with Michael Jordan to market the shoes as the best basketball sneakers for best performance. Ford does not use any famous people in the promotion of the new product F-150 Lightning.

Section 2. Demographics

Before reviewing all the factors below, it is important to notice that there are only 38,654,738 people living in 5,162 municipalities in Canada (Statistics Canada, April 1, 2022). There are so many small towns in Canada, where people have to own at least a 4WD vehicle to drive safely.

Income

The median annual after-tax income in Canada was \$66,800 in 2020 (Statistics Canada, 2020). Based on this, The 2022 All-Electric Ford F-150 Lightning is not affordable for the average household in Canada. The average build of the truck costs \$80,000 and the premium version is \$110,000 (Ford Motor Company, n.d.). For most customers, price is the most important factor when making a purchase decision, therefore the low and medium-income families would choose used or smaller vehicles for themselves rather than buying a new truck taking lawn. Another research shows that "...buyers use price not only as a measure of sacrifice but also as an indicator of product or service quality" (Monroe, 2012, p.131). That is why people, who earn more than \$ 100,000 a year, can afford a high-quality vehicle that will be comfortable and satisfy their needs. Based on the information given by Statistics Canada, there are almost 3 million people in Canada who earn more than \$100,000 in a year. They will be the best market for the All-Electric F-150 Lightning.

Social Class

In Canada, there are 4 main social classes: the lower class, the working class, the middle class, and the upper class. According to Solomon (2020), occupational prestige and income are the main factors defining social class. As discussed before, the All-Electric F-150 Lightning is built for the working class, however, it includes premium features that create comfort. Comfort is appreciated by the upper-class representatives, and their income and occupational prestige allow them to purchase one of the premium builds of Ford's truck. The best market will be construction or mining project managers, as their income of around \$80,000 - \$100,000 a year (Indeed, n.d.) allows them such a purchase, and their occupation is considered prestigious enough to require a comfortable vehicle. Moreover, the F-150 Lightning has everything a person involved in construction or mining would need. So, the upper-class representative involved in construction or mining is the best market for the newest Ford truck.

Family Structure

The family structure plays a great role in choosing a vehicle. According to Ryan and Han (1999), families with just-born children are more likely to purchase a 2nd vehicle for the family. The family unit usually has more money than individuals. That is why the other research made by Nazmul & Muhammad (2021) outlines that families tend to have a bigger and more luxurious vehicles than individuals. The best build of the F-150 Lightning can be considered a large and luxury vehicle. So, the family membership is added to the target audience outline.

Age

With age, our preferences change too. To find out what types of cars people of different ages drive, we have to ask those who lease or sell cars. According to the

Riversale Leasing company (2021), Generation X representatives (41-56 years old) are more likely to purchase a spacious, functional, and luxury vehicle than Gen Y or Baby Boomers. This fact is not surprising. By 40, people usually get a desired amount of money, get married, and have children. All these factors add to purchasing a spacious, luxury, and functional vehicle like Ford F-150 Lightning.

Geography

Trucks will always be a part of Canadian culture. As most Canadians live on their own land instead of staying in apartment buildings, they need to maintain their land and a house. To make repairs or set up decorations, house owners have to bring all the decoration elements or proper equipment. Therefore, they need a vehicle that can transport a lot of stuff. According to Statistics Canada (2021), there were 345,350 passenger vehicles sold in 2021, while the number of sold trucks was 1,330,283. Moreover, Canadian winters and some of the roads are rough to drive in 2WD or small 4WD vehicles. To drive snowy and muddy roads confidently, people need a big 4WD vehicle that will get through any difficulties. And one of the F-150 Lightning's ads focuses on snow- and ice-driving. That way, Ford targeted all North Americans. So, Canadian geography and lifestyle require people to have a big vehicle or a truck.

Ethnicity

Cultural influences sometimes make it impossible for products to succeed equally in all countries. Western cultures are more individualistic, and Asian ones are more collectivistic (Solomon, 2020, p.440). Every culture has its values that influence consumers' choices. For example, the Japanese value safety and security, while Americans value freedom, achievement, and activity. As it was mentioned before, people from different countries prefer different types and marks of cars. For example,

the Japanese market welcomes small cars with low gas consumption. According to Japan Insider (2021), the most popular cars in Japan are Honda N-Box, Daihatsu Tanto, and Toyota Aqua. All 3 cars are small and fit the crowded city perfectly. Japanese people are used to a compact life, they do not have huge houses and spacious cars. The average living space in Japan is 22,3 square meters per person (Real Estate Japan, 2017), while in Canada, it is 57 square meters per person (Rryan, 2021). According to this information, a spacious vehicle like Ford F-150 Lightning is more suitable for countries that prioritize large living spaces.

Summary: Taking into consideration all factors, our target customers should have a relatively high income and have occupational prestige (being a project manager, director, or head of a department). The involvement in construction, mining, or jobs of this type will make Ford F-150 a better purchase. In the best scenario, these customers should be around 41-56 years old and have at least 1 child living in the family house. Last but not the least, these customers should be located in small towns and northern territories (or dunes if we talk about Southern countries) of the country with a high average living space per person.

Section 3. New Foreign Market

The foreign market that will be discussed is the Russian car market. As of now, most of the suppliers left the country because of political issues, and local dealerships will not be able to provide enough vehicles for everyone. However, this situation created a huge demand, and the first coming-back brands will make a lot of profits on sales when politics is not the issue.

- **Compatibility.** The Ford truck will have a demand in Russia. First of all, the northern part of Russia and some specific regions have tough driving conditions in winter, and the “tough enough” Ford F-150 Lightning will be a proper car to drive there. Then, Canada and Russia have a lot in common geographically: cold winters, vast territories, and lots of natural sights. Moreover, in Russia, most people try to have a country house along with city accommodations. Therefore, they need in a big truck or spacious car to bring some equipment and everything else needed for the maintenance of the country land. Finally, family is valued in Russia, and usually, drivers upgrade to a bigger vehicle, when they get kids. The only downside is that the gasoline in Russia costs around \$0,5 CAD/liter which makes electric vehicles not popular.
- **Trialability.** Before the political conflict, Ford had around 150 dealerships open in Russia (Hall, 2022). Having a system that allows customers to have a test drive before purchasing a car, Ford can promote this function to the Russian market, when the company comes back. If the car is worth it and satisfies a customer, the chances of purchase will be higher. This number of dealerships will help cover the whole country with the promotion of a test drive.
- **Complexity.** Cars are used everywhere in the world. It is not a plane; most people know how to drive a car :).
- **Observability.** All innovations that are easily observable are more likely to spread. Coming back to the trialability strategy, it is important to mention that while giving future customers a test drive, other drivers are targeted too. All drivers notice a change on the road and look for more information about a car.

- **Relative advantage.** Ford will have a relative advantage on the old vehicles left from the end of February in Russia. If Ford decides to come back one of the first, the F-150 Lightning will blast the market, as Russia does not produce trucks at all. The truck market is taken by foreign brands.

Global Marketing Strategy

Every culture has its values, norms, myths, rituals, language, and symbols that make it easier or harder to sell specific products.

However, some

companies do successful cross-

cultural marketing strategies. For example, Heineken used a standardized strategy to differentiate itself from other brands. It was successful among millennials around the world, as according to Beverage Industry (2018) interview, millennials have similar interests and values because of the spread of social media.

As for the global marketing strategy for Ford F-150 Lightning, it requires a localized strategy for different regions of the world. For example, the promotional video “Can A Truck Change Everything?” which was chosen as the best promotional video previously can be promoted in Canada, the US, Australia, Europe, and Russia in an original way, with small translation remarks. But for the crowded countries like China and India, the marketing campaign has to focus on how beneficial the truck is for farming and agriculture because a truck is not the best vehicle for crowded cities



The Icon, Heineken, n.d

with traffic. In Africa, some functions for sand driving should be highlighted to grab customers' attention. Every region needs adjustments in the marketing campaign.

In the case of Russia, Ford Motor Company can use a standardized strategy as people in Russia love traveling and camping, most men need functions of the truck for working in their country houses (people who buy this expensive truck would probably have a country house), and Russian winter is compatible to Canadian winter.

3 Cultural Elements

- **Importance of a family as a social unit.** This may sound very general, but this value is one of the most important in Russian culture. People spend a lot of time with families and gather during all kinds of celebrations, most families try to keep representatives of all generations together in one city. One is considered to be stronger when the loved ones are always close and help each other. Based on that, Ford might need to emphasize this point more in the Russian market. For example, when promoting it for camping, they should mention something like “big enough for all family members”, and show how many people can be seated in the truck. Making the research about the F-150 Lightning campaign, it was noticeable that Ford avoided the family subject and highlighted other things.
- **“Fewer words – more actions”.** This saying is considered a norm in Russia. Mostly, people from Russia and CIS countries are less talkative than Western cultures (my observation). The actions are valued more than words in Russia. Small talk is not a part of people's routine, people deserve their trust through actions. Therefore, brands have to deserve trust through actions too.
Returning to the promotional video “Can A Truck Change Everything?”, it will

be beneficial to add this saying at the end of the video: “So, fewer words – more actions”.

- **A horse as a symbol of a country.**

Three horses became a widespread symbol of a country in literature from XVIII. In the XXI century, the main channel of the country implemented this symbol in the intro of the news.



This symbol highlights the development and strength of the country, and it emphasizes respect for the people who work hard. Fortunately, the symbol of Ford is a horse, too. So, projecting Ford’s symbol in the promotional video(s) might work well subconsciously.

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