Drivers of autonomous cars – a brand extension perspective

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Abstract

Autonomous cars are considered to be the next disruptive innovation. It can be expected that not only traditional automakers will enter the market (e.g., Mercedes Benz) but also technology companies (e.g., Google). We take a brand extension perspective and integrate brand associations into a discrete choice model in order to address which associations consumers consider relevant for autonomous vehicles. Our results show that neither of the brands, automakers or technology companies, exhibit a competitive advantage per se. Is it rather important how the brand is positioned. In order to be successful, it is most important to create a brand image of high quality, trust, fit, and a favorable parent brand experience, which confirms prior research on brand extension success drivers for fast-moving consumer goods (FMCG). Interestingly, the majority of future consumers would consider autonomous cars. This research takes a first step in understanding this developing market more clearly.

Keywords: *Autonomous cars; Brand extension; Choice model*

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