

The Effectiveness of Exterior Color on Brand Identity and Purchase Intention

Xikang Li^{1,a,*}

¹School of Arts, University Sains, Gelugor, Penang, 11800, Malaysia

a. lixikang@student.usm.my

**corresponding author*

Abstract: In 2018, after Tesla entered the Chinese market, China entered the era of new energy vehicles, and in 2020 Wuling launched a small new energy vehicle called Wuling Hongguang MINI EV, which has changed the fate of Wuling since its introduction, attracting a large number of consumers with its outstanding appearance and subsequently becoming the global small pure electric car sales champion, and also changing the Wuling Hongguang in It also changed the brand impression of Wuling Hongguang in consumers' minds. Thus, the purpose of this study was to examine why differences in color and appearance affect the extent to which consumers perceive a brand. This paper took the Wuling Hongguang MINI EV as an example for research and tried to find the reason why consumers love Wuling and the reason why the inherent brand impression of Wuling cars has changed. The first reason is related to symbolic identity of Wuling Hongguang MINI's appearance. Secondly, is about the social identity, and finally, the vividness of the color is also the reason which could lead a different brand impression. The significance of this paper was to advise some emerging car brands on their long-term development and, secondly, to study the relationship between brand appearance and brand identity.

Keywords: Wuling Hongguang, symbolic identity, social identity, vividness

1. Introduction

1.1. Research Background

In 2018, Tesla started to enter the Chinese market, and since then, China has opened the era of new energy trams, which have occupied 25% of China's auto market share from 2018 to date [1]. On March 8, 2021, Wuling and Pantone Universe, the world's authoritative color research institute, jointly released the new Hongguang MINI EV, naming it "Hongguang MINI EV Macaron." Compared with the standard version of the Hongguang MINI, the macaron version uses a more small and fresh color while improving the vehicle's safety configuration [2]. Then Hong Kong MINI launched a more personal style series, MINI GAMEBOY, on February 5, 2022. Street small bully Hongguang MINIEV GAMEBOY is positioned as a new piece of equipment for personalized travel, for the pursuit of trends and interests, and for very creative and executive play by creative youth, of which male users accounted for 77% [3]. As of January 29, 2023, the Hongguang MINI had sold 1.11 million units, making it the world's top-selling small electric vehicle in 2022 [4].

As a Chinese national brand, Wuling Hongguang has experienced five image changes and is the forerunner of the rise of China's brand, so Wuling Hongguang has become the target of many scholars' research. For instance, Jiang and Li 2022 mention Wuling Hongguang as a model of pioneering innovation and develop an analysis of the reasons for the popularity of Hongguang MINI in terms of hardware configuration and price factors [5]. Yang in 2013, takes Wuling's brand development history as a research object, discusses how Wuling became a good Chinese car, and gives suggestions on how the national car brand can improve its brand image from an international perspective [6]. Wu and others focus on the study of the impression of autonomous car brands on consumers' purchase intentions and suggest that independent car brands should improve their quality while guiding consumers to have a good brand impression of them [7].

1.2. Research Gap

After the launch of Wuling Hongguang MINI, it has attracted the attention of many people outside the industry whose concern lies with this pioneering innovation. Few pay attention to the Hongguang MINI's appearance because of the impact of color. Wuling Hongguang, from a cargo car image into the first choice of young people, Hongguang MINI, compared to its previous products, the most apparent change is the color change, no longer a monotonous gray or black, breaking the car's appearance of the conventional color. Whether the difference in color and appearance will change consumers' inherent impression of the brand Therefore, the research question of this paper is: why does the difference in color and appearance affect consumers' perceptions of the brand?

The significance of this paper is to explore the relationship between color appearance, brand impression, and consumers. Dramatic surveys show that consumers' perception of color accounts for 80% in the first 20 seconds when shopping for a car, decreasing to 60% after 2 minutes and 50% after 5 minutes [8]. Indicating that color appearance is the most direct factor influencing consumers' impressions of a brand. Previous articles have not explored the impact that color has on the brand, thus, this is what this paper should focus.

Based on color psychology, this paper takes the Chinese market as the background and Wuling Hongguang as the case, searches the annual sales data of Chinese automobiles as well as new energy vehicles, takes these data as the sample, conducts information analysis, looks for the reasons for the shift in consumers' impressions of the Wuling Hongguang brand and argues for its influence, and finally gives advice to some emerging independent car brands based on the reasons obtained.

2. Case Description of Wuling Hongguang

The development of Wuling Motors can be traced back to the early 1980s. At that time, China's auto industry was still in its infancy, and the domestic auto market demand was strong, but the domestic auto production technology and management level were relatively backward, and there were relatively few domestic auto brands. Against this historical background, Wuling Automobile Company was formally established and began to produce miniature cars. In the early 1990s, Wuling expanded into foreign markets, further enhancing the company's popularity and influence. In recent years, with the rapid development of China's automobile market, Wuling Motors has been growing as well.

In 2019, Wuling's car sales exceeded 2 million units, making it a dark horse in China's auto industry. Since Tesla entered the Chinese market in 2018, China has ushered in an era of new energy technologies, and the domestic car have been in a backward position. Since China opened the era of new energy vehicles, domestic brands have taken a leap forward, especially with the emergence of some new independent brands such as Ideal, Xiaopeng, Weilai, etc. The emergence of these new brands has caused a sense of crisis among the original domestic brands. Wuling Hongguang launched

a new electric car, the Hongguang MINI EV, in August 2020, which became a hit as soon as it hit the market. Its first month on the market pulled Tesla's Model 3 off the throne as the top-selling pure electric sedan, and the latter has never regained the top so far. The Hongguang MINI occupied the second position in the total sales of the pure electric market in the Chinese market after only four months of sales in 2020.

The year 2020 is a new era for Wuling, which has achieved pioneering innovation and shifted from the image of a cargo car to a small and fresh mobility car, a series of transformations that have attracted attention in the Chinese auto market. Among consumer groups, Wuling Hongguang MINIEV has not only attracted consumers in terms of price but also in terms of appearance and design to make them desire to buy, and Wuling Hongguang MINIEV has continued to set sales records since its launch in July 2020. Based on typical monthly sales, Wuling Hongguang MINIEV now has a 43% market share in the small pure electric passenger car segment, which is much higher than any other model has ever achieved since 2016 [9]. When other car brands compete for performance, Wuling shifts the focus of development to the appearance of color; whether it is the macaron series launched in cooperation with Pantone Universe or the later Gameboy series, there is no excessive upgrade in the original model configuration, and a lot of research and development focuses on the appearance of the design, which can be described as an unprecedented innovation.

3. Analysis on Problem

3.1. The Symbolic Identity of Wuling Hongguang MINI

The emergence of Wuling Hongguang MINI has changed consumers' inherent brand impression of Wuling Hongguang, the reason for which, excluding the price advantage, is more reflected in its bright exterior color. The colorful exterior color has specific symbolic characteristics because the paint itself has a particular symbolic meaning and can be used to convey detailed information and emotions. Color is one of the most directly felt visual elements. It can not only affect people's emotional and psychological states but also have an important impact on their brand impression. The best-selling in the Hongguang MINI series is the macaron series (avocado green, lemon yellow and white peach pink). These three colors are very fresh, but Pantone Universe predicts 2021 as the most popular color.

Small, fresh colors convey the emotion of a relaxed, happy, natural, and new feeling. This emotion stems from the softness and naturalness of the color, which makes people feel comfortable and relaxed. Vivid colors have symbolic qualities because they have particular symbolic meanings and can be used to convey specific messages and emotions. The universality, plasticity, and emotionality of color make it a powerful figurative language widely used on various occasions and have made it an indispensable part of human society. In traditional car appearance, the colors black, white, and gray have become the first choices of most consumers. Fresh and beautiful colors break the routine, especially in the era of the Mini crown epidemic, when people's lives lack bright colors.

At the same time, taking economic factors into account, Wuling Hongguang MINI has become the global small tram sales champion. Irwan and others suggest that the color attached to a product can influence the consumer's preference to buy the product [10]. Color can create an emotional connection that leads to product differentiation, gaining a competitive advantage, strengthening loyalty, increasing sales, shortening the perceived time to brand value, prolonging the consumer's stay in the store, creating cumulative emotions and relationships with consumers, encouraging impulse purchases, and increasing the intention to reconstruct [10].

3.2. Excellent Appearance Attraction

Since the release of the Wuling Hongguang MINI, its distinctive appearance and color have attracted a large number of consumers and gained social recognition. After Hongguang MINI changed its usual appearance with a small mobility car that has distinctive colors, the appearance of Hongguang MINI attracts a group of consumers who have something in common, which can enhance brand awareness. Due to the youthful vitality of Wuling Hongguang MINI, young people or women are its primary target market. When consumers share their love and support for the brand on social media or other channels, their friends and followers will see the messages, therefore, the brand's exposure will increase. Like-minded consumers can enhance the credibility of a brand.

Mckinney et al. mention the importance brands must place on building trust with consumers [11]. The credibility of a brand increases when consumer recognition and support are widely acknowledged. This is because consumers are often more likely to trust the opinions of their friends and peers than the advertisements and promotions released by the brand itself. Therefore, if consumers have highly comments of a brand, others will be more inclined to buy its products or services.

Like-minded consumers can enhance brand loyalty. When consumers have a strong sense of identity and belonging to a brand, they tend to become loyal fans of the brand and will continue to purchase the brand's products or services. This loyalty is invaluable because it helps brands stabilize and increase sales and can give them an edge over the competition in the marketplace. Like-minded consumers can help brands create a better user experience. When consumers share common interests and values with a brand, the brand can better understand their needs and preferences and better meet them. This allows brands to provide a better user experience, which enhances brand perceptions and increases brand loyalty and credibility. Shirazi and others proposed in 2013 that brands encompass social identity and are successful when people see themselves as owners of the brand and have the perception of affiliation [12].

3.3. Vivid and Bright Colors

Color operates through two mechanisms: sensory and cognitive. In the sensory mechanism, color helps to retrieve information under ambiguous conditions, for example, by distinguishing objects from their background. In the cognitive mechanism, color aids perception by playing a diagnostic role and by characterizing the things represented [13]. Since customer perception is what defines a brand's image, brand color influences brand image through cognitive mechanisms.

Wuling Hongguang MINI, in the choice of exterior color, abandoned the traditional car colors (black, white, and gray) but did not use a high purity of color. Its designers know that vivid colors will attract the attention of the audience. Vivid colors can improve brand recognition and memory. In a competitive market environment, brand recognition and memorability are very important. The use of vivid and distinctive colors can make the brand leave a deep impression in consumers' memories and thus stand out from the competition. The distinctive colors of the Hongguang MINI Macaron series are different from the beautiful colors of the previous performance sports cars, with small, fresh colors highlighting its light, relaxing, casual, and daily product attributes.

Using vivid colors in business can produce emotional resonance from consumers, thus enhancing their perception and favorability of a product or service. Vivid colors can increase the attractiveness of a product or service and the desire to buy it. People usually prefer to buy products or services that are visually appealing. The use of vivid and vibrant colors can make a product or service look more attractive, thus increasing the consumer's desire to buy. Choudhury and Shidharth suggested that marketers are using color in innovative ways because color appeals to consumers and shapes their perceptions. Through color, brands can establish a compelling visual identity and position themselves among their competitors in the market [14].

4. Analysis on Problem

4.1. The Appearance Attributes

Today's society is diversified. People are chasing individuality, which is different in this era. Everyone wants to belong to their symbolic characteristics, and brands are no exception. Consumers' increasingly picky aesthetics and the competition from many car brands are Wuling Hongguang's biggest competitors. For consumers, in its pursuit of distinctiveness, Wuling Hongguang MINI should continue to deepen its appearance attributes, not only from the color but also from the appearance of the shape, to highlight its symbolic features and enhance the brand impression. Appearance color is a factor that directly affects the brand impression; in this era of value is justice, good appearance and color are a plus and are the best way to highlight the brand attributes; the future is the era of young people; Wuling Hongguang MINI positioning is young people, more to consider the needs of young people, to get market share. For other car brands, Wuling Hongguang can only win consumers' trust and reputation by improving product quality and enhancing the impression of appearance.

The current competition in China's auto market is fierce, and Wuling Hongguang needs to launch differentiated products if it wants to stand out among its many competitors. A differentiated product differs from its competitors in terms of product design, features, and performance. It is to focus on the small car trolley market in terms of updating to continue its family style, including colors, etc. By introducing differentiated products, brands can attract more consumers and increase their market share and competitiveness.

4.2. Building Interaction Activities

Wuling Hongguang should maintain a positive domestic car image. Wuling Hongguang by virtue of Hongguang MINI in the brand impression from the pulling truck into a colorful small mobility car. This pioneering innovation has gained a lot of social identity and a large number of loyal customers. On this basis, Wuling Hongguang should establish interactions with consumers to understand their needs and feedback. Wuling can interact with consumers through social media, a customer service hotline, and other channels and reply to consumers' questions and suggestions in time so that consumers can feel the brand's attention and importance. Wuling can also connect with consumers by holding activities and sponsoring competitions to enhance the affinity and infectious power of the brand.

Secondly, brand image is one of the core competitive advantages of the brand, and the brand should focus on establishing its brand image. The brand image includes not only the visual appearance of the brand, such as the logo, slogan, and advertisement, but also the non-visual image of the brand, such as culture, value, and brand story. Brands should focus on shaping their brand image to make consumers identify with and resonate with the brand. Wuling should establish a convenient and fast feedback channel to create its brand forum. In today's society, in the age of information technology, the advertising effect of loyal customers is not to be ignored, and its most direct impact on the brand is sometimes more effective than advertising.

Furthermore, although the positive impact of a brand's image on customer satisfaction and loyalty is well established, there is still a slight divergence between different studies. Specifically, some studies have demonstrated that brand image affects customer loyalty not only directly but also through other mediating factors. However, the results of other studies show that brand image has no direct effect on customer loyalty but can influence it through customer satisfaction [15].

4.3. Cross-border Association

Appearance color can directly affect the consumer's impression and perception of the brand, so how to choose and use the appearance of color is an essential part of enhancing the brand's image. Lai and others in 2021 mentioned that car aesthetics had become an important part of buying. General factors such as age, region, income, and resale price seem to be insufficient to predict consumer interest in car choice. Its research shows that consumers will pay more attention to bright colors when choosing fashionable cars, distinguishing them from luxury cars. Hongguang MINI should focus on the younger generation, study exterior colors, and go more into cross-border alliances and innovative products. In today's Chinese market, vivid colors are more likely to catch consumers' eyes and enhance brand impressions. Wuling Hongguang MINI can be the United Nations trendy brand, such as China Li Ning, developing cross-border joint ventures and highlighting traditional Chinese culture. In addition to joining forces with trendy national brands, it can also combine regional culture or historical museums in the appearance of colors, such as the Dunhuang "Flying Sky" series launched by China's Li Ning after the "Tao of Enlightenment" series became a hit at New York Fashion Week 2018, which used murals from the Mogao Caves in Dunhuang. Appearance color is a significant factor in the brand image of a company.

5. Conclusion

Wuling Automobile Group is changing in 2020. Wuling Hongguang MINI EV is well-known abroad, causing a shift in Chinese people's innate brand perception of Wuling Hongguang MINI, attracting a large number of customers.

This study investigates why the difference in color and appearance impacts the degree of customers' impression of the brand by using Wuling Hongguang MINI and the various series later launched by Hongguang MINI as the research object. It performs research and analysis on the symbolic elements of Wuling Hongguang MINI's attractiveness, social identity, and bright color, and makes recommendations based on these three factors. The result is that differences in color and look will have a direct impact on the consumer's perception of the brand.

The importance of this study is to provide some guidance to growing independent automobile companies, particularly in terms of aesthetics. Nowadays, Chinese buyers have shifted their mentality; they no longer focus solely on the performance of a vehicle, but also on its appearance. The vehicle is not only a mode of transportation for consumers, but also a night and day companion, a more extended period of time in addition to the family business, so major car makers should address the emergence of demand. The research also verifies researchers reference to vehicle aesthetics as an important aspect of the buying process. This paper fills a research gap between the link between exterior car color and car brand impression that previous researchers have not noticed.

However, this study also has some shortcomings. First of all, this paper is conducted under a special background -- the epidemic. Consumers' demand and economic ability for automobiles have changed due to the epidemic, which has certain particularity. Therefore, in the future study and research, more common situations will be taken into account, and more data information will be collected for more objective and universal empirical analysis. Secondly, the object of this research is based on the Chinese car market, due to the influence of ethnicity, culture, geographical location, and other factors. Future study must take into account the disparities between different national cultures around the world, as well as the differences created by external forces.

References

- [1] Xia Z.D., (2022). *China's new energy vehicle market accounts for 25% of the future device market demand is broad.* Retrieved from https://www.sohu.com/a/622528163_121118998

- [2] Aika Auto. (2021). *A two-door domestic car*. Retrieved from https://www.sohu.com/a/487420653_114798
- [3] Jieyangpengfa (2022). *Wuling Car Friendship Association*. Retrieved from <https://mp.weixin.qq.com/>
- [4] Sohu. (2023). *Wuling Hongguang MINIEV sales accumulated more than 1.11 million. the global sales champion how powerful?* Retrieved from https://www.sohu.com/a/654667744_100246617.
- [5] Jiang, L.H. & Li, J.F. (2022). *Talking about pioneering innovation from Wuling Hongguang*. *China Market* (22), 133-135.
- [6] Yang F.L. (2013). *Wuling Hongguang: An unexpected breakout hit?* *Auto Watch* (01), 78-79.
- [7] Wu, X.X., Bao, T.T. & Pan, G.J. (2011). *A study on the influence of brand impressions of autonomous cars on consumers' purchase intention--based on the perspective of brand strength*. *Journal of Liaoning Province Higher Institute of Transportation* (01), 30-35.
- [8] Zhang, H., (1997). *An introduction to the color design of automobiles*. *World Automobile*, (6), 34-35.
- [9] China Fortune Network, (2021). *New energy vehicles high and low end of the competition than the competition*. Retrieved from <https://baijiahao.baidu.com>
- [10] Prasetyo, Z., Iftadi, I., & Damayanti, R. W. (2015). *Study of consumer's preference rating on car's exterior color design*. In *Proceedings of the Joint International Conference on Electric Vehicular Technology and Industrial, Mechanical, Electrical and Chemical Engineering (ICEVT & IMECE)* (pp. 163-167). IEEE.
- [11] Mckinney, M., & Benson, A. (2013). *The value of brand trust*. *Journal of Brand Strategy*, 2(1), 76-86.
- [12] Shirazi, A., Zeynvand, L. H., & Karimi, M. A. (2013). *Investigating the effects of brand identity on customer loyalty from social identity perspective*.
- [13] Ghaderi, M., Ruiz, F., & Agell, N. (2015). *Understanding the impact of brand colour on brand image: A preference disaggregation approach*. *Pattern Recognition Letters*, 67, 11-18.
- [14] Choudhury, D. K., & Batra, S. *Impact of Colour on Consumer Brand Perception*. *The Research Repository*, 36.
- [15] Lai, P., Guo, B., & Westland, S. *Why do people choose their car colours?*.