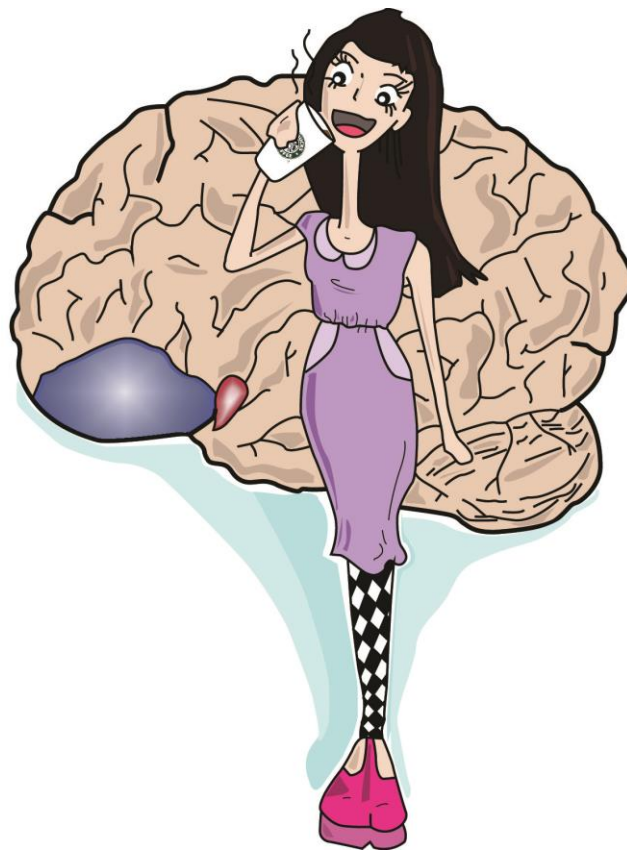




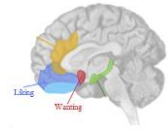
Starbuck´s brand effects

- distinguishing unconscious ´wanting` and conscious liking in consumers` choice of coffee brand

A consumer behavioral study based on marketing and consumer neuroscientific measuring methods



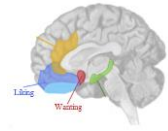
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Abstract

This thesis presents a behavioral and consumer neuroscientific analysis of how the Starbucks brand affects the Danish consumer mindset. It specifically looks at how Danes relate to the Starbucks brand in terms of their emotions and behaviors. The intention is first of all to explore the main theoretical factors that have a general relation to brand effects on consumers and their motivations leading to final coffee brand choice. Among several psychological brand aspects and consumer neuroscientific theories, the main focus in this study is on two of the consumer's motivational systems: unconscious 'wanting' and conscious liking. The hypothesis being proposed throughout is that the measurements of the Danish consumer's pre-assumptions (liking) towards the brands will be connected to their final brand choice. In addition to this, it is assumed that they will prefer the taste (which points to liking) and consume more (which points to 'wanting') of the high quality coffee than of the low quality coffee, even though they are blind tested. Finally, based on their high brand equity, diversity and popularity, it is expected that Starbucks will be the most highly preferred brand among its Danish competitors. The findings derived from these results serve as a supplement to the theoretical foundation of the hypotheses. These are tested in an experimental coffee tasting set-up in Copenhagen Business School, Solbjerg plads. The structuring of the experiment process and the subsequent analysis is primarily based on the marketing consumer-based-brand-equity model, the neuroscientific value-based model of choice and finally an integrated 'wanting' and liking perspective. The test was conducted on 122 randomly chosen participants, age: 20-40, living in Denmark and equally distributed between male and female. The respondents were asked to taste four different brands; Starbucks, Baresso, Ricco and Waynes. The branded coffee samples did not contain coffee from the original suppliers. It contained two different qualities of coffee, a high and a low, sponsored by the supplier 'Kontra'. In the first part of the experiment, the respondents were exposed to a chronological order where the brands contained: Starbucks: High quality, Baresso; High quality, Ricco; Low quality and Waynes; Low quality. In the second part, the qualities were reversed in order to optimize the statistical results.

Overall, the findings demonstrated that the Starbucks brand had a high positive effect on the Danish consumer's taste experiences, amount of consumed coffee and on measurements of how well they liked the taste. Compared with the competitors: Baresso, Ricco and Waynes, the Starbucks brand had a very strong positive bond to the Danish consumers and was associated with several positive statements.



Authors' acknowledgement

While I take full responsibility for the content of this thesis, it must be said that it could not have been written without the blessings from God and the help and support of numerous people.

I would therefore particularly like to thank my incredible mother Aziza Elhasni and father Ahmed Bouzidi for standing by me with their unlimited support and understanding throughout my whole educational process. Specifically these last 7 months which have been a long trip full of new knowledge, excitement and personal development.

Equally, I'd like to thank my brothers who made me smile every day, visited me on campus and were forced to listen to my never-ending consumer neuroscientific discussions. Also, a great thanks to my grandmother who humbly backed me up in hard times, and my grandfather, an honorable man, who inspired me to always seek knowledge. He would have been proud. Finally, thanks to the big family (aunts, uncles and cousins) for supporting and encouraging me.

This thesis is dedicated to all of you.

Also, I would like to send thanks to my advisor and manager, Neuroscientist Thomas Zoëga Ramsøy for being a source of inspiration and for his advice and professional guidance throughout. Thanks also go to the specialists Martin Skov and Dalia Bagdziunaite for their inspiring consumer discussions and to all of the Decision Neuroscience Research group members for sharing their knowledge and experience.

Also big thanks to the coffee consultant Morten Münchow for his friendly assistance and to the supplier Kontra for their great energy and service and for delivering all sponsored items and equipment required for the experiment –you guys played an important role.

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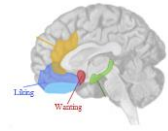
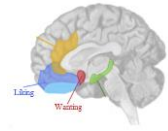


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“Brands must “establish emotional ties”. The people who line up for Starbucks, aren’t there just for the coffee. “It’s the romance of the coffee experience, the feeling of warmth.” (Klein, 2009 p.20)

1. Introduction

1.1 Foreword to the study

Coffee drinking is an old and well-known tradition observed in the everyday life of almost every person. Typically, this ritual helps connect people, create a cozy atmosphere or just give you a boost in the morning. Coffee started out as a drink one enjoyed during breaks from a hard day’s work. Over time, the concept of coffee and its associations has developed dramatically. Nowadays coffee is associated with expensive trips to cafés, to-go coffee, cold coffee drinks found in the supermarket, latte, Macchiato, Frappuchino and others. The list is endless. Increasingly, smaller as well as more mainstream coffee shops like, for example, Starbucks and Costa coffee are opening around the world.

With the explosion of mainstream coffee shops – one might wonder: What actually influences coffee drinkers’ taste experience and coffee choice? Is it the actual quality of the coffee, the coffee flavor, the coffee brand, or a combination of all?

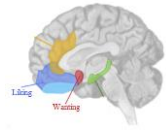


Starbucks is one of the best-known coffee brands worldwide. They opened their first official coffee shop in Denmark in November 2012. (The picture at left is taken inside the shop)¹. Starbucks entered the Danish market in collaboration with the leading supplier of Danish Supermarkets; ‘Dansk Supermarked’. (dansksupermarked, 2012) and

the first Starbucks café was placed next to the well-known supermarket Bilka, inside Scandinavia’s biggest shopping mall, Fields. (Hansen, 2012). Through the end of 2012 and the beginning of 2013, Starbucks has established itself in several new locations across Denmark e.g. big cities as Aarhus and Aalborg. (Pauli, 2013). In view of this, it is interesting to explore how they would be received by Danish consumers, if they were to expand even further into the Danish market.

In order to investigate this, it is very important first of all to research how the mindset of Danish consumers in general relate to the Starbucks brand. Additionally, it is important to research whether the Starbucks brand has any effect on consumers’ conscious and unconscious taste experience,

¹ Appendix 17: A visual presentation of the Starbucks coffee shop in Fields.



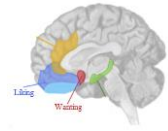
brand perceptions, reaction patterns and choice behaviors. This requires a study of the elements connected with Danish consumers' motivation factors in relation to choice of coffee brand. Finally, a comparison with other existing and more grounded Danish coffee chains must be explored to research the choice patterns and to represent the several choice options consumers may have in real life consumption situations.

Investigations such as these will offer a hint as to how successful the company will be in relation to a general Danish brand acceptance and indicate whether or not Starbucks has a chance of winning over Danish coffee drinkers in order to gain a successful market share. So in order to explore the psychological and biological factors, that lead Danish consumers toward certain choice behaviors, a scientific theory from consumer neuroscience and investigative research methods from marketing will be applied.

This research will, however, not lead to conclusions regarding how successful Starbucks will be on the market, as this requires deeper economic insights along with ideal strategic and organization business information. This thesis will focus on exploring the Starbucks brand as it stands in the minds of Danish consumers. Since Starbucks is a semi-new concept in Denmark, and the company at this moment is making strategies of where and when to open upcoming stores, (Pauli, 2013) the timing of this thesis is very current and usable for market analysis at Starbucks, but also for the competitors market strategies.

1.2 Background information to the area of research

Recent developments in neuroscience, have made it clear that motivation can be conscious (referring to the liking system) and unconscious (referring to the 'wanting' system), and that these processes have distinct neural foundations. (Bargh, 2002). The unconscious 'wanting' system is rooted in the brain's basal ganglia functions and especially in the ventral striatum, while conscious liking is thought to rely more on cortical processing, especially in the brain's medial orbitofrontal cortex. (Plassmann et al 2012; Ramsøy 2012, lec.5). Notably, the 'wanting' system is thought to be inaccessible to subjective reports, yet have a strong and direct impact on actual choice behaviors. Conversely, the subjective liking system is more related to experienced utility and reports of liking, and provides another motivational force to actual choice behaviors. (Ramsøy 2012, lec.5)



While cognitive² neuroimaging methods can provide means to study these systems, their impact on behavior allows the employment of behavioral measures of 'wanting' and liking. These are two different brain circuits effected by emotions meanwhile appearing as motivational driving forces in consumer choice. To this end, one central aim of this paper is to test, in accordance with the Starbucks brand effects, whether behavioral measures of 'wanting' – such as actual consumption – is dissociable from measures of liking – such as subjective reports of experienced utility and final choice. In this context liking will therefore refer to the pleasure derived from drinking a certain coffee brand, whereas the 'wanting' refers to the appetitive motivation to drink. (Havermans et al, 2011).

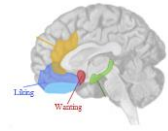
Stimuli that typically trigger an imbalance between the liking and 'wanting' systems are e.g. brands. Various theorists have defined "brand" as follows: a particular make of goods/products which are produced in order to satisfy, motivate or stimulate the consumers' basic needs through the individual's own creation of narratives and given values. The added values which the certain brand stimulates require an understanding of the actual historic and cultural context. (A.H Moshlow, (1970): John p. Jones, Chernatony and Riley, (1998): Holt, (2004): Mc – Craken (1886:2005)).

1.3 The brand oriented irrational consumer

Traditional neo-classical economy is primarily based on the consumers being completely rational and unemotional subjects in decision making. This indicates that consumers have established, well-defined preferences and are able to make rational choices based on these preferences. (Polokangas, 2010; Camerer et al, 1995).

Consumer decision making and buying patterns seem to be determined by several factors other than rational evaluations. The information model given in neo-classical economics can not explain why e.g. expensive branded goods are chosen rather than similar goods without brand value -- choices which are completely irrational. (Finn Nielsen et al.2005). To this date, many consumers believe that they are rational consumers. Thaler et al 2009, refer to these consumers as homo economicus, or economic man *"The notion that each of us thinks and chooses unfailingly well."* (Thaler et al

² Definition: Cognition: *"the mental action or process of acquiring knowledge and understanding through thought, experience, and the senses. [count noun] a perception, sensation, idea, or intuition resulting from the process of cognition."* (Oxford Dictionary, online.)

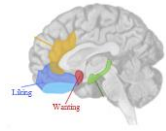


2009, p. 6). An example of a typical irrational consumption is the consumption of coffee at Starbucks, as its price, according to specialists, cannot be justified (Nielsen et al. 2005; Schwaner-Albright, 2008). Yet customers around the world gladly and continuously pay the price. This example indicates that other factors than price are controlling consumers' buying decisions and that, overall, these consumers are in fact not rational.

McCracken (2005) explains these consumer choices as being effected by the surrounding culture. As he states several times, products hold intangible benefits or meanings which can be transferred from the product to the consumer. In this way the consumer uses the brand as a tool to construct his or her own identity, (Finn Nielsen et al. 2005; McCracken 2005). By triggering the consumer's 'emotions' and 'feelings'³ the brand values lead consumers to make irrational choices. In relation to this, Bechara and Damasio state that changing "feelings", in body and brain, can act as a neurobiological mechanism to impact subjects' decision-making. (Polokangas, 2010; Bechara et al 2005). Again, this indicates that brands are intangible tools motivating consumers to purchase brands in order to experience emotional stimulation.

In contrast to classical economic theories, neuroscientific research has shown, that there appears to be a role for emotions and subconscious processes in the decision-making, which leads to anomalies in the expected behavior (Polokangas, 2010; Kenning et al. 2005; Schmidt 2008). The constant development in research produces better insights into, how the human decision process works. As a result of this development the consumer has gone from being part of an information-economy to an experience-based economy, where consumers search for self-promotion and individualization (Jensen, 2006).

³ Appendix: 15 Defining emotions and feelings: **Emotion:** are physiological unconscious responses coping with objects and situations that are potentially dangerous or advantageous. (Damasio, 2001). The same way stimulus can have a conscious and unconscious effect on human mind so can emotions. **Feelings** are easier to measure, as they are conscious, opposite to emotions which are body responses. Human uses feelings to e.g. express their state of mind when evaluating a specific episode or before taking a certain action. Feelings and emotions are two different motivation systems. (Bernard et al, 2010) In relation to this study, feelings are connected to the consumers conscious liking whereas emotions are connected to their unconscious "wanting".



1.4 Consumer neuroscience: an approach to explore brand effects

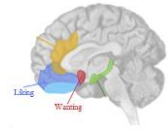
Within the field of neuroscience, four main areas can be distinguished: Neuroeconomics, decision neuroscience, consumer neuroscience and neuromarketing. The two research areas neuromarketing and consumer neuroscience are very connected and often overlap each other. Neuromarketing focuses on consumer relations while consumer neuroscience focuses on academic methods and tools. (Hubert et al, 2008). For example, *“One important contribution of consumer neuroscience is the emphasis on emotions and their influence on consumer decision-making”*. (Hubert et al, 2008 p.287). As on cognitive consumer behavior⁴, the applied theories will mainly be drawn from a consumer neuroscience perspective.

In recent years, important factors which influence consumer decision making have been a highly discussed and investigated subject. (Naqvi, 2006). This has been the case as marketers have been interested in discovering new methods to increase consumer attention and consumption. The methods marketers tend to use have therefore been developing along with the expanding knowledge within neuroscience. *“One of the studies in the field stated that brain processes information faster than the conscious deliberations, hence these processes can generate behavior that does not follow the normative behavior of human”* (Camerer et al. 2005). This indicates that consumers are unconsciously affected by ads and stimulus leading the consumer to want and maybe also purchase something without he or she being aware of the primer motivation process. Brands are known to be affective stimulus, as a large portion of what people do involves decisions about brands. Erik de Plessis, refers to this as the life branding manifestation: Brands appear in everything humans do, whether it is the clothes they wear, the products they eat and drink, the company they work for, or the partner they marry (Plessis, Erik 2011). These decisions may seem very superficial, but whether the use of brands take up in consumers own self-development of perceived image or they put in a distance towards the brands, their presence has an influence on their behavior.

1.5 Concept definition and research question

The overarching purpose of this study is to examine how Danish consumers` mindsets relate to the international coffee brand Starbucks. This will be carried out by using marketing and consumer neuroscientific theories and methods, which will facilitate an investigation of the notable

⁴ Definition: Russel W. Belk refers to Consumer behavior as *“the object to which the consumer is directly responding will be regarded as a unique source of behavioral influence.”*(Belk, 2013 p. 158) He continuously divides the process of consumer behavior in three steps: Situation or Object = Stimulus, Person= Organism and Behavior = Reponse.



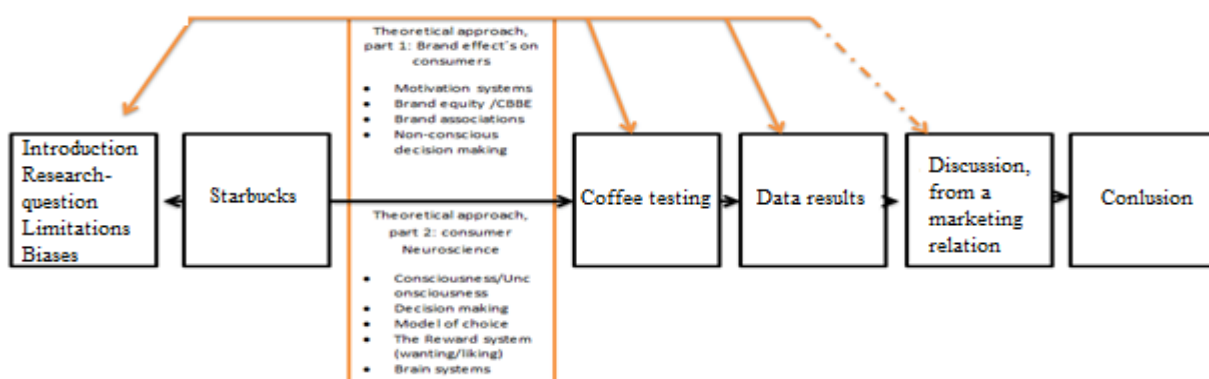
motivational forces underlying Danish consumers' choice behaviors in relation to conscious and unconscious responses, that determine judgment and choice. To the best of my knowledge, this thesis covers a theoretical research area, no studies have yet investigated, namely: The impact of how consumers' 'wanting' and liking system reacts in the context of consumer brand choices. Also there have been no behavioral studies on, how different types of brand associations have an effect on the consumers 'wanting' and liking for a brand. (Plassmann et al, 2012). Finally it was discovered that no scientific research study has ever investigated consumer 'wanting' system by exploring their amount of fluid-consumption. Based on this the research question is as follows:

How does the Danish consumers relate to the brand, Starbucks? Specifically, how does Starbucks have an effect on Danish consumer's unconscious and conscious motivation systems and decision-making?

The research question has the following sub-questions:

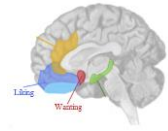
- How do coffee brands effect consumer taste experience?
- Are consumers able to distinguish between the different flavors in coffee qualities? Or are brands the main determinants of taste experience?
- How does the Danish mindset relate to Starbucks compared to competitors?
- How do the consumers' conscious liking and unconscious 'wanting' system relate to Starbucks?

1.6 Thesis model



1.7 Research limitations

In order to carry out the research question dealing with two broad theoretical business worlds; marketing and consumer neuroscience, it has been essential to incorporate many, theoretical,



methodological and empirical limitations. Any choice of method and focus has therefore meant ,that other options have been sacrificed.

In the theoretical part, a detailed description of all the human needs will be omitted as only the needs of self-articulation, are relevant in the context of consumer motivation, perception and brand choice. A thorough theoretical explanation of decision-making will furthermore be omitted as the theoretical focus will be on the theory of unconscious ´wanting` and conscious liking.

Furthermore, a presentation of how brands stimulate and affect consumers will be limited to exploring two ´brand equity` approaches by the leading strategic brand management scholars David Aaker and Kevin Keller.

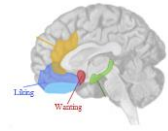
Continuously the motivational and unconscious elements that can be triggered leading up to a decision-making will be explored using theorists Chartrand et al., while the overall behavior in a choice situation will be addressed from a neurocognitive point of view and limited to theorists Plassmann et al.

Within the scientific field of consumer neuroscience and consumer decision making many theories are highly interconnected and overlapping. It is therefore necessary to further limit the explanations of following subjects: memories, sights, emotions, feelings, the development of gestalts and thoughts.⁵ Also, will the learning system from the reward pathways be omitted in the analysis as this does not have a high contextual relation to the testing process.

In the methodological part, the research field will be limited to investigation and interpretation of the chained and Danish coffee shop market. Because of the size of this project, the data will be narrowed down to include only quantitative data obtained through the research questionnaire at CBS, Copenhagen. Starbucks´ is mentioned only in reference to the immaterial brand equity resources, the material resources like coffee products and accessories are therefore omitted.

In relation to the presented theory, the research methods used to explore the unconscious ´wanting` and conscious liking will be restricted to marketing methods, whereas applied theory will be drawn from consumer neuroscience. Throughout the study, an analysis of the affected biological brain areas will be omitted. Similarly, a deep clarification and analysis of linkage between liking and biological Opioids systems will be omitted as this is still a vague scientific area. Also, an analysis of

⁵ It will though be possible to find explanations of highly relevant subjects in, Appendix 15: A definition and perspective of emotions, feelings, gestalts and thoughts.



the respondent's physical-liking reactions will be omitted as this requires observations of e.g. facial expressions etc.⁶ Furthermore a description of the respondents' brand attachment and commitments to all the brands will be omitted as the focus will be on their relation to Starbucks.

Finally, an analysis of the collected data will be limited to one type of statistical approach; this will be a continuous comparison between all four presented brands.⁷

1.8 Possible research biases caused by limitations

When designing the research process, there is always a chance of running into biased areas. In this thesis a critical point of view has been taken into account, which is why the following biased areas will be presented. Since the target group is set to represent the Danish consumer's choice behaviors and relations to the brand Starbucks, the generalization of the answers can be a bias as there was a higher representation of respondents from 20-30 years old than 30-40 years old. Furthermore, the set-up location had an effect on which type of respondents, that was accessible to the study. These were primarily business students or business related people. Therefore it cannot be prevented, that the results could have been different if collected on a different public place. As respondents were typically students, a bias may be found in validity aspects. Given that students are often in a rush, some may have answered the questionnaire too fast and too randomly, only to get a free coffee to go. In the experiment process, the respondents were asked to taste the coffee samples from small plastic cups only consuming a max of 50 cl. The small amount of poured coffee could have had an effect on the 'wanting' results, as the respondents could have been prevented from leaving leftovers if the respondents unconsciously connected the small cups with a need to empty them.

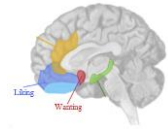
2. Starbucks

2.1 A brief look into the history of Starbucks and their business strategy

In the early 1980s a small shop which specialized in coffee, tea and spices was founded. One of the staff members was a man named Howard Schultz. He had a great interest in Italian beans and coffee culture. As time passed Howard Schultz became convinced that specialty coffee and the special way of consuming it had a chance of great success in America. His goal was to reach out to new undiscovered customer groups by re-creating the Italian coffee culture in the US. His motivation

⁶ Appendix 1: Facial 'liking' characteristics across both mammals and humans

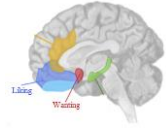
⁷ Further explanation of the statistical approach can be found in the validity section 5.6.



and innovative thinking formed the basis of the Starbucks concept. In 1985 Howard Schultz started his own Starbucks shop and in 1986 the coffee firm had developed into a local phenomenon with a great number of cafes in and around Seattle. (Klein, 2002). In 1987, he changed the company name from “*Starbucks, Coffee, tea and spices*” to “*Starbucks*”. (Finn Nielsen, 2005). Hence, Starbucks was born and a successful journey awaited.

Today (2013) Starbucks has around 17,000 stores in 55 countries and stands as the premier roaster and retailer of specialty coffee in the world. (Starbucks.com). The highest number of stores is to be found in the USA, while the least number of stores are placed in Scandinavia.





expansion time down to the moment, where they will be able to become the leading retailer and coffee brand. They are therefore also being referred to "…as head lice in a kindergarten". (Klein 2002, p.136). Their "cannibalization" strategy deals with filling an area with coffee shops until the competition is so hard that sales start to decline. This diminishes the competitors' chance of survival. Furthermore, Starbucks is known for taking over profitable areas by finding a popular, well-placed, independent café and pulling away the lease from under their feet. (Ibid). Different literature shows, that there is a consensus around viewing Starbucks branding strategy as being emotional. This means that they focus their marketing approaches towards stimulating the consumer's senses and emotions by e.g. music, scents, cozy atmosphere etc. This approach is one major factor which lets them differentiate themselves among competitors in the coffee industry.

2.2 Starbucks: A differentiated brand

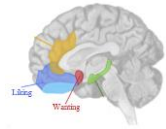
Marketing specialists agree that if a business wants to be successful, then it must focus its energy on producing brands instead of products. (Klein, 2002) - something which Starbucks has definitely accomplished. Starbucks has managed to build a successful and recognized brand by focusing on storytelling, coffee bean quality, shop environment, innovative coffees, etc. For example, something as basic as the staff's outfit rules has been managed strictly. It is well known, for instance, that the staff is not allowed to wear any kind of perfume as it can interfere and compete with the surrounding scent of coffee. (Ibid).

Their shops aren't just non-room as walmart and McDonalds, it's an intimate corner, where sophisticated people can meet up and share "The coffee community...friendship...network? It's not shit to the masses, it's intelligent furniture, it's cosmetic as political activism, it's the bookstore as a real old library, it's the café who is willing to look you straight in the eyes and connect with you".

(Klein, 2002 p.136).



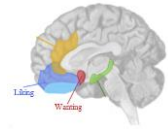
This statement indicates, what the goal of the brand is all about. By specializing and differentiating their products, soundings and values they take an ordinary product like 'a cup of coffee' and transform it into a spiritual designer object. (Klein, 2002). For example, Starbucks was the innovator of the famous iced coffee, Frappuccino (left picture). This creation was a response to customer demands. (Grant 2010). This leads us to the slightly understanding of why loyal Starbucks customers and brand loyal customers in general are willing to pay an unlimited



price. According to Michelli, 2007 Starbucks uses an emotional branding strategy as emotions are the primary point of their strategy and the goal is to create an emotional relationship with the customers. (Michelli, 2007). The Starbucks brand strategy is primarily based on “The Starbucks experience” and “The five principles”. (Ibid). The Starbucks experience strives to give the customers a special and theatrical experience by building a comfortable and inviting environment for them to buy their coffee. Besides this, the five principles focus on creating a special coffee experience by ensuring a good quality of beans and coffee procedure. (Ibid). The key to this is creating a connection between the customers and the employees, who they refer to as partners. Through this connection they are furthermore supposed to create an emotional relation, which in the end leads the customer to brand attachment. (Finn Nielsen, 2006). Michelli 2007, states “*The connection is achieved by communication through firstly the employees and also the artifacts in the coffee shop, such as design, music, the quality of the coffee and even down to the number of toilet paper plies, as everything matters when expressing the wanted brand image*”. (Michelli, 2007; Finn Nielsen 2006 p. 7). In conjunction with this, the author Bedbury (2002), states about the Starbucks success, that they have been able to focus all their extensions on the essential mantra: quality. This is true of their choice of music, coffee menu, products sold etc. Lastly the scientist Park et al, 2006 gives further reasons why Starbucks can be highlighted as a good example of a successful brand. The brand is built around a set of visually and pleasing atmosphere factors allowing the customer to experience relaxation and self-indulgence. “*This gesthetic/hedonic experience is supposed to gratify the self and thus to evoke an emotional connection.*” (Park et al, 2006; Finn Nielsen et al, 2005 p.8).

2.2.1 Table: Starbuck’s diversification model

The concept’s touch points	Business areas
<p>Logo design :</p> <ul style="list-style-type: none"> • (Colorful, notable , easy to recognize and remember) <p>Story telling:</p> <ul style="list-style-type: none"> • CSR politics (Starbucks share planet, Fair Trade Certified Coffee, Partnership with Bono and Global Fund) • The Starbucks experience - Coffee beans of high consistent quality. - Employee involvement. 	<p>Figuring in the market of:</p> <ul style="list-style-type: none"> • Owned Coffee bars (Primer target) • Licensed Stores (Primer target) • Distribution of Starbucks retail packs to Detail (supermarket, specialized stores, chains etc.) • Licensing of Starbucks brands to PepsiCo and Unilever for the supply of Starbucks bottled drinks. • Financial services, store card with Visa Credit card.



<ul style="list-style-type: none"> - Community relations and social purpose. - Every Starbucks is to adopt its unique neighborhood in layout. - Clustering of 20 or more stores in each urban hub. • The 5 principles • Emotional strategy tactics <p>Environments:</p> <ul style="list-style-type: none"> • Creative, modern and cozy shop interior. • Dominating coffee scent in shops • Arrangements fitted to consumer segments. E.g. integrates study sections. • Products: • Innovative product range • Leaders within developing new drinks 	<ul style="list-style-type: none"> • Instant coffee, 2009 introduces new instant coffee. • Merchandise (coffee accessories, coffee machines etc.) • Coffee vans and outside sales (to go) • Online sales (Starbucks.com etc.) • Collaborations with tangible product suppliers e.g. Tassimo coffee machines etc.
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Composed by the author of this thesis. Source :www.starbucks.com and Grant, Robert. M (2010). *Contemporary Strategy analysis*. Seventh edition. Wiley.

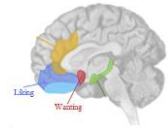
2.3 Facing the challenge of maintaining a strong brand success

With every success comes a challenge - a truth to which Starbucks can certainly testify. After 20 years of expansion and rising profits, Starbucks' downturn was rapid and unexpected. (Grant, 2010). Even though the coffee chain had been growing with 20% a year during their best times (Bonamici & Fortune, 2004) the corporation experienced, how changes turned against them.



In the early 2000s they experienced a tendency of customers deselecting and avoiding Starbucks. (Thompson et al,2006: Thompson, 2004) and in October 2006, their share price had declined by more than 75%. (Grant, 2010).

Customers began to express their negative political attitudes towards the corporation, claiming, for example, that Starbucks supported the Israeli military. Starbucks of course denied this claim and wrote an official message on their website. (www.starbucks.com). For the corporation, this led to a struggle with maintaining the brand's trustworthiness, meanwhile fighting to uphold their focus on the business strategy. In the summer 2008, the owner had announced the closure of 600 U.S stores. (Grant, 2010).



According to Nocera, 2008 another challenge was that Starbucks had lost their focus. (Nocera, 2008). They had lost track of the Starbucks experience by not being able to meet the expectations of the market, dropping stock prices and retaining the same customer traffic. Their troubles were said to be the results of competition from increasing quick service restaurants and the US financial crisis (Finn Nielsen, 2006). The US financial crisis exploded in 2006 and today it still has its impact in the financial world. (Ibid). Some say that the golden days of Starbucks is over (Nocera, 2008) others, that the brand has difficulties in retaining the same position in the consumer mindset, as specialty coffee may have begun to be perceived as being mainstream. (Finn Nielsen, 2006).



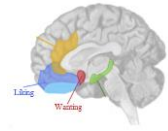
2.4 Danish coffee suppliers and Starbucks competitors



Starbucks' primary goal is to figure as a strong player on the café markets worldwide. Besides brewing coffee at cafés, Starbucks operates in many other related business categories as seen in tabel 2.2.1. Their broad number of touch points makes them stand as a strong competitor compared to other coffee brands. Especially in Denmark where the coffee bar suppliers are primarily focusing on their coffee shops – mainly selling freshly ground coffee for home use as a bi-product.

Because Starbucks appear in so many different markets, they have been able to create a recognized brand among a broad number of consumers. They are therefore also incomparable to coffee suppliers around the world as there is no other coffee brand with a similar level of brand equity and number of touch-points. As Erik de plessis puts it: *"The whole basis of touch points is that they are designed to get attention for the brand"*. (Plessis, 2011). Along with their creative and innovative product line, acting in several business categories and being associated with a dominant global culture (The American culture) Starbucks has been able to make their brand concept stand incredibly strong.

On a global basis, Starbucks seem to act as one of the strongest players, but on the Danish market Starbucks will have to compete against the old established and well-known coffee bar brands. In Copenhagen the three most well-known coffee-bar chains are: Baresso, Ricco's and Waynes.



2.4.1 Baresso



Baresso is Denmark's most well-known and widespread coffee chain. The concept was established by Kenneth Luciani and his wife in 1999. Rumor says, that they started the concept because Starbucks wasn't interested in letting the couple franchise the Starbucks brand, since they didn't believe Denmark would grow into being a potential coffee market. The couple therefore started their own coffee shop 'Baresso' in May 1999 at Højbro Plads, Copenhagen. Their Franchise strategy

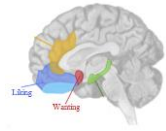
started in 2002. By the time they sold it to other investors, the concept had developed into a great success. So far, Baresso has 44 coffee shops in Denmark while 18 of them are placed in Copenhagen. (Baresso.dk) Their vision is to be the leading brand of special coffee in Scandinavia. Their business philosophy is centered around: quality products, storytelling, cozy surroundings, professional staff training, right placing, and optimal use of resources. (Ibid). The visiting customers are typically male and females in the age range of 20 – 40 years old, using the surroundings for private and professional meetings. Their product range is broad and innovative as they often create new coffee drinks, fitting the seasons or holidays. They sell a range of their own branded coffee products incl. ten different coffee beans to brew at home. Their logo is a bean, backed up by the eye-catching red color, which also makes their brand signs stand out in the streets of Copenhagen.

2.4.2 Ricco



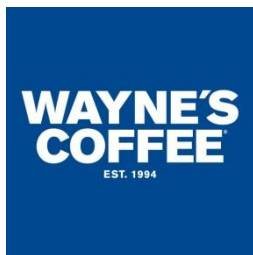
Ricco is the second largest coffee chain in Denmark. It is known for its low profiled placing and retro surroundings. The Concept was founded by the present owner Ricco Sørensen. The first coffee shop opened in 2001 at Istedgade, Copenhagen – a place known for its low class, open-minded

“hippie” atmosphere. At this moment the chain has 13 coffee bars around Copenhagen, - mainly franchised and with a staff group of 5 different nationalities. “ *It's about all types of people being welcome. “I don't differentiate on their background, age, appearance, language or ancestry...My approach is to love all people and the product.”* (Ravnsborg, 2010). Ricco Sørensen started the coffee chain with the vision of focusing on the coffee quality while welcoming all types of people to use the place as either a working place, chill out place or simply just to catch a cozy talk with the other visiting guests. The business philosophy is centered around: Seeking to define what coffee is all about, embracing the culture of coffee and its quality, being open-minded and welcoming all.



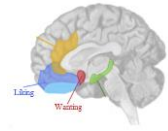
The visiting customers are typically local, loyal and authentic types who view the concept of “mainstream” as the main enemy. (Ibid). The fact that Ricco has developed into a coffee chain is therefore not something the first targeted and primary customer group finds very surprising. Their broad range of coffee variants is imported from 15 coffee areas and besides the menu card one can find coffee related accessories. Their logo is a combination of the black conservative color and smooth simple design. Since the logo isn’t that eye-catching it easily blends in with the surrounding area, which of course fits their brand concept very well.

2.4.3 Waynes



Waynes is the newest international coffee chain which has been implemented in Denmark. So far, the brand has one coffee shop which opened in 2007, at the shopping mall “Spinderiet”, Valby. The brand is not as familiar among Danes as many of its competitors. The corporation has its roots in Sweden, where it started the first coffee shop in 1994. It is the leading coffee chain in Scandinavia and so far has 120 coffee shops distributed among 8 countries and a turnover of 300 million kr. (www.business.dk). The business explosion is typically done by Franchise. The atmosphere is inspired by modern European city life, Italian coffee culture, domestic urban environment, the Swedish Fika tradition⁹ and a touch of American pastry practice. Their slogan is “*The tastiest coffee break in town*”(waynes.com) which they back up with their vision of giving the customers a place to enjoy a well-deserved break while enjoying high quality coffee and pastry.(waynes.com). Besides their menu card they sell a small selection of their own branded coffee and accessories. Their blue and white logo is very eye-catching, but is not yet recognizable to very many Danes, since the brand sign has been put up in clear white at the shop in Valby. In 2012, rumors said that the corporation was planning on expanding into the Danish market. (Morten, 2012). So far, there are no signs of newly opened shops.

⁹ Fika tradition: Too“fika” is almost a necessity in the Swedish culture. It refers to a break where one drinks coffee with a cake or a bun. (<http://matochdryck.skane.org>)



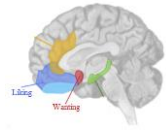
3. Theoretical approach, Part 1: The articulation of brand effects on consumers

If one wants to understand modern brain research, such as consumer's liking and 'wanting' effects on choice, one needs to understand emotions and specifically feelings. (Plessis, 2010). If one further want to understand brand decision one need to understand decision-making (Ibid) and the motivational factors leading to it. As the goal of this research is to explore how Danish consumers relate to the Starbucks brand and which impact it may have on their 'wanting' and liking systems, the upcoming chapter 'part 1` will first of all explore important theoretical areas related to brand effect on decision making while 'part 2` will explore cognitive and consumer neuroscientific theories.

3.1 Consumer motivation systems

Consumer motivations are triggered by the many stimuli surrounding us in everyday life. These can be ads in the grocery store, the speech of others, unconscious emotions, conscious feelings, news received ,colors and shapes etc. (Simonson, 2005) These motivations can both be conscious and unconscious and is typically influenced by the countries cultural variations. (Usunier et al, 2009). For ages many studies have worked with exploring effortful consideration or judgment in relation to conscious decision making such as gambling theories. (Bargh, 2002). Today, newer studies within consumer neuroscience have explored the importance in understanding unconscious motivation factors as these are very prevalent in the everyday lives of consumers. (Ibid).

Consumers in the real world have many other goals and needs in their everyday than conscious processing of product-relevant information and advertising. (Ibid). Consumers therefore often tend to get effected by unconscious stimuli driving them to un-rational consumption of e.g. high prices and brands they find trustworthy. In relation to this it is relevant to integrate and present the importance of unconscious motivational factors leading to unconscious goal pursuits. Consumers can be driven by several motivation factors, including cognitive processes, relating to a need for proper attention and judgment (Ibid) from the outside world. These "*goals can be activated, and then operate, all outside of awareness* " (Barg, 2002.p.282). According to Bargh non-conscious motivations are viewed as "*self-protective motivation, performance- or achievement-related motivation, and interpersonal goals.*" (Bargh, 2002. P.280). According to Levy 1959, consumers



are not functionally oriented as their behaviors are affected by the symbols encountered in the identification of goods. (Sirgy, 2013). These statements underline the fact that the consumer's motivation system is controlled by other factors than functionality and that product symbols seem to have a high influence on non-conscious decision-making.

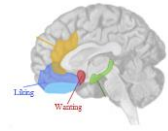
Sirgy further explains that motivations can be controlled by the consumer's actual self (referring to how the consumer perceives him- or herself) ideal self (referring to how the consumer would like to perceive him- or herself) and social self (referring to how the consumers present themselves to others). (Sirgy, 2013). Striving for a certain self-image can lead to the specific behavior of carrying certain brands. In this relation, Trucker 1957 states that *"consumers' personalities can be defined through product use."* (Sirgy, 2013.p.287). The list of motivation factors is long, but lastly it must be said that emotions¹⁰ are often assumed to be a direct source of motivation *"for instance when assuming that people are motivated to approach pleasure and avoid pain."* (Dai et al, 2010. P.324).

3.2 The concept of a brand and human needs as a motivation factor

The roots of the word "Branding" come from the American phrase of "to stigmatize", which was used in the context of cowboys stigmatizing their cows so that they could recognize them. (Klein, 2000). The concept was introduced in the marketing jargon as early as the 1850s and has since evolved in several directions. (Klein, 2000). Around the year 1880, manufacturers faced the challenge of standardized mass production in terms of differentiating themselves. They changed the purpose of advertising from "informing" to "convincing" by creating an image around the company and its products. (Klein, 2000). This was the beginning of brand history.

In general, a brand is characterized as a collection of symbols, experiences and associations which positions and differentiates a product, service, company, organization, person or place. (Huber, 2003). If a product is branded (or marked with a logo) it is done to ensure that the audience can recognize and differentiate the company in relation to the competitor's products. (Aaker, 1991). More precisely Aaker, 1991 defines a brand as *"A distinguishing name and/or symbol (such as a logo, trademark, or package design) intended to identify the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of competitors."* (Aaker, 1991, p. 7).

¹⁰ Appendix 15: Defining emotions and feelings in the context of this thesis study.



According to Chernatony and Riley, a brand is described as “..a multidimensional construction which matches a firm’s functional and emotional values with the psychosocial consumer needs.” (Chernatony et al, 1998 p. 427). All humans have needs at any given time. These needs can be grouped into two categories, the biogenic needs and the psychogenic needs. Biogenic needs arise from physiological states of tension like hunger, thirst or discomfort. (Kotler et al, 2009). Psychogenic needs arise from psychological states of tension such as the need for recognition, esteem or belonging. (Ibid). When a need is aroused to a certain level of intensity it becomes a motive, which drives us to act in order to reach a goal. (Ibid). According to Abraham Mashlow¹¹ ‘needs’ can be divided into 5 steps: 1. Physiological needs, 2. Safety needs, 3. Social needs 4. Esteem needs and 5. Self-actualization needs. (Mashlow 1970) People will always try to satisfy their most important needs first, as these cover the physiological needs and safety. In order to function optimally, humans must balance all levels of needs whether they be feeding hunger, searching for human relations, self-indulgence by services or products and brands. Some say that the concept of appetite comes from the need of food. Just like this concept, it can be assumed that the appetite/the motive to buy brand “reflects hedonic motives rather than homeostatic needs.” (Havermans, 2011 p.286).

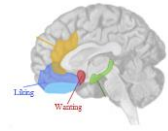
A human need that has been dominating most of the modern consumer trends, especially in young consumer groups, has been the need for social acceptance, self-actualization and recognition. These consumers are typically postmodern youngsters with a high consumption of expensive branded materials and services like drinking branded soft drinks or wearing popular and expensive clothing.¹²

3.3 Brand equity

Aaker and Keller are the two most significant theorists analyzing brand equity in a manner that could be closely related to the cognitive neuroscientific understanding of decision-making. They both describe which measuring elements a brand needs to fulfill in order to obtain brand equity and create consumer loyalty. Brand equity and consumer loyalty is important as:

¹¹ Appendix 5.a: Mashlow’s hierarchy of needs.

¹² Appendix 3.a: The market and culture of coffee in Denmark. Section 3.4:exploring Danish postmodern consumers.



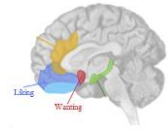
“Brands create a crucial role in establishing emotional bonds with their customers. In particular, brand loyalty is important for companies. Loyal customers not only buy more products of a brand they also tend to try new offerings and tell friends about it.” (Scaerher et al, 2007 p.141).

According to David Aaker, brand equity is defined as *“the set of brand assets and liabilities linked to the brand, its name, and symbol, that adds or subtracts values to a product or service for a firm/or its customers”*. (Aaker, 1991 p.15-16). He further explains that in order for assets or liabilities to be considered part of brand equity they must be linked to the name and or/symbol of the brand. (Aaker, 1991). In this case, the more positive associations the respondents have to the coffee logos, the higher brand equity. It is very important for a firm to have strong brand equity because if a consumer knows that a product comes from a certain brand it can affect the experience of wearing the product. *“The user can actually feel different”*. (Aaker, 1991, p.16). Similarly, Aaker states that consumer reactions link to ‘brand loyalty’ whereas ‘brand awareness’ and ‘perceived quality’ reflect the mental elements of the brand by the associations drawn. (David Aaker, 1996).¹³

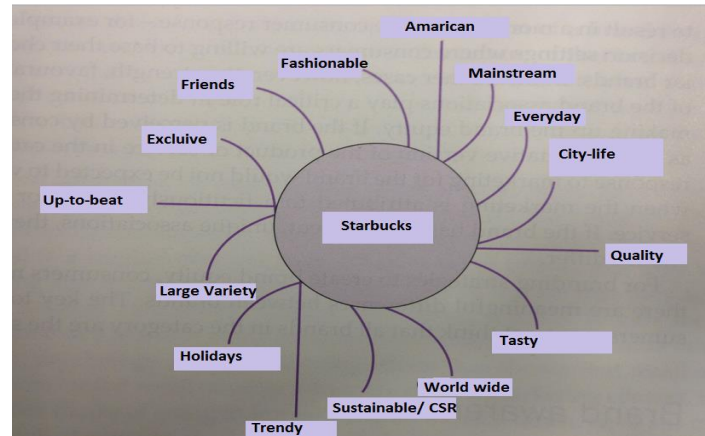
3.4 Associations and consumer based brand equity (CBBE)

In relation to measuring a firm's brand equity, ‘Associations’ are important features as these state what the respective consumers relate the brand to. Furthermore he states *“Associations represent bases for purchase decisions and for brand loyalty”*. (Aaker, 1991. P. 110). The value of associations can be seen in the figure below. Aaker explains that it is important to research what the consumers (in this case respondents) relate the brand to, by reflecting on the following questions: *“What mental images if any does the brand stimulate? Is that image a competitive advantage?”* (Aaker, 1991. P.28). In this thesis, considerable weight is given to the respondents’ associations in order to further investigate whether there is a relation between the association and the consumer’s ‘wanting’ and liking measuring and final brand choice. The respondent’s behavioral reactions are linked to the brand knowledge that fluctuates in the consumer’s minds. (Keller, 2008). He refers to this as ‘Consumer-based brand equity’ (CBBE). Keller defines CBBE *“as the differential effect of brand knowledge on consumer response to the marketing of the brand.”* (Keller 2012. P. 54). He also states that the CBBE model is a brilliant theory to understand consumer behavior as it provides a unique point of view into what brand equity is, how it should be built, measured and managed. (Keller, 2012). To get an insight into the consumer’s brand knowledge, Keller requests “The

¹³ Appendix 5: David Aaker’s brand equity model.



associative network memory model” developed by psychologists. This model views memory as a network of nodes and links stored information (e.g. verbal, visual, abstract or contextual) with concepts. (Keller, 2012). Below is the respondent’s positive/neutral associations presented.¹⁴

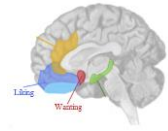


Finally associations can be divided into: 1. Brand attributes, which are descriptive features that characterize a product or a service. 2. Brand benefits, which resemble personal value and meanings linked to the product or service. (Keller, 2012).

A brand is said to have positive CBBE, when consumers favor the branded product. (Aaker, 2008). In order to test CBBE effects, one can (as in this study test) do blind testing with one group not viewing the product supplier and the other viewing labeled brands; “*invariably, differences arise in the opinions of the two groups despite the fact that the two groups are literally consuming exactly the same*”. (Keller, 2008. P.45). This is the case because marketing activities for the brand have in some cases changed the consumer’s product perceptions. (Ibid). In order to measure if a brand has strong CBBE, the consumer must fulfill six building blocks from the pyramid model.¹⁵ The strongest mental response is ‘resonance’. Here the consumer feels that they are ‘in sync’ with the brand. (Keller, 2012). To reach this level, the consumer must have fulfilling familiarity with the brand along with strong positive and favorable associations. (Ibid).

¹⁴ Appendix 2.b: The respondent’s associative network in relation to Starbucks. Positive and negative.

¹⁵ Appendix 6: Kevin Keller’s Consumer-based brand equity (CBBE) pyramid model. (Keller, 2012)



3.5 Brand associations from a mental box

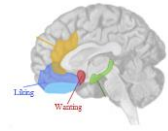
According to Aaker, 1991 a brand is defined as a mental construct in the minds of consumers. He refers to this as a 'mental box'. After receiving information about a certain brand the consumers label this information and save it in their 'box'. (Aaker, 1991) For example, when a consumer is on a vacation trip abroad and happens to grab a coffee at a Starbucks, the experience gets labeled as 'Starbucks' in the box.

The consumer has two storing dimensions: Heavy or light. The heavy information has a greater chance of being retrieved in the long run. (Ibid). The consumer also partitions the information in a positive or negative box. (Aaker, 1996). So, when respondents in this thesis are asked to draw associations to the individual brands, their memories, pictures and experiences are taken from their mental boxes.¹⁶

3.6 Non-conscious decision-making

It is known that humans are goal driven beings guided by needs and wishes, always pointing towards future events. (Chartrand et al, 2008; Bernard et al, 2010). Goals are described as being a key motivational construct guiding consumer choice. (Chartrand et al. 2008). Sigmund Freud was the first scientist who found that a person is not fully capable of understanding or being aware of his or her motivations. (Kotlers et al. 2009). Another scientist, Panksepp, explained this behavior by referring to the seven emotional systems: Seeking, fear, rage, panic, lust, care and play. (Ibid) The emotional system therefore has a great impact on the motivation that drives consumers to buy brands. Both goals and consumer choices are often nonconscious and affected by situational cues which can influence behavior without one's awareness. (Chartrand et al, 2008). Often the activated goal, say, the choice of a certain coffee brand, gets pursued as if it were consciously chosen and does not register in one's awareness until actually chosen. (Ibid). This process is presented in the sketch below.

¹⁶ Appendix 2: Free association test results Appendix 2.a: Analysis of the Starbucks associations and 2.b: The respondents associative network in relation to Starbucks.



3.6.1 Figure: Nonconscious Goal Pursuit in brand relation

The process often appears at a Nonconscious level (Can though be conscious)

Stimulus -> gestalts (-> Thoughts) -> Activated goal -> Plans of action -> Behavior -> Choice

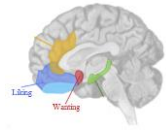
Source. Composed by the author of this thesis. Inspired by the theory of Chartrand et al. 2008

Chartrand 2008, states that goals: 1. Can be triggered unconsciously, 2. Be present unconsciously, 3. be affected unconsciously and 4. performed unconsciously. (Chartrand et al, 2008). This may explain why consumers are often unaware of their own consumer behavior. Neuroscientists have stated that there is a strong connection between brand names and preferences as brand names influence consumers' thoughts, memory, feelings and actions. (Aaker,1999: Keller, 2008). Brands therefore have an effect on preferences because consumers see the brand as an extension of themselves. In this way, brands are used as a symbolic representation of one's ideal past, present and/or future self. (Park et al.2006).

A brand plays multiple roles in consumer choice. *"These roles may include brands' effects on consumer preferences; on brand and quantity choice; and on consideration."*(Huber,2003 p.679). The effects are typically material, but can also be psychological (e.g., associative network memory), sociological (such as brand communities), and economic processes (brands as signals under uncertainty). (Ibid). It is the brand credibility that typically affects the consumer's choice set formation and conditional brand choice. (Ibid) *"As a signal of product positioning, the most important characteristic of a brand is its credibility."*(Huber, 2003 p. 679). Therefore, the stronger the credibility of the brand, the stronger its potential effect on consumer loyalty and final choice. According to a study done by Knutson, it has been discovered that the brain shows signs of activation in the VS and NAcc long before human awareness. (Plassmann et al.2012; Ballard & Knutson, 2009). This lends additional weight to the former statement by Chartrands et al. 2008 which described the fact that consumers are able to pursue non-conscious goals and choose specific brands without being aware of any active decision.

3.7 Preliminary conclusion

This section has shed light on the fact that brands are one of the strongest stimulating factors affecting consumer decision-making. This is due to the satisfaction of consumers' psychological,



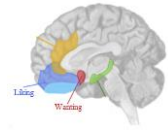
social and self-actualization needs. It has been repeatedly shown that triggering factors, which contributed to a motivational process, might appear as completely non-conscious goal pursuits. These were stimulated by certain brand names which affected consumer associations, perceptions and finally actions (choice).

4. Theoretical approach, part 2: Consumer neuroscience

The complex relations between emotions and cognition form a base for decision-making. Cognitive neuroscience is the research and understanding of phenomena like perception, attention, memory and problem solving. Whereas consumer neuroscience can advance our understanding of the consumer psychology of brands (Plassmann et al. 2012) by using knowledge from cognitive neuroscience. Consumer neuroscience is therefore a tool to understand and predict consumer behavior (Plassman et al, 2011) but also a tool to understand how a brand affects certain human affections (feelings/emotions) and stimulus. The upcoming section will provide a deeper insight into relevant approaches relating to the motivation systems 'wanting' and liking. These approaches are based on the biological and cognitive physiological reactions that challenge the traditional economic, sociological, anthropological and marketing related research propositions. (Plessis, 2011). In order to appreciate the full understanding of the presented theories and the upcoming analysis, an explanation of consciousness and unconsciousness will lead this section.

4.1 Consciousness and unconsciousness

The clarification of how to define the term consciousness is something scientists and philosophers have been struggling with through the ages. But generally, consciousness is defined as the subjective feeling one has of the perceptions, sensations, thoughts and events at any time. (Ramsøy, lec.3). As the experience of consciousness depends on the individual subject, so do the definitions. In relation to this challenge, the theorists Bernard Baars (1988, 1994) and Francis Crick & Christof Koch (1998) quotes: *"Everyone has a rough idea of what is meant by being conscious. For now, it is better to avoid a precise definition of consciousness because of the dangers of premature definition."* (1998, p. 97) The philosopher Descartes, was one of the first scientists to express consciousness in relation to human mind set. His famous statement became *"I think, therefore I am"*. (Bernard et al, 2010 p.241). In relation to this, consciousness can be explained as the



experience of the universe and how one knows it. (Ibid) According to Bernard et al, 2010 consciousness is defined by the use of ITT (Integrated theory of consciousness), this states that

“consciousness is a large amount of differentiated information that is also highly integrated. In this context, integrated information means information that is accessible to the entire system as a whole....the amount of integrated information that you and I have in our brains correspond to our repertoire of possible conscious states.”(Bernard et al, 2010 p.242).

According to neuroscientist Thomas Ramsøy, consciousness can be roughly described as: a controlled process, a demanding mental resource, a condition, a reaction to stimuli, signs of willed behavior and ability to communicate. (Ramsøy,2012. lec. 3). He further explains that consciousness can be a state of mind and a content. A state of mind refers to wakefulness, attention and contact with social surroundings while content refers to a conscious experience. One can have a clear or vague experience, but it is also possible in some situations to receive and process information in the sub-consciousness. This happens through subliminal cues. (Ramsøy, lec.3).

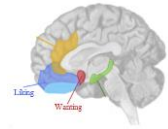
Following the definition from Ramsøy and Bernard et al, 2010, consciousness, in relation to the respondents, can be understood as their mental state being in control, which requires effort. In contrast, then, their effortless states of mind, will be referred to as unconscious. If this happens the respondents will also not be aware of how their goals were an influence on their judgment and behavior. (Bargh, 2002). In some of the situations it will be seen that the respondents are using effort without action. In these situations the respondents are in a sub-conscious state of mind.

4.2 The decision making process

In order to understand the neurobiological and psychological mechanisms that determine the brand's effect on consumers' preference and choices, the following theoretical areas will be explained: The value-based model of choice, the reward system's unconscious 'wanting' and conscious liking. Additionally, the activated brain areas will be explored and visualized in order to give the reader a better understanding of how the respondent's motivational and decision-making process may have been activated.

4.3 Framing

Framing can be defined as an inevitable process of selective influence over the individual's perception of the meanings attributed to words or phrases. It is generally considered in thoughts,

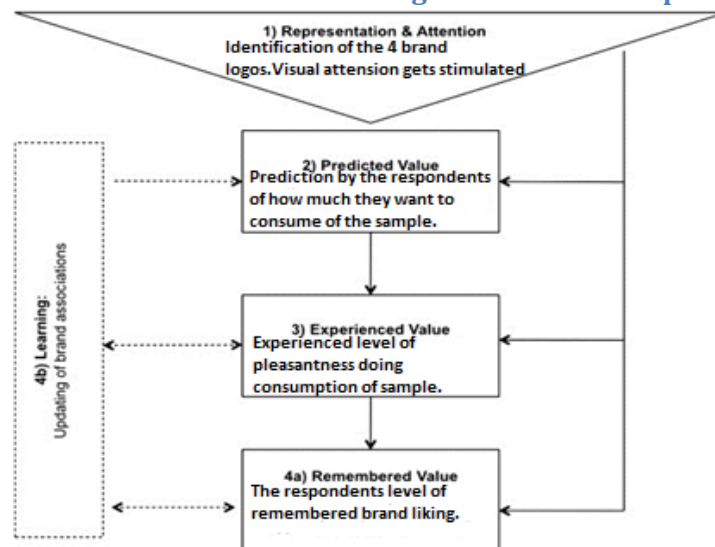


consisting of the mental representations, interpretations, and simplifications of reality. (Druckman, 2001). In relation to the coffee tasting experiment, the use of framing was integrated in both 1. The manipulating and convincing experiment set-up and 2. The presented lines of introduction, since the respondents were convinced that the coffee samples came from the presented brands and that there was no hidden agenda. This encouraged many respondents to answer in a certain interpreted direction, believing that the samples were actually differentiated.

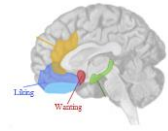
4.4 Value-based-model of choice

This model highlights which important cognitive neuroscientific areas, that need to be integrated into a brand, so that the consumer will prefer and most likely choose it. Value based decision-making is a serie of steps, where one´s brain is trying to encode signals of value and evaluates them for every option of action in the consideration. (Rangel, Camerer, &Montague, 2008; Plassmann, Ramsøy, & Milosavljevic, 2012). The model presented below, by Plassmann et al, 2012, divides the brand preference formation process over time into 4 main areas: (1) Representation and attention (2) Predicted value (3) Experienced value (4a) Remembered value and (4b) Learning. (Plassmann et al, 2012).

4.4.1 Figure: Value-based model of choice with integrated research explanation.



Source: Adopted from Plassmann, Ramsøy, and Milosavljevic.2012.



4.4.1.1 Representation & Attention

In the first step of the model the consumer is presented with the given object - in this case study, the four coffee brands. At this moment attention is defined as a mechanism that is responsible for selecting the information that gains preferential status above available information. (Plassmann et. al. 2011). The things which grab human's interest and fluctuate in their surroundings may often turn out to be the things they notice and turn their attention towards. This is why consumer 'attention' can be guided and affected by incentive as e.g. the consumer's social status, self-esteem, recognition and cultural norms. These incentives are then transferred to the items and brands the consumer wishes to show the world (e.g. coffee brand drink).

The consumer's visual information related to the brand is instantly filtered through the filters and processed by the nervous system. Meanwhile a large number of brain areas register and encode relevant information about the external environment, memories, internal states, etc. (Plassmann et. al, 2011). The strongest signal from the outside world will be selected through a competitive process and enter the working memory. The level of signal strength depends on how the visual attention and focus on the brand get stimulated. This can be heightened by many different factors and marketing strategies, including repeated exposure of ads, product placement in movies etc., positive association, or by having experienced an episode which lets one's memories reflect on the brand.

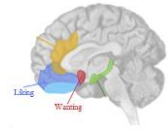
4.4.1.2 Predicted value

Predicted Value is the absolute evaluation of how much a consumer thinks he or she wants to consume a product. (Plassmann et al, 2011). In this second step, the brand stimulates the consumers valuing process. Here, it is very possible to affect the consumer's rational evaluation as preference can be affected by unconscious stimuli. An example is the design and development of good brand commercials. Commercials can make consumers alter their choice values and preferences by changing their consolidated memory, for instance by making them pass the values (positive associations) seen on the screen onto, say, the taste of a product. (Plassmann et al, 2011).

4.4.1.3 Experienced value

The third step, the experienced value, also known as the outcome value is defined as, "*...the (a) valence and (b) intensity of the consumption experience.*" (plassmann et al.2012. p. 25).

Experienced value is 'the true value' that should matter the most for consumers in value based decision-making. (Plassmann et al, 2012). In the context of this research the valence and intensity is



the experienced pleasantness of the consumed coffee brands. For example, if the taste evaluations show differences between the individuals tasting the same coffee, this indicates that the sample tastes get assigned with different measures of experience depending on the individual's relationship with the brand. One study example that illustrates this would be a blind test experiment, which provided insight about how humans trick their own rational choice-decision. Results showed that respondents from this test liked and preferred the taste of a Pepsi Cola drink rather than a Coca Cola drink, but when asked to name the preferred brand the respondent wanted to buy, the majority chooses Coca Cola. (Koldbye, C. 2008). This test indicates how consumers often 'want' one product but 'like' another. (Plessis 2011, Read Montage).

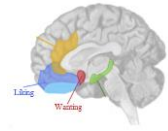
"These findings suggest that the outcome valuation system is modulated by higher cognitive processes that determine expectancies and beliefs – a phenomenon recently referred to as the "placebo effects of marketing" actions or "expectation bias" (Plassmann et al. 2012, p.26).

The interaction between the predicted value and the experienced value is said to be a very important step in the value-based-decision model, as it is here the consumer either meets his/her prediction or gets motivational values for another brand.

4.4.1.4 Remembered Value: Memory

One of the most important elements in consumer choice is the last step (4a) the consumer's remembered value of the brand exposures. As our human information capacity is limited, so is our memory.

The memory can be defined as *"a process consisting of three steps: encoding, consolidation and retention."* (Plassmann et al. 2011, p.21). When information comes into our brain human automatically assign it a value. (Ramsøy, lec. 5) It is therefore important for a brand to stand out and trigger the right brain areas. According to 'The perception-to-memory' the brand processing and our experience of the world *"relies on a mechanism that transcends the traditional borders between perception, cognition and memory."* (Plassmann et al. 2011, p.22). When looking at an object, the human mind combines or associates the properties of that object. (Plassmann et al. 2011). Therefore it is no great leap to declare that a brand icon provokes a process where different informational parts are associated. When exposing the brain towards brand objects the brand should be seen as associations, where any information that is related to the particular brand is also part of its



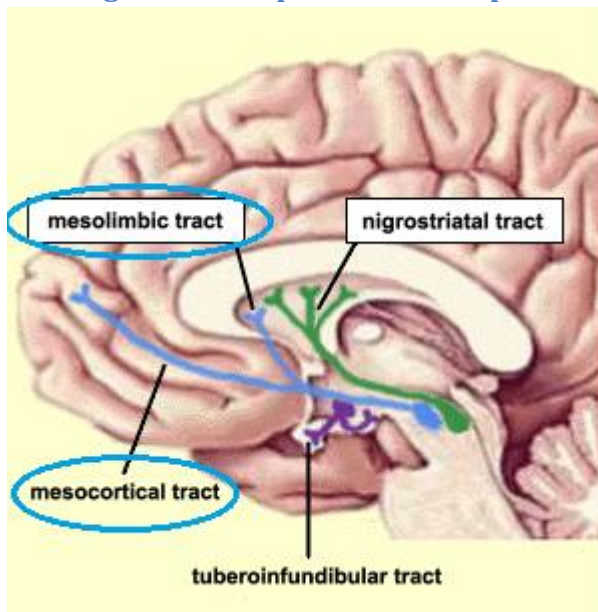
associative network. (Plassmann et al, 2011). In the case of Starbucks, it is a company which put great effort into affecting consumers' memory by being represented in several business channels in order to constantly stimulate and influence consumer recognition.

4.5 The reward system

It is well known that on some levels, human behavior is controlled by the “reward circuit” which is the release of dopamine and other neurotransmitters. (Bernard et al, 2010). It is also known that brands can function as reward stimuli. (Schaefer et al, 2007). The level of dopamine controls the pleasure consumers gain from using one brand instead of another. (Erik de Plessis, 2011). It is therefore not only the functional reward consumers are looking for when trying to satisfy the reward circuit, but also, and maybe even more importantly, the dopamine feeling (Barnard et al, 2010) and social benefits as well. (Schaefer et al, 2007).¹⁷

The reward system is known as a seeking system, which makes humans curious about their world. The system promotes goal-directed behavior towards a variety of objects such as food, shelter, sex, etc. (Barnard et al, 2010). This seeking system includes classical reward pathways in the brain stem as well as other subcortical areas. (Barnard et al.2010). Positive stimuli motivate the reward-targeted behavior, whereas negative stimuli cause avoidance.

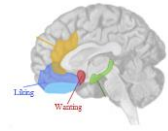
4.5.1 Figure: The Dopamine reward pathways



Source: The reward circuit – www.thebrain.mcgill.ca

The reward system can be divided into anticipation and experience. (Ramsøy, lec. 5). These are two different preference systems controlled by the dopaminergic neurons: the Mesolimbic dopamine pathway and Mesocortical dopamine pathway. (Barnard et al, 2010).- Their pathways are marked with blue. Both are activated by reward stimulus. (Ibid). The dopamine neurons are, however, more responsive to anticipation of reward than actual receipt of reward. (Ibid). Therefore, when a

¹⁷ Appendix 7: Reward components



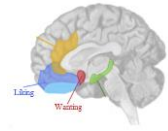
consumer buys a brand, the consumer's dopamine level gets activated and the consumer may experience a higher feeling of pleasantness in the actual process, than afterwards when owning/receiving the product. Continuously It has been proven through recent studies that a brand can work as a reward cue letting the brain systems learn and react to the rewarding properties of the brand in the same way as neurobiological, natural reinforces as sex, food, facial attractiveness, etc. (Erk et al.,2002; Schaefer & Rotte,2007).

The reward system contains three main areas which has an important role in consumer decisions and value calculations: The 'wanting', liking and 'learning' system. These will be explored in following section.

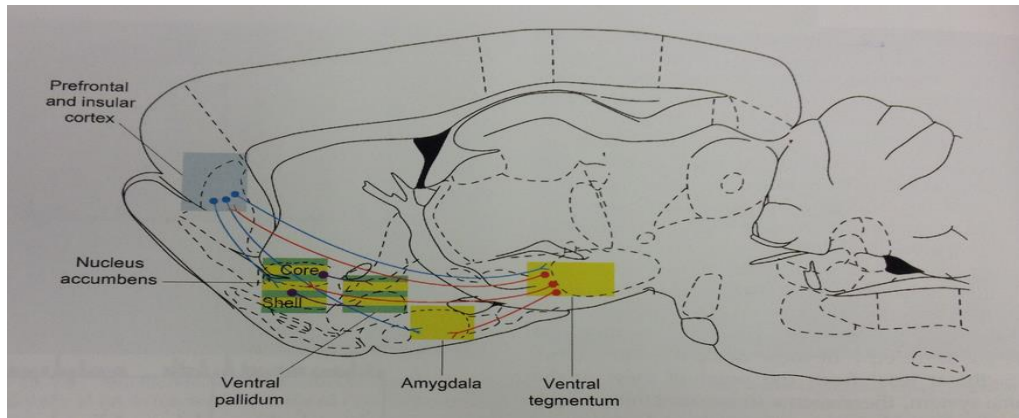
4.5.2 'Wanting', liking, learning

According to modern cognitive neuroscience, 'wanting' and liking are two different preference indicators that can be analyzed at both conscious and unconscious levels.¹⁸ 'Wanting' and liking can be defined as reflections of the individual's beliefs which reveal their bio-psychological processes. In order to explore the physiological effects, similarities and differences among mammals and humans, researchers have been exploring this field for a long time. A famous test done on children is e.g. the 'marshmallow- experiment', which examined children's 'wanting' and liking systems, through measuring their reaction time. The test explored how children can be struggling with a dilemma: immediate gratification (eating the marshmallow now, the 'wanting' system) and long term deliberate decision (wait and get rewarded with an extra marshmallow, the liking system). (Ramsøy lec.5; Youtube.com).

¹⁸ A behavioral economic perspective to the 'wanting' and liking theory is 'The dual process' theory by psychologist Daniel Kahnemann. This theory is incredibly similar and parallel to the 'wanting' and liking theories from cognitive neuroscience as they both deal with the aspects of conscious and unconscious pattern in human cognition and behavior. Surprisingly the theorists individually managed to develop two different theories speaking almost of the same findings within the same period of time and despite that they come from two scientific fields. More in Appendix 8: David Kahnemann's system 1 and system 2. Another cognitive perspective to the 'wanting' and liking theory and Kahnemann's the dual process perspective is "The two cognitive systems" by Khaler et al, 2009. This theory also speaks of the conscious and unconscious thinking patterns by dividing them into "The automatic system and the reflective system". These are very similar to system 1 and system 2.



The 'wanting' and liking physical pathways in the brain are shown in the picture below. This is a simplified view of subcortical liking and 'wanting' pathways shown in a rat brain. The 'wanting' pathways are shown in yellow while the liking pathways are shown in green. The blue is the cognitive processing of cues, such as the respondent's associations. (Bernard et al.2010).



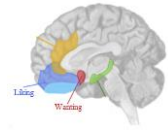
Source: Bernard J. Baars and Nicole M. Gage: *Cognition, Brain and Consciousness. Introduction to Cognitive Neuroscience*. 2010. Elsevier.

4.5.3 'Wanting' – An unconscious state of mind

'Wanting' can be defined as a motivation to obtain reward and can correspond to a mechanism for decision-making that is distinct from other utility. (Berridge, 2009.) It can be identified by increased motivation, a piece of work, an effort, a total fixation, a behavioral change (moving towards/away), a mental preoccupation and finally an arousal level. (Ramsøy 2012, lec.5).

The concept of 'wanting' is subjectively and neurologically different from liking. 'Wanting' can be divided into two sections: The cognitive incentives (wanting) and the Incentive salience 'wanting' (Notice: quotation marks). The first is based on the individual's goal-directed plans and consciousness, whereas the second relates to the motivational magnet which triggers an approach, this can be unconscious. (Bernard et al, 2010). In this thesis the concept of 'wanting' will refer to the second, an unconscious state of mind.

The conscious wanting is typically based on imagination and memory, which can be consciously understood and reported. It involves explicit thoughts of the target and the reward. (Berridge, 2009) "You know what you want or at least you think you do...you expect to like the wanted target, and you may have some idea of how you intend to get it" (Berridge, 2009 p.379)



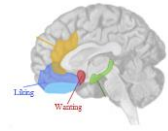
This applies, for instance, when test respondents see the different coffee brands and consciously start to imagine which one is more pleasurable in taste.

The unconscious 'wanting' is a brain system which is separated from expectations, conscious planning (Berridge, 2008) and sometimes feelings. (Berridge, 2009). It can be triggered by sudden, intense, temporary, reversible and repeatable reward-related cues (Berridge, 2009) such as the smell of freshly brewed coffee. In the unconscious 'wanting' the person typically anticipates liking the eventual outcome. (Berridge, 2009). As mentioned before, it is this interpretation which will be used in this study.

Typically the conscious and unconscious wanting systems work in tandem as the unconscious 'wanting' is the one which directs the behavior by enhancing the conscious desires to action. (Berridge, 2009). For instance, when respondents in the coffee tasting test provide an overview of the presented brands and consciously¹⁹ reach out for a sample, letting the unconscious behavior decide the amount of fluid that gets poured into the cup.

The unconscious 'wanting' can be very strong, often stronger than the conscious wanting. An example of this is studies done on compulsive behaviors, showing that it can be very typical, that people 'want' something they don't necessarily like, as with, say, smoking (Ramsøy 2012, lec 5) and overeating (Berridge, 2009b). Because the 'wanting' can be an unconscious reaction, it is very typical and often expected to find different results in 'wanting' vs. liking tests. This is in fact assumed in the coffee tasting test where respondents are to taste the samples and afterwards evaluate the level of their liking/disliking. (H_1 vs. H_6). When tasting the samples the respondents won't know that the amount of consumed coffee actually expresses their unconscious 'wanting' of the product while the evaluation expresses their conscious liking. It is also possible to discover the respondent's 'wanting' by observing their facial expressions as the incentive salience transforms the sensory shape, smell or sound into an attractive and attention-riveting incentive, leading the respondents to either smile, be more focused, motivated, etc. (Berridge, 2009; Ramsøy lec5 2012). These methods will, however, not be practiced in this study.

¹⁹ The respondents were conscious when picking up the samples, as they were told in which chronological order to taste them.



4.5.4 Liking – A conscious state of mind

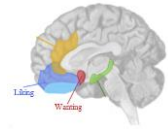
The hedonic feeling of liking has been shown to be dissociable from the dopamine system and has homologous facial characteristics across both mammals and humans. (Bernard et al, 2010). The understanding of liking (pleasure) can be divided into 2 sections: conscious pleasure liking and core hedonic impact “liking”. The first is when explicit, hedonic feelings are expressed e.g. conscious liking or pleasure rating while the next is an objective/affective reaction, e.g. a facial expression of “liking” (smile, sticking tongue out, etc.). (Bertrand et. al, 2010). Facial expressions reflect the unconscious “liking”, but in most cases the conscious liking gets viewed as the core liking. In this thesis liking will refer to the conscious state of mind.

In the traditional branding theories liking is typically referred to as a feeling. (Aaker, 1991; Keller, 2008). In research studies liking typically gets measured by parameters such as preference rating, subjective scaling, etc. According to the branding literature, liking a certain brand can occur if the brand repeats exposure (Aaker,1991) or is surrounded by positive associations. Starbucks has been publishing their brand through several differentiated media, aiming for more potential customers to like them.

4.5.5 Learning

Learning is a system which enables people to be more strategic in their decision-making. In order to learn, our brain constantly updates values and associations regarding a specific context-related action. When new knowledge is gained, it can, if systematized, develop into learning. (Berridge et al, 2003).

In relation to the theories mentioned above, learning can be motivated by both ‘wanting’ and liking but can be done without any of them. According to studies done by Pessiglione et al. 2008, it has been concluded that *“even without conscious processing of contextual cues, our brain can learn their reward value and use them to provide a bias on decision making.”*(Ramsøy, lec.5, 2012). In the coffee test, it was observed that respondents after having tasted the first two samples, may have noticed that the taste might have been the same, but because they were told that all samples were different, they took this knowledge and let it influence their evaluation and final decision making.

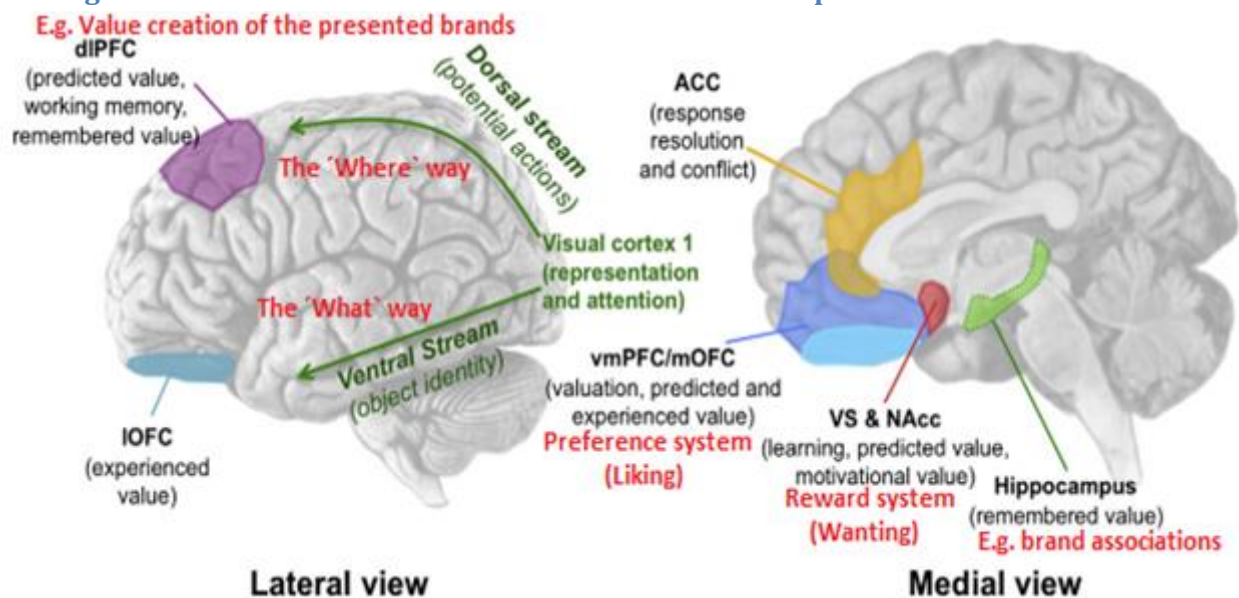


4.6 Noticeable brain systems in consumer choice, 'wanting' and liking

4.6.1 Human brain

The brain is one of the most complex human organs. It consists of a number of highly complex and intertwined structures. (Bernard et al, 2010). In cognitive neuroscience the focus is primarily on the cortex, often considered to involve the highest level of processing. (Ibid). The cortex is vital for cognitive functions and constantly interacts with deeper structures such as the thalamus, basal ganglia, cerebellum, hippocampus and limbic regions.²⁰ (Ibid) Consequently, these regions play an important role in the understanding of consumer decision-making. The cortex is responsible, among other things, for sense regions such as vision, hearing and tasting. All Areas which seem to be activated when respondents are making decisions.

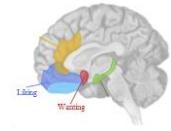
4.6.2 Figure: Prominent brain structures related to value computation



Source: Adopted from Plassmann et al.2012. The red writing are own implemented descriptions.

When it comes to our visual system (Visual cortex 1) it contains two cortical routes: The Dorsal visual (the 'where way') and the ventral visual ('the what way'). (The green arrows in the picture.) The first is involved with spatial deployment of attention. Whereas the second is responsible for object recognition. (Plassmann et al, 2012). The 'where way' helps the respondents identify the four

²⁰ Cortex is a flat sheet that is folded into the upper cranium, covering the brain. See drawings, with explanation of the cortex and the sense areas presented in colors :Appendix 4: The Cortex

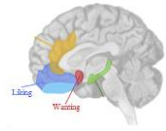


brands, while the ‘what’ lets them recognize and understand which brand they have a preference for. When the dorsal visual area is activated the stream proceeds to the dlPFC.²¹ (The purple spot in the picture). This area along with the vmPFC/mOFC (blue colors in the right model) and the striatum are important sections which are activated when the respondent is involved with the value creation of the presented coffee brands. (Levy et al. 2011). The mOFC predicts the preference and liking of a product whereas the Nacc is related to the ‘wanting’ system. (Ramsøy, lec.4). The OFC is a cortical processing placed especially in the medial orbitofrontal cortex. The OFC is e.g. activated if the neural system encodes a negative experience like an unpleasant taste. (Plassmann et al. 2012; Small et al, 2001:2003). The likeability of something that creates a pleasant taste sensation, like a great cup of coffee, is registered by the shell of the nucleus accumbens. (Bernard et al, 2010). fMRI studies have shown activity in the OFC (medial part in particular) at the time a reward is being enjoyed. (Plassmann et al. 2011). One might therefore predict that this area is activated if the respondents find the taste of the samples positive. The pathway of liking reactions typically runs through a neutrally modulated brain network, incl. shell of the nucleus accumbens, ventral pallidum, and brainstem parabrachial nucleus (shown by the green color). (Bernard et al, 2010).

Another area which gets activated when the respondents, are evaluating the presented tasting samples, is the hippocampus. The Hippocampus is the brain’s memory system which is also responsible for all the respondent’s knowledge of associations with the brands.

During the process of consumer choice, there are different components which influence the decision-making, namely the so-called bottom-up and the top-down. The bottom-up system filters and selects the most important information the person is exposed to. This occurs on two levels, the low and the high level. The low level divides the visual inputs into features like colors, luminance, size, shape, orientation, etc. (Plassmann et al, 2011). The low-level becomes activated when respondents view the brand logos, whereas the higher-level factors potentially gain automatic, preferential access to working memory (faces, text, novelty, one’s name, etc). (Ibid). Both the low

²¹ Abbreviations: ACC= Anterior Cingulate Cortex; dlPFC= Dorsolateral Prefrontal Cortex; mOFC= Medial Orbitofrontal Cortex; lOPFC= Lateral Orbitofrontal Cortex; NAcc= Nucleus Accumbens; vmPFC= Ventromedial Prefrontal Cortex; VS= Ventral Striatum.

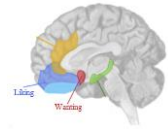


level features and the higher level factors are combined in the brain and pre-attention scan paths are created. (Ibid).

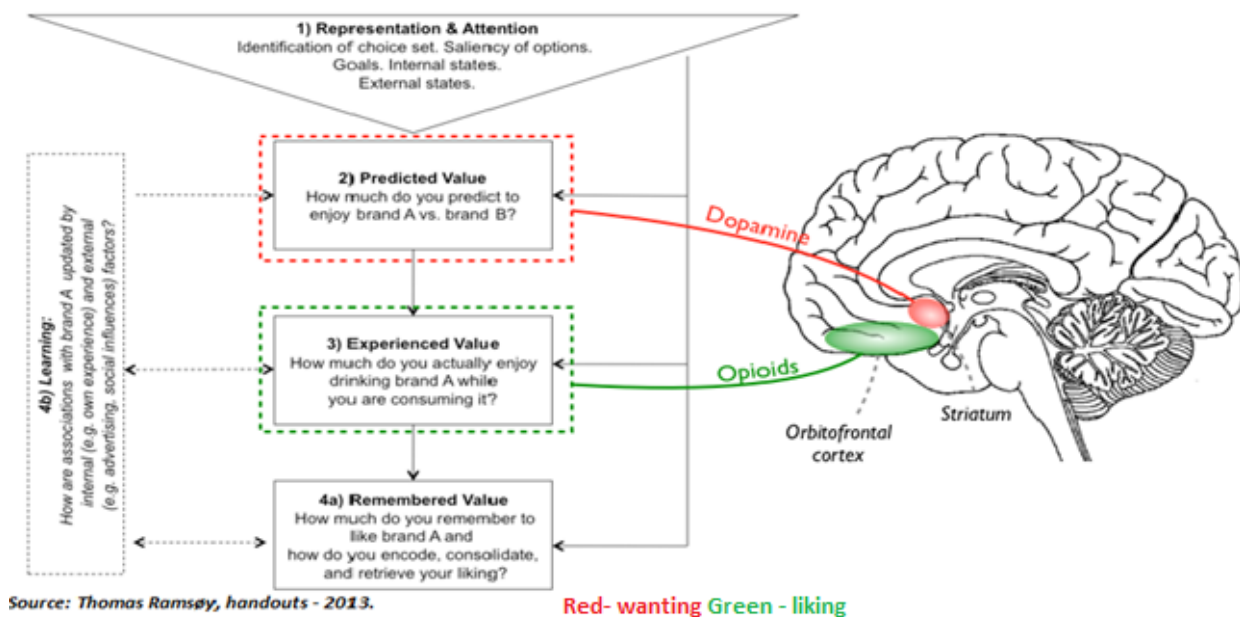
Secondly, the top-down control depends on goal and expectations. The relevant information for goal attainment will be attended to more than irrelevant information: when human are hungry, for example, they pay more attention to food. (Ramsøy, lec 3). The top-down control is activated when respondents are to evaluate whether the taste of the samples fits their predicted value and expectations.

According to research it is very easy to affect consumers' preferences by manipulating their 'wanting' and liking systems with regard to certain brands without their knowledge. (Bringer, 2013-documentary, dr2). One way to do this would be by developing important stimuli that interfere with the Nacc system as this system receives input from dopaminergic neurons in the ventral tegmental (VTA). (Plassmann et al. 2011). The dopamine neurons are essential for controlling or manipulating consumer behavior as these create the desire felt as 'wanting'. This Nacc (The red area in the model) is also very important when striving to affect consumers emotionally as this is connected and placed in a hierarchy of mind regions with high sensory processing. (Plassmann et al 2011).

When the respondent is asked to evaluate the consumed samples their level of 'wanting' is controlled by the level of released dopamine and activated in the Nacc/VS area. (Ramsøy lec. 5). Finally when the respondent is about to choose the coffee brand he or she wants to take along, it can be assumed, based on earlier studies, that the left frontal region is activated, as this area is associated with either positive emotional experience or the motivational drive to approach an object. (Plassmann et al, 2012; Harmon-Jones, 2003).



4.7 Figure: Connecting value-based decision making with the theory of 'wanting' and liking.

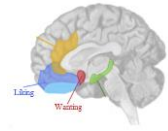


The two different motivational brain systems 'wanting' and liking is in this section integrated into the model of value based decision making to explore the relations the theories share.

In the second step 'Predicting value' of the value based model of choice, one would expect to see a strong reaction of 'wanting'. This is not 100% unconscious, as it is also thought to be responsible for conscious gut feelings, etc. The third step 'experienced value' represents 100% of liking as it refers to the hedonic experience, which is the subjective utility experience.

The two systems are therefore connected to different areas in the consumer's decision making. The 'wanting' and liking systems are supported by two different neural systems (Neurotransmitters): Dopamine and Opioid. The reward system's 'wanting' relates to many of the deeper and unconscious brain areas e.g. food 'wanting' (Havermans, 2009) which is connected to the dopamine level.²² The liking system which relates to subjective experiences of pleasantness such as food liking (Havermans et al, 2009) is supported by the orbitofrontal cortex and mediated by the

²² Dopamine : Is a substance which, upon release, leads to a feeling of pleasantness. It Maintains psychomotor and motivational focus and alertness (Conscious arousal). (Bernard et al.2010)



Opioid system, primary sensory and valuation regions (Litt, 2010) ²³. Both systems work together in decision-making and there is evidence that they can operate completely outside of conscious awareness. (Berridge & Robinson, 1995; Litt, 2010).

4.8 Preliminary conclusion

In this section various modern cognitive neuroscientific approaches have been presented. All theories have been integrated according to their individual and combined contributions to greater insight and understanding of the many aspects of consumer decision-making. The initial approach 'framing' set the stage for the overall approach to the research of this thesis. Next, the 'value-based-model of choice' presented the 4 stepped process a consumer had to go through in a decision-making situation. Lastly, the theory of 'wanting', liking and learning added an in-depth description of the human psychological and biological (conscious and unconscious) decision process.

5. Research design

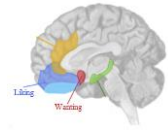
5.1 Research method

In order to investigate the research question an experiment stage was set up. The experiment's chronological order was based on a combination of the consumer behavioral marketing approach: 'Hierarchy-of-effects' ²⁴ and the consumer neuroscientific behavioral approach: 'Value-based-model of choice'. By answering a questionnaire, tasting samples and filling in measuring scales, the respondents were able to show their unconscious behavior and express their conscious opinions. Each step of the experiment was constructed to create a scientifically valid test. This was done through hypotheses which would be either scientifically verified or falsified.

The aim of the test was to gain better insights into the relations between respondents' 'wanting' and liking behavior and measurements, to thereby explore the possibility of brands affecting their decision making.

²³ Opioids: An opioid is a psychoactive chemical that works by binding to [opioid receptors](http://www.sst.dk), which are found principally in the central and peripheral nervous system. (www.sst.dk)

²⁴ Definition: Hierarchy-of-effects models: With a focus on consumer attitude, behavior, consumption and decision making their primer goal is to predict how consumers respond to advertising or how they process a communication message. (pelsmacker et al, 2010). (More in section 10.2-10.3)



5.2 Research philosophies

In order to answer the research question and related sub questions, a number of hypotheses were developed, these represent my epistemology²⁵ My epistemology in this project plays a central role, as it determines, how my reality is acknowledged. This further creates my ontology, which has a significant impact on my hermeneutics and analysis of the data. According to philosophy, assumptions about reality can be based on four methodological approaches: Positivism, Neo-positivism, Critical theory and Constructivism. (Cleemann, 2010).²⁶

In the treatment of the hypothesis, my method-perspective will vary between an analytical approach from the positivistic paradigm (quantitative/scale measuring from questionnaires) and the constructivist paradigm (qualitative/Open answers in the questionnaire and observations). In order to arrive at an objective and realistic conclusion in this thesis, I will strive to find an optimal balance between being naïve realist and trained relativist. Though, as a researcher in my own thesis, there is a chance, that I'm affected by own constructivist ontology and unconscious gut feelings. Additionally, since I have developed this research project alone I will place my ontology closer to the 'critical-theory' paradigm, also known as limited realist, as reflections and knowledge channels are strictly limited to one's own network, methods and expertise.

5.3 Hypothesis

The following hypothesis was developed as expected behaviors based on presented theories and observations done on consumers in several coffee environments. For every hypothesis there is a H_x0 hypothesis, which resamples the negation of the listed hypothesis. These will not be listed. The hypotheses are divided into 4 subject-related sections. The first and last listed hypotheses provide the scope for this project, while the central listed parameters equal the control parameters.

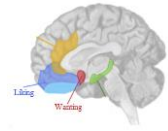
In relation to the presented research question it will be expected that:

H₁: Individuals' subjective preference for brands has a significant effect on coffee taste preference.

H₁: Main Parameter dealing with brand effects.

²⁵ Ontology : What is reality? Epistemology : How does the research recognize the reality? Methodology : How is the research examined? (Cleemann, 2010).

²⁶ Appendix 9: Paradigms and their assumptions about Ontology, epistemology and Methodology. (Cleemann, 2010).



H₂: The high quality coffee will be connected with a higher rating, as the coffee quality should equal the average taste experience and finally the average rating level of taste experience.

H₃: Based on the taste, the respondents will be able to detect a difference among the qualities.

H_{3a}: Even though the respondents may have suspected, that some of the presented brand samples contain the same coffee, they will still rate the tasting of each brand differently.

H₂ – H_{3a} = Control parameters dealing with taste.

H₄: The consumers will consume a higher amount of the high quality coffee.

H₅: The coffee the respondents consume more of, will be the coffee they choose to take with them in the end.

H₆: The consumers will drink more of the coffee brand they prefer.

H₄ – H₆ = Control parameters dealing with consumption.

H₇: The respondents will rate the brand: Starbucks positively higher (in pre-assumptions) than competitors in knowing, liking and perceived quality.

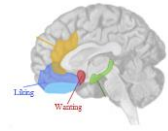
H_{7a}: Starbucks will be rated positively higher than competitors in taste perception regardless of which coffee quality is hiding underneath.

H₇ + H_{7a} = Main parameters dealing with Starbucks.

5.4 Experimental design

In week 50 (2012) at central hall CBS, 122 subjects were tested (56 women, age mean±std = 25.3±4.1) who on average consumed 2.4 cups of coffee (std = 1.3, range 0,5-6). On the day of testing, they had on average 1.1±1.5 cups (range:0-8.5).

Subjects tested 4 different cups with coffee. On average the cups weighed 33.5±5.5 grams prior to drinking. After each cup, subjects rated the coffee taste. Between each trial they rinsed with water for approximately 10 seconds.



Unknown to the subjects, there were only two kinds of coffee; one high quality (After dinner) and one low quality (Artnok Original). Both coffees were supplied by the sponsor Kontra coffee. All brands attached to the coffee were famous coffee brands. The brands were placed in the same order throughout the whole experiment to optimize coherency and validation of the results. The integrated manipulation factors were the two coffee qualities (high; low). These were integrated in order to make it possible to discover, whether the respondents could actually taste a difference between the samples. The qualities were chronologically distributed amongst the samples (high;high – low;low) to increase the chance of respondents noticing the similarities. This set-up along with the last question²⁷ provided yet another opportunity to research on what level the brand had an effect on their perceptions.

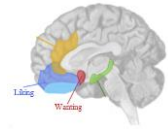
Finally the respondents were set to choose a final coffee brand to take along. This was integrated to explore how brands had an effect on final choice decisions as in a real life consumer purchasing situation. The experiment structure consisted of three main levels:

1. Measuring of consumption.
2. Rating of coffee samples
3. Respondent's final choice of coffee brand.

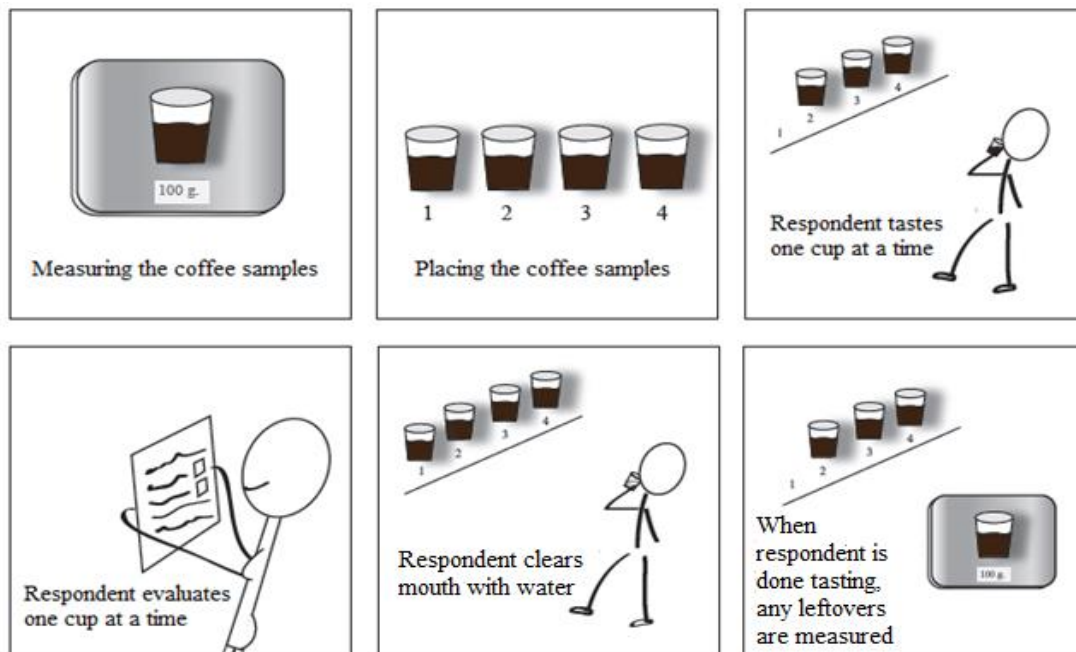
These steps were adequate to explore factual and unconscious consumption ('wanting') of conscious liking and finally choice of preferred brand (main parameter). The respondents was asked to taste four brand samples and indicate the taste experiences in order to access their coffee liking. Their 'wanting' was accessed by the amount of consumption.

In total the coffee tasting process was divided into 6 steps, distributed among a recommended total durations time of 10 min. per respondent. (Blumberg et al, 2008). The respondents ran through the first 5 steps of the process 4 times as the samples were tasted and evaluated individually. Figure 5.4.2 presents an overview of the chronological testing process followed by a visual presentation of the set-up and testing process.

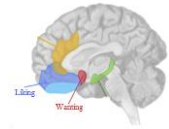
²⁷ Control question: "Did you notice that some of the tastes were the same? – If yes? Which?"



5.4.2 Figure: The coffee testing process



Source: Composed by the author of this thesis, 2013. Representing the structure and main testing process.



5.4.3 A visual presentation of the research set-up



1. Posters were used to advertise and inform about the test.



2. Before the research test started, a new questionnaire edition was placed along with a blank piece of paper for e-mail registrations.



3. While the respondent was filling in the first part of the questionnaire I prepared, measured and placed the tasting samples.



4. While tasting the samples, the respondents often asked if they could evaluate the brands after having tasted them all. This was not an option as the respondents were told that the test wasn't about comparing the brands but simply about investigating taste differences in coffee products.



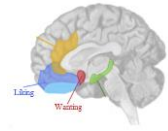
5. The respondents typically smelled the samples before gently and thoroughly tasting them.



6. In between each sample, they were told to clear the mouth with some water and wait a few seconds.



7. When the respondent was done with tasting all the samples, I started measuring them individually, to see how much they had consumed.



5.4.4 Table: The experiment design included three manipulation factors and three control parameters.

Manipulation factors	Control parameters
<ul style="list-style-type: none"> • The manipulative introduction • The 4 brand logos • The 2 coffee qualities 	<ul style="list-style-type: none"> • Conscious taste perception (liking) • Unconscious taste perception (wanting`) • Final consumer brand choice

In order to convince potential respondents, that the research had no hidden agenda, the respondents were told that the research was about discovering which coffee taste and coffee notes consumers preferred.²⁹ Many respondents often asked if the research was a marketing test with hidden agendas. In response to such questions, they were offered a detailed explanation of, how the data was collected for a thesis only dealing with aspects of coffee taste preferences and that the interesting part was to discover ,which of the different coffee notes the average consumer preferred. To increase the validity, the word “brand” was restricted and replaced by “supplier” in order to increase the misleading of any potential doubts.

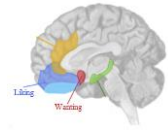
5.4.5 Placing, sample population and size

The central hall of Copenhagen Business school, Solbjerg Plads served as the set-up location. The coffee was brewed and prepared at the Decision Neuroscience Research Group’s office, near the central hall. This was the most optimal choice as the coffee needed to be brewed and served quickly in order to preserve its freshness for collecting valid results.

In order to reach out to as many potential respondents as possible, random students, visitors and lecturers were collected randomly. The data collection took place in week 49 and was distributed over 7 days.

In order to validate the results, the defined coffee market was narrowed down to the market of chained coffee bars. The population of interest was defined as both female and male consumers with a strong interest in coffee and in the age of 20-40 years old. According to the theory, the

²⁹ Appendix 10:Experiment guideline.



number of respondents (the size) to a pilot group should range from 50-100 subjects (Blumberg et al., 2008). The aim was to collect around 100-150 respondents and the end result was 122 respondents.

The collection method used was a stratified data type, which allowed dividing the population into subpopulations where the simple random technique was used. (Blumberg et al, 2008). The subpopulation let me narrow down the segmented population to only include Danish coffee drinkers from Copenhagen. This group was chosen as representatives of a general Danish coffee drinker. The required characteristics in the segment were: 20-40 years old, liked coffee and had been living in Denmark (for a minimum of 1 year).

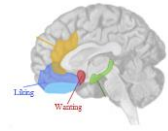
5.5 Measurement equipment

The basic elements in the study were printed questionnaires, a scale, big cups, sample cups, sugar, stirrers and most importantly, the two different qualities of coffee. To prevent the respondents from being influenced by stimuli beside the logos and the framing presentation, the sample cups were clear, neutral and all equal in size. In order to set-up a convincing stage, the following equipment was used: four transferrable coffee tanks with attached coffee logos on, two desks, chairs, informing posters and background stage settings.

5.5.1 Measuring methods in the questionnaire

“Sensitivity of a scale is an important measurement concept, when changes in attitudes are under investigation”. (Zikmund et al, 2010 p.309). This definition refers to the ability of the scale to represent the respondents’ variability. When measuring consumer attitudes and behavior, the typical approach is by using rating scales. Rating scales come in many versions applicable for different setups. All, however, have individual drawbacks as they each frame the subjective answer of the participants. (Blumberg et al., 2010).

The questionnaire was formatted so that the *scales of measurement* varied from nominal, open answers and interval types of data. Nominal refers to yes/no answers while open answers refers to the respondents using their own words to answer. Lastly, the interval refers to the scaled range of values. This was the primary method in both the questionnaire and taste preference evaluation. *Interval data* are scales, which incorporate the concept of equality of interval. (Blumberg et al, 2010). Interval scales are used in e.g. intelligent scores, semantic differential scales and multipoint



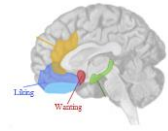
graphical scales. (Blumberg et al, 2010). The last one mentioned is relevant in the context of this study as the respondents, were asked to rate the taste preference on a 10 cm (like vs. dislike) scale. Since the interval between each rating step is equal in length and value adding this method can be defined as interval data. A more precise definition of this measuring method, however, is the term: *Visual analogue scale*, as this scale gives a precise attitude measurement for each individual respondent across the present values. (Wewers & Lowe, 1990).

Furthermore, the questionnaire included a well-organized and short response strategy provided so, that the respondent wouldn't be able to tell, what the study was actually about, as the focus was put on one's relationship to coffee and on the taste. As an example of how the questionnaire was constructed, instead of asking "How well do you know the following brand?", the respondents were asked "How well do you know the following coffee suppliers?".³⁰

5.6 Validity and Reliability

Validity refers to, whether a measurement accomplishes its claims (Blumberg et al, 2008) and to whether the measurement represents the concept accurately (Zikmund et al, 2010). In order to optimize the quality of validity the research process and design structure (experiment setup and questionnaire) were carefully planned in details. Great effort, for instance, was put into maintaining a similar personal appearance and tone of voice with all the respondents. In order to make the statistical findings and final conclusion more valid, a higher number of respondents could have been included. Also, a broader and more varied pool of respondents could have presented a more nuanced and valid final result, leading to an even better understanding of how well Danish consumers relate to the Starbucks brand. Finally, an interesting observation was made. Throughout this thesis the statistical results had been compared amongst all the presented four brands. However, it came to my attention, that if the brands had been statistically divided into a high-brand equity category (Starbucks/Baresso) and a low-brand equity category (Ricco/waynes) the results from figure 6.9, would have presented another overall picture as the respondents in this case consumed the high quality coffee in relation to the high-brand equity category and the low quality coffee in the low-brand equity category. This could have indicated whether, on an unconscious level, the respondents were able to detect the quality tastes and potentially connect them with the right brands. This would be particularly interesting because in figure 6.5 the respondents' evaluation resulted in a

³⁰ Appendix 11: Questioner, part 1 "Before tasing coffee"



preference for the low quality in 3 out of 4 cases. In light of this, it becomes clear, that conclusions and results from research studies are indeed affected by the way the statistical data is treated.

The concept of reliability refers to the question of, whether the study will produce similar results in repeated trials. (Zikmund et al, 2010). If a similar target group was tested somewhere else in Denmark with the same experiment setup and questionnaire the likelihood of similar results would be expected to vary between a low ->medium similarity. It should be taken into account, that there might be a difference in the level of brand insights and therefore also the level of brand effects on taste perception between Danish consumers from central areas and consumers from smaller cities. Furthermore, in relation to testing 'wanting' and liking reactions it is very uncertain, whether respondents would choose the same answer, even if the test was done on the same respondents as the first time. This is due to the fact that consumers construct their preferences on the spot (Lichtenstein, 2006; Payne et al, 1992; Dai, 2010) and therefore can have different representations of a preference in different contexts. (Dai, 2010). The respondents' 'wanting' and liking results further depend on the timing of the test and the individual respondent's emotional moods.

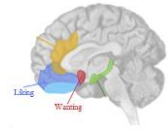
Besides this there are no overtly inconsistent or surprising elements in the study, which would be able to further affect the reliability quality.

6. Test results

The first aim of the test was to research whether the brand and the quality had an effect on 'wanting' (consumption), liking (preference) and final choice. To this end, a questionnaire was set up and a multivariate random effect analysis with liking and consumption as the dependent variable was run: using brand name and coffee quality as the independent variables. The interaction between brand and quality, were also included. Subjects were used as the random factor.

6.1 Figure: Results from the pre-assumption test.

The results from the pre-assumption test showed that in all cases Starbucks scored the highest positive scale measuring. They also received the highest scores of positive and negative associations. However, Starbucks was the only brand for which all respondents (100%) left an association; in comparison, Waynes was evaluated on associations by only 19,67% of the participating respondents.



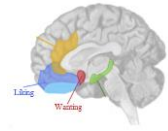
Question	Starbucks	Baresso	Ricco	Waynes
How well do you know the following coffee suppliers?*	7,74	7,14	3,35	1,57
How well do you like the following coffee suppliers?*	6,98	6,28	3,59	1,53
Where will you place the taste quality of the following coffee suppliers?*	7,27	7,03	4,01	1,77
How do you perceive the sample taste?*	6,50	5,47	4,71	4,89
Number of positive associations.	122	65	69	24
Number of negative associations.	46	32	3	7
Associations in total.	168	97	72	31
Number of respondents who mentioned a positive association.	100%	53,27%	56,55%	19,67%
Number of respondents who mentioned a negative association.	37,70%	26,22%	2,45%	5,73%

*Results are expressed in a 1-10 measuring scale. (1:Very good/a lot – 10:Very bad/Not at all)³¹

6.2 Table: Liking scores from the tasting samples

The presented table below is highly significant ($R^2 = 0.435$, $RMSE = 2.15$, $p < 0.0001$). This means that the relation between the coffee brands and the quality had a significant main effect on the respondent's preferences. Also, certain brands were more effected by the qualities than other brands, though with a less significance. E.g. the evaluation differences between Starbucks and Baresso were less affected by the qualities than the evaluation differences between Ricco and Waynes. This is also highlighted in figure 6.5 by the whiskers.

³¹ Appendix 14: Respondents pre-assumptions to brand recognition, liking and measure of quality.



Source	DF	DFDen	F Ratio	Prob > F
Brand	3	360	16.2752	<.0001*
Quality	1	360	29.9199	<.0001*
Brand * Quality	3	316.5	5.2389	0.0015*

6.3 Table: The Liking rating of brand taste.

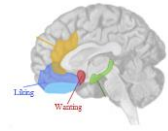
The table below also illustrates that some brands were more affected by the quality of the coffee than other brands. Even though [Starbucks; Baresso] and [Ricco; Waynes], contained the same quality Starbucks received higher liking ratings than Baresso, followed by Waynes and finally Ricco.

Level	Least Sq Mean	Std Error
Baresso	5.4707092	0.22944859
Ricco	4.7115319	0.22944859
Starbucks	6.5040567	0.22944859
Waynes	4.8927801	0.22944859

6.4 Table.: Rating coffee qualities

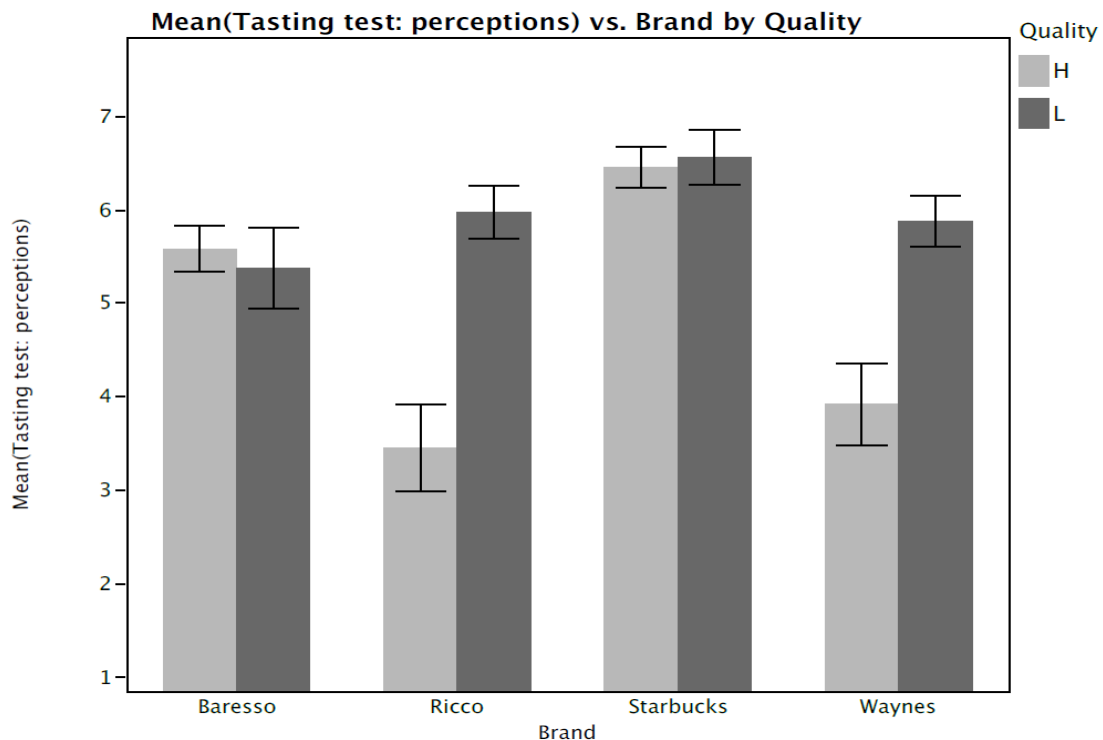
There was also a main effect of coffee quality. Somewhat surprisingly the lower quality coffee received a higher rating. This indicates that the low coffee quality was preferred by the majority.

Level	Least Sq Mean	Std Error
H	4.8474894	0.18062526
L	5.9420496	0.18062526



6.5 Figure: Tasting perception, brand and quality

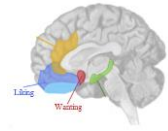
Finally, there was an interaction between brand and quality, as shown in the figure below. The figure shows, that high brand equity suppliers [Starbucks; Baresso] are less effected by the quality difference than [Ricco; Waynes]. This appears as the taste evaluations are liked almost similarly and the whiskers are small.



6.6 Table: Consumption of samples

It was discovered that brand and quality had a high explanatory effect on consumption ($R^2=0.83$, $RMSE=5.3$, $p<0.0001$), and that this was caused by the significant individual effects of brand and quality, but no interaction effect.

Source	DF	DFDen	F Ratio	Prob > F
Brand	3	360	13.5720	<.0001*
Quality	1	360	13.1596	0.0003*
Brand*Quality	3	316.5	1.8662	0.1352



6.7 Table: Amount of consumption

The main effects of brands showed that Starbucks was consumed most, followed by Baresso, Ricco and Waynes. This is almost the same order as in the liking scores. The order is also chronologically similar to the order in which the samples were placed.

Level	Least Sq Mean	Std Error
Baresso	18.137730	1.0236894
Ricco	17.074326	1.0236894
Starbucks	20.905248	1.0236894
Waynes	17.022695	1.0236894

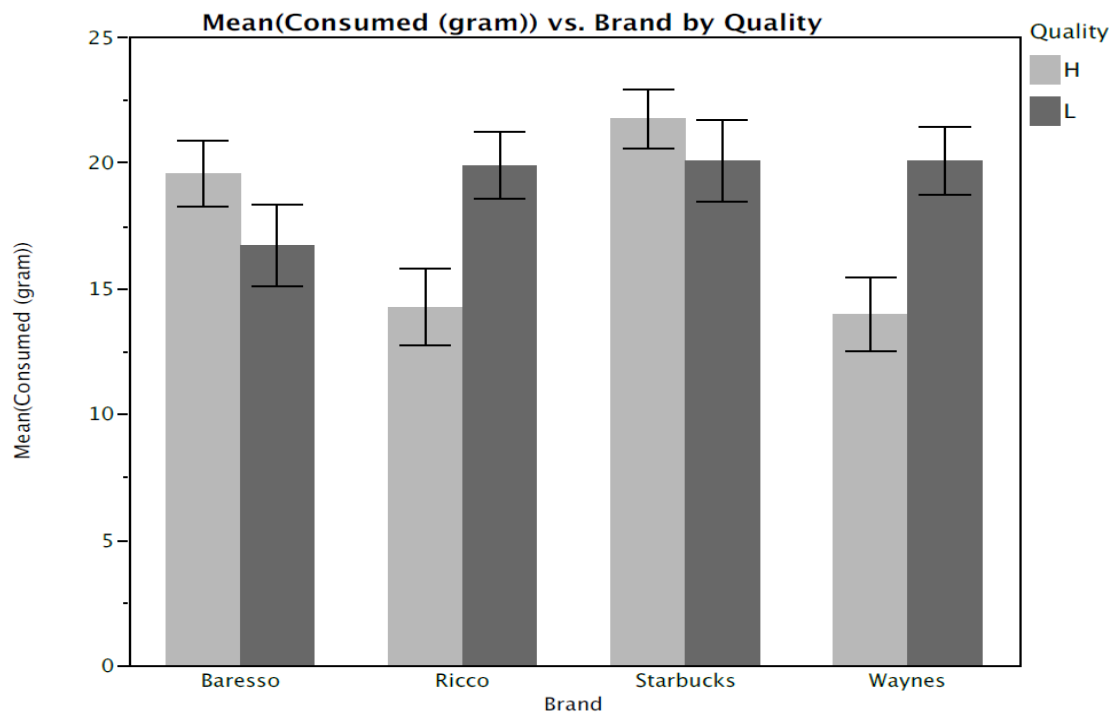
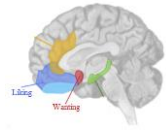
6.8 Table: Amount of consumption, divided in quality

The main effect of quality showed that low-quality coffee was consumed more than the high-quality coffee.

Level	Least Sq Mean	Std Error
H	17.388511	0.96218207
L	19.181489	0.96218207

6.9 Figure: Consumption, brand and quality.

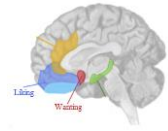
One can see that the consumption closely follows the liking scores from the previous figure 6.5. Again, the high brand equity suppliers [Starbucks; Baresso] are less effected by the quality difference than [Ricco; Waynes]. Also, the high brand equity suppliers are consumed more of than the lower brand equity suppliers. A new pattern though seems to appear, as the high coffee quality is consumed more of in relation to high brand equity suppliers [Starbucks; Baresso] and the low coffee quality is consumed more of in relation to the lower brand equity suppliers [Ricco; Waynes].



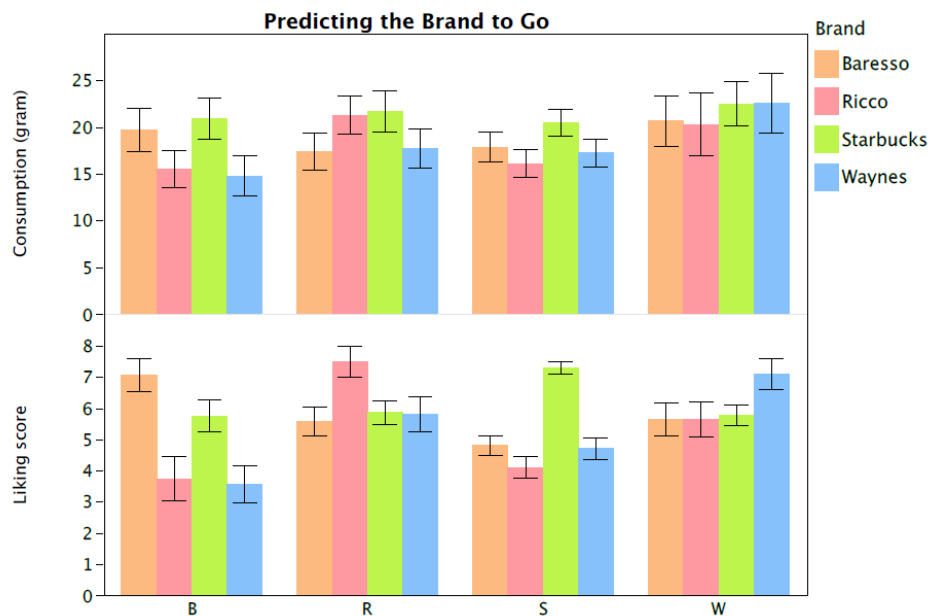
6.10 What predicts the respondent's final coffee choice best: Consumption or liking?

Here, it was found that only 'conscious liking reports' predicted what respondents chose in the end, as this was significant $<0,0001$. This is illustrated in the following table.

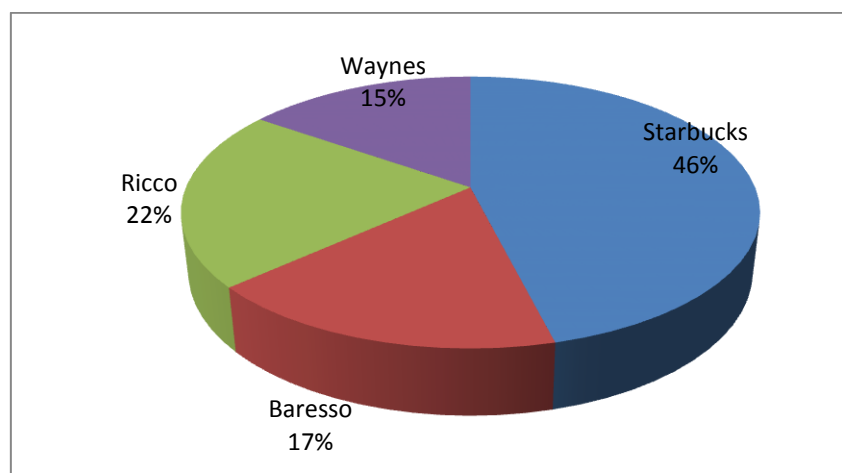
Source	DF	L-R ChiSquare	Prob> ChiSq
Brand	9	6.98008434	0.6392
Tasting test: Perceptions	3	5.37464695	0.1463
Brand*Tasting test: perceptions	9	69.176093	<.0001*
Consumed (gram)	3	3.20111951	0.3616
Brand*Consumed (gram)	9	1.9167483	0.9927

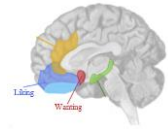


6.11 Figure: Respondents choice of coffee brand 'to go'.



The figure shows that when subjects chose a particular brand (bottom; B, R, S, W) it was associated with higher liking scores for that particular brand (bottom bars), but not so much similar changes in mean consumption (top bars). Bars indicate mean value, whiskers denote SEM (standard error of the mean). Among the 4 brands, Starbucks is the only one where both liking and consumption is highest.





6.12 Table: Debriefing the respondents; results from the questionnaires part 3.

	Number of respondents	Scale score	%
Respondents, noticing similarities in sample tastes´.	78		64,46
Respondents who did not notice similarities in sample tastes´.	44		36,36
Respondents placing sample similarities in the right order	8		8,97
Respondents own estimation of how often they think their favorite coffee drink is chosen out of taste.		3,8**	
Respondents´, own estimation of how much the brand names had effected their coffee perceptions.	114*	5,54**	
Respondents able to define the goal of the Research test.	34		27,86

*The total number of respondents were 122. 8 respondents didn't answer the last question of, how much they thought the brands had an effect on their perceptions. ** (from 0; Never – 10; Always) ³²

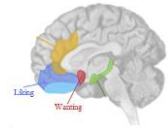
7. Result discussion

The purpose of this research study is to discover, how the Danish consumer's mindset relates to the Starbucks brand, given that, up until recently, the brand hasn't been on the Danish market.

Continuously the aim is to estimate, whether or not the brand could have a future chance of winning over the hearts of Danish coffee consumers. Presented below is a brief description of the researched findings in relation to the assumed hypothesis.

Hypothesis	Hypothesis relation	Result
H₁	The individual's subjective pre-assumptions for brand preferences (liking) will lead to a similar rating in coffee tasting.	✓
H₂	The high coffee quality will be rated higher, than the low coffee quality - as a high quality is assumed to be better in taste.	÷
H₃	Based on the taste, the respondents will be able to detect a difference among the qualities.	÷
H_{3a}	Even though the respondents may have suspected that some of the presented brand samples contain the same coffee, they will still rate the tasting of each brand differently.	✓
H₄	The consumers will consume a higher amount of the high qualified coffee.	÷
H₅	The coffee the respondents consumes more of, will be the coffee they will chose to take along in the end.	÷

³² Beside the mentioned questions the respondents were asked what they thought the test was about. These answers are presented in Appendix: 13



H₆	The consumers will drink more of the coffee brand they prefer.	✓
H₇	The respondents will rate the brand: Starbucks positively higher (in pre-assumptions) than competitors in knowing, liking and perceived quality.	✓
H_{7a}	Starbucks will be rated positively higher than competitors in taste perception regardless of which coffee quality that hides beneath.	✓

*The hypothesis are divided into four categories: H₁ = Main hypothesis H₂-H_{3a}= Control parameter (taste) H₄-H₆= Control parameter (consumption) H₇-H_{7a}= Starbucks related parameters.

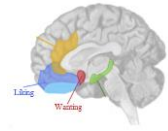
In order to explore the research areas, the brand effects on the consumer's brand perceptions, reaction patterns, conscious/unconscious taste experience and final decision-making was investigated. This theoretical research approach was chosen as developments within consumer and cognitive neuroscience had claimed that motivation systems could be conscious and unconscious.

The research required a tasting experiment, which took place at Copenhagen Business School in Copenhagen. Respondents were here tested on both their unconscious 'wanting' throughout a consumption test and their conscious liking by answering several questions in a questionnaire.

A research of the conscious liking system which referred to the pleasure derived from eating or drinking specific things and 'wanting', which referred to the appetitive motivation to consume the coffee, was made. (Havermans, 2011). From the theoretical description, it was postulated that the 'wanting' system would be inaccessible to subjective reports, yet have a strong and direct impact on actual choice behaviors. This was not scientifically verified as it turned out to be the subjective liking system (related to experienced utility and reports of liking), which provided a motivational force to actual choice behaviors.

The results showed, that the respondents' taste experiences and preferences were extremely affected by their primer brand expectations, associations and assumptions. When told that they were drinking a certain brand, it showed that their expectations and sympathy to this brand affected, how they experienced the taste. An example of this was when respondents thought that Starbucks tasted better than Baresso even though they in both cases were drinking the same coffee.

Another main factor uncovered by the test was that the quality put into the samples also had a remarkable effect on respondents' taste experience but yet the final experience all depended on which brand the respondents thought they were drinking. In contrast to what was expected, it was discovered that the respondents preferred the low quality coffee rather than the high quality coffee.



Finally, the results also showed that the respondents consumed more of the brand they had expressed a preference for in the questionnaire. The most popular brand in both the scale evaluations and tasting test results was Starbucks, as the brand was rated with the highest scores of likability and measured with the highest consumption level in the 'wanting' test.

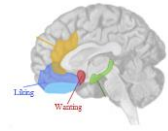
H₁: Individuals' subjective preference for brands has a significant effect on coffee taste preference.

Measuring the respondents brand assumption before doing the sample tasting test, showed that there was a connection between brand equity and the respondent's brand knowledge to the brand, liking and placing of quality. The respondents expressed, that they knew the strongest brands (Starbucks and Baresso) better than the weaker brands (Ricco, Waynes), they had a higher preference towards them and rated their qualities higher than less familiar brands.³³ In the first part of the questionnaire it was noticed that the respondents placed their liking preference evaluations remarkably close to the results from the first question about brand knowing, in fact Starbucks was given 7,74 in knowing, 6,98 in liking and 7,27 in quality – all results close to 7. Waynes on the other hand was given 1,57 in knowing, 1,53 in liking and 1,77 in quality – all close to the average of 1,5.³⁴

When comparing these results with the tasting evaluations, it also gives a clear indication of relations between pre-assumption ratings and final ratings. The first three presented brands: Starbucks, Baresso and Ricco showed a clear connection, whereas the last brand; Waynes stood out. In pre-assumption ratings, Waynes was rated with the average number of 1,53 while it scored 4.89 in tasting ratings. These findings indicate, that the pre-assumption stage has an important role in preference evaluations as the ratings illustrate a connection between the individual's subjective pre-assumptions for brand preferences (liking) and similar results in the tasting evaluations. **H₁ is therefore accepted.** Furthermore the results are relevant to a discussion of, whether the preference system and final choice can be measured by the first glance at the brand or the brand name. If so, then the first contact with a brand or a brand name is crucial, because that is the moment when important brand associations are first formed. Whether the first contact leads to final choice is still a topic that is being investigated by scientists.

³³ Appendix 14: Respondents pre-assumptions to brand recognition, liking and measure of quality.

³⁴ Ibid



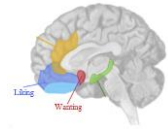
H₂: The high quality coffee will be connected with a higher rating, as the coffee quality should equal the average taste experience and finally the average rating level of taste experience.

Although it was expected that the high quality would taste better, the respondents expressed a preference for the low quality; on average more of this was consumed (figure 6.9) and it was also rated higher (Figure 6.5). An explanation for this reaction, might be that consumers tend to prefer the taste they are used to. According to an earlier thesis dealing with coffee brands, it was concluded that there are psychological factors in coffee taste formation. (Guldbæk et al. 1992). The writers stated that taste is determined by one's habits. For example, if one is used to drinking a certain coffee one will unconsciously create a preference for this taste, as the taste experience is created throughout a learning process affected by habits, psychological and social factors. (Ibid).

More than 95 % of the respondents in this study were students and typically students tend to drink cheap cafeteria coffee, for instance from the school cafeteria. This is the taste they are accustomed to, familiar with, able to recognize when tasting and therefore also the taste they are more likely to prefer. Since the high quality coffee wasn't rated higher than the low quality coffee, H₂ was not scientifically verified. These results indicate that when respondents are not exposed to brands, their evaluations are more valid. If the respondents were told which of the samples were the high quality and which were the low, the answers would very probably had been reversed as consumers typically strive to appear sophisticated, wealthy and signal social reinforcers. (Schaefer, 2007).

H₃: Based on the taste, the respondents will be able to detect a difference among the qualities.

Since the majority of respondents preferred the low quality coffee, the test indicates that the respondents were able to taste a difference in flavor. As mentioned earlier, 64,46% noticed that some of the flavors were identical. Of these only 8,97 % could determine, which samples that tasted similar. Often the respondents would think, that non similar samples were similar and vice versa. This indicates that the majority were not able to distinguish between the different qualities. As the respondents also evaluated the quality of the coffee samples very differently depending on which brand they were "hidden" under, the data indicates that the respondents' taste perceptions were highly affected by the brand names. E.g. the Starbucks coffee and Waynes coffee are evaluated differently in taste preferences, even though the coffee taste was the exact same. (Table 6.6). Besides this the results shows, that Starbucks and Baresso aren't as affected by quality taste as



Ricco and waynes are. This could support to a discussion of whether lower brand equity suppliers run a higher risk of losing consumer acceptance unless their taste is convincingly good. This in turn speak to whether consumers seek to buy values, storytelling and experiences in high brand equity coffee shops meanwhile being convinced that the coffee they drink is a fine quality. The matter of why respondents got seduced into preferring and choosing Starbucks in cases where it contained the low quality will be discussed in the analysis.

As the respondents were able to taste a difference among the qualities, but not able to distinguish between them and since the majority furthermore was affected by the brand names, **H₃ was not scientifically verified.**

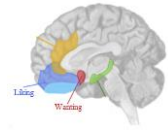
H_{3a}: Even though the respondents may have suspected that some of the presented brand samples contain the same coffee, they will still rate the tasting of each brand differently.

Out of the 64,46% participating respondents, who noticed similarities in the sample tastes, only 8 (8,97%) could pick out the samples that tasted similar with any accuracy. Out of these 8 respondents, only 1 had an inconsistency between his evaluations and his gut feelings of sample similarities. Even though he was able to point out precisely which brands that tasted similar, he still mysteriously managed to evaluate the brands very differently.

As for those who answered yes to noticing similarities in tastes, but weren't able to distinguish where the different qualities were placed, out of these the majority tended to evaluate all the brands very differently. This indicates that even though they had a hunch about some of the samples being identical, their ratings were not influenced by their gut feelings. Consequently, because the gut-feelings may have been "unconscious" cues indicating that some of the samples were the same, the respondents weren't able to point out were as they weren't conscious of the fact. **H_{3a} is therefore accepted.**

H₄: The consumers will consume a higher amount of the high quality coffee.

According to the results presented in the Table 6.4 it is clear ,that the low quality coffee was preferred. Figure 6.5 also shows that on average the low quality was preferred 3 out of 4 times. The Table 6.8 demonstrates that the number of consumed low quality was 19.18, while the number of



consumed high quality was 17.38. Since the high quality was the least consumed sample, **H₄ was not scientifically verified.**

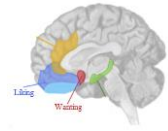
These results are worth noticing as it is likely that more of the high quality coffee would have been consumed if the respondents had been informed about this. In this case their 'wanting' would have been affected by their liking of the idea that high quality coffee tastes better because it is more extravagant and expensive.

H₅: The coffee the respondents consume more of, will be the coffee they choose to take with them in the end.

This is in other words the measuring of whether the respondents' 'wanting' leads to final choice.

Figure 6.11 presents a grouping of, how the respondents who chose the individual brands reacted both in terms of liking and consumption. In every single case, the respondents who chose to take a Starbucks, Baresso, Ricco or Waynes along to go had expressed a preference for that taste prior to making their decision. Only one brand stood out and indicated a relation between brand 'to go', preference measuring and highest amount of consumption. That brand was Starbucks. In relation to this, figure 6.11 shows that it is only the liking score, which predicts final choice as the p-value here is lower than 0,0001 and therefore significant. Starbucks was also the brand, which most of the respondents chose to take along, followed by Ricco, Baresso and Waynes.³⁵ Since the majority of the respondents did not choose the brand they had consumed most of along to go, **H₅ was not scientifically verified.** These findings could lead to a discussion of whether unconscious 'wanting' estimations can ever predict final consumer choices. According to the theory, 'wanting' typically leads to liking. This was also part of the pattern explored in this study as there was a coherency between the 'wanting' of Starbucks and the liking of it. But the 'wanting' was, however, not the strongest measure as the liking estimations were higher and correlated with final brand choice.

³⁵ Figure 6.11: Respondents choice of coffee brand 'to go'



H₆: The consumers will drink more of the coffee brand they prefer.

As presented in H₁, the overall preferred brand in the pre-assumption test, was Starbucks. On average, the results from figure 6.11 also showed, that the most consumed brand was Starbucks, **H₆ is therefore accepted.**

H₇: The respondents will rate the brand: Starbucks positively higher (in pre-assumptions) than competitors in knowing, liking and perceived quality.

Results showed that in all cases Starbucks was evaluated with slightly higher rates than Baresso. Since Starbucks managed to get the highest preference scores in both knowing, liking and quality (Table 6.1) **H₇ is accepted.**

H_{7a}: Starbucks will be rated positively higher than competitors in taste perception regardless of which coffee quality is hiding underneath.

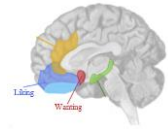
As Table 6.4 shows, Starbucks was rated with the highest preference number compared to competitors in both qualities, **H_{7a} is therefore accepted.**

8. Analysis, part 1: Exploring the findings

The following analysis sections will roughly follow the four stepped hypothesis categorization, based on: Main hypothesis dealing with brand effects, control parameters incl. taste and consumption, conscious and unconscious reaction and finally Starbucks-related assumptions. Firstly the overall project findings will be examined, then the presented theories will be used for an examination of the respondent's conscious and unconscious state of mind. The respondent's motivational behaviors will be addressed throughout, and finally Starbucks-related areas will be researched. All sections will be presented in relation to the main theoretical subjects 'wanting' and liking.

8.1 The respondent's unconscious and conscious states of minds in decision making.

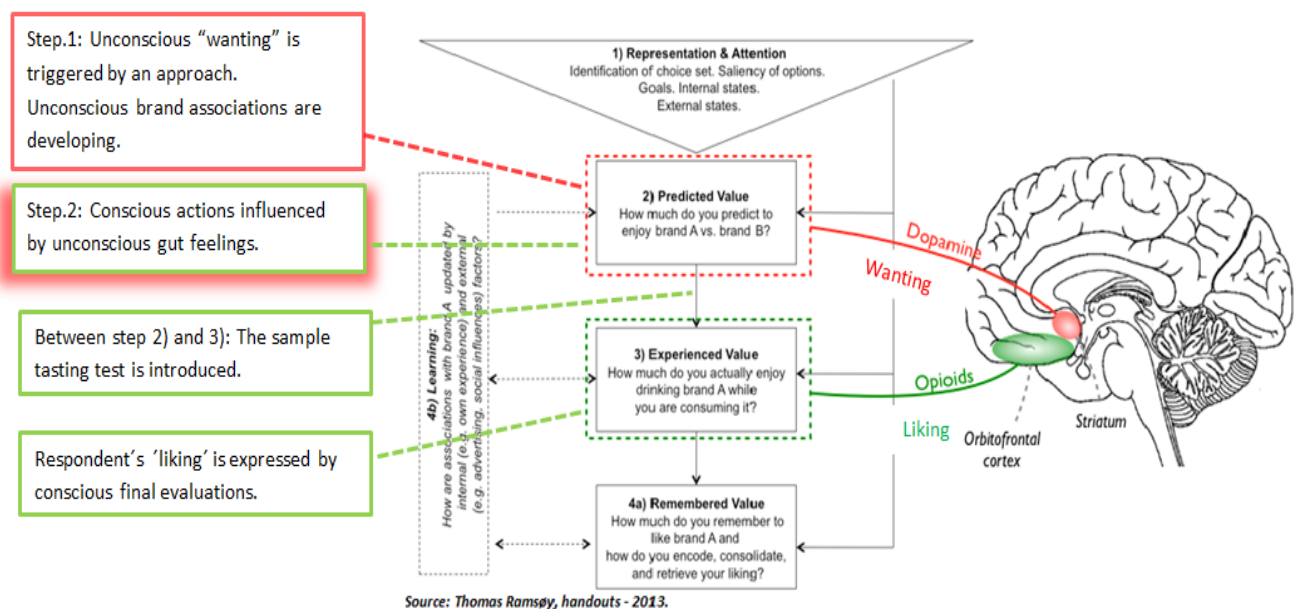
One might wonder, why the brands had such a great emotional effect on the respondents' taste experiences. Typically, it requires exclusive neuroscientific measuring methods to be able to



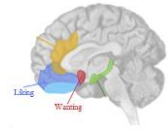
explore this. But according to the presented ‘value-based model of choice’ and with the scientific insights from consumer neuroscience and neurobiology, it should be possible to estimate, how the respondents’ thought process could have looked like in the given situation, leading up to the brand evaluations, preferences and final choice of ‘brand to go’.

Doing the whole research test, the respondents passed through the chronological value based model of choice. The following figure provides a brief overview of, how the respondents may have experienced the individual steps (explained on the left-hand side) while the right-hand side shows the corresponding steps in terms of the ‘wanting’ and liking theory.

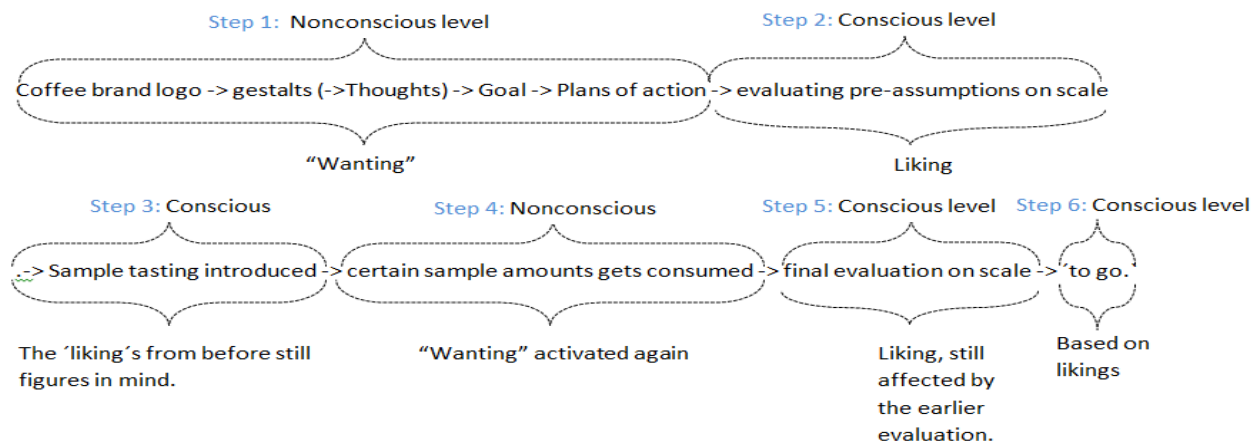
8.1.1 Figure: ‘Value-based model of choice, with explanations of; analysis (left) and ‘wanting’ and liking theory (right)



In the process, the respondents went through both conscious and unconscious states of mind. It is impossible to say at what precise moment the respondents were unconscious or conscious as it is known that the states of mind can overlap. According to the theory of ‘unconscious goal pursuit’ it is very rare that a value-based process can be performed in a completely unconscious state. (Figure 5.4.1; Chartrand et al, 2008). In the following figure assumed estimations of how, the respondents may have reacted according to their conscious and unconscious states of mind when passing the ‘Value-based model of choice’ have been drawn.



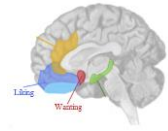
8.1.2 Figure: Nonconscious Goal Pursuit in relation to the respondent's average reactions.



Source: Composed by the author of this thesis. Inspired by the theory of Chartrand et al, 2008.

In the first part of the value-based model of choice, 'the attention phase', the respondents typically noticed the overall big setup placed in the middle of CBS central hall or the eye-catching brand logos placed on the portable coffee tanks. After having their visual attention stimulated, they were presented with a framing introduction. At this stage the respondents' minds were, on an unconscious level, highly involved in intercepting and relating to the incoming stimulus; e.g. the presented surroundings, brands, the introduction, their own willingness to participate, former respondents' body language, the observing crowd, the coffee scent etc. (step 1- marked with blue). During this phase the respondents' minds had also been operating fast, automatically and effortlessly. (Kahneman, 2003). They had quickly been drawing associations to each logo working at top speed to evoke the conscious relations (Ibid) and arrive at a clarification of, whether the respondent was interested in the brands or not.

The attention phase plays an important role, since that is where the interest of potential respondents was aroused. Equally, this phase also played an important role as the respondents' final evaluation could have been affected by the signals received in this phase. According to Simonson, consumers (in this case respondents) typically are unaware that their decision-making is being affected by the information processing from the manipulated stimulus or instructions. (Simonson, 2005). If asked, nor would they be able to verbalize their cognitive processing leading to the choice-making, since they would believe they were being guided by rational considerations. (Plassmann et al, 2012).

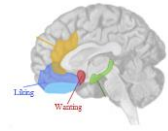


This also suggests, that the respondents created their first positive or negative impressions during this phase. These impressions were subsequently expressed in the questionnaire ([part 2](#)), but it can also be assumed that the results, even later on, were integrated and used in respondents' final choices ([step 6](#)). As Simonson, 2005 also states “...*many choices are made and are strongly affected by the environment.*” (Simonson, 2005 p.211).

The second part in the value-based model was ‘predicting value’. During this part the respondents had been trying to relate to presented logos. It was assumed that the respondents' actions in this case, were conscious as they had to give their primary brand opinions on a scale and express, which associations they had to the brand. The respondent's opinions had however not been expressed in full conscience as it is assumed that parts of these estimations were affected by their gut feelings. Gut feelings are typically hunches based on parts of visceral cues (Edward et al, 2001) encouraging initiative decision-making. (Mayer, 2012). The gut feelings may therefore have appeared as unconscious signals indicating the respondents' ‘wanting’ needs. This was expressed through the brand associations as the associations consumers draw to the incoming stimuli contribute to the value consumers unconsciously pass to the products and use in decision making. (Simonson, 2005).

This indicates, that the conscious opinions they gave on scale had been affected by the unconscious thoughts and probably also brand associations, which had been fluctuating in their minds seconds before the test even started. This process is something a respondent or a consumer typically has very limited insight into, as Simonson states “*Unconscious thought tends to improve the quality of decisions.*” (Simonson, 2005 p.211). This also explains, why consumers in general can have difficulties in explaining why a certain choice is preferred. The answer is, simply because they have no chance of articulating a conscious insight into their own unconscious thought process.

Before leaving the predicted value and entering, ‘the experienced value’, respondents were presented with a sampling tasting test ([part 3](#)). Here they were of course highly conscious of what was happening. But when the respondents tasted the samples they were unconscious about the fact that their taste experience could have been affected by the primary scale evaluations. Therefore, their taste experience had in some degree been framed by the associations and scale brand evaluations they filled in just seconds before in the first part of the questionnaire.



Additionally, when the respondents then had to make a new scale evaluation and express their taste experience (in step 5), one would expect these to be given rationally and without impact from the earlier brand evaluations (in step 2). But interestingly enough the results showed an extremely close relation between the average numbers from the pre-assumption test and the sample tasting test.

8.2 Exploring the respondents' motivational behaviors in decision-making

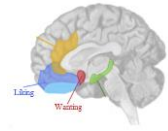
From the pre-assumption test the respondents expressed the following: they knew the Starbucks brand best (7,74), liked it the highest (6,98) and placed their quality the highest (7,27).

Surprisingly, they also evaluated the Starbucks tastings to be the best (6,50) and finally the majority also choose a Starbucks coffee to go (46 %).

This indicates that before the respondents even got to consuming any of the samples, they already unconsciously had a hunch of how much they “wanted” to consume as they unconsciously related the individual brands with either positive associations and thinking processes such as *“Good, quality, good taste – I therefore want this product and will enjoy drinking it”* or negative associations and thinking processes such as *“Overrated, expensive, commercialized - I don't like this brand and therefore not interested in drinking that much of it”*. (Appendix 2: Free associations test; Starbucks).

One might wonder, why the pattern looked like this when there were other strong, more familiar Danish brands available, such as Baresso. According to theory, the stronger a company's brand equity is, the higher chance there is for consumers to know the brand and form positive associations around it. (Keller, 2012). The better a consumer knows a brand, the higher their chance of recognizing its logo and associating it with something positive. The brand then has a much better opportunity of building close relations and customer loyalty. (Keller, 2012). One reason to assume this is that consumers tend to be creatures of habit³⁶ and also consumer choices and opinions tend to be controlled by stimulations and storytelling. - *“Brands ‘work their magic’ by associating themselves with experiences, which in turn influences subsequent retrieval and recognition”* (Plassmann et al, 2012 p. 27). The more consumers are used to seeing or using a brand, the more

³⁶ Human are creatures of habits. Our everyday life fluctuates around many of the same routines.(Dr Marta Gonzalez of Northeastern University, Boston; BBC news; Mobile phones expose human habits). Especially coffee drinkers, who tend to get a specific close relationship to the certain coffee taste they are used to drinking. (www.politikken.dk: Kaffedrikkere er vanemennesker).



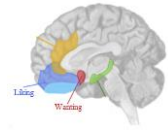
they like it. But because respondents like the brand, it doesn't mean that they automatically also 'want' it – at least that is what the results showed. (Figure 6.9).

Typically, consumers tend to bend their beliefs to fit with what they are told to believe. An example of this is a study done by De Araujo et al, 2005. The study showed that activity in the medial OFC in response to an odor depended on whether subjects believed that they smelled cheddar or body odor. (Plassmann et al, 2012; De Araujo et al, 2005). This is the exact same reaction explored in this research, as the results indicated a connection between the liking-measurements and a belief in the Starbucks sample being best in taste, even though the coffee was similar to Baresso. One can imagine that if it had been possible to measure their brain reactions, their OFC areas (which links to their liking) would have been activated, just as prior studies have indicated.

In another study by (Plassmann et al, 2008) it was discovered that an activity in the medial OFC while consuming wine, depended on the respondent's beliefs about quality in relation to price. (Plassmann et al, 2012). Yet, another study discovered that activity in the medial OFC and experienced values depended on, whether the respondent believed that the paintings being shown to them were made by a professional artist or an amateur. (Plassmann et al, 2012; Kirk et al, 2009).

Taken in unison, these studies amply demonstrate that the consumer's (aka respondent's) individual experienced valuation systems are motivated and controlled by cognitive processes that develop certain expectancies and beliefs – a phenomenon often referred to as the 'placebo effects of marketing' (Plassmann et al, 2012) or, in psychology, as 'the power of thoughts'. In research done by neuroscientist De Martino, it was discovered that the framing effect was linked to neural activity in the amygdala and that another brain region, the orbital and medial prefrontal cortex (OMPFC), appeared to moderate the role of emotion on decisions. (De Martino et al, 2005). Again, this tells us that the human brain: thoughts, emotions and decision-making are affected by the way information or studies are presented, like in this study where brand labels were used as parts of the framing effects.

Another study by Plassmann et al, 2012 explored the fact that certain recognizable brands had an effect on respondents' emotions, memory and their final decision making. Those respondents, who were loyal customers of a brand had a higher level of rewarding feelings and vice versa with the non-loyal customers. These results indicate a similarity to the findings of this study, as the strong



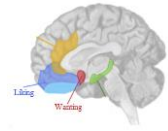
brands developed an emotional tie, being the dominant motivating factor for the level of the respondents' 'wanting', final liking, preference, choice, loyalty and attachment. In this context, the study of Coca Cola vs. Pepsi Cola, which was presented earlier on, can also be drawn into perspective as findings from this research explored how consumers tended to prefer Coca Cola as the stronger brand compared to Pepsi. (Plassmann et al.2012). In my study respondents showed the exact same reaction pattern when preferring Starbucks.

All of these examples speak to the fact that consumers' (aka respondents') experienced valuation systems were modulated by higher cognitive processes such as those found in their liking evaluations. Therefore if the respondent believed it was a Starbucks, Baresso, Ricco or Wayne coffee he or she was drinking, the taste experience was fitted to values and associations drawn to the individual brand.

8.2.1 Preliminary conclusion

Bringing all of the findings together it can be conclude, that this research study explored how two different motivation systems (the 'wanting' and the liking) based on neurobiology contributed differently to the understanding of the consumer brand decision-making. To begin with it was assumed, that the 'wanting' system would be inaccessible to subjective reports and have a strong and direct impact on actual choice behaviors.

In the theoretical part it was explored how, in accordance with the theorists Plassmann et al, 2012, it was possible to predict mental processes *"without asking consumers directly for their thoughts, memories, evaluations or decision-making strategies."* (Plassmann et al, 2012 p.22). In this case, it should have been able to estimate the consumers' decision-making by measuring their 'wanting' of the coffee samples, as the 'wanting' system relates to the emotional system which then links to final decision-making. This was, however, not the case in this study as it appeared to be the liking system which had a direct impact on the respondent's choice behaviors. According to the theorists Berridge, this finding is not unusual as *"research suggests that sometimes the link between emotion and motivation may not be so tightly aligned."* (Berridge, 1999; Dai, 2010).

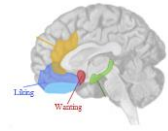


9. Analysis, part 2: Measuring the effects of how consumers perceive and relate to the Starbucks brand

In extension of my analysis of the respondents' decision making process, the goal of this section is to explore why the respondents were affected by the Starbucks brand. (A brief overview is given in the model of their cognitive brand effects, which can be found in the appendix: 16).

In the research introduction, the questionnaire, and the chronological order of samples, Starbucks was mentioned first, in order to optimize coherency. It also set the stage of letting the respondents focus and relate to the main brand as the first thing in every research question. In order to discover how the respondents related to Starbucks compared to other coffee chained brands in Denmark, it was essential to integrate a number of possible competitors, which they had to relate to before doing the coffee tasting test.

In all categories, Starbucks got the highest scores (marked by grey in table 6.1). This clearly indicates that Starbucks was viewed as the most well-known and preferred brand. The score difference between Starbucks and Baresso was minimal, however. This shows that even though Baresso has been in the market for almost 10 years and is highly well-known amongst almost all Danes, Starbucks is evaluated as being better known and more highly preferred. These are interesting results indeed, as one would imagine that Danes know a Danish brand better than an international brand, which they might only have visited while traveling abroad. An explanation for this behavior can be that the respondents recognize the Starbucks brand more quickly than the Baresso brand as it was placed as the first brand in the row and also because of its strong brand equity which makes it more recognizable. In a study by Ambler et al. 2004 it is stated that *“Brain activations in brand choice differed from those for height discrimination, and choice times were faster when one brand was more familiar.”* (Ambler et al, 2004 p.247). Another study by Litt et al, 2011 found that *“under pressure, people often prefer what is familiar, which can seem safer than the unfamiliar.”* (Litt et al, 2010. P. 524). This could also be an explanation as to, why the respondents preferred Starbucks - simply because it might have been the safest choice as it was the strongest brand they could choose in a time-pressured situation. Continuity, a unitary decision making model explains that *“An alternative is chosen based on part experiences stored in memory.”* (Sirgy et al, 1986 p.164). This corresponds with the assumption of Starbucks being the



most recognized brand. Likely, it was assume (as stated earlier) that the respondent's preferences might have been decided on a non-conscious level given that much of *"judgment and behavior occur without conscious awareness or intent."* (Bargh, 2002 p. 281). Such choices may also be referred to as nudges, which according to Thaler et al, 2009 is defined as *"a nudge is any factor that significantly alters the behavior of humans, even though it would be ignored by Econs. Econs respond primarily to incentives"*. (Thaler et al, 2009 p.8). In accordance with the psychological nudge theory, the Starbucks brand would appear as a nudge as it has a strong unconscious motivational effect on the respondents leading them to prefer the brand without them knowing exactly why. (Thaler et al, 2009).³⁷

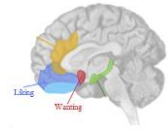
In the quality rankings, Starbucks was the first runner up. An explanation as to why the respondents placed the Starbucks quality on the highest level compared to the competitors could have been because of the fact that, beforehand, the respondents had evaluated Starbucks with the highest score in the question of, how well they knew the brand. If a respondent had extensive knowledge of a brand, liked it or associated it with high brand equity values, then the respondent may also have been very tempted to place their product qualities with similar scores. Indeed, doing the opposite would have made less sense. The respondents are typically much less aware of their own brand effecting and have very little insight into their own consumer behavior. Therefore, when the respondents placed the qualities of the Starbucks products higher than those of the competitors, it may have been because the respondents had unconscious gestalts fluctuating creating a thought pattern, which could have been *"...since I like them the most it's because their quality is better than the others"* or *"I rated Starbucks the highest, I must do this with their qualities as well, so I won't appear as an unsophisticated taste judge"*.³⁸

9.1 Analyzing the associations

So far no behavioral or scientific study has tried to discover, how brand associations can affect 'wanting' and liking. (Plassmann et al, 2012). In this study, it was discovered that there was a clear

³⁷ The psychological nudge theory is a concept used in *"behavioral science, political theory and economics which argues that positive reinforcement and indirect suggestions to try to achieve non-forced compliance can influence the motives, incentives and decision making of groups and individuals alike, at least as effectively – if not more effectively – than direct instruction, legislation, or enforcement"*(Wikipedia; <http://www.psa.ac.uk>)

³⁸ This quote is inspired from a male respondent, whom after the tasting evaluation said: *"Well, I guess I answered all the brands differently as I didn't want to appear as an unsophisticated taste judge, even though I could taste a difference"*.



connection between the number and type of associations and ‘wanting’ and liking measurements. For example, Starbucks had the highest number of positive associations, which in itself could have indicated an unconscious ‘wanting’ response to the brand (Plassmann et al. 2012) e.g. Plassmann states:

“Remembered value refers to how different brand associations are encoded, consolidated, and retrieved in the consumer’s memory. Recent research suggests that parts of these processes happen on an unconscious level.” (Plassmann et al, 2012. p.27).

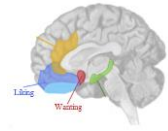
In accordance with this statement, it may have been indicated just from an association analysis, that Starbucks would turn out to be the most preferred brand, as the associations give a clear picture of the respondents’ likings. Besides getting the highest number (122) of positive associations compared to competitors they also had an average score of associations, representing 100% of the number of participants.³⁹ The positive associations the respondents typically used to describe Starbucks were often *“trendy, popular, trendsetter, good taste, nice environment, global, quality conscious and fair trade etc. St”*.⁴⁰ All these terms denote a strong brand equity and an optimal marketing strategy approach by Starbucks. The majority of positive associations were typically brand attributes, which characterized products or services surrounding Starbucks.⁴¹ The most commonly used association was ‘Quality’.

As for the negative associations, the respondents were also in agreement about viewing Starbucks as *“expensive, overpriced, overrated, mainstream and too commercialized.”* Among these the majority of associations were also attributes and the most commonly used association was ‘expensive’. The respondents’ results furthermore showed, that the brand that got the least negative associations was Ricco. They got 56,5 % of positive association and only 2,4% of negatives, while Starbucks got 37,7% negative associations. This leaves us to wonder whether Starbucks’ biggest competitors might be small cafés as Ricco and not the big mainstream coffee chains as Baresso. Grant, 2010 supports this notion in a Starbucks analysis which stated that *“Starbuck’s traditional competitors were independent coffee shops and cafes, some of which may grow into local chains.”* (Grant, 2010 p.505).

³⁹ Appendix 2: Free association test results

⁴⁰ Appendix 2.b: The respondent’s associative network in relation to Starbucks.

⁴¹ Appendix 2.a: Analysis of the Starbucks associations.



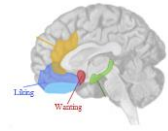
Given that the majority of the associations were brand attributes (147) and not brand benefits, this does not explain the respondent's acceptance and preference of Starbucks. But it gives a hint of how the majority thinks of Starbucks and the fact that they don't have a majority of negative related thoughts does say something about their gut-feelings, unconscious relations, and maybe even their 'wanting'-response to the brand as some of the associations can be linked to a stimulation of their circuit. As Schaefer et al, 2007 write, "*Cultural objects associated with wealth and social dominance modulate the reward circuit*". (Schaefer et al, 2007, p.141). It should also be mentioned that the two most common contrasting associations, 'quality' and 'expensive', somehow balance each other out since quality is typically thought to be expensive. This means that overall Starbucks is still well-positioned to maintain a positive relation.

9.2 Measuring how the Starbucks brand had an effect on the respondent's 'wanting' and liking

The liking and 'wanting' measurements, presented in table 6.4 and 6.8 showed, that the respondents liked the taste of the Starbucks samples better than the competitors in both the low and the high quality coffees. Continuously, the measuring differences between the low and high quality (whiskers/SEM) showed to be least in the Starbucks bar (Figure 6.11), indicating that it didn't really matter which quality coffee the samples contained. In relation to 'wanting' Starbucks was the brand the respondents consumed most of, yet again regardless of which quality the samples contained.

According to the 'wanting' and liking theory it is typically experienced that 'wanting' leads to liking or that liking leads to 'wanting'. (Berridge, 2009). In this study, the coherency theory was verified, as the majority of the respondents' 'wanting' (consumption) in average also indicated their liking (scale evaluations). Their liking estimates, however, were a bit higher than their 'wanting' measurements.(figure 6.11). The results could potentially have turned out to be different as "*people can come to both want something more and like it less*". (Litt et al, 2010). Throughout the testing it was noticed that a minority of the respondents expressed a disliking towards Starbucks but at the same time evaluated the taste of the Starbucks samples better than the others. Furthermore they also tended to choose a Starbucks when asked to pick a coffee to take along. One would imagine an opposite reaction to have happened given that they had expressed a distance to the brand.

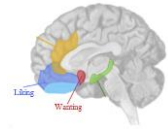
A scientific explanation to his behavior might be, that if they normally had been thwarted from obtaining this product (due to their disliking) the situation might have incurred them to express their



unconscious ‘wanting’ of the product as *“being thwarted from obtaining a desired outcome-can concurrently increase desire to obtain the outcome, but reduce its actual attractiveness”*. (Litt et al, 2010. p. 118). The desires of these respondents were expressed by their ‘wanting’ measures (which were positive) and their actual attractiveness by their liking measures (which also were negative) but their pre-assumptions which had been negative. Their responses indicate, that they (as many others) had been manipulated by the framing set-up despite the fact that they didn’t even like Starbucks to begin with.

Results from the liking estimations also showed, that in the Starbucks bar the size of the wisher (SEM) was smaller in-between measurements of the high and low qualities compared to the ‘wanting’ estimations. An intriguing interpretation of this observation might be, that the respondents experienced an emotional “attraction” in response to Starbucks without experiencing a physical “attraction” to it. (Dai et al, 2010 p.325). A similar reaction was seen in a pizza experiment, where non-hungry respondents were asked to evaluate the taste of a pizza. This study showed that even though the respondents were full and did not “want” to eat the pizza they still were able to rate the taste of the pizza with a positive high liking. (Cornell, Rodin & Weinarten, 1989; Dai et al, 2010). Therefore, it can be stated that even though the respondents in this coffee test didn’t want to drink the Starbucks coffee, they were still able to evaluate the taste with a positive score.

Another observed situation which stood out was the fact that the majority chose a Starbucks coffee ‘to go’. One might wonder why this was the case when the cup they took with them wasn’t labeled with the Starbucks logo? If the cups had been labeled it might have been possible to conclude that it was because it signaled social reinforcers such as wealth and social dominance. (Scafer et al, 2007). Likewise, it might have been because 1. The brand image related to the respondents’ own image 2. The brand image was in direct association with their self-concept or 3. It was a differentiated product image (Sirgy, 2013) and therefore appeared to be a more interesting brand compared to the Danish competing brands. It is assumed that it must have been adequate and motivational enough for the respondents, to know/believe for themselves that it was a Starbucks coffee they were carrying. As Sirgy concludes, *“a product having an image of “high status” may activate both a self-schema involving the self-concept “I” and a corresponding linkage between that self-concept and the image attribute (self-image) involving “status”. This linkage connects the*



self-concept “I” with the “status” self-image and is referred to as self-image belief”. (Sirgy, 2013 p. 289).

It is therefore believed, that the respondents choose the Starbucks brand, as this appeared to be the strongest brand which gave the respondent an opportunity to boost own actual self or ideal self.⁴² This could furthermore be dominating factors explaining why the respondents both wanted and liked the Starbucks brand more than the competitors.

According to Usunier et al, 2009 Danish consumers belong to an equalitarianism society.⁴³ (Usunier et al, 2009). Here they act as individualist and independent selves. Their personal consumption, preferences and choices typically reflect their taste, values and convictions. (Usunier et al, 2009). This underlines the assumption of the respondents choosing a Starbucks cup, because of the values they put into the brand. The topic of comparing consumer self-psychology with ‘wanting` and liking and decision making investigations calls for further research.

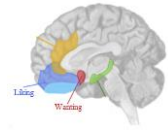
This leads to a final explanation of, how the set-up and the contextual situation may have been leading participants to prefer the Starbucks brand. This could simply have been because the four presented brands came from different backgrounds. The three presented competitors came from the coffee-chain market while Starbucks was the only presented brand with a presence in many diversified markets. *“People can have different representations of a preference in different contexts.”* (Dai et al, 2010 p.3) .This could have given rise to a situation, where Starbucks appeared to be more interesting and special as it was the newest, strongest and most diversified brand.

10. Discussion, from a marketing perspective

The purpose of this perspectival section is not to put down marketing research methods, but simply to give a brief introduction of how my research findings and consumer neuroscience methods can contribute to a clarification of the shortcomings in two behavioral consumer marketing models. To

⁴² Definition: *“Actual self refers to how a person perceives herself; ideal self refers to how a person would like to perceive herself; and social self refers to how a person presents herself to others.”* (Sirgy, 1982 p.287).

⁴³ Equalitarianism: Strong equalitarian values, where both husband and wife share power throughout all levels of society. (Unusier et al, 2009 p.71)



this date marketing science is built on social constructionism and constructivism.⁴⁴ (Ramsøy lec.1;Young et al, 2004). Neuroscientists working within marketing fields therefore call for a neuroscientific theoretical integration or a revision of these models. (Ramsøy lec. 1).

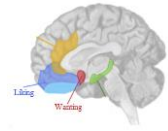
10.1 Consumer neuroscience measuring methods vs. marketing measuring methods

According to the scientist Thomas Ramsøy, the general marketing methods (which still appear in many scientific books and are used among marketers) are lacking in scientific perspectives, which implies *“a comprehensive view of consumer decision that incorporates the full range of the decision making process: Conscious and unconscious, Rational and irrational.”* (Ramsøy, 2012 lec.1 pp.12). This is the fact as the benefits of using neuromarketing/consumer neuroscience theories and research methods in exploring marketing related topics is, that it contributes with a deeper understanding of how the consumer mindset functions and responds to advertising, including attention, emotions, memory and decision making. (Ramsøy 2012, lec.1). This allows the researcher to explore consumer psychological behaviors from out of a psychological and neuroscientific perspective that goes beyond the knowledge marketing models so far have been able to contribute. Besides this the brand tracking research methods as e.g. eye-tracking and EGG measurements allow the research to discover, how brand building and brand strategy formulation and execution can be optimized.⁴⁵

By using consumer neuroscientific theories in this thesis it has been possible to explore and analyze, how two of the consumer's motivational systems (‘wanting’ and liking) are affected by strong brand equity signals. Continuously, it is explored how the motivational liking system had a subsequent effect on the consumer's final choice of coffee ‘to go’. This process was set up to reflect consumers' relations to the Starbucks brand, how it affected their motivational systems and their decision-making. The data-collection and research set-up was inspired by marketing research methods, but nevertheless stood out as the applied theoretical perspective was drawn from consumer neuroscience, such as “The Value-based model of choice”.

⁴⁴ In this thesis *“constructivism is distinguished by its focus on how the individual cognitively engages in the construction of knowledge from social construction which claims that knowledge and meaning are historically and culturally constructed through social processes and action.”* (Young et al, 2004 p. 373).

⁴⁵ Appendix 12: Neuroscientific measuring methods.

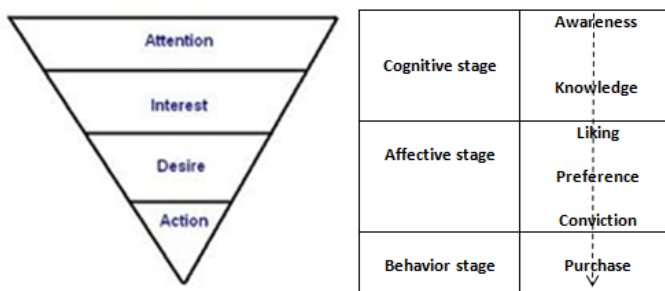


10.2 Hierarchy-of-effects models

An explanatory marketing framework which has been dominating the communication literature for decades is the hierarchy of effects models. With a focus on consumer attitude, behavior, consumption and decision making their primer goal is to predict how consumers respond to advertising or how they process a communication message. (pelsmacker et al, 2010). In these models the consumers typically go through three different stages, namely “*a cognitive, an effective and a conative stage, or a think-feel-do sequence.*”⁴⁶ (Ibid, p. 86). If this approach is transferred on to the respondent’s behavioral processes in this thesis, it would have meant that the respondents 1.became aware of the Starbucks brand, 2. developed an affective response or formed a certain attitude towards the brand and 3. Their feelings our attitudes would have led them to prefer/choose the Starbucks brand. Therefore, a very simple though unfortunately also a non- adequate examination of the decision-making process. As the marketing specialist Patrick de Pelsmacker says: “*One thing we have learnt so far is that no single theory can explain it all....it is not surprising that marketing communication do not always work as they should.*” (Pelsmacker et al, 2010 p. 86).

10.3 AIDA model

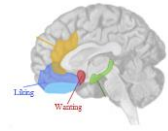
The most well-known and used hierarchy-of-effects models (HOEM) is the AIDA, St Elmo Lewis model from the 1900s, however the model most frequently referred to in literature is the Lavidge and Steiner model, 1961. The main differences between these two models are primarily that Lavidge and Steiner integrates a more descriptive and detailed section within each process step and divides the stages into three main areas: “cognitive-affective-behavior”. As the AIDA model does not divide the steps into these stages and since it is also one of the oldest marketing models, the



perspectival focus will be put on the Lavidge and Steiner model.

Figures: The hierarchy-of-effects models, AIDA, St Elmo Lewis 1900 (left). Lavidge and Steiner, 1961(Right).Source: (Pelsmacker et al, 2010).

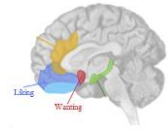
⁴⁶ **Cognitive stage:** Consumers engage in a mental thinking process which leads them to awareness and knowledge of the brand. **Affective stage:** emotional or feeling responses occur. These are associated with the brand leading the consumer to form attitudes to the brand. **Conative or behavioral stage:** actions are performed, such as buying the product. (Pelsmacker et al, 2010).



Throughout the research analysis it was discovered how relevant and how highly difficult it is to distinguish the consumers' 'conscious' and 'unconscious' thinking process that leads to brand awareness and knowledge. This was done by using 'the value-based model of choice' (VBMC) with an integrated 'wanting' and liking theory and the perspectives from the 'non-conscious goal pursuits' model. Furthermore the many factors that play an important role in understanding consumer awareness, preference and final choices, is discussed. The theoretical and scientific insights, which were taken into account came from psychological, biological, sociological and neurological fields though presented through consumer neuroscience. Some of the important findings were the differences distinguished in the measuring of the consumer's unconscious consumption and conscious liking ratings.

Overall, these findings gave a slight though important insight into the shortcomings of the HOEM (Ladvieger and Steiner) as this model doesn't take the explored 'unconscious' and biological factors into account. The model only divides and informs the marketer about the three stepped psychological procedure which forms the basis of the focus areas: Awareness, knowledge, liking, preference, conviction and purchase. In accordance to the HOEM it is assumed that the consumer is full conscious on all levels. Through the 'non-conscious goal pursuits' it was explored that this is not always the case. Based on the earlier findings it in fact seems as if there is a greater chance of the consumer being exposed to unconscious motivational driving forces than conscious driving forces.

In the value-based-model of choice (VBMC) the consumer goes through five steps. Some are parallel to the HOEM and some are not. These parallel sections are '1) Representation and attention' from the VBMC and the 'Awareness' in the HOEM. Also, the '2) Predicted value' from the VBMC and the Liking/preference in the HOEM. One of the steps that stands out in the VBMC are the '3) experienced value' as this step focuses on the consumer's level of 'wanting'. The closest the HOEM comes to this unconscious state of mind is through measuring the consumer's knowledge in the cognitive stage which then leads to liking in the affective stage. Thus, unconscious 'wanting' and 'knowledge' are very different as a consumer's expressed knowledge typically is based on a conscious reference stored in memory. In addition to this, a state of mind which the HOEM does not take into account is the consumer's/respondent's encoding, consolidation and retention of the presented brands. This has a high importance as the respondent's



results can explore how preferred or how popular a brand may be. Furthermore the HOEM does not account for the essential learning process which can have a great effect on the consumer's updated values, associations and final decision-making. Both of these important areas is possible to explore the '4a) Remembered Value' and '4b) Learning' in the VBMC.

10.4 The result findings in a marketing perspective

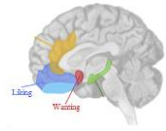
In relation to the result findings and marketing measuring methods, it is explored how consumers' taste preferences were highly affected by brand logos. This underlines the fact that if a marketing research is set to discover consumers' general like or dislike of a product etc. the results would be biased as the consumers had been informed of or presented with the brand or brand logo.

Another noticeable factor this study indicated was that in research situations, where the time between tasting, evaluating and final choice of product is short there can be a chance that the results from 'wanting' and liking will be very similar. The reason for this could either be (as explored earlier) because the 'wanting' evaluations are affected by the liking evaluations from the pre-assumptions. Though it could also be that the 'wanting' estimations had been inaccurate measured as the coffee samples simply had been too small, prohibiting the respondent in leaving potential and measurable leftovers. In a plain marketing context, these considerations would not even have been discussed as 'wanting' and liking theories belongs to neuromarketing.

Finally other results highlighted and confirmed the efficiency of using a general marketing practice which has been practiced for decades. This is the case of questioning consumers about their preferences and not just observing their behavior. Since the results showed that there was a clear connection between the liking measuring and the respondent's final choices, it highlighted the importance of asking consumers about their preferences and not just measuring them as it was done with the 'wanting' results. The importance of questioning consumers about their preferences can further be backed up by the earlier explored theory which indicated that even though 'wanting' typically leads to liking (Berridge et al, 2007) it often occurs that consumers tend to "want" one thing but "like" another. (Plessis 2011, Read Montage).

11. Conclusion

Several researchers have taken an interest in measuring, how brands and other prestige parameters have an effect on consumers' motivational conscious liking and unconscious 'wanting'. Although it



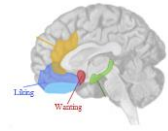
was proven to be very difficult to distinguish between these systems based on a behavioral research framework, it was of course not impossible to explore findings and draw statistical patterns. As mentioned in the limitation section, it is important to note that many parameters beyond, what has been possible to explore in this thesis have an effect on consumers' psychological behavior and brand choice. This is noteworthy in conjunction with reverse inference and the assumed physical brain affects. Throughout the study process it was discovered, that so far no behavioral research had explored, how brands may have an effect on the consumer's 'wanting' and liking systems, and neither had any researcher explored the relations between the consumers' associations and their 'wanting' and liking of a brand. The theoretical presentation in combination with the analysis of the respondent's associations allowed us to explore, how the brands hold intangible benefits and meanings to the consumers. Continuously, it was discovered that the Danish consumer in this way used brands as a tool to construct their identity and send signals of their self-concept to the surroundings.

The goal of this thesis study was to answer the central research question: ***“How does the Danish consumers relate to the brand, Starbucks? Specifically, how does Starbucks have an effect on Danish consumer's unconscious and conscious motivation systems and decision-making?”***

Overall, the findings explored how coffee brands in general have an effect on consumers' taste experience. In addition to this, it was discovered that the Danish consumers' taste experiences and preferences are extremely affected by their primary brand expectations, assumptions and relations.

When the respondents were told that they were drinking a certain brand, it showed that their expectations and sympathy for this brand affected, how they experienced the taste. In cases where they had expressed positive pre-assumptions and associations towards a certain brand it also showed, that they found the specific brand sample to be better in taste. This pattern appeared to apply very strongly to Starbucks. Even though the Baresso sample (which stood next in row) in all cases included the exact same coffee, the majority all preferred the taste of the Starbucks samples. This clearly indicated that Starbucks has a high effect on the Danish consumers motivation systems, response and choice.

In the course of the analysis, it was explored the fact that Danish consumers were not able to distinguish between the taste differences in coffee qualities. However, it turned out that the quality



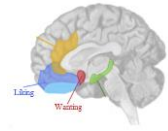
put into the samples, had a remarkable effect on the consumers' liking or disliking of the coffee taste. To my big surprise it appeared to be the low quality, which was preferred among the majority. These findings underlined the fact that consumers seem able to act more rationally when blind tested as their final experiences chiefly depended on the brand name.

The results findings of the (conscious) liking and (unconscious) assumption measuring showed, that the respondents consumed more of the brand they preferred. This indicated a great interconnection between liking and assumption estimations. The liking results turned out to be the most important and dominating measuring factor as the Danish consumers' liking estimations continuously corresponded with their final choice of the brand 'to go'. In other words, their motivational conscious liking system was a stronger measuring factor than their motivational unconscious 'wanting' system. The most preferred brand in both liking and consumption was ultimately Starbucks, which also was highest rated brand regardless of qualities. When exploring the Danish consumers' brand relations and pre-assumptions, it was discovered, that the Starbucks brand received the highest number of positive associations, along with highest scores of how much they liked the brand, knew the brand and finally how they placed its qualities.

Based on all the findings, it can be concluded that the Danish consumer mindset relates to Starbucks in a highly positive manner and seems to be very bonded with its values and framing. Also it may be assumed that the Starbucks brand can expect a great chance of successfully competing on the Danish coffee chain market. Considering the high amount of diverse Danish consumers, Starbucks must of course take into account, that these study results were based on a minor number of respondents belonging to a certain subgroup. However, the results give a limited indication of the Danish mentality towards the brand. Although a slight number of respondents expressed a dislike and/or negative association to the brand, it can be concluded that Starbucks holds dominating positive relations to the Danish consumers and that the brand has a high effect on both their motivational 'Wanting' and liking system.

12. Where do the coffee suppliers go from here

Throughout this thesis it has been explored how the Danish consumers related to the coffee supplier, Starbucks. This was done by researching the Danish consumer's unconscious and conscious motivational systems, amount of consumed coffee, their brand associations and finally

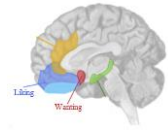


their willingness to choose the brand. Since Starbucks was compared to three Danish coffee suppliers: Baresso, Ricco and Waynes, it has also been possible to explore the Danish consumer's relations to these brands. The discovered findings in this thesis can therefore, beside Starbucks contribute to an optimization of all the several mentioned coffee supplier's strategic marketing initiatives.

As Starbucks in this moment is developing expansion strategies of where and when to expand their coffee-shops in Denmark, the research findings and methods are highly current. First of all because they support the fact that Danish consumers have a high interest in the brand and its products, secondly as the presented consumer neuroscientific theoretical measuring methods indicates how Starbucks, is able to optimize their strategic marketing methods, by using these research methods. It is therefore recommend that Starbucks take advantage of an upgraded neuroscientific research approach (e.g. eye-tracking or an EEG measuring⁴⁷) as many new targeted strategies can be discovered in this way. Even though Starbucks already is a strong and successful brand, these tools will give them an opportunity to maintain their future success and optimize the Danish tailored marketing approaches as: advertisement approaches, a cultural fitted product line, shop surroundings, prices etc. A cultural fitted Starbucks study that can be examined by an eye-tracker is e.g. a sense marketing study, were the most optimal coffee scent for the shops can be explored. Furthermore, it is possible to explore the question of how Danish consumer's would respond to a price offering coffee campaign. This is very current as Danish consumers are living in a price offering culture, and known to be one of the most price offering effected consumer's world-wide. (Hyltoft, 2012).

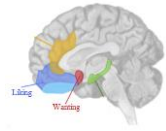
Besides Starbucks the research findings can also be applicable to the three competing brands or other coffee suppliers who unluckily experiences that a Starbucks shop becomes their neighbor. This study allows these coffee suppliers to examine the consumers associations, so that they will know which values they need to maintain or further develop in order to compete with Starbucks which is a strong and dominant coffee-supplier. In addition, the competitors also have an opportunity to get insights into how and which stimulus that triggers the Danish consumer's unconscious motivation and choices. A strategic business and marketing knowledge, which is substantially useable, even for small coffee suppliers.

⁴⁷ Appendix 12: Measuring methods in neuroscience/neuromarketing

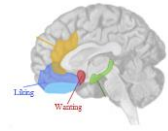


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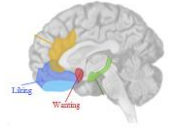
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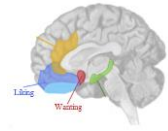
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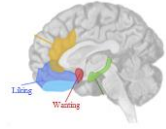
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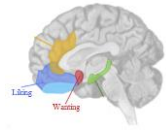
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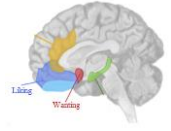
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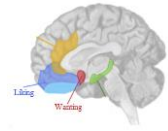
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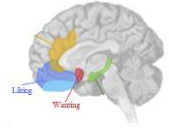


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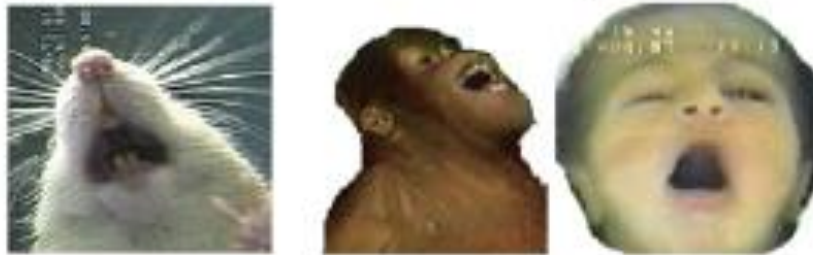


Appendix 1: Facial 'liking' characteristics across both mammals and humans.

Hedonic Reactions (sweet)



Aversive Reactions (bitter)

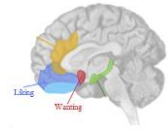


Source: Bernard J. Baars and Nicole M. Gage: *Cognition, Brain and Consciousness. Introduction to Cognitive Neuroscience. 2010. Elsevier.*

Sweet = liking expressions

Bitter = disliking expressions

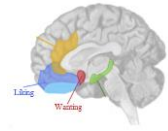
Liking reactions: Objective indices of hedonic aspects of emotion. Homologous affective facial expressions by infant human, juvenile orangutan, and adult rat to 'liked' sucrose (top) versus 'disliked' quinine (bottom).



Appendix 2: Free associations test results

The respondents were asked to draw free associations to following brands Starbucks, Baresso, Ricco and Waynes' Coffee.

	Positive	Negative	“Neutral”
Starbucks	good quality, good taste, quality, shop experience, great taste, Trendy, fashionable, coffee which tastes good, good environment, nice music, good experience, good espresso, green, environmental, good taste, cozy, exclusive, Best coffee in the world, popular, good coffee to go, fast, well tasting, good quality, worldwide famous chain, fancy, good environment, trendy, top quality, good branding, high quality, fast, CSR, big corporate coffee, trendy, good, well known, you always know what you get, superstar, friends, quality solid brand, corporate, large, experience, baristas, large variety, fair quality, Innovative, young, up-to-beat, different, strong brand, fair trade, fair-trade, nice environment, internationally, focus on quality, fair trade, mocha, holidays, good quality and taste, quality, Good taste, nice place, sustainability, fair-trade, global, quality, nice brand, innovative, modern, quality, good coffee and a good service levelthinking about abroad, quality coffee, expensive but good, Global brand,, sustainability, trend setter, great taste, good place, trendy , worldwide, great, big city vacation, popular, quality, exceptional, it's a experience to drink a cup of coffee at Starbucks, funny coffee, nice taste, large variety, tasteful, availability, tasteful coffee, fast, nice.	Expensive, Pop culture, expensive, over-priced, medium quality, price is high in Denmark, non-exotic, cheap, bad quality, expensive, but wasn't there a scandal about them buying the fair trade label, often too crowded, more about brand, decreasing market share, expensive, expensive, bad quality, mainstream, expensive, a lot of fancy stuff but not the best pure coffee, fake, commercialized, unethical work-environment, commercial, expensive, perhaps a little mismatch between fair-trade image and "big business reality", Jewish involved in policy), boycott, expensive, good quality but not great everywhere, Jewish, war crimes.	American, brand, mainstream, , Frappuccino, cookie, coffee and tea, American, commercial, New York, airport, chain, very American, standard, conventional, coffee-bar/supermarket, USA, ads, American, sugary, American, American, from USA, Frappuccino, ice coffees, mainstream, American, American, USA, everyday coffee, USA, American, American, American, American, America, espresso, America, Frappuccino, America, New York, studying, No free trade, New York, airports, American, vanilla, USA, USA, airport coffee, airport, city life.
	A great majority of positive associations (122)	(46)	(52)

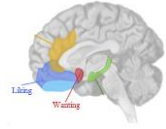


Appendix 2.a: Analysis of the Starbucks associations

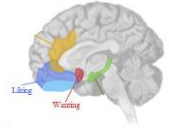
	Brand attributes	Brand benefits
A brief example of how the positive associations were divided:	Cozy Exclusive Fast Green, environmental Original Trendy Fashionable Popular Worldwide famous chain Fancy CSR Big corporate coffee Large Barista	Good quality Good taste Overpriced Great taste Best coffee in the world Good coffee Well tasting Shop experience Good environment
A brief example of how the negative associations were divided:	Scandal of them buying fair trade label, Decreasing market share Mainstream	Expensive Pop-culture Over-priced Not really coffee Too commercial Fake commercialized
A brief example of how the neutral associations were divided:	All of these were brand attributes	
In total:	147	73



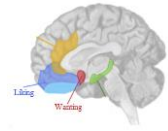
	Positive	Negative	“Neutral”
Baresso	Cozy, good quality, good espresso, Very popular in Copenhagen, lots of bars, ok priced coffee, the taste is ok, nice marketing, trendy, modern, quality, good taste, sweet, good coffee, over middle, good branding, great sofas, relaxing, comfortable, classic, good, well known, you always know what you get, quality, solid brand, good for fast coffee, Denmark, Really good but expensive coffee, strong brand, quality, good taste, innovative, black coffee better at Baresso, local, loyal, reasonable in price and good, good coffee because of the brand, good one, very popular in DK, taste good, many in central Copenhagen, great coffee beans, fresh milk, didn't know them before Copenhagen so until now good, nice atmosphere, big chain in DK – well known, good taste, quality, quick afternoon coffee to go, quality, a place to get coffee after school or with friends or hanging out, modern, fresh, always available, elegant and cozy, simple, good strong coffee, cozy-ness, cozy-ness, nice, Decent, good coffee, but not an experience as Starbucks, not so expensive, great coffee, large variety, tasteful, availability, tasteful coffee	boring, don't know much about them, standardized taste, expensive, wannabe, expensive, not as well-known as Starbucks, unfamiliar, acceptable coffee, overpriced, cheap chain, goes after the lowest common denominator, good but expensive, too much of a chain concept, low standards, everything else but coffee, non-exotic, expensive, Wannabe Starbucks, expensive compared to taste, expensive, expensive, No quality nor service see them as a place who are willing to earn quick money on selling coffee, trying to hard to be "cool" but are too expensive taking their quality in count, expensive, standard coffee, bad quality, expensive,	provincial brand, teenagers, coffee, cake, juice, Danish, mainstream, Danish, equivalent to Starbucks, Danish, They "sit" on the Danish coffee chain market, more café style, Danish market, Danish brand, Danish coffee, Danish version of Starbucks with an Italian twist, KBH, Copenhagen, The costumers are in a relation to business market, Danish, brand value, cheap café, franchise, red logo, latte and other coffee variants with milk in, European, red logo, Strøget, Scandinavia, sterile, Danish, provincial, Danish, local coffee, mainstream, Danish version of Starbucks, Spain, mainstream, fireplace, Denmark, normal taste, Copenhagen, Denmark, hipster, Strøget, Danish, many of them around CPH, Kongens Nytorv, to go coffee, Kongens Nytorv, worldwide, Copenhagen, Danish Starbucks, standard coffee bar, Copenhagen, café, Danish, Italian roasted beans, Danish coffee,
	A small majority of positive associations. (65)	(32)	



	Positive	Negative	“Neutral”
Ricco	cozy, student friendly, cozy, very good/strong, high quality, small cozy shops, fine and cool cafes, it's a cozy chain, e.g. compared to Baresso, small, cozy, chill, standard coffee, good quality, fair price, sandwich, nice and round coffee flavor, smaller, more personal coffee shops, good, CSR conscious, always nice cafés, cozy little shop, not so well known, good quality, Cozy/trendy, strong, quality coffee, educated coffee brewers, exotic, not big company but has extended a lot the last 2/3 years, class, quality coffee, nice place, quality, expensive, Danish, Popular, new place, service, passion, hipster, much more costumer focus, you can get a more personal coffee,trendy and good quality, underground good baristas scaling up, Danish coffee modern/casual, good concept/franchisemore relaxed concept, but getting a bit hipster'ich, good coffee, fair prices, bot as big as Starbucks and Baresso, quality beans, espresso burnt, micro-distillery, good coffee only been there once, classic, nice place, quality, Quality, original, high quality, good coffee, nice coffees, good coffee, chokolade coffee, hipsters, Unique coffee.	less variety, bad taste but good price, unfamiliar.	signs in Copenhagen, exam paper, hipster, kind of like joe and the juice, local, study life, MacBook, Denmark, taste like Gevalia coffee, cozy, but like all the others, don't know them, café, small brand, Vesterbro, Hipster, , Danish, hipster, local, dont know them.
	A huge majority of positive associations (69)	(3)	



	Positive	Negative	“Neutral”
Waynes	<p>Trendy, new, different,</p> <p>Original, smart,</p> <p>great coffee, Starbucks similar, cheap, typically good, blue logo, strong espresso, exotic,</p> <p>good coffee, ok,</p> <p>, its ok, cozy, , good cookies,</p> <p>seems like they have the most promising qualities,</p> <p>good coffee, good atmosphere and service,</p> <p>Vika Atrium,</p> <p>quick</p>	<p>expensive compared to quality,</p> <p>I don't like the taste and I don't now where they come from, bad locations, lower value, bad name, unknown to people</p> <p>,</p>	<p>never heard of it,</p> <p>not very familiar,</p> <p>haven't tasted it,</p> <p>no clue,</p> <p>not known to respondents,</p> <p>Valby, haven't tasted it,</p> <p>American,</p> <p>American, Norwegian,</p> <p>yet another large coffee shop/chain,</p> <p>strange brand name,</p> <p>average,</p> <p>Sweden,</p> <p>Oslo, Kos,</p> <p>sounds American</p>
	(24)	(7)	The majority didn't know the brand and choose not to answer



Appendix 2.b: The respondent associative network in relation to Starbucks.

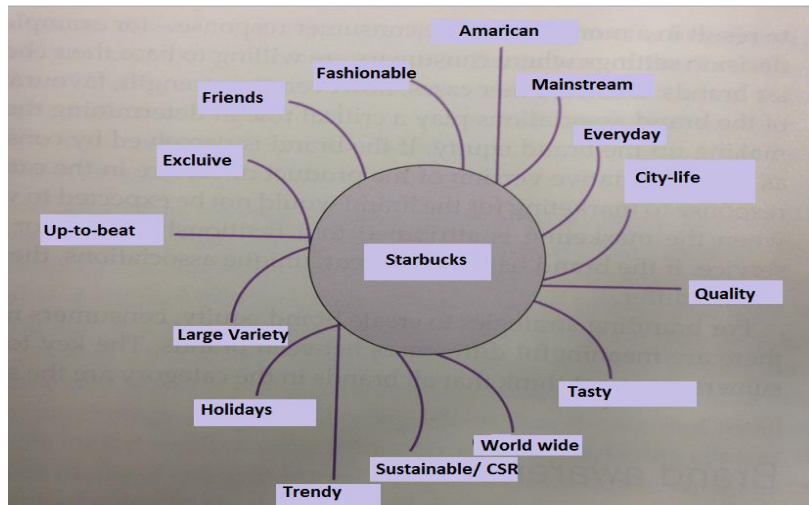


Figure 1. The respondent's positive/neutral associations.

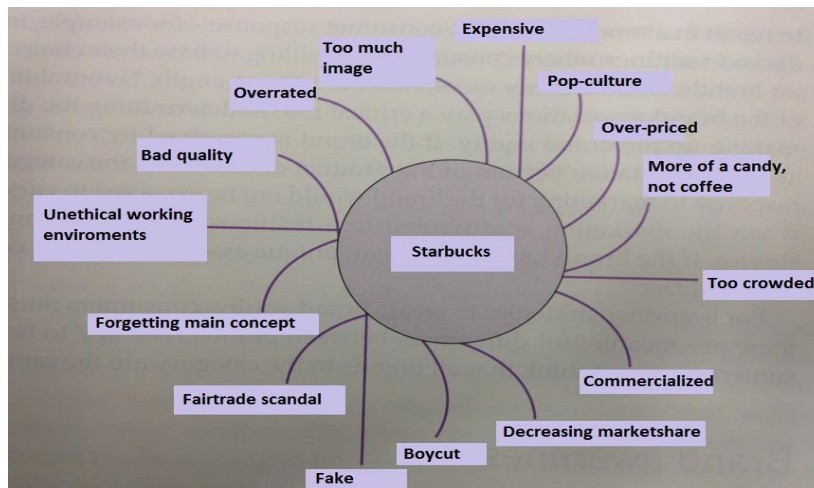
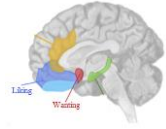


Figure 2. The respondent's negative associations

Source: Keller, K.L. (2012): Strategic brand management, a European perspective. Harlow; Financial times Prentice Hall. The figure is inspired from Kevin Keller's association model on p. 59.

The figure represents some common associations mentioned by the respondents in the questioner's first part. The brand words links to the power of the brand, as the words refers to the respondents thoughts, feelings, images, beliefs, perceptions and opinions. (Keller, 2012). Keller states that, "The more deeply a person thinks about product information and relates it to existing brand knowledge, the stronger the resulting brand associations". (Keller, 2012. P. 63). Associations can easily be shared with competitors, which is why every brand should strive to reach a sustainable competitive advantage or unique selling position.

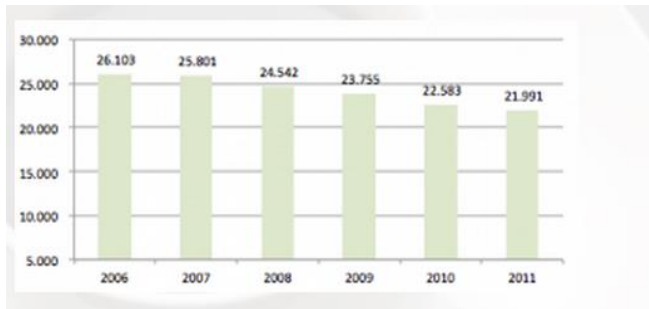


Appendix 3: Danish coffee facts in numbers

The following graphs show coffee consumption in Denmark - based on household purchases - ie. figures does not contain coffee consumed in restaurants, cafés etc. However, they represent a picture of the Danish coffee consumption in general.

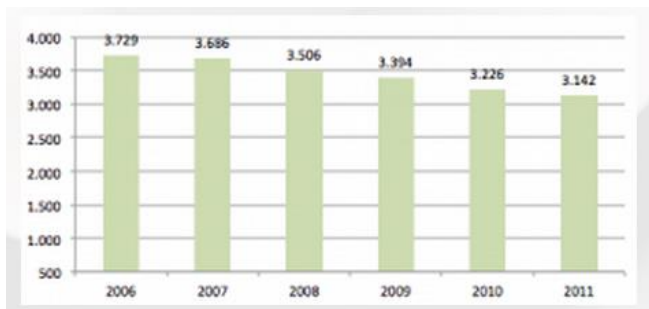
Total coffee market 2006-2011

Danish households purchase in tonnes:



The total purchase of filtercoffee to danish households has fallen with 16% from 2006 – 2011.

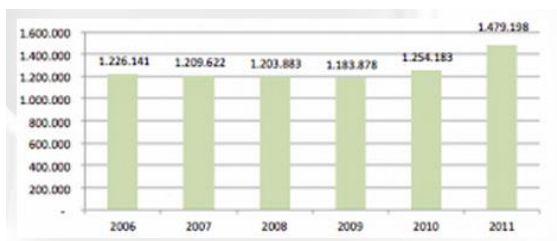
Danish households purchase, in number of cups:



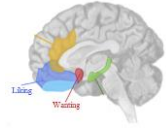
The decrease corresponds to 600 mio. Less consumed coffee cups pr. Year in danish homes from 2006-2011.

Increase in total purchase measured in Danish kroner.

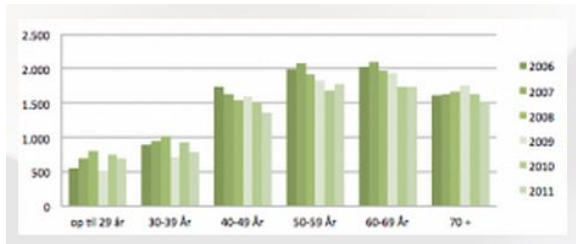
Despite a decrease in consumption, Danish households has increased their purchase of coffee.



The coffee prices has resulted in an increase of 21 % in the overall coffee consumption.



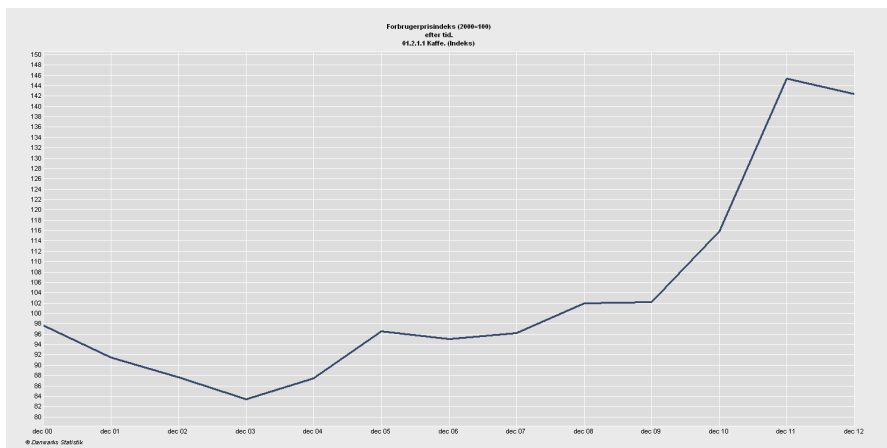
The quantity of coffee consumed in Danish households – in number of cups



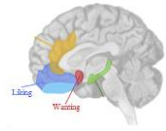
In the periode 2006-2011 the only age group that had a increasing consumption, was the youngsters up to 29 years old. The increase in this period was 27%. The largest decrease is seen in the group of 40-49 years old. This decrease is 22%. The consumption among elders in the age +70 years old, are the most stable, with a small decrease of 7%.

Source: (<http://kaffeinfo.dk/kaffe-i-tal/danmark/>)

Consumerprice index (CPI), The development of coffee prices in the periode dec. 2000- dec. 2012



Source: www.statistikbanken.dk



Appendix 3.a: The market and culture of coffee in Denmark

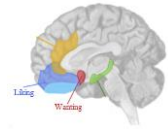
3.1. The roots and sorts of coffee

The concept of coffee originally came from Mokka in Yemen. Though time it became part of a world market controlled by bean-traders and multinational corporations. This let coffee to be one of the first bonding drinks shared and enjoyed worldwide, among all communities despite faith and religion. It is known that the whole world consumes 2.25 mill. Cups of coffee every single day. (Andersen, 2007).

Just like wine the quality and taste differences of coffee depends on the area the beans come from, the way they get roasted and how the coffee finally gets brewed and served. The coffee production methods, varies depending on the individual country whereas the main differences lays in conditions such as: geographic, climatic and demographic. In overall there are three types of main botanic coffee sorts, all with individual taste characters: Coffee Arabica (75%), Coffee Robusta (25%) and finally coffee Liberica(1%). (Guldbæk et al.,1992). The most common used is coffee Arabica which represents 75% of the produces coffee worldwide.(Ibid) The harvesting of the beans often gets done by handcraft as the beans are stuck very close to its fruit. (Ibid) The coffee sort is though not only restricted to the character of botanical type it is also affected by the country of origin, production region and process. The most common used coffe-sorts are: Brasil-coffee, Columbia-coffee, Java, African-coffees and Mocca. In Denmark the most common used coffee sort is Brasil-coffee which is built on the Arabica-type, harvested and brewed according to the original dry method. (Ibid) The most popular Brasil-coffees in Denmark are the Santos-coffee (sweet, soft and dry aroma) which is the basic ingredient in a Gevalia coffee and the Minas-coffee which is more powerful and harsh in taste.

3.2. A brief introduction to the cultural role of coffee in Denmark

In Denmark we drink a lot of coffee. It is very rare that Danes drink morning coffee, noon-coffee, afternoon coffee, evening coffee and in between there's the coffee breaks where yet another coffee is typically consumed. This culture has lead Denmark (among Finland and Sweden) to be one of the leading countries in average number of consumed coffee pr. Citizen. (Mellemfolkeligt samvirke) Danes has always been a population which takes much enjoyment in drinking a cup of good coffee. Either alone in a brake or together with others embracing the togetherness. Because coffee is a low-involvement product it is consumed at all times, but typically coffee is used for coziness and in



company with others. Coffee therefore has a cozy and social element in its functional and cultural roots. Back in the day's coffee was enjoyed in coffeehouses, café-restaurants, cafeterias or cafés. Now a day it's more random to enjoy a qualified coffee at coffee bars or as a "to-go". The act of drinking coffee is for many Danes a part of an unconscious ingrown routine which highlights the day with a little flavor. Coffee has always been a center for communities letting people come together across all differences. Besides this, coffee has always been a link in connecting national, international and global communities.

In Danish culture it is very common to say *"let's have a coffee together"* If two parts shares an interest. The coffee habits though Danish history changed many times. This has led to not only a change in coffee culture but also a change in cultural history. (Andersen,2007). Danes e.g. went from buying cheap vacuum packed coffee bags to investing in expensive high coffee qualities stored in airy bags. Researchers say that in order to cover a year's consumption of the Danes coffee habits a field of 350 km² must be grown. This equals 40.000 ton ground coffee pr. year and 900 Liters. (Ibid) The most addicted coffee drinkers are in between the age of 28-45 years old. (Danskherognu.dk) 85% of all Danes over the age of 30 years old and 50% under the age of 30 years old drinks coffee.(Danmarkherognu.dk). It's very common that Danes get familiar with new cultures and countries by tasting coffee imported from different places. This is a way of showing an interest in globalization while enjoying or maybe also supporting a good cup of fair-traded coffee. In Denmark coffee gets consumed at all times and everywhere and has therefore grown to be an important part of Danish culture.

3.3 A brief introduction of how coffee came to Denmark: A brief historical overview

1665-1669	Coffee enters Danish highclass
1680'	Coffeehouses is introduced and replacing many teahouses
1696	Coffeehouses becomes part of everyday culture, though only for men.
1700'	The concept of coffee drinking expands to civil population, inspired by German and Austria.
1870'	Coffee becomes a Sunday tradition
1900	Innovative, wealthy and technology inspired coffee restaurants is introduced. The first was 'a porta' placed in Kongens Nytorv, central Copenhagen.
1900'	Coffee is introduced as a specialty one serves to guests.
1930'	First coffee bar for workers is opened, inspired from America.
1970'	French inspired cafés enters Danish market.
1970'	A new café culture starts: Having a coffee to see or be seen. The cafés becomes a place for superficial topics, enjoyment and fooling around. Etc.
1980'	Youngsters begins to relate to own reflections, 'two-someness' and coffee dating is

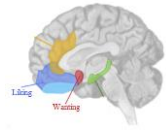


	introduced.
1995'	The fairtrade wave becomes popular meanwhile small niche coffee bars in Copenhagen starts specializing in only the finest coffee. E.g. Estate coffee, Risteriet and Kontra.
2000'	The mainstream coffee chain, Baresso is introduced. Along arises new chains as e.g. Ricco.
2012'	The big pioneer of 'the cult coffee culture' Starbucks enters Copenhagen.
2013'	Starbucks opens 2 more coffee bars in Ålborg and Århus.

Source: Anders, Jacob, (2007). *Livet er ikke det værste man har, Kaffens kulturhistorie i Danmark 1665-2015*[Kbh.]; Gyldendal.

3.4. Contemporary coffee tendencies

In private the consumed hot drink is primarily filter coffee, but in the last couple of years more sophisticated types of coffee e.g. espresso machines has become popular in line with the opening of specialized coffee bars and cafes. (Euromonitor.com; (2)) The most sold coffee is therefore primarily filter-coffee, however the demand for coffee beans and frozen died coffee has increased in the last years. (Jimmy Olsen et al. 2007) Outside the good old filter coffee has been replaced with new more creative and adventures drinks as e.g. coffee latte, Macchiato, Frappachiones etc. There is though a great difference in which coffee the elder and the youngsters drink (Bjarke Nielsen, 2006) where the group of elder coffee drinkers sticks with filter coffee the youngster prioritizes expensive Cafés and specialized coffee shops. This also means that the youngsters gets used to paying a high price for the coffee. A cup of coffee latte can easily be in between the price of 25-45 kr. Depending on where you buy it. The price of coffee has in the period of 2006 – 2011 been increasing even though the price of coffee beans were actually falling (Korsgaard Nielsen, 2012) but since 2011 the price felt with a small amount of almost 4 %. (Consumerpriceindex; Appendix 3) Despite the higher price in the period 2006-2011 the total volume sales declined by only 2% in 2011, highlighting the fact of coffee being the favorite hot drink among the majority of Danes. (Euromonitor.com; (1)) The low price fall in 2011 still lets the coffee to be sold very expensive but this doesn't seem to scare away the group of coffee lovers, especially not the youngsters. This group can be linked to the modern and urban lifestyle, - dominating in many cities. (Korsgaard Nielsen, 2012) Despite the average consumption has been fallen because of the financial crisis the Danish household spending at coffee has been increasing with 21% in the total coffee consumption. (Dansk kaffeinformation) Remaining the total volume consumption of coffee to be very high and to be the dominating category of hot drinks in 2011. (Euromonitor.com- Denmark hot drinks).



In terms of the Danish coffee industry it has for a while been developing from being standardized and homogeny discount consumption to a specialized and exclusive market. (Ibid) This applies regardless of whether the coffee is enjoyed at home or outside. The requested coffee standards have simply just risen. This coffee is typically a familiar branded filter coffee (Andersen,2007) as e.g. the leading brands Merrild and BKI (Euromonitor.com; (1)) . In 2007 the freeze dried instant coffee is used by coffee drinkers, is 5% and in the last couple of years the amount of coffee beans sold for home-use has been 10 % of the total amount of sold coffee beans in DK.(Andersen,2007) Coffee has simply developed into one of this decades big trends, where consumers cultivate the coffee trend by paying attention to how, when, where and by whom the beans have been treated. Furthermore Danish consumers have begun to invest in coffee pod machines and fully automatic coffee machines, wherein the design of it has become increasingly important in the overall kitchen design. (Euromonitor.com; (1)).

With the developing of the coffee trend a new focus gets started around 2005, namely the focus on being a qualified “coffee-bartender”, also known as “Barista”. (Ibid) It deals with managing exclusive art of latte on a level far more advantaged than drawing a foamed heart. A time change has announced a claim for exclusivity. The presentation of coffee begins to move in a direction of a level comparable to culture of tasting wine. Denmark manages to win four world championships in the VM for Baristas.(ibid) It seems as the future will bring even more increase to the field of fresh coffee beans, instant coffee and fresh ground coffee pods. (Euromonitor.com; (1)).

Despite the economic recession café/coffee bars came out as one of the strongest and furthermore managed to remain the fastest growing consumer foodservice category in 2011. Their success is among other things due to the fact that they serve several specialized coffee drinks and home cooked foods satisfying a broad customer group. The competition among chained cafés/bars is very immature as Baresso Coffee is the only noticeable presence holding a 3% value share of cafés/bars and 59% of chained cafés/cars. (Euromonitor.com ; (2)).

3.5. The postmodern coffee consumer: Contemporary identity roles

Modern sociologists are often disguising the characteristics of now a day’s youngsters’ and their self-awareness. In these times, It’s very rare that modern people use a lot of energy considering who they are, how they get perceived and what they actually want to become. The individual’s self-

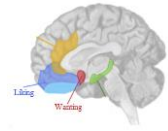


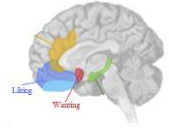
image and identity has become a work in progress which though time gets created by ones choices, opinions, consumer patterns, surroundings, brands etc.

This is one of the explanations of why youngsters often tend to spend a lot of time and money on nursing their own ego and self-image. Tendencies that can often characterize the modern youngsters behaviors are e.g. that they tend to focus on appearance, image, health, job titles, differentiated interests, social and professional networking along with enjoying expensive drinks, foods and presenting themselves though online-social-medias.

Along with the identity roles having changed the nature of consumption has changed as well. The consumers seem to be looking for experiences rather than just material objects. Just as the youngsters mentioned above they seek for quality of life and quality in the object they consume. They e.g. demand greater taste experiences, which challenge their senses and they are willing to pay high prices for such products. These consumers can be characterize as “postmodern consumers”. In postmodern cultures human relations are based on the principles of access. (Rifkin, 2000)

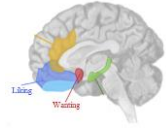
The consumer’s importance is placed on access rather than ownership. The goal of one’s activity is built around playfulness and pleasure which gives essential and commercial access to cultural experience. (Christensen, 2005) The consumers will often zap from one culture to another, exploring most possible and avoiding commitment to any lifestyle.” *Rifkin finds that postmodern consumers have short attention spans, are less reflective, and more spontaneous. They are less analytical and more emotional. They are experimental and count innovation.* ” (Friss, 2005)

According to Solomon, Postmodern consumers typically play freely with symbols, styles, products, truths and fashions creating their own personal expressions while beings less concerned about norms and standards. (Solomon 1999) Another author, Halliburton, states that postmodern consumers are individualist viewing quality as more subjective, defined by its aesthetic and cultural attributes, its authenticity and its ability to provide meaning. (Halliburton 2000:12). “*It is in consumption that the consumer produces not only his physique (physical self) through what he consumes, but also his mentality and/or worldview.*” (Friss, 2005) This statement along with the definition of a postmodern consumer gives a broader insight to the possible explanation of why Danish specialized coffee bars have been able to gain success even in times of financial pressure. Even though it off course aren’t all Danish consumers that can be put under the characterization of an postmodern consumer, many of the youngsters simply fit perfectly in, as they don’t pay attention

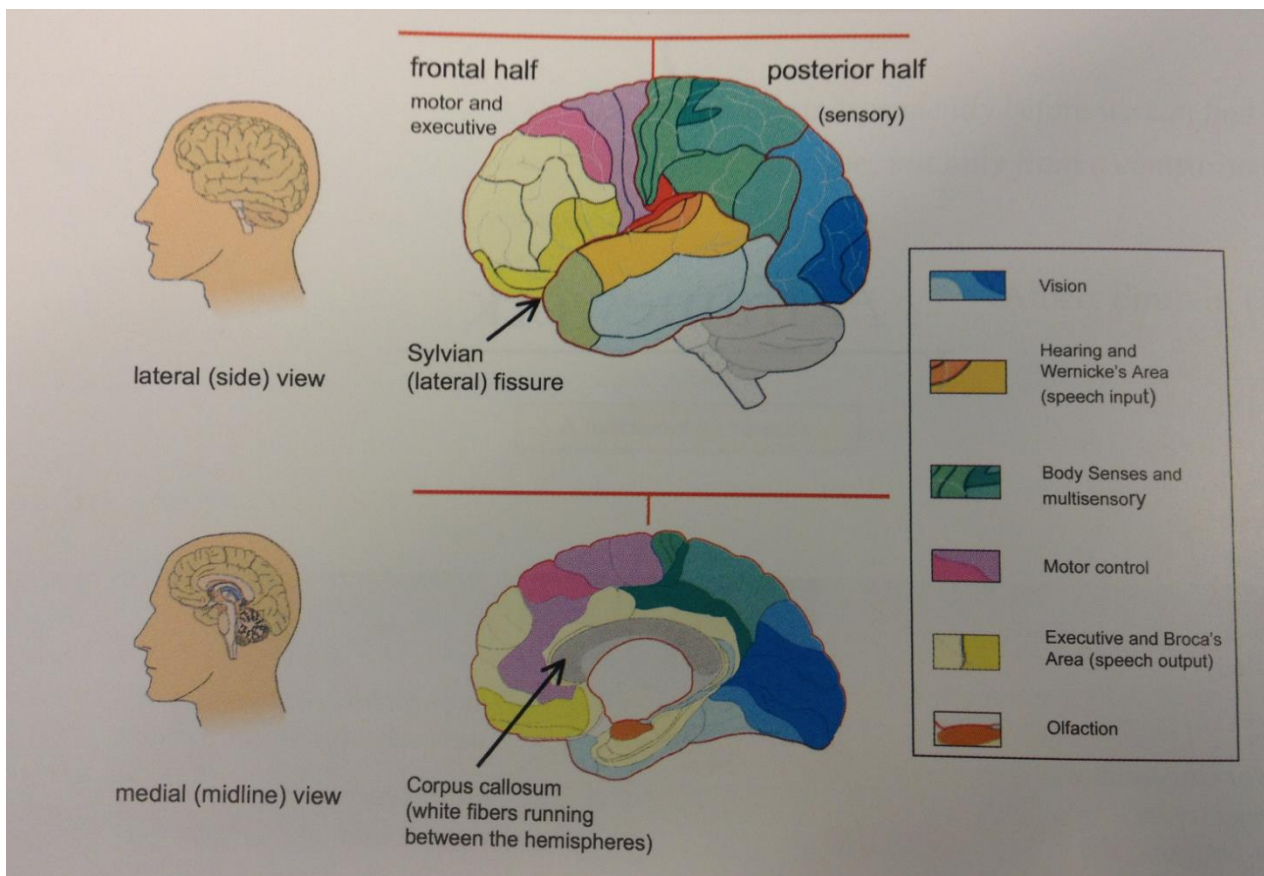


to price and value their development of mentality. *“Some consumers see coffee consumption as a meaningful tool for increasing their quality of life and/or creating their image.”*(Friss, 2005)

A key word describing postmodernism is individualism. The fact of consumers striving to become individualist separating and differentiating themselves from the mainstream can be seen in their consumption of specialized coffee. Even though the prices are high it's a low involvement product which adds greater value to the image development balancing the high priced sacrifice. Furthermore It's very common that these consumers put great effort in gaining pleasure from every consumption e.g. good consciousness from buying environmentally responsible products. (Friss, 2005)



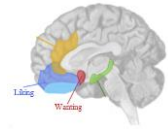
Appendix 4: The Cortex



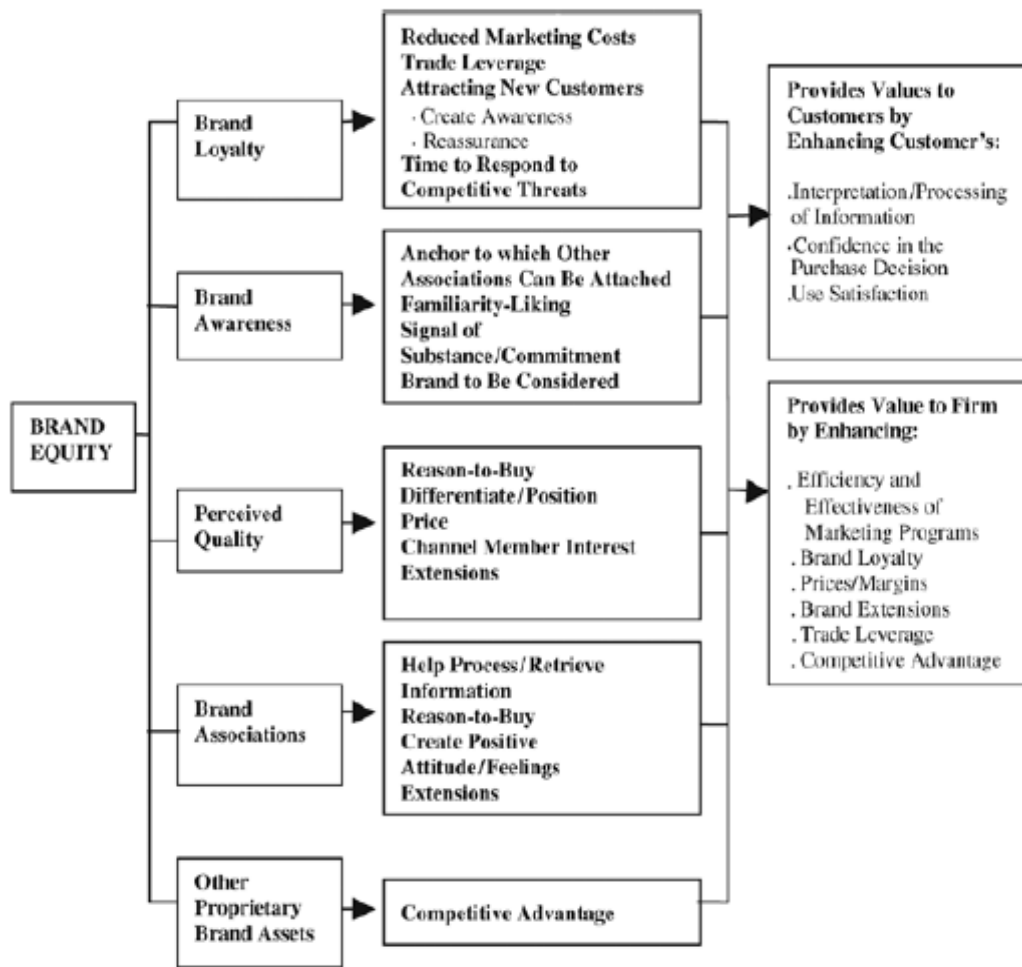
Source: Bernard J. Baars and Nicole M. Gage: *Cognition, Brain and Consciousness. Introduction to Cognitive Neuroscience*. 2010. Elsevier.

This picture shows the specialized regions of the cortex, the huge covering of the brain. Cortex is a flat sheet that is folded into the upper cranium. Notice the colored regions. The colored regions represent (on the right of both figures) the sensory halves of cortex, also known as the posterior half. This is where we find the vision (blue) and hearing (yellow) areas.

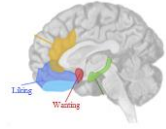
It is the cortex that is believed to support the specific contents of conscious experiences. Its posterior half is sensory, its front half is motor and 'future directed' - cognition, working memory, planning, decision-making.



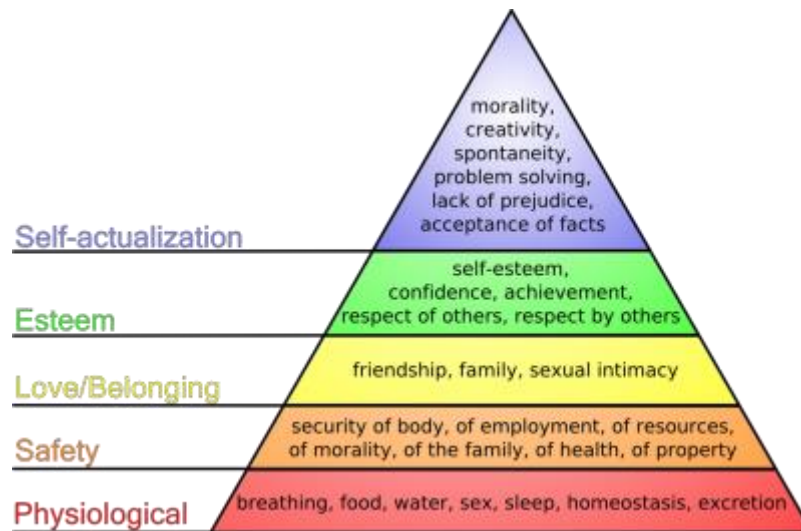
Appendix 5: David Aaker's 'brand equity model'



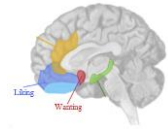
Source: Brand equity model adopted from Aaker, 1996, p.9



Appendix 5.a: Mashlow's hierarchy of needs



Source: Kotler, Philip; Keller, Kevin Lane; Brady Maird; Goodmann, Malcolm; Hansen, Torben; (2009): "Marketing Management", *Pearson Prentice Hall*

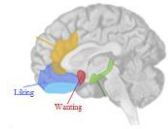


Appendix 6: Kevin Keller's Consumer Based brand equity (CBBE) pyramid.

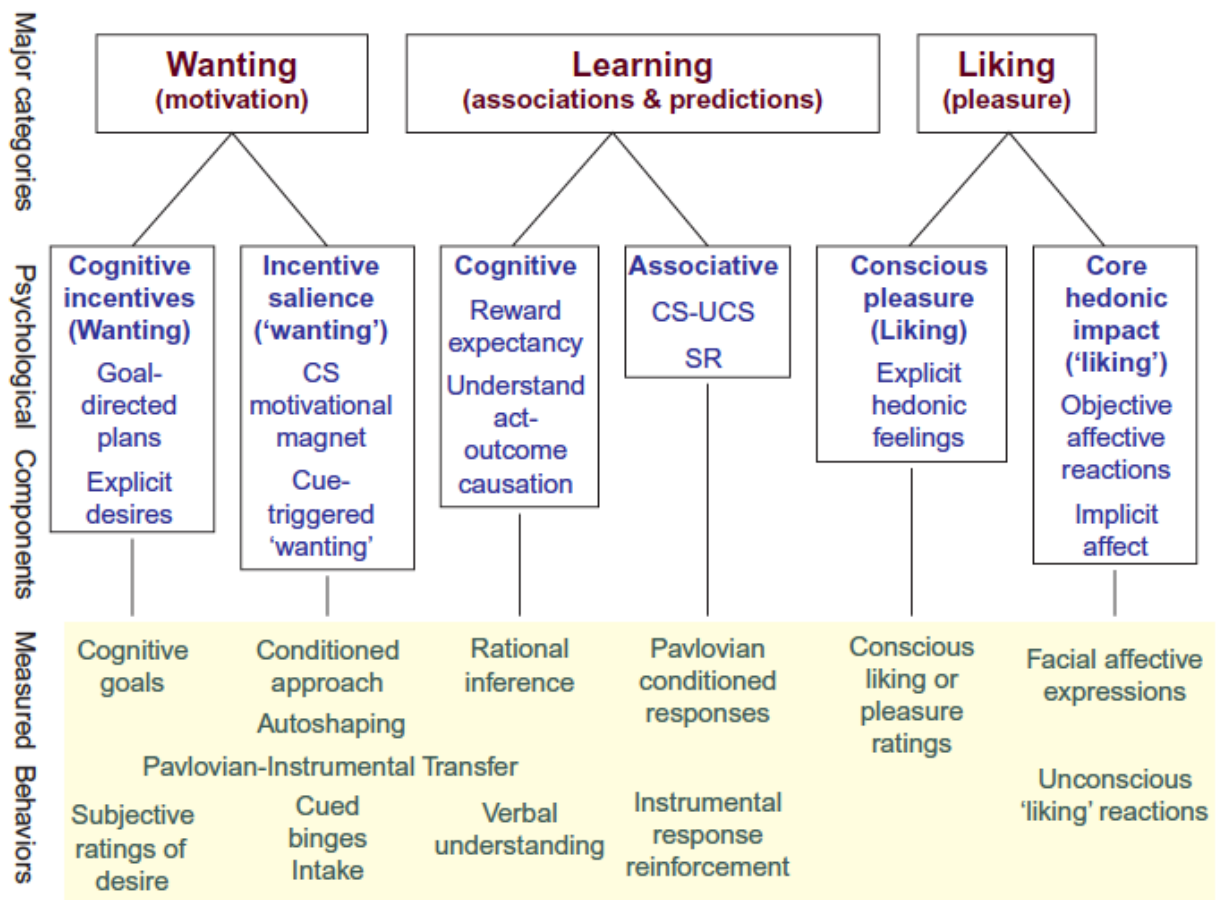


Inspired from: Keller, K.L. (2012): *Strategic brand management, a European perspective*. Harlow; Financial times Prentice Hall.p.66

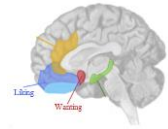
Source:www.vizual.net



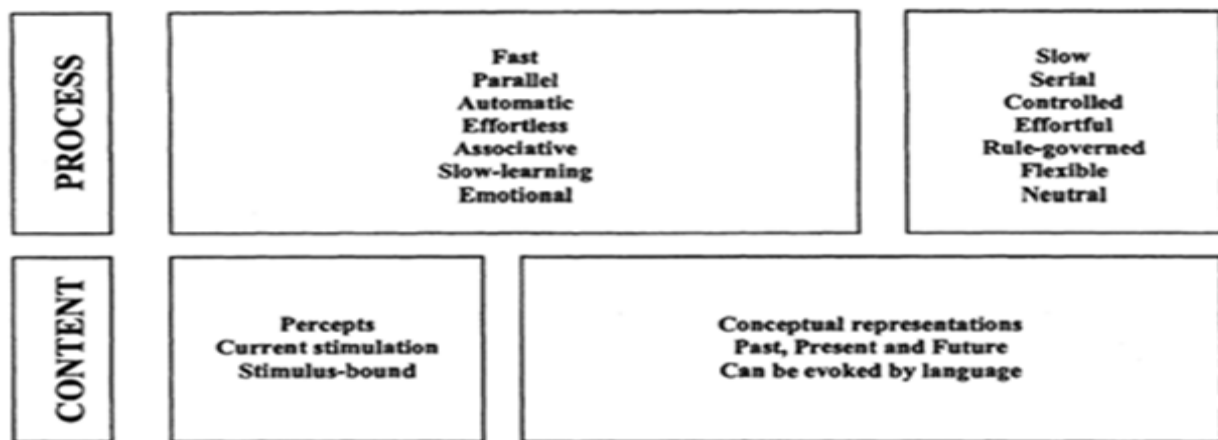
Appendix 7: Reward components



Source: Bernard J. Baars and Nicole M. Gage: *Cognition, Brain and Consciousness. Introduction to Cognitive Neuroscience*. 2010. Elsevier.



Appendix 8: David Kahneman's System 1 and system 2

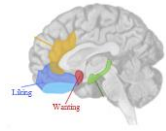


Source: Maps of Bounded Rationality: Psychology for Behavioral Economics. By Daniel Kahneman. The American Economic Review, Vol. 93, No. 5.

The dual process theory by psychologist Daniel Kahnemann has its roots from behavioral economics. It is taken into account as this theory, is an incredibly similar and parallel system to the 'wanting/liking' theories from cognitive neuroscience. The theories were developed within the same period of time. Even though the theorists came from two different worlds they managed to develop two different theories speaking almost of the same findings, namely, the conscious and unconscious pattern in human cognition and behavior. It can therefore also be said that the two point of views stands as an analogy from the scientific world of psychology. In this thesis, the dual process theory will therefore be represented as a perspective to the 'wanting` and liking theories.

According to Daniel Kahneman, the psychologist and researcher in thinking and reasoning, there are two distinct cognitive systems underlying reasoning and effecting choice behavior. The systems are known as system 1 and 2 but can be referred to and described as, implicit and explicit.(Evans,2003) The fundaments of the dual process is based on the architecture of cognition, which can be divided into two sections: (1) Reasoning, which is done deliberately and effortful and (2) Intuition/ intuitive thoughts which come spontaneously, without conscious search, computation or effort. (Kahneman, 2003).

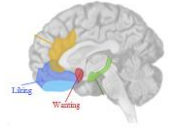
System 1 is old in evolutionary terms and shared by human and animals. (Evans, 2003). System 1 contains a set of autonomous subsystems, which includes both innate input modules and domain-



specific knowledge acquired by a domain-general learning mechanism. (Ibid). In system 1, the mind operates fast, automatic, effortless, associative and often emotionally charged. (Kahneman, 2003). System 1 process is generally rapid, parallel and their final product is posted in consciousness. (Evans, 2003). The thoughts in system 1 are typically controlled by habits and are therefore difficult to control and modify. (Ibid)

System 2 is evolutionarily recent and only figurate among humans. System 2 permits reasoning and hypothetical thinking. It is controlled by working memory, capacity and measures of general intelligence. (Evans, 2003). It typically operates slower, serial, effortful and can be controlled by rules. (Kahneman, 2003).

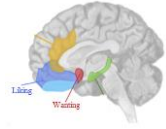
In the thinking process both systems overlap each other as system 2 monitors the activities in system 1, together having a great impact on consumers judgment and decision making. Frequently people decide their actions based on experience or intuition, - relating to system 1. However, people also tend to make decision as e.g. future possibilities or strategically initiatives which relate and activate system 2. For instance in the coffee experiment, where respondents before the tasting tend to express their pre-liking towards the brands they are most familiar with. In this case, system 1 is activated, - as their minds operates fast and initiative. When respondents later on are set to evaluate the individual tastes, system 2 is activated as the assignment acquires more effort and e.g. the use of memory.



Appendix 9: Paradigms and their assumptions about ontology, epistemology and methodology.

	Ontology	Epistemology	Methodology
Positivism	Realistic	Objective	Experimental, manipulating
Neo-positivism	Limited realistic	Modified objective	Modified experimental, manipulating
Critical Theory	Limited realistic	Subjective	Dialogical, transforming
Constructivism	relativistic	Subjective	Complex

Source: Cleemann, Christine. (2010). Fagets videnskabsteori. HA (almen) 6. sem. *Figur 1 Grundelementer i det videnskabelige paradigme. Institut for ledelse, Politik og Filosofi.* - Original table is in Danish.



Appendix 10: Experiment guideline

1. **Recruitment:** Participants were students and staff passing by the central hall of Copenhagen business School, Solbjerg Plads. On the set-up, hang big signs informing about the test. In all six days participant showed great interest and by themselves formed a cue culture on the couch next to the set-up. As respondents constantly came, the recruitment process became more or less superfluous.
2. **Registration:** Participants were provided by registration sheet, were they got introduced to the experiment procedure and asked to fill in personal information.
3. **Introduction and testing procedure:**

"Hi, how nice that you would like to try. Please have a seat."

If asked: *"Why are you doing this test? It's probably a marketing study with hidden agendas? Are you trying to discover whether the brands have an impact on taste preferences?" "Etc..."*

I answered (with a convincing smile): *"I'm doing this test to collect data for my thesis which is about coffee and taste preferences. It's pretty funny to imagine, that one could actually end up writing a thesis about coffee. But, yes that's what I'm doing" ☺*

"Okay, well the test is about you tasting 4 different versions of black filter coffee, from the 4 presented coffee suppliers. The samples will be presented without milk, so you have a greater chance of tasting the actual coffee. To begin with you will be filling out some questions. Meanwhile I will prepare the samples for you. Then you will have to taste them individually and evaluate each one after having tasted it. Then you will have to fill out the rest of the questions, while I prepare a final cup of coffee you get to take along as a thanks for participating. If you want me to add milk in your final coffee I can do that. Do you have some questions?...Ok then, let's start. Please fill out the first and second page...."

Meanwhile participant is filling out questions, I ask: *"Would you like some sugar in your samples?"*

The samples gets measured and placed on the dots under the brand name.

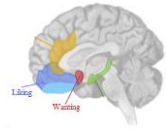
When participant is done filling out questions: *"So, this is the four samples you will taste. After having tasted one please put the cup back at the dot and evaluate immediately on the related scale. In between each sample I need you to rinse your mouth with a little water and take a little brake before you try the next sample. Please start from here (Starbuck) and move down. (Baresso -> Ricco -> waynes)"*

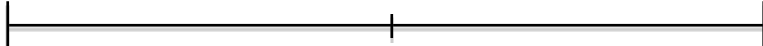
When respondent is done tasting, the samples get measured. *"Now, please fill in the rest of the questions".*

The measuring of samples is done. *"Which coffee would you like to take along? Sugar? Milk?..."*

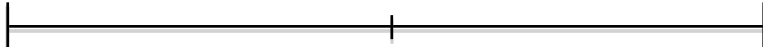
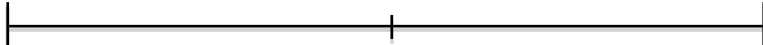
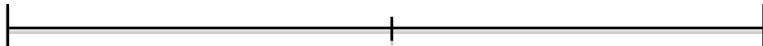
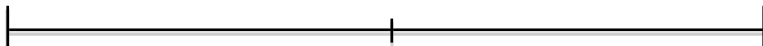
"Thank you for participating, If you want to hear more about the research and which course it is that I'm doing it in, please fill in your email information's at the list".

"Have a nice day" ☺



	<i>Not at all</i>	<i>A lot</i>
<i>Wayne's coffee</i>		
	<i>Not at all</i>	<i>A lot</i>

Where will you place the taste quality of the following coffee suppliers?

Brand	Scale
<i>Starbucks</i>	
	<i>Very bad</i> <i>Very good</i>
<i>Baresso</i>	
	<i>Very bad</i> <i>Very good</i>
<i>Riccós</i>	
	<i>Very bad</i> <i>Very good</i>
<i>Wayne's coffee</i>	
	<i>Very bad</i> <i>Very good</i>

From your own creative thinking, which associations do you have to the following suppliers:
(Please feel free to write anything you want.)

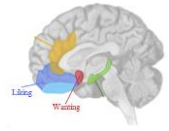
Starbucks _____

Baresso _____

Riccós _____

Wayne's coffee _____

Do you usually put milk in your coffee? Yes / No



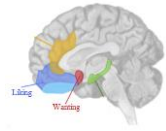
IN order to emphasize the different tastes of the following coffee examples, the coffees will be presented without milk.

- You are though welcome to add milk in the cup you get to take along ☺

2. Tasting coffee....

How do you perceive the taste of:

Brand	Scale
<i>Starbucks</i>	 <i>Dislike very much</i> <i>Like very much</i>
<i>Baresso</i>	 <i>Dislike very much</i> <i>Like very much</i>
<i>Riccos</i>	 <i>Dislike very much</i> <i>Like very much</i>
<i>Wayne's coffee</i>	 <i>Dislike very much</i> <i>Like very much</i>



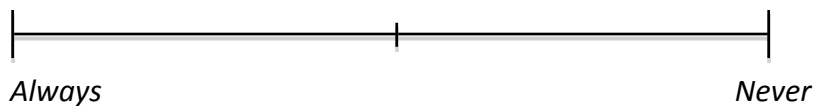
3. Debriefing on test...

Are there any of the four coffee examples you by any chance would drink again without adding milk? Yes/no

If yes, which?

Starbucks – Riccos - Baresso – wayne's coffee

On an everyday basis: How often do you think your favorite coffee drink is chosen simply out of taste?



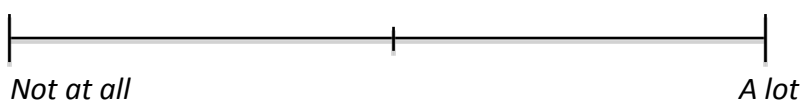
Coffee tasting test:

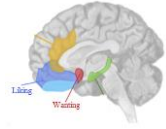
Did you notice that some of the tastes were the same? Yes/no

If yes, which one?

What do you think this test was about?

Do you think your taste perceptions towards the samples were affected by the brand names?





Appendix 12: Measuring methods in Neuroscience/Neuromarketing

One of the most typical used instruments for measuring's of consumer behavior in Neuromarketing are eyetracking, GSR, EGG and fMRI scanners.

Eyetracking

The eyetracker measures emotions and feelings through visual activity topics as fixation areas, Heatmapping and the interest level towards products, brand, ads and commercial campaigns etc. can easily and within a broad number of respondents be measured.

GSR (Gulvanic skin Response)

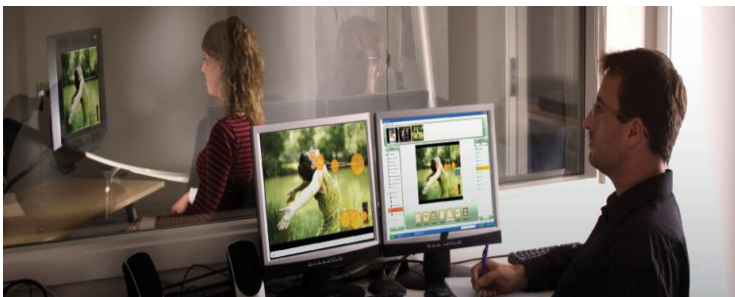
This measures the emotional body response by examining the sweat in our hands, which shows a semantic response to an emotional state. The more aroused one is the more one is sweating and the higher the sound on the GSR will show.

EEG (Electrofalogram)

This measures the brain activity while recording the electrical activity produced by the firing neurons through the scalp (the surface of the cortex). It tracks the electrical field by messaging the small electrodes into the scalp.

fMRI scanners

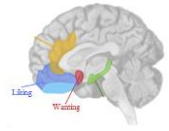
This is a brain scanning technique. It is one of the most expensive techniques so far, which is why it is only used for highly academic neuroscientific research. The research field e.g. brand logos, ads etc. is presented to the test person inside the scanner, while the machines scans the changes of cerebral blood flow related to the neural activity in the brain.



The first picture from the left is a typical eyetracking setup. 48 The next from the right, is a picture of the newest transportable EEG equipment. 49 The last in the bottom left is a private picture taking in Hvidovre hospital. In the situation I'm the test person, doing a test for an experiment dealing with creativity.

48 <http://imotionsglobal.com/eye-tracking/>

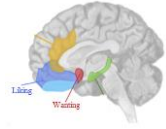
49 Taken from: <http://scitechdaily.com/brainwaves-hacked-using-consumer-grade-egg-headsets/>



Appendix 13: Goal of the test

The respondents were asked to give their opinion on what the test was about.

If I would rate according to coffee or brand, Coffee tastes, Associations and products, Taste and how taste is affected, The taste of the coffee and the difference between them, To see if there is a certain brand pattern, Taste differences, About coffee taste, Does brand make a difference for our taste, About coffee habits, or about what flavors triggers your mind, Branding - how once perception of the quality of a given brand's product influences the consumers experience of consuming the products, Taste, quality and associations with the brand, branding, standardized/similar coffee beans, taste/brand preferences, Coffee tastes, Noticing the differences, finding out which one consumers prefer, Our brand perception, if perceived images have an influence on which coffee is preferred, popularity of the brands and weather they impact our coffee drinking habbits, seeing whether the brand name affects the tasting results, brand recognition changes the coffee taste, Do you choose your coffee because of the brand, That one choose from out of perceptions before tasting, taste test and the force of brands, branding, measuring on brandrecognition, testing the segmentgroups preferences, tasting differences, If the taste of the coffee is accosiated with the brand, brand significance vs. Brand, brand, to see the similarities between associations of brand and task, tasting coffee, best taste, branding, emotions vs. Brands, effect of brand brand knowledge on how much you have to drink to make an evolution, taste of coffee, brand accosiations, whether the price/brand can have an influence on what you choose to buy or even the taste, how once favorite coffee is chosen simply out of taste, a survey, quality, coffee tasting, branding, test of the taste, coffee brands and coffee, that we choose after brand, they are all the same, whether you buy coffee because of the taste or the brand, whether one gets affected by the brand name, on whether knowing brand before hand influences the level of desire, costumer decision making, whether people can taste the difference in flavor? Or whether the big brands er "hyped, pereption bias from brand awareness/attitude, perception of coffee, brand/reality?, branding and taste or quality, brand loyalty towards coffee brands, coffee brands and coffee, About the image of these coffees, which coffee people prefer, how the taste of the coffee has an appeal to different people, tasting my tasting skills vs. Brand wareness, brand affectness, consumer behavior, taste vs. Brand?, perception, which coffee one likes unconsciousness and how the brand has an effect on the taste. Maybe you switched the brands or the coffee, effect of the brands (and pre-driking bias/optimism) and the rating of the coffees, branding influende on what we perceive as quality, perception of different coffee brands, see if brands have an effect/influence on our feeling about the product, coffee, whether you can taste the differences in coffee and/or let yourself get affected by the brands, effect of brands, brand, not the taste, To see how perception are effected by brand names, brand, hvilken kaffe der smagte bedst, coffee, I have no idea, to see wheter people answer from out of their relationship to brand or the taste of coffee, which coffee producer that is the most populare, consumer loyalty and maybe branding effects, testing our inception, coffee brands and coffee, promotion or product development, brand value and perception besides this quality of coffee, recognizing and distinguishing different brands of coffee, wheater taste is affected by brand name, marketing, brand influencing taste, about taste and brand, competition, testing brand, type of coffee preference, science project about tast and culture, sampling and corporate identity, Branding, peoples prefereces towards coffee and cafes, Coffee tastes, I think the test is to analyze how the individual responses when they know which brand it is, How stupid Iam when it comes to my test, brands, why someone thinks that one brand is better than the other, costumer research, brand and costumer taste perception.



Appendix 14: Respondents pre-assumptions to brand recognition, liking and measure of quality.

How well do you know the following coffee suppliers?

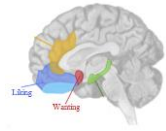
Brand	Least Sq Mean
Starbucks	7,745901639
Baresso	7,141803279
Ricco	3,356557377
Waynes	1,574590164

How much do you like the following coffee suppliers?

Brand	Least Sq Mean
Starbucks	6,985245902
Baresso	6,28852459
Ricco	3,595081967
Waynes	1,53852459

Where will you place the taste quality of the following coffee suppliers?

Brand	Least Sq Mean
Starbucks	7,273770492
Baresso	7,031147541
Ricco	4,01147541
Waynes	1,770491803



Appendix 15. Defining Emotions, Feelings, Gestalts and Thoughts

Emotions and feelings

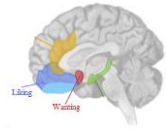
Emotional functions are usually related to the limbic system. (Bernard et al, 2010) The limbic system is built to respond towards evolutionary pressure such as danger (e.g. rage, panic), needs (e.g. seeking, curiosity, lust, care, play) and acquisition of food (Ibid). Emotions response that are initiated in the limbic system are typically further processed by regions of the neocortex. (Bernard, 2010) The neocortex is the home base for complex cognitive and social abilities of human beings. (Ibid) It is in this part of the brain, humans experience the effects of the limbic system, though added valance. (Bernard et al, 2010) According to Antonio Damasio, an emotion can be defined as:

“a patterned collection of chemical and neural responses that is produced by the brain when it detects the presence of an emotionally competent stimulus — an object or situation, for example.”(Damasio, 2001.p.781)

Emotions are used for coping with objects and situations that are potentially dangerous or advantageous.(Damasio, 2001). Most emotional responses are directly observable with either the naked eye or psychophysiological and neurophysiological measurements.(Ibid).

Human has emotions, as they are initiated in the limbic system as a response to conditioned stimuli. (Bernard et al, 2010) The same way stimulus can have a conscious and unconscious effect on human mind so can emotions. Emotions on a non-conscious level is experienced in the limbic system, whereas as emotions on a conscious level is experienced in the neocortex. (Ibid) “The feeling of an emotion” is according to Damasio et al, referred to as an experience of the emotional response. (Bernard et al, 2010)

The best way to recognize emotions are by overt behavior as e.g.: Reaction to surprising events and response to threatening situations. (Ramsøy, lec. 4) Emotions can be both positive and negative. Positive emotions are typically driven by rewards, they approach behaviors and is accompanied by feeling of anticipation, enjoyment and happiness. Whereas negative emotions are driven by fear and aversion, they also create avoiding behaviors and get accompanied by feelings of fear, anxiety and sadness. The Outcome of emotions can either be: Rewards, which increase the likelihood that leads to a behavior being repeated or punishment, which decrease the likelihood of an a behavior being repeated. (lec 4). *“Emotions feed into constructed preferences that then motivate decisions.”* (Dai et



al, 2010 p.324). Finally, Emotions are known to proceed feelings but does not automatically lead to them as emotions typically are unconscious. (lec.4)

Feelings is an organism's experience of being in a certain conscious emotional state. (Bernard et al, 2010) It is furthermore a commonly used noun for emotions, moods, mood disorders, personality and culture. (Plessis, 2011). According to Antonio Damasio, feelings are defined as:

“the mental representation of the physiological changes that characterize emotions. Unlike emotions, which are scientifically public, feelings are indeed private.” (Damasio, 2001.p.781)

Feelings are easier to measure, as they are conscious, opposite to emotions which are body responses. Human uses feelings to e.g. express their state of mind when evaluating a specific episode or before taking a certain action.

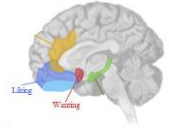
Feelings and emotions are two different motivation systems. (Bernard et al, 2010) In relation to this study, feelings are connected to the consumers conscious liking whereas emotions are connected to their unconscious “wanting”.

Liking and wanting can be used in the context of predicting behavior. (Bernard et al, 2010) In relation to the coffee tasting test, the respondent's 'feelings' was expressed when giving their opinion on questionnaires' whereas their emotional state of mind (wanting) was expressed by e.g. facial expressions and body reactions. The correlation of results from liking and wanting are interesting factors to discover as liking and wanting connect differently to the respondents subsequent choices and behavior.

Gestalts and thoughts

The process of thinking takes place in the frontal lobes. (Plessis, 2011) In order to understand the process of thinking, it can be described as an orchestra playing a symphony, hence the orchestra is the thoughts and brain the symphony. (Ibid) All instruments have important roles to play, each acts independently but all together in a concert. (Ibid)

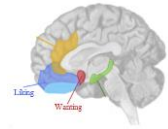
In order to explain how thoughts are created, one must define and understand the role of gestalts. Erik de Plessis, explain the definition of gestalt as, waves crated in a pool – were the brain is the pool and the waves being neural networks constantly evoking and transmitting – some grabbed by



attention, some not. (Plessis, 2011) It is these gestalts that create conscious and unconscious thoughts.

The process of a human minds thinking can be explained as *“Thoughts are developing gestalts because of neurons recruiting other neurons. As we think about things so these thoughts trigger neurons and other thoughts”* (Plessis, 2011)

This statement, may be an explanation of how the ‘unconscious thinking process’, may lead to an unconscious wanting or crave for a certain object. In relation to the study, the unconscious floatation of thought gestalts may have been what effected respondents leading them to associate the presented coffee logo to certain things driving them subsequently to experience the sample taste in a certain way. The constantly floating gestalts and thoughts are features which play an important role in the understanding of consumer cognition, liking, wanting and choice which is why it is found interesting to take into account.



Appendix 16: Exploring the respondent's decision making and cognitive brand effects

A model inspired by the analysis.

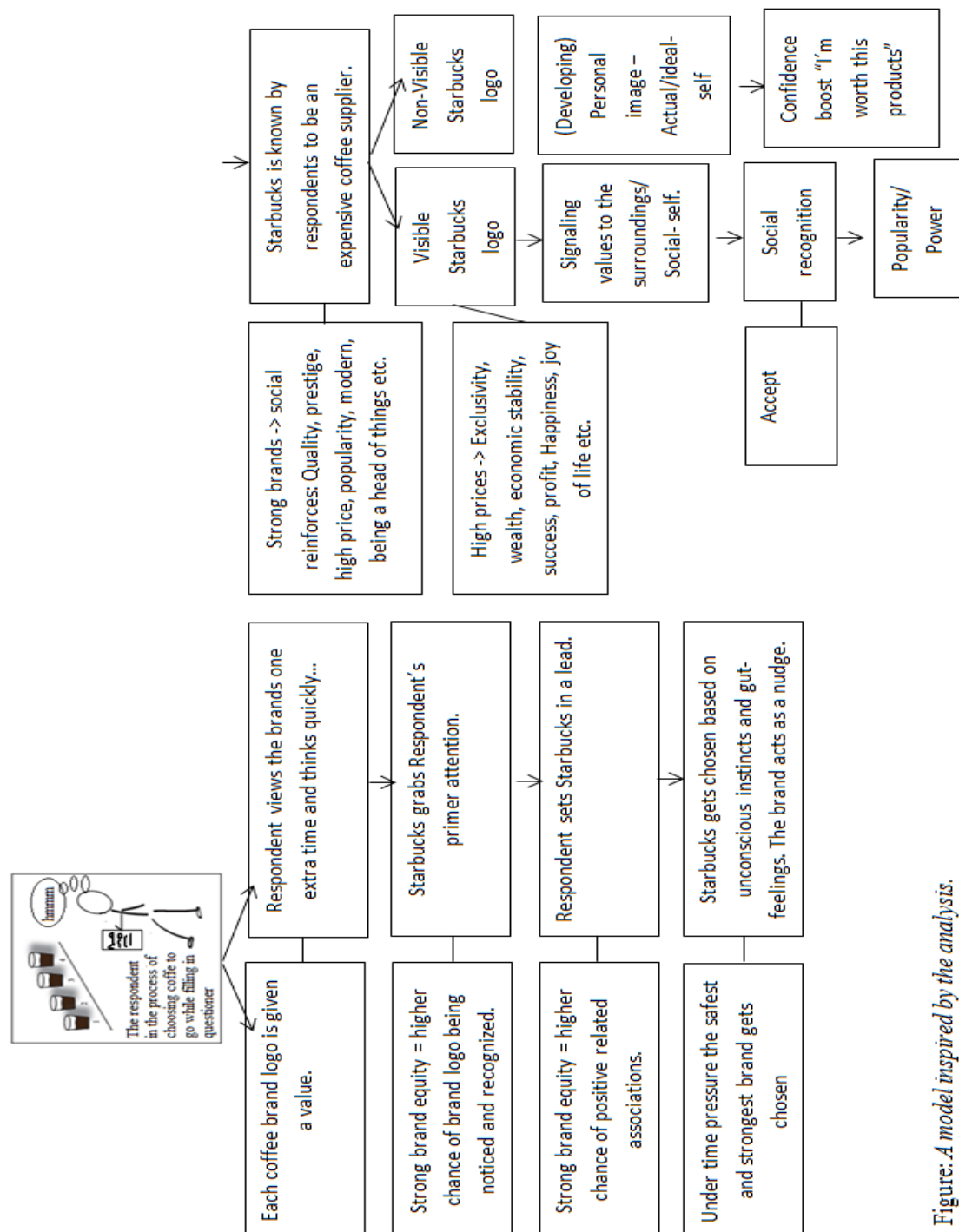
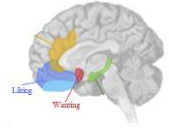


Figure: A model inspired by the analysis.



Appendix 17: Starbucks, Fields



Starbucks grand opening the 29th of November at Scandinavia's biggest shopping Mall: Fields. Visitors were standing in line anxious to get the coffee.



Starbucks's front façade in Fields. The coffee shop is placed next to the supermarket Bilka.



The coffee shop's furniture and decorations. The colors are primarily brown, grey and beige. The atmosphere is cozy and there is a dominating



The Starbucks staff is dressed in black and red.

Source: Fields Facebook page - <https://www.facebook.com/fieldsshoping?fref=ts>