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Brand Strategy in the Era of Electric Vehicles

Researching the brand strategies of some of the largest vehicle manufacturers in the shift towards EVs

Master's thesis in Entrepreneurship and Business Design

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ABSTRACT

A paradigm shift is underway in the automotive industry. Most of the largest vehicle original equipment manufacturers are transitioning their internal combustion engine passenger vehicle production to electric. This transition is a challenge not only from an engineering or production point of view but from a brand perspective as well. The brand strategy for new technology is hard to navigate.

What constitutes a brand is in and of itself a complex matter, as multiple definitions exist (Kapferer 2004). The difficulty in determining which strategy is used subsequently makes it difficult to determine what advantages and disadvantages come with which strategy. When there is a disruptive change in technology, incumbent companies that are ” too big to fail”, can fail. New actors can use this disruption to enter the market and position themself to quickly gain market share.

This thesis maps out what brand strategies are deployed by some automotive companies in Europe and the USA, and how these might impact the company's abilities to survive the transition. The study gathers and analyses marketing material, press releases, and annual reports to determine the vehicle manufacturers’ brand strategies, goals for electrification, and past electric vehicle sales. Two semi-structured interviews are performed alongside the data gathering. One interview with an incumbent, Volkswagen, and one interview with a new entrant, Polestar. These add depth from two different points of view to the reasoning behind chosen brand strategies.

The research revealed that product-line extension, sub-branding, and rebranding of the main brand (or new main brand creation) are the brand strategies deployed by the manufacturers included in the research. Sub-branding is the most common and product-line extension is the least common strategy among the investigated manufacturers. Most manufacturers seem to be headed towards a complete rebranding strategy, however.

Product-line extension is revealed through the interviews to come with the most disadvantages of the brand strategies deployed by the researched manufacturers. This is even though Volkswagen themselves has deployed such a strategy. The disadvantages include not being flexible, being overly expensive, time-consuming, and confusing for the customer. It is also more difficult to convert existing models to electric and use their existing brands, as compared to creating completely new models and brands, from a manufacturing perspective. Sub-branding is revealed as a good middle ground for now. New electric vehicle models come with higher trust in their capabilities as compared to converted models. This strategy is more flexible than product-line extension as the positive aspects of the corporate brand can be handpicked and inserted in the sub-brand alongside new brand attributes preferable for electric vehicles. The only major disadvantage discovered through the interviews is the expense of garnering enough attention for a new sub-brand, where existing sub-brands already have awareness.

The research concludes that the manufacturers with a complete rebranding of the main brand (or new main brand) enjoy the most success in ramping up their electric vehicle sales. However, the research also reveals that such action can not be taken by most manufacturers due to their high economic reliance on continuing to manufacture and sell internal combustion engines. Some psychological factors are also discussed as possible underlying reasons for the reluctance to deploy this strategy. Positive heritage attributes are revealed as a useful and important tool to use in transitioning the brand and when creating new sub-brands.

Finally, the research concludes that a successful brand strategy for surviving the transition includes creating new sub-brands and moving towards a complete rebranding of the main brand at a pace that is compatible with the manufacturing capabilities. Spending resources on product-line extensions are wasteful and either moving too quickly or too slowly in the rebranding effort of the main brand risks hurting the credibility of the manufacturer.

Keywords: technology shift, electric vehicles, brand strategy, automotive industry, heritage.

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Lisa Gustafsson & Lukas Holster Krantz
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LIST OF SHORTS

BEV	Battery Electric Vehicle
CEO	Chief Executive Officer
Daughter Brand	A brand that is owned by another brand, usually in a group structure
Electric-Born	Brand that is created for the purpose of manufacturing and selling electric vehicles exclusively from the start
Electric Vehicle, or Fully Electric Vehicle	A vehicle that is powered exclusively by electricity without possibility to power the vehicle with other sources of energy
Electrified Vehicle	A vehicle that partially is powered by electricity and partially by another source of energy such as gas
EV	Electric vehicle
ICE	Internal Combustion Engine
IPR	Intellectual Property Right
Legacy brand	A brand that is strongly connected to the main brand
Long Range EV	An Electric Vehicle with a range at or above 200km of officially tested range
Mild-Hybrid	Non-plug-in gas-electric hybrid vehicle. Only charges the on-board battery regeneratively.
Mother Brand	A main brand that owns or endorses daughter brands and has sub-brands
OEM	Original Equipment Manufacturer
PHEV	Plug-in Hybrid Electric Vehicle
Traditional OEM	An Original Equipment Vehicle manufacturer that has a long history of producing and selling Internal Combustion Engine Vehicles

1. INTRODUCTION

Rising concern with the public over the climate crisis is pushing governments to set clear dates for phasing out polluting personal vehicles, putting outside pressure on the vehicle manufacturing industry. New vehicle manufacturers such as Tesla are challenging the prejudices of what an electric vehicle is and putting pressure on the vehicle manufacturing industry from within. This multi-front pressure to transform the internal combustion engine vehicle industry into an electric vehicle industry has now resulted in most major vehicle manufacturers committing to transitioning their manufacturing. (Conzade, et al., 2021)

Producing electric vehicles and internal combustion engine vehicles are two different things. This is a paradigm shift in the industry with one technology disrupting another. Not even the too-big-too-fail companies are safe in a market that is being disrupted. Who will come out ahead, and who will fail to survive the transition? (Wang, 2021)

In this transition, 100-year-old companies, as well as recent startups, need to reconsider what marketing in the vehicle industry means. What builds trust and credibility that ultimately leads to sales in this new emerging market. Getting this right will be one of the factors determining who will survive. (Kempf, et al., 2020)

1.1 BACKGROUND

Some of the largest original equipment manufacturers (OEM) of vehicles have committed to transitioning all of their production of passenger vehicles to electric vehicles. However, they can not shift overnight, and will for some time sell ICE and electric vehicles side by side. This might create an interesting branding paradox where they need to market both ICE and electric vehicles successfully as compared to electric-born companies or traditional OEMs like Toyota who are still resisting the transition and can focus on just one category. The brands of the traditional vehicle manufacturers are also aligned with promoting ICE vehicles. How are they handling this transition from a branding perspective, what strategies are they using, not to transition just their manufacturing, but their branding and marketing strategies?

Consumers are demanding electric vehicles at an exponentially growing rate, and the OEMs are starting to take notice. For the full year of 2021, spending on marketing for electric vehicles globally grew significantly (Swant, 2022). This makes for an opportune point in time to start mapping how the vehicle manufacturers are handling this transition.

1.2 PRIOR RESEARCH

We found no directly related prior research on how brand strategy is deployed for transitioning to electric vehicles or how it affects the possible success of the respective brands. This is probably since this is an emerging market and not much is known yet. Only after the transition is through can conclusive results of what brand strategies worked and which did not be substantiated. However, we believe it is important to examine this whilst the transition is still in the early years, to understand as much as can be understood and adapt the brand strategies before the transition is complete. Suggestions on research found to be relevant and comparable to the transition to electric vehicles and its impact on the market will be presented below.

1.2.1 GM's fail due to lack of market focus

One example of research that is similar and also in the automotive industry is from an article by More (2009) about GM. It is covering their market focus. GM was once an iconic American manufacturer considered "too big to fail", but the loss of market focus in their portfolio and their attempt to have an offering for all market segments instead of selecting a few have negatively affected the company's financials to a large extent. The company is today on the edge of survival and is seeking financial support from the government to avoid bankruptcy.

Market focus means how managers focus critical resources such as cash and human recourses only on market opportunities with the potential of creating long-term positive net cash flow. This means having a fast response to market shifts and exiting market segments that have lost potential and will no longer bring high, long-run net cash flow. Another critical aspect is a company's capacity to handle downturns. In a boom, it is important to move recourses to high cash-flow opportunities. On the opposite, in a recession, it is critical to refocus recourses that are supporting projects that are now considered cash losers. As GM has low or no cash buffers, this leaves them in a very difficult situation during recessions. Market focus is a simple concept, which in reality is very difficult to achieve and sustain.

The article mentions two conditions for maintaining market focus. The first is creating car market segment share, which means that every car in a portfolio must live up to the customer's choice, and create high market shares for the segment they are targeting. Otherwise, there must be fast action to turn the strategy around, reallocate recourses, or exit. The other condition is creating car positive net cash flow. This means that every car model must generate high and growing net cash flow, and all negative cash flows must be accounted for.

The article continues with calculations on how to generate income and margins, the importance of choosing a market focus, analyzing GM's multi-level corporate portfolio, how the market focus loss has impacted GM's cash flow negatively, the impact on their market segment share and segment size as well as their supply and distribution chains, and their unit margins, prices, and costs.

At last, the article presents what GM must do now. According to the article, it is not sure that it is possible for GM to rebuild its market focus fast enough before its negative cash flow brings them down. GM must lower the number of divisional portfolios from five to two, reduce the power of divisional managers to create their own portfolios and instead have a coordinated corporate portfolio for GM as a whole, reduce the number of car dealers, reduce and reorganize the vehicle assembly plants and reduce the amount of outsourcing. But in the end, they especially need to have a strong "cash cow" in every segment they are targeting that brings good volume and creates high margins.

1.2.2 Sustainable and Disruptive technology

The change in technology for electric vehicles is disruptive and will probably change the market greatly. It is not the first time that a change in technology has had an impact on firms and industries. The work by Harvard business school professor Clayton Christensen (1997) called "the innovator's dilemma" has achieved a lot of attention and is now widely used. He separates new technology into two categories, one which creates improved product performance of existing technology and one which does the opposite, but possibly only in near time. The first one rarely leads to the failure of existing companies and he calls these sustaining technologies. The other type of new technology is what he calls disruptive technologies. This is technology that brings a completely new value proposition to the market and is often underperforming established products in mainstream markets in the beginning. Why they succeed is because they have new features that bring new customer value to the table which can change the future customer needs.

Well-established companies can fail just by doing only the right things and listening to their existing customer's needs, which means only focusing on sustainable technology. Sustainable technology can develop and reach a level where the product exceeds what customers are willing to pay for. The fast development of technology makes disruptive technology that is underperforming today, may not do so tomorrow. In this way, disruptive technology can replace established technology and meet new customers' demands.

Christensen continues by stating that an organizational strategy of a firm operating in an established, mature, market is ineffective for disruptive technology and he says it is less risky to create a new market and more rewarding than entering established markets and being a first mover is an advantage for disruptive technology. Another interesting aspect that he brings up is that

established firms should not engage in emerging markets with the purpose to provide short-term gains, but of becoming market leaders in the future. Many established companies do not understand this as they are only focusing on the current best customer's needs and not their potential future customers, which leads them to be too late when the shift happens. Firms should establish smaller sub-organizations with the power to act independently to maintain longevity. These should not be for the purpose of creating short-term profit, but instead creating the market. They should be taking bets and not be pressured into being right every time.

To summarize Christiansen, the innovator's dilemma is that there is a fear of entering new markets, as it puts companies in front of the decision of if they should create products that respond to customers' current needs or if they should adopt innovation that will not create cash flow today, but potentially respond to customers' needs in the future? To quote the author, "disruptive technology should be framed as a marketing challenge, not a technological one".

1.2.3 Marketing High Technology

Hills and Sarin (2003) present a study on how to use "market driving" as a way to market high technology. The study is based on both existing literature and qualitative research. The study compares foremost the market-driven and the market-driving approach.

A high-tech market is characterized by technological uncertainty, market uncertainty, and competitive volatility. The uncertainty arises when there are doubts about if the technology will perform as expected, live up to promises, and be compatible with already existing technology. Market ambiguity comes from customer anxiety, fear, concerns regarding the market's reaction to the invention, if it will meet customers' needs, and if it will be accepted on the market as a standard.

The more well-known market-driven approach deals with changes in the environment as they arise and they will not try to bring change back into the environment. Competitors are examined for the purpose of benchmarking and are not considered a specific firm activity. Market-driven firms do not try to affect stakeholders´ behaviors, even when latent needs are discovered.

On the other hand, the market driving approach is especially appropriate in a high-tech setting as market driving firms are more prepared to proactively make inter-organizational connections which is critical and necessary for developing product systems and industry standards. The market-driving approach is broader and more proactive and could be seen as a company's ability to drive fundamental changes in the industry by affecting the value creation process at different levels (product, industry, and market).

Firms must develop skills for the market-driven and market-driving approach to understanding when they are appropriate, and how the long and short-term success in performance depends on the

understanding of the differences in activities of these. The research suggests a theoretical foundation for how to manage the development of new mechanisms with the purpose of determining the scope of marketing strategy implementation.

1.3 PROBLEM DISCUSSION

Up until recently the largest OEMs had not committed to electric vehicles and had not started to invest in branding such vehicles (Swant, 2022). Therefore there exists little to no internal knowledge at the OEMs on what strategies are best to deploy for this transition in terms of branding. This presents difficulties as the OEMs need a clear path to how to refocus their branding in the new electric age of vehicles.

1.4 PURPOSE

The purpose of this thesis is to map out different strategies for marketing/branding electric vehicles and the strategies' impact on mother, daughter, and sister brand relations in the group and between companies in this sector. By comparing some of the largest vehicle manufacturers which has an electric line or separated electric brand and/or are determined to go fully electric, we will present a study on what brand strategies are used today for electric vehicle brands. How do the connected brands affect each other and is it better to have a brand strategy that goes under the same brand as the parent brand? Or should companies create a new separate company/brand when launching an electric vehicle from a traditional OEM? We are, with this thesis, aiming to start filling this knowledge gap by mapping the current and past strategies for branding electric vehicles amongst both traditional OEMs and some electric-born OEMs.

1.5 RESEARCH QUESTIONS

The research question will work as a foundation and guidance to make sure we fulfill the purpose of the research and to work as a direction for our study. The research question will connect the purpose, background, and problem statement and concretize it into an answer that summarizes our findings. The sub-research questions will help answer the main research question and provide the thesis with a more in-depth analysis.

1.5.1 Main Research Question

What are the characteristics and impact of different brand strategies employed by automotive companies transitioning to electrification?

1.5.1.1 Sub Research Question 1

Which brand strategies are vehicle OEMs deploying when manufacturing and distributing electric vehicles?

1.5.1.2 Sub Research Question 2

How much does the previously existing brand affect the brand for electric vehicles and vice versa for vehicle OEMs switching over to electric?

1.5.1.3 Sub Research Question 3

Which organizational advantages and disadvantages come with which brand strategies, and is it advantageous to create an electric-born brand when selling electric vehicles?

1.6 DELIMITATIONS

To be able to perform the research within the time frame, and as we believe it might be difficult to find relevant companies to compare which are also willing to cooperate with us, we will limit interviews to two companies. We will focus on understanding their brand management strategies and the reason why they chose that strategy when expanding into the electric vehicle industry.

We will look at brand material and annual reports from the largest OEMs that have committed to going all-electric and not those who are still only considering going electrical, only providing hybrids, or who are small companies without significant market share. We will only summarize the current theory and show the existing use of brand strategies from that perspective, we will not create a new framework for brand extensions.

We define an electric vehicle as a full battery electric-powered vehicle. We do not include “electrified vehicles” which would include mild hybrids, plug-in hybrids, and to some extent also hydrogen-fuel-cell vehicles, and others.

We define a large OEM as a vehicle manufacturer in the top ten highest producing vehicle manufacturers from a unit perspective overall and vehicle manufacturers in the top ten highest producing vehicle manufacturers from a unit perspective in the electric vehicle market. We define an OEM as both an individual vehicle brand as well as a group, for example, both Volkswagen and Volkswagen Group with their subsidiaries could be considered individually

All conclusions will be derived from the theory in combination with interviews and findings through analyzing marketing material.

2. THEORY

This chapter will provide theory related to the research that will be used in the analysis of the study. The chapter is divided into separate sections detailing different aspects of brand management and strategy theory relevant to the research. The theory is applied to the research results, presented in chapter 4, in the analysis provided in chapter 5. The theory is subsequently problematized in the discussion in chapter 6.

2.1 THEORIES OF BRAND MANAGEMENT

In this section, a detailed presentation of brand management strategy theory is presented as relevant to this research.

2.1.1 What constitutes a brand

Many aspects could be considered elements of a brand. The brand is a channel for exchange between customers and companies. In the modern world, brands have become a key cultural force and play an important role in the drive for globalization (Lury, 2004). The definition of what constitutes a brand is a complex matter, as everyone can have their own interpretation (Kapferer 2004). The following brand elements are derived from the American Marketing Association (AMA) and literature related to the thesis subject.

According to AMA, a brand is a name, term, sign, symbol, design, or a combination of these, with the intent to make the customers identify a company's products and services and differentiate them from those of other companies (Apéria et al., 2012). Brands are strongly connected to awareness, reputation, and prominence. The key to branding is to use elements that distinguish a brand from other brands and create competitive advantage. Some choose to use the brand element, like a name, throughout all parts of a company and for all products or services it provides. An example of this is Nokia. Other companies choose to create separate brands around different products, such as Protector and Gamble (Apéria et al., 2012).

According to Apéria et al., 2012, brands matter to customers as it is a way of identifying where a product has its source, puts responsibility on the producer, is a risk reducer, a search cost reducer, works as a promise or bond with the maker, is symbolic and can be a sign of quality. The bond between a customer and the provider can provide trust and loyalty as long as the customer is pleased with their experience of the brand. For the manufacturers, a strong brand facilitates means of identification which makes handling or tracing easier, creates possibilities of protection for unique elements and attributes (IPRs), works as a quality mark, creates uniqueness to the products, is a source of financial returns, and provides competitive advantage.

2.1.2 Brand Architecture – The Brand Relationship Spectrum

Aaker et al. (2000) have developed the Brand Relationship Spectrum model to visualize branding strategies and routes. They have also commented on the benefits and disadvantages that come with the different approaches on the spectrum based on research. Their model will be used as the theoretical basis for the structure, or architecture, of brand management in the thesis.

A coherent brand architecture can lead to impact,
clarity, synergy, and leverage rather than market
weakness, confusion, waste, and missed opportunities.

- DA Aaker

2.1.2.1 Brand Relationship Structure Model

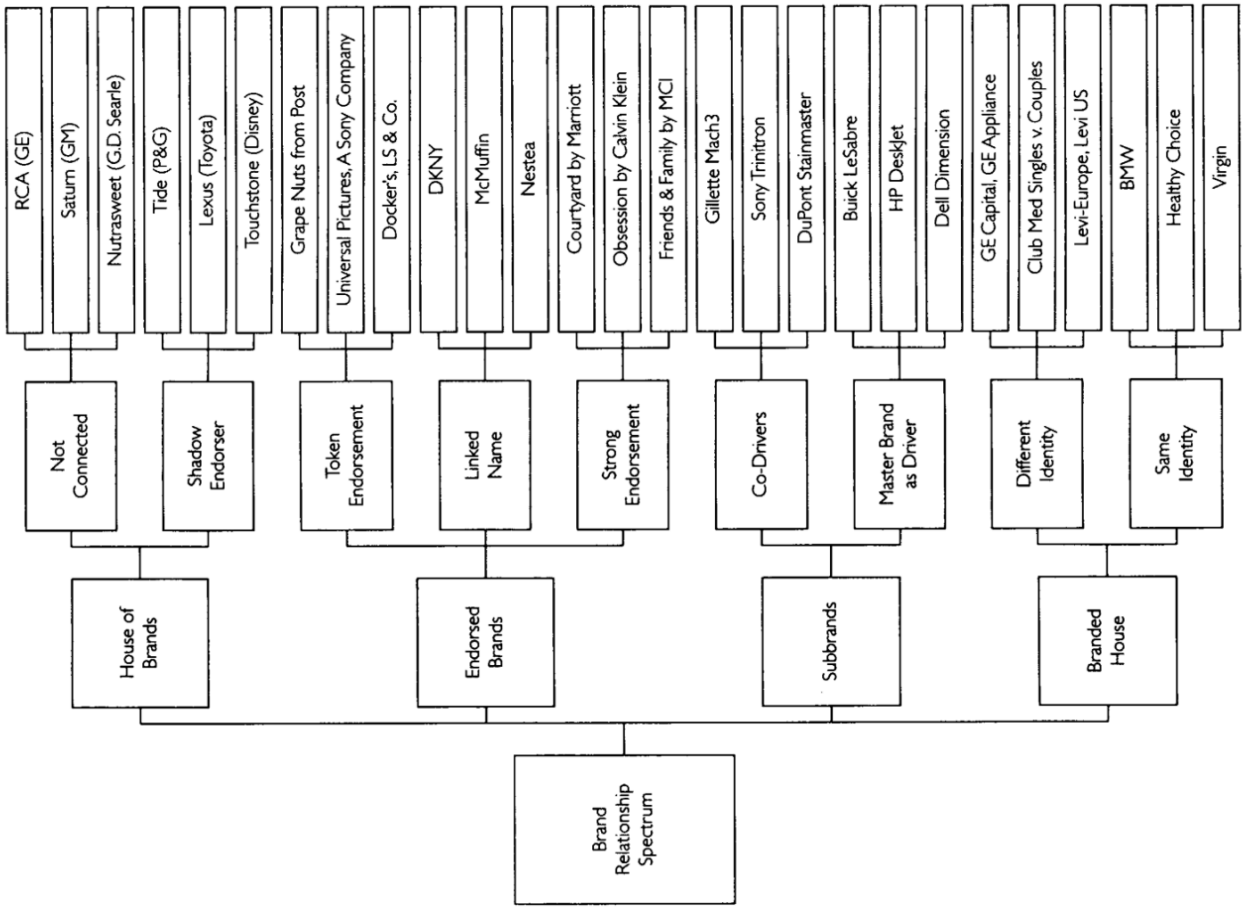

FIGURE 1

2.1.2.2 Sub-Brands

A sub-brand is closely related to a master brand, usually adding to the master brand and utilized when extending the company's products into a new segment. Examples in the automotive sector

include sub-brands such as Volkswagen Passat for more high-end station wagons as compared to the lower-end Golf variants or Ford Focus as Ford was entering the sedan market. They are also sometimes used when a new technological innovation is being brought to market such as the Toyota Prius in the case of mild-hybrid vehicles. The master brand usually provides stability and credibility, but also many of the master brand attributes are carried over since the relationship is so close. The sub-brand adds some form of newness, twist, or signal on what this new product-line stands for whilst not contradicting the master brand.

2.1.2.3 Endorsed Brands

Endorsed brands are further away from a master brand, which in this setting usually is an organizational brand, as compared with sub-brands. The endorsed brand has its own identity and is usually a separate organization altogether from the endorser brand. Here the endorser brand only contributes with some credibility but most other brand attributes are fully separate. Examples in the automotive sector are mostly luxury vehicle brands created by large mass-market vehicle manufacturers such as Toyota - Lexus or the more recent case of Volvo - Polestar. However in both these instances, and the latter especially, it is more the case of a shadow endorsement where the link between the brands is neither promoted nor hidden and only those in the know, provide some credibility to the endorsed brand. More traditional, and accurate, examples are, ”company x by company y”, where x is the endorsed and y the endorser such as Hugo by Hugo Boss or Courtyard by Marriott.

2.1.2.4 House of brands vs Branded House

The House of Brands strategy is one where the master or parent brand is in the background and not that visible in connections to the other brands in the organization. This strategy is usually used by large global actors where cross-associations between products in different segments are unwanted. Such examples are Proctor & Gamble which is active in product segments ranging from sugary drinks, snacks, pet food, cleaning products, beauty products, and more. Using the same brand on a drink for humans and cat food might not play well in the minds of the consumer, therefore a House of Brands strategy is used.

One example in the automotive sector is Volkswagen, which does produce vehicles under the VW emblem, but also owns fully separate brands such as Porsche and Audi. A newer entrant where the parent brand does not produce any vehicles and is fairly unknown as of yet would be Stellantis, an automotive group conceived as the FCA and PSA groups, who were themselves fairly unknown outside of vehicle enthusiasts and already Houses of Brands, merged and now contain brands such as Jeep, Opel, Maserati, Peugeot, Fiat, and others.

A Branded House strategy is where there is a master brand that is well known and used across multiple product segments. This strategy is very common and even within a House of Brands strategy there usually exist multiple Branded Houses. A good example here is Virgin, they use the Virgin master brand on everything from Virgin Vie (cosmetics) to Virgin Galactic (a rocket manufacturer). Most automotive manufacturers have some form of this strategy where sub-brands are the most commonly used way of extending the company and the brand into new segments rather than creating fully separate brands as per the House of Brands strategy. Creating brands and garnering enough attention for a brand is usually difficult and very costly, for this reason, the Branded House strategy is usually the most efficient and smarter strategy to deploy in most cases. However, as described with the Procter & Gamble example, this is not always the case. Aaker et al. (2000) provide a simple set of questions corporate management should answer when determining which strategy to go with.

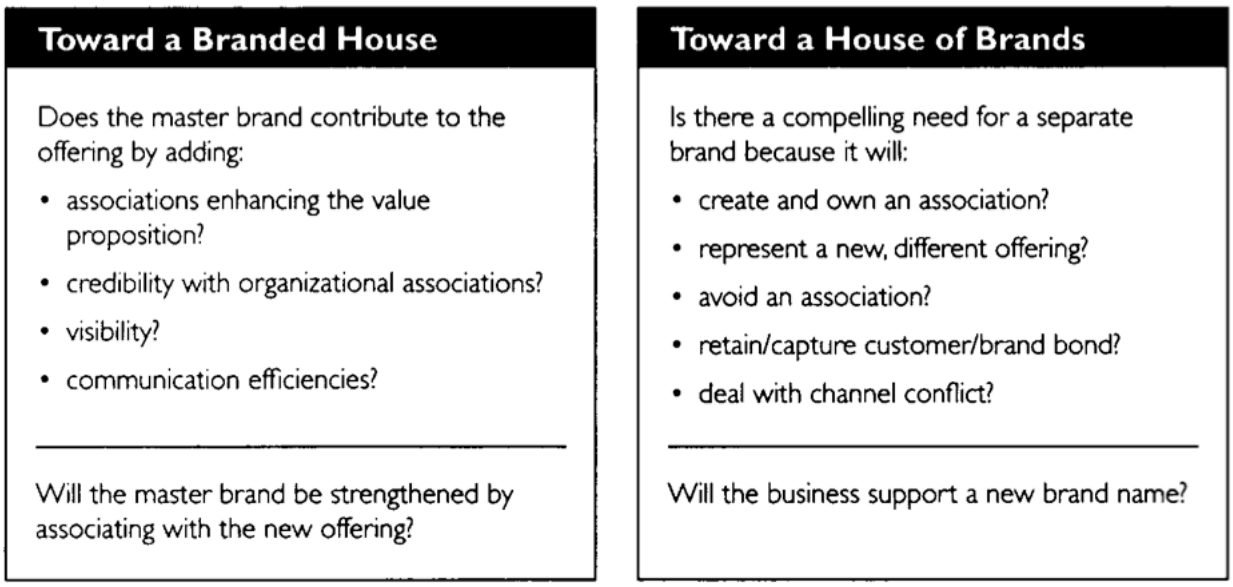

FIGURE 2

The brand relationship spectrum, with its four branding routes, is a powerful tool; however, nearly all organizations will use a mixture of all of them.

- DA Aaker

2.1.3 Historical Impact

The history of a corporation can have a great impact on its future organization. Studies by Gioia et al., (2002) have shown that a corporation's historical background has an impact on its possibilities for organizational adaption and change. The brand is an important part of an organization and

Hennigs et al. (2012) state that when there is heritage to a brand, this can lead to leverage for the company, especially in global markets.

Two concepts that are important when discussing how corporate history impacts a brand are ”brand heritage” and ”heritage brands”. Brand heritage is such as the track record, core values, symbols, and the corporate belief in its heritage that build up the historical identity of an organization. A heritage brand is a brand that uses its heritage as a base for its present and future position and value proposition. It is a strategic decision whether or not to include heritage into a brand's value proposition. (Balmer et al., 2007).

2.1.3.1 Elements of brand heritage

According to Balmer et al. (2007), identifying the brand heritage can be a way to unlock value in a company as the past can work as an enabler for strengthening the future of the brand. A heritage brand is not necessarily successful, but a brand heritage that is included in the brand identity can definitely be valuable for the company.

> *”All brands have history. Some brands have a heritage. And a few have made their heritage a valuable corporate asset.*
>
> *- Balmer et al.*

Balmer et al. (2007), have also identified five major elements in brand heritage. The more of these that are present, the higher the brand's heritage quota. The elements are track record, longevity, core values, use of symbols, and history important to identity. By using these brand elements, companies could become more differentiated, harder to imitate, and more distinctive for the brand. A distinctive position by heritage can create competitive advantage which can lead to higher prices and margins and higher customer retention. It can also give the brand’s value proposition more depth and authenticity, as well as credibility. For example, in the automotive industry, it is not uncommon to use heritage such as engineering excellence, style, and prestige as a way to convince the customers. (Balmer et al., 2007).

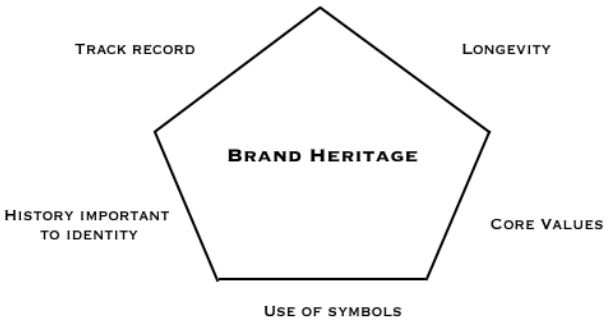

FIGURE 3

2.1.3.2 Outcomes of brand heritage

The automotive industry is often faced with issues regarding trustworthiness. This could be through a company's reputation or the quality of the vehicle. Hennigs et al. (2011) state that being a heritage brand can help a company overcome these issues as it builds trust in the eyes of the customers. Especially in global markets, a brand heritage can provide leverage by giving it authenticity, credibility, and trustworthiness. It can also provide stakeholders with expectations on how the company will act in different situations and strengthen the likeliness that the brand will live up to its commitments and promises going forward (Aaker, 1996). Hennigs et al. (2011) conducted a study that shows that consumers are more likely to thrust a heritage brand as they believe the buying risk to be lower and are therefore more willing to pay a higher price. The study also shows that brand heritage has a high impact on credibility and could differentiate a brand from its competitors.

Aaker (2004) mentions that heritage is important as it works as a value driver as history gives the brand authenticity and differentiation. According to Aaker (2004), heritage is also especially important when a brand transitions into a more contemporary setting. This means that heritage lowers the buyers' risk and increases the consumer-perceived value (Hennigs et al 2011).

Heritage also builds the image. Aulia et al. (2017) define it as "perception about a brand as reflected by the brand associations held in consumer memory". Image is important for building brand awareness and studies have shown that the customer-perceived quality, performance, expectations, and disconfirmations are directly connected to the brand image (Johnsson, 1997). In a study by Hennigs et al. (2011), the results show that in the automotive industry, brand heritage is especially important for building brand image.

3. METHODOLOGY

This chapter will describe how the research was conducted. The method includes the research strategy, research method, data analysis method, and quality of the study. This chapter also includes a discussion on the quality of the study.

3.1 RESEARCH STRATEGY

This section will detail how the research has been strategically planned and executed. The research questions are discussed in regards to epistemology and ontology and subsequently quantitate and qualitative attributes of the research are presented.

3.1.1 Epistemological & Ontological Positioning

The Main Research Question (MRQ) as well as all three sub-questions are ontologically subjective since the object of study is branding, i.e. not a physical thing but a man-made concept. However, the underlying study subject is electric vehicles, a technological advancement, where branding is adding an epistemologically subjective aspect to an ontologically objective object. However, we will be studying the brand strategies only, and how they differ and correlate. Therefore our research questions land on the subjective side in regards to ontology.

Sub Research Question 1 (SRQ1) is epistemologically objective since we will empirically collect and organize data on what brand strategies are and have been used by the vehicle manufacturers. In this stage, no conclusions or analyses are done, we simply map what the branding landscape looks like and what it has looked like.

Sub Research Question 2 (SRQ2) is epistemologically objective. We will quantify how much the prior brand has influenced the new, not only if it has or has not influenced the new brand message but also to which degree. This could be argued as moving the question towards the epistemologically subjective side. However, since we will do this through deploying existing theory, it will land on the objective side of reasoning.

Sub Research Question 3 (SRQ3) is mostly epistemologically objective since we will use existing theory and knowledge on an empirical base of branding strategies collected by us on how they are used by automotive manufacturers. This is because we will deductively and empirically discern what strategies correlate to which organizational benefit. We will however take this one step further and find patterns and draw new conclusions on what aspects are most important when considering a framework for transitioning a brand from ICE to electric, pulling the question somewhat towards being epistemologically subjective.

3.1.2 Quantitative & Qualitative Research Considerations

We have both quantitive and qualitative efforts in the design of this research, however, the research paper as a whole is qualitative. We have collected and organized data from marketing material to discern what strategies of brand management are deployed by the automotive manufacturers. This is somewhat quantitive given the quantity of data. However, the most interesting findings from this data collection are qualitative findings using branding theory to discern marketing and branding strategies. Also, the dataset is arguably too small to be quantitative. We have only investigated a handful of OEMs and only looked at a limited time period for each. We use this data to provide more legitimacy to the research as we are able to investigate a larger set of manufacturers through this approach and answer the first sub-research question.

We have also performed semi-structured interviews, to complement the broader dataset, in answering sub-research questions 2 and 3. This is a qualitative approach and is necessary to gain depth in the underlying reasoning of the automotive manufacturers for their decisions. We have chosen to interview one traditional ICE vehicle manufacturer and one electric-born vehicle manufacturer to increase the reliability somewhat by comparing companies entering the industry from two different approaches. The combination of a broader approach to the market and qualitative material provides the most ideal balance achievable for this research.

3.2 RESEARCH METHOD

In this section, the method of researching each point of interest for enabling answering the research questions is presented. The research includes semi-structured interviews, marketing material, and electric vehicle sales figures. This material in combination and interrelated, will enable a thorough answer to the sub-research questions and therethrough also the main research question.

3.2.1 Choosing Vehicle OEMs for this Research

The first criteria for being included in this research is that the OEM needs to at the least have announced plans of producing an EV with a conservative minimum range of 200km according to either the WLTP, EPA, or NEDC testing standards, and fast charging capability. This is because 200km is the minimum range for an electric vehicle to be able to replace an ICE vehicle rather than supplement one. This figure was chosen because at 100km/h speed, in just 2 hours the battery would be depleted. Having to stop more often than this on a longer trip is not reasonable, and most research shows that consumers demand a significantly higher minimum range for an electric vehicle to be their main vehicle. Fast charge is defined as direct-current fast charging of 50kW or above (Chen et al., 2018).

Among these OEMs, a selection was made. The top vehicle manufacturer in the world is included in the research, this is Toyota. The top electric vehicle manufacturer in the world is included, Tesla.

The mother brands of all major vehicle manufacturers in the USA are included, these are GM, Ford, and Tesla. The mother brand of all major vehicle manufacturers in Europe are included, these are BMW, Mercedes, Volkswagen, and Peugeot. Peugeot was chosen because it has historically been the best-selling brand of the European division of Stellantis, formerly known as PSA Group. The two electric vehicle manufacturers headquartered in Sweden are included as well because this is the market we, the researchers, are most familiar with. These are Volvo and Polestar. Polestar is also the second best-selling electric-born vehicle manufacturer in the western world, i.e. excluding China. Chinese OEMs are excluded from this research due to difficulties in obtaining information and because much of their marketing material is in Chinese, which we have no capability of translating.

3.2.2 Semi-Structured Interviews

To understand how companies on the market for electric vehicles handle their brands differently, two interviews were performed. The first interview was with a legacy OEM brand that is transforming its existing brand into a brand for electric vehicles, Volkswagen. The second interview was with an electric-born company, Polestar. To manage the different perspectives that are needed to understand both companies' situations and strategies, the semi-structured interview technique was preferable.

An important tangent here is that Polestar is defined as an ”electric-born” OEM in this research, even though their first vehicle, the Polestar 1, was not an electric vehicle. The Polestar 1 was a gas-electric hybrid plug-in performance vehicle. The Polestar 1 was however only ever intended to be sold in limited numbers and Polestar's first mass-produced vehicle, the Polestar 2, is fully electric. Their first mass-market vehicle was electric, their first-ever vehicle was at least electri-*fied*, and they have never produced, nor intended to produce, a pure ICE vehicle. Therefore, it is justified to define them as ”electric-born” for the purpose of this research.

Semi-structured interviews are a type of qualitative interview. The interview is focused on the companies' opinions and points of view. The interviewees do not have to strictly follow a set of closed-end questions, rather it is open for follow-up questions, different wording of questions, and be flexible in how the interview guide is followed. The question guide is a list of questions that should be covered with fairly specific topics, but do not have to be asked exactly the way they are outlined in the guide nor the exact order in the guide. Additional questions the interviewee comes up with during the interview are also accepted. (Bell et al., 2022)

To achieve a structure for the interviews that were open for discussion but also similar enough to be compared later on, a base sheet with questions was made which worked as the interview guide. This was altered slightly to be adapted to each company's situation. During the interviews, additional

questions came up from the discussion. In the appendix, we have attached both interview guides and

respective transcripts from the two interviews. Both interviews have retracted sections not included upon request from the interviewees.

3.2.3 Marketing Material

To discern the branding strategy of multiple OEMs, marketing material from each is gathered and analyzed. This is to broaden the specter of this research as opposed to only relying on the semi-structured interviews. In the case of the OEMs who have both been interviewed and had their marketing material analyzed, this also offers confirmation or questions if their actual branding strategy comes through in the marketing material as well as a deeper understanding of the purpose of their respective branding strategies.

3.2.4 Sales Figures

To understand the OEMs' commitment and progress from a practical view, sales figures of electric vehicles for each OEM in this research were collected. These are collected to understand the relationship between the actual progress of transitioning within each OEM and the branding strategy.

A graph is created to showcase the differences in a more visual and easily viewable manner.

3.2.5 Literature Review

The material used for the theory section of this research consisted of books, ebooks, electronic journals, and articles. The main source for gathering the material has been Chalmers e-library and books lent from Chalmers library. The material is, therefore, most likely of good quality and from trusted sources with an academic or research purpose, and therefore less likely to be biased. The authors are mainly professors and researchers in marketing and brand management, with good knowledge of the topic. A lot of literature for the theory was gathered in the beginning of the study and sorted down to only include what is relevant for the research purpose. We have made sure to analyze it enough to be certain it is not outdated.

3.2.6 Data Collection

The data collection was performed through interviews with the companies and by going through marketing material from the OEMs. Data was also collected from annual reports, press releases, and other official documents released by the OEMs. The information from the interviews was transcribed and the documents are included in the appendix. The data from the marketing material are taken from social media accounts belonging to the study objects. These social media accounts are LinkedIn, Facebook, Instagram, Twitter, and from press releases and articles that are relevant in

time. The research covers the latest 100 posts for each medium. Links to all data sources for the sales figures, I.e. annual reports, press releases, etc., are found in the tables accompanying the graph of sales figures in the appendix.

3.3 DATA ANALYSIS METHOD

In this section, the method of structuring and analysis of the data for the research is presented. The section is divided into three methods for each set of data as follows, (1) interviews, (2) marketing material, and (3) sales figures.

3.3.1 Interviews

The semi-structured interviews were transcribed (see appendix, chapter 9.1) to more easily be analyzed. The questions for each interview were made similar enough to be compared, even if they were semi-structured, by using an interview guide. The text was analyzed and key points were extracted. The key points were compared against each other to find similarities and differences in opinion.

3.3.2 Marketing material

The data from the marketing material was analyzed by sorting it into a chart with the following categories. (1) Percentage of posts concerning electric vehicles, (2) if the brand also operates a separate media account for their electric lineup, (3) percentage of posts focusing on sustainability, and if the electric vehicle branding strategy is either (4) a product-line extension, (5) a re-branding/ brand creation, (6) a sub-branding or, (7) no electric vehicle branding strategy.

Category	% of posts concerning electrification	Separate electric account	% of posts focusing on sustainability	Product-line extension	Re-branding / Creating new brand	Sub-branding	No electric vehicle branding
OEM 1							
OEM 2							
OEM 3							

The data for categories (1) and (3) come from Instagram exclusively. This is for consistency. All OEMs in this research have Instagram accounts. Instagram is also a short-format mixed-content social media. This means it is both text and photograph consistently in every single post. Each post is also fairly limited in text because long texts do not do as well on Instagram as on other media platforms. On Instagram, there is also no possibility of re-sharing content as is possible on all other social media platforms in this research. This means each data point is a post from the OEM directly.

Twitter is freer, where a post can either include a photo or not, making it too inconsistent for categories (1) and (3). On Facebook, the text is usually much longer as compared to Instagram. Any post on Facebook can have content that both falls in and out of the definition of each category. This makes the data less clear as posts are not easy to categorize as (1) or (3) or none. LinkedIn is a platform more targeted toward employees, future employees, or other people in the industry. It is not primarily a channel of communication with potential customers. For those reasons, LinkedIn is not well suited for categories (1) and (3).

For all other categories, a combination of the 100 latest social media posts, for each OEM, from each social media platform that is used in this research, is utilized for the results.

The percentage of posts concerning electrification includes posts with keywords such as electric, EV, e-mobility, and key picture details are content such as an electric vehicle, charging, or other EV-related material. It does not include content with the character of ”electrified" or ”hybrid” since this research paper only covers fully electric vehicles. Separate electric account means that the brand has a social media account for marketing with the only purpose of showing electric vehicles, as this might affect the number of posts on the original account. The percentage of posts focusing on sustainability is separate from the posts that are about electric vehicles, but with the purpose of promoting sustainability and zero emissions rather than information about the vehicle or brand itself. The keywords are sustainability, zero-emission, recycling, and more, and the key picture details focus on sustainably, creating sustainable energy, recycled materials, and more.

The analysis also leads to an evaluation of which type of brand strategy the company appears to have chosen. Product-line extension means creating new electric versions of existing models, for example, the eGolf. Re-branding is when a company transforms its brand to become fully electric, i.e. not in addition to ICE but replacing ICE. Sub-branding means that they are creating new brands for the electric vehicles under the same roof as the main brand. One example is Volkswagen's ID. series.

To further map the chosen companies’ brand strategy, a triangle with each strategy marked out was used. The companies were mapped into the triangle depending on their level of commitment to the strategies, as some of them are transitioning from one strategy to another and are therefore not exclusively one or the other.

Finally, each company’s goal for electrification in percentage in 2030 was compiled into a list. Some did not present a specific goal for fully electric vehicles but only a common goal for battery and hybrid vehicles and some did not have specific numbers for the global market, which is all detailed in the list.

3.3.3 Sales Figures

It is not certain that a strong external communication about turning electric also represents how the internal effort mirrors that vision. The sales numbers of electric vehicles for each OEM in this research, since 2001, have been collected and sorted into a graph for overview to understand the level of commitment to selling electric vehicles. The numbers only concern the sales of fully electric vehicles, sales of other vehicles are excluded. The reason for mapping the sales numbers is that it makes it possible to compare the external commitment to the actual internal performance. To limit the numbers, only electric vehicles with a minimum range of 200 km (~125 miles) were included. Vehicles with less range are in most cases so-called ”compliance vehicles” and this sorts out electric vehicles that are not realistic substitutes for ICE vehicles. All forms of hybrids are excluded as well as these are simply ICE vehicles with increased fuel efficiency, not full-electric and zero-tailpipe-emission vehicles.

The sales figures, and the stated future goals of the OEMs, are discussed in relation to their branding strategy in the analysis chapter of this research paper. Investigating if the branding is lagging behind the electrification efforts, or if it is moving beyond the actual capabilities and forecasted capabilities to produce electric vehicles, is an interesting question to answer the impact part of the main research question. A misalignment between branding and OEMs’ actual results could lead to negative branding-related effects.

3.4 QUALITY OF THE STUDY

To assess the quality of this research, four relevant criteria are evaluated. Credibility, transferability, dependability, and confirmability are the four criteria relevant for this research as they concern the trustworthiness of qualitative research (Bell et al., 2022). Our research does contain some more quantitative methods in the data gathering, but it is heavily skewed towards qualitative given that even in this data the qualitative findings are the most relevant. Therefore the classical criteria, used for quantitative research, are less relevant (Bell et al., 2022). Credibility evaluates how believable or convincing the research and the conclusions are. Transferability assesses whether the research results can be applied in other circumstances than the present research. Dependability looks at whether the research is understandable and can be repeated to validate it. Confirmability assesses if the research is objective and without bias. (Bell et al., 2022)

3.4.1 Credibility

To raise the credibility of this paper a triangulation approach is taken. The paper investigates the research question using two separate approaches and therefore more than one data point. These are the review of marketing material on the one hand and interviews on the other. Through this approach, a more credible analysis can be achieved and the conclusions are more believable.

3.4.2 Transferability

To provide the reader with the tools to determine if this research can be applied to another context, we provide detailed accounts of all the findings in the result chapter of this paper. We also provide all the data and information used in this research in raw format in the appendix to further enable a reader to judge the transferability.

3.4.3 Dependability

To increase the dependability of the research, we detail the process minutely. This is to facilitate proper external valuation as to whether relevant research methodologies have been used. The appendix also includes full transcripts of each interview as well as the marketing material used in the research to be fully transparent and further increase the dependability.

3.4.4 Confirmability

To ensure confirmability of the results in this research a detailed account of the research process is provided throughout this paper. The paper is transparent regarding all selection processes, data gathering methods, and the result analysis processes. Furthermore, transcripts of interviews and other relevant information are compiled, saved, and presented in the appendix to this paper to ensure confirmability can be assessed by a reader.

4. RESULTS

In this chapter, the results of the research will be presented. We explain what the brand strategies of the OEMs in this research paper seem to be deploying, given their social media content. A triangular map of the different strategies, to easily overlook the differences among the OEMs' strategies, is provided. The research into the OEMs' sales figures for electric vehicles is presented to facilitate a discussion around the effectiveness of each OEMs' respective brand strategy in the analysis chapter. Finally, the results from the two semi-structured interviews are presented in a chart alongside an in-depth account of what information could be extracted.

4.1 MARKETING MATERIAL

The marketing material regarding social media, and particularly Instagram, showed that the focus on electric vehicles differed significantly. The electric-born/rebranded companies Tesla and Polestar had the most numbers of posts about their electric vehicles, which is logical. Among the companies that have a sub-branding or product-line extension strategy, GM (44), Volkswagen (37), and Volvo (31) were at the top. GM and Volkswagen have a sub-branding strategy and are about to do a re-branding. Volvo's strategy is right now product-line extension, also heading towards a re-branding strategy. The companies with the least focus on their electric vehicles are Toyota (3) and Peugeot (12). Peugeot uses a strict product-line extension strategy, and Toyota has a strong sub-branding strategy. In the middle, there is Ford (18), Mercedes (20), and BMW (22).

Category	% of posts concerning electrification	Separate electric account	% of posts focusing on sustainability	Product-line extension	Re-branding / Creating new brand	Sub-branding
Explanation	Key words: electric, all-electric, EV, e-mobility, etc. Key picture details: Electric vehicle, EV charging, or other EV related. Excluding: electrified, i.e. hybrids.	Does the OEM have an official separate account for only for EV. Yes or No	Key words: sustainability, zero-emission, recycling, etc. Key picture details: sustainably producing energy, recycled materials, etc.	Creating new electric versions of existing models. Example: VW e-Golf.	Changing a brand over fully to electric, I.e. not only in addition to ICE but replacing ICE. No mentioning of other than electric.	Creating new brands for the electrified vehicles. Example: VW ID.
BMW	22	Yes	3			X
Ford	18	No	0	X		
GM	44	No	17			X
Mercedes	20	Yes	0			X
Peugeot	12	No	0	X		
Polestar	85	N/A	6		X	
Tesla	67	No*	2		X	
Toyota	3	No	1			X
Volkswagen	37	No	1			X
Volvo	31	No	11	X		

TABLE 1

** Tesla do not only produce vehicles, but also such as solar panels, robots and electric powertrains*

Both Mercedes and BMW have a separate account for their electric vehicles, which can explain the lower number of posts about electric vehicles on their main accounts. Mercedes has a separate account for each of its models, BMW has one for their electric vehicles, and some accounts that are dedicated to sports and lifestyle-related models. Volvo and GM have a higher focus on sustainability in their marketing material on social media compared to the other OEMs in the study. GM had 17% and Volvo had 11% of the posts of their 100 latest posts on Instagram about sustainability. Polestar had 6% of their posts, but most companies had less than 3% of their posts and several of these had 0 posts about sustainability. The most popular brand strategy, especially when moving towards re-branding, is sub-branding. 50% of the companies in the study use sub-branding as their strategy and especially those who are moving towards re-branding.

When going through social media and marketing material, the interoperation is that the product-line extension is strongly adopted by Ford and Peugeot. BMW as well as Mercedes are using a sub-branding strategy, and are moving in the direction towards re-branding, but not rapidly as Volkswagen and GM. Volvo is the only company that is moving towards re-branding from a product-line extension. Toyota is the only brand using a sub-branding strategy with low efforts in showing off their electric vehicles as a part of a re-branding strategy.

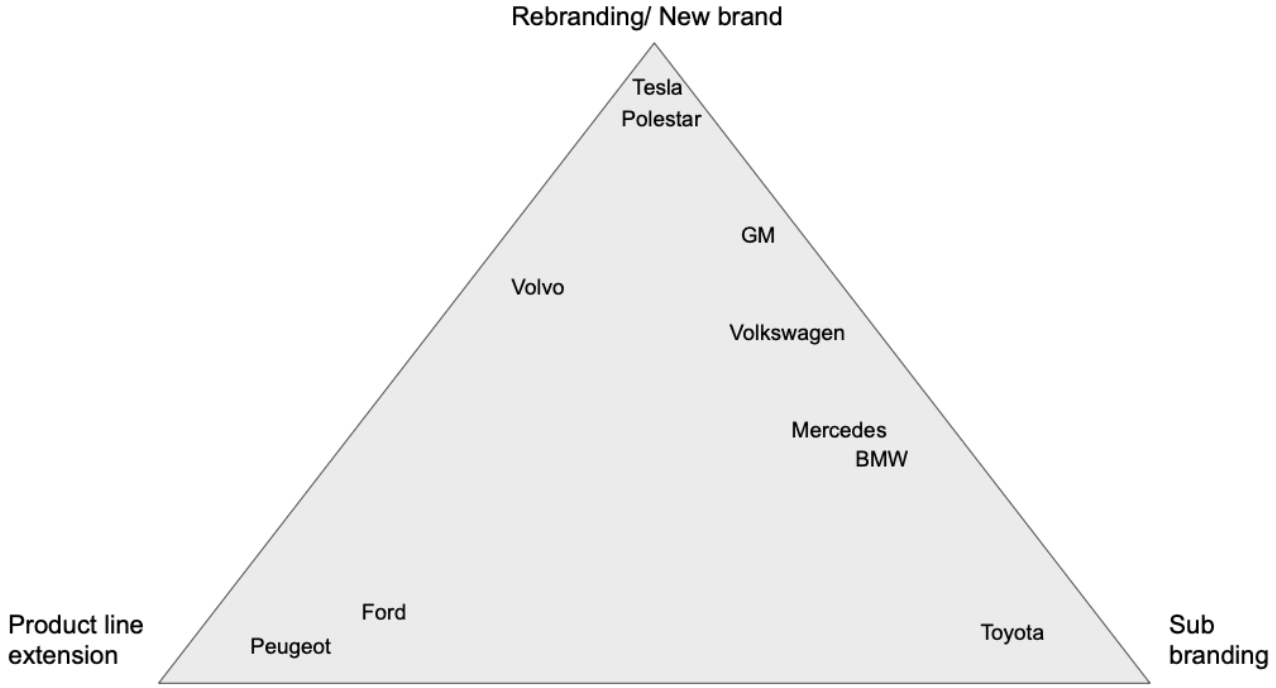

FIGURE 4

When looking at the statements from press releases, it is clear that the attempt of becoming fully electric by 2030 differs. Mercedes and Volvo have committed to going fully electric until 2030, while Stellantis, which is the house of brands of Peugeot, has stated the same for all its fleet. On the lower end are Ford and GM, which have set the goal of 40-50% in 2030. Toyota has the lowest goal with 15% all-electric vehicles, but an overall goal of 70% electrified vehicles in 2030, which will mostly be hybrids. Tesla is not included as they have been fully electric since the start. Polestar is not included either as their last non-electric vehicle was delivered in 2021 (Polestar, 2021).

Level of fully electric vehicles in 2030	
Mercedes	100 %
Volvo	100 %
Peugeot	70-100% in Europe *
Volkswagen	70 %
BMW	50 %
Ford	40-50 %
GM	40-50 %**
Toyota	15 %

TABLE 2

* Numbers depend on if statements come from Stellantis or Peugeot themselves. No numbers for outside Europe, will still offer ICE vehicles outside Europe

**Can include hybrids

4.2 SALES NUMBERS

The graph below shows the sales of fully electric vehicles, with an official range according to the WLTP, NEDC, or EPA standards at or above 200km, for the last 15 years. Tesla is such an outlier in this graph that a break in the scale was made. The full graph, as well as this version, are shown together in the appendix.

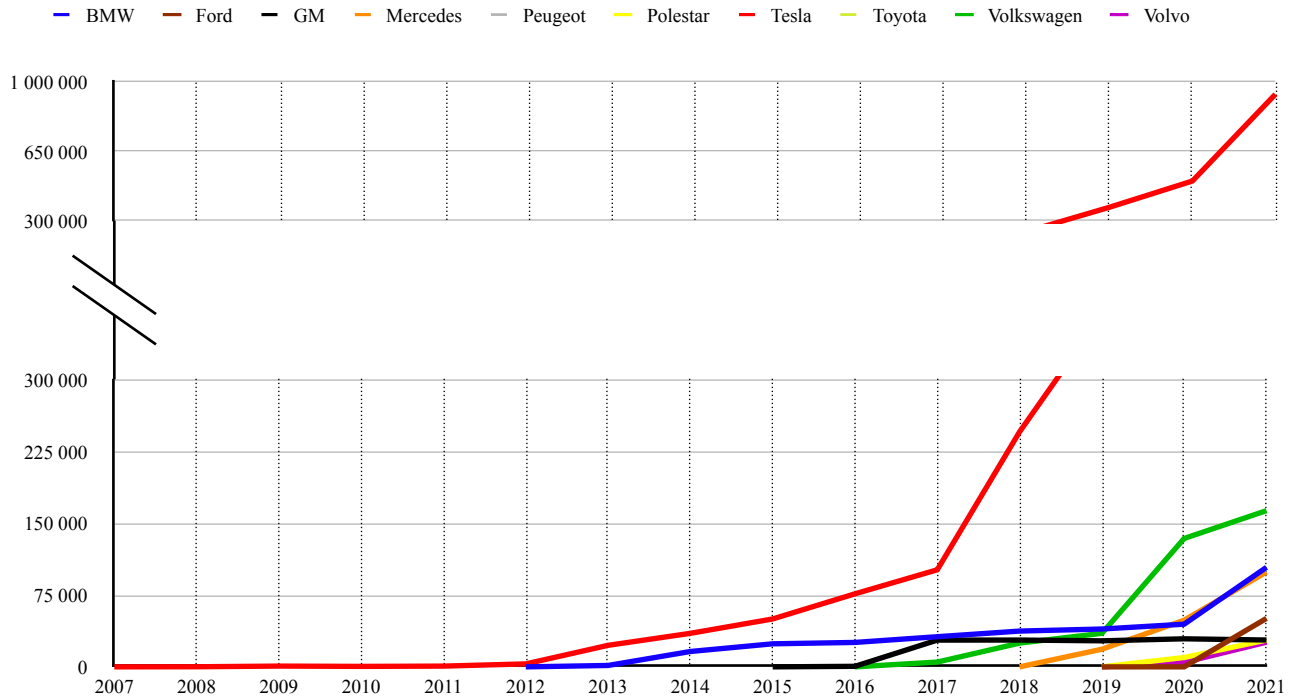

FIGURE 5

We can see that Tesla has led the way in terms of delivering fully electric vehicles capable of replacing an ICE vehicle. BMW was early in the game in long-range electric vehicles, but has not kept up the momentum and now Mercedes has almost managed to surpass BMW. Volkswagen stands out as a clear second place in this comparison. The big increase in electric vehicle sales for Volkswagen came in 2020 when the first ID. series vehicles started deliveries. Toyota was a pioneer in the hybrid gas-electric vehicle segment and has enjoyed great success with its Prius model. However, they have failed to keep this momentum up and has as of yet not produced any long-range electric vehicles. Peugeot is missing from this graph simply because we have not found any reliable data on their electric vehicle sales. It is common amongst vehicle OEMs that they do not report sales figures for the first few years of producing electric vehicles, and only in retrospect are these figures revealed. Peugeot is still very much in the start-up of producing electric vehicles and so these are still being grouped with all other plug-in vehicles, such as hybrids, at a group level, I.e. Stellantis reports plug-in vehicle sales for the PSA Group.

4.3 INTERVIEWS

In this section, a detailed account of the results from each of the interviews is presented, sorted by topic.

4.3.1 Scaling, Market, and Clarity

When comparing the interviews (chapter 9.1.1.2 and 9.1.2.2, in the appendix) there were several similarities in opinions, but also differences in their views on how to tackle the challenges in the market for electric vehicles. When talking about the possibilities to scale to fully electric, both mentioned that there are no technical or production benefits, as there are many difficulties when converting vehicles and production facilities. On the opposite, it can even be a benefit to not having to convert existing production. They mentioned having a blank slate is more efficient, less time-consuming, and not as costly.

Volkswagen's opinion is that the market is not ready for going 100% electric but is open to a gradual increase. Electric-born Polestar believes that there is a window right now where it is wise to do investments to reach volumes fast and secure a strong position before that window is closed and the opportunity has passed. The representative from Polestar also highlighted the high level of destructiveness that is happening in the vehicle manufacturing market right now and the opportunity for new companies to take advantage of a paradigm shift. They believe in having a futuristic mindset, being modern, unique, and using their newness to create a brand that is perceived as cool. Volkswagen has a strategy with a softer transition including ICE, hybrids, and electric vehicles in parallel. They are adapting their brand through smaller changes like the logotype and their strategy for publishing. Volkswagen marks the new start with a new series of vehicles.

The opinion of what brings clarity to the customers differs between both companies. While Polestar believes their strategy with only one series of vehicles that are marked with ”Polestar”, and numbers from 1-5 depending on model, creates clarity and minimalism that is easy for the customers to understand and navigate. Volkswagen, which has had a different and more complex strategy due to its background and current position as an ICE manufacturer, started with converting some models into electric vehicles (product-line extension) as an alternative to an existing model but dropped that strategy as it was inefficient and confusing. They are now separating their electric vehicles into a sub-brand called ID. and are using the numbers to mark models as Polestar and also with independent models like the ID. Buzz. They are confident that the customers understand this logic.

4.3.2 Trust, Awareness, and Reputation

When talking about trustworthiness, both Polestar and Volkswagen stated that trust is something you have to build and work on continuously. While Volkswagen can lean on the trust they have built through their previous years of business, Polestar has less trustworthiness from start, even if some comes from their background and connections to Volvo. Polestar mentions the risk of losing trust for some startup electric OEMs if they can not live up to their promises in deliveries, which can be difficult to manage as a new start-up. According to them, stronger connections to a mother brand can provide a brand with some trustworthiness but the risk is that the new brand could lose some of its individualism. To a certain level, it is possible to bring out good advantages from the relationship and still keep a distance. Polestar has also committed to extreme transparency as a way to build trust and emphasizes the importance of being consistent. Volkswagen's challenge for building trust is to convince customers that ”this is something we are good at, too” as they have noticed that people tend to be skeptical and did not take them seriously when they started manufacturing electric vehicles, as their heritage is within their ICE vehicles.

When it comes to awareness, Volkswagen’s brand already has awareness from customers due to their previous business and will continue in the same spirit as before. On the other hand, they mentioned that is harder to build awareness around a certain model. Polestar mentions that awareness takes time but it is important to build awareness fast to make sales. They mentioned that for awareness, a mother brand with more resources could be helpful to get the vehicles out on the streets and start getting recognized by the people.

As Volkswagen already mentioned, they use elements from their heritage as an advantage when introducing new technologies. Reputation is another of these things, but it is not always positive as that could include previous scandals and a bad reputation. On the other hand, they mentioned that electric vehicles bring a good reputation to the main brand as it makes them appear as a sustainable actor. Polestar tries to use the reputation of Volvo when it comes to quality and safety, but is otherwise trying to stay distant from the reputation of Volvo as they have different niched customers

and want to keep the distance to avoid too much interference. Polestar also mentions that it is not easy to change people's perception of a brand and it could, therefore, in that aspect, be easier to be a new actor in a paradigm shift. They also focus on building a good reputation, not only from being electric but also for other aspects as well, since soon electricity will be the standard fuel.

4.3.3 Brand Strategies

When summarizing their respective opinions about the different brand strategies, they do agree on certain aspects. Both believe that re-branding gives a blank slate that is easier to work with, but as the cost of good reputation, trust, and awareness that could come from a stronger relationship with the main brand. Both are skeptical regarding product-line extension as there is a risk of it being confusing and lacking clarity for customers, as well as it being too costly, time-consuming, and not flexible enough. Volkswagen believes its chosen strategy of sub-branding brings more clarity compared to product-line extension and marks a fresh start. It is easier and more logical for the customers to understand. Polestar agrees to some level, that it brings trust and awareness but does not agree on clarity.

5. ANALYSIS AND DISCUSSION

In this chapter, an analysis of the results presented in the previous chapter is made. Each of the OEMs researched in this thesis are analyzed from a branding effectiveness viewpoint, to answer this thesis' research question individually for each vehicle manufacturer. This chapter also includes a discussion around the results and analysis. Possible influencing factors regarding what the result and analysis mean for the industry are presented. The chapter ends with a discussion around what the future impact of the brand strategies deployed in the industry today could be.

5.1 BRAND STRATEGIES OF OEMs

In this section, we will analyze the observed brand strategies of each OEM in this research as well as analyze which heritage they bring into the electrification. We also analyze what advantages each OEM enjoy through their respective brand strategies.

5.1.1 BMW

BMW was rather early in the electrification efforts, with the i-series vehicles starting with the fully-electric i3. BMW spent significant branding efforts on positioning the i-series as cutting edge eco-friendly electric vehicles. However, since the release of the i3, there was a long period of stagnation in regards to electrification from BMW. In recent years however BMW has once again stepped up its game, introducing and starting the manufacturing of several more fully electric i-series vehicles. As shown in the sales graph, BMW narrowly managed to keep the number three spot over Mercedes. Given that BMW, like VW, has opted to create an electric series of vehicles with a separate brand strategy, this is a sub-branding strategy. The i-series is BMWs electric sub-brand and stands alongside the X-series and M-series vehicles. The i-series has been around for quite a long time, at least in electric vehicle years, and less effort is needed to support the sub-brand as compared to Volkswagen's situation with the ID. series.

BMW is well-positioned from a branding perspective to continue its electrification efforts. Given that they have pledged to only achieve the low number of 50% electric by 2030, the current strategy with the i-series will most likely work well for quite some time more. However, given the EU's target of only allowing fully electric vehicle sales from 2035, and other jurisdictions following suit, this target most likely will need to be updated to be more aggressive. In such a case, they will face the same difficult branding strategy questions as VW, what to do with the old ICE brands. Should BMW keep the X-series and M-series brands and electrify them, or drop them in favor of the i-series and potentially other new sub-brands.

5.1.2 Ford

Ford is currently firmly in the product-line extension category of brand strategies. They have unveiled two electric vehicles, the Mustang Mach-E and the Ford F-150 Lightning, where the former has already been in production for well over a year. These are electric versions of sub-brands within Ford that already existed, hence a product-line extension. Ford has chosen to separate the company structurally between an electric division, Ford E, and an ICE division, Ford Blue. As far as marketing goes, however, the Ford brand is still firmly focused on the slogan ”Ford Built Tough” that they have been running for several years and only occasional, separate, messages about their electric vehicles on social media are present. They have 18% of content relating to their electric vehicles, but the brand overall is far from transitioning to electric. The Mach-E and the F-150 Lightning seemingly exist in their own bubble within Ford from a branding strategy that does not seem to align with the rest of the brand.

Ford is continuing with their legacy of though pickup trucks and muscle performance vehicles. They have however stated that they are moving towards being a fully electric OEM and have pledged to be 40-50% electric by 2030. They are also ramping up production and have doubled the production target of the F-150 Lightning multiple times from their original target. This seems to indicate that Ford within a not that distant future, will have a significant percentage of their vehicle sales be electric. The Ford brand needs to evolve with this transition and they need to ramp up its re-branding efforts not to fall behind branding-wise in relation to production.

The advantage for Ford in waiting to transition the entire brand to electric is that they can continue selling ICE vehicles and not lose credibility either in their ICE sales or their EV sales as they are transparent with this, in contrast to GM. However, this might be a very short-term benefit and the risk of the brand falling behind in terms of credibility in the electric vehicle industry might be worse than losing some credibility in their ICE business today.

5.1.3 GM

General Motors have a clear re-branding strategy. They went so far as to change their logo to signal the shift to electric only. When analyzing their social media, they had one of the higher percentages of electric vehicle-focused messages. They also had the highest percentage of environmental-focused messages. This is a rather recent shift in their branding strategy, but so far it does not translate into electric vehicle sales as they have been on a declining trend from 2017 through 2021. The recent issues with the Bolt, their best-selling electric vehicle, has most likely hurt their brand credibility as an electric vehicle manufacturer.

The advantages usually associated with re-branding or new brands do not seem to be present for GM. This is likely an effect of GM shifting their brand too heavily too soon given that they do not

have the manufacturing capability to back up their CEO's claims of being number one in electric vehicles in the USA and their electric vehicle-focused brand strategy. Since both other major OEMs headquartered in the USA, Tesla and Ford, are outselling GM in terms of electric vehicles globally, their credibility is most likely more hurt than helped by their significant brand-associated claims in regards to electrification.

5.1.4 Mercedes

Mercedes has chosen sub-branding as their strategy. They are moving towards re-branding and have set up a goal of being fully electric by 2030, which is the highest level of implementation speed that the non-electric-born companies have chosen and only shared with Volvo. They have had a relatively high pace of production ramp-up since they started manufacturing electric vehicles in 2018 and are now almost top three in sales numbers, closely after BMW. With these goals and investments, it is odd that they do not focus more on re-branding in their marketing material, as they are in the middle when comparing their main marketing material and in the mapping into the triangle of brand strategies. By having a production strategy that is more focused on electric vehicles than their brand strategy expresses, they could be misleading their customers about their future identity and also risk losing an opportunity for creating a stronger future position.

On the other side of it, Mercedes has some separate channels for communication about their electric brand, which could be strategic to separate the associations from the main brand and its ICE to not bring associations about the ICE vehicles into the department for their electric vehicles. That does not give the larger audience the same awareness as if it was marketed more aggressively from the main channels and will probably slow down the change of brand image for the brand as a whole.

5.1.5 Peugeot

Peugeot and Ford are the only OEMs in this research with exclusively product-line extension strategies in this research. Peugeot also has not expressed any ambition of re-branding itself as an electric vehicle company through their marketing material. They do not bring forward their all-electric vehicles much at all. They have not presented any numbers of how many electric vehicles they sell. This indicates a low production number, as this is common practice in the industry. When examining how the other manufacturers have acted when starting their electric vehicle production, as they were vague as well. Only later, once production has reached respectable levels, are these lower initial numbers revealed. A low production could be a reason why they do not publish more about their electric vehicles, as they might risk not living up to the expectations in production if they did. This could subsequently be harmful to their reputation.

Stellantis is the parent company of Peugeot. However, Peugeot and Stellantis have expressed different goals regarding the level of electric vehicle sales in 2030. Peugeot has stated that they will

be 100% electric, and Stellantis only 70%. If Peugeot is planning on becoming fully electric in the next eight years, their strict product-line extension strategy will have to change soon to match the future of the company. Otherwise, the risk is losing advantages to portray their image as a modern brand, with the goal of becoming a leader in the transformation into electricity. By not focusing their marketing material on electrification, they miss out on an opportunity to reach a new and growing customer base, whilst their current customer base continues to shrink.

5.1.6 Polestar

Polestar is positioned, for obvious reasons, in the re-branding / new brand category of this research given that they are a new vehicle manufacturing brand. Previously Polestar has only been engaged in other activities such as racing and performance tuning of Volvo vehicles. Creating a new brand comes with the advantages of a clean slate, being able to form the brand exactly as they wish. It also comes with major difficulties in that they are relatively unknown outside of Sweden and Scandinavia. They need to spend significant effort in building the brand and controlling what it emerges as in the minds of the consumers. Polestar has drawn advantages in building its brand by being so closely related to Volvo, through Volvo's shadow endorsement. Polestar is open about the fact that their safety technology comes from Volvo, which gives them credibility in an important aspect for the consumers where a new brand without such ties to an established brand could be difficult. Polestar vehicles are also served at Volvo dealerships which further enhances the credibility of the brand in the eyes of the consumers as they might otherwise be nervous about buying a vehicle from a new brand should a robust network for servicing the vehicle not exist.

Polestar is actively using its heritage as a racing and performance tuning company in the new brand. They position themselves as a performance electric vehicle brand both in the branding and marketing material as well as in the styling of the Polestar 2. They marry environmental consciousness and racing performance by branding the vehicles as a guilt-free means of experiencing great performance vehicles.

5.1.7 Tesla

Tesla is a new brand that was started in 2003, only manufacturing electric vehicles since their start of production in 2008. As a first mover, they are a company with relatively long and advanced experience in this technology compared to the rest of the industry. They have no heritage from a previous brand and started with a blank slate and could therefore choose more freely on how to position and market themself. As one of the first actors in producing electric vehicles, they have had to work a lot with creating trustworthiness not only for the brand itself but for the whole industry as the change of technology can be seen as a paradigm shift. Being a new brand, there is always the challenge to build awareness, which they over time have managed well as they are now the

manufacturer with by far the highest sales numbers for electric vehicles. The benefits of Tesla being a new brand and more or less the first actor in this specific market is that they have created a lead and become an actor that has to a high degree set the tone for the market.

In the social media material we analyzed, Tesla had a low degree of environmental-focused messaging. This is somewhat surprising given that its mission statement is to ”accelerate the world’s transition to sustainable energy”. It looks like their brand strategy is focusing on the capabilities of their products, positioning them as superior to any other vehicle, ICE or EV, to convince customers rather than playing the environmentally friendly angle. Tesla seems to have concluded that the best way to achieve its mission statement is simply to sell as much of its products as possible and that this is best achieved by talking about the capabilities of the products and the vehicles, especially compared to talking about their mission.

5.1.8 Toyota

Toyota was early in efforts to increase fuel-efficiency of their vehicles for the benefit of the environment. The Toyota Prius is well known for being both economical and better for the environment. However, Toyota has not continued this brand transition strategy and has stayed in the hybrid world. They still have some environmental focus in their brand strategy, but have started to lose the environmental focus to a large degree, as evident by analyzing their social media presence. Toyota does not currently produce or sell any electric vehicles, which might be why they have not started to transition the brand towards electric. They do however have a model in the works, which they have shown on their social media. Both their home country of Japan as well as the European and American markets have set dates when ICE vehicles need to have been faced out. Rather than embracing this and building on the brand credibility from their hybrid efforts and the Prius, Toyota has chosen to go in the opposite direction. Actively speaking out against electric vehicles and opting not to transition neither their brand nor their R&D efforts over to electrification.

If Japan, the EU, and the USA hold true to their respective goals and legislations toward electric vehicles, Toyota will struggle to maintain leadership globally as the largest OEM. Re-branding and creating new sub-brands is a costly endeavor that takes time, and given that Toyota has not yet started this journey means they will have a steep uphill fight ahead of them to survive. Perhaps the transition to an electric brand will be faster and smoother for Toyota given their history with hybrids, perhaps not. It is still unknown.

5.1.9 Volkswagen

Volkswagen has a branded house strategy with many sub-brands under the VW main brand. These include well-known sub-brands such as Passat and Golf and lesser-known sub-brands such as T-Cross. It, therefore, seems natural that Volkswagen should create a new sub-brand for the next-

generation electric vehicles from the OEM. The advantages of creating the new electric sub-brand ID. is that it is clear for the consumers which is an electric Volkswagen and which is not. However, Volkswagen is moving towards, and has an aspiration of becoming, a 100% electric vehicle manufacturer. This means that Volkswagen has tough branding choices to make on the horizon. Should they drop existing well-known sub-brands such as Passat or should they try to re-brand these as electric vehicles. So far the strategy of creating the sub-brand ID. seems successful, especially when looking at the fast ramp-up in electric vehicle sales for the OEM.

Volkswagen has a heritage of being the people's car, especially in Europe. They also more recently have a history of emissions scandals. Both of these have seemingly affected the branding strategy of Volkswagen today. Their focus on electrification and creating vehicles for the people are clear in their current branding strategy. They have brought back the classic Volkswagen Bus in the electric ID. Buzz, clearly positioning the ID. family of vehicles as the people's car. Volkswagen also claims to try and be more transparent to regain the trust of consumers in the aftermath of their multiple emissions scandals. Interestingly though, they do not seem to have an environmental focus in their branding strategy as the analysis of their social media suggests.

5.1.10 Volvo

Volvo’s brand strategy is product-line extension, rapidly moving towards re-branding, and the only company doing so from the side of product-line extension. They have a high goal of being 100% electric until 2030. Their existing models are being transformed into electric options with the same name as before but with ”Recharge” to signal that they are electric versions. As for Volvo, throughout history, they identify their brand as a manufacturer of family vehicles, and they still have a focus on safety and quality as keywords. This means that Volvo seems to bring much of its history into the re-branding when becoming an electric vehicle manufacturer. This use of their heritage could increase the perceived quality and performance even more as it is directly connected to its image, as mentioned in the theory section of this paper (Johnsson, 1997). Volvo is also adding on a focus on sustainability, which can be seen both from their marketing material but also in their commitment to becoming all-electric in 2030.

Volvo can use the advantages of its brand heritage for trust and awareness and to easier position itself as a manufacturer of safe family vehicles in the new era of electric vehicles. They also enjoy technology advantages through their shadow endorsement of, and connection to, Polestar. Within Polestar, electric vehicle technology can more easily be developed without the corporate bureaucracy that comes with large organizations with a long history. Volvo, as a parent company of Polestar, is then able to use this technology in their own vehicles. They can also ride on the brand image of Polestar in some regards. This is because as Polestar's credibility as a good electric vehicle manufacturer is likely to increase over time, it will likely spill over to Volvo.

5.4 BRAND EXAGGERATION & LAGGARDS

After the study, it was interesting to see how different the companies have taken many different approaches to make electric vehicles a part of their brand. The connections between the brand strategy, the goals, and the sales numbers were not consistent and several companies' brand activities do not match their goals and operations. The most prominent example is GM, as they state they are leaders in the industry for electric vehicles, are going to be the next big electric brand taking over the lead from Tesla, has a lot of focus on electric vehicles in their marketing material and has even remade their logotype to look like a power outlet. Still, GM has one of the lowest goals for level of electrification in 2030 and has one of the lowest sales numbers today. On the other hand, there is Mercedes, which has relatively high sales today and goals of becoming 100% electric in 2030 but does still not express this through their brand as much as several other companies with fewer sales today and lower future ambitions. Ford is another example, as they are ramping up production quickly and setting higher and higher targets internally. Their brand strategy externally, however, is strictly product line extension with no indicators of going fully electric with a rebranding of Ford as a company. Their goal for 2030 is only 40-50% electric sales. The indications from production and what is expressed in marketing material do not match, and there is a risk that this means lost opportunities for optimal brand positioning. It will be interesting to see how this inconsistency affects the brands going forward, not the least the trustworthiness of the companies expressing a lot externally but setting the bar low internally.

Most companies that are not new or rebranded have chosen to not change much in the visual appearance of their brand, but focused more on what is expressed through the information they send out or by creating new brand names for the electric vehicles. Still, both Polestar and Volkswagen mentioned marking a new start positively. More companies may mark this shift visually later on when their electric vehicle sales increase. However, it seems like some companies could use expressing a stronger electric brand strategy as an advantage to gain market shares and position themselves, not the least those like Mercedes which has high ambitions but does not communicate this to their customer at the same level

5.5 HERITAGE

Heritage has also been a relevant aspect of this study. As Balmer et al. (2007) state, it is not uncommon in the automotive industry to use heritage such as *engineering excellence*, style, and prestige as a way to convince the customers. Polestar mentioned how they use experienced engineers and also let them work as spoke persons for their brand. This could be an efficient way for building customers' trust and increasing their understanding in an era of new technology, which could lower the buying risk.

Volkswagen mentions that they have recovered after the dieselgate scandal, and maybe the paradigm shift happened advantageously in time for them as it gave the company a new direction that brought them into a completely new direction that makes it hard to compare their previous production operations with the current development of electric vehicles and put the focus elsewhere. This could be an example of when it is advantageous to create some distance from the history of a company, as heritage is not always positive from a brand perspective.

5.6 PSYCHOLOGICAL FACTORS

It is likely that many legacy brands, which choose to include their electric vehicles under the main brand instead of a separate brand, do this for more reasons than the advantages mentioned in the results. As presented in the theory section of this study, the sub-brand adds newness to the brand whilst not contradicting the master brand (Aaker et al., 2000). Most companies would probably agree that not manufacturing electric vehicles in the future would mean a high risk of bankruptcy. For many OEMs, ”kill your darling”, in this case investments made in current brand reputation, is not an option, which could be why they try to save rather than abandon existing brands. The reason why some of the companies have chosen to include their electric vehicles under the main brand could be because of the advantages mentioned, and also because of psychological factors like fear, pride, or culture.

There is also the ”sunk cost fallacy” theory (Haita-Falah, 2017), which means that when something does not work out as expected or there are big investments made that would be worthless if they do not preceded as planned, it feels more reasonable to finish or keep investing. This is to ensure the previous efforts are worth something, even if the finished result has lost its purpose, advantages or the budget is exceeded. This theory is usually applied in arguments against large government projects that fail but seems to be accurate in this industry as well. Killing the ICE vehicle business, or not finishing already started R&D projects concerning ICE vehicles, seems like a waste of capital. It is a big issue as cutting their losses earlier would most likely be a more sound strategy for the future. Some large OEMs have significantly lowered their ICE R&D spending, but for most, it still heavily outweighs spending on R&D for electric vehicles.

5.7 HOUSE OF BRANDS AND BRANDED HOUSE

As many manufacturers want to create visibility around their cars and use the credibility that comes from the main brand, a branded house strategy is often used. For example, Volvo, where all sub-brands are called Volvo XC60, Volvo XC40 Recharge, etc. It creates a clear connection and leaves no question marks for who the manufacturer is. Looking higher up the chain, the groups such as Stellantis and Volkswagen Group do more often use a house of brand strategy which could be because they do not want to combine all brands into one and lose the built-up brand trust for the

then discarded brands. This would mean putting all eggs in one basket and there would be less differentiation.

However, there are some geographical differences, as the branded house strategy is preferred in Europe, whereas house of brands is preferred in the USA. GM mostly has a house of brand strategy, where their sub-brands within GM as a company do not use the GM brand. The associations between GM and their direct sub-brands such as GMC or Chevrolet are not expressed clearly. For example, compare the connections between GM's GMC Hummer EV and Volkswagen's Volkswagen ID.. There is no GM Hummer, GM Cadillac, or GM Chevrolet, and many customers do not even know that these sub-brands are GM vehicles at all, especially customers outside of the USA. This strategy seems more confusing, both for their customers to understand that the sub-brands are not their own companies but GM models and for their internal strategy as it gives less clarity of who is responsible and where their focus is put. It is also likely, now when they are positioning the GM brand to be the number one electric vehicle manufacturer, that these high ambitions do not follow into customers' associations with GM's vehicle models, as the connections to GM are vague.

5.8 BEST STRATEGY FORWARD

When analyzing the sales figures of Tesla as compared to the other OEMs in this research, their brand strategy has certainly worked. Perhaps the other OEMs should adapt their strategies to, like Tesla, focus on their products and their strengths rather than talking about the environment. This seems especially true when compared to GM. GM has the highest percentage of environment-focused brand messaging on social media, but its electric vehicle sales have dropped over the last 5 years, whereas Tesla has sharply increased in sales during the same period. Saving the environment is certainly good, and probably increases sales. However, customers are unlikely to purchase a more expensive vehicle that is less capable, even if it saves the environment. Therefore, the branding should educate the customer about the advantages of electric vehicles, rather than only focus on looks and saving the environment.

The above is however likely intentional, to minimize the risk of the ”Oswald effect” (Rao and Turut, 2019), which occurs when customers are aware that a better product than the current is about to be released, and therefore hold off their purchase of the current product for the future product. OEMs are not able to produce enough electric vehicles to completely replace their ICE sales, and therefore need to continue selling ICE vehicles to not go bankrupt. Therefore, they can not honestly market just how much better their electric vehicles are from the perspective of the consumer, for fear of not selling enough vehicles in total. This has already started to become a problem for most vehicle OEMs, including Tesla, where the wait times for most electric models is over a year, and

reservations for some electric models have even been halted. All the while many ICE models are available for immediate delivery.

5.9 FUTURE ASPECTS OF THE DISCUSSION

It is not only which brand strategy is the best that is uncertain, it is also uncertain which companies will survive the transition at all. Tesla along with some Chinese manufacturers are rapidly gaining market shares and growing exponentially, whilst the total vehicle sales for almost all traditional OEMs are dwindling. While there is a clear use of product-line extension, sub-branding, re-branding, and creating new companies as a brand strategy among the companies in the automotive industry transitioning to electricity, there are several inconsistencies in how these strategies are used. The inconsistencies can impact the efficiency of the brand strategy and it is, therefore, difficult to state for sure which brand strategy is the best, as branding in the theory by Kapferer, (2012) is not defined but up for everyone's interpretation.

6. CONCLUSION

This chapter presents the answers to the research questions as posed at the start of the thesis paper. The analysis concludes with some overarching conclusions derived from the research performed over the course of this thesis project. At last, future research is presented.

6.1 ANSWERING THE RESEARCH QUESTION

As is apparent from the section above, each OEM has its own brand strategy and many differences are present. However, some overarching themes emerge for the industry as a whole, and some remarks as to what, at least at this point, seems to be the most effective strategies can be made. Here follows the answers to each of this thesis' research questions as per the research results and respective analyses.

6.1.1. Sub Research Question 1

Which brand strategies are vehicle OEMs deploying when manufacturing and distributing electric vehicles?

After analyzing what appears to be the strategies of the companies in the study, three to four main strategies were identified. The companies tend to use sub-branding, product-line extension, re-branding, or creating a new brand. The most common strategy was sub-branding, which was used by half of the study group. Sub-branding also seems to be the most popular strategy for companies that eventually are planning on re-branding their entire brand. For many of these, likely, the sub-brand will gradually take over and become the standard as the ICE vehicles are phased out. This is a way to reach the goal of becoming fully electric by 2035 which is what is required for most places around the globe by then.

Two companies are using a re-branding or a completely new brand as a strategy, Tesla and Polestar. The strategy for these are similar, but Tesla has no heritage at all from a previous company and can be considered completely new, whereas Polestar has some heritage from being a racing and performance tuning daughter company to Volvo, which has then been brought out from Volvo to create an electric brand. Re-branding is the strategy that most companies that are not in this category today strive for, as it is a natural way of tackling future expectations and requirements.

The least desired strategy among the companies is product-line extension. Only two companies are using it to a higher degree, and only Volvo has used it as their strategy before moving towards re-branding. This is probably because it is less clear to the consumer that electric vehicles are offered by the OEM and because an electric conversion of an ICE vehicle has less credibility than a vehicle created as electric from the start.

6.1.2 Sub Research Question 2

How much does the previously existing brand affect the brand for electric vehicles and vice versa for vehicle OEMs switching over to electric?

According to the interviewed companies, the previous brand has a great effect on the branding strategy when switching to electric. Some advantages and disadvantages will come naturally depending on the chosen brand strategy and the choices for how to position the brand in this new era depend on the position of the original brand, especially if the strategy is sub-branding or product-line extension. If the strategy is sub-branding or product-line extension, it is natural that the strategy for the electric vehicle department will match the rest of the company's strategy. Many of the companies using a sub-branding or product-line extension strategy have not made bigger changes in their overall strategy and have the same keywords, logotypes, and identity as previously but with a new technology that should also live up to the expectations that come with the brand. GM is the company that has made the biggest changes in its existing brand by altering its logotype and making a major shift in focus in the communication about its brand.

When re-branding, like Polestar, there are more possibilities to choose the effect that the previous brand will have, depending on the level of separation. Polestar has tried to balance the level of what is advantageous when it comes to the effect Volvo is allowed to have on its brand strategy. Similar to this, Volvo is also using some of the brand identity that comes from Polestar, but with the risk that these two will become more integrated. It can be difficult to remain separated in the mind of the customers and have its own brand identity and still use the benefits from the other brand. The risk is that the separation will become less significant and the customers could start questioning the reason why there are two brands when they act commonly and share a lot of their technology and associations.

6.1.3 Sub Research Question 3

Which organizational advantages and disadvantages come with which brand strategies, and is it advantageous to create an electric-born brand when selling electric vehicles?

There are several advantages and disadvantages discussed in the interviews. To begin with, the advantages of sub-branding and product-line extension is that the strategy can build on the trustworthiness and awareness that comes from the main brand. The company's reputation can be an advantage (given that the reputation is positive) that will be reflected in the sub-brand or product-line extension as well. This is comforting for the buyers and lowers the buying risk as the company (Hennigs et al., 2011) has already proven itself and the customers feel safe and know what to

expect. Sub-branding is considered easier and brings more clarity for the customers than re-branding, as well as providing a marker for the new technology.

Heritage, just as reputation, can be both positive and negative. Volkswagen's Dieselgate scandal has probably lowered the brand's trustworthiness in the eye of some consumers, even if the company itself has noted that they have recovered. The switch to a new brand strategy with a focus on electricity was probably advantageous. This meant they were not too affected by the negative aspects of their heritage, even though there was a period of perceived dishonesty in why they shifted focus. Companies could also bring out positive aspects from heritage, as mentioned, with trustworthiness, awareness, and reputation.

The advantage of re-branding is that it provides a blank slate. This is easier for positioning more freely as the companies do not have to adapt to an existing strategy or risk confusing the customers. It is an opportunity for start-ups or smaller companies to take advantage of a paradigm shift and to respond faster to the new setting. It is also advantageous when creating a clear identity without having to adjust to the existing identity and gives more space for creativity and experimenting.

The disadvantages when it comes to sub-branding and product-line extension are that it is more confusing than re-branding or creating a new brand and it is harder to build awareness around a specific model, even if the main brand itself has a lot of awareness. The challenge is to convince the customers that the company will perform at the same high level even after the shift and to not confuse them in their perception of the brand image, as there will be a more complex structure than before with more models, names and alternatives for the customers to understand. A product-line extension is also not flexible enough and takes too much time and money. It also is not convenient when transforming factories to build on an existing platform and factories will face challenges when converting production, which is easier for companies that choose re-branding or a new brand as their strategy due to their newness.

However, companies choosing re-branding or creating a new brand have to handle the challenge of building trust and awareness quickly, as this is important to reach the volumes which are necessary for the survival of the company. Rebranded companies, like Polestar, also must deal with balancing eventual relations to the mother brand, to avoid confusion and not lose individualism in their brand. At the same time, they can use this relation to their advantage where it best suits them.

6.1.4 Main Research Question

What are the characteristics and impact of different brand strategies employed by automotive companies transitioning to electrification?

After the study, it is clear that Sub-branding is the most popular brand strategy employed by automotive companies transitioning to manufacturing electric vehicles. However, Tesla as a new brand is the most successful by far. It is difficult to say what depends on the brand strategy and what is due to other circumstances but it has likely affected the company's possibilities to position itself and create a leap. Product-line extension is less used by the companies and comes with the most disadvantages as it is the least flexible and inefficient alternative that is also creating the most confusion. Due to most companies choosing sub-branding, it is also natural that most companies transitioning are doing so from this angle. More and more companies choose to move towards re-branding, which is expected due to the governmental requirements that are put on 2030-2035 on the level of electricity.

Re-branding or creating a new brand can affect the possibilities for production positively as it is cheaper and less time consuming to start with a blank slate in production than converting factories, but it takes a lot of work to fast build customer awareness and trust to reach higher sales volumes which is important for the survival of the company.

Heritage can be a useful tool that is an advantage for companies choosing sub-branding and product-line extension, and can be useful in re-branding as well but takes more balancing to not lose individualism.

6.2 CONCLUSIONS FROM ANSWERING THE RESEARCH QUESTIONS

There exist as many opinions regarding what the best brand strategy is for this transition, as there exist vehicle OEMs. Each has a slightly different starting point and needs to adapt its respective strategy to best suit its situation. It is therefore difficult to conclude there is one golden strategy that fits all, it depends on different circumstances and other strategic decisions as well.

There is for obvious reasons still a lot of uncertainty in this emerging industry as we are still in the middle of a paradigm shift in regards to how we power the world's transportation systems. The market is transforming rapidly and vehicle OEMs need to be ready and agile to shift strategy as new considerations are needed in the market.

6.3 FUTURE RESEARCH

There are a few research topics we have encountered during this research but have not had the opportunity to explore. We encourage future research in the following topics.

6.3.1 Chinese Electric Vehicles

In 2021 six of the top ten best-selling plug-in electric vehicles globally were produced by Chinese vehicle OEMs. Furthermore, three of the top ten best-selling brands in terms of plug-in electric

vehicles were Chinese vehicle OEMs, including one joint venture between SAIC, GM, and Wuling. The rapid increase in Chinese electric vehicles follows a similar pattern to when Japanese vehicle OEMs entered the western markets in the 1970s. Research into their branding strategies would therefore be interesting. Chinese manufactured products in general have low credibility in most of the western world, much like the Japanese vehicle makers had in the early 1970s. However, increased quality and competitive pricing could give the Chinese the opportunity to take over after Toyota and other Japanese manufacturers struggle with the transition to electric vehicles.

6.4 Revisit After the Transition

Research into what brand strategies worked best after the transition to electric vehicles is complete would be interesting. This research paper is an educated guess as to what constitutes the most favorable brand strategies for the industry's shift to electric vehicles. Revisiting this subject in a few years when ICE vehicles are almost all but gone could provide much more evidence as to what worked and what did not. It could potentially completely counter-prove this entire paper.

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8. APPENDIX

8.1 INTERVIEWS

8.1.1 Volkswagen

8.1.1.1 Volkswagen Interview Guide

1. Vill du berätta lite fritt om dina tankar om denna övergång inom branschen och vad den betyder ur ett varumärkesperspektiv?
2. Vilka har varit era främsta utmaningar nu när ert varumärke går igenom detta skifte, både internt men också ur ett marknads-/industriperspektiv?
    a. Vad av detta är unikt för VW och vad är generellt för branschen?
3. Finns det en anledning till att Volkswagen valde att inkludera elmärket i det befintliga VW-märket snarare än att skapa ett nytt separat varumärke som liknar relationen mellan Volvo och Polestar?
    a. Undermärket "ID" är ert elektriska undermärke. Finns det en anledning till att ni valde att skapa detta nya undermärke för elbilar istället för att bara använda befintliga undermärken som Passat, Golf och Polo?
    b. Vad är planen för dessa äldre märken?
    c. Vad tror du är för och nackdelarna med denna strategi?
    d. Hur har Volkswagens varumärkeshistoria påverkat er elektriska varumärkesstrategi?
        1. Hur mycket har er historia påverkat allmänhetens uppfattning om er idag?
        2. Är denna historia fördelaktig eller ett hinder för er varumärkesstrategi framöver?
4. Vilka strategier har Volkswagen implementerat för varumärket i övergången till el som du tror har varit framgångsrik, och har du också exempel på hur VW varit tvungna att ändra sin varumärkesstrategi under denna övergången?
    a. Varför? Hur? När? Utveckla gärna!
    b. Om ni skulle ha gjort allt igen, finns det något du tror ni skulle ha gjort annorlunda?

5. Vad tror du kommer att vara viktigt att fokusera på i framtidens varumärkesbyggande för elfordonsföretag, både för ditt företag och branschen i stort?
    a. Varför?
    b. Hur kommer ni att tackla detta?

8.1.1.2 Volkswagen Interview Transcript

Interview with NAME, head of communications at Volkswagen Sweden.

- Vill du berätta lite fritt om dina första tankar om denna övergång och vad den betyder ur ett varumärkesperspektiv?

Det är en jättespännande tid som vi befinner oss i just nu, där man känner av att det är en stor omställning som sker och som kanske har skett snabbare än vad man kunde tro för några år sen. Men får vår del så kan man väl gå lite tillbaka i tiden, vi har ju haft elbilar av och till i vår koncern långt tillbaka i tiden men det har ju aldrig varit något mer än något nischat, det var inte någon volym eller något sånt. Det var ingen på den tiden som tänkte att det var framtiden på det sättet. Långt tillbaka i tiden så fanns det elbilar i USA och en stor del av de bilar som såldes var eldrivna, men sen tog fossilindustrin över och vidareutvecklingen av elbilar bromsades kan man säga. Men vi har sett att i början av 2000-talet eller 2010-talet så tog vi fram el-modeller som E-Golf och eUp, som vi fick lite volym på och som ändå började bli riktiga, men fortsatt var det väl ändå inte det som vi trodde skulle ta över till 100% utan det var en del i mixen där vi också jobbade med också alternativa drivmedel minskad bränsleförbrukning, och effektivisering var något som vi pratade väldigt mycket om. Sen var det inte jättelönsamt med dom här elbilarna heller som vi tog fram efter 2011-2012 någon gång. Men dom ansågs som bra, väldigt funktionella, dom fick bättre räckvidd och fick bra kritik i tester och så vidare.

Men sen var vi ju med om den här skandalen i diselfrågan 2015 som ni kanske är bekanta med som handlade i stort sett om att Volkswagens modeller i USA skulle då släppa ut mindre kväveoxid i dom här dieselbilarna man skulle lansera där och för att lyckas med det och klara dom väldigt tuffa amerikanska kraven så gjorde man en mjukvara som kringgick lagar och regler och den mjukvaran fanns även i modeller i Europa. Det var väl egentligen inget som direkt påverkade utsläppen i Europa utan det som kom ut genom avgasröret var egentligen samma som det kom ut ur andra bilars avgasrör så det var inte några miljöbovar men den här frågan blev ju också väldigt stor och på Volkswagen fick man ännu mer fokus på diesel och det finns en hel del utsläpp och det är förknippat med en hel del problem och vi måste ställa om snabbare. För Volkswagens del tog man ett beslut väldigt snabbt efter att det här uppdagades och det var att ställa om hela företaget. Vi bytte ledning, vi bytte strategi och gjorde om väldigt mycket men en sak som man bestämde sig för, bara

några veckor efter att det uppdagades, i den nya ledningen var att ställa om och på sikt bli en 100% elbilstillverkare och bli ledande i världen på elbilar. Men man insåg också att man då inte kunde fortsätta göra elbilar på befintliga plattformar som E-golf och eUp utan man måste ta fram en helt egen plattform för att anpassa bilarna efter batteriet. Alltså, man hade batteriet i grunden mellan hjulaxlarna och så byggde man på det och kunde då konstruera flera olika modeller och i olika storlekar och ju större batteri desto längre räckvidd. Det kallades för MEB plattformen och den första bilen som lanserades på den här plattformen var ID. 3 2020 sen har det ju kommit ID. 4, ID. 4 GTX, ID. 5 och nu har ju precis ID. Buzz haft världspremiär. Utöver ID-modellerna har vi ju även andra märken i vår koncern varit med på den här resan och man har liksom utvecklat den här plattformen för att den ska funka för andra märken i koncernen också. Man tänker sig också sälja tekniken eller dela den med andra tillverkare så som med Ford, där man har ett samarbete kring att dela den här plattformen. Det har gjort att vi ganska snabbt har ökat andelen elbilar, här i Sverige så har det gått väldigt fort och merparten av alla bilar vi säljer här idag från Volkswagens sida är hel-eldrivna. Vi hade en del laddhybrider också med det har vi minskat ganska kraftigt och går mer in på det heleldrivna spåret. Sverige har en ganska bra marknad för att sälja elbilar, sen ser det lite olika ut från land till land men Volkswagen har också haft en väldigt stor ökning av elbilar totalt så det har ju gått åt rätt håll och man tänker att vid 2030 så kommer 70% av de bilar vi säljer vara eldrivna. Det beror också mycket på externa faktorer så som lagstiftning och satsningar på laddinfrastrukturen. Men vi är väldigt fokuserade på elektrifieringen, det är det som mycket av vår kommunikation handlar om. Vi säljer ju en del andra bilar också för vi är inte 100 % el ännu och marknaden är inte riktigt mogen för det än men det går ganska fort iallafall. Det är väl en sammanfattning av läget

- Vilka har varit era främsta utmaningar nu när ert varumärke går igenom detta skifte, både internt men också ur ett marknads-/industriperspektiv?

Vi kommer ju från att va en tillverkare av traditionella bilar med förbränningsmotor så det är klart att det handlar om att övertyga kunderna om att elbilar är något som vi också kan. Man vet att vi är bra på att bygga bilar, men att just ställa om till elbilar är ju naturligtvis något som vi har försökt att jobba med hårt och att visa att vi är trovärdiga. I början va det nog många som tänkte att ”jaja, det här gör dom bara för att döva sitt dåliga miljösamvete” men sen så börjar man inse att det här är på riktigt och att vi faktiskt byggt fabriker och omvandlar fabriker till att bara producera elbilar. Det händer på riktigt. Så det är väl ur ett marknadsperspektiv men ur ett produktionsperspektiv så är det såklart de tillverkare som börjar bygga elbilar från grunden som inte har nånting i bagaget dom kan börja från scratch, dom behöver inte ställa om nånting så som vi måste göra. Nu har det varit många diskussioner om vår huvudanläggning i Wolfsburg där vi har 50 000 anställda och har byggt bilar under en lång tid att säkra framtiden för Wolfsburgfabriken har vi tagit beslut om att omvandla

också den till att bygga elbilar vilket facket har varit med och drivit på och haft en önskan till. Det har vår koncernledning sagt att framtiden för Wolfsburg finns bara om vi gör nånting och ställer om till att bygga elbilar och vi behöver också effektivisera till att bygga snabbare, man jämför med Tesla tillexempel och deras tider i produktion.

- Finns det någon anledning till varför Volkswagen har valt att inkludera ID. under det befintliga varumärket Volkswagen snarare än vissa andra så som Volvo som startade Polestar?

Det är väl det att vi har ett starkt varumärke och inte behövt ta den omvägen. Polestar har gått en annan väg och inte satsat på att bli folkets elbil. Det har ju vi gjort, vi har velat få ut det här till många. Polestarbilarna är lite mer nischat, det är dyrare bilar så man kan göra på ett annat sätt men Volkswagen vill ju bygga framtidens golf fast eldriven och har alltid stått för demokratiseringen av mobilitet, bland annat genom golfen men nu också med de elbilar som vi gör. Vi har under de senaste åren också en ny modernare logotyp och vi har ändrat mycket i vår publikation så det ska kännas som att det är up to date också.

Det är klart att det också vore synd att slarva bort tilliten som vi har byggt upp under många år. Visst, vårt varumärke fick sig en törn under dieselgate men vi kom relativt snabbt tillbaka på samma nivå eller högre som innan krisen och det är vår styrka i varumärket.

- Erat elektriska märke är ju ID. och ni har ju tidigare gjort andra elektriska varianter av andra modeller också. Varför har man valt att skapa ID. snarare än att göra om andra modeller till att vara er elektriska plattform?

Från början var det ju så som du säger och som jag var inne på tidigare att vi hade E-Golf och eUp, det var ju elektriska versioner av befintliga bilar. Dock är det ju så att det är ganska kostsamt att anpassa befintliga modeller till eldrift. Dom är inte byggda för det från början och det kräver väldigt mycket anpassning, lönsamheten blir inte speciellt hög i den typen av bilar. Det är väl också för att markera det nya att det här är faktiskt det vi satsar på. Vi har fortfarande kvar Golfen och Passat och dom här modellerna och kommer ha det under en överskådlig tid tills allt är 100% el. Men det här är ju för att markera att det här är någonting helt nytt.

- Har ni planer på att ha kvar Passat och Golf och dom fast skapa nya elektriska plattformar på dom eller kommer ni satsa på ID. och helt nya plattformar för elbilar därefter?

Dom kommer inte heta Passat och Golf utan det kommer finnas, om det inte redan finns, modeller som motsvarar dom här och det kommer finnas kombiversioner som är som en Passat i storlek som inte kommer heta passat men passat kommer ju leva kvar som diesel, bensin och laddhybrid, för vi är ju som sagt inte där med el till 100 % och vissa marknader är inte redo för att sälja detta i stor volym.

- Hur tror du det hade uppfattats av kunden om ni fortsatt med Golf Electric och liknande och hur tror du deras bild av ert varumärke hade påverkats i så fall?

Vi har ju redan haft E-golf och den har ju varit en av de mer populära elbilarna på marknaden men det var ju aldrig några stora volymer och den var aldrig så billig heller så det är klart att kostnaden spelar en viss roll och räckvidden också. Den började med en räckvidd på 19 mil och klättrade upp till 30 mil, men det är ju fortfarande klart lägre än vad ID. har. Men det finns ett stort intresse för E-Golfen och begagnade E-golfar och det är en väldigt välbyggd och bra bil. Men jag tror inte det hade varit lika tydligt om vi hade döpt om eller använd samma modellnamn på allting och gjort om allt till El. Det är mycket lättare för oss att markera en nystart genom att ta fram ID.. Vi var ju tydliga från början med att vi pratade om ID., sen visste man ju inte vad modellerna skulle heta när dom lanserades och det spekulerades väldigt mycket i det men dom fick ju faktiskt namnet ID. och en siffra efter eller Buzz, som är en annan typ av bil.

- Vad finns det mer för för- och nackdelar med den strategin ni har valt med ID-serien?

Svårt att säga, jag tycker att det är framförallt fördelar egentligen. Vi har kunnat vara tydliga, vi har pratat om en elbilsfamilj, inte bara en modell, man har förstått att här kommer fler olika versioner att komma som går att bygga vidare på för när ID. 3 kom så står trea i bilbranschen för mellanklassbil och då kan man ju tänka sig att om det kommer en 4a, vilket det då gjorde, så kommer det vara en större bil och en tvåa vara en mindre bil och så vidare. Så det har varit ganska lätt för kunderna att förstå. Nackdelar är väl att det är en helt ny modell och det gäller att få in den i folks medvetande, men vi har arbetat ganska hårt runt kommunikationen om dom här modellerna. Och försäljningsmässigt så har det gått bra, både ID. 3 och ID. 4 har varit Sveriges mest sålda elbilar under 2020 och 2021 så det har vi nog lyckats ganska så bra med.

- Du pratade om att ni har uppdaterat logotypen, och lite andra varumärkesstrategier nu när ni går över till elbilar, men vad skulle du säga är fördelarna med Volkswagens historia? Vad från Volkswagens brandinghistoria tar ni med er in i det här skiftet?

Det är väl just att vi inte ska vara Tesla, vi ska vara folket elbil. När ID. 3 lanserades så pratade man innan om vad den skulle komma att kosta, det var mycket spekulationer. Sen är det klart att det blev ju inte en billig elbil men det blev en prismässigt överkomlig elbil för många och vi pratade om det här att ta fram en bil för 20 000 euro och att göra en liten elbil är också något som är prioriterat. Men jag tror just det att man ändå vet att Volkswagen står för kvalitet och funktionalitet. Det är ju ändå något som varit känt om våra bilar under en lång tid. Sen ska man ju inte heller glömma bort att vi har ett väl etablerat återförsäljarnät. Vi har ett bra nätverk som är uppbyggt sen många år när det gäller både verkstäder och försäljning

- Till vilken grad tror du folk tar med sig uppfattningen som dom haft om dom tidigare Volkswagenbilarna in i övergången till elbilar och hur företaget har varit innan?

  Jag har inte alla siffror färskt i huvudet men det finns en del mätningar som är gjorda där man kan se när det gäller våra värden gällande varumärket, så har det tagit speltid i ID. och det som är intressant att se är ju att man mer och mer förknippar VW med att vara en miljömedveten biltillverkare och man förknippar oss med elbilar också vilket är ganska tydligt.

- Vilka strategier har Volkswagen implementerat för varumärket i övergången till el som du tror har varit framgångsrik, och har du också exempel på hur VW varit tvungna att ändra sin varumärkesstrategi under denna övergången?

Svårt att svara på. Men man kan väl säga att det verkar som att intresset för online försäljning verkar vara större kring elbilar och vi har ju satsat mer och mer på det att erbjuda dom möjligheterna. Vi jobbar ju också med nya affärsmodeller med våra återförsäljare och vi tittar på mer agentlösningar och sånt där.

- Vad tror du kommer att vara viktigt att fokusera på i framtidens varumärkesbyggande för elfordonsföretag, både för ditt företag och branschen i stort?

Jag tror att vi till viss del redan har börjat med det. Jag tror att det är viktigt att man inte bara säger att här har vi en elbil och den går på el och den släpper inte ut nånting, men det som är viktigt är att ta ansvar för hela kedjan och det är nått som vi gjorde ganska tidigt och vi säger ju då att ID. bilarna är 100% Co2 neutrala och är certifierade på det sättet också genom tredjeparts och där handlar det om att ställa krav på underleverantörer att produktionen görs på förnyelsebar energi, vilket det då görs då för till exempel batteriet som produceras på det sättet. I vår egen fabrik så är det förnybar energi som gäller, vi erbjuder elavtal till kunderna för det är ju en stor påverkan hur man laddar. I Sverige har vi mycket förnybar energi och vi har ett samarbete med Jämtkraft där man kan köpa el-andelar för att utöka mängden förnybar energi i nätet och man jobbar med det på global nivå genom också genom dotterbolaget Eli och sen handlar det om hur vi ska ta hand om batterierna här har vi flera samarbeten på gång kring att använda batterierna som lagringsstationer. Eller att dom återvinns till stora delar och det finns mycket i dom som man kan återanvända till nya batterier och det vi inte kan ta bort helt då handlar det om kompensation, klimatkompensation, så att det här är något vi jobbar mycket med för att det är viktigt och jag tror man kommer ställa mer och mer krav runt det här och man vill veta att det är schysst det som man köper. Även ansvarsfullt tankesätt kring det här och då har Volkswagen gått in flera olika samarbeten som jobbar för att det ska vara bra arbetsförhållanden.

8.1.2 Polestar

8.1.2.1 Polestar Interview Guide

1. Vill du berätta lite fritt om dina tankar om denna övergångsperiod från ICE till el inom branschen och vad den betyder ur ett varumärkesperspektiv i stort?
2. Vilka har varit era främsta varumärkes utmaningar, både internt men också ur ett marknads-/ industriperspektiv?
    a. Vad av detta är unikt för Polestar och vad är generellt för branschen?
3. Vad anser du vara särskilda styrkor ur ett varumärkesperspektiv för Polestar givet att ni är “electric-born”?
    a. Polestar 2 är er nuvarande modell och ni har hintat om kommande Polestar 3, Polestar 4, osv. Vad är tanken bakom en så straight-forward strategi där ni inte skapar dedikerade sub-brands för olika kategorier av bilar? (då tänker jag på “legacy” varumärken såsom Volkswagen’s: Polo, Porsche’s: Cayenne, Seat’s: Ibiza, osv)
    b. Ni har ett starkt online-fokus i en ny framväxande modell med att endast sälja bilar via er hemsida och att ha showrooms i storstäder. Detta till skillnad från den traditionella återförsäljarmodellen. Vad är varumärkesstrategin kring detta och vilka styrkor ser ni ur ett varumärkesperspektiv med denna modell?
    c. Har kopplingen till Volvo och deras varumärkeshistoria påverkat er varumärkesstrategi i något avseende?
        i. Hur mycket har er koppling påverkat allmänhetens uppfattning om er idag?
        ii. Är denna koppling fördelaktig eller ett hinder för er varumärkesstrategi?
    d. Hur har Polestars historia av Performance-fokus påverkat er nuvarande strategi sedan ni börjat tillverka egna bilmodeller?
        i. Varför valde man att använda Polestar-företaget/-varumärket när man skulle ta fram Polestar One istället för att starta nytt företag eller ändra varumärke? (Med tanke på den historiska kopplingen med Polestar som uppgraderingspaket till Volvo-bilar)
4. Vilka strategier har Polestar implementerat för varumärket som du tror har varit särskilt framgångsrika, och har du också exempel på hur Polestar varit tvungna att ändra sin varumärkesstrategi under tiden sen ni lanserade?
    a. Varför? Hur? När? Utveckla gärna!

b. Om ni skulle ha gjort allt igen, finns det något du tror ni skulle ha gjort annorlunda?

5. Vad tror du kommer att vara viktigt att fokusera på i framtidens varumärkesbyggande för elfordonsföretag, både för ditt företag och branschen i stort?

   a. Varför?

   b. Hur kommer ni att tackla detta?

8.1.2.2 Polestar Interview Transcript

Interview with NAME, Business Assistant to the CEO of Polestar.

- Vill du berätta lite fritt om dina tankar om denna övergångsperiod från ICE till el inom branschen och vad den betyder ur ett varumärkesperspektiv i stort?

Det är ganska klassiskt, när alla paradigmskiften sker så finns det alltid tillfälle för nya bolag att slå sig fram, det har varit en väldigt statisk bransch bilbranschen fram tills typ Tesla. Det har varit nästan omöjligt att starta ett nytt bilmärke och när det sker ett paradigmskifte så är det många som passar på att starta nya varumärken. Det finns ju dels en teknikdriven sida i det att man faktiskt inte har en teknisk fördel eller sina stordriftsfördelar när man byter teknik såsom till eldrift. Det är också ofta så att varumärkets trovärdighet ofta beror på en viss typ av teknik, lite beroende vad det är för varumärke, det är inte nödvändigtvis jättelätt att brygga över det, det var ganska lätt att inom en ny nisch slå sig in. Ta till exempel smartphones, det är ju inte samma företag som gör smartphones som gjorde gamla Nokias och Erikson. Det är i grund och botten samma produkt men paradigmskiftet gör att aktörer kan slå sig in och totalt dominera på bara några år. Det finns ju alltid möjligheter i de här skiftena. Bilbranschen är svår för det är en väldig komplex industri tillverkningsmässigt sett, och det ser man nu på många av de här nya bilmärkena som dyker att at det är ganska lätt att komma in och bygga upp ett varumärke som känns väldigt premium eller modernt. Just nu är det vi och så är det Xiaopeng från kina, Nio och Lucid och Rivion från USA som är dom största nya aktörerna som tagit plats. Det är väldigt lätt att bygga ett varumärke som känns hypeat och kanske till viss del även tekniskt sett går det att skapa en viss teknisk höjd jämfört med traditionella företag som nånstans också samtidigt måste sköta sin gamla affär. Men när det kommer till skalbarheten så är det lite oklart just nu, det är svårt att säga hur dom här varumärkena kommer klara sig och överleva för dom kanske kan få en trovärdighet på den tekniska delen men det är när dom ska börja skala upp och leverera det här till kund som dom kan tappa. Ett perspektiv är också väldigt viktigt att ha med här är hur mycket kommunikation sker mot kund och hur mycket mot kapitalmarknaderna? För det när det kommer till Lucid och Rivion så skulle jag vilja hävda att det handlar mer om kapitalmarknaderna än kund i det här skedet för dom är prescale, dom har knappt börjat bygga bilar ännu, dom gör ett varumärke som känns coolt och så vidare men det handlar mer

om att samla på sig kapital och få aktiekursen att sticka mer än att sälja många bilar just nu. Så där finns det en intressant aspekt att reflektera över lite tror jag. Vad är varumärkena skapta för att göra. Vilka attribut är det dom jagar, är det för att vara attraktiva för kunder eller är det för att vara attraktiva som investeringsobjekt?

- Vilka har varit era främsta varumärkes utmaningar, både internt men också ur ett marknads-/ industriperspektiv?

Den största utmaningen är ju dels brand awareness, en stor faktor för en bil är ju inte en nischprodukt, hur nischad man än är. För att överleva som bilmärke så måste du få upp ganska rejäla volymer. Det innebär att man måste ha en brand awareness som befinner sig nånstans på 30% för att folk ska känna igen ditt varumärke så du kan överleva. Det tar tid att bygga upp det, hur stora kampanjer man än gör så tar det ganska lång tid att bygga det. Så det är ju en utmaning för de nya att snabbt skala upp sitt varumärke till en nivå för att deras massproduktion ska bli hållbar. Där har vi en jättestor fördel gentemot Lucid och Rivion genom att vi jobbar så tätt ihop med Volvo och Geely när det kommer till produktionsinfrastruktur vilket ger en mycket större flexibilitet. Det är svettigt för dom andra att faktiskt skala till den nivån. Sen kommer nästa grej att få trovärdigheten, för bilar är det som ofta är den nästa största investeringen som folk gör efter bostad och det krävs väldigt mycket trovärdighet för att folka ska gå över till något nytt och lägga mer eller mindre en halv miljon.

Vi jobbar väldigt mycket med det att vi är inte bara ett elbilsföretag utan vi har en identitet utöver det som folk är attraherade av för det är inte många år bort innan elbil är en hygienfaktor. Där kommer väl nästa aspekt in då att det är viktigt för dom här nya företagen att inte bara bygga sin identitet på att dom är en elbil men att dom attraherar på så många fler plan för om fem år så kommer det finnas så många elbilsalternativ där ute och också av varumärken som har andra starka identiteter som har tillräckligt teknisk höjd för att dom ska vara bra alternativ, så det här att vara elektrisk kommer inte attrahera någon längre. Det är en jätteutmaning för dom nya. Ta BMW till exempel, folk kommer vilja köpa en BMW för att det är en BMW inte för att det är en elektrisk BMW om 10 år. Frågan är om Xiaopeng kommer lyckas med det för det är en väldigt viktig aspekt skulle jag säga.

- Du pratade lite om trovärdigheten, hur har Polestar jobbat med att bygga den trovärdigheten?

Vi har ett ledord som är transparens, som är väldigt, väldigt viktigt och vi pratar mycket om sustainability och inte bara genom elbilar utan hela värdekedjan, materialen vi använder hur vi återvinner bilarna och vi var ju första varumärket som ihop med Volvo gjorde en LCA, life cycle analysis, publikation där vi egentligen är extremt transparenta. Det här är environmental cost för våra produkter och det är såhär vi jobbar med att adressera det och vi gör offentliga rapporter och

följer upp och vi är väldigt öppna i vår kommunikation med kunder när det är kvalitetsbrister. Sen finns det givetvis nån typ av begränsning hur öppen man kan vara, det kan va juridiska skäl till att man inte får lov att kommunicera hur som helst och särskilt nu när vi befinner oss i en listningsprocess så är det väldigt känsligt vilken information man delar och vilka kanaler man använder. Men vi jobbar extremt mycket med transparens just för att anses vara trovärdiga. Sen har vi en annan fördel genom att vi även om vi är ett fristående varumärke ändå har en stark koppling till Volvo som vi kan utnyttja när vi vill Volvo är ju ett väldigt starkt varumärke när det kommer till säkerhet och hållbarhet. Det är vi ganska öppna med att våran säkerhet kommer från Volvo och vi testar i Volvos anläggningar så vi är på Volvos nivå. Så vi har ju nånstans lite tur att man kan ta russinen ur kakan som inte så många andra kan. Så det skulle man kunna likna med Porsche i Volkswagengruppen att vi är lite mer premium än vad Volvo är. Vi kan ta russinen ur kakan ur den tekniken som finns i den gruppen där det behövs enorma R&D investeringar som ett litet bolag normalt inte kan göra för att uppnå den här stabiliteten och tryggheten som ett startup inte klarar av. Det handlar nog mycket om att kommunicera det transparant. Så för att sammanfatta det är det nog transparens som gäller.

Kunder är lite olika, antingen känner dom inte till kopplingen till Volvo över huvud taget, i Sverige känner väl alla till det mer eller mindre, men så fort du kommer utanför Sverige och Skandinavien så börjar det bli lite mer otydligt för folk. I vår kundkommunikation kommunicerar vi inte ut att detta är safety by Volvo, utan det är nånstans något man får läsa mellan raderna genom att man är inne i vår konfigurator, lyssnar på intervjuer eller tidningsartiklar. Det kräver ju nånstans en lite mer medveten kund men än så länge är vi så pass nischade att vi har en så pass nischad kundgrupp. Det är också en avvägning hur nära man vill gå med volvokopplingen för det riskerar ju också att man bakas ihop med Volvo på ett sätt som man inte vill. Men än så länge går det bra.

- Den volvokopplingen är vi också intresserade av, hur ni ser på den och vad ni finner för styrkor i det.

För att sammanfatta det så tror jag det är stabilitet och trovärdighet.

- Polestar 2 är er nuvarande modell och ni har hintat om kommande Polestar 3, Polestar 4, osv. Vad är tanken bakom en så straightforward strategi där ni inte skapar dedikerade sub-brands för olika kategorier av bilar? då tänker jag på “legacy” varumärken såsom Volkswagen’s Polo, Porsche´´ Cayenne, Seat’s: Ibiza, osv

Det handlar nog mycket om en minimalistisk approach. Ni får ta det med en nypa salt, men så mycket som jag har förstått det är det att vi vet att vi har en intelligent kund, dom vet skillnaden mellan en Polestar 2 och en Polestar 3 om dom har sett dom en gång, dom förstår ändå och det finns

en hel del minimalism i kommunikationen som härrör till det också skulle jag säga, men exakt hur den processen gick till och hur dom besluten togs var innan jag började

- Man ser ofta det som en gemensam nämnare mellan de nyare elektriska företagen att alla kör på en ganska enkel struktur jämfört med legacy-märkena som ofta har en komplex och rörig branding strategi

Det finns ju fördelar med den här blank slate strategin att man börjar. En Volkswagen kund vet ju vad en Passat är, det är ju ett problem som Volkswagen står inför nu, att i en ID. 4 är det en Passat eller är det en Golf? Dom vet inte och dom har vant sig en tanke och det är svårt att byta. Vi börjar ju bara med något nytt från början och vänjer in våra kunder i klassificeringen så det är nog bara av hävd som dom kör sitt gamla sätt. Det är en gammal trend, vi gå på en ny trend. Det finns inget rätt eller fel utan det är mer bara att det finns en vana och tradition i branschen att så. Och nu får man möjlighet att testa något nytt och det är egentligen bara ytterligare en markör för att det inte är en gammal biltillverkare. Sen finns förvisso Lucy som har Air, Den liknar snarare en 50-tals amerikansk bil när det kommer till brandingen. Den är lite chormeig och så där och den liknar ganska mycket the haydays… lyxiga 50- 60-talsbilar i USA. Hela deras grej är ju California heydays, hollywoods glansdagar, 40- 50- 60-talet.

- Ni har ett starkt online-fokus i en ny framväxande modell med att endast sälja bilar via er hemsida och att ha showrooms i storstäder. Detta till skillnad från den traditionella återförsäljarmodellen. Vad är varumärkesstrategin kring detta och vilka styrkor ser ni ur ett varumärkesperspektiv med denna modell?

Det finns ju några aspekter där. En stor faktor är… vi är noggranna med att det är en premiumupplevelse och det är svårt när du decentraliserar ut upplevelsen till bilhandlare och när vi samlar hela kundupplevelsen till en digital kundresa. Dels är det en väldig modern approach där det finns faktorer som gör att vi har kontroll på kundresan hela vägen, inte bara varumärkesmässigt sett, men även transaktionsmässigt sett och kunna övervaka och förstå och analysera vad som händer i en kundprocess. Men det handlar mycket om att ha kontroll över att det blir en bra kundresa hela vägen som är konsekvent. För det blir lätt så annars om man ska köpa en Mercedes till exempel som är ett premiumvarumärke, att man går in på hemsidan och får en upplevelse och sen åker du till en bilhandlare som är Hasses bil i Småland någonstans och så har om en.. där dör hel kundresan för kunden och dom tappar den konsekventa approachen och brandet som man vill interagera med hela vägen och det är klart att det funkar ju i ett läge som för Mercedes som har ett så starkt varumärke från början men för oss som vill positionera oss så pass högt redan från början så är det jätteviktigt att vara konsekventa och äga hela resan det är en stor faktor till online approachen. Sen finns det en annan aspekt som många inte riktigt tänker på för det är inte särskilt premium att stå hos en

bilhandlare och pruta, det är inte en premiumupplevelse och vi riktar oss inte till människor som behöver vända på.. De flesta i vår målgrupp tycker det är skönt att slippa pruta. Dom vill ha en jätteenkel professionell transaktion där dom säger det här är vad jag vill ha, dom får bra hjälp, det känns som en lyxig upplevelse, en modern upplevelse och dom vet också en annan aspekt med trovärdigheten, och det här är faktiskt en grej som är lite underskattad hos folk tror jag, att inte kunna pruta ger faktiskt en väldigt mycket trovärdighet, för alla får samma pris. För det vanligaste när man går in och köper en bil är inte nödvändigtvis att man måste spara dom där 20 000 man kan få ner eller slänga på dom där vinterdäcken, det är att man har gjort en bra deal så att man inte blir blåst och att nästa person som kommer in fick 10 000 billigare för då blir man missnöjd. Man är väldigt tydlig med att alla får exakt samma pris, det görs inga undantag, och det gör det verkligen inte. Det är en del av premiumupplevelsen att slippa den… Det finns en anledning till att bilhandlare är lite.. Den aspekten av det ska försvinna, det är väldigt viktigt för oss när vi kör onlineresean. Sen ställer det andra krav på våran kundtjänst och dom som jobbar i våra butiker, spaces som dom kallas, att dom klarar av att hjälpa [kunden] i det ekosystemet som vi har byggt, för det är ju svårare att hitta en person att interagera med som hjälper till så där lägger vi jättemycket fokus på att ha en väldigt bra kundtjänst, väldigt välutbildade människor som sitter där och det läggs jättestort fokus på att göra det bra, och det går bra på dom aspekterna men det kräver mer jobb där än för andra varumärken skulle jag säga med den modellen vi har valt.

- Hur har Polestars historia av Performance-fokus påverkat er nuvarande strategi sedan ni börjat tillverka egna bilmodeller? Varför valde man att använda Polestar-företaget/-varumärket när man skulle ta fram Polestar One istället för att starta nytt företag eller ändra varumärke? Med tanke på den historiska kopplingen med Polestar som uppgraderingspaket till Volvo-bilar.

Polestar är ett performance märke. Men det är svårt, man kommer ut och säger att man är ett performance märke, men så är vi inte snabbast 0-100 och vi har inte högst topphastighet. Men det kommer tillbaka till att vi har väldigt duktiga ingenjörer som är riktigt riktigt säkra på det dom gör. Det finns många andra, som till exempel de kinesiska start upsen, som för någon som inte är så bilintresserad så tror man det är högre prestanda på dom bilarna, dom är snabbare 0-100 och det är inget snack, dom är det för dom har valt att optimera sina bilar på det sättet. medans vi, jag skulle säga att vi är bäst i branschen på att göra en väldigt bra performance helhetsupplevelse där det handlar om att det känns som att det är väldigt kul att köra, väldigt fort, väldigt bra att göra det. Det var lite svårt i början med performance för där kopplade folk det till Volvo och det här har vi jobbat ganska hårt med att profilera oss, vad är performance hur definierar vi performance och hur jobbar vi med det och hur upplevs det? Det har skett ganska mycket det senaste året där i all ärlighet. Det är [ohörbart, om en person] vehicle dynamics som är gammal svensk rallymästare som är jätteduktig, jättecharmig, pratar jättebred svensk dialekt och möter motorjournalister runt om i

världen och skrämmer slag på dem och visar att det här är riktigt, riktigt bra bilar, väldigt välgjorda. Det nånstans börjar sippra ut hos folk att det är, jag ska säga inom den kundkretsen som bryr sig det är också en liten krets som bryr sig så mycket som köper en, dom flesta som köper en Porsche vet det är en lyxbil, en snabb bil , så det har varit lite utmanande ändå för där är kopplingen starkare till Volvo än vad den var till performance sidan, men där har vi egentligen senaste året lyckats väldigt väl känner jag. Jag upplever en stor skillnad.

- Hur har ni förvaltat det föregående ur performance bakgrunden och tagit det med in när ni blev ett eget varumärke?

Det kommer ju ur den varumärkesstoryn vi berättar så är det tydligt att det här var ett racingstall från början, så det är ju det som är arvet här. Dom människorna som har varit här allra längst så är det ju racingentusiaster som har vunnit STCC och har varit väldigt duktiga i sånt som European Tour, Championship och så vidare, så det finns ett bra motorsportsarv här i huset och det är inget vi tvekar på att prata om liksom. Men om man tittar på ordningen man brukar göra, för dom flesta varumärkena när man ska positionera sig går ju in med en väldigt dyr bil till en början. Tesla började med sin Roadster sen kom model S, Lucy går in med sin top of the line Air, Rivian går in med en dyr SUV så det gör folk när man ska positionera sig från början. Vi gjorde också det med Polestar 1 då som den heter som var en bil för 1.6 miljoner ungefär som vi bara gjorde några hundra exemplar av. Men egentligen den stora produkten som folk känner till från Polestar är polestar 2 som är instegsmodellen från oss som är den billigaste Polestaren och som kommer fortsätta vara det. Så där har ju vi haft en annan utmaning än många när det kommer till att bygga den här trovärdigheten, performance... Att vi är ett premiummärke med performance arv. Så det som Polestar gjorde på ett annat sätt än många andra är.. Känner ni till va Precept är? Det är egentligen en konceptbil som släpptes för nästan två år sen nu och som ganska snart efteråt så gick vi ut och sa att den här kommer vi bygga, det blir Polestar 5 liksom. Det är som en Porsche Panamera ungefär fast elektrisk. Där har ju vi varit tydliga med att vi haft kommunikation kontinuerligt där vi dokumenterar utvecklingsprocessen, pratar med ingenjörerna bakom och förklarar liksom att det här är en riktigt extrem sportbil som kommer börja säljas, nu ska jag bara tänka så jag inte säger fel, 2024 är det den kommer. Och där har vi liksom använt det som en varumärkesbyggare att det här är riktningen framåt, den här extrema sportbilar med det här designspråket sen hintar vi hela vägen framåt med att Polestar 3 kommer se lite mer ut såhär än Polestar 2, 4 lite mer ut såhär också så vi går i den här riktningar. Så där satte man nånstans att det här är varumärket, det är hit vi är påväg, snarare än att börja i änden med att vi släpper något som är en premiumprodukt på en gång. Vi jobbar snarare volym från början med visionen här borta som vi jobbar jättemycket med varumärkesbyggande. Det funkar ganska bra, bättre än jag hade räknat med. Där har vi ju också i den här kommunikationen varit väldigt tydliga med att vi dels har performance utifrån Polestar

sidan , det gamla polestar, sen har vi också McLarens gamla R&D chef som är chef för[ohörbart] Engineering sitter som är ett par hundra ingenjörer som är formula 1 ingenjörer från McLarens, Lotus, Aston Martin och alla dom här märkena som sköter utvecklingen av vår sportbilsprodukter, så det är vi ganska tydliga med i kommunikationen också. Det är inte helt okomplext det där, jag skulle nog säga att den stora skillnaden är hur vi har gjort med presetet som man sätter. Man sätter nånstans en vision som kommer om några år och visar hur vi bygger mot den snarare än att släppa någonting idag som är liksom det färdiga. Det gör ju också att det helt enkelt skulle kosta enormt mycket pengar och ta väldigt mycket tid att släppa en sån bil och sen bara vänta på att släppa den, då tappar man det här initiativet vi har nu. Möjligheten att bygga ett varumärke nu innan elbilar finns överallt. Det fönstret kommer vara slut om några år och då gäller det för oss att vi har etablerat oss som ett attraktivt varumärke.

- Vilka strategier har Polestar implementerat för varumärket som du tror har varit särskilt framgångsrika, och har du också exempel på hur Polestar varit tvungna att ändra sin varumärkesstrategi under tiden sen ni lanserades?

Alltså dom exemplen jag kan ge då på, dels extremt minimalistisk kommunikation, man förutsätter att kunden är intelligent, det finns inga såna här köp den här bilen den kostar så här mycket här är alla siffror liksom utan det är väldigt minimalistisk kommunikation som är väldigt produktorienterad. Om ni tittar på det, vi har aldrig några reklamer med den klassiska lyckliga familjen utanför det fina huset med golden retrievern liksom, Det är produkten vi kommunicerar och det är väldigt ovanligt i bilbranschen. Nästan alla har det här livsstils brandkonceptet, och det går vi rakt emot så det är verkligen produktorienterad kommunikation. Det har varit framgångsrikt skulle jag säga. Sen transparensbiten, har varit väldigt uppskattad också och det har vi... Vi har en förmåga att call out konkurrenterna när om inte är så transparenta också. Det blir blandade reaktioner, man får ju uppmärksamhet iallafall.

- Ja jag tänker på Superbowl reklamen…

Ja den va ju också den utav super Bowl reklamera överlag så var det den som var näst mest googlesökningar och sånt, Spike i googlesökningar utav alla varumärkena och överlägset mest av bilmärkena, helt överlägset. Det är klart att det också var väldigt många människor som var upprörda liksom, varför gnäller ni på Tesla och så vidare och så vidare. Men man får ju uppmärksamhet iallafall. Nej så det har väl varit dom aspekterna. Men sen sker det lokala anpassningar, jag tror att i början var det väldigt mycket så One size fits all globalt. Och där är det ganska tydligt att vi primärt gjort anpassningar av av varumärkesstrategin i Kina. För att det helt enkelt ställs helt andra krav och vad anses vara premium. Så där har det skett en hel del

anpassningar, det har funkat bra konceptet i Europa och USA men just Asien har vi gjort en del anpassningar av konceptet för att lokala passa och det var inte tanken från början.

- Vad tror du kommer att vara viktigt att fokusera på i framtidens varumärkesbyggande för elFordonsföretag, både för ditt företag och branschen i stort?

Man måste få ut tillräckligt många bilar på gatan för att folk ska ta en på allvar. Det är faktiskt så att det finns en.. det beror lite på hur stor marknaden är men man brukar säga att i Europa, har du 20-30000 bilar på gatan så syns du och folk börjar känna igen din bil. Och det finns ju olika siffror på delstater i USA och kina också, jag kan dom inte på rak arm men det är gamla tumregler man använder i branschen Det är ganska viktigt för bolagen att skala upp så pass snabbt så dom inte faller i glömska som någonting som var en kul idé liksom. Sen tror jag det gör att man bygger trovärdighet i att man har bra kvalitet, en bra kundupplevelse, och just att ha... För jag tror verkligen på det här med transparensen.

8.2 SALES FIGURES

Electric vehicle sales															
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
BMW						0	1477	16052	24057	25500*[4]	31482	37347	39501	44535	103855
Ford (US + Europe)*[1]													0	3	50564
GM*[2]									0	579	27917	27978	27183	29279	28023
Mercedes*[3]												0	18400	48700	99000
Peugeot															
Polestar*[7]													0	9775	28000
Tesla	0	120*[6]	817*[6]	500*[6]	800*[6]	3100	22477	35000	50000	76230	101312	245240	367500	499550	936172
Toyota*[8]															
Volkswagen*[9]										0	5000	24800	35000	134000	163000
Volvo													0	4659	25727

Only fully electric vehicles with an officially tested range at or above 200km according to the WLTP, NEDC, or EPA between the years 2007 through 2021 are accounted.

*1 Ford reports sales for regions individually. Only negligible EV-sales outside of the US and European markets were made during the period and is thus excluded.

*2 Opel Ampera-e is included because it is produced by GM in Detroit, despite OPEL/Vauxhall being taken over from GM by the PSA-group in 2017.

*3 Daimler only provides approximate numbers for EV-sales. For 2019 Daimler only provided approximate numbers for EV-sales figures of the all-electric smart models, any EQ-model sales are therefore assumed negligible and not included in 2019 EV-sales numbers.

*4 Estimation. BMW did not report EV-sales figures for 2016.

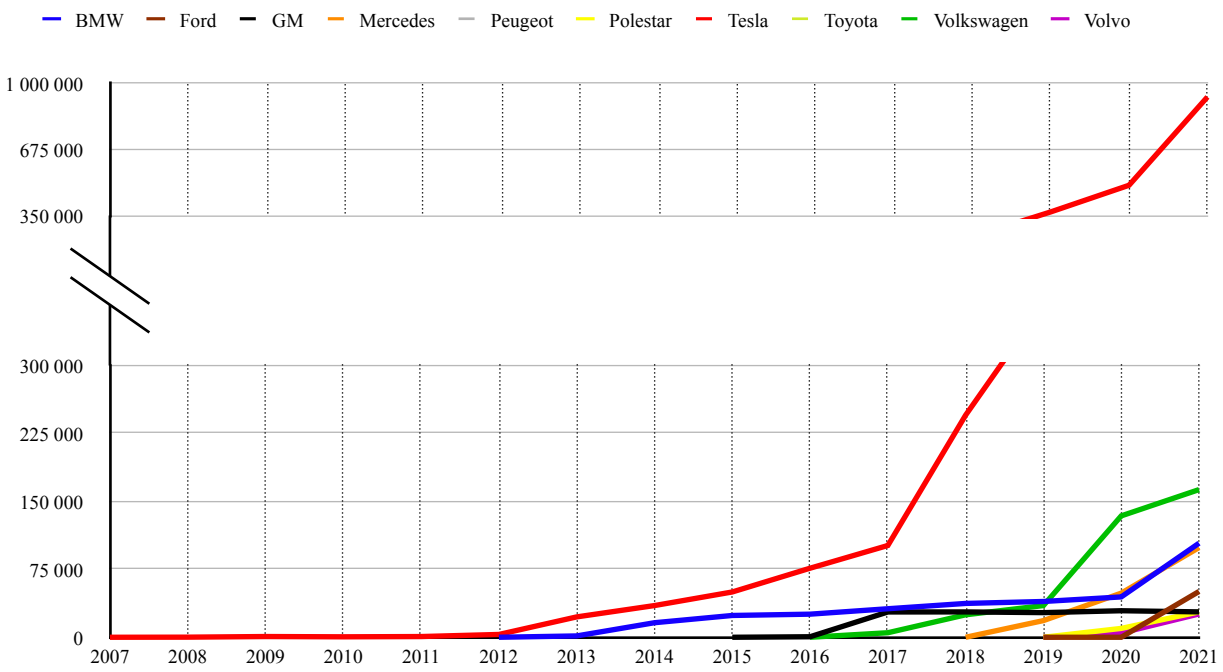
*5 Estimation. Ford did not report EV-sales figures for 2020.

*6 Estimation. Tesla did not report exact sales figures for 2008-2011.

*7 Polestar has only released a rough figure for its total global deliveries in 2020 and 2021 and do not specify how many of those are the hybrid-electric Polestar 1. They have stated that they intend to produce a total of 1500 Polestar 1 from 2020 through 2022. 400 units are therefore subtracted in 2020 and 1000 units are subtracted in 2021.

*8 Toyota has not delivered any fully-electric vehicle with a range at or above 200km. So far, the closest is the Toyota RAV4 EV which had a range of 166km. Toyota is planning electric vehicles with higher ranges but has yet to start production.

*9 Volkswagens first electric vehicle with more than 200km range was the 2017 model year e-golf. Previous model years were below 200km of range. Therefore, the e-golf is only accounted for in this table from 2017 onward. Volkswagens only other electric vehicles that achieve a range at or above 200km are the ID.3 and ID.4, they are therefore combined with the e-golf (2017-).


BMW
Ford
GM
Mercedes
Peugeot
Polestar
Tesla
Toyota
Volkswagen
Volvo
1 000 000
675 000
350 000
300 000
225 000
150 000
75 000
0
2007
2008
2009
2010
2011
2012
2013
2014
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2016
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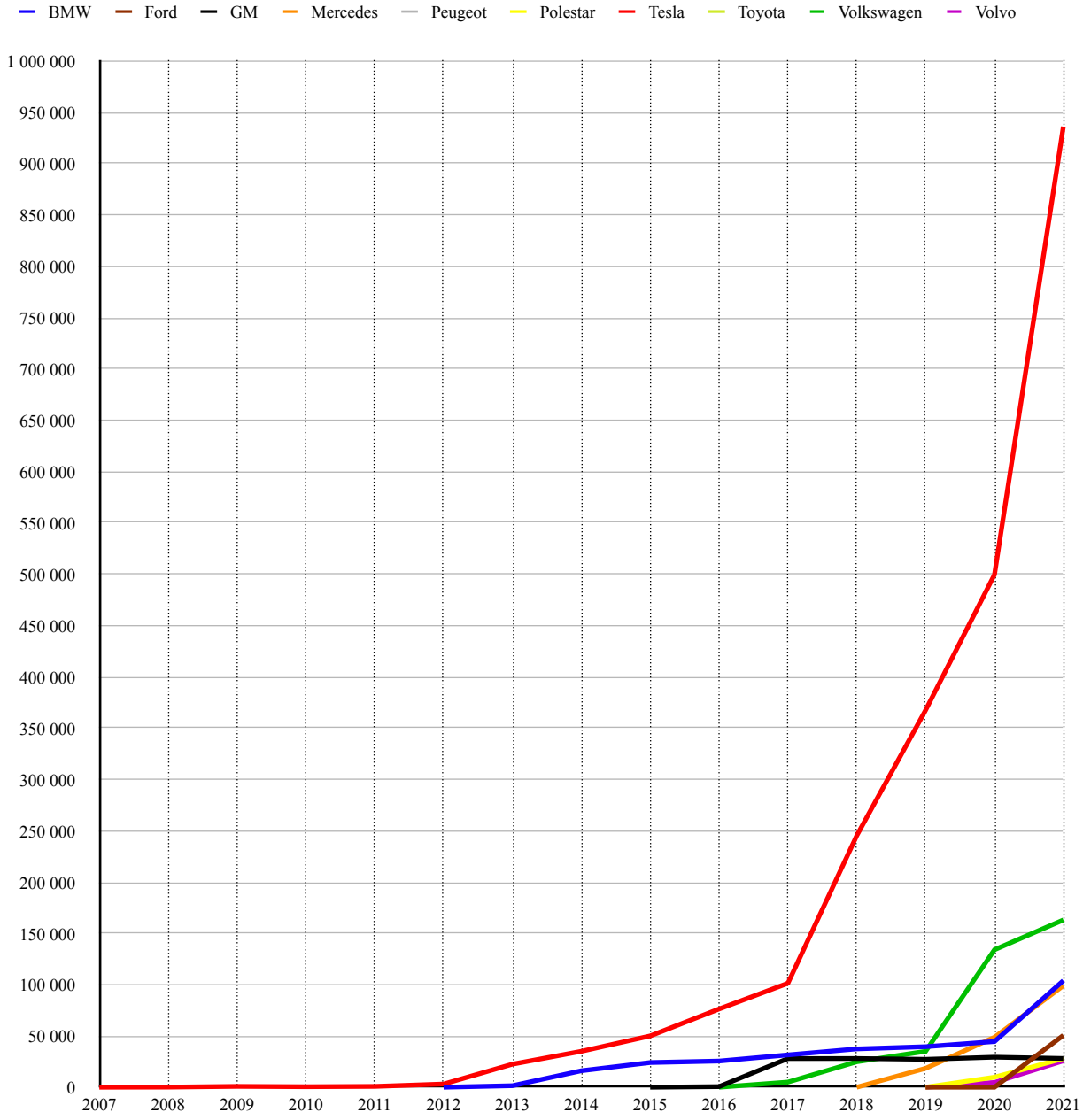
2018
2019
2020
2021


BMW
Ford
GM
Mercedes
Peugeot
Polestar
Tesla
Toyota
Volkswagen
Volvo
1 000 000
950 000
900 000
850 000
800 000
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100 000
50 000
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2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021

Electric Vehicle Sales - Sources (2007-2014)								
	2007	2008	2009	2010	2011	2012	2013	2014
BMW							Mat Gasnier (19 July 2014). "World Full Year 2013: Discover the Top 1000 best-selling models!". Best Selling Vehicles Blog. Retrieved 27 July 2014. *A total of 1,477 i3s were registered in 2013. Includes press fleet vehicles and dealer demonstrators.*	https://www.press.bmwgroup.com/global/article/detail/T0199942EN/bmw-group-sells-more-than-2-million-vehicles-in-2014
Ford								
GM								
Mercedes								
Peugeot								
Polestar								
Tesla		https://ir.tesla.com/press-release/tesla-takes-more-500-model-s-reservations-week	https://www.sec.gov/Archives/edgar/data/1318605/000119312510017054/ds1.htm#toc51863_2	https://ir.tesla.com/press-release/tesla-motors-reports-fourth-quarter-and-full-year-2010-results	https://www.sec.gov/Archives/edgar/data/1318605/000119312512063402/d299083dex991.htm	https://tesla-cdn.thron.com/static/P8DUMV_Q4_12_SHL_022013_final_QUVRKE.pdf	https://tesla-cdn.thron.com/static/U1JKKT_Q4_13_Shareholder_Letter_X17ERD.pdf	https://tesla-cdn.thron.com/static/GW22JM_Q4_14_Shareholder_Letter_Final_VM8409.pdf
Toyota								
Volkswagen								
Volvo								

Electric Vehicle Sales - Sources (2015-2021, BMW and Ford)							
	2015	2016	2017	2018	2019	2020	2021
BMW	https://www.press.bmwgroup.com/global/article/detail/T0249765EN/bmw-group-achieves-fifth-consecutive-record-sales-year	Rough market expert estimation. https://www.gm-volt.com/threads/tesla-model-s-is-world's-best-selling-plug-in-car-for-second-year-in-a-row.338149/	https://www.press.bmwgroup.com/latin-america-caribbean/article/detail/T0278223EN/record-sales-for-bmw-group-worldwide-during-2017-while-it-boosts-the-premium-car-market-in-mexico-latin-america-and-the-caribbean?language=en	https://www.press.bmwgroup.com/deutschland/article/detail/T0306824DE/bmw-group-geschaeftsbericht-2019 Page 68	https://www.press.bmwgroup.com/deutschland/article/detail/T0306824DE/bmw-group-geschaeftsbericht-2019 Page 68	Estimation. Calculated backwards from 2021 sales figures. BEV sales rose by 133.2% in 2021 compared to 2020. Same source as 2021 figure.	https://www.press.bmwgroup.com/global/article/detail/T0364013EN/electro-offensive-and-number-one-in-premium-segment:-bmw-group-posts-strong-sales-for-2021?language=en
Ford						https://www.goodcarbadcar.net/Ford-mustang-mach-e-sales-figures/	US: 27140 https://media.Ford.com/content/dam/Fordmedia/North%20America/US/2022/01/05/Ford-2021-sales-dec.pdf Europe: 23424 https://media.Ford.com/content/dam/Fordmedia/Europe/en/2022/01/Sales/FoE%20Q4%20sales%20tables.pdf Globally: >50000 https://techcrunch.com/2021/12/10/Ford-triple-production-capacity-electric-mustang-mach-e/

Electric Vehicle Sales - Sources (2015-2021, GM, Mercedes and Peugeot)							
	2015	2016	2017	2018	2019	2020	2021
GM		https://electrek.co/2017/01/05/gm-579-chevy-bolt-ev-2016/	https://gmauthority.com/blog/gm/chevrolet/bolt-ev/chevrolet-bolt-ev-sales-numbers/ https://carsalesbase.com/europe-opel-ampera-e/	https://gmauthority.com/blog/gm/chevrolet/bolt-ev/chevrolet-bolt-ev-sales-numbers/ https://carsalesbase.com/europe-opel-ampera-e/	https://gmauthority.com/blog/gm/chevrolet/bolt-ev/chevrolet-bolt-ev-sales-numbers/ https://carsalesbase.com/europe-opel-ampera-e/	https://gmauthority.com/blog/gm/chevrolet/bolt-ev/chevrolet-bolt-ev-sales-numbers/ https://carsalesbase.com/europe-opel-ampera-e/	https://gmauthority.com/blog/gm/chevrolet/bolt-ev/chevrolet-bolt-ev-sales-numbers/ https://carsalesbase.com/europe-opel-ampera-e/ https://www.musclecarsandtrucks.com/gmc-hummer-ev-edition-1-sales-2021-vs-rivian/
Mercedes					https://group-media.mercedes-benz.com/marsMediaSite/en/instance/ko/Mercedes-Benz-Cars-triples-global-sales-of-xEVs-and-meets-the-European-CO2-targets-for-passenger-cars-in-2020.xhtml?oid=48594453	https://group-media.mercedes-benz.com/marsMediaSite/en/instance/ko/Mercedes-Benz-Cars-triples-global-sales-of-xEVs-and-meets-the-European-CO2-targets-for-passenger-cars-in-2020.xhtml?oid=48594453	https://group.mercedes-benz.com/company/news/sales-2021.html
Peugeot							

Electric Vehicle Sales - Sources (2015-2021, Polestar)							
	2015	2016	2017	2018	2019	2020	2021
Polestar						Polestar reported exceeding deliveries of 29'000 vehicles in 2021 and stated this was a 185% increase over 2020. This means Polestar delivered roughly 10'175 vehicles in 2020. Polestar 1 is a hybrid-electric vehicle and is therefore to be excluded from this report. Polestar limited total deliveries of the Polestar 1 to 1500 units. It started deliveries of Polestar 1 in 2020. It is therefore estimated they delivered some 400 units in 2020 which are excluded from the roughly 10'175 units in total. https://media.polestar.com/global/en/media/pressreleases/644082 https://www.slashgear.com/the-polestar-1-order-books-are-opening-one-last-time-11658974 https://insideevs.com/news/560140/polestar-sales-2021/	Polestar reported exceeding deliveries of 29'000 vehicles in 2021. Polestar 1 is a hybrid-electric vehicle and is therefore to be excluded from this report. Polestar limited total deliveries of the Polestar 1 to 1500 units. It started deliveries of Polestar 1 in 2020. It is therefore estimated they delivered some 1000 units in 2021 which are excluded from the roughly 29'000 units in total. https://media.polestar.com/global/en/media/pressreleases/644082 https://www.slashgear.com/the-polestar-1-order-books-are-opening-one-last-time-11658974 https://insideevs.com/news/560140/polestar-sales-2021/

Electric Vehicle Sales - Sources (2015-2021, Tesla, Toyota, Volkswagen and Volvo)							
	2015	2016	2017	2018	2019	2020	2021
Tesla	https://tesla-cdn.thron.com/static/RGZBPH_Q4_15_Tesla_Update_Letter_T1MDEM.pdf	https://ir.tesla.com/press-release/tesla-q4-2016-production-and-deliveries	https://ir.tesla.com/press-release/tesla-q4-2017-vehicle-production-and-deliveries	https://ir.tesla.com/press-release/tesla-q4-2018-vehicle-production-deliveries-also-announcing-2000	https://ir.tesla.com/press-release/tesla-q4-2019-vehicle-production-deliveries	https://ir.tesla.com/press-release/tesla-q4-2020-vehicle-production-deliveries	https://ir.tesla.com/press-release/tesla-q4-2021-vehicle-production-deliveries
Toyota							
Volkswagen				https://www.volkswagen-newsroom.com/en/press-releases/volkswagen-delivers-100000th-e-golf-5632	https://www.volkswagen-newsroom.com/en/press-releases/volkswagen-passenger-cars-brings-2019-to-a-successful-close-5720	https://www.volkswagen-newsroom.com/en/press-releases/volkswagen-brand-triples-deliveries-of-all-electric-vehicles-in-2020-6751	https://www.volkswagen-newsroom.com/en/press-releases/volkswagen-doubles-deliveries-of-all-electric-vehicles-in-2021-7702
Volvo						https://www.media.volvocars.com/global/en-gb/media/pressreleases/293359/volvo-cars-records-full-year-sales-growth-sales-of-electrified-cars-grew-more-than-60	https://www.media.volvocars.com/global/en-gb/media/pressreleases/293359/volvo-cars-records-full-year-sales-growth-sales-of-electrified-cars-grew-more-than-60

8.3 LEVEL OF ELECTRIC VEHICLES 2030

Level of fully electric vehicles in 2030	
Mercedes	100 %
Volvo	100 %
Peugeot	70-100% in Europe *
Volkswagen	70 %
BMW	50 %
Ford	40-50 %
GM	40-50 %**
Toyota	15 %

Level of fully electric vehicles in 2030 - Sources	
Mercedes	https://www.nbcnews.com/business/autos/mercedes-benz-go-all-electric-2030-n1274708 https://www.forbes.com/wheels/news/mercedes-benz-all-electric-2030/
Volvo	https://www.media.volvocars.com/global/en-gb/media/pressreleases/277409/volvo-cars-to-be-fully-electric-by-2030
Peugeot	https://www.menandmotors.co.uk/peugeot-ceo-says-the-company-will-become-an-all-electric-brand-in-europe-by-2030/ https://www.autoexpress.co.uk/peugeot/356816/peugeot-go-electric-only-europe-2030 https://europe.autonews.com/automakers/peugeot-become-electric-only-brand-europe-2030-ceo-says
Volkswagen	See interview
BMW	https://www.forbes.com/sites/neilwinton/2020/08/14/bmw-50-electrification-target-for-2030-is-ambitious-but-is-it-achievable/?sh=639f2678201f https://www.cnet.com/roadshow/news/bmw-ev-i4-ix-suv-mini-plans/
Ford	https://media.ford.com/content/fordmedia/fna/us/en/news/2021/08/05/ford-statements-electric-vehicle-sales-white-house.html
GM	https://www.thebharatexpressnews.com/gm-stock-is-a-buy-though-the-company-needs-to-do-more-to-challenge-tesla/
Toyota	https://www.greencarreports.com/news/1132471_toyota-says-it-isn-t-anti-ev-suggests-it-ll-build-more-evs-if-demand-exists https://www.greencarreports.com/news/1132255_toyota-thinks-85-of-its-new-us-vehicles-will-have-tailpipes-in-2030

8.4 MARKETING MATERIAL AND PRESS RELEASES

The marketing material has been organized using Google Drive. Due to the large size of the data gathered, it is not included directly in this appendix. Instead, a link to the folder is provided. The folder is open for anyone with the link to view for a minimum period of one year, ending on the 30th of May 2023 at the earliest.

https://drive.google.com/drive/folders/1paAxWokXMjb4scDzSj_ZCJ0TX0Viqv9B?usp=sharing

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