

PRESS RELEASE

Despite Dieselgate:

German car makers are viable – VW with reservations.

BrandTrust Resilience Index compares brand impact 2015 with 2017.

Nuremberg, September 2017: Contrary to expectations, Germans stand behind the brand Audi.

For VW, it's a different story. The BrandTrust Brand Resilience Index shows how the diesel scandal changes the perception and impact of automotive brands in Germany. 14 selected automotive brands were examined regarding their resilience and sustainability – once in 2015 when the diesel issue began, and once again in the fall of 2017.

Audi No. 1 in the ranking: Impressive brand loyalty

Even suspicions that Audi could be the hotbed of the emissions scandal could not shatter the respondents' trust in the brand. The big surprise: Audi improved in nearly all of the ten examined resilience criteria, including customer relationship with the brand. Audi logged the biggest increases in the indicators price premium (willingness to pay more for this brand) and in significance to society.

Sustainability of the brand VW is seriously questioned

The almost expected total crash of VW was dampened by receding, yet still relatively high marks in customer loyalty. After reaching 5th place in 2015, VW ended up in 8th in 2017 when exactly the same criteria were queried. Criteria relevant to readiness for the future have suffered substantially: Clearly declining confidence of survey respondents that VW will be able to maintain its sales or continuously increase them, and to offer new, complementary products and services. Adaptability showed alarming scores: Only Ford and Dacia did worse than VW.

Toyota is right on VW's heels

In its home market of Germany, VW is left with only a razor-thin lead over Toyota (VW 60.6/Toyota 60.5). For adaptability, Toyota is already rated higher than VW. Toyota also clearly beats VW regarding volume premium, i.e. the willingness of customers to also buy other products or services of the brand.

Tesla dethroned by Audi, but still with good ratings

Tesla, who took first place in the 2015 ranking of the most resilient automotive brands, had to cede that position to Audi in 2017. Apparently customers, unlike the stock exchange, care about real experiences, not just the missionary power of Elon Musk. It is becoming apparent that the willingness to pay higher prices for Tesla has declined – in contrast to Audi or Mercedes. Tesla's top ratings in terms of sustainability, social relevance, and indispensability are remarkable, however. Here, the challenger from the USA beats all of the German premium automotive brands.

German automotive brands: Positive ratings for the future – except for VW

Audi, Mercedes, and Mini scored higher marks in the current BrandTrust Resilience Index than they did in 2015. A glance at the results shows the reasons:

Excellent products, clear positioning, and impressive experiences revolving around the brand appearances. Porsche and BMW defended their positions in the ranking with minimal losses. Opel improved, but in the overall ranking of brands remains at the bottom of the list. This is reflected by the brand's current profitability.

"Well positioned brands are protective shields during times of crisis," technology brand expert and study author Jürgen Gietl explains. This is demonstrated by the scores of all German auto makers – except VW. Brand expert Gietl sees the cause in the insufficiently articulated positioning of the brand VW and the fact that VW is perceived as the ringleader of the scandal.

Great optimization potential for all examined auto makers

The top ranks and the positive development of German automotive brands should not gloss over the fact that there is great potential for optimization. Audi, ranked No. 1, scores less than 70 of 100 possible points in the assessment of brand resilience. The study thus also reveals that not nearly all opportunities of the brands for shaping the future, for customer and multiplier loyalty, and for conveying specific peak performances are being seized, and that the role of the brand as an engine for change is also not recognized and used sufficiently.

Statements by study initiator Jürgen Gietl on the significance of brands in times of transformation and disruption:

There have always been crises caused by technical defects or recalls in the automobile industry. The current challenges, however, have a new dimension: Systematic defrauding of customers, the perhaps forced departure from a propulsion technology, and social changes that already question the meaning of property. The transition is happening at all levels. At times like these, the brand can offer guaranteed stability to customers and employees.

A brand is more than a logo and communication. It not only accounts for a significant portion of a company's value. An attractive brand attracts the right skilled professionals, which companies in the VUCA world need more urgently than ever.

A functioning brand generates more trustworthiness than the managers behind it, as is plain to see by the example of Audi.

BrandTrust Resilience Index Automotive brands

2017		Max. 100 P.	Entwicklung	2015
1		69,5	▲	2
2		65,4	▼	1
3		65,2	—	3
4		64,6	—	4
5		64,2	▲	6
6		61,2	▲	7
7		61,0	▲	8
8		60,6	▼	5
9		60,5	—	9
10		58,9	▲	12
11		54,8	—	11
12		54,6	▲	14
13		54,5	▼	10
14		51,9	▼	13

Source: Study BrandTrust Resilience Index automotive brands 2017. The results are based on responses from 1,010 customers and insiders.

Marktforschung durch puls Marktforschung



Study design:

1010 online interviews (adults aged 18 to 69) executed by puls Marktforschung
Survey period August 2017

Examined brands:

- Premium: Audi, BMW, Jaguar, Mercedes, Mini, Porsche, Tesla
- Volume: Dacia, Ford, Kia, Opel, Smart, Toyota, VW

BrandTrust Resilience Index:

The resilience indicators are the result of a comprehensive qualitative survey of 71 CEOs and top decision makers. From that survey, 40 criteria were inferred that impact the resilience and sustainability of brands. These criteria were condensed into ten resilience indicators and form the basis of the BrandTrust Resilience Index (with a maximum of 100 points).

Resilience indicators

Price premium, volume premium, adaptability, sustainability, social relevance, indispensability, brand experience excellence, brand advocacy, employee pride, awareness.

About study initiator Jürgen Gietl

The technology brand expert Jürgen Gietl is a partner at the management consultancy BrandTrust. He is the author of the book "Value Branding" (published by Haufe Verlag), initiator of various, much-cited studies, and co-founder of the Expert Council on Technology Brands. He was assisted with compiling the BrandTrust Resilience Index Automobile 2017 by Brand Consultant Benjamin Streb.

About BrandTrust

BrandTrust is the leading management consultancy for effective brands in the German-speaking Region. In 11 Industry Competence Centers, the teams of consultants advise market-leading clients on the development and implementation of regional and global brand strategies aimed to systematically and sustainably increase the profitability and growth of their brands. Many of our clients are Fortune 500, DAX 30, M-DAX, ATX und SMI companies in Germany, Austria, Switzerland, and Northern Italy. BrandTrust is active across the globe and, in addition to its main locations in Nuremberg and Vienna, operates offices in Zurich and Ljubljana.
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