MARKETING STRATEGIES LXMT-730



PORSCHE

PROF. ALESSANDRO CANNATA

MATTHEW ARMSTRONG, DAVID TEMMEL, SAAKSHI REDDY


S GT 525
GT3RS

TABLE OF CONTENTS

COMPANY SUMMARY AND BRAND BUILDING PROCESS

CONSUMER TRENDS ANALYSIS



MARKET TRENDS ANALYSIS

FUTURE BRAND BUILDING STRATEGY


S TA 5130E

EXECUTIVE SUMMARY

To develop forward-looking solutions, you must be ahead of the present. You can either wait for the future or shape it. The luxury automotive sector, like many in the luxury industry, is poised for transformative changes with the advent of AI, augmented reality, virtual reality, and autonomous driving.

Porsche is primarily a star brand and also embodies elements of prestige, innovation, and heritage. These characteristics define Porsche today and will guide us in shaping tomorrow.
Despite the evolving future, Porsche's core values remain unchanged.

We plan to create two distinct lines of business: "Porsche Romance" and "Porsche Tomorrow." "Porsche Romance" will celebrate and preserve the classic, romantic driving experiences that define our legacy. "Porsche Tomorrow" will focus on innovation, integrating cutting-edge technologies such as AI, AR, and autonomous driving, with a strong emphasis on sustainability and electric vehicles. This dual approach caters to diverse customer preferences and ensures Porsche's leadership in the evolving luxury automotive industry.

BRAND OVERVIEW



Dr. Ing. h.c. F. Porsche AG, short Porsche, is a German automobile manufacturer specializing in luxury,
high-performance sports cars, SUVs, and sedans, headquartered in Stuttgart, Baden-Württemberg, Germany.
The company is owned by Volkswagen AG, of which a controlling stake is owned by Porsche Automobil Holding SE. Porsche's current lineup includes the 718, 911, Panamera, Macan, Cayenne, and Taycan.

Porsche stands for strong values such as fairness, responsibility, mutual respect and trust, transparency and openness, and acting ethically. These values apply to the way managers and employees treat themselves among each other as well as to their contact with customers, business partners, and public authorities.

BRAND HISTORY



Ferdinand Porsche founded the company called Porsche with Adolf Rosenberger and Anton Piëch in 1931. The name is short for Ferdinand Porsche's full title in German, (Doktor Ingenieur honoris causa lit) “Doctor of Engineering, Honorary Degree” Ferdinand Porsche. The main office was at Kronenstraße 24 in the center of Stuttgart.

Initially, the company offered motor vehicle development work and consulting but did not build any cars under its name. One of the first assignments the new company received was from the German government to design a car for the people, the Volkswagen.
This resulted in the Volkswagen Beetle, one of the most successful car designs of all time.
Later, the Porsche 64 would be developed in 1939 using many components from the Beetle.

PESTA ANALYSIS

POLITICAL



Porsche was founded in 1948, amidst the post-World War II rebuilding efforts in Germany.

The political landscape was marked by reconstruction and recovery, with efforts focused on revitalizing the economy and society after the devastation of war.

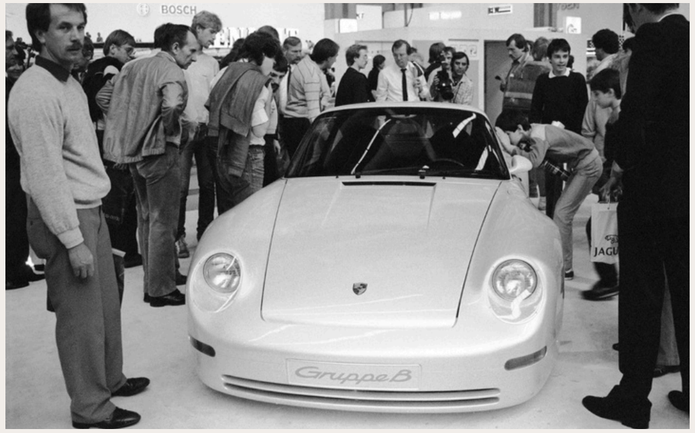
The company navigated through the challenges of rebuilding infrastructure and adapting to new regulations, leveraging its engineering expertise to contribute to the country's recovery.

ECONOMIC



German Economic Miracle: Porsche emerged during the period of the "German Economic Miracle" or "Wirtschaftswunder," a time of rapid economic growth and industrial revival in West Germany during the 1950s and 1960s.
This economic boom provided favorable conditions for Porsche's growth, with increasing prosperity, rising consumer demand, and access to skilled labor and resources.
The company capitalized on this economic prosperity by introducing iconic models such as the Porsche 356 and later the 911, catering to a growing market of affluent consumers seeking luxury and performance.

SOCIAL



Luxury and Status Symbols: Social trends during Porsche's foundation reflected a growing emphasis on luxury and status symbols.
The brand positioned itself as a symbol of prestige and performance, appealing to enthusiasts who sought high-quality engineering and superior driving experiences.
Porsche's focus on craftsmanship, design, and performance resonated with a clientele looking to showcase their success and discerning taste through luxury automobiles

TECHNOLOGICAL



Engineering Innovation: Technological advancements were integral to Porsche's identity from the beginning.
The company's founder, Ferdinand Porsche, was renowned for his engineering innovations and contributions to automotive technology.

Porsche vehicles were known for their innovative engineering features, such as rear-engine layout, aerodynamic design, and high-performance engines.

Embracing cutting-edge technology and pushing the boundaries of automotive engineering became hallmarks of the Porsche brand, setting it apart in the competitive automotive market.

ART & LITERATURE



Post-War Optimism: Artistic and literary expressions during Porsche's foundation reflected a sense of post-war optimism and aspiration for progress.
The era was marked by a cultural renaissance and a desire to move forward from the trauma of war.
Porsche's sleek and stylish designs embodied this spirit of optimism, offering a vision of the future characterized by innovation, elegance, and performance.
The brand's iconic sports cars became cultural symbols of freedom, adventure, and the pursuit of excellence, resonating with audiences worldwide.

HISTORICAL BRAND BUILDING REVIEW

Awareness | Association | Loyalty | Density





Company Founding 1931

Event

- Porsche is founded by Ferdinand Porsche on April 25th 1931 in Stuttgart, Germany, initially offering motor vehicle development work and consulting, but not manufacturing cars under its own name.

Impact on Brand Equity

- Awareness: Established the Porsche name in the automotive industry.
- Association: Linked the Porsche name with engineering excellence and innovative automotive design through its founder Ferdinand Porsche.

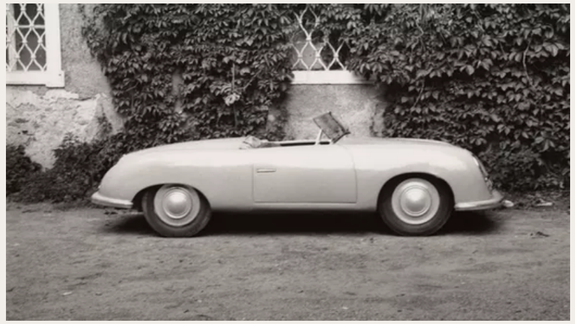
Production of the VW Beetle 1934

Event

- In 1934 Ferdinand Porsche gets contracted by Adolf Hitler to produce a car for the masses. It evolves to stand for Engineering masterclass. The Beetle is the 5th most sold car to date.

Impact on Brand Equity

- Awareness and Association: Car manufacturers want to work with Porsche. Ferdinand’s standing impacts the company's growth during this time
- Density and Loyalty: Working with Porsche stands for quality leading to increased brand equity.



Porsche becomes a Car Manufacturer 1948

Event

- The launch of the Porsche 356 is Porsche’s first production automobile.

Impact on Brand Equity

- ·Awareness & Association: Introduced Porsche as a manufacturer of small, lightweight, and efficient sports cars, setting the foundation for brand identity.
- ·Loyalty: Began to cultivate a dedicated customer base through innovative technology and design.



Expansion into the U.S. Market in 1950

Event

- Porsche vehicles are imported into the United States for the first time by Max Hoffman, who became the sole importer of Porsches to the USA.

Impact on Brand Equity

- Awareness: Significantly raised brand recognition in one of the largest car markets.
- Loyalty: Established a dedicated customer base in the U.S., which is still one of Porsche's largest markets today.



Development of the Porsche Logo 1952

Event

- The introduction of the Porsche crest, designed for the steering wheels of the 356 model, is based on the coat of arms of the Free People's State of Württemberg of former Weimar Germany, which had Stuttgart as its capital.

Impact on Brand Equity

- Awareness & Association: The crest became a symbol of quality and prestige, enhancing brand identity.
- Loyalty: Created a distinctive brand symbol that customers could rally around and identify with, fostering a sense of belonging and loyalty.



The Speedster

Event

- Speedster model is introduced as a low-priced, "stripped-down" version of 356. Today the 1954-1957 Speedsters are among the most sought-after Porsches by collectors.

Impact on Brand Equity

- Awareness and Density: More cars are accessible at a lower price point increasing awareness while using density.



Introduction of the Porsche 911 - 1964

Event

- The debut series production of the Porsche 911, a rear-engine sports car that became synonymous with the brand.

Impact on Brand Equity

- Awareness & Association: Solidified Porsche’s image as a premier sports car manufacturer. The distinctive design and performance became key brand associations.
- Loyalty: Strengthened customer loyalty through continuous improvement and longevity of the model.



Motorsport Success 1970s

Event

- Porsche's dominant performance in motorsports, particularly the 24 Hours of Le Mans.

Impact on Brand Equity

- Awareness: Elevated global brand recognition through extensive media coverage.
- Association and Density: Reinforced associations of durability, performance, innovation, and built desire.
- ·Loyalty: Enhanced customer loyalty as successes in racing translated into public and consumer trust in vehicle reliability and prowess.



The poor man’s 911 – 1996

Event

- Launch of the Porsche Boxster, a mid-engine roadster that revitalized Porsche's lineup.

Impact on Brand Equity

- Awareness and Density: Significantly boosted Porsche's brand visibility by introducing a more affordable and accessible sports car, appealing to a broader demographic, which used density but improved the brand’s equity long-term
- Association: Reinforced Porsche's reputation for engineering excellence and performance in a new segment of sports cars,
- Loyalty: Established a strong following for its new design and performance characteristics, contributing to sustained customer interest and loyalty in the Porsche brand.



Porsche Asia Pacific 2001

Event

- Porsche's dominant performance in motorsports, particularly the 24 Hours of Le Mans.

Impact on Brand Equity

- Awareness & Density: This move significantly increased Porsche's global presence and made the brand more accessible in rapidly growing markets.
- Association: It adjusted the brand to be perceived as a global player that respects and adapts to local market needs.



The third car line: Cayenne 2002

Event
- Expansion into SUV Markets.

Impact on Brand Equity
- Loyalty & Density: Appeal to a new segment of luxury car buyers and retain existing ones who require more space and versatility than a sports car could offer.
- Awareness & Association: This move associated the Porsche brand with versatility and practicality without sacrificing luxury, appealing to families and individuals seeking a high-performance, yet functional vehicle.



The fourth car line: Panamera 2009

Event
- Expansion into Sedan Markets.

Impact on Brand Equity
- Awareness & Density: This attracted customers interested in a sporty yet spacious and comfortable vehicle while still desiring the performance and prestige of the Porsche brand
- Association: The Panamera reinforced Porsche's image as a full-range luxury car manufacturer,
- Loyalty: Offering a sedan like the Panamera helped Porsche retain brand enthusiasts in need of a more practical and spacious vehicle while still desiring the performance and prestige of Porsche.



Porsche Ag merger with VW Group 2011

Event

- The debut series production of the Porsche 911, a rear-engine sports car that became synonymous with the brand.

Impact on Brand Equity

- Awareness & Association: Solidified Porsche’s image as a premier sports car manufacturer. The distinctive design and performance became key brand associations.
- Loyalty: Strengthened customer loyalty through continuous improvement and longevity of the model.

The Macan – the fifth car line 2014

Event

- Introduction of the Porsche’s CUV

Impact on Brand Equity

- Awareness & Density: The Macan helped Porsche tap into the growing compact luxury CUV market, increasing the brand’s.
- Association: With the Macan, Porsche continued to reinforce its commitment to blending performance with practicality, offering a sporty driving experience in a more urban-friendly size.



Mission E 2015

Event

- The unveiling of Porsche Mission E at the Frankfurt Motor Show.

Impact on Brand Equity

- Awareness & Association: The Mission E concept represented Porsche’s commitment to innovation and sustainability, highlighting its move towards electrification. This announcement was crucial in positioning Porsche as a forward-thinking manufacturer ready to embrace the future of mobility.
- Density & Loyalty: By venturing into the electric vehicle market, Porsche aimed to capture a new segment of eco-conscious consumers, thereby broadening its market presence. The move was also strategic in retaining existing customers who might be considering electric vehicles as their next purchase



911 Turbo S Exclusive Series 2017

Event

- Launch of the 911 Turbo S Exclusive Series.

Impact on Brand Equity

- Awareness & Association: Enhanced Porsche's image by producing highly customized and exclusive vehicles, solidifying its prestige in the luxury sports car market.
- Loyalty: Strengthened loyalty among discerning customers by delivering a unique and bespoke ownership experience that emphasizes exclusivity and superior performance.
- Density: Boosted the brand's aspirational value and prestige, even with the limited production run, impacting overall market perceptions positively.





Mission E 2015

Event

- In 2015, Porsche unveiled the Mission E concept, marking its entry into the electric vehicle (EV) market. This concept car showcased Porsche's vision for a high-performance, all-electric sports car, featuring cutting-edge technology such as an 800-volt charging system, over 600 horsepower, and a range of over 300 miles.

Impact on Brand Equity

- The Mission E established Porsche as a leader in technological innovation and sustainability, appealing to tech-savvy & environmentally conscious consumers, and improving its brand reputation as forward-thinking.
- By entering the EV market with a high-performance electric sports car, Porsche expanded its customer base while maintaining its heritage of luxury and performance, thereby strengthening overall brand loyalty and identity.

New Logo Iteration 2023

Event

- In 2023, Porsche unveiled a new iteration of its iconic logo, blending modern design elements with its traditional emblem to reflect the brand's evolution while honoring its legacy.

Impact on Brand Equity

- Modernized Brand Image: The new logo iteration in 2023 refreshed Porsche's visual identity, signaling modernity and progress while retaining its classic elements, thereby enhancing the brand's appeal to both new and existing customers.
- Strengthened Heritage and Consistency: By updating the logo while preserving key design aspects, Porsche reinforced its commitment to its heritage, ensuring continuity and consistency in brand recognition and loyalty.

CURRENT STATUS



- More than 650 Porsche dealers.
- Iconic Design and Appearance
- It has left its mark throughout its over 70-year history, becoming known for its stunning timeless designs and pursuit to seamlessly merge style and substance.
- Porsche is expanding the model line-up of its all-electric sports sedan to include the Taycan Turbo GT and the Taycan Turbo GT with Weissach Package.
- Porsche expects an operating return on sales of between 15% and 17% in 2024.
- Precision Engineering: Porsche's commitment to engineering perfection is evident in every aspect of their vehicles.
- In the ergonomically optimized assembly of the engine plant, all tools and processes are designed to support people in their work.

CURRENT MISSION

Mission Statement: We are committed to providing an **impeccable service to our demanding clientele of premium cars.**

VISION

The company's vision carries Ferry Porsche's mindset into the future: **“The brand for those who follow their dreams.”**

VALUE STATEMENT

A respectful approach to customers and each other. Solution-oriented and efficient collaboration. Satisfied, motivated, and committed employees.



SWOT ANALYSIS

S

STRENGTHS

1. Brand value and reputation.
2. Loyal customer base
3. Ability to sell cars with high margins.
4. Culture of innovation and excellence.
5. Synergic advantages of being part of the Volkswagen group.

W

WEAKNESSES

1. Higher delivery time.
2. Supply chain vulnerabilities.
3. Reliance on key markets.

O

OPPORTUNITIES

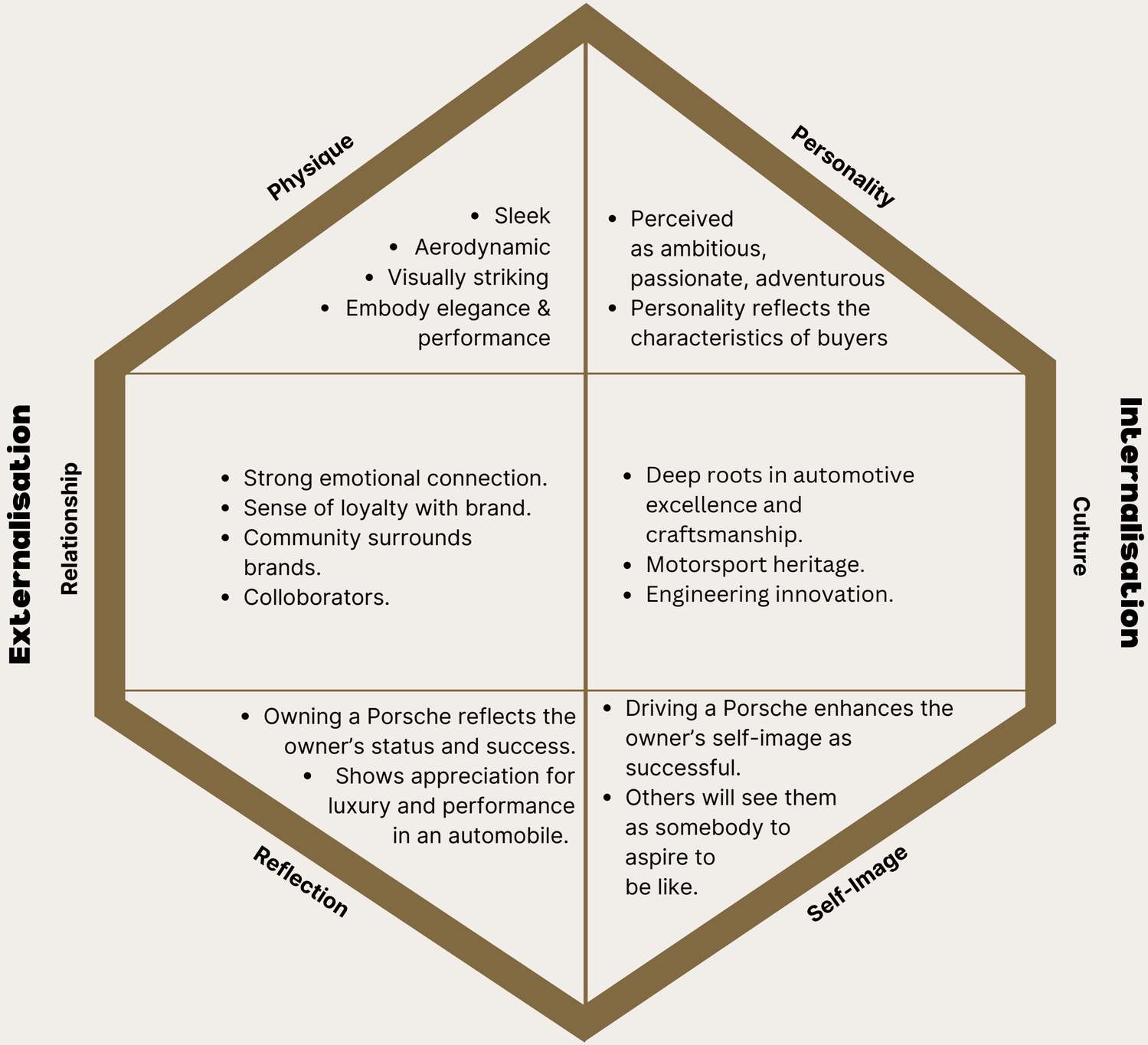
1. The luxury car market is poised for faster, more profitable growth.
2. Luxury cars are going global.
3. Growth in a subscription-based model.
4. Vertical brand extension opportunities.

T

THREATS

1. Everything about car making will change with EVs.
2. Value shift from hardware to software.
3. Regulatory challenges in the auto industry.

Kapferer's Brand Identity Prism



Aaker Model

Brand Equity

- Brand equity represents the overall value and strength of the Porsche brand in the market.
- It encompasses the goodwill, loyalty, and positive associations that customers have with the brand, ultimately influencing their purchasing decisions.

Brand Awareness

- Iconic logo, distinctive car designs, and prominent presence in automotive culture.
- Marketing efforts, sponsorships, and media exposure, Porsche has positioned itself as a leading luxury and performance car manufacturer, ensuring that consumers readily recognise the brand.

Perceived Quality

- Uncompromised quality and craftsmanship, engineering, and attention to detail to build the highest standards of vehicles.
- Each vehicle is built using premium materials and technology, creating an image of excellence and reliability.
- The perception of superior quality enhances customer confidence and willingness to invest in Porsche products.

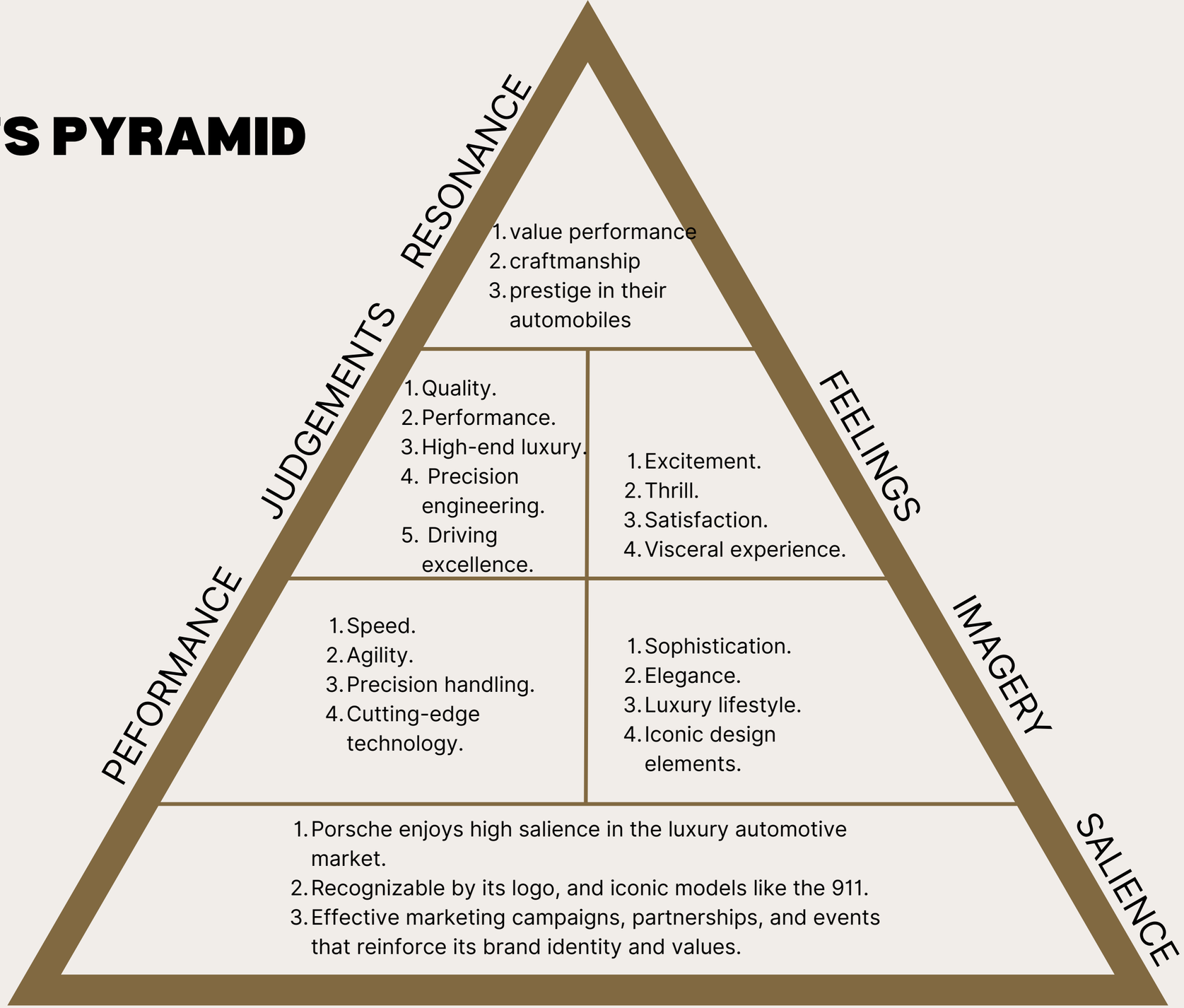
Brand Association

- Desirable attributes associated include innovation, sophistication, performance, and prestige.
- Porsche's rich heritage in motorsport, engineering innovation, and timeless design further strengthens these associations, fostering a positive brand image and differentiation from competitors.

Brand Loyalty

- Porsche has a passionate customer base. Owners often develop emotional connections with their Porsche vehicles
- Owners view them as far more than functional vehicles.
- The brand's emphasis on customer satisfaction, service excellence, and community engagement further fosters loyalty and advocacy among Porsche enthusiasts.

KELLER'S PYRAMID



Unique Revelation Belief System

- Performance Innovation and Engineering Excellence.

Distinctive Lexicon

- The 911: More than just a model
- Turbo: synonymous with high performance and technological advancement under the Porsche brand.
- Carrera: originated from the Carrera Panamericana race.

Belief System

- Purity of functional design.

“In the beginning, I looked around and could not find quite the car I dreamed of. So I decided to build it myself."

- Ferdinand Porsche

Brand Rituals

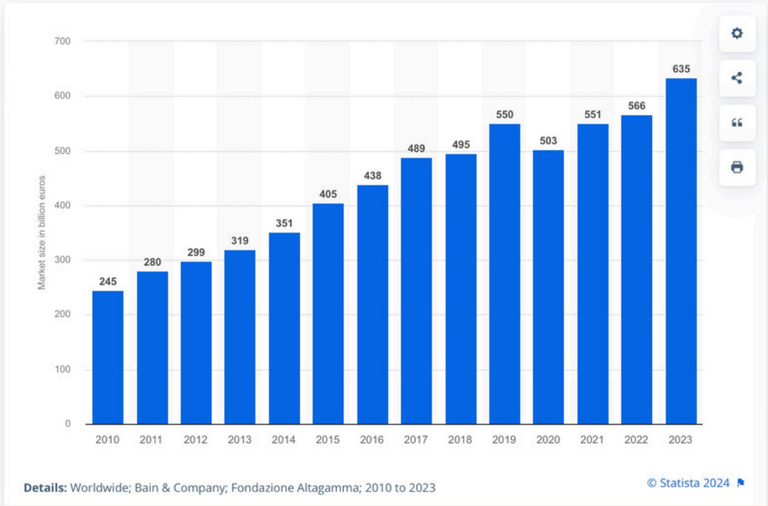
- Extensive customization options through the Porsche Exclusive Manufaktur program.

MARKET SIZE

Transportation & Logistics › Vehicles & Road Traffic

Global luxury car market size from 2010 to 2023

(in billion euros)

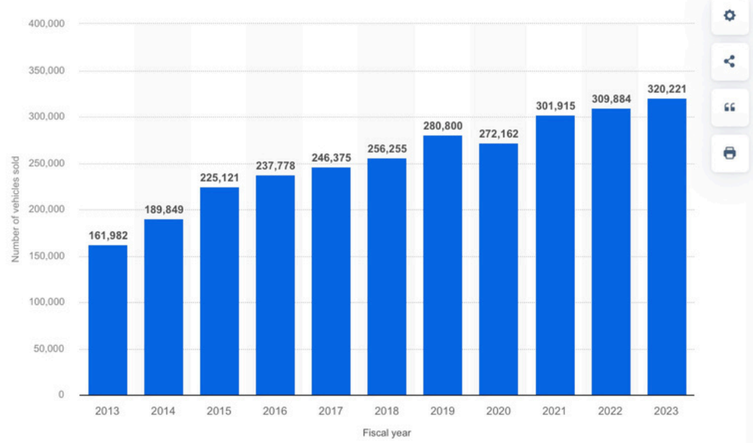


Details: Worldwide; Bain & Company; Fondazione Altagamma; 2010 to 2023

© Statista 2024

Transportation & Logistics › Vehicles & Road Traffic

Porsche's worldwide vehicle deliveries from FY 2013 to FY 2023



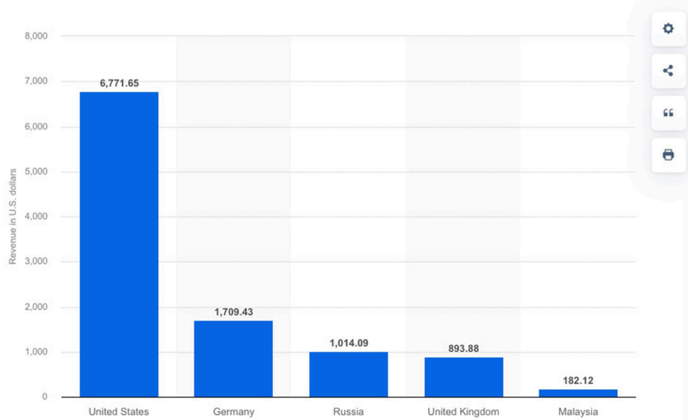
Details: Worldwide; Porsche; FY 2013 to FY 2023; fiscal year ends December 31.

© Statista 2024

Transportation & Logistics › Vehicles & Road Traffic

Luxury car market revenue worldwide in 2023, by country

(in million U.S. dollars)



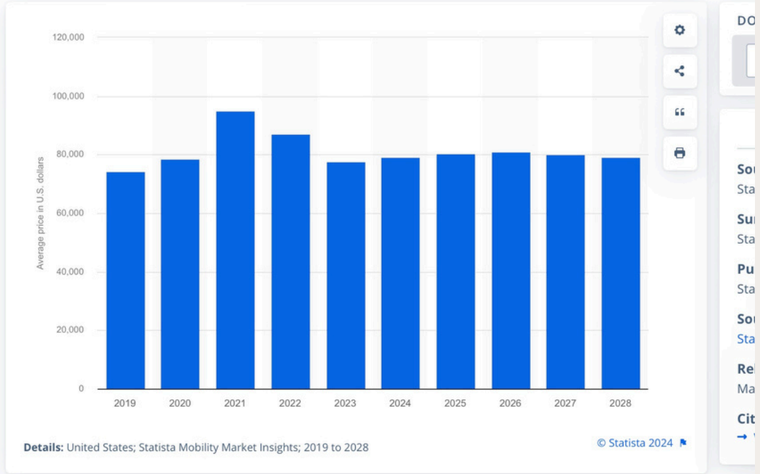
Details: Worldwide; Statista Mobility Market Insights; Jan 1st to Dec 31st 2023

© Statista 2024

Transportation & Logistics › Vehicles & Road Traffic

Average luxury cars price in the United States from 2019 to 2028

(in U.S. dollars)



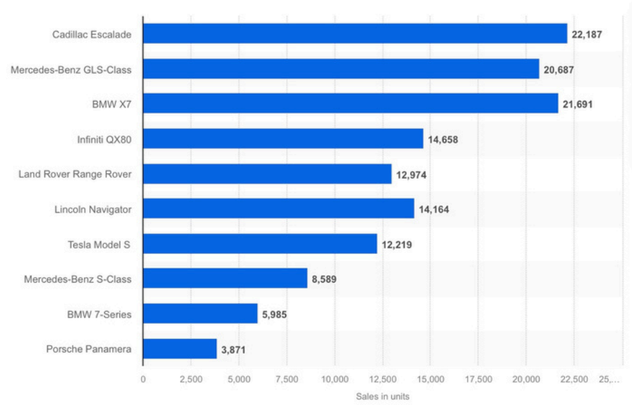
Details: United States; Statista Mobility Market Insights; 2019 to 2028

© Statista 2024

Transportation & Logistics › Vehicles & Road Traffic

Large luxury car and SUV sales in the United States in 2020, by key model

(in units)



Details: United States; 2020

© Statista 2024

DOWNLOAD

PDF

SOURCE

Source
Various sources

Survey by
GoodCarBadCar.net

Published by
GoodCarBadCar.net

Source link
goodcarbadcar.net

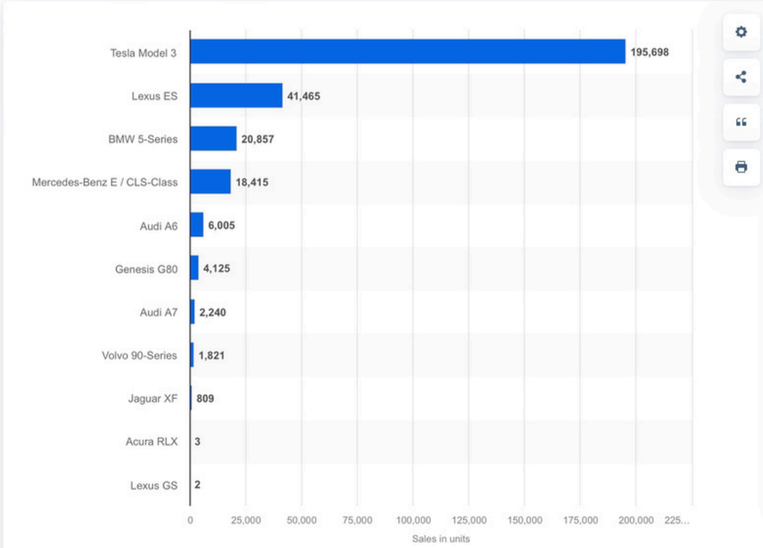
Release date
January 2021

Citation formats
→ View options

Transportation & Logistics › Vehicles & Road Traffic

Midsize luxury car sales in the United States in 2022, by model

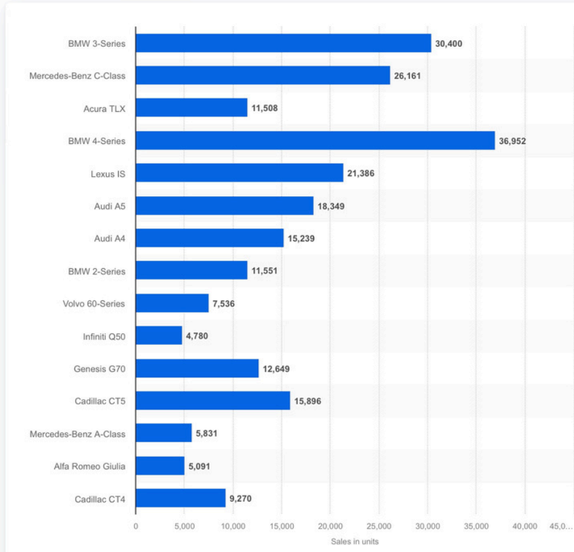
(in units)



Transportation & Logistics › Vehicles & Road Traffic

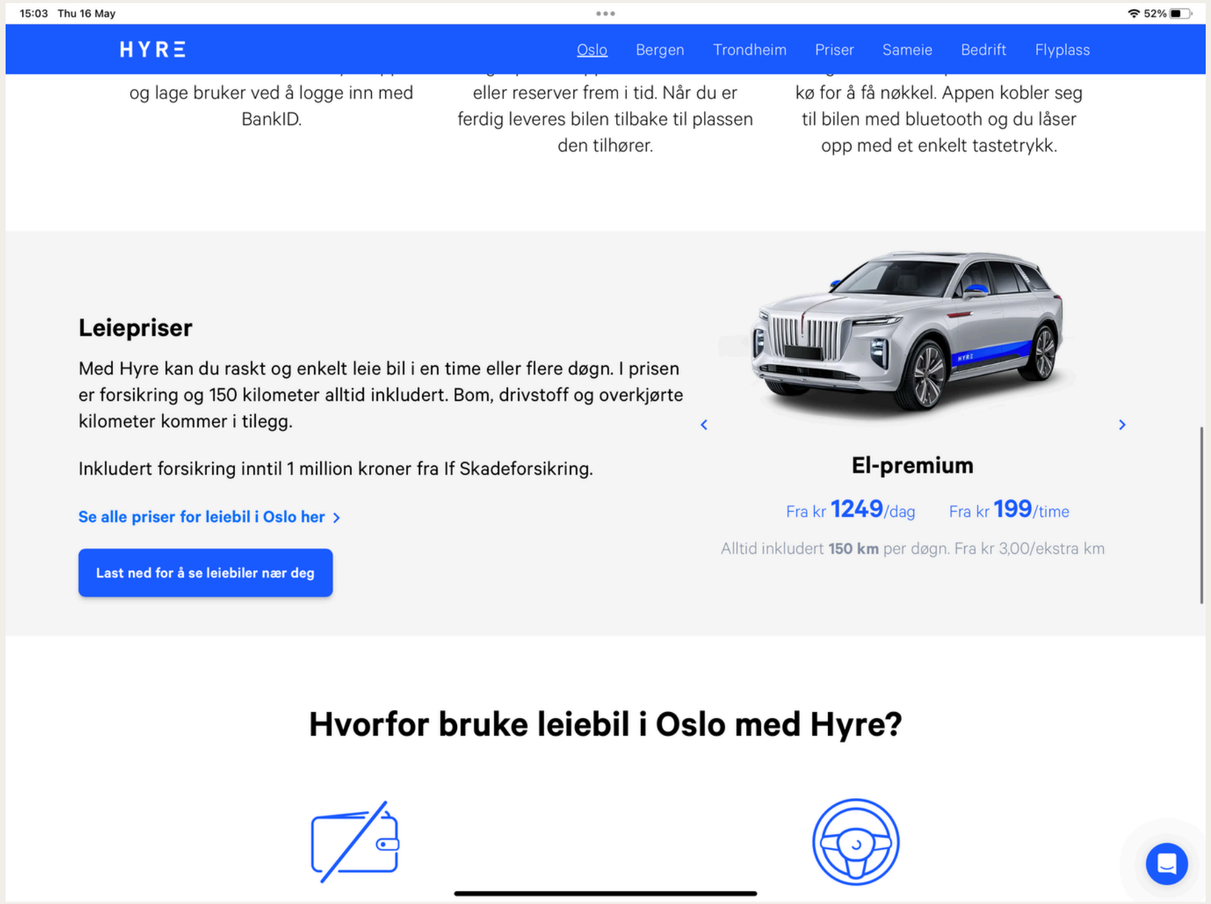
Small luxury car sales in the United States in 2022, by key model

(in units)



GROWTH OPPORTUNITIES

- Emerging Markets.
- Electric Vehicles.
- Hydrogen Vehicles.
- Diversification.
- Digitilisation and Connectivity.
- Mobility Services.



COMPETITIVE LANDSCAPE





BMW

- Performance and innovation.
- The “Ultimate Driving Machine.”
- Brand heritage.
- Lower end of the luxury market.

Mercedes Benz

- Luxury and comfort.
- Advanced technology.
- The brand’s EQ electric lineup.
- Diverse portfolio of vehicles.

COMPETITIVE LANDSCAPE



Tesla

- Electric innovation.
- Industry disruptor.
- Data collection.
- Brand loyalty.
- Visionary leadership.



Google (Waymo)

- Autonomous driving technology.
- Luxury in the form of exclusivity.
- Planning for the future.

COMPETITIVE LANDSCAPE





Rimac

- Electric performance supercar.
- Niche competitor.
- Challenges Porsche’s electric sports cars.

Apple (Project Titan)

- Integration of technology and design.
- Apple’s expertise in user-centric design.
- Brand loyalty.
- Could redefine luxury automotive experience.

COMPETITIVE LANDSCAPE



Dyson

- Innovative electric propulsion.
- Potential disruptor.
- Developmental stage.



Lucid

- Luxury electric sedans.
- Impressive range.
- Luxurious interiors.
- Advanced tech features.

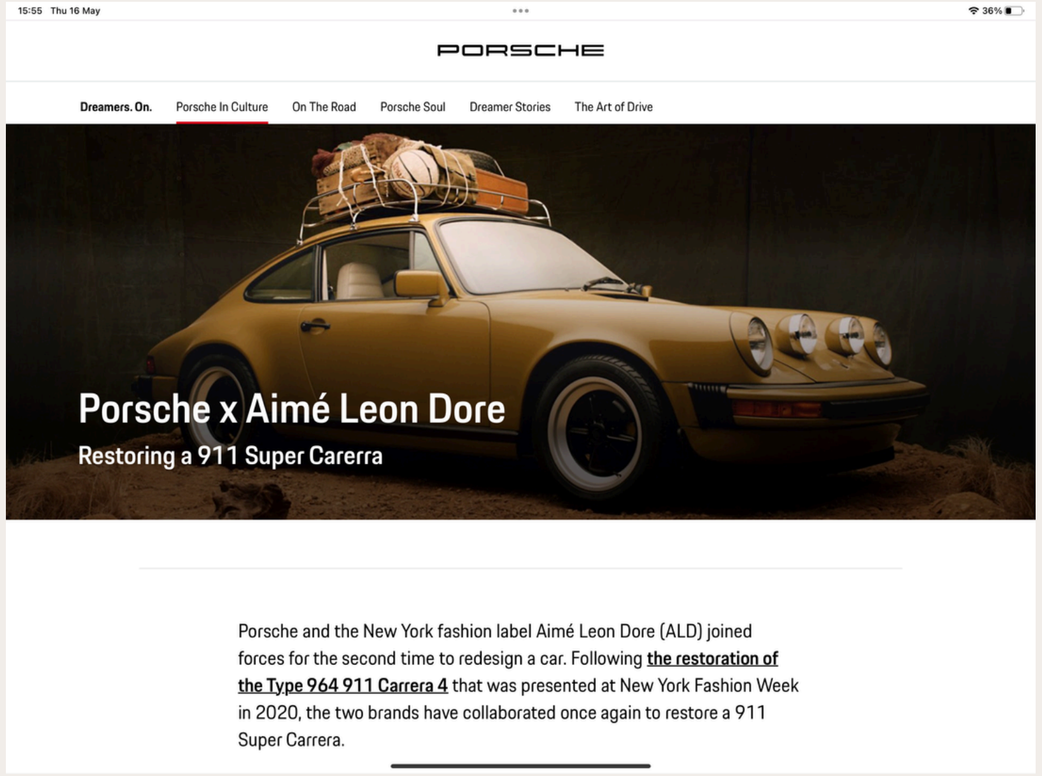
PORSCHE KEY SUCCESS FACTORS

- Innovation in Design and Technology.
- Art Collaborations.
- Strong dealership network.
- Continuous product development.
- Racing heritage and performance pedigree.
- Global brand presence and marketing excellence.
- CSR.



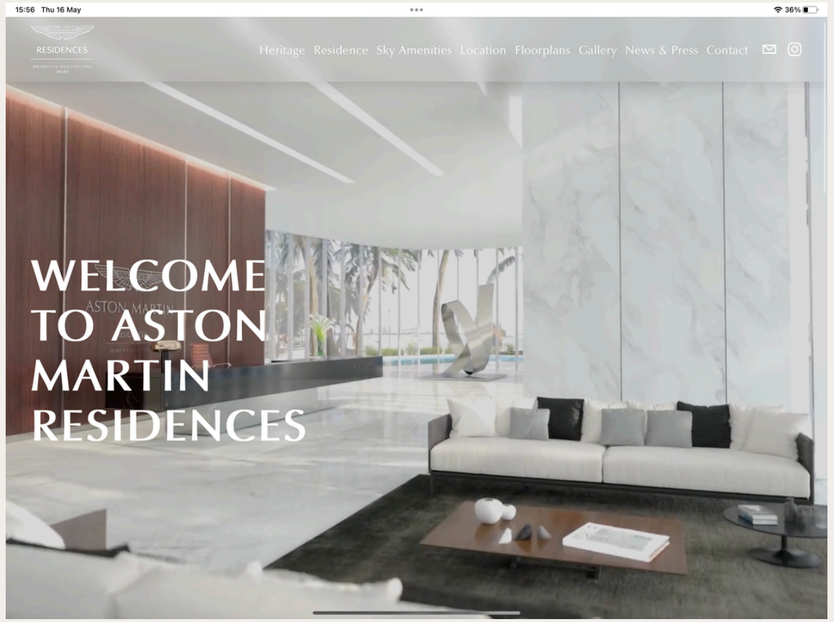
FUTURE TRENDS

- Rise of Luxury Experience Centres.
- Integration of blockchain technology.
- Personalised health and wellness features.
- Collaborations with luxury lifestyle brands.
- AI powered personal assistants.
- Expansion into luxury travel and hospitality.



COMPETITORS' SECTORS

- Aston Martin and Bentley: Luxury Residential Developments.
- Ferrari and Lamborghini: High-End Fashion and Accessories.
- Mercedes and BMW: Private Aviation and Aviation Services.
- Bugatti: Luxury Yachts and Marine Services.
- Rolls Royce: High-End Hospitality and Experiences.





CUSTOMER SEGMENTATION

WHAT CUSTOMERS BUY

The 3rd concept of Luxury

Survey among young managers with high disposable income

- Timelessness
- International reputation
- The beauty of an object
- Magic

World Car Awards

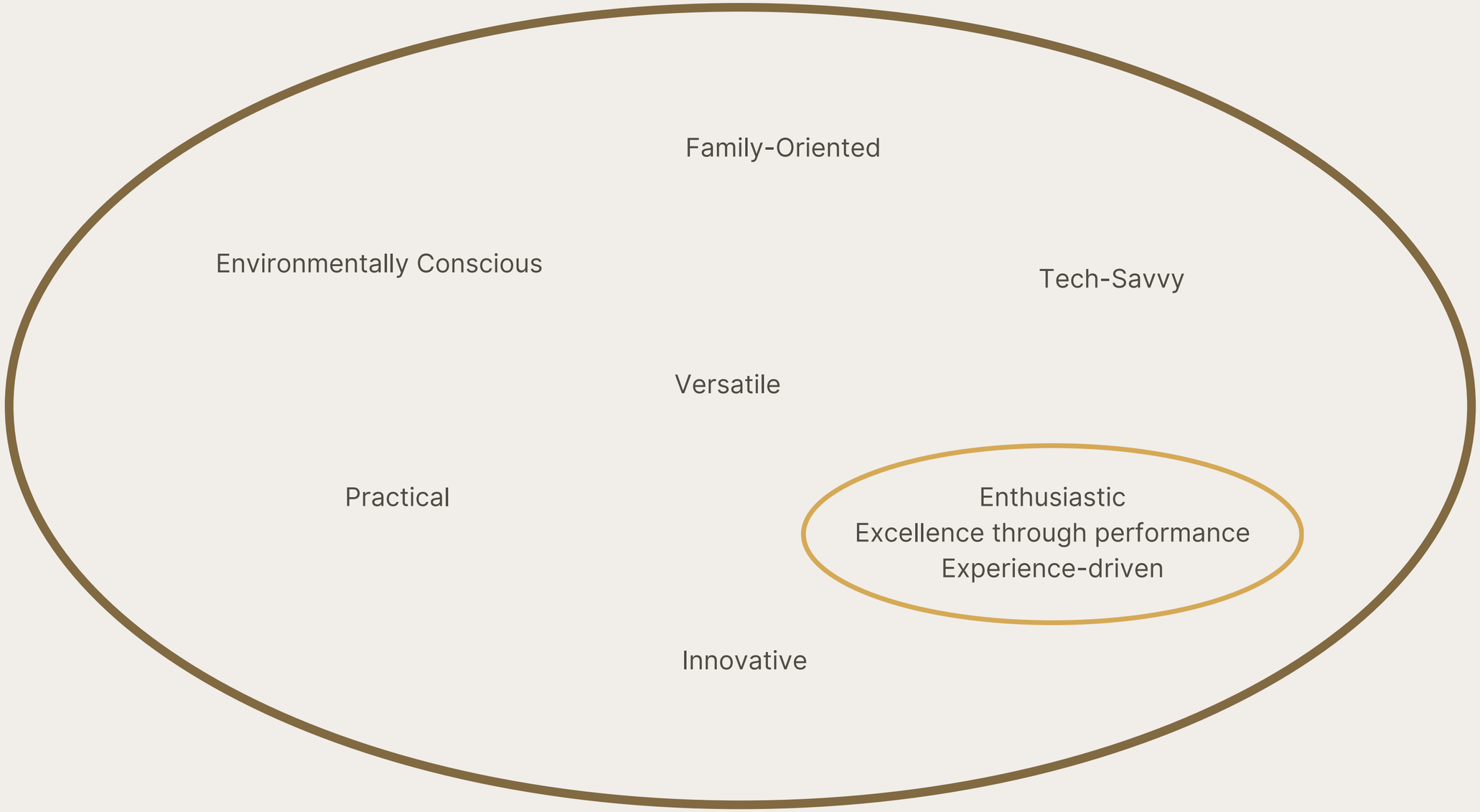
- World Luxury Car of the year
- Performance Car of the Year

J.D. Power 2024 US Customer Service Index Study

- 1st in Premium Cars
- 2nd in Premium SUVs
- 2nd in Brands



MENTAL SPACE & MARKET SPACE



MENTAL SPACE & MARKET SPACE



Macan



Taycan



Panamera



Boxster



911



Cayenne

THE TYPICAL PORSCHE OWNER

- College Degree
- Household income over $100,000
- 85% male, and 15% female
- 40 years old, while Porsche aims to target a younger demographic

- **The top gun** profile consists of an ambitious and driven individual.
- **The elitist** profile, includes an individual from old money, has the attitude a car is just a vehicle and not an expression of a person’s personality.
- **The proud patron** profile sees a Porsche as a trophy considering it a reward for hard work with ownership as the main goal not being noticed.
- **The bon vivant** profile consists of thrill seekers and jet setters with the Porsche as a means of excitement.
- **The fantasist** profile sees the Porsche as a form of escape and does not care about impressing others.



RETARGETING: WOMEN AND FAMILIES

- Porsche’s intent to broaden its appea’
- Using Celebrity endorsements
- Feature women in ads
- Advertise Macan and Cayenne at the same time with children in cars

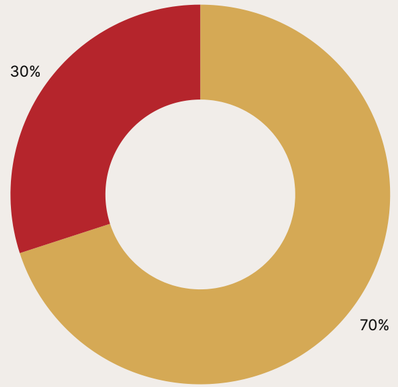


Brand Ambassador Maria Sharapova posing on a 911



Current Website Data

- 70% Male
- 30% Female



RETARGETING: YOUNGER DEMOGRAPHIC

- Porsche’s shift to a new generation of customers
- Showcasing new products
- Adjusting to the “Zeitgeist”
- Cutting-edge, forward-thinking, emotionally-driven



Burberry Ad - Open Spaces

CONSUMER TRENDS

Sustainability:

- Porsche wants to use eco-friendly materials in its new cars, like the all-electric Macan's interior.
- The production of the new Macan in Leipzig doesn't add to carbon emissions; it's net carbon neutral.
- The Leipzig plant runs on green electricity entirely.
- Biomethane and biomass are used to cover heating needs at the plant.
- Porsche is helping to grow renewable energy sources to match the electricity demand expected from the all-electric Macan fleet.





Digitalization and Connectivity:

- Advanced technology in vehicles is more crucial than ever.
- Consumers want cars with seamless connectivity, advanced infotainment, and smart features.
- Porsche will probably prioritize integrating top-notch technology into its vehicles.
- This move aims to improve the driving experience and keep Porsche competitive in the market.

CONSUMER TRENDS



Personalization:

- Luxury consumers highly value individuality and exclusivity.
- Personalization options are key, letting customers customize their vehicles according to their unique tastes.
- Porsche is expected to keep providing a wide range of personalization options.
- This move is aimed at meeting the demand for tailored experiences and maintaining Porsche's appeal in the luxury market.

Experience Economy:

- Luxury automakers are expanding beyond just selling cars to offer unique experiences to customers.
- These experiences include exclusive events, VIP treatment, and premium concierge services.
- Porsche is likely to invest in creating memorable experiences for its customers.
- This strategy aims to enhance brand loyalty and set Porsche apart in the competitive market.



CONSUMER TRENDS DIRECT COMPETITORS HAVE ENTERED

Electric Mobility Services:

Electric mobility services like electric bikes, scooters, and even electric air taxis are becoming more and more popular as a result of the popularity of electric vehicles. Rivals like BMW and Audi have already begun to dabble in these markets through agreements with ride-sharing services and investments in e-mobility startups. Porsche might consider getting into this industry to expand its product line and take advantage of the rising demand for environmentally friendly transit options.

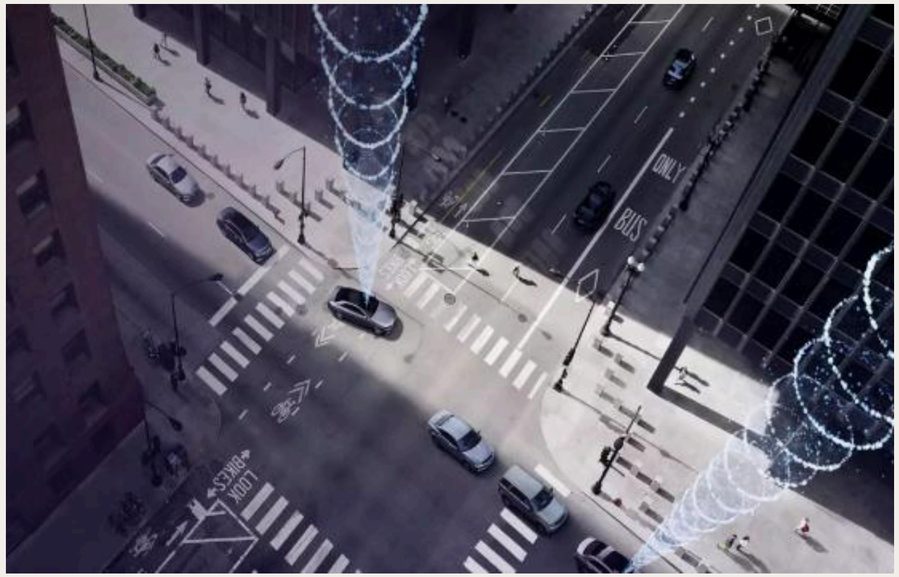




Luxury Travel and Hospitality:

To provide its clients with complete luxury experiences, luxury automakers are progressively venturing into the travel and hospitality industries. Competitors like Aston Martin have introduced high-end lodging options, vacation packages, and resorts geared toward rich customers. Porsche might think about getting into this sector to capitalize on the status of its brand and satisfy its clients' demands for upscale travel.

CONSUMER TRENDS DIRECT COMPETITORS HAVE ENTERED



Urban Mobility Services:

Creative alternatives to traditional autos for urban mobility are becoming more and more necessary as the population gets denser. Rivals such as Mercedes-Benz have introduced urban mobility programs, such as driverless shuttles, micro-mobility solutions, and car-sharing services. Porsche may investigate prospects in this domain to broaden its scope and adjust to evolving customer inclinations in metropolitan settings.

Subscription Based Ownership Model:

Subscription-based business models are becoming more and more common in a variety of industries, including the automobile one, as ownership attitudes change. Competitors like Audi, BMW, Cadillac, and Volvo have launched subscription programs that let users access cars every month without having to commit to ownership. To appeal to a younger demographic and provide greater ownership possibilities, Porsche might investigate subscription-based ownership arrangements.



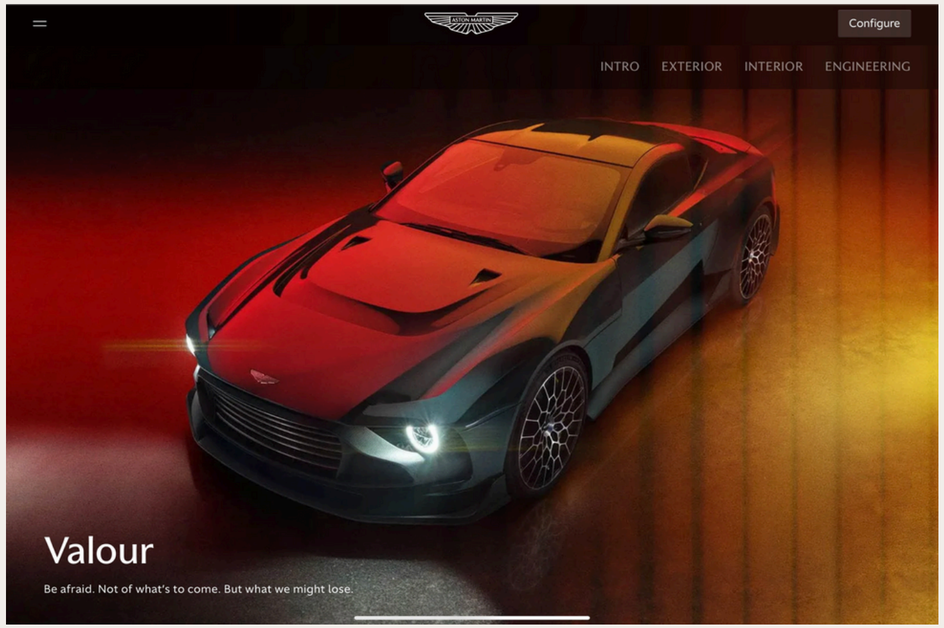
PORSCHE ROMANCE


1957
BERU
Zündtechnik
M DP 888
26

PORSCHE ROMANCE

Forward Movement

The Aston Martin Valour is reviving the essence of romantic driving by emphasizing a pure, engaging, and visceral driving experience. With its classic front-engine, rear-wheel-drive layout, and manual transmission, the Valour focuses on delivering a direct connection between the driver and the road. The design is a blend of modern performance and nostalgic styling, evoking the spirit of classic sports cars. This limited-edition model celebrates the joy of driving, prioritizing driver involvement and the thrill of manual control over automated systems, thereby rekindling the passion and romance of traditional motoring.



PORSCHE ROMANCE

Maintaining Heritage and Legacy

Enhancing Emotional Connection: Preserving and celebrating the classic driving experience that define Porsche’s legacy will strengthen emotional bonds with existing customers and enthusiasts. One of the risks of what the future can bring to the luxury automotive industry is the lack of emotional connection between brand and the current core customers: it is vital for Porsche to hold onto the drivers who love to drive, in order to hold onto who they are as a brand.



PORSCHE ROMANCE

Exclusive and Limited Edition Models

Introducing limited edition models and heritage-inspired designs will create exclusivity and drive desirability among collectors and connoisseurs. As the future approaches, cars designed solely for the most pleasurable driving experience for the connoisseurs will be in less and less supply, but demand won’t likely fall equivalently, therefore making Porsche’s exclusive and limited edition romantic cars rare and valuable.



PORSCHE ROMANCE

Heritage Events and Experiences

Hosting heritage events, driving experiences, and collaborations with classic car shows will reinforce Porsche’s iconic status and attract heritage enthusiasts. When future automotive predictions become reality, Porsche’s current core customers who love the driving experience will crave what it used to be. If Porsche keep one eye on what got them to where they are today, it will enable them to keep the other eye on remaining luxury market leaders tomorrow.



PORSCHE TOMORROW



PORSCHE TOMORROW

Benchmarks

Porsche not only need to be ready to compete with the future benchmarks when that time comes, but prepare to be one step ahead. Audi' activesphere is pushing the limits of tomorrow's technology andhas shown what the new benchmark is for the car of tomorrow. The 'Porsche Tomorrow' line will be on the same playing field as the activesphere, which is just one of many concept cars that are closer to being here than what we might think.



PORSCHE TOMORROW

Leading Technological Advancements

Being at the forefront of AI, AR, and autonomous driving technologies will position Porsche as an innovative leader in the luxury automotive sector. Porsche is facing stiff competition as their rivals also see the importance of utilizing groundbreaking technology that is becoming more and more readily available.



PORSCHE TOMORROW

Sustainability Initiatives

Committing to sustainability through electric vehicles, eco-friendly materials, and carbon-neutral practices will appeal to environmentally conscious consumers and enhance brand reputation.

Digital and Connected Experiences

Developing integrated digital ecosystems and smart vehicle technologies will improve customer engagement and satisfaction.



PORSCHE TOMORROW

Volkswagen Group Synergy

It is highly likely that Porsche, being part of the Volkswagen Group along with Audi, Lamborghini, and Bentley, will collaborate closely with the innovation departments of these companies. Collaboration between Porsche and Audi under the Volkswagen Group umbrella is not only likely but advantageous for both brands. It enables them to leverage shared resources, accelerate innovation, and maintain competitiveness in the dynamic automotive industry while preserving their unique brand identities. If we focus on Audi as an example, here’s how they can collaborate:



PORSCHE TOMORROW

Volkswagen Group Synergy

1. Synergies in Technology Sharing: As part of the same automotive group, Porsche can benefit from sharing technologies and innovations developed by Audi's innovation department. This collaboration can lead to faster development cycles, cost savings, and greater innovation.

2. Platform Sharing: Volkswagen Group often uses shared platforms across its brands. Porsche and Audi could collaborate on developing common platforms for electric vehicles (EVs), autonomous driving technologies, and digital services, optimizing resources and improving time-to-market.

3. Pooling of Resources: By working together, Porsche and Audi can pool their resources in research and development (R&D), testing facilities, and talent. This can lead to more comprehensive and advanced solutions, leveraging each brand's strengths.



PORSCHE TOMORROW

Volkswagen Group Synergy

1. Synergies in Technology Sharing: As part of the same automotive group, Porsche can benefit from sharing technologies and innovations developed by Audi's innovation department. This collaboration can lead to faster development cycles, cost savings, and greater innovation.

2. Platform Sharing: Volkswagen Group often uses shared platforms across its brands. Porsche and Audi could collaborate on developing common platforms for electric vehicles (EVs), autonomous driving technologies, and digital services, optimizing resources and improving time-to-market.

3. Pooling of Resources: By working together, Porsche and Audi can pool their resources in research and development (R&D), testing facilities, and talent. This can lead to more comprehensive and advanced solutions, leveraging each brand's strengths.



MARKET EXPANSION & CONSUMER ENGAGEMENT

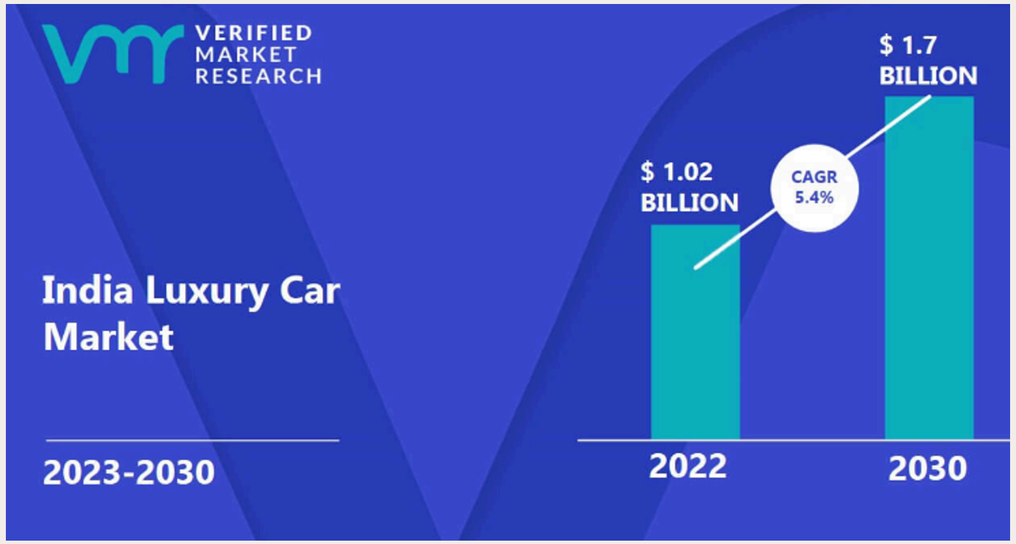
MARKET EXPANSION & CONSUMER ENGAGEMENT

Global Market Presence: Expanding into emerging markets, particularly in Asia-Pacific and Latin America, will capitalise on growing luxury automotive demand. India’s market is growing rapidly and could be one area for Porsche to focus on as they currently sit mid-pack in terms of market share.



MARKET EXPANSION & CONSUMER ENGAGEMENT

India’s Luxury Car Market size was valued at USD 1.02 Billion in 2022 and is projected to reach USD 1.7 Billion by 2030, growing at a CAGR of 5.4% from 2023 to 2030. This is more than likely due to the fact that they don’t offer many low-end luxury vehicles when compared to competitors, but as time goes on and wealth grows, Porsche’s demand should increase, especially if they can predict future trends of demand of car type and fuel source.

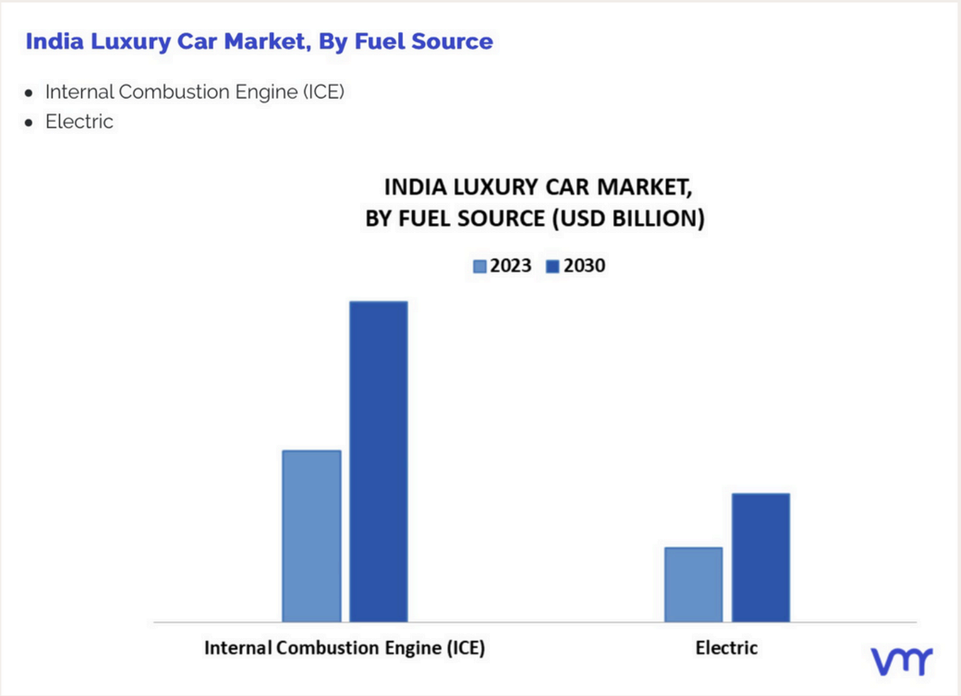


MARKET EXPANSION & CONSUMER ENGAGEMENT

India’s 2030 forecast predicts that the demand for internal combustion engines will outweigh the demand for EVs. This will prove a challenge for Porsche to keep developing their current ICE cars that will suit India’s market. This plays into the plan to create two seperate lines of Porsche Romance and Porsche Tomorrow as demand for engine type differs across nations.

India Luxury Car Market, By Fuel Source

- Internal Combustion Engine (ICE)
- Electric



MARKET EXPANSION & CONSUMER ENGAGEMENT

Global Market Presence: Expanding into emerging markets, particularly in Asia-Pacific and Latin America, will capitalise on growing luxury automotive demand. India’s market is growing rapidly and could be one area for Porsche to focus on as they currently sit mid-pack in terms of market share.



MARKET EXPANSION & CONSUMER ENGAGEMENT

The Sell

1. Targeted Marketing Campaigns: Tailoring marketing efforts to resonate with both traditional luxury consumers (Porsche Romance) and tech-savvy, environmentally conscious buyers (Porsche Tomorrow) will broaden Porsche's customer base.

2. Digital and Social Media Engagement: Leveraging digital platforms for storytelling, customer interaction, and influencer partnerships will increase brand visibility and engagement.

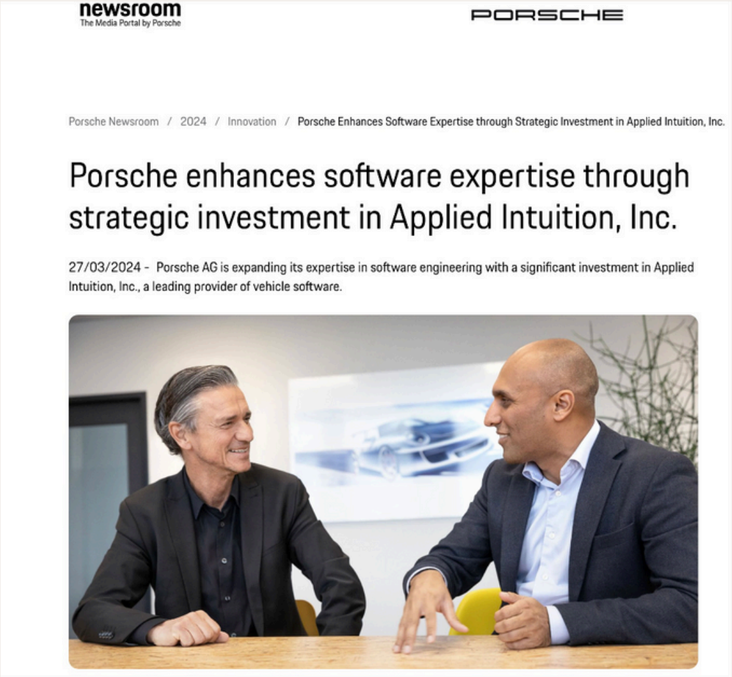


MARKET EXPANSION & CONSUMER ENGAGEMENT

Collaborations

1. Tech and Innovation Partnerships: Collaborating with tech companies and startups to co-create new technologies and solutions will strengthen Porsche's reputation as an innovator.

2. Luxury and Lifestyle Collaborations: Partnering with luxury brands and lifestyle influencers to create exclusive, co-branded products and experiences will enhance brand prestige and desirability.



MARKET EXPANSION & CONSUMER ENGAGEMENT

Customer Experience and Loyalty Programs

1. Personalised Customer Experiences: Utilising AI for personalized recommendations, customizations, and services will enhance customer satisfaction and loyalty.

2. Exclusive Membership Programs: Offering exclusive membership clubs and events for Porsche owners and enthusiasts will foster community and brand loyalty.

3. After-Sales Services: Providing exceptional after-sales services, including maintenance, upgrades, and digital connectivity solutions, will increase customer lifetime value.



CONCLUSION

By effectively implementing the "Porsche Romance" and "Porsche Tomorrow" strategy, Porsche can strengthen its brand equity by preserving its heritage while embracing innovation and sustainability. This dual approach not only caters to diverse customer preferences but also ensures Porsche’s market leadership in the luxury automotive industry, enhancing its brand prestige, loyalty, and overall brand equity in the future.

CITATIONS-1

- Smith, Elliot. “Porsche Warns of Fall in Profitability but Hikes Dividend on Strong 2023 Results.” CNBC, 12 Mar. 2024, www.cnbc.com/2024/03/12/porsche-warns-of-fall-in-profitability-but-hikes-dividend-on-strong-2023-results.html#:~:text=The%20German%20luxury%20automaker%20said. Accessed 12 Apr. 2024.
- “What Is Financial Situation of Porsche in 2024 - Google Search.” Www.google.com, www.google.com/search?client=safari&rls=en&q=what+is+financial+situation+of+porsche+in+2024&ie=UTF-8&oe=UTF-8. Accessed 12 Apr. 2024.
- “What Is Porsche Focuses on - Google Search.” Www.google.com, www.google.com/search?client=safari&rls=en&q=what+is+porssche+focuses+on&ie=UTF-8&oe=UTF-8. Accessed 12 Apr. 2024.
- www.comparably.com/companies/porsche/mission#.
- “What Is the Current Status of Porsche - Google Search.” Www.google.com, www.google.com/search?client=safari&rls=en&q=what+is+the+current+status+of+porsche&ie=UTF-8&oe=UTF-8. Accessed 12 Apr. 2024.
- “Porsche Newsroom – the Media Portal by Porsche Cars North America - Porsche Newsroom USA.” Porsche Newsroom, 10 Apr. 2024, newsroom.porsche.com/en_US.html#:~:text=Porsche%20is%20expanding%20the%20model. Accessed 12 Apr. 2024.
- doadmin. “5 Reasons Porsche Cars Are World-Renowned.” Porsche Tysons Corner Blog, 22 Dec. 2023, www.porschetysonscorner.com/blogs/3560/5-reasons-porsche-cars-are-world-renowned/#:~:text=Iconic%20Design%20and%20Appearance. Accessed 12 Apr. 2024.
- “Porsche Locations - from Germany throughout the World - Porsche Great Britain - Porsche AG.” Porsche AG - Dr. Ing. H.c. F. Porsche AG, www.porsche.com/international/aboutporsche/overview/locations/.
- Jurevicius, Ovidijus. “Porsche SWOT Analysis 2023 - SM Insight.” Strategic Management Insight, 28 Apr. 2023, strategicmanagementinsight.com/swot-analyses/porsche-swot-analysis/.

CITATIONS-2

- “Porsche AG Enters Its Biggest Year of Product Launches in a Strong Position.” Porsche Newsroom, 3 Dec. 2024, newsroom.porsche.com/en/2024/company/porsche-annual-press-conference-financial-year-2023-annual-and-sustainability-report-35367.html.
- “Porsche AG: BMW Group, Daimler AG, Ford Motor Company and Volkswagen Group with Audi & Porsche Plan a Joint Venture for Ultra-Fast, High-Power Charging along Major Highways in Europe - Porsche USA.” Porsche HOME: BMW Group, Daimler AG, Ford Motor Company, and Volkswagen Group with Audi & Porsche Plan a Joint Venture for Ultra-Fast, High-Power Charging along Major Highways in Europe - Porsche USA, www.porsche.com/usa/aboutporsche/pressreleases/pag/?id=419162&pool=international-de. Accessed 7 May 2024.
- “Aston Martin Unveils Its First Ultra-Luxury Flagship, Q New York.” Www.astonmartin.com, www.astonmartin.com/en-us/our-world/news/2023/6/13/aston-martin-unveils-its-first-ultra-luxury-flagship-q-new-york. Accessed 15 May 2024.
- “Mercedes-Benz Urban Mobility Solutions and City of Boston Partner to Help Improve Uneven Roads.” MBUSA Newsroom, 24 July 2023, media.mbusa.com/releases/mercedes-benz-urban-mobility-solutions-and-city-of-boston-partner-to-help-improve-uneven-roads.
- “Audi, BMW, and Cadillac Subscription Services End; Those from Porsche and Volvo Continue.” Consumer Reports, 21 Jan. 2021, www.consumerreports.org/cars/buying-a-car/buy-lease-or-subscribe-automakers-offer-new-approaches-to-car-ownership-a4297971705/. Accessed 15 May 2024.
- Kapferer, J.N., & Bastien, V. (2023). The Luxury Strategy: Break the Rules of Marketing to Build Luxury Brands.
- Kapferer, J.N. (2023). Kapferer on Luxury: How Luxury Brands Can Grow Yet Remain Rare.
- Ricca, M., & Robins, R. (2012). Meta-Luxury: Brands and the Culture of Excellence.

CITATIONS-3

- “Porsche.” Wikipedia, 9 May 2024, en.wikipedia.org/wiki/Porsche#.
- “Porsche Compliance - Porsche AG.” Porsche AG - Dr. Ing. H.c. F. Porsche AG, www.porsche.com/international/aboutporsche/overview/compliance/#:~:text=Porsche%20stands%20for%20strong%20values.
- Immersive presentations: How Porsche is stepping into mixed reality. Porsche Newsroom. (n.d.). https://newsroom.porsche.com/en/2024/innovation/porsche-mixed-reality-workshop-augmented-reality-34998.html
- Porsche Mission E - Porsche USA. Porsche HOME - Porsche USA. (n.d.). https://www.porsche.com/usa/aboutporsche/christophorusmagazine/archive/374/articleoverview/article01/
- Portfolio. szymon.bike. (n.d.). https://szymon.bike/portfolio/
- Sunday drives: Switzerland. Porsche Newsroom. (n.d.-b). https://newsroom.porsche.com/en/2021/scene-passion/porsche-sunday-drives-stefan-bogner-swiss-alps-23599.html
- Valour. Retro-Inspired Limited Edition Manual Car | Aston Martin. (n.d.). https://www.astonmartin.com/en-us/models/valour
- A passage through time. Porsche Newsroom. (n.d.-a). https://newsroom.porsche.com/en/2019/sport-lifestyle/porsche-gotthard-pass-911-356-speedster-carrera-rs-906-18763.html
- Porsche Innovation - Porsche AG. Porsche HOME - Porsche AG. (n.d.). https://www.porsche.com/international/aboutporsche/innovation/
- India Luxury Car Market Trends. Market Research Company - Mordor IntelligenceTM. (n.d.). https://www.mordorintelligence.com/industry-reports/india-luxury-car-market/market-trends
- India luxury car market size, share, opportunities, and forecast. Verified Market Research. (2023, September 7). https://www.verifiedmarketresearch.com/product/india-luxury-car-market/#:~:text=India%20Luxury%20Car%20Market%20was,5.4%25%20from%202023%20to%202030.