



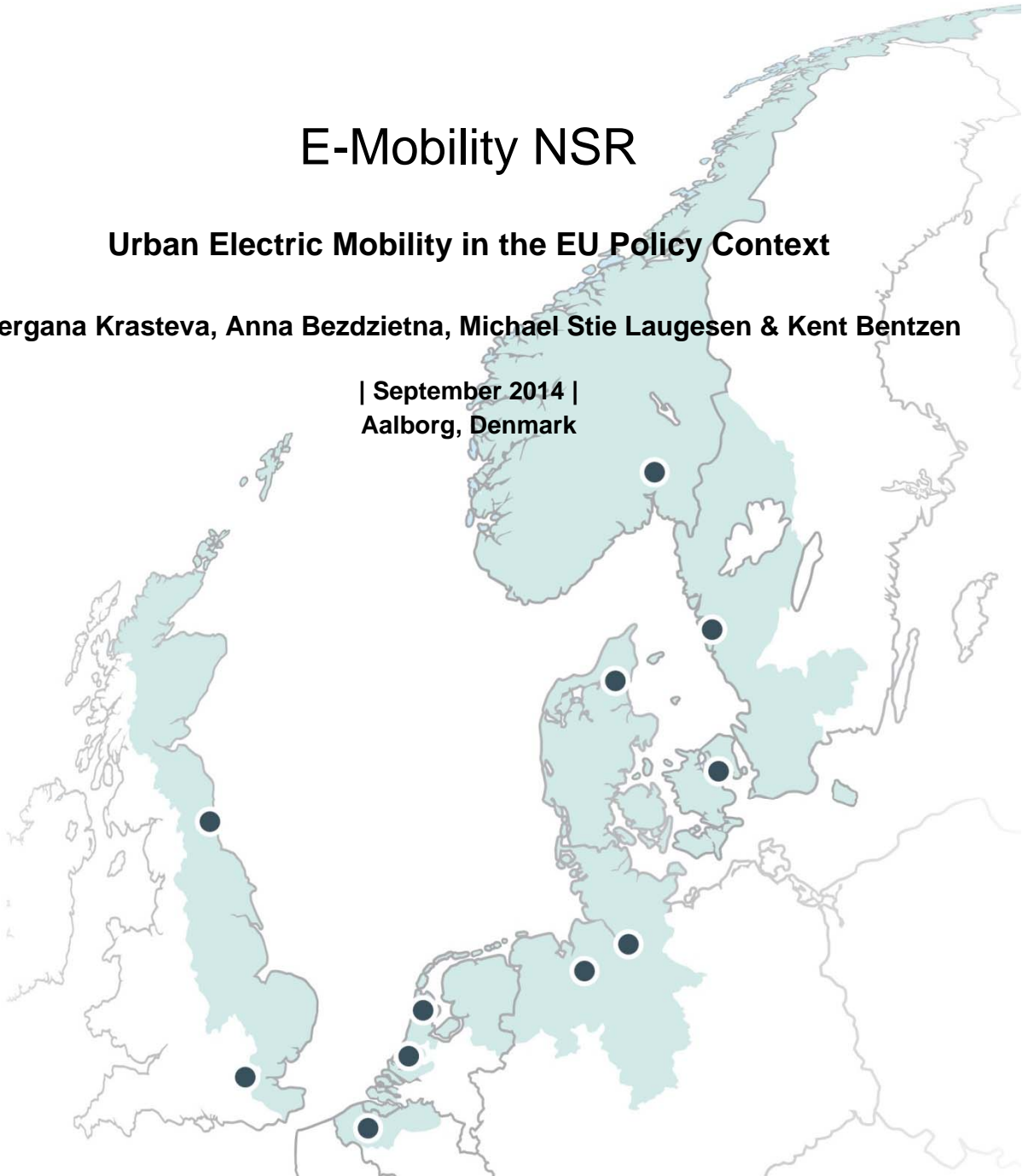
# e-mobility NSR

## E-Mobility NSR

### Urban Electric Mobility in the EU Policy Context

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## 1. Introduction

### 1.1. The importance of the urbanization

Urbanization is a process that takes place all around the world. Latest numbers from WHO shows that 54% of the worlds population is now living in cities. For the European Union the number is as high as 72%. It is widely recognised that cities will determine the future development in terms of financial, societal and infrastructure state. To explain further why the importance of the urban transport is so high this report will rely on the effects that it has on the whole urbanization process. The urban transport is significant because it manages the mobility of the high concentration of people in the cities, it also influences the environment, the economic activities within the cities and the employment rate. The EU plays a big role in managing the urban mobility in the cities and that is why its policies determine the current and future state of the urban mobility and the industries involved in it. The automotive industry and the electric vehicle industry are two representatives of those industries that are influenced and operate in the policy context of the EU. The EU has shown serious intentions to regulate the urban mobility through various policies. The European Parliament insists on interaction between the governments of the Member States for the successful implementation of the EU urban transport policies. Even at global level the United Nations asked the EU and the EC to focus on the urban development and transport. All those factors can't be ignored by the big and small players in the automotive and electric vehicle industries and they already have projects that take advantage of the EU urban mobility policies (Cities of Tomorrow, 2014).

## 1.2. Areas of interest in the report

In this report the different factors that influence the deployment of electric vehicles at the EU electric vehicle market will be analysed. Most of all the role of the EU policies in that process will be examined and the assistance they can provide for the building of a strong brand for the electric vehicles with a special focus on a unique urban electric vehicle. In the figures below the areas of interest analysed in this report can be seen.

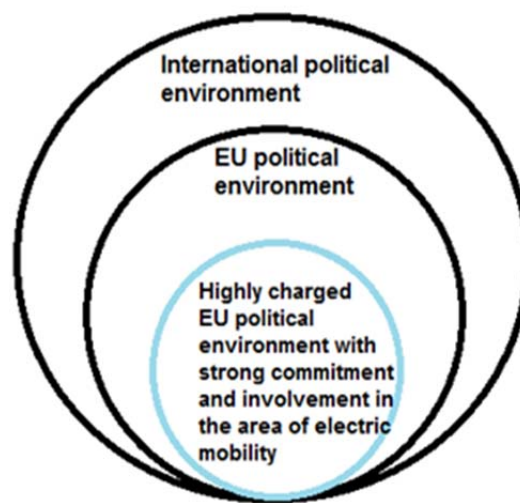


Figure 1: Political environment  
*Source: Self-made*

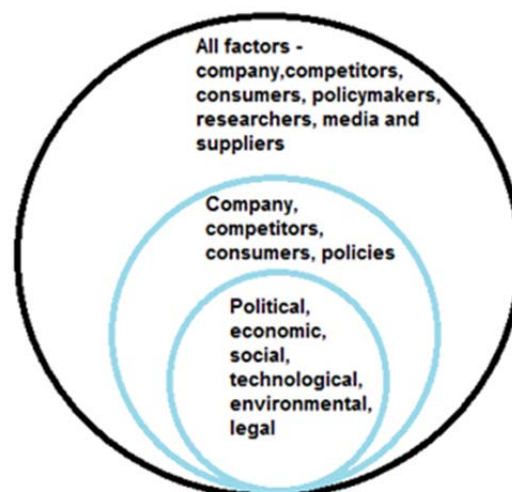
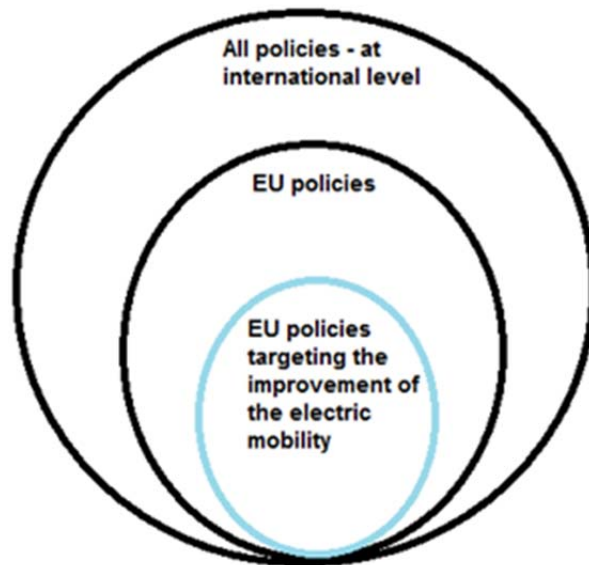
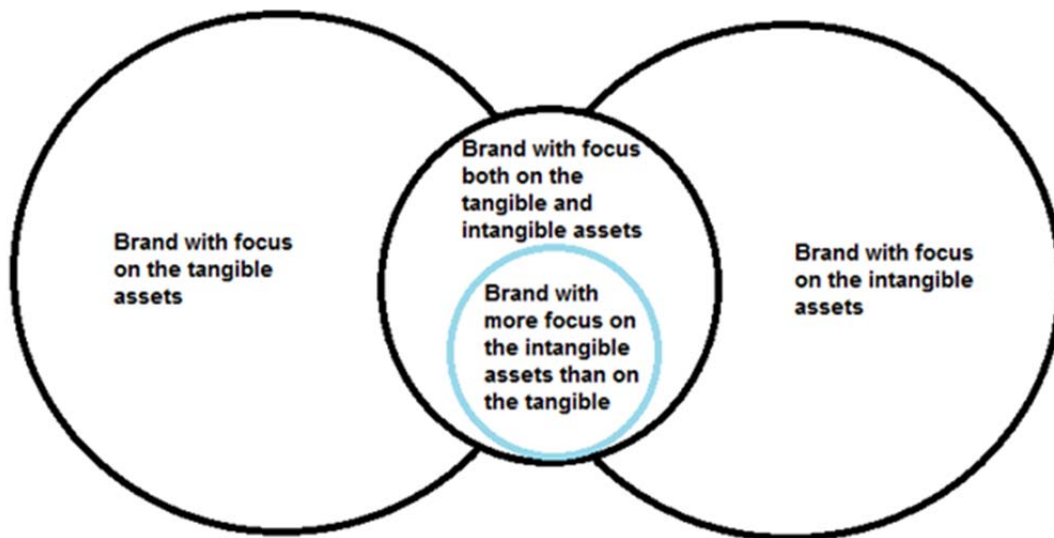


Figure 2: Factors that influence the building of strong brand  
*Source: Self-made*



**Figure 3: Policies of interest**  
*Source: Self-made*



**Figure 4: Characteristics of a strong brand**  
*Source: Self-made*

### 1.3. Assumptions

In order for the report to be focused different assumptions are made. The first one is that all countries are interested in supporting the electric vehicles for improving of the urban transport. There is evidence for that and particular countries can be used as examples, because they already took actions to support the deployment of electric vehicles for passenger and freight transport following the current policies and keeping on track with the development of the future ones. That means that all Member States in the EU are interested in the policies related to the electric mobility and to implement them. Another assumption is that there is a link between the behaviour of the different countries towards the deployment of electric vehicles for urban transport and the behaviour of the companies from the automotive industry. It is assumed that like the EU countries the automotive industry is also interested in developing the electric vehicle market. Another assumption made in the project is that the electric vehicle market is influenced by the policies of the EU. It is also assumed that the electric vehicle manufacturers can and do use that in their activities to gain competitive advantage over the conventional car manufacturers. A very important assumption is that the policy charged context in which the electric car manufacturers operate can assist in the creation of strong brands for their products.

### 1.4. Scope and limitations

In this report the field of research concentrates on the highly charged political environment of the electric vehicle industry and the companies it includes and on the link between that and the opportunity for those companies to create strong brands. For the purpose of the report policies other than those of the EU are not considered. Also, companies other than those operating in the field of electric vehicle transport are excluded. Due to the brand building it is necessary to mention the level at which the created brand will operate. In this project the creation of strong brand is for the purposes of business-to-consumer (B2C), business-to-business (B2B) and business-to-government (B2G).



## 2. Electric mobility projects

The EC “Urban Mobility Package” presents the fact that many European cities are experiencing difficulties for their urban transport systems. Through the mobility package, the EC has taken steps to analyse the current situation and the best practices, to provide the Member States with the financial support that they need to make the necessary changes in the urban mobility. Hereby the EC wants to promote innovation and an exchange of best practices as a solution to the problems and to encourage the interaction between the Member States on the issue (EC, 2013). Below are briefly described some of the e-mobility projects recently financed by the European Commission in relation to sustainable urban transportation. All the presented project examples illustrate the ambition of the EU manufacturers to include the electric vehicles in the urban traffic by taking advantage of the EU support and policies.

LaMilo is about last mile logistics and is financially supported by Interreg IVB North West Europe. The purpose of the project is to assist the companies, the consumers and the public sector to take advantage of the present opportunities in the field of transport. Additional aims of LaMilo are to reduce the levels of carbon dioxide, noise, congestion and influence positively the policies, the environment and the well-being of the EU citizens. The project seeks better and more efficient ways for delivering goods combining the available knowledge and experience in the EV industry (Institute for Sustainability, 2014).

Another operator is GreenWay which provides electric transport service for their clients according to the exact amount of kilometres for which they use the vehicles. The purpose of the company is to demonstrate that it is possible to conduct business in a way, which is environmentally friendly and still economically beneficial. The idea behind the service is that the clients don't need to purchase an electric vehicle. They will be provided with one by the company and rent it gaining access to all the technical and other services connected with the usage of the electric vehicle. This includes aspects related to the charging, the technical support and the communication systems (GreenWay Operator, 2014).

The project Citylogistik also offers product delivery in a flexible and green way. It operates in Copenhagen, Denmark. What is valuable about the service is that the delivery depends on the business of the client and is performed by electric vehicles following the most suitable route through the city. The company offers additional services like unpacking of goods so that they are

reviewed before they arrive at the spot, putting price tags, security tags, renting space for the storage of the goods (Citylogistik-kbh ApS. (2014).

OPTICITIES focuses on several dimensions of the EU transport concerns. They include the difficulties in terms of accessibility on the roads due to the increased number of vehicles, the environmental threads and the problems in the urban areas involving passenger and freight vehicles. The company provides ITS solutions based on the needs of the users, the public authorities and the business clients. The aim is to assist in the supervision and efficiency of the transport by the gathering of high quality data and giving access to it for the improvement of the urban transport (Opticities Partners, 2013).

FREILOT is another project that has the goal of implementing sustainable solutions at a reasonable cost by at the same time reducing the consumption of fuel, congestion and the emission of carbon dioxide. The idea behind the project is that all of the stakeholders – drivers, citizens and business, can benefit through a better traffic management system. It will give priority to the trucks at certain time and parts of the roads providing the drivers with environmentally friendly vehicles and with booking of delivery spaces. This will also reduce the speed, the stress and the accidents on the roads (Freilot, 2013).

CITYMOVE investigates the needs of the users in order to implement technological solutions in to the urban transport. The project contributes to the efforts of the EC and aims to take care of the environment, the safety and the reduction of carbon dioxide. CITYMOVE uses the data available to evaluate the impact and progress of the initiatives, projects and practices that are currently operating (Centro Ricerche FIAT S.C.p.A., 2014).

CITYLOG analyses the trends in the logistics across the EU cities and takes into account the standards which need to be changed for the better functioning of the urban freight and its positive influence on the life in the urban areas (Centro Ricerche FIAT S.C.p.A., 2014).

### 3. PESTEL analysis of the EU electric vehicle market

The EU is facing unique environmental challenges and the companies are responsible both for the production of goods/services and the sustainable development. The PESTEL analysis is chosen in this case because it analyses the external macro environment in which the business operates. The PESTEL analysis takes into account the changes, keeps the companies on track with them and is very useful when a new product/service is started. It will assist the electric vehicles being a new technology for their faster adaptation on the automotive market. The subject of the PESTEL analysis should be clear. In this case it is a product (the electric vehicles) looking at its market (the EU automotive market). The PESTEL analysis consists of analysis of the political, economic, social, technological, environmental and legal factors which can influence the introduction and performance of the electric vehicles in the EU cities.

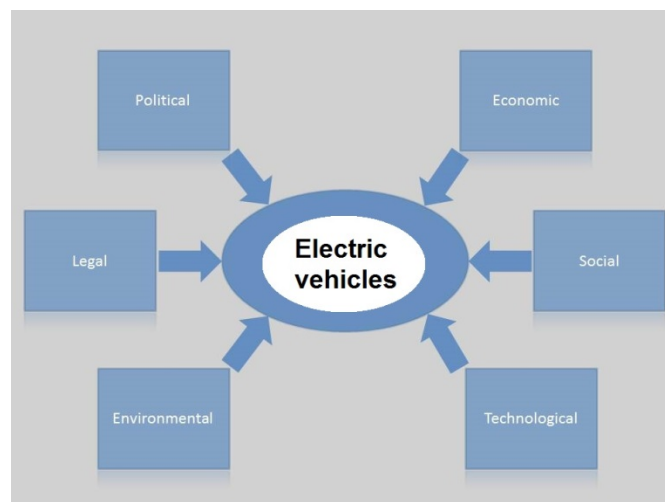


Figure 5: Factors influencing the creation of strong electric vehicle brand  
(Professional Academy, 2013).

### 3.1. Political factors

The political factors consist of the current and future support for the electric vehicles, grants and funding initiatives. The deployment of electric vehicles are among other supported by Horizon 2020 which is the biggest EU Research and Innovation Programme (2014-2020) with 80 billion Euro available for funding. In its section Societal changes the Smart, Green and Integrated transport can be seen. Its aim is to ensure the global leadership of the EU transport industry.

The electric vehicles are also supported by the European Green Vehicles Initiative (EGVI), which is under the funding of Horizon 2020. This initiative is a contractual public-private partnership dedicated to delivering green vehicles and mobility system solutions.



**EGVI**  
European Green  
Vehicles Initiative

### 3.2. Economic factors

The economic factors are related to the overall economic situation in the automotive market. The sales of electric vehicles are steadily increasing, but are not yet meeting the expectations of the industry and the policy makers in Europe. However, the electric vehicles market grows faster than the overall automotive market. By 2020 it is expected that the sales of electric vehicles will be 10-12% of the total car sales. The EU market share for electric vehicles in 2017 is expected to be 22% for Renault and Nissan, 14% for PSA, 12% for VW, 7% for Toyota, 7% for Mitsubishi, 7% for Daimler, 6% for BMW and 25% for other OEMs. The purchase price of the electric vehicles is considered as one of the main challenges related to their further market penetration.

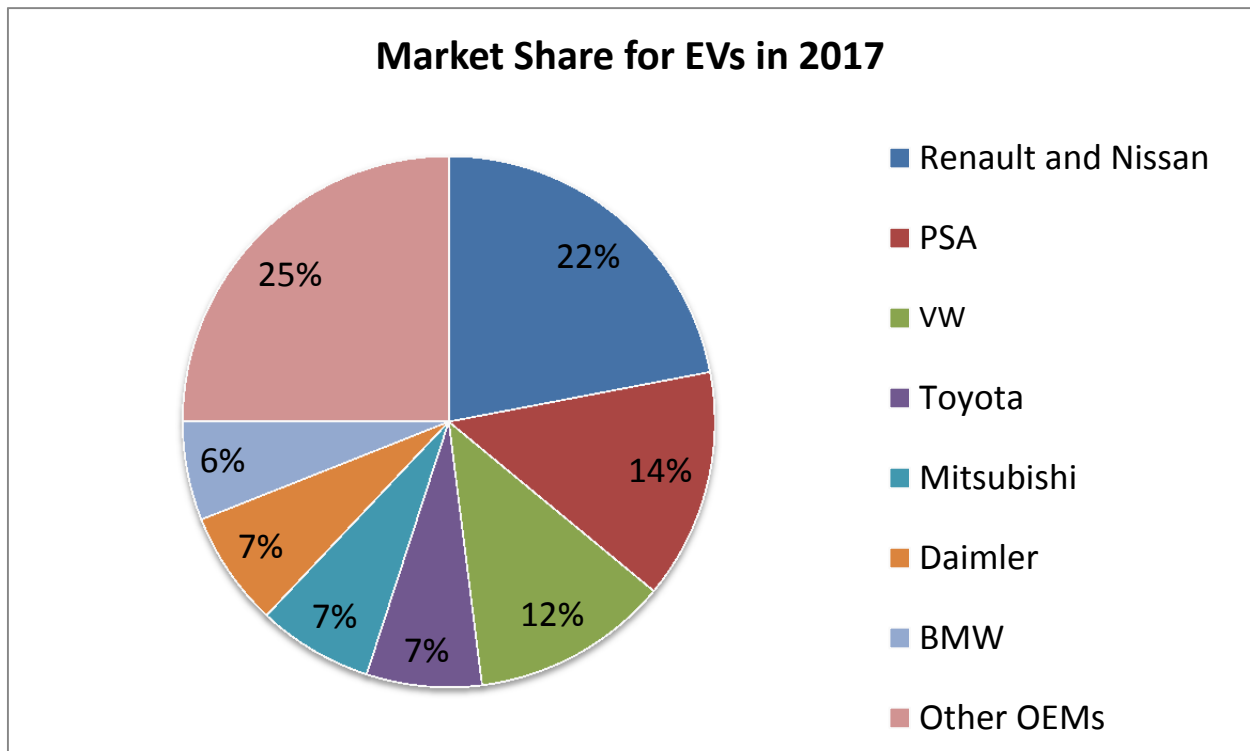


Figure 6: Market share for the electric vehicles in 2017, (Frost & Sullivan, 2013).

### 3.3. Social factors

The social factors represent the attitudes of the EU consumers towards the electric vehicles. The EU consumers lack knowledge, but most of all experience with the electric vehicles. According to an Eurobarometer survey “Attitudes of Europeans towards urban mobility” being asked about different phenomenon, they consider air pollution (81%), road congestion (76%), travelling costs (74%), noise pollution (72%) as the largest problems from road transportation. The electric vehicles can assist for all these problems.

A proof that this is possible to change the mindset of consumers is a 3 months trial in 2009-2012 including 340 electric vehicles tested by EU citizens. Many of the test users reached the conclusions that if the charging could fit into their daily routines the electric vehicles could reach the same level of satisfaction as conventional cars. Additional planning of the trip were not needed, the driving style didn't change, the little noise that the electric vehicles produced is not dangerous for the pedestrians and the ability to reaching the final destination was satisfactory.

### 3.4. Technological factors

The technological factors consist of the relevant current and future technological innovations. The main challenges that the electric vehicles face are the limitations within their range (the distance they can go with one charge). The distance, which an electric vehicle can pass with one charge, is on average around 100-120 km, while an average sized conventional car can pass more than 600 km. Another challenge is the establishment of effective charging infrastructure. The number of charging stations is expected to increase. The battery is another obstacle because it increases the price of the vehicle, but still needs to be technologically suitable. However, the technological development and market deployment of the electric vehicles will cope with both problems.

### 3.5. Environmental factors

The environmental factors concern the level of pollution created by the electric vehicles and the attitudes to the environment from the consumers and the governments. The electric vehicles have the potential to decrease the air pollution. Since the air pollution can be global, regional and local attention should be paid to the local pollution as being a result of the activities of people in an area. It is necessary to determine which kinds of air pollution can be eliminated through the use of electric vehicles and which can not. The electric vehicles can decrease the levels of CO<sub>x</sub>, NO<sub>x</sub> and SO<sub>x</sub> emissions on a local level. However, renewable energy sources should be used for the production of the electricity for the electric vehicles. Otherwise, the energy plants from which the electric vehicles obtain electricity will create pollution, which will influence the environment despite the reduction of local air pollution in the cities. The climate changes in the future will influence the environment and the society in a way, which could lead to making electric vehicles the preferable option in an urban environment and perhaps at one point the only alternative.

### 3.6. Legal factors

The legal factors are related to the legislation, its changes and the regulating bodies. The electric vehicles can take advantage of the 2011 White Paper Roadmap *“Towards a Single European Transport Area”*. It states that the conventional cars should be reduced to its half by 2030 and the greenhouse gas emissions from transport should be reduced with 60% by 2050 compared to 1990 standards. The EU “Proposal for Directive of the European Parliament and of the Council on the Development of Alternative Fuels and Infrastructure” states that the Member States have to provide appropriate number of charging points, which should be made publicly accessible following the safety and technical requirements. The EC “Urban Mobility Package” also supports

the electric vehicles through access regulations according to the emission class of the vehicle for the creation of low emission zones in the EU cities.

The successful implementation of the electric vehicles in the EU cities largely depends on the changes in the national regulations so that the process can be supported at local level. In some cities electric vehicles have been granted permissions to enter the pedestrian zones. Driving in the environmental zone is almost always allowed for them, as long as they are compliant with the gross vehicle weight (GVW) limits. Also, in some cities, special lanes and parking space for electric vehicles are determined.

## 4. Building a strong brand for urban electric vehicles

### 4.1. The brand identity planning model of Aaker

Aaker developed his brand identity planning model in 1996. The basis of the model is the four core perspectives of the brand – the brand as product, the brand as organization, the brand as person and the brand as symbol. The purpose of the framework in general and in this report, is to help the electric car manufacturers to add more depth to their brands, thus creating vehicles that are tailored for an urban environment. In the figure below the brand identity building model of Aaker can be seen.

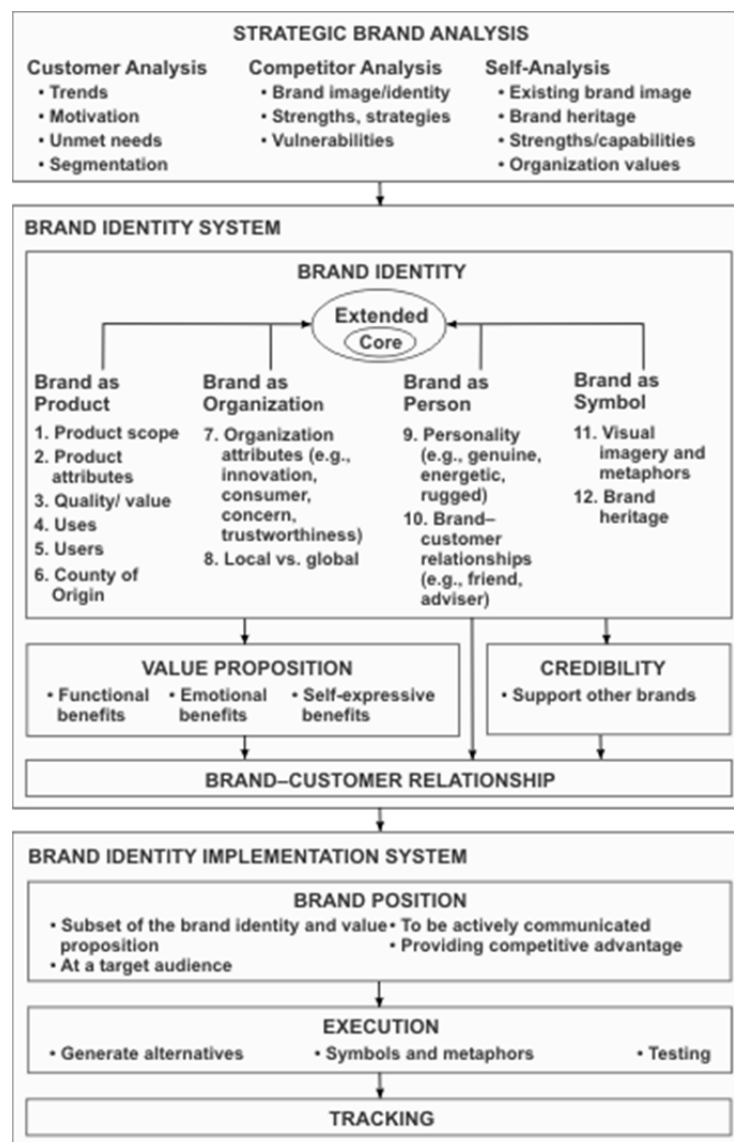


Figure 7: Brand Identity Model of Aaker

Source: David Aaker (1995). *Building Strong Brands*. USA: The Free Press . p78-205



Aaker begins his brand identity planning model with analysis of the customers, the competitors and the company itself. However, for the purposes of the report another component is added and the model is extended. It is in the form of adding policy component to the strategic brand analysis. This component will be called policy analysis and will be placed above the customer, competitor and self-analysis, because the EU electric urban mobility policies influence the creation of a strong brand and the electric vehicle industry operates in a highly charged political environment.

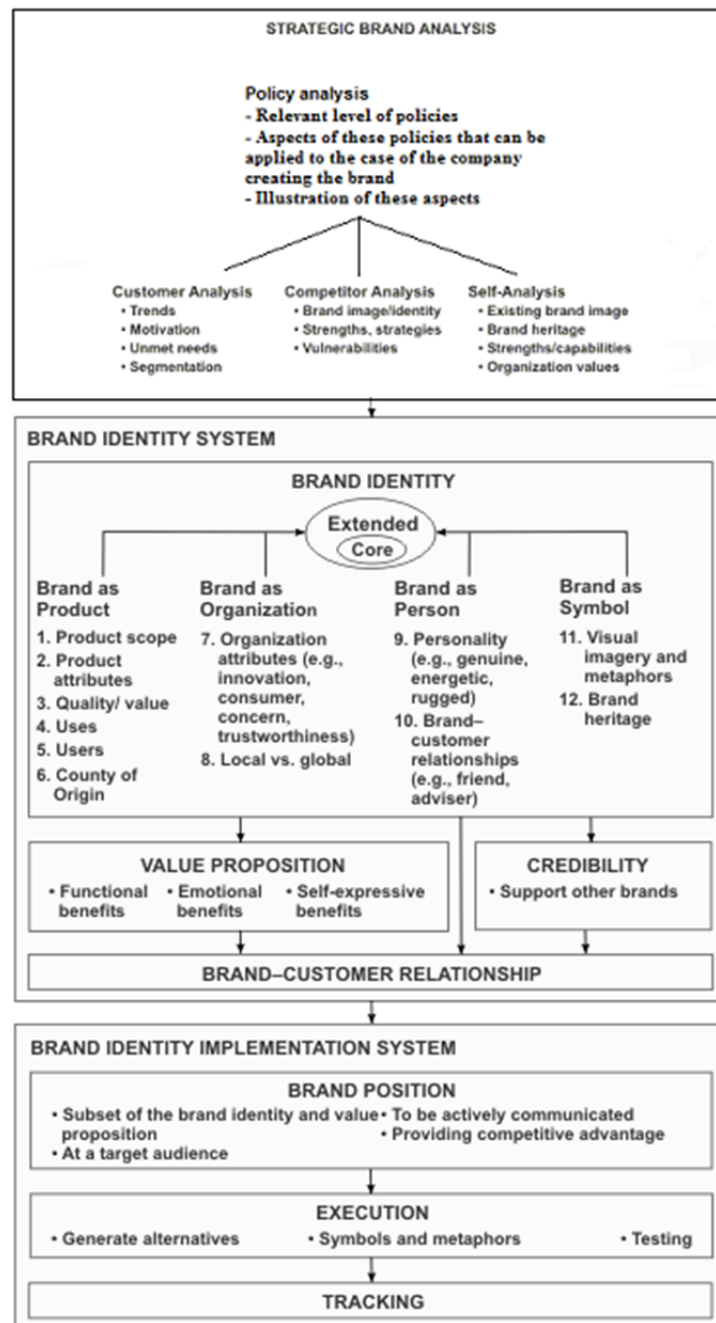


Figure 8: Expanded brand analysis part of the brand identity model of Aaker

Source: Adapted from David Aaker (1995). *Building Strong Brands*. USA: The Free Press . p78-205

As it can be seen the policy analysis consists of relevant level of policies, aspects of these policies that can be applied to the case of the company creating the brand and illustration of these aspects.

#### **4.2.1 Strategic Brand Analysis**

The strategic brand analysis is the first part of the extended model. It consists of policy analyses, which influences the customer, competitor and self-analysis, because they operate in a policy context. As it was mentioned before the added component to the brand identity building model of Aaker is the policy analysis. It consists of relevant level of policies, aspects of these policies that can be applied to the case of the manufacturing company creating the brand and illustration of these aspects. Below each of these aspects will be presented for the purpose of building of strong urban electric vehicle brand as an example of what the electric car manufacturers can do.

#### **4.2.2. Customer analysis**

Trends customer analysis consists of analysis of the trends among the customers, their motivation, unmet needs and segmentation. To analyse the trends among the EU consumers at the EU electric vehicle market a survey of the EC about the attitude of European car drivers towards electric cars is used. The sample is big – 600 drivers per each of the six EU countries (France, Germany, Italy, Poland, Spain, UK). The EU consumers that drive electric vehicles use them for work while visiting clients. Other EU consumers use the electric vehicles for leisure driving, other activities, driving to work and back, driving to the supermarket, taking and picking up the kids from school. Most of the EU consumers are still unfamiliar with the electric vehicles and have not had the opportunity to drive one. This results into their little knowledge of the range, performance, technical specifications, total cost of ownership and other aspects like the recharging of the electric vehicles. (EC, 2012).

The motivation of the EU consumers to use the electric vehicles also lies in the opportunity to use such vehicle as first car, second car, for car sharing within the family or as a car for their children or for driving them to school, shopping, etc. It can be concluded that the benefits for the consumers from using an electric vehicle are functional (related to reducing their mobility needs), emotional (related to their feelings for the vehicle associating it with pleasant experiences with their family or alone) and self-expressive (related to the expression of their support for the environment and the green mobility).

The EU consumers have several unmet needs related to the electric cars. The first unmet need is for lowering the purchase price of the electric vehicle. Among the desired improvements are also an increase of the range. The possibility of re-charging at home when living in an apartment is also an unmet need. Those unmet needs are of high significance to the manufacturers, because the EU consumers agree that after the hypothetical achievement of all improvements the probability for them to purchase an electric car are higher.

In terms of segmentation the EU consumers at the EU electric vehicle market can roughly be divided into two groups, those who use them for private use and those who use them commercial use (passenger or freight transport). The project is interested in both groups as long as their driving patterns are within an urban area. The EU consumers can use the electric vehicle as first or as second car. The project is interested in both ways of usage. The daily use of cars is also closely related to income levels. The EU consumers that never have difficulties paying bills are more likely to use a car on a daily basis (52%) than those who have difficulties paying their bills most of the time (37%).

### 4.2.3. Competitor analysis

The competitor analysis includes analysis of the main competitors at the EU electric vehicle market. The EU market share for electric vehicles in 2017 is expected to identify three biggest competitors - Renault and Nissan (22%), PSA Peugeot Citroën (14%) and VW (12%). In the table below the main competitors are examined. They are ordered in the table according to their market share starting in the EU electric vehicle market from highest to lowest. The criteria according to which they are investigated are the one from the brand identity model of Aaker – brand identity, strengths and strategies and vulnerabilities.

**Table 1: Analysis of the biggest competitors at the EU electric vehicle market**

Manufacturer	Country of origin and characteristics	Brand image	Strengths and strategies	Vulnerabilities
<b>Renault and Nissan</b>	<ul style="list-style-type: none"> <li>- Renault is a French multinational vehicle manufacturer</li> <li>- Nissan is a Japanese multinational automotive manufacturer</li> <li>- they operate in a strategic alliance</li> </ul>	<ul style="list-style-type: none"> <li>- Renault - quality, reliability, safety, performance, comfort, environmental friendliness, intuitiveness, enthusiasm, empathy, equanimity, a zest for life and humour</li> <li>- Nissan – excitement, durable,</li> </ul>	<ul style="list-style-type: none"> <li>- all Renault and models come with a battery lease contract</li> <li>- electric vehicles will retail at the same price as equivalent diesel models</li> <li>- important investment in R&amp;D</li> <li>- partnerships are being formed with mobility operators worldwide</li> <li>- cooperation with</li> </ul>	<ul style="list-style-type: none"> <li>- need for balance of interaction between the partners Renault and Nissan</li> <li>- they should not be in direct competition in countries where both of them have strong position</li> <li>- they must submit products belonging to different classes, if they belong to the</li> </ul>

		reliable	governments on infrastructure development and purchase incentives	same class they should have different price segments and characteristics
<b>PSA (Peugeot and Citroën)</b>	<ul style="list-style-type: none"> <li>- Peugeot is a French vehicle manufacturer</li> <li>- Citroën is a French automobile manufacturer</li> <li>- they operate in strategic alliance</li> </ul>	<ul style="list-style-type: none"> <li>- Peugeot – movement, energy, emotion</li> <li>- Citroen - creativity, technology, vision</li> </ul>	<ul style="list-style-type: none"> <li>- PSA was the first carmaker to introduce electric vehicles in Europe starting in late 2010</li> <li>- Peugeot and Citroën target a different customer base to increase the profit, the product line-up will be split</li> <li>- mobility projects with companies that include General Electric, Deutsche Bahn, SNCF, Kone, Airbus, EDF, GDF Suez, Allianz, Europcar and ChoosEV</li> </ul>	<ul style="list-style-type: none"> <li>- too many models contesting the same price market, stealing sales from each other</li> <li>- there are criteria specific to each country, which makes developing vehicles complex- road conditions, geography and climate factors such as altitude, temperature and humidity require adaptations</li> </ul>
<b>VW</b>	<ul style="list-style-type: none"> <li>- German multinational auto manufacturer</li> </ul>	<ul style="list-style-type: none"> <li>- VW - innovative, offering enduring value, responsible, quality, reliability</li> </ul>	<ul style="list-style-type: none"> <li>- owns multiple different brands- Audi, Seat, Skoda, Bentley and Lamborghini, and it has 20% stake in Suzuki</li> <li>- attractive product portfolio</li> <li>- individual image of each brand and optimized market positioning</li> <li>- focuses on the wishes and preferences of customers, today and in the future</li> <li>- brand which is one of the most recognizable in the world</li> <li>- provides cars from the highest luxury to the ordinary</li> </ul>	<ul style="list-style-type: none"> <li>- Volkswagen came be a bit late into the electric vehicle market</li> <li>- large amounts of debt on the balance sheet</li> </ul>

As a conclusion it can be said that all main competitors on the EU electric vehicle market have recognizable country of origin among the consumers. It can be seen that Renault and Nissan and PSA (Peugeot and Citroen) rely on strategic alliances, which can be observed between competitors in the international practice. Their synergies are based on mutual cooperation in the car making on common platforms and shared power equipment. VW also have a common chassis scalable platform for their different brands and is one of the most recognizable brands in the world.

#### 4.2.4. Self-analysis

The self-analysis includes analysis of the existing brand image, the brand heritage, the strengths and capabilities and the organizational values of the manufacturer. The existing brand image relates to how the brand is perceived and what associations arise from it.

#### 4.2.5. Brand Identity System

The brand identity system consists of the establishment of brand identity, value proposition, credibility and brand – customer relationship. The brand identity consists of analysis of the core identity and extended identity, after which a choice is made. This choice is related to what brand identity is chosen – brand as product, brand as organization, brand as person or brand as symbol. The core identity is what is unique and valuable about the brand. The core identity is vital for the meaning and the success of the brand, it is durable and represents the associations that will remain constant about the brand. It has to be in the base of the value proposition and credibility. The extended identity is what provides texture and completeness to the brand. It makes the brand more memorable and interesting through details. The extended identity concentrates on the performance, the relationship and the product scope.

The personality of the brand can be based on demographic characteristics, lifestyle or human personality traits. There are five personality factors – sincerity, excitement, competence, sophistication and ruggedness. The sincerity means down-to-earth attitude, honesty, originality, cheerfulness. The excitement includes provocativeness, adventurous attitude, artistic qualities and creativity. The competence consists of reliability, intelligence and successful image. The sophistication includes glamour and charm. The ruggedness is seen as athletic and strong. The product attributes of the electric vehicle are included in the competence side of the brand personality while the non-product related characteristics of the brand personality are included in the sophistication side. Therefore, the user imagery, which is the typical user of this electric vehicle, has to possess the same personality qualities as the urban vehicle brand.

Adopting this brand personality the urban electric vehicle brand will be better understood by the consumers, have enough texture and ability to form a relationship with the consumers, become their friend and provoke emotions in them. Having two side of its brand personality - competence and sophistication, the urban electric brand is consistent, but still offers variety for people with

different social roles and in different life contexts. No human personality has only one side and therefore the brand personality should be no different.

The other three options for brand identity – brand as product, brand as organization and brand as symbol are considered less relevant for an urban electric vehicle brand, which is new to the market.

#### **4.2.6. Value Proposition**

The value proposition is based on the core identity, which in this case has two components - value offering and personality. It includes functional, emotional and self-expressive benefits. As it was mentioned previously in the project the functional benefits arise from the utility benefits for the consumer. They usually arise from the functions performed by the product and the use experience. In the project the functional benefits are related to the benefits arising from the EU mobility policies that the urban electric vehicle will gain. They include lower taxes, access to zones for low emission vehicles, free parking spaces, etc.

The emotional benefits are the one gained through the personal emotional experience of the consumer with the electric vehicle. That refers to the personality component of the core identity of urban electric vehicle. According to Aaker the combination of functional and emotional benefits is a characteristic of the strongest brands.

The self-expressive benefits have to be taken into consideration as well. In the case of the urban electric vehicle the consumers will have the chance to express their strong position of support for the environment, also being modern by using the latest technological solution in the automotive market.

#### **4.2.7. Credibility**

The credibility is connected to the endorser role, which one brand can play for its sub-brand. They include society/community orientation, perceived quality, innovation, concern for the customers, presence and success and local and global concept.

The society/community orientation presents an urban electric vehicle as providing environmental benefits for the society. The perceived quality focuses on the quality of all products manufactured by the manufacturer. The local and global concepts are related to the operation of the brand, if it is

global or oriented towards a local market. The global brand is a sign of credibility and prestige because it shows that the company has big resources and is on the market to stay. The local brand on the other hand is a sign of desire for link to the consumers, for their better understanding and satisfaction.

#### **4.2.8. Brand – Customer Relationship**

The relationship between the brand and the customers is based on the value proposition. The value proposition is based on the core identity, which in the case of the urban electric vehicle brand has two components - value offering and personality. The value offering includes providing value by taking advantage of the EU electric mobility policies. The personality can consist of elements like environmentally friendliness, comfortability, reliability, etc. As it was mentioned earlier this brings functional, emotional and self-expressive benefits for the customers. It is often noticed that good brand-customer relationships are established when the brand is seen as a person or as an organization.

### **4.3. Brand Identity Implementation System**

#### **4.3.1. Brand Position**

The brand position part of the model includes subset of the brand identity and value proposition, its communication, target audience and the provision of competitive advantage.

The brand position is the part of the brand identity and value proposition that needs to be communicated to the target audiences demonstrating the competitive advantages of the urban electric vehicle brand over the other brands.

From the brand identity the core identity is the focus because it represents what is unique and timeless about the brand - value offering (providing value by taking advantage of the EU electric mobility policies) and personality (environmentally friendly, comfortable, reliable, etc). From the value proposition the brand-customer relationship is formed which makes it important for the brand position. Aaker believes and states that the practice has shown that the combination of functional and emotional benefits is a characteristic of the strongest brands. The brand position of an urban electric vehicle can be – The electric vehicle that is reliable, elegant and supports the EU efforts for environmentally friendly urban mobility.



The target audience is the target segment of the urban electric vehicle brand. There can be primary and secondary target segments. In the segmentation part of the consumers' analysis different segments were discussed. Therefore, the primary segment can be the consumers living in the urban areas of the EU. The secondary segment can be the consumers with medium and high income.

The competitive advantage should come from the brand position and its domination over the brands of the competitors. The three approaches related to that are resonating with the consumers, differentiating from the competitors or matching with them and beating them.

#### **4.3.2. Execution**

The execution includes the generation of alternatives, symbols and metaphors and testing. It is an execution of a communication program designed for the audiences.

The generation of alternatives are the various tactics that can be used. Tactics for the communication of the urban electric vehicle brand can be its homepage, newsletters, social media (Facebook, Twitter, Instagram, Pinterest), printed materials, events, workshops, trade shows, television, radio, newspapers and magazines. All of them will ensure the visibility of the brand, its understanding which will bring credibility and more familiarity with the product.

The testing includes examination of the communication efforts, which can be done in the field or in laboratory conditions. It includes tests of the potential advertisements and so on in order for the reaction to them to be observed.

#### **4.3.3. Tracking**

The tracking is the final step of the brand identity planning model of Aaker. It includes investment in the monitoring of the brand position. This means the way that the consumers perceive the urban electric vehicle brand, if it corresponds to the brand positioning efforts of the manufacturer related to this brand. A quantitative or qualitative research can be conducted for this purpose. The quantitative research can investigate the target audiences of the brand while the qualitative research can include focus groups and in-depth interviews with the consumers about their perceptions of the brand. This step of the brand identity planning model can provide evidence if the efforts for creating a strong brand led to success.



## 5. Conclusion

For this project an expanded brand model was used to identify a strong brand for an urban electric vehicle. The justification for the extension of the model is based on the conclusion that the EU mobility policies have a significant role in the building of strong brand. The extension of the brand identity planning model of Aaker is in the form of adding a policy analysis component including the relevant level of policies, aspects of these policies that can be applied to the case of a company and illustration of these aspects.

The strategic brand analysis part suggests that the most effective aspects of the EU electric mobility policies that can bring benefits to the consumers are those related to the decrease in the purchase price of these vehicles. It can be seen that the consumers are often unfamiliar with the electric vehicles but do not lack motivation to buy them having in mind all the solutions that they can provide to the current problems that the EU consumers identify. However they have unmet needs, which mainly relates to price, range and recharge time.

The brand identity system part of the extended model suggests the value offering (providing value by taking advantage of the EU electric mobility policies) and personality (environmentally friendly, elegant, reliable, etc) as core identity for the urban electric vehicle brand. For extended identity - the performance (highly technological), the relationship (provides the consumers with highly technological product at affordable price) and the product scope (customized) are chosen. The brand identity chosen for the urban electric vehicle brand is brand as “person”. Its personality is built based on the product class and the attributes of the product - competence and sophistication. The value proposition includes the functional and emotional benefits.

The brand identity implementation part of the extended model suggests that the brand position of the urban electric vehicle can be – that the *“urban electric vehicle is reliable, elegant and supports the EU efforts for environmentally friendly urban mobility”*.

The report assist the finding of the EU-funded project E-Mobility NSR by contributing to the development of electric mobility in the field of urban electric mobility and electric vehicle branding.

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NORTH SEA REGION ELECTRIC MOBILITY NETWORK

# e-mobility NSR

## About E-Mobility NSR

The Interreg North Sea Region project North Sea Electric Mobility Network (E-Mobility NSR) will help to create favorable conditions to promote the common development of e-mobility in the North Sea Region. Transnational support structures in the shape of a network and virtual routes are envisaged as part of the project, striving towards improving accessibility and the wider use of e-mobility in the North Sea Region countries.

[www.e-mobility-nsr.eu](http://www.e-mobility-nsr.eu)

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