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**CORPORATE BRAND POSITIONING AND DIFFERENTIATION IN THE LUXURY  
AUTOMOTIVE INDUSTRY**

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## 1 EXECUTIVE SUMMARY

Global luxury automotive industry faces one of the most competitive and dynamic markets in the world. The focus of this research has been to discover the corporate strategies relating to competitive positioning and differentiation via brand personality. Both Aaker brand personality framework and specifically for this industry developed luxury automotive strategy framework are applied for content analysis data, which has been extracted from the mission and vision statements of four case companies: Audi, BMW, Daimler and Ferrari.

The empirical research has been divided in to three separate research questions concerning luxury automotive industry positioning and differentiation. The first research question stated: “How Audi, BMW, Daimler and Ferrari express their corporate brand personality in their mission and vision statements?” Based on the data analysis and application of two different brand personality frameworks, each of the four automotive companies express their brand personalities with unique corporate brand profiles.

The second research question stated: “How Audi, BMW, Daimler and Ferrari position and/or differentiate themselves in the luxury automotive industry using mission and vision statements?” Based on the data analysis and application of two different brand personality frameworks, most of the luxury automotive companies positioned themselves very similarly within the Aaker brand personality framework. However, in the luxury automotive framework further differences in positioning were seen. Differentiation was minimal with Aaker brand personality framework application, and slightly more prevalent in the luxury automotive framework.

Finally, the third research question stated: “Are there differences in positioning and differentiation for Audi, BMW, Daimler and Ferrari if alternative brand personality framework is used to complement Aaker brand personality framework?” Based on the data analysis there were differences in positioning, however similarly, most companies seemed to align their position with the competition. Daimler and Ferrari stood out by focusing more on their deep-rooted heritage.

## **2 INTRODUCTION**

### **2.1 Background and Research Objectives**

Competition in the luxury automotive sector has become especially fierce during the last decade as the global demand has skyrocketed and global markets have opened up. Traditional German luxury automotive companies have established their presence through joint-ventures in the Asia-Pacific. Simultaneously, other luxury automotive companies have increased their model offering for a wider audience willing to indulge for the luxury experience.

These luxury automotive companies need to establish a competitive positioning and differentiate themselves to stand out from the increased and fiercer competition. Therefore, luxury automotive companies want to be perceived as unique and different. Mission and vision statements offer powerful medium for conveying corporate philosophy and values to induce further differentiation (Leuthesser & Kohli 1997, Yamauchi 2001).

Availability of these statements has meant that luxury automotive companies are better able to communicate to their investors, customers, suppliers and employees via a multitude of channels, such as corporate web sites and corporate annual reports. Mission and vision statements are included in this setting and provide a platform for luxury automotive companies to express their strategic direction, brand personality as well as communicate other vital information to their key stakeholder groups.

The increased web-presence of luxury automotive companies has been a result of a wider trend of digitalization. Furthermore, these companies are now able to offer their entire product lines and services globally through this platform. This has led to the increased strategic significance of mission and vision statements as tools for positioning the corporate brand, as part of their online brand personality (Chun 2004). The realized expansion of the web-presence of majority of luxury automotive companies insinuates they truly aim for desirability, uniqueness and value (Sharp & Dawes 2001). Consequently, stakeholder perceptions and corporate reputation of a

luxury automotive company are essential for the competitiveness within the now global industry.

Luxury automotive companies are now able to use their web-presence and positively affect their corporate reputation, thus positioning themselves within their specific market space (Chun & Davies 2001, van Riel and Balmer 1997). Identity communication elicits the significance of communicating “the underlying ‘core’ or basic character of the firm” (Barnett et al 2006: 33). Identity management is a modern tool for managing luxury automotive firm’s corporate reputation. Identity management itself highlights corporate personality, as a building block for the identity management process, which foundationally communicates corporate philosophy and values (Stuart 1999). Luxury automotive mission and vision statements express and communicate corporate brand personality and image and therefore should be viewed as a central platform in competitive positioning and differentiation.

Highly similar German luxury automotive companies, such as Audi, BMW and Daimler are offering essentially the same use case as a mobility solution for their customers. How should an investor, supplier or consumer decide between these products and service offerings. Therefore, the differentiation of the corporate brand and development of unique brand personality enable the establishment of a position of non-price differentiation (Davies et al. 2003, Karaosmanoglu & Melewar 2006, Leitch & Motion 2007, Melewar et al. 2005, Rubinson 2005, Trout 2000). Corporate brand positioning and differentiation via mission and vision statements is the essential medium for achieving the position of non-price differentiation.

Therefore, researching the corporate brand personalities of a selected set of luxury automotive companies, and determining their corporate brand positioning and differentiation via corporate mission and vision statements provides the motivation for this study. The goal is to utilize the previous consolidated findings of brand management as well as mission and vision research as the basis for the literature review. This will be the foundation for the actual empirical content analysis and research.

The highly competitive market of automotive products globally, has resulted in a difficulty for establishing unique and distinguished positions. As the information available in the world has increased through the availability and expansion of Internet, gaining and holding a competitive advantage becomes ever more difficult (Ehrenberg et al. 1997). As the world becomes more and more connected and competition for the same clients and resources increases, there is a need for corporate differentiation, especially through non-price competitive means, such as corporate brand personality. Thus providing a relevant topic worthy of further investigation.

Earlier studies have focused on large data sets of Fortune 500 companies, or macro sectors such as computer or banking industries. These studies by Chun & Davies (2001) and Inghoff & Fuhrer (2010) are the foundational motivation for applying similar content analysis methods in the luxury automotive industry. The automotive industry has not been researched globally, nor has the specific subset of luxury automotive industry. The competitive forces in the luxury automotive industry have been especially strong for decades, however the effects of brand personality have not been researched.

Aaker's approach to analyzing and measuring brand personality has been foundational in the works of Chun & Davies (2001) and Inghoff & Fuhrer (2010). Therefore, Aaker's brand personality framework has become an established framework for analyzing brand personality. Hence, industry specific frameworks have not been applied as abundantly. By developing a new luxury automotive brand personality framework, the findings relating to corporate brand positioning or differentiation through mission and vision statements will be highlighted. Researchers need to have more specific focus on certain industries and geographic locations to bring out the subtle differences and competitive tools used by global companies.

The most dynamic industries, such as the automotive industry currently amidst digitalization, need to enable managers to move quickly in their decision making. This requires precise and exact market and company data to steer the automotive company to the right direction. By analyzing the corporate brand positioning and differentiation through both a generic framework (Aaker brand personality

framework) and an industry specific framework (luxury automotive brand personality framework) managers are able to strategically position their corporate brands to answer their stakeholder needs. This will be ever more relevant as new entrants occupy the automotive market. Especially, the new ride-sharing based software companies such as Didi, Lyft and Uber. On the traditional product side Tesla has projected to be producing 500,000 electric Model 3 vehicles by 2020, which will be reducing the market shares of the incumbent automotive companies. The potentially negative effects of these new entrants provides the motivation for more specific brand personality analysis with an industry specific framework. (Tesla, 2017)

## **2.2 Research Questions**

The aim of this study is to explore the differences amongst 4 representative companies within the highly consolidated luxury automotive industry and reveal possible differences in the brand personality profiles. The contribution of the research will allow further application of this information for new consolidated research or for similar companies to develop competitive positioning and differentiation strategies.

The research questions of this study are the following:

RQ1: How Audi, BMW, Daimler and Ferrari express their corporate brand personality in their mission and vision statements?

RQ2: How Audi, BMW, Daimler and Ferrari position and/or differentiate themselves in the luxury automotive industry using mission and vision statements?

RQ3: Are there differences in positioning and differentiation for Audi, BMW, Daimler and Ferrari if alternative brand personality framework is used to complement Aaker brand personality framework?



The literature review of traditional mission, vision, brand and identity management aims to coherently unite central research with the luxury automotive industry to highlight the industry specificities. These subjects lead to the justification of the empirical research, which aims to answer the three main empirical research questions focusing on corporate brand personality positioning and differentiation, as well as alternative framework applicability.

Aaker's five dimensions of brand personality are used as the foundational framework for analyzing brand personality of luxury automotive companies. This framework consists of 42 terms determining “the extent to which brand personality affects the probability that consumers will approach (versus avoid) products” (Aaker, 1997, p. 350).

Alternative luxury automotive brand personality framework will be created by binary coding and analysis of mission and vision statements of Audi, BMW, Daimler and Ferrari. This will enable the comparison and contrasting of an industry specific framework and a generalized brand personality framework.

### **2.3 Data and Methods**

This focus of this study is on qualitative and quantitative empirical research methods. Quantitative methods include binary coding as part of the content analysis of mission and vision statement contents. This means analyzing the word content of mission and vision statements of Audi, BMW, Daimler and Ferrari. Identifying specific brand personality terms and tallying them in each respective brand personality category in the Aaker framework as well as in the industry specific framework. Quantifying of brand personality terms enables the representation of the most prevalent brand personality categories. Such as sophistication or ruggedness in the Aaker framework. This mission and vision data is sourced from the corporate web sites of Audi, BMW, Daimler and Ferrari, as these large multinational luxury automotive companies have an established presence in the Internet for stakeholder group communication.

Aaker brand personality framework is the central analytical tool for structuring the contents of Audi, BMW, Daimler and Ferrari mission and vision statements. In addition to Aaker brand personality framework, a luxury automotive industry specific framework will be created to reveal more industry specific information. For this complementary framework brand personality specific categories will be created based on the most prevalent themes in the mission and vision statements. Then these most prevalent brand personality themes will be categorized. Following the binary coding method used in the work of Aaker.

These four luxury automotive companies will be studied and researched in a case study format, due to the specificity of the industry. Research results will be compared to findings of major studies in the field.

Qualitative analysis will further highlight the arising themes within the luxury automotive mission and vision statements, which are not captured by the quantitative analysis. This includes examples of repetition, superlatives, hyperbole or similar literary methods.

The building blocks of corporate brand personality research, such as brand, identity, image, mission and vision have been consolidated based on earlier literature review and further contrasted with the luxury automotive industry. This will provide the central understanding of the topic and basis for the empirical research.

Respected international business databases such as ProQuest, Scopus and Web of Science have been the source of the scientific articles and peer research material. Furthermore, company specific data from Audi, BMW, Daimler and Ferrari are sourced directly from these luxury automotive companies as the original source. Relevant and highly cited books within the field have been cited as well.

The research material information acquisition process was two-fold. Initially, only peer reviewed articles related to the subject were considered. Thereafter, a complementation process took place, by adding other supplementary sources to further deepen the literature review and research itself.

## 2.4 Research Structure

Structure of this research includes three main sections. Firstly, chapter 3. Literature Review of Automotive Brand Positioning and Differentiation via Mission and Vision Statements aims to gather and highlight the central research stream of mission and vision research, as well as brand management research with topical automotive industry applications. Following sub-chapters are included 3.1 Automotive Corporate Brand Entity, 3.2 Mission and Vision in Automotive Statement Construction and 3.3 The Research of Brand Personality, Mission and Vision.

The literature review builds upon the consolidated research of corporate brand management as well as both traditional and contemporary mission and vision research. These are contrasted with luxury automotive industry specific insights to enable the composition of these subjects. This body of research will be central for the ensuing empirical research. This section of the study will focus on the secondary research questions.

Secondly, chapters 4. Empirical Research with sub-chapter 4.1 Data and Methods focuses on the research methodology, data collection as well as outlining the succession of the empirical research practicalities. Thirdly, chapter 5. Brand Positioning and Differentiation Results aggregate brand personality results.

The empirical research and results will focus on the set-up of the research in the form of data collection. Luxury automotive companies Audi, BMW, Daimler and Ferrari are the source of this information. More specifically the corporate communication material in the form of mission and vision statements. Data analysis will include the content analysis and framework application for the data collected. Aaker brand personality framework will be complemented with an industry specific luxury automotive brand personality framework. Development of the industry specific framework is a central part of the study as well. Finally, the brand positioning and differentiation results will be analyzed and consolidated for each respective luxury automotive company.

### **3 LITERATURE REVIEW OF AUTOMOTIVE BRAND POSITIONING AND DIFFERENTIATION VIA MISSION AND VISION STATEMENTS**

#### **3.1 Automotive Corporate Brand Entity**

##### **3.1.1 Automotive Corporate Identity and Brand**

Within corporate brand positioning and differentiation, corporate identity and brand have been key research areas. Corporate identity has been widely researched throughout the decade (Balmer 2001, Karaosmanoglu & Melewar 2006, Melewar & Jenkins 2002, Melewar et al., 2005, Olutayo Otubanjo & Melewar 2007, van Riel & Balmer 1997). The core of these research topics focus on corporate identity as a source for competitiveness in the marketplace.

To begin with, the concept of corporate identity should be clarified and defined. Corporate identity can be seen as a tool to explain and describe the organizational self-presentation and expression towards its stakeholders and answers questions like “who are you?” (Dowling 2004: 21) and “what [is] the organization” (Melewar et al. 2005: 61). Additionally, Corporate identity refers to the “mix of elements which gives organizations their distinctiveness” (Balmer 2001: 254) or as the “underlying ‘core’ or basic character of the firm” (Barnett et al. 2006: 33). This highlights the individualistic and unique nature of companies.

As an example Daimler’s corporate identity is constructed upon being the inventor of the automobile. Such unique piece of company history can become a central tenet within the corporate identity. It can also be an undeniable fact, which is difficult to debunk. However, Daimler has seen itself also as a leader in electric vehicles. This statement can be seen true within the company. Ultimately, for luxury automotive consumers, this is a clear hyperbole and within the luxury automotive industry Tesla is clearly seen as the industry leader within electric vehicles. Daimler can develop its corporate identity and brand towards a more electric future, but the consumers are not convinced by the message yet. (Daimler AG, 2017), (Tesla, 2017)

The relation of corporate brand and identity can be viewed “in terms of an organization’s ethos, aims and values that create a sense of individuality, differentiating the brand” (de Chernatony & Harris 2000: 268). Ethos signifies the guiding beliefs that represent the corporate identity. Individuality of the brand require as well the company ethos to be complemented by corporate aims and values. The resulting differentiation leads to a competitive edge required to succeed in markets of companies offering similar mobility products.

Distinctiveness and uniqueness are paramount for the creation of a competitive brand. This can be achieved by careful communication and formulation of the company’s identity. Positive brand positioning can be seen as a result of successful translation process of the inner corporate identity (Balmer 2001, Fuhrer & Ingenhoff 2010). The company centric view should be complemented with the inclusion of stakeholders. Stakeholders ultimately prioritize and select brands that fulfill their needs and therefore creates loyalty towards brands. (Sherrington 1999).

Consequently, the management of corporate identity is vital for a luxury automotive company in a highly competitive environment. In relation to the management of strategy, this enables positioning and differentiation within a specific marketplace (Chun & Davies 2001, Okazaki 2006). Ultimately, corporate identity and brand can give a company a competitive advantage over their rivals (Balmer & Gray 2000).

### 3.1.2 Automotive Corporate Image and Reputation

Automotive corporate image and reputation are an external representation of corporate identity and brand. Both of these can have a significant impact on automotive profitability and success. Corporate image represents the stakeholder's perception of a corporation or its brand, more specifically it creates “their immediate mental perception of the organization” (Balmer 2001: 257). Additionally, corporate image can further elicit the concept of reputation. Reputation is the combination and construct of images held of a specific company. Chun & Davies (2001: 316) describe corporate reputation as a “collective construct, a term referring to all stakeholders’ views of the company.”

In the automotive world, the 2015 Volkswagen emission scandal had severe impact on the whole brand portfolio of the group. As Volkswagen engineers were caught altering the fuel efficiency performance of only Volkswagen vehicles originally, later on the scandal could be traced to other brands as well. Audi received negative publicity in the scandal as well. On the other hand, the company tried to meliorate its image on the public eye by representing itself as more efficient and nature friendly as it actually was. This unethical behavior backfired, resulting in an apparent deterioration of Volkswagen corporate image and a consequent stock price collapse. Even companies within the brand portfolio, which had nothing to do with the emission scandal could be negatively affected both brand equity wise as well as financially. (Volkswagen AG, 2017)

Reputation results in an enduring perception of a company, which is not restricted upon a short-term dimension (Balmer 2001). Managing a company's internal characteristics can be seen as a source to alter the external view of a company and the reputation. This process is called identity management, enabling a company to influence the transition from identity to image (Barnett et al. 2006.) Hence positively influencing corporate reputation. Consequently, by focusing on stakeholder needs companies are able to maximize their brand strengths, resulting in a fortified positioning as well. If harnessed efficiently it can also drive brand differentiation, by creating uniqueness and distinctive features by answering stakeholder needs. Volkswagen was able to bring its emission scandal to an end by appointing a committee to research the matter and managing an internal ethics redevelopment. If the scandal would have resurfaced or become more permanent, it could have had more long-term aversive reputational effects.

Unfortunately, communication from within the organization outwards to the stakeholder groups might affect negatively the transition from identity to image. Likewise, external communication from the stakeholder groups inwards to the organization might affect this process aversely. Subtle misrepresentations in communication could result in dire outcomes on corporate reputation. Therefore, contingencies within the transformation process from identity to image and finally to reputation should be taken into account.

### 3.1.3 Automotive Corporate Personality and Identity Management

Companies can be described by the use of personality and character attributes. Consequently, eliciting a human metaphor, which can be seen portraying a company with human-like characteristics. Early research has indicated that corporate identity is a result of corporate personality, hence ultimately derived from corporate values (Balmer, 1998). Later research has refined the idea of corporate personality and the way it communicates the essence of a company.

However, individuals are inherently different from each other, therefore companies can be seen to have characteristics that differentiate themselves from each other as well. Hence, the use of human-like characteristics, can be seen problematic. This problem arises from the symbolic unification of companies and people, which can be interpreted as unjustified, since they are inherently different entities.

The central function of the human metaphor is to emphasize the individuality of a corporate brand. Corporate brand, which can be seen as intangible and abstract assets, could be better understood through a simplified model. The vast array of characteristics could be managed better and understanding of corporate brand differences could be enhanced.

BMW and Daimler are usually seen as highly similar premium automotive manufacturers. However, brand loyalists argue that each corporate brand is unique and different. Scientific analysis of these differences could shed light on the unique human-metaphor characteristics these companies possess. People relate to these brands and admire them, so there is expected to be a reason for such adornment. (Daimler AG, 2017), (BMW AG, 2017)

Early research by Aaker & Fournier (1995) proposed that brands have a company specific personality. Through the human metaphor brands were viewed as a “character, a partner and a person” (Aaker & Fournier, 1995: 393). This was further described as the brand personality possessing “the set of human characteristics associated with a brand” (Aaker 1997: 347).

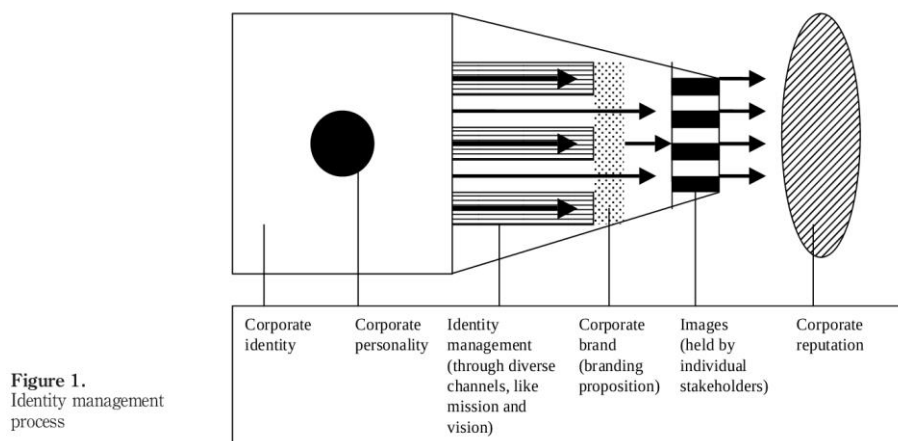
The personification of a brand, in addition to the use of human metaphor, has been experienced within the research community as a modern way to conceptualize the complexity of a corporation (Chun & Davies 2001, Davies et al. 2001, Keller & Richey 2006, Okazaki 2006). Aaker's influence and brand personality will be expanded upon in the fourth chapter to cover mission and vision content analysis.

To understand how corporate identity translates into corporate reputation, identity management process will be explored as an alternative for combining all of the aforementioned concepts into a cohesive framework. Within the framework the bi-directional plane expresses a company centric view of identity management. Firstly, corporate personality is expressed as the core of the wider corporate identity. Secondly, identity management is applied by corporate managers through various channels, such as corporate mission and vision statements. Thirdly, this translates to the brand proposition, which is represented to external stakeholder groups. Finally, this reflection of the corporate brand is digested as the corporate image amongst the stakeholders. Through time and actions by the company this will develop to corporate reputation (van Riel & Balmer 1997)

The management of the identity is essentially handled through various communication channels, which connect the brand proposition to respective stakeholder groups. Official communication channels enable a luxury automotive company to communicate the uniqueness and distinctiveness of its brand proposition. Vision and mission statements are one of the most widely used tools within corporate identity management (Leuthesser & Kohli 1997, van Riel & Balmer 1997).

Figure 1. by Ingenhoff & Fuhrer (2010) show the identity management process in detail.





**Figure 1. Identity Management Process (Ingenhoff & Fuhrer, 2010)**

The unescapable weakness of the identity management process lies within its corporate focus, thus limiting the role of company external stakeholders. Furthermore, the identity management should be directed towards the company internal stakeholders, since for example luxury automotive managers and employees reflect and express opinions on the corporate brand and communicate its message.

Mercedes-Benz AMG performance unit prides itself on the dedication of its engineers, who sign, assemble and inspect every single engine manufactured by the company. This craftsmanship is revered by the AMG enthusiasts, who can visually witness the dedication of the company. This represents identity management ideology taken within the corporate culture. It should be seen as a natural part of the luxury automotive perfection aspirations. Therefore, both internal and external AMG stakeholders view the brand in a positive light. (Daimler AG, 2017)

#### 3.1.4 Automotive Corporate Brand Positioning and Differentiation

Positioning is relative to the competitive arena, in which the luxury automotive company focuses on its reputation elements that enable the company to become distinguishable. Positioning is always understood within the frame of competition. Luxury automotive companies like Audi, BMW and Daimler, as German premium manufacturers, position themselves in relation their main rivals. On a broader competitive arena, they position in relation to American competitors Cadillac and Tesla, as well as Asian competitors Acura, Infiniti and Lexus.

Differentiation describes how companies stand out in the competition, especially by highlighting certain brand personality aspects, which positively differentiate them from their rivals. Furthermore, differentiation and positioning can be targeted on different market segments. Two generic strategies include approaching a general market, or targeting a more specific a niche segment with special focus area. The benefit for approaching the general market lies within the quantity of demand, however the weakness could be low profits due to standardized products. Additional weakness could be reduced uniqueness, due to standardized products.

Apple has created a successful hybrid approach hybrid where it sells smartphone products by very large quantities globally and has been able to maintain a high unit price with an appealing and user friendly design. This has been described in the automotive world as selling phones with Toyota quantities and Ferrari prices.

Distinguishable market positioning is far more likely to be produced by a niche market approach. In the automotive luxury performance segment Bugatti has taken this probably the furthest with additional price discrimination of a USD 2.5 million Bugatti Chiron. Bugatti's strategy is to provide only one or two of the highest luxury models, with endless customization options from heat molded seats to magnesium dials to reduce weight of the car. They use the Molsheim castle as the headquarters within Volkswagen group to showcase their creations to the select few (Bugatti S.A.S., 2017). This strategy creates high level of luxury automotive uniqueness and extremely high margin products. However, the market opportunities might be less significant due to the restricted size of the hyper luxury performance market (Davies & Brooks 1989, Levitt 1980.)

## **3.2 Mission and Vision in Automotive Statement Construction**

### **3.2.1 Foundational Understanding of Management Perceptions**

In order to fully grasp the significance of mission and vision statements for the luxury automotive industry, we need to examine the bottom-up creation of these

corporate communication mediums. Luxury automotive companies as other companies begin the construction of these statements from the personally accepted facts, which in turn are affected by the mental framing of these issues known as a business paradigm. Ultimately, determining what is counted as a fact. Managers and companies are bombarded by sensory inputs, which need to be categorized and filtered by the mental filter known as the business paradigm. Benefits of this are two fold, in simplifying and creating order. However vital information can be lost as well, if the manager is not focusing on a future trend for example. This limitation of vital data is usually applied to everyday business decisions. (Raynor 1998)

In the automotive industry golden era of 1920s United States, there were two large automotive players working under two vastly different business paradigms. Alfred Sloan was known to promote fragmented markets and flattening scale curves. He saw the customer base as individuals, who required different products, since they had different needs. Perception of heterogeneous customer base led GM to the creation of divisional structure to take advantage of its central business paradigm. At Ford, Henry Ford saw his customer base with a completely different business paradigm. He saw the similarities of people and what their consumption had in common. Ford's paradigm of homogeneous products as well as consumers led to a limited product offering, which is symbolized in his model T color selection of only black. This led to the creation of mass production, which is based on the idea of human similarity in consumption. Both Sloan and Ford were highly successful in their business ventures, with completely different perception of the world. Ultimately, manager perceptions determine which and how specific data and information is used. (McCraw & Tedlow 1996)

Additionally, corporate core competencies and perception of market forces are defined by this managerial understanding of facts through a paradigm. This is multiplied within a luxury automotive company as the multiple layers of management are fused together in creation the corporate paradigm. Through the promotion of these core competencies, which are the source of competitive advantage, the luxury automotive company is able to maximize its competitive performance and differentiate in its arena of competition. (Hamel & Prahalad 1994)

Furthermore, the arena of business, which is defined in the mission of a luxury automotive company, is constrained by the business options of the management. Driving these business options are the key market forces identified by the management. Both business options and key market forces are ultimately the outcome of specifically identified facts filtered through a subjective business paradigm. The organizational and human interaction drive a Darwinian selection process, where the most sound business options will survive. However, this process can be disrupted by inefficiencies that can be seen as organizational manipulation. Depending on the organization, the process of option selection can be highly centralized or spread out. (Raynor 1998)

### 3.2.2 Mission in the Automotive Industry

At its simplest Mission can be seen as the function of core competencies and company values. Raynor defines values as "principles or concepts of intrinsic worth with which to align one's actions" (Raynor 1998). To understand luxury automotive mission statement construction we need to examine further their creation.

The consensus within research seems to indicate that an effective concept of mission should incorporate a sense of purpose or reason for existence. Corporate mission statements should highlight the fundamentally unique corporate purpose and reason for existence (Covey 1989, Ireland & Hitt 1992, Raynor 1998.)

In a study by Bain & Co. conducted in 1996, of the top 25 management methods and techniques deployed by senior managers all over the world, mission statements had been consistently shown to be the top-rated management tool during each of the prior ten years (Bain et al., 1996). For luxury automotive companies mission statements are also regarded as the critical starting point for almost every major strategic initiative and they are considered *de rigueur* in initiating most modern management practices such as TQM, re-engineering and self-directed work teams (Bart, 1997). This highlights the strategic relevance of mission and vision statements.

As an example, an automobile company would incorporate a sense of purpose or reason for existence by describing how by manufacturing automobiles they are able

to make their customers' lives more efficient and enjoyable. However, automobile manufacturers should show their uniqueness based on their corporate brand. By communicating their reason for existence as something else than manufacturing automobiles or contrary to their brand image could cause mistrust in customers.

For a luxury automotive company attainable goals could be market leadership or offering the best customer experience. These accomplishments should be included in the effective concept of mission. This path creation towards success should be seen as another dimension for luxury automotive companies reason for existence. (Covey 1989, Ireland & Hitt 1992, Raynor 1998)

Mission statements also narrate the conceptualization and identification of markets in which the company intends to operate. Certain companies like Bugatti are driven within their markets selection by the customer segments they cater to. For example, Moscow, Dubai and Shanghai are central locations for their billionaire customers. (Bugatti S.A.S., 2017)

Guiding principles and philosophical premises guide the actions of a company within an organization. Companies like Ferrari and Lamborghini thrive on the audio experience of naturally aspirated V12 engines. Thus, naturally, electric vehicles pose a threat for this central premise of the brand. Consequently, Ferrari LaFerrari, McLaren P1 and Porsche 918 halo models have only incorporated a hybrid engine construction instead of a full electric (Ferrari NV, 2017). Each luxury automotive organization is also unique in this respect (Covey 1989, Ireland & Hitt 1992, Raynor 1998.)

Mission ultimately expresses these components to the stakeholders of a luxury automotive company. However, mission also constitutes a cohesive organizational perspective. This perspective emphasizes the organization's and its members' primary duty or way of behaving. Additionally, companies also communicate outwards to their other stakeholder groups. Stakeholder groups provide their input towards the luxury automotive company. Especially, loyal customers prohibit sometimes extreme brand makeovers as they have pre-established expectations for what a Ferrari or Mercedes should look like. Thus, internal and external communication and

motivation are the primary purposes that mission statements serve. (Ireland & Hitt 1992, Raynor 1998, Verma 2009)

For large global companies' myopic definitions of mission could be harmful due to their narrow definition of the companies' scope. This is driven by constant market change, which is disabling corporate silos and further static presence. (Newman 1992). However, certain automotive companies are resisting change more than others. Morgan for example is maintaining its traditional exterior design and wooden chassis construction, even though the technology within the car might be changing. Therefore, especially luxury automotive companies are constructs of multiple core competencies. Thus the mission should represent a broad understanding of a company's core competencies (Prahalad & Hamel 1990, Raynor 1998). Ultimately, company values set limits to the application of the core competencies.

### 3.2.3 Vision in the Automotive Industry

Automotive companies have shaped the world of transportation for the last century. Their future planning is based on the concept of vision, which can be seen as a construct of mission and market forces. Mission relates to vision by reflecting similar company specific information, however vision is more future oriented describing the desired future position of a company within its arena of competition. The desired future position of the luxury automotive company is shaped by change caused by market forces. Understanding the change of these market forces is pivotal for automotive companies in predicting future trends that affect their business operations on the long term. (Raynor 1998.)

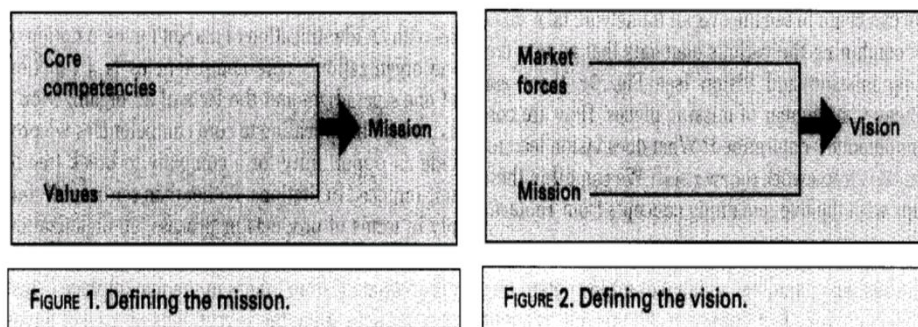
Tesla, led by Elon Musk is an example of visionary leadership and ideal market timing. As an electric engineer, focused on lithium ion batteries, Elon Musk envisioned the transition to sustainable transport and energy in the early 2000's. Companies like Toyota and Nissan only had commercial success in hybrid cars, which still had minimal all-electric ranges. By envisioning the future mass market all-electric vehicle, currently known as the Tesla Model 3, Elon Musk created the company vision as a foundation for their future journey. (Tesla, 2017)

Vision in its connotations expresses a strong sense of uncertainty. Even for Elon Musk future was only a prediction, and vision represented at its best the hypothetical future position. For Tesla there were multiple alternative scenarios, hence all-electric vision representing the most desired option. (Raynor 1998.)

Vision in its hypothetical form needs to be ultimately brought to reality. The planning and mapping of vision to reality can be realized through strategy. Strategy is the enacted through calculated action. This represents the traditional planned view of strategy, which can be contrasted by the modern emergent, less top-down strategy formation. Strategy is seen as the game plan to reach certain pre-defined goals. These are achieved through implementation and action. Making vision a reality is dependent on these corporate strategy and implementation actions. (Raynor 1998.)

Tesla's strategy in transforming its vision into reality had three phases. The initial long-term vision was not to be a luxury electric sports car producer, however this was the necessary initial step in production ramp-up of Tesla roadster. With the roadster Musk was able to establish the brand and create organic growth. The following Model S and X were the middle steps as luxury vehicles before the battery production could be expanded, through the Nevada gigafactory, for full-fledged affordable commercial electric vehicle also known as the Tesla Model 3. (Tesla, 2017)

Michael E. Raynor (1998) established a framework for mission and vision definition. Figure 1. highlights mission formation as a simplified model. Figure 2. presents vision formation as a similar simplified model.



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**Figure 2. Definition of Mission & Vision (Raynor, 1998)**

The framework of mission and vision by Michael E. Raynor (1998) represents a simplified model to further the understanding of these concepts. The caveats in this model are exclusion of business environment uncertainty. From a traditional company central view, it is possible to expand towards this external view, in which a plethora of variables within the business environment affect how information is processed and what is digested. Ultimately, business managers are not perfect in their option selection and strategic analysis, thus the creation of a perfect solution is highly unlikely. Managerial miscommunication or other inefficiencies in human behavior can obstruct the unification of core competences and values. Perfect mapping of the business competitive arena and market forces can be biased by personal preferences. Thus the development of mission and vision is a multifaceted process with far more factors affecting it that can be efficiently simplified to a unilateral model.

Due to mission and vision interdependency, a combined visualization should be also examined. Figure 3. exemplifies this.



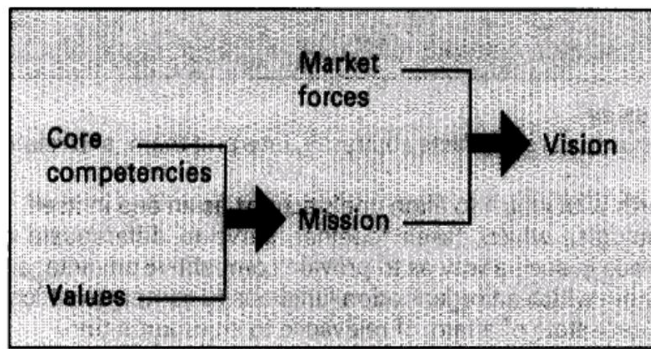


FIGURE 3. Creating the mission and vision.

Figure 3. Creation of Mission and Vision (Raynor, 1998)

Michael E. Raynor (1998) framework represents a firm centered cycle emanating from facts and paradigms to finally action by a company. Mission and vision act as important tools for transforming company specific information into strategy and goals. Figure 4. represents the entire company specific cycle.

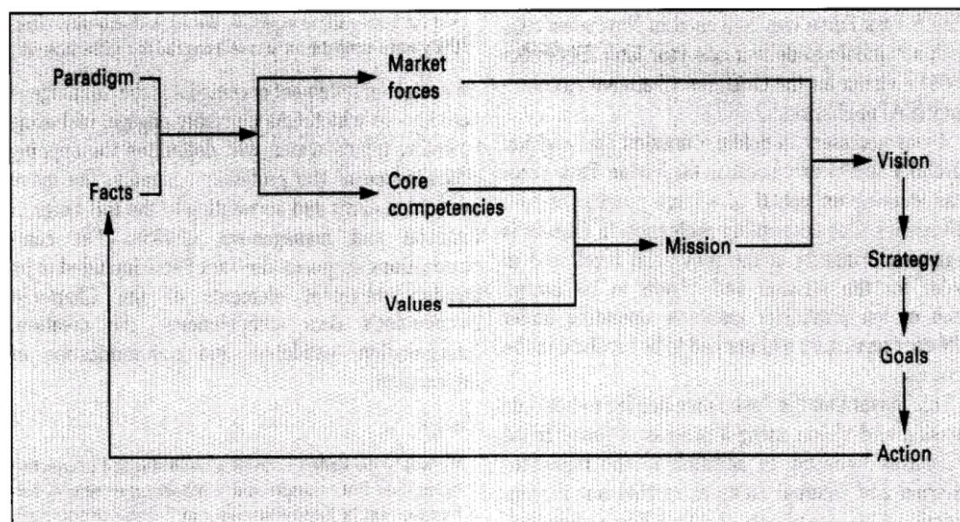


FIGURE 4. The complete framework.

Figure 4. Paradigm-to-Action Framework (Raynor, 1998)

The previous theories are presented in response to the highly abstract and convoluted nature of mission and vision creation. Michael E. Raynor's (1998) frameworks draw upon simplicity, which solidifies the theory as a tool that can be applied to different business environments and situations. Therefore, relevant contingencies should not be disregarded in the application of a simple and rationalistic model.

For Tesla, the strategy implementation process was accelerated for example by a supportive legislation and government loans. United States energy commission supported the initial steps of the company in transitioning the country towards more sustainable future. This created synergies for Tesla, which enable the fast-paced growth otherwise highly unlikely elsewhere in the world. (Tesla, 2017)

The cyclical nature of the framework will be relying upon human implementation and planning, which are inherently subjective and biased processes. Monitoring and company internal regulation can be harnessed to object these procedures, however miscommunication and unexpected occurrences could still alter the mission and vision formation process. Implementation of these strategies is especially demanding as these managerial expressions are shared within a large organization. Organizational and environmental complexity possess great uncertainties for information dissemination.

Silicon Valley environment was the ideal location for setting up a 21<sup>st</sup> century automotive company. The strengths of Silicon Valley have developed from transistors to the internet era and finally to software and machine learning. As automotive companies have begun to transform from product companies to software companies, Tesla has been exposed to right environment to develop these core competencies. Other large, global automotive companies have not fully based their companies in this environment. Tesla has drawn tacit knowledge from major engineering talent pools such as Apple, Amazon and Facebook. As a much smaller company relative to its global competitors, Tesla has an advantage with a less complex organizational structure, enabling better information dissemination. (Tesla, 2017)

Organizational and business characteristics ultimately dictate the necessary steps for efficient mission and vision creation, but as templates these frameworks can provide insight and guide in the formation of mission and vision. Luxury automotive industry in itself offers its own constraints, which have been showcased by examples of Tesla and Ferrari.

### **3.3 The Research of Brand Personality, Mission and Vision**

#### **3.3.1 Traditional Research of Mission and Vision Statements**

Mission and vision statement importance in strategic management became pivotal in the 1970's. Peter Drucker (1973) was a central character in advocating the importance of mission and vision for general business success. Thereafter, the location of mission and vision in strategic management framework and definition of ideal format and content became emphasized amongst organizational researchers.

It has remained unclear amongst academia how mission and vision statements should be formatted and what they should include (Klemm et al. 1991). Therefore, a need emerged for a cohesive and consolidated framework to guide researcher in mission and vision statement development and analysis. The Ashridge model by Campbell & Tawaday (1990) suggested four key concepts, that should be present in mission and vision statements: purpose, strategy, values and behavior standards.

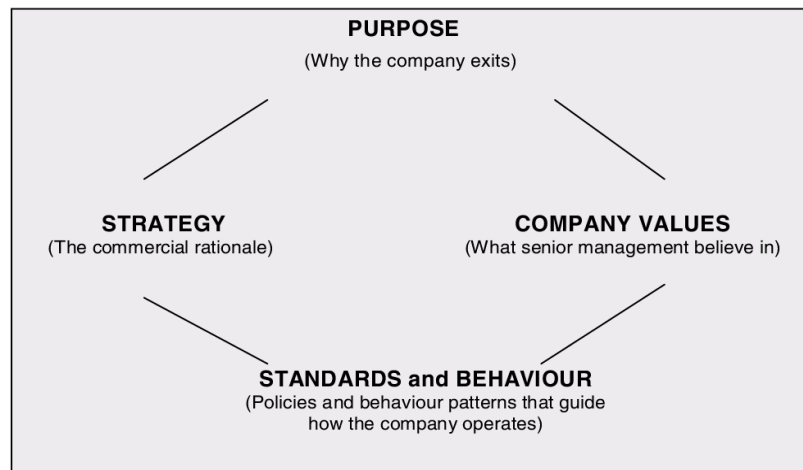


Figure 1 The Ashridge model

**Figure 5. Ashridge Model (Campbell & Tawaday, 1990)**

The central hypothesis behind the Ashridge model suggests that mission and vision statements should communicate purpose of a company by explicitly indicating why a company exists. The commercial success of a company and the commercial rationale supports the inclusion of strategy. The importance of core managements' beliefs about the company are highlighted in company values, which should be also communicated. Company operations, policies and behavior patterns represent the standards and behavior included in the Ashridge model.

Motivation theory, leadership theory, culture and change management literature had previously focused on mission and vision (Campbell & Tawaday 1990). Towards the end of 1990's, the mission and vision research developed, and ultimately extended to brand and corporate reputation literature. This evolution has emphasized a broader stakeholder base. Other external stakeholder groups became more prevalent in contrast to the traditional employee view.

A multitude of new organization were subjected to research, which led to a further evolution of mission and vision statements research (Davies & Glaister 1997). Thus the scope and view of the research broadened, bringing more generalizability to the field. The traditional method for obtaining mission and vision statements used to be done by mailing to the CEO or by manually searching companies' annual reports.

Internet technologies developed more accessible methods such as corporate web sites for retrieving mission and vision statements via the web. The inherent response bias and low response rate of CEO's could therefore be avoided, which would result in more objective research results.

Surprisingly, in the dawn of mission and vision statement research, distinguishing the existence of these statements was central, as it was questionable if companies had them at all. This was followed by the development of more quantitative focus. Traditionally the mission and vision statements research doctrine has focused on examining the company's financial performance and employee motivation. Such variables were juxtaposed alongside the general existence and structure of mission and vision statements. Structural analysis was seen as the focal point rather than the content analysis.

School of researchers focused on mission and vision statements components followed soon after the structure and general existence based school of research (Campbell & Tawaday 1990, David 1989, David & David 2003, Pearce & David 1987, Peyrefitte & David 2006). Meaning of words used to express the inner workings of companies were pivotal to this stream of research. Emphasis on the understanding of the context and meaning of words began to proliferate compared to the already broadly studied structures of these statements.

During the same time period, another school of research began emphasizing their analysis on the use, impact and purpose of mission and vision statements (Campbell et al. 2001, Chun & Davies 2001, Hooley et al. 1992, Ingenhoff & Fuhrer 2010). Therefore, a proliferation of mission and vision statement research to other fields took place, leading the expansion to corporate brand and reputation management. The significance of Chun & Davies (2001) in addition to Ingenhoff & Fuhrer (2010) will be discussed in more detail in chapter 5.3.

The future research and direction for mission and vision statement research were driven by the central findings in the field. Differences in the statements amongst high performing Fortune 500 companies and other less successful companies were identified (Pearce & David, 1987). Consequently, highlighting that visible

differences in the statements can result in financial performance discrepancies. Managers were found to use mission and vision statements as a military metaphor, resulting in an attempt to assert their dominance and leadership within their company. Therefore, mission and vision statements can be seen as a medium for employee control and direction. (Klemm et al., 1991)

Further development on mission and vision statement analysis was highlighted by Leuthesser & Kohli (1997) in research results that emphasized of communication being more directed towards the internal environment rather than external. This re-established the importance of company specific focus. Therefore, other stakeholder groups were neglected in favor of internal focus, as Baetz & Bart (1996) concluded. The past direction of traditional mission and vision research were strongly indicated by both Baetz & Bart (1996) and Leuthesser & Kohli (1997) in their results. Thereafter, research focus began to shift towards external communication for further discoveries.

Research of personal and organizational values by Scott (2001) highlighted the importance of the existence of a mutual links. The linkage of personal and organizational values was found to enable organizations to maximize corporate performance by aligning managers' personal values and corporate aims together. Customer's point of view has been largely disregarded by previous academic research. Central focus has targeted the analysis of mission and vision statements by the content point of view. Therefore, emphasizing company specific capabilities and quantitative performance as drivers of mission and vision statement communication.

In challenging the status quo, the gap between mission and vision research compared to identity research has been bridged by a new approach. In vision driven approach (Balmer & Soenen 1999, Melewar et al. 2005), a company communicates and manages its identity by using its vision as a tool. The hypothetical nature of vision itself creates possible disadvantages for the vision driven as this a further portrayal of corporate deterministic approach in creating their own future. As we know the future performance and success are contingent on multiple internal and external factors, which cannot be fully controlled by the CEO and the board of directors. The previous refers to the model of identity management introduced in Chapter 3.1, which

highlights corporate mission and vision as the core of corporate identity management.

In relation to corporate identity management Melewar et al. (2005) suggested two steps that establish mission and vision statements influence. Firstly, corporations should communicate corporate mission, vision and philosophy to their internal and external stakeholder groups. de Chernatony & Harris (2000) suggested that identity management must emphasize both internal and external stakeholder groups.

Secondly, corporate mission and vision should communicate corporate values by “the planning, implementation and maintenance of corporate visual identity systems, marketing communication activities and behavioral forms in order to externalize company values” (Melewar et al. 2005: 61). Therefore, external corporate value expression has been solidified as a central research topic within mission and vision research. Hence, placing more emphasis away from traditional stakeholder groups such as employees and shareholders towards the external customers such as product owners, media and governments.

### 3.3.2 The Internet as a Medium for Corporate Brand Positioning and Aaker Brand Personality Framework

Aaker has brought the big five composition of human psychology to corporate brand personality research. In this framework Aaker enhances these big five by isolating the dimensions of sincerity, excitement, competence, sophistication and ruggedness with multiple sub-categories (Aaker 1997). The total scale that Aaker produced includes a total of 42 terms. This role of this scale was to determine “the extent to which brand personality affects the probability that consumers will approach (versus avoid) products” (Aaker, 1997, p. 350). Therefore, positive attributes are dominant.

This table by Chun & Davies (2001) expresses Aaker's five dimensions of brand personality and the consequent 42 terms.

**Table 2** Words and phrases identified by Aaker<sup>59</sup> to describe five dimensions of brand personality

Sincerity	Excitement	Competence	Sophistication	Ruggedness
Friendly	Daring	Reliable	Upper class	Outdoorsy
Honest	Trendy	Hard working	Glamorous	Masculine
Small town	Exciting	Secure	Charming	Western
Family oriented	Spirited	Intelligent	Feminine	Tough
Sincere	Cool	Technical	Smooth	Rugged
Real	Young	Corporate	Good looking	
Wholesome	Imaginative	Successful		
Original	Unique	Leader		
Cheerful	Up to date	Confident		
Sentimental	Independent			
Down to earth	Contemporary			

**Table 1. Aaker Brand Personality Framework (Aaker 1997)**

The demanding nature of describing corporate brand personality characteristics has established the need for a simplified model such as the Aaker five dimensions of brand personality. Within the model, corporate brand personality is separated into five dimensions and 42 terms. Hence, increasing the likelihood of losing vital information by oversimplifying complex and convoluted characteristics. Therefore, the application of the framework should be context specific and carefully analyzed when applying it to different business contexts. Specific business contexts might require supplementation by additional terms specific to a certain field.

Aaker's scale has been widely used by other researchers to analyze brand personality. There are two significant arising themes within these streams of research. Firstly, the perception of a specific brand (Rojas-Méndez et al. 2006), (Venable et al. 2003), (Smith et al. 2006). Perceptions of brands and their positioning by stakeholders being emphasized foremost. Secondly, brand personality management is targeted (Chun & Davies 2001, Ingenhoff & Fuhrer 2010, Opoku et al. 2006). Brand personality management within different communication formats was the focus area of these streams of research.



Corporate character or personality are being communicated through companies' mission and vision statements as large body of research suggests (Campbell & Tawaday 1990, Want 1986). In Opinion Research Corporation International's (1999) study of 100 global brands researchers found that the most significant internal obstacle in realizing corporate brand potential is the insufficient clarity in the meaning, mission and vision of the organization and its brand. This has led to a conclusion where the linkage of strong brand positioning and inspiring vision leads to the greatest success in terms of growth, financial performance, visibility and market share (Hogan 1998).

Communication of corporate brand personality via mission and vision statements companies are able to express their true identity for potential customers, suppliers and employees. Thus a key principle for companies should be the communication of brand personality. Especially research by Aaker & Joachimsthaler (2000) argues that corporate stories are relatable for customers and customers are accepting of these stories. Therefore, this form of corporate communication enables companies to create a stronger bond with their stakeholder groups.

The choice of communication channels is a central part of the equation. The development of advanced internet connectivity has even brought the luxury automotive companies to hold a strong web-presence. Most large multinational automotive companies hold this presence in the Internet and have incorporated their corporate web sites as a central communication platform for publishing their mission and vision statements, as well as other strategic information.

Channel specific tailoring has been introduced as a way to maximize the benefits of an Internet-based communication platform, whether it is multidirectional as in chat rooms or unidirectional as in general information passively published for the audience to digest. Levine (1998) suggests that thorough understanding of brand positioning and perceived image of the company should be the basis for the design of the personality of a corporate web site. This would result in a win-win match-up of

customer needs and company personality, where clients would easily determine brands suitable for their needs and corporations to find their respective audiences.

The process of generating these win-win situations, however, is a complex one, where many human behaviors and content biases can either attract or disengage stakeholders. For example, corporate web site appearance is essential in communicating brand identity, since stakeholders will be making connections between the web site appearance and corporate brand personality (Hansch & Lindquist 1998). Therefore, mission and vision statements should be seen as an asset, which can help individualize a company and invite stakeholders to connect with the company (Gordon 1998).

### 3.3.3 Contemporary Research of Mission and Vision Statements

Internet environment has become the central medium for the contemporary mission and vision statement research to focus on corporate brand personality as well as its positioning and differentiation. Studies by Chun & Davies (2001) and Ingenhoff & Fuhrer (2010) are prime examples of this approach, since the study of mission and vision statements to communicate brand personality via the corporate web pages was examined in both.

Furthermore, other commonalities between these studies were their focus on multiple sectors and industries, such as commercial bank sector, retail sector and computer sector. Content analysis was the preferred empirical research method in both of these studies for distinguishing the words used in company mission and vision statements. This data was then corresponded to Aaker's brand personality framework. Corporate profiles for each sector were calculated. Positioning was measured by these profiles, which were a tool for communicating the frequency of use of key words within individual mission and vision statements. To further visualize the position within the sectors, correspondence analysis offered a tool for representing these profiles (Chun & Davies 2001, Ingenhoff & Fuhrer 2010.)

Aaker's brand personality framework was adjusted by Ingenhoff & Fuhrer (2010), whom added synonyms of the 42 terms in their study. This resulted in an extension of 130 terms used in their content analysis. Thus giving the research more depth of analysis and widening the personality profiles to suit multiple industries. This has been seen advantageous in creating more specific corporate brand personality profiles, in contrast to the quite simplified and bare Aaker framework.

Considering the data subjects, there were significant geographical differences amongst these two studies, as well as similarities. Firstly, Ingenhoff & Fuhrer (2010) focused on the largest companies in Switzerland listed by the Schweizer Handelszeitung, Swiss company listing. Secondly, Chun & Davies (2001) focused on the American Fortune 500 companies. Unifying similarity within both of these studies was the focus on large, established companies, as they provide the most developed and widely available statements.

As an empirical outcome Chun & Davies (2001) found that the commercial banking sector was dominated by competence, as was the general direction of all sectors. The specialist retail sector was similarly dominated by competence around which 17 retailers grouped around. Four grouped around sincerity and four around excitement. Finally, the computer sector included 73 companies, which positioned themselves close to competence, only 14 close to sincerity and only 13 close to excitement. (Chun & Davies 2001, Ingenhoff & Fuhrer 2010.)

Central hypothesis stating that companies position themselves similarly irrespective of industry or sector was supported by these research results. This was seen as companies positioning themselves close to competence on Aaker's brand personality framework. Apple was a standout company, which positioned towards sincerity. This was quite significant alternate positioning compared to its competitors within the computer sector. In the end, positioning was not identical, since each company had an individual company profile. Overall, companies were not differentiating themselves using mission and vision statements. Companies emphasized positioning and differing corporate profiles (Chun & Davies 2001, Ingenhoff & Fuhrer 2010.)

Chun & Davies (2001) and Ingenhoff & Fuhrer (2010) identified further difficulties in the communication of corporate brand personality through mission and vision statements. Primarily, they found that company aims might be difficult to textualize. Ultimately, the achievability of these aims might be questionable. Alternatively, mission and vision statements might be misleading or otherwise inefficient in communicating company goals. Additionally, mission and vision statement use can be improper, involving and addressing an incorrect stakeholder group. In the end, the competitive similarities in positioning, by most companies emphasizing competence in their mission and vision statements, could cause miscommunications. Some companies might misrepresent themselves by being overly competitively oriented. These are some of the difficulties, which should be taken into consideration when formulating mission and vision statements (Chun & Davies 2001, Ingenhoff & Fuhrer 2010.)

Consolidating the findings of this literature review enables bridging the theories with the empirical research motivation. Contemporary mission and vision statement research by Chun & Davies (2001) and Ingenhoff & Fuhrer (2010) focusing on corporate brand personality, its positioning and differentiation is the foundational research stream followed in the luxury automotive industry research. Brand personality research by Aaker provides the generic framework from which to expand to an industry specific framework, which will be created by the researcher.

Similar content analysis methods will be applied as in the development of Aaker's framework in developing a luxury automotive industry framework for brand personality. This empirical research will take place in the cross-section of identity management as well as mission and vision research. Firstly, answering the question of "How Audi, BMW, Daimler and Ferrari express their corporate brand personality in their mission and vision statements?". Secondly, aiming to identify "How Audi, BMW, Daimler and Ferrari position and/or differentiate themselves in the luxury automotive industry using mission and vision statements?". Thirdly, explicitly analyzing "Are there differences in positioning and differentiation for Audi, BMW, Daimler and Ferrari if alternative brand personality framework is used to complement Aaker brand personality framework?".

These questions will ideally enable distinguishing industry specific differences with alternative framework applications. Managerial development suggestions could be derived from a wider array of luxury automotive brand personality information for executive decision-making. Ultimately, enabling the further development of brand personality-based mission and vision research stream and corporate brand management in general.

## 4 DATA AND METHODS

### 4.1 Data

The data collection for the empirical research of corporate brand positioning and differentiation in the luxury automotive industry will be focusing on a specific subset within the afore mentioned industry. Specific sample of four automotive companies have been chosen to represent the subset of premium to luxury automotive segment. Three of the companies are German premium brands and one is an Italian luxury automaker. Ferrari, as the Italian automaker, is supplementing the sample of German brands by offering a comparison to the German performance sub-brands: Audi with their RS, BMW with their M, and Daimler with the AMG.

Therefore, to investigate positioning holistically and be comparable to prior studies of mission and vision components (David, 1989; Peyrefitte and David, 2006), some of the mature and global representatives for the automotive industry were chosen. Large global automotive companies are known to possess a wealth of intangible assets like brands and patents. Thus, one would expect large, global automotive companies to be in a strong, competitive position and to aim at differentiating from their rivals.

This study is carried out in reference to the works by Chun & Davies (2001) and Ingenhoff & Fuhrer (2010), whom focused their subject of investigation to statements published online, however these will be supplemented and compared to company representation in the annual reports of these four automotive companies. The central theme will cover information, which is publicly available either on companies' websites or web-based publications of annual reports. When conducting the data collection for mission and vision statement material from these automotive company websites and annual reports the first criterion will be to focus on exclusively on English language publications. Thus avoiding unnecessary misinterpretations and translation bias.

The data collection on corporate web sites focused in explicit offerings of mission and vision statements, which these global automotive companies use to communicate

their corporate image to their stakeholders. Initially, sections describing the company were consulted. Pages that were accessible via the homepage and had at least partially the same URL were considered throughout the data collection.

In this study of automotive positioning and differentiation, only explicit offerings of statements were analyzed (Leuthesser and Kohli, 1997). In addition to “mission” and “vision,” potential denotations are “purpose,” “strategy,” “values,” and “standards and behavior” (Campbell and Tawaday, 1990) were considered as well. Also, statements can be made available under expressions including the words “philosophy,” “principles,” “beliefs,” “strategy” (Pearce and David, 1987), or “goal” (Leuthesser and Kohli, 1997). As an example, companies might use statements titled as “our strategy” instead of vision and mission statements, which would qualify to be analyzed based on the long-term nature of the statements.

One of the central problems the researcher had to address was concerned with the inclusion of mission and vision statements. More specifically, how to address the multitude of nomenclature available within the sample of automotive companies. A plethora of automotive corporate websites, which were very clearly designed to communicate ‘purpose, strategy, values and behavior standards’, however were titled in a different manor. The researcher used the Ashridge model by Campbell & Tawaday (1990), who used items such as who we are, what are we trying to do, who do we serve, who or what determines our success, to determine whether any material qualified as a mission and vision statements. This was the basis for statement inclusion in the research.

Furthermore, exclusively statements based on long-term focus were incorporated. Thus, any short-term information such as news was ignored, due to the discrepancies and volatility of short-term decision-making in corporations. Long-term decisions are more likely to be based on corporate values than short-term market responses.

All of the information used refers to the corporation as a whole or to the corporate brand, but not to any individual businesses, products or services. This is required due to the extensive consolidations within the automotive industry. Each automotive company analyzed includes a multitude of sub-brands. These sub-brands are not necessarily provided any separate mission and vision statements. These sub-brands

ultimately shape the entire corporate brand and make it unique.

Consequently, only sections that focus to inform all stakeholders equally about the company were included in the research. As an example, career related sections, where the company promotes itself to a single, specific stakeholder group, were ignored.

Other parts of the web site, such as structure, company history, or team or stakeholder descriptions, which refer in a way to the mission and vision of a company, were omitted (Chun and Davies, 2001). Sections with a limited scope to corporate social responsibility were omitted as well.

All of the data was collected from the same format (corporate web site) on the same date 17.1.2017, to enable a fair judgement on each automotive company. Table 2 showcases the number of statements included, as well as the format of the statements used. Contemporary format of BMW and Daimler mission and vision statements required the use of the Ashridge model in determining the suitability of the statements for this analysis. The original format mission and vision statements, as well as their variations were copied for collective data analysis. This data included a total of 14 statements, distributed between four automotive companies relatively evenly. BMW had the most specific statements, which led to the highest number of statements analyzed.

Sourced Automotive Company Data			
Company	Number of Statements	Format	
Audi	3	Traditional	
BMW	5	Contemporary (Ashbridge applied)	
Daimler	3	Contemporary (Ashbridge applied)	
Ferrari	3	Traditional	

**Table 2: Sourced Automotive Company Data**



## 4.2 Methods

The primary method used for analysing luxury automotive mission and vision data was content analysis. This constitutes as a qualitative research method emphasising the subtle literary expression of corporate image and brand personality. Each of the four luxury automotive companies had a specific collection of mission and vision statements that were decoded in with the same frameworks. The data analysis utilizes both qualitative and quantitative methods. Use of both methods enables a multifaceted analysis of corporate brand personality, which includes both literary technique analysis, as well as the quantification of literary data. This methodology creates a holistic understanding of the intended corporate brand personality portrayal.



**Figure 6: Content Analysis Process (Peyrefitte & David, 2006)**

Figure 6 showcases the procedure of content analysis, which was applied. Quantitative methods included content analysis as a binary coding of mission and vision statement contents. This means analyzing the word content of mission and vision statements of Audi, BMW, Daimler and Ferrari. Identifying specific brand personality terms and tallying them in each respective brand personality category in the Aaker framework as well as in the industry specific framework. Quantifying of brand personality terms enables the representation of the most prevalent brand personality categories. Such as sophistication of ruggedness in the Aaker framework. (Peyrefitte & David, 2006)

This mission and vision data is sourced from the corporate web sites of Audi, BMW, Daimler and Ferrari, as these large multinational luxury automotive companies have an established presence in the Internet for stakeholder group communication.

Initially, the texts extracted were coded by using Aaker's (1997) brand personality framework. However, in addition to the 42 Aaker terms and their derivatives, the scale was extended to include synonyms. This would broaden the applicability of the framework to more specialized industries.

**Table 2** Words and phrases identified by Aaker<sup>59</sup> to describe five dimensions of brand personality

Sincerity	Excitement	Competence	Sophistication	Ruggedness
Friendly	Daring	Reliable	Upper class	Outdoorsy
Honest	Trendy	Hard working	Glamorous	Masculine
Small town	Exciting	Secure	Charming	Western
Family oriented	Spirited	Intelligent	Feminine	Tough
Sincere	Cool	Technical	Smooth	Rugged
Real	Young	Corporate	Good looking	
Wholesome	Imaginative	Successful		
Original	Unique	Leader		
Cheerful	Up to date	Confident		
Sentimental	Independent			
Down to earth	Contemporary			

**Table 3. Aaker Brand Personality Framework (Aaker 1997)**

Secondly, a specific luxury automotive brand personality framework was constructed based on these four automotive companies. This framework was created by the researcher to complement the Aaker framework. Initial framework was drafted on the expectations towards the industry. This was developed throughout the initial Aaker analysis by identifying key themes in each of the four automotive companies mission and vision statements. Ultimately, focusing solely on luxury automotive industry, to enable in-depth depiction of luxury automotive characteristics. As well as to supplement the more general Aaker brand personality framework.

The development of the luxury automotive brand personality framework included the development of the seven categories as well as 89 terms to analyze automotive industry. Creation of the categories was driven by the central and overarching themes

of the mission and vision statements of these four automotive companies. Oxford dictionary was used to assign specific term for each category and thus provide an objective basis for the framework. Microsoft Excel was used as the primary platform for data analysis as well as for chart and table consolidation.

Luxury Automotive Brand Personality Framework Words												
Digital		Global		Heritage		Luxury		Racing		Sustainable		Innovative
Platform		Worldwide		Tradition		Premium Products		Faster		Sustainability		Transform
Digital Ecosystem		Urbanization		Artisanal		Individual		Moving Forward		Responsibility		Re-shape
Connected		Globe		Craftsmanship		Premium Vehicles		Success		Integrity		Future success
IT		All over the world		History		Premium Mobility		Best		Respect		Innovative
Artificial Intelligence		World over		Legend		Superior		Quickly		Safe		Future
Self-learning Systems				DNA		Attractive		Precisely		Honesty		Fresh-thinking
Digitalization				Symbol		Emotional		Lead		Loyalty		New Era
Digital Processes						Unique		New Standard		Consistency		New Focus
Digital Services						Premium Services		Number One				Trendsetting
Autonomous						Aspirational		Leadership				
Electric Drive						Outstanding		Strongest				
Technologies						Inspire		Inventor				
						Excellent		Outstanding				
						Made-to-measure		Compete				
						Crafted		Fuel				
						Dreams		Great Results				
						Experience		Merit				
						Extraordinary		Competence				
						Inspires		Extreme				
						World-renowned		Ambitious				
								Complete				
								Track				
								Road				
								Win				

**Table 4. Luxury Automotive Brand Personality Framework**

During the Aaker Framework analysis of these four automotive companies a total of seven themes arised. Based on the frequency and number of term prevalence in these statements the following themes arised: Digital, global, heritage, luxury, racing and innovative. These were formed solely for the luxury automotive industry, with data from those companies. Each category was clearly distinguishable from one another with a sufficient amount of characteristic terms (more than five).

Several restrictions were assigned for the content analysis of these luxury automotive mission and vision statements. Firstly, repetition of specific terms was counted per each repetition to include the emphasis of specific themes. Terms that were used in the title and appear in exactly the same context in a section right below were handled the same way. Secondly, terms that were part of company or product name were not considered. Thirdly, the coder had to avoid including adjectives relating to something

other than the company, its product and services or its members. More specifically, attributes describing the market or other companies were left out. Finally, the context specificity of terms within automotive industry had to be understood by the coder to identify subtle meanings and differences amongst context specific terminology.

Following the extraction of the mission and vision statement text, the content analysis began with a binary coding procedure. This was followed by the inclusion or exclusion of Aaker's (1997) five dimensions of brand personality. Continuously, the inclusion or exclusion of the luxury automotive brand personality framework took place.

## **5 BRAND POSITIONING AND DIFFERENTIATION RESULTS**

The results chapter will focus on presenting the results of content analysis on each luxury automotive company separately. Each company will be assigned a table with both Aaker and luxury automotive brand personality categories with subsequent number of words per category as well as percentage. These aggregate results for each luxury automotive company will be then presented visually as framework charts, which showcase more vividly those brand personality categories that dominated the quantitative analysis.

### **5.1 Case: Audi**

Audi mission and vision statements included three separate documents: “Our Mission”, “Our Vision” and “Our Targets”. (Audi AG, 2016). Audi provided their statements in the most traditional mission and vision statement format, by clearly defining mission and vision as separate entities. Therefore, the use of Ashbridge model in defining statement inclusion was not necessary.

As previously emphasized the Aaker framework divides the brand personality of a company into five personality subsets, which are described by 42 terms. This Aaker analysis showcases how Audi is positioned in the traditional brand personality framework.

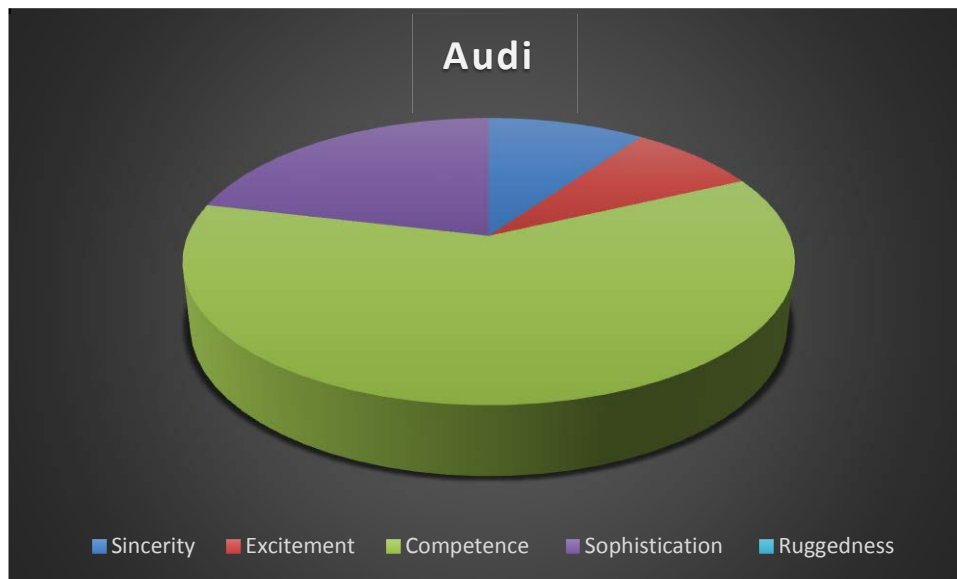
Differentiation will be analyzed in the consolidation of the four automotive companies. Luxury automotive brand personality analysis will provide more in-depth analysis of the automotive traits and complement the previous Aaker analysis.

Audi table 1. shows the results of the binary coding for both Aaker brand personality framework, as well as the supplementary automotive brand personality framework. The upper Aaker framework includes five brand personality categories, each of which have the number of mentions as well as percentage from the total number of mentions. The lower luxury automotive framework includes seven brand personality categories, each of which have the number of mentions as well as percentage from the total number of mentions. Aggregate numbers are summarized in the bottom.

Aaker "Big Five" Brand Personality Framework			
<b>Audi</b>	n	%	
Sincerity	6	9.8	
Excitement	5	8.1	
Competence	37	60.7	
Sophistication	13	21.3	
Ruggedness			
	61	100	
Luxury Automotive Brand Personality Framework			
<b>Audi</b>	n	%	
Digital	36	54.5	
Global	5	7.6	
Heritage		0	
Luxury	13	19.7	
Racing	2	3	
Sustainable	6	9.1	
Innovation	4	6.1	
	66	100	

**Table 5. Audi Aaker & Luxury Automotive Brand Personality Results**

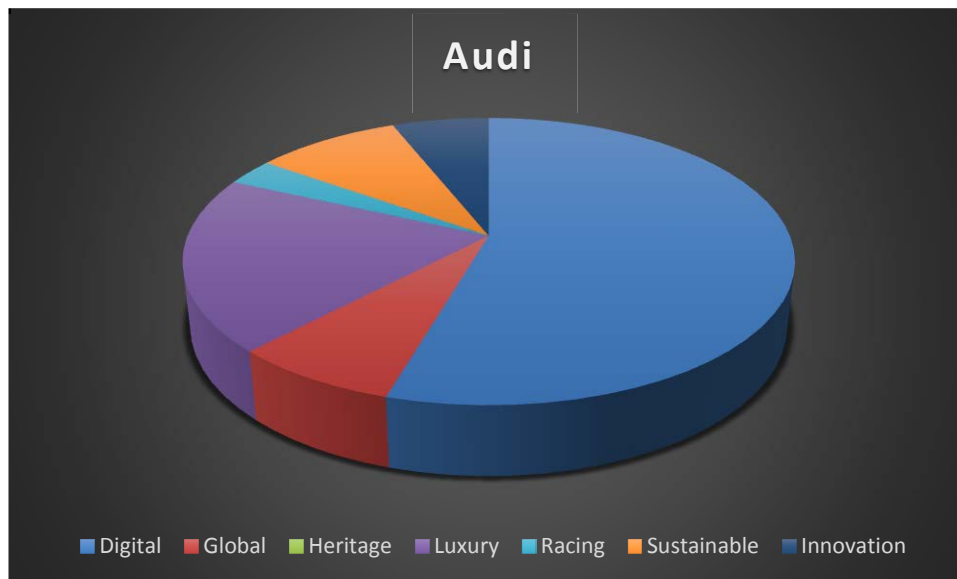
Analyzing the Aaker brand personality highlights that Audi is positioning most strongly on competence with 60.7% of its mission and vision statement content included in the analysis. Secondly, Audi is highlighting sophistication with 21.3% of mission and vision statement contents. Sincerity and excitement were both recorded, however at a lower frequency, constituting for 9.8% and 8.1% respectively. Ruggedness was not present in the mission and vision statements.



**Figure 7. Audi Aaker Brand Personality Result Chart**

Audi chart 1. shows this dominance of positioning towards competence. Audi stated in their mission statement: “We are digitalizing our processes and creating a platform for integrated, connected premium mobility and digital services” (Audi AG, 2016). It is visible how Audi statement exudes engineering jargon, which further strengthens their technical prowess. The text is written with high modality and gives a strong sense of direction and focus. Repetition of the word “premium” encapsulates Audi’s secondary positioning towards sophistication, remaining true to their luxury automotive offering. (Audi AG, 2016)

The luxury automotive brand personality framework enabled a more profound understanding of the automotive industry positioning. Audi positioned itself most strongly within digital with 54.5% of its mission and vision statement content included in the analysis. Secondly, Audi is highlighting luxury with 19.7% of mission and vision statement contents. Sustainable and global were included in the statements with 9.1% and 7.6% respectively. Innovation and racing were the least frequently recorded characteristics with 6.1% and 3% respectively. Heritage characteristic was not found at all.



**Figure 8. Audi Luxury Automotive Brand Personality Result Chart**

Audi chart 2. showcases this dominance of positioning towards digital. Audi has chosen as their subheading for their mission statement “digitalization”, which elicits the changing environment where modern automotive manufacturers are competing. Use of the term “digital services” further broadens the century old mission of mobility towards new frontiers offered by competitors such as Uber, Lyft and Didi in the mobility services area. These ride-sharing companies have enabled especially city dwellers to opt out of owning their own car and simply using their connected mobile device to hail their rides. Audi is thus communicating to its stakeholder groups that they are including this new business opportunity within their sphere of business activity. This is especially relevant as Daimler has announced its partnership with Uber.

Furthermore, by stating “Artificial intelligence creates faster and, above all, self-learning systems” Audi is able to deepen their image inside the digitalization realm by communicating the leading edge AI’s role within their mission and vision statements. This can be seen similarly as part of the evolution of automotive companies towards computer software industry, as the role of driver data and data ownership becomes more relevant in creating autonomous driving experiences. (Audi AG, 2016)



Secondary positioning towards luxury was a key part of Audi's message towards its stakeholders: "Our premium vehicles are the foundation" (Audi AG, 2016). This further exemplifies that the century old core of Audi is still unchanged. "Our core business is and will continue to be the key foundation for our success" (Audi AG, 2016). This statement solidifies the luxury positioning and maintains the previously mentioned "digital services" as a complementary offering. Key statement that included three characteristics was repeated within the statements three times: "We will become a supplier of sustainable, individual premium mobility, delighting our customers across the globe" (Audi AG, 2016). Through this statement Audi was able to broaden its focus from luxury characteristic towards sustainability and global as well. This highlights the corporate social responsibility as a central theme into the company mission and vision. The global reach of Audi is exemplified in the address of the "customers across the globe" (Audi AG, 2016).

Finally, by specifically listing the Targets of Audi it is possible to see the future development areas as they relate to Audi's vision: Sustainability, urbanization and digitalization (Audi AG, 2016). Urbanization was interpreted as a global phenomenon and accordingly included in the global characteristic. Ultimately, Audi positioned itself on the Aaker brand personality framework strongly towards competence and within the luxury automotive brand personality framework strongly towards digital.

## 5.2 Case: BMW

BMW mission and vision statements included five separate documents under the heading “Our Strategy”: “Competitive Advantage”, “Corporate Culture” and “Strategic Approach” and “Vision” (BMW AG, 2016). BMW provided their statements in much more categorized format, especially by separating their “Strategic Approach” and “Corporate Culture” as separate entities. Verbatim mission statement was not provided, but the collection of statements encapsulated the definitions of the Ashridge model by Campbell & Tawaday (1990). The Ashridge model defines the central themes and guidelines for mission statements contents. This can then be applied to choosing relevant statements, which might be titled in a different way.

As previously emphasized the Aaker framework divides the brand personality of a company into five personality subsets, which are described by 42 terms. This Aaker analysis showcases how BMW is positioned in the traditional brand personality framework.

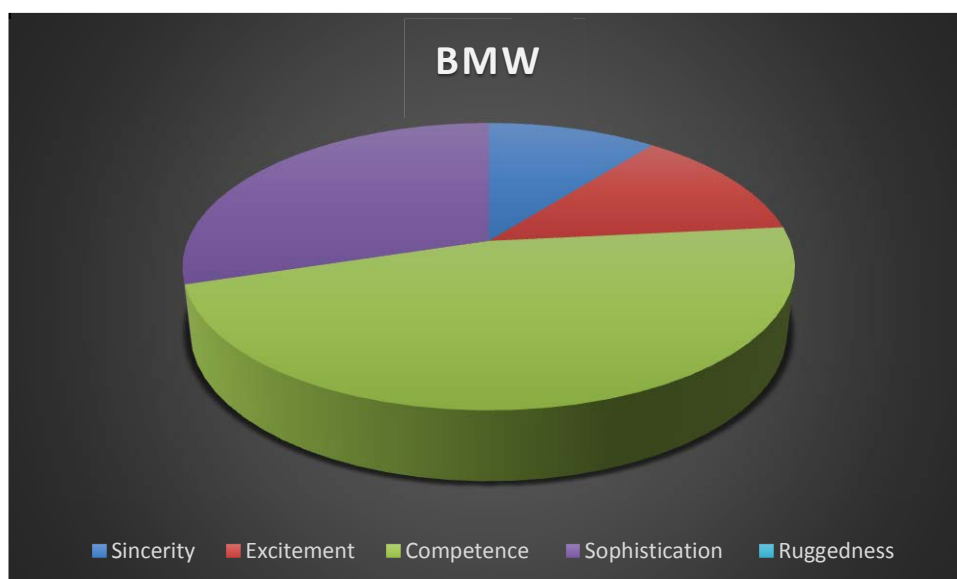
Differentiation will be analyzed in the consolidation of the four automotive companies. Luxury automotive brand personality analysis will provide more in-depth analysis of the automotive traits and complement the previous Aaker analysis.

BMW table 1. shows the results of the binary coding for both Aaker brand personality framework, as well as the supplementary automotive brand personality framework. The upper Aaker framework includes five brand personality categories, each of which have the number of mentions as well as percentage from the total number of mentions. The lower luxury automotive framework includes seven brand personality categories, each of which have the number of mentions as well as percentage from the total number of mentions. Aggregate numbers are summarized in the bottom.

Aaker "Big Five" Brand Personality Framework			
BMW	n	%	
Sincerity	5	10.6	
Excitement	6	12.8	
Competence	22	46.8	
Sophistication	14	29.8	
Ruggedness		0	
	47	100	
Luxury Automotive Brand Personality Framework			
BMW	n	%	
Digital	6	13.3	
Global		0	
Heritage		0	
Luxury	14	31.1	
Racing	10	22.2	
Sustainable	5	11.1	
Innovative	10	22.2	
	45	100	

**Table 6. BMW Aaker & Luxury Automotive Brand Personality Results**

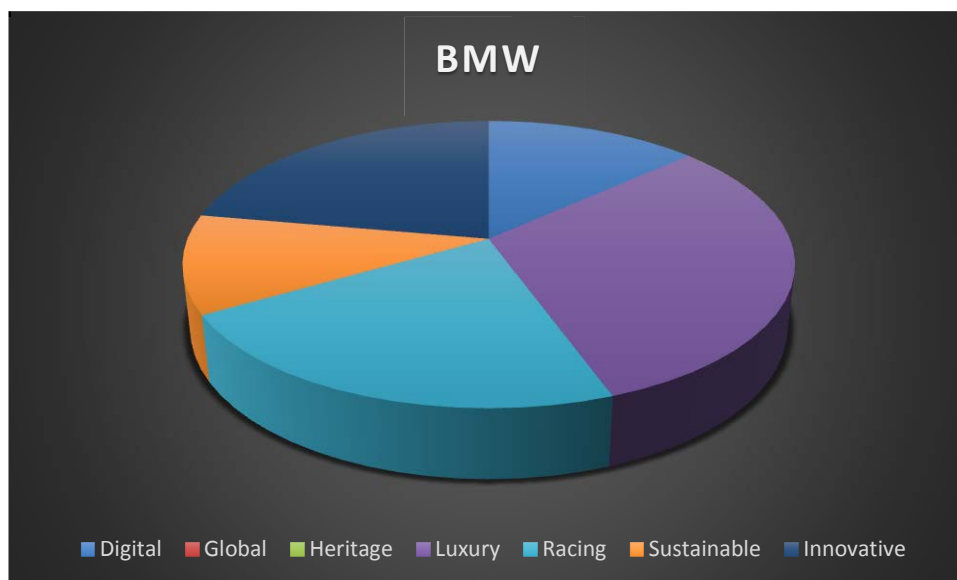
Analyzing the Aaker brand personality highlights that BMW is positioning most strongly on competence with 46.8% of its mission and vision statement content included in the analysis. Secondly, BMW is highlighting sophistication with 29.8% of mission and vision statement contents. Sincerity and excitement were both recorded, however at a lower frequency, constituting for 10.6% and 12.8% respectively. Ruggedness was not present in the mission and vision statements.



**Figure 9. BMW Aaker Brand Personality Result Chart**

BMW chart 1. shows this dominance of positioning towards competence. BMW stated in their statements: “We shape future technologies”, as well as “We consistently generate excellent results” (BMW AG, 2016). It is visible how BMW asserts its position as an active creator of results, thus establishing an image of leading the industry. The text is written with a sense of hyperbole and gives a strong sense of achievement and unity through “we” pronoun. Repetition of the word “premium” encapsulates BMW’s secondary positioning towards sophistication, remaining true to their luxury automotive offering. (BMW AG, 2016)

The luxury automotive brand personality framework enabled a more profound understanding of the automotive industry positioning. BMW positioned itself most strongly within luxury with 31.1% of its mission and vision statement content included in the analysis. Secondly, BMW is highlighting racing and innovative with 22.2% of mission and vision statement contents respectively for both. Sustainable and digital were included in the statements with 11.1% and 13.3% respectively. Global and heritage characteristics were not found at all.



**Figure 10. BMW Luxury Automotive Brand Personality Result Chart**

BMW chart 2. showcases this dominance of positioning towards luxury. Stating: “We focus solely on premium products and services” (BMW AG, 2016). Even though the company is broadening its product offering to smaller family segment with 2 series and X2, they are still adamant on their premium positioning. This can be also seen in the strong innovative characteristic, which can be seen in the i-model range of electric vehicles, driving the innovation inside BMW. BMW also uses highly overloaded sentences such as “We shape tomorrow’s individual premium mobility”, which in itself compounds the repetition of “individual premium mobility” (BMW AG, 2016). Therefore, the juxtaposition of luxury and innovative characteristics is highly visible within the statements.

Positioning towards racing was also the second most prominent feature of the statements alongside innovative. “We have the most emotional products and attractive services” elicits the meaning of something deeper than just premium (BMW AG, 2016). “We offer the most aspirational brands” follows the continuum of hyperbole as BMW is portrayed as the pinnacle of the automotive industry (BMW AG, 2016). This ultimately reaches climax with the statement: “We are NUMBER ONE” (BMW AG, 2016). Where BMW utilizes full caps as a literary technique to position themselves as the industry leader. This highly deterministic view is visible throughout the statements as “We create the future” and “transformation” are repeated in bold caps (BMW AG, 2016). The entire positioning ultimately being composed of luxury, innovative and racing as a concoction of literary imagery.

Sustainable and digital could be seen in a supportive role as both are visible in the broader product line strategy of BMW vehicles with electric power trains as well as fully digitalized infotainment systems. The company, however, did not give them that strong of a positioning value. This can be partially attributed to BMW’s luxury brand portfolio of MINI and Rolls-Royce as the iconic British luxury brands. The role of the customer and employees was also recognized as a core part of the company: “We offer the best customer experience” and “We inspire people to work for and with us” (BMW AG, 2016). Structurally, BMW seems to cover most of their key stakeholder groups and address their needs through their mission and vision statements.

### 5.3 Case: Daimler

Daimler mission and vision statements included three separate documents: “Our Strategy”, “Strategic Focus Areas” and “CASE” (Daimler AG, 2016). Daimler provided their statements in the most unorthodox format, as well as highly condensed. Verbatim mission and vision statement was not provided, but the collection of statements encapsulated the definitions of the Ashridge model by Campbell & Tawaday (1990). The Ashridge model defines the central themes and guidelines for mission statements contents. This can then be applied to choosing relevant statements, which might be titled in a different way.

As previously emphasized the Aaker framework divides the brand personality of a company into five personality subsets, which are described by 42 terms. This Aaker analysis showcases how Daimler is positioned in the traditional brand personality framework.

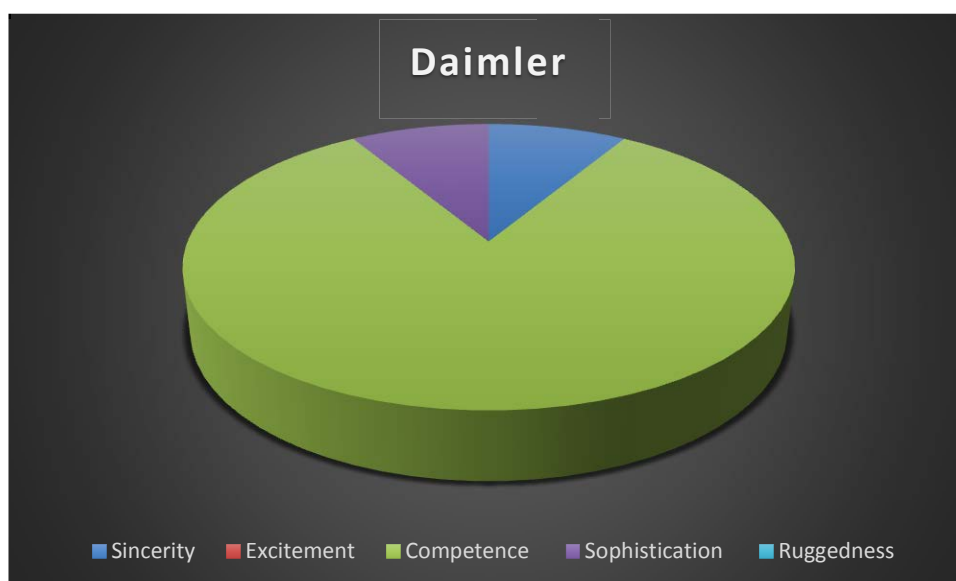
Differentiation will be analyzed in the consolidation of the four automotive companies. Luxury automotive brand personality analysis will provide more in-depth analysis of the automotive traits and complement the previous Aaker analysis.

Daimler table 1. shows the results of the binary coding for both Aaker brand personality framework, as well as the supplementary automotive brand personality framework. The upper Aaker framework includes five brand personality categories, each of which have the number of mentions as well as percentage from the total number of mentions. The lower luxury automotive framework includes seven brand personality categories, each of which have the number of mentions as well as percentage from the total number of mentions. Aggregate numbers are summarized in the bottom.

Aaker "Big Five" Brand Personality Framework			
Daimler	n	%	
Sincerity	2	8.7	
Excitement		0	
Competence	19	82.6	
Sophistication	2	8.7	
Ruggedness		0	
	23	100	
Luxury Automotive Brand Personality Framework			
Daimler	n	%	
Digital	8	28.6	
Global	1	3.6	
Heritage	1	3.6	
Luxury	2	7.2	
Racing	8	28.6	
Sustainable	2	7.2	
Innovative	5	17.9	
	28	100	

**Table 7. Daimler Aaker & Luxury Automotive Brand Personality Results**

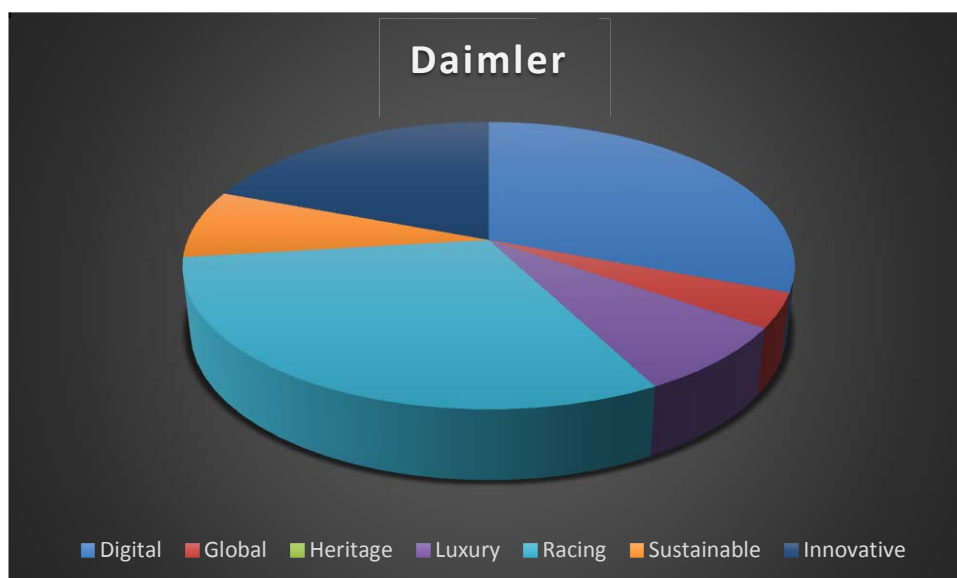
Analyzing the Aaker brand personality highlights that Daimler is positioning most strongly on competence with 82.6% of its mission and vision statement content included in the analysis. Secondly, Daimler is highlighting sophistication and sincerity equally with 8.7% of mission and vision statement contents. Excitement and ruggedness were not present in the mission and vision statements at all.



**Figure 11. Daimler Aaker Brand Personality Result Chart**

Daimler chart 1. shows this dominance of positioning towards competence. Daimler stated in their statements: “it is our mission and our duty to shape the future of mobility in a safe and sustainable manner” (Daimler AG, 2016). Daimler asserts its responsibility as the bearer of the automotive future, thus establishing an image of industry leadership. The text is written with a sense of debonair and gives a strong sense of achievement and unity through “our” pronoun. Emphasis on the words “safe” and “sustainable” encapsulate Daimler’s secondary positioning towards sincerity, positioning itself as a more ethically conscientious company. (Daimler AG, 2016)

The luxury automotive brand personality framework enabled a more profound understanding of the automotive industry positioning. Daimler positioned itself most strongly within digital and racing with 28.6% respectively for both of its mission and vision statement content included in the analysis. Secondly, Daimler is highlighting innovative with 17.9% of mission and vision statement contents respectively for both. Sustainable and luxury were included in the statements with 7.2% respectively for both. Global and heritage received 3.6% positioning each.



**Figure 12. Daimler Luxury Automotive Brand Personality Result Chart**



Daimler chart 2. showcases this dominance of positioning towards digital and racing. Daimler is highlighting both by stating “with trendsetting technologies, outstanding products and made-to-measure services” (Daimler AG, 2016). Firstly, assessing the digital positioning, Daimler clearly is taking the brand towards of high technology future with its joint ventures with Uber and previous ownership stake of Tesla. Daimler wants to take an active leadership role in the development of the digital revolution within the industry: “We are adding four future fields in our leadership claim which are represented in case” (Daimler AG, 2016). Even though Daimler does not currently have a dedicated electric vehicles unit, they seem to be driven towards establishing a presence also in this section of the automotive market: “CASE stands for Connected, Autonomous, Shared & Service and Electric Drive” (Daimler AG, 2016). Use of the word “mobility” can be seen as a result of the previous statement, as the automotive giants are realizing the future of ride-sharing and increased role of automotive services alongside the traditional automotive product.

Secondly, Daimler is also remaining true to its premium stance as one of the largest luxury automotive producers: “Aim is to be number one in the premium segment in terms of profitability and also in terms of unit sales” (Daimler AG, 2016). Racing characteristic can be seen in the desire to lead the industry as “number one”. (Daimler AG, 2016). They are making a business case as well, by framing “profitability” and “unit sales” as key success measures (Daimler AG, 2016).

Daimler interestingly positions itself also within heritage as “The inventor of the automobile” (Daimler AG, 2016). This elicits unique history of the company as the sole innovator, whom conceived the birth of an industry. Overall the company brings together most of their key characteristics in dynamic sentences such as “We will continue to strengthen our core services, grow globally, lead in technology, and push digitalization” (Daimler AG, 2016). These highly loaded sentence structures with condensed information are summarizing the direction of the company to their key stakeholder groups. Ultimately, Daimler uses a very clean and simplistic approach to communicating their mission and vision through minimal repetition and a focused message. (Daimler AG, 2016).

#### 5.4 Case: Ferrari

Ferrari mission and vision statements included three separate documents under the nomenclature of “Ferrari DNA”: “Values”, “Mission” and “Vision” (Ferrari NV, 2016). Ferrari provided their statements in the most traditional format, even including their values statement separately. The structuring was very logical and easy for the reader to visualize. Therefore, the use of Ashbridge model in defining statement inclusion was not necessary.

As previously emphasized the Aaker framework divides the brand personality of a company into five personality subsets, which are described by 42 terms. This Aaker analysis showcases how Ferrari is positioned in the traditional brand personality framework.

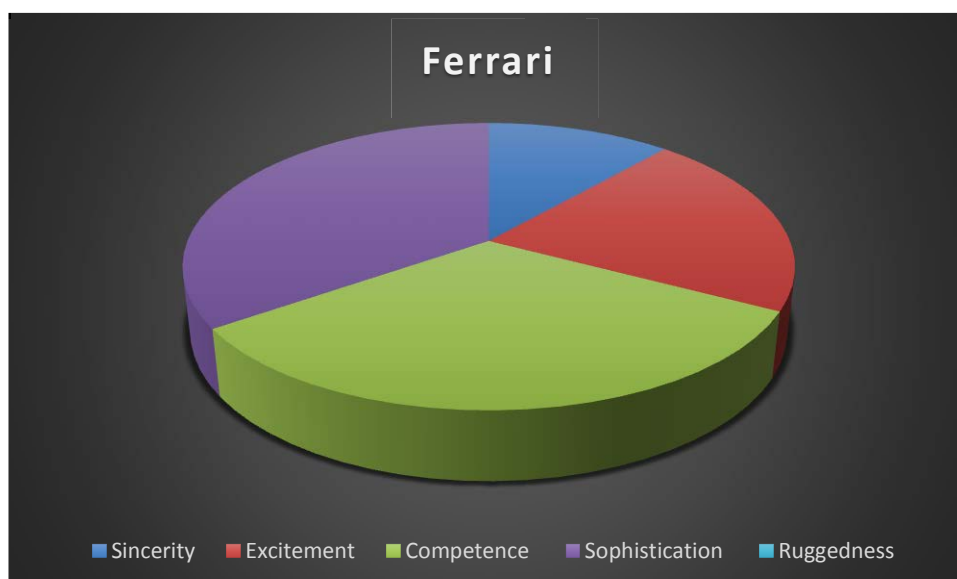
Differentiation will be analyzed in the consolidation of the four automotive companies. Luxury automotive brand personality analysis will provide more in-depth analysis of the automotive traits and complement the previous Aaker analysis.

Ferrari table 1. shows the results of the binary coding for both Aaker brand personality framework, as well as the supplementary automotive brand personality framework. The upper Aaker framework includes five brand personality categories, each of which have the number of mentions as well as percentage from the total number of mentions. The lower luxury automotive framework includes seven brand personality categories, each of which have the number of mentions as well as percentage from the total number of mentions. Aggregate numbers are summarized in the bottom.

Aaker "Big Five" Brand Personality Framework			
Ferrari	n	%	
Sincerity	6	11.5	
Excitement	11	21.2	
Competence	17	32.7	
Sophistication	18	34.6	
Ruggedness		0	
	52	100	
Luxury Automotive Brand Personality Framework			
Ferrari	n	%	
Digital	1	2	
Global	5	9.8	
Heritage	6	11.8	
Luxury	18	35.3	
Racing	11	21.6	
Sustainable	6	11.8	
Innovative	4	7.8	
	51	100	

**Table 8. Ferrari Aaker & Luxury Automotive Brand Personality Results**

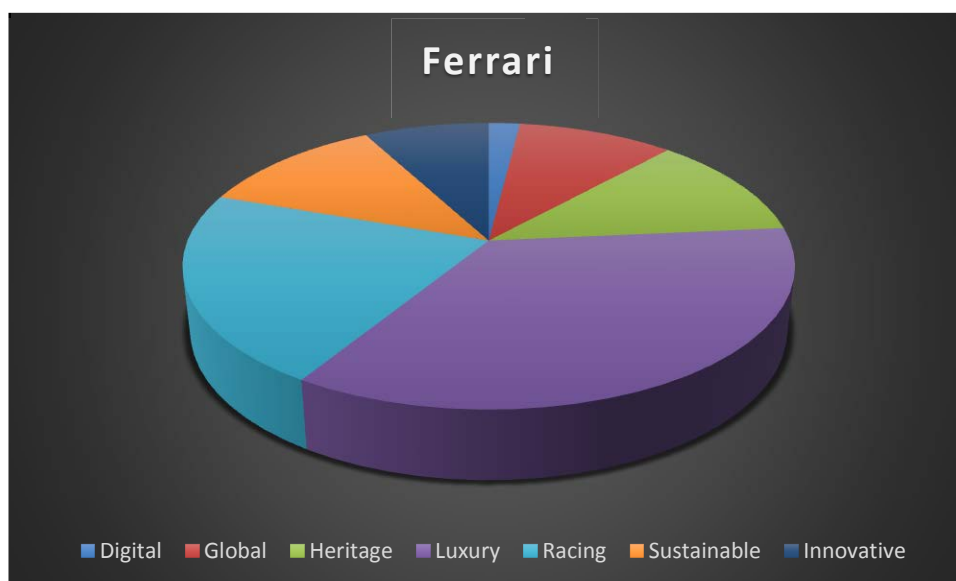
Analyzing the Aaker brand personality highlights that Ferrari is positioning most strongly on sophistication with 34.6% of its mission and vision statement content included in the analysis. Secondly, Ferrari is highlighting competence with nearly equal 32.7% of mission and vision statement contents. Excitement and sincerity were measured at 21.1% and 11.5% respectively. Ruggedness was not present in the mission and vision statements at all.



**Figure 13. Ferrari Aaker Brand Personality Result Chart**

Ferrari chart 1. shows the slight dominance of positioning towards sophistication over competence. Ferrari described their products as: “Unique creations that fuel the Prancing Horse legend and generate a ‘World of Dreams and Emotions’” (Ferrari NV, 2016). Ferrari sees itself as something more than a premium brand, they are truly positioning towards sophistication and excitement as a performance luxury brand. The text is written with a sense of mystique, art and creation of something godly. Thus giving a strong sense of rarity and inimitability. Emphasis on the words “creations” and “legend” encapsulate Ferrari’s primary positioning towards sophistication, positioning itself with a sense of artisanal exclusivity. (Ferrari NV, 2016)

The luxury automotive brand personality framework enabled a more profound understanding of the automotive industry positioning. Ferrari positioned itself most strongly within luxury with 35.3% of its mission and vision statement content included in the analysis. Secondly, Ferrari is highlighting racing with 21.6% of mission and vision statement contents. Sustainable and heritage were included in the statements with 11.8% respectively for both. Global received 9.8%, innovative 7.8% and finally digital 2.0% positioning.



**Figure 14. Ferrari Luxury Automotive Brand Personality Result Chart**

Ferrari chart 2. showcases this dominance of positioning towards luxury and racing. Ferrari is highlighting both by stating “We build cars, symbols of Italian excellence the world over, and we do so to win on both road and track” (Ferrari NV, 2016). This exemplifies the interplay of luxury and racing characteristics in the language of the mission and vision statements. Repetition of “we do so to win on both road and track” is a clear reference to Ferrari motor racing heritage. This is seen as a core competency for the brand, and it is a powerful combination with luxury products that broaden the scope from just racing machines. Racing as a metaphor disseminates through Ferrari values as well. Focus on the “individual and team” can be seen to represent the corporate organization as well. This offers appealing imagery for the stakeholders and can lead to oversimplified view of a complex multinational company. (Ferrari NV, 2016)

Ferrari corporate values position the company in a wide array of areas. “Integrity” draws the company towards sustainability, which could be seen as an opposite, especially for the racing characteristic. “Technology” is also separated as a way to communicate at least a presence in the way of the future. “Tradition and innovation” juxtapose the heritage of the company with Innovative as an approach to balance the two somewhat polar opposites (Ferrari NV, 2016).

Heritage is clearly central for the Ferrari brand and this becomes evident in the plethora of imagery. “We build cars, symbols of Italian excellence” draws a connection with the Italian heritage of the company to the craftsmanship of limited production quantities (Ferrari NV, 2016). This is repeated as “human-scale artisanal craftsmanship” and the corporate direction supports this imagery, as Ferrari is one of the few global automotive companies to reduce their production number in an effort to protect the brand exclusivity (Ferrari NV, 2016). “Ferrari legend” is the ultimate hyperbole for emphasizing the pivotal role of Ferrari in developing motor racing and succeeding the world over (Ferrari NV, 2016). As general premium products might be used daily, Ferrari is more sacred and preserved for those special occasions.

As a heading for the statements “Ferrari DNA” as a metaphor signals something more profound. Ferrari as a brand is built upon the founder, Enzo Ferrari, thus infusing a human tradition into the brand, which cannot be copied as such. Ultimately, this is the force of uniqueness within Ferrari (Ferrari NV, 2016).

## **5.5 Mission & Vision Statement Accessibility**

Additionally, to the measurement of corporate brand positioning and differentiation, the accessibility of luxury automotive mission and vision statements was analyzed. The motivation for analyzing the statements accessibility is driven by the pervasive trend of digitalization and in theory the accessibility should improve over time as more data becomes available on the Internet. In the early days of Internet and late 1990’s hardly any mission and vision statements were available through this channel. As luxury automotive companies communicate to their stakeholder through these statements, they should be widely available through different channels.

The time taken to access mission and vision statements of the 4 luxury automotive companies included in this study was analyzed both at website and annual report level. Labeling of these statements was also observed. As the researcher became more experienced at finding such material the access times probably shortened, however the accessibility remained within 5 minutes. 2/4 luxury automotive companies labelled the statements in such a way as to make it easily accessible.

Luxury automotive company annual reports were found to be the most elusive of these statements, as especially the 3 German automakers seemed to exclude mission and vision statements from their otherwise very financial data oriented annual reports. The modern efficiency of an internet browser makes accessing corporate websites much easier, however finding clearly labelled mission and vision statements is more unlikely. The approach today especially amongst luxury automotive companies seems to be the creation of a general “Our Strategy” –section, which communicates the message of traditional mission and vision statements in a more consolidated format. This can lead to misunderstandings amongst stakeholders

accessing the website. Consolidating multiple statements into one, especially in the Daimler case can give a very narrow and simplified view of the company's purpose and direction.

Previous findings by Chun & Davies (2001) and Ingenhoff & Fuhrer (2010) have indicated that the accessibility mission and vision statements from websites is quite cumbersome, taking on average more than 10 minutes. Similarly, they found that labelling of mission and vision statements can be misleading. In the case of luxury automotive companies, the time taken to access these statements has shown improvements, however the labelling seems to be a problem still.

Structurally, compared to research done by Chun & Davies (2001) and Ingenhoff & Fuhrer (2010), mission and vision statements at least in the luxury automotive sector have become more varied. BMW and Daimler are the polar opposites, when it comes to content structuring. BMW showcased highly varied and meticulously titled statements, which offered highly specific communication of company specific activities. Daimler, however, had a more *laissez faire* approach by offering just a few, much broader strategic statements about the company purpose and future direction. (Daimler AG 2016, BMW AG 2016).

Consolidation within the luxury automotive industry has also played a significant part in the availability of mission and vision statements. As BMW has acquired Rolls-Royce and Mini, and as Volkswagen has acquired Porsche, Lamborghini, Bentley and Bugatti, the abundance of these statements has decreased. Audi is an exception, as it provides separate mission and vision statements from Volkswagen. The performance units of BMW, Daimler and Audi provide no additional statements outside the mother company. This leads to further consolidation of mission and vision statements. (Volkswagen AG, 2017)

Ultimately, half of the luxury automotive companies provided their mission and vision statements in a traditional format. Were companies to move away from this approach, they should provide sufficient indication to their stakeholder groups about changes in their form of communication. This would be beneficial during a transition phase from traditional mission and vision statement format to a more modern

strategy focused approach. Especially, bankers and equity researchers could find such actions helpful in analyzing the direction of these companies and this would provide the statements for the intended audience in a more reliable manner. These statements are meant to be read in the end.

## **5.6 Consolidation of Findings**

Positioning, essentially involves the emphasis of the elements of reputation which distinguish one company from another. This requires a frame of reference, in this case the competition. Companies can decide to position against an average view of the ideal in their market by placing emphasis on those things that are desired by all customers, or against an attribute that is desired by a minority, thus applying market segmentation, or they can do both.

“The danger of the first approach is that every company will identify the same attributes, which become “table stakes” the cost of competing in the market rather than something which can usefully differentiate the players.” (Chun & Davies 2001). The risk of the second approach is that the size of the customer segment desiring the attribute chosen for positioning against is insignificant.

The results of the content analysis for the luxury automotive companies, show that companies can be considered to be emphasizing aspects of personality within their mission and vision statements. When applying the Aaker framework Audi, BMW and Daimler emphasized competence, which indicated high assimilation by the luxury automotive companies. Ferrari positioned itself uniquely to sophistication, which is an indicator of a differentiation strategy, however Ferrari was included more as a representative of possible performance sub-brand positioning of Audi RS, BMW M and Mercedes-Benz AMG performance units. Thus within the premium segment the positioning towards competence seems to hold. However, for a luxury performance segments where emotions and heritage play a larger role as imagery, sophistication becomes more dominant.

Ultimately, the results for Aaker framework show that luxury automotive companies



appear to be positioning but not differentiating themselves using their mission and vision statements. This is in-line with finding by Chun & Davies (2001) and Ingenhoff & Fuhrer (2010).

However, the results of the content analysis also revealed that every company shows its own individual profile. Even though the corporate brand personalities are often positioned firstly to competence, each luxury automotive company showcased their own unique profile. Sophistication, excitement and sincerity were represented with different weights by each luxury automotive company.

Content analysis applied to the luxury automotive brand personality revealed more insights regarding each company. This could be a result of the specific construction of the framework based on these luxury automotive companies, thus enabling a more fine-grained analysis. Digital and luxury were the strongest positions found with Audi and Daimler positioning towards digital, and BMW and Ferrari positioning towards luxury. This resulted in a higher level of differentiation as well.

Daimler and Ferrari were the only companies to emphasize heritage. This can be seen to relate to the extensive history of the companies and to the willingness of the management to choose that as a core competency. Both of these companies also had clear events in their history that made them stand out.

All of the companies, excluding Audi, held strong secondary positions in racing. This can be an indication of the racing history of these companies, especially in F1 and DTM circuits. These companies have successfully translated this motor racing experience to their luxury performance segment offering. BMW, Daimler and Ferrari expressed the desire to lead the industry and create the future. The corporate brand can be seen as a tool in achieving this competitive advantage.

As a result of the research some correlations can be found between the two frameworks used. Aaker's competence and the automotive digital are driven by the same technology-oriented connotation. Additionally, Aaker's sophistication and the automotive luxury have a similar opulent connotation. This brings up similarities in both frameworks, however the luxury automotive brand personality framework was more efficient in showcasing differences in the corporate positions as was less generalizable.

## 6 CONCLUSION

### 6.1 Discussion

The ultimate goal of this empirical research was to specifically target the luxury automotive sector in regards to corporate brand positioning and differentiation via mission and vision statements. This was supported by a structured literature review to highlight the use of mission and vision statements in corporate brand positioning and differentiation. The development of a completely new industry specific brand personality framework created new insights to the analysis of luxury automotive brand personality. Using both quantitative and qualitative research methodologies has enabled a balanced and in-depth analysis of the corporate brand personality portrayal.

The literature review was targeted to illuminate the context and connection of luxury automotive industry and previous corporate brand as well as mission and vision research. The empirical research targeted the three research questions based on the collected Audi, BMW, Daimler and Ferrari company data. The first research question stated: “How Audi, BMW, Daimler and Ferrari express their corporate brand personality in their mission and vision statements?” Based on the data analysis and application of two different brand personality frameworks, each of the four automotive companies express their brand personalities with unique corporate brand profiles.

The second research question stated: “How Audi, BMW, Daimler and Ferrari position and/or differentiate themselves the luxury automotive using mission and vision statements?” Based on the data analysis and application of two different brand personality frameworks, most of the luxury automotive companies positioned themselves very similarly within the Aaker brand personality framework. However, in the luxury automotive framework further differences in positioning were seen. Differentiation was minimal with Aaker brand personality framework application, and slightly more prevalent in the luxury automotive framework.

Commonalities with previous research were found as well. As an example in the research by Chun & Davies (2001) Apple stood out in the computer sector with a differing positioning towards sincerity. In the luxury automotive research Ferrari stood out as well with positioning itself towards sophistication. The majority of both computer and luxury automotive industries otherwise seem to position towards competence. Clearly strong performing and well recognized brands like Ferrari and Apple are doing something right with standing out from the rest. Ultimately, companies do showcase a corporate brand personality through communication of respective attributes via mission and vision statements.

The third research question stated: “Are there differences in positioning and differentiation for Audi, BMW, Daimler and Ferrari if alternative brand personality framework is used to complement Aaker brand personality framework?” By creating a completely new industry specific brand personality framework, more fine grained insights to brand positioning and differentiation were distinguished. Based on the data analysis there were differences in positioning, however similarly, most companies seemed to align their position with the competition. Daimler and Ferrari stood out by focusing more on their deep-rooted heritage. The possible added legitimacy of being “the inventor of the automotive” or “Ferrari legend” seem to create more unique brands. (Ferrari NV, 2016), (Daimler AG, 2016)

Otherwise, the luxury automotive brand personality framework seemed to elicit the technology-based nature of the automotive industry, as more than one company positioned close to digitalization. As the effects of the software revolution are beginning to affect multiple industries, the luxury automotive industry is inevitably affected by the Internet as well. Connectivity and artificial intelligence were especially highlighted by Audi, who took the strongest stance in this area. Mobile connectivity and the electric and autonomous driving revolution are becoming more prevalent on the mission and vision statement level. (Audi AG, 2016)

Overall, both frameworks lead to the conclusion that mission and vision statements were seen as appropriate channels for these four luxury automotive companies to share their corporate stories. The role of Internet as a communication tool was leveraged by the accessibility in the modern digital age. As most luxury automotive

companies positioned towards competence within the Aaker framework, this led to the conclusion that emphasis is clearly directed towards the whole stakeholder group than any individual minority. Thus luxury automotive companies reaching for mass appeal. Therefore, insinuating that mission and vision statement elements could have become institutionalized (Peyrefitte & David 2006). Additionally, causation could have resulted from institutional forces, via mimetic, coercive and normative pressure (DiMaggio and Powell 1983). Especially when considering the German luxury automotive industry, this mutual adoption of positioning, could have resulted from interlocking board relations. Audi, BMW and Daimler board members could have observed one another throughout the years as the industry held tightly knit relations (Scott 2001).

Hence, brand personality as a medium of competitive position can be great asset for a luxury automotive company. Furthermore, expression of brand personality is not sufficient in conveying differentiation. CSR could be an additional corporate activity, which further differentiates a luxury automotive company (David et al., 2005.) Therefore, luxury automotive managers should focus on both the norms of their industry, as well as their stakeholders when formulating their mission and vision statements to serve as a brand personality tool (Peyrefitte and David 2006).

Managerial development will be inevitable based on the luxury automotive positioning. Even for companies as legendary as Ferrari digitalization is becoming more significant in their mission and vision statements. Tesla has been the front runner in transforming automotive companies into software companies, where with a single system update they are able to transform their entire fleet to autonomy. Management of luxury automotive companies such as Audi, BMW and Daimler have been especially agile in taking their companies towards the electric and autonomous future as the digital focus their mission and vision statements reaffirms. (Tesla, 2017)

As Tesla continues to expand its lithium-ion battery production lines with two additional gigafactories following its Nevada gigafactory, the other luxury automotive companies cannot afford to increase Tesla's lead in this industry subset. Change management has become crucial in the highly traditional automotive industry where the internal combustion engine has held its crown for over a century.

Here managerial skills in change management will define whether these incumbents are able to change their corporate cultures to become more open to software and electric drive trains as the trend of digitalization revolutionizes the industry. (Tesla, 2017)

As part of their brand personality, digitalization seems to be replacing globalization. Audi seemed to be the only luxury automotive company to meaningfully emphasize the global aspect of their brand personality, whereas BMW did not mention it once. Most of these companies seem to take globalization as the norm, which has been at its peak in the 1990's. Global has become the *status quo*.

Old military inventions such as GPS and sonar-based location systems have become commercialized and widely available in the consumer goods industry. Now the automotive industry, and especially luxury automotive industry have packaged these as a new value added for their customers. Artificial intelligence has become prevalent in the search engines of Google as well as news feed of Facebook. These Internet giants are now extending their offering to the automotive industry. This has ultimately brought the automotive industry in the current spot light on the arena digitalization.

Similarly, as most of manual automotive assembly was replaced in the factories of Stuttgart, now the ubiquitous driver will be replaced. Electric drive trains and autonomous driving are at the tipping point of becoming main stream and creating the new *status quo*. Where human lives are ever more convenient, where you can summon your car with a press of a button, and network connectivity enables complete driving experience optimization.

Heritage is a strong competitive asset, when customers seek for ultimate individuality. However, in the age of electric vehicles with minimized environmental impact and at least comparable performance figures, the legendary petrol V12 Ferrari or AMG Mercedes might be regarded as the early 20<sup>th</sup> century mode of transport, a horse. When combined with the convenience of autonomous driving, the benefits of electric vehicles answer key use cases of the increasing customer base in urban areas. A modern day horse, the petrol engine car, could be seen as a relic of pure

sentimentality, as it brings its user an experience far inferior compared to the autonomous driving experience of a Tesla.

As it comes to these four luxury automotive companies analyzed, their brand personality profiles communicate how they see their role in the future of the automotive industry. Even the most traditional companies with rich heritage cannot ignore the effects of the digital revolution. However, the constraints of these incumbent companies cannot be easily transformed. Most companies are balancing between their traditional operational models and the electric future. BMW has taken the incentive to separate the i-brand as a separate electric unit, which highlights the power of new entrants such as Tesla in revolutionizing this mature industry.

## **6.2 Limitations and Validity**

Initially, the use of a standardized brand personality framework should be addressed. Previous use of Aaker brand personality framework has focused on minimizing the negative effects of subjective content analysis. Pre-established framework has been a source of objectivity. Unfortunately, this can result in lost richness of data from the content analysis. The aim was to combine both quantitative binary coding, as well as qualitative literary technique analysis to include both interpretations of corporate brand personality communication via mission and vision statements. While categorizing the quantified themes, also highlighting the subtle repetition, hyperbole or other literary techniques to fully understand what luxury automotive companies aim to communicate to their stakeholders.

Additionally, over-simplification of multi-faceted and hardly linear causalities should be avoided. However, convoluted phenomena more easily understandable if justifiable simplification is applied.

Secondly, the format of mission and vision statements should be critically judged. Managerial human-to-human interaction and the richness of human communication does not translate without information being lost to the written format. Linguistic

deficiency is unavoidable as human multi-faceted and visual interaction cannot be included in the written form. Therefore, content analysis as a tool needs to be understood as focused on the objective reproductions of subjective individuals, the board members of these four luxury automotive companies as well as consultants.

Creation of an industry specific framework has enabled more thorough and case specific analysis on the data obtained by content analysis. However, the applicability for other industries is heavily weakened. The aim has been to produce a framework to enable similar industry specific research also in the future within different geographic regions and different data applications such as brand personality and revenue correlation research.

The data produced for the analysis has been limited and selective. Therefore, important factors and/or data could have been excluded. Two-dimensional results lack more in richness than in simplicity. Understandably, balance of complexity of the phenomenon as well as relative simplicity need to be taken into consideration when building a model, to exhibit richness data as well as enhance comprehension.

Previously researched industries and companies have included mostly mature, Fortune 500 -level companies, which have a global penetration. Luxury automotive industry itself represents a similar corporate profile, which is rationalized by the developed mission and vision statements. However, the small sample size of the luxury automotive industry cannot be seen as representative for the entire automotive industry. Hence, the focus on a specific sub-industry and attaining sufficient sample coverage for this area. Applicability for the entire automotive industry would be another topic in itself.

This research has been largely inspired by the research of Chun & Davies (2001) and Ingenhoff & Fuhrer (2010). The validity this research concerning luxury automotive industry has been based on the opinions and views of established authorities and contributors to the research of corporate brand management and mission and vision statement analysis. The literature review has likewise included a broad selection of relevant research to enable comprehension of convoluted phenomena concerning the corporate brand personality in positioning and differentiation.

### **6.3 Future Research**

Current research on corporate brand personality has largely focused on large data sets of generic industries, such as banking, computer and telecommunications industries. Some geographic diversity within this area of research has been achieved, however, still focusing on large generic corporate entities. Simplified, widely applicable frameworks have been developed, which lack industry specificity.

This research of luxury automotive industry has aimed to take a deep-dive within a highly specific industry by applying the case method. By developing a completely novel industry specific framework, research within corporate brand personality has been driven towards deeper understanding of specific industries. As the research community hopes for further application geographically, this industry specific approach can be seen as an enabler.

Substitutes of the luxury automotive industry could be research more specifically as well. Ride-sharing providers such as Uber, Didi and Lyft are essentially taking the place of automotive companies in the lives of especially city dwellers with a more flexible service-based offering. It would be reasonable to find similar digitalization tendencies in this industry.

With highly specific industry brand personality positioning and differentiation data, further applications can be recognized as well. Analyzing the correlation of luxury automotive brand personality and company revenue could further inform companies if their brand positioning is financially successful. Additionally, brand recognition could be analyzed in relation to corporate brand personality to determine, which companies are strongest in establishing brand presence amongst multiple corporate stakeholder groups.



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## APPENDIX

### Audi Mission Statement 1 & 2

audi.com

Company Investor Relations Innovations Sustainability Careers

Home > Company > Corporate strategy

## 02 Our mission

### Digitalization

We are digitalizing our processes and creating a platform for integrated, connected premium mobility and digital services.

Digitalization

Digitalization is radically changing our customers' everyday lives. They expect all areas of their lives to be connected - and the car is becoming part of their connected environment. Customers want to be "always on" - as well as and especially when in the car. New competitors from the IT industry and highly dynamic start-ups are meeting these customers needs with digital services and mobility offerings, thereby pushing their way into the domains of the car manufacturers. However, the digital transformation also opens up new opportunities for the traditional automotive companies.

With digital services for our customers, we can open up new business models and exploit new sales potential - in trade, in the vehicle and, above all, with mobility offerings which extend beyond the vehicle. A central platform forms the common basis for this - a digital ecosystem which is equally attractive to customers and partners. Artificial intelligence creates faster and, above all, self-learning systems. Moving forward, the further development of these systems will present us with the opportunity to shape brand new customer experiences and processes. On top of this, digitalization enables us to exploit substantial efficiency potential. This serves to finance necessary investments in future topics.

This is why Audi is pursuing its mission to intensively drive digitalization. We will consistently digitalize our processes and create a central platform for integrated, connected premium mobility and digital services.

**By 2025 we will achieve:**

- > Completely integrated digitalized processes
- > Superior user experience

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**By 2025 we will achieve:**

- > Completely integrated digitalized processes
- > Superior user experience
- > Substantial contribution to profit by digital and mobility services
- > Upscaling myAudi platform
- > Audi connect as standard equipment

## Audi Targets

03 **Our targets**

Overview of targets

- > Return
- > Profitable market penetration
- > Agility
- > Corporate image

## Audi Vision Statement 1 & 2

01 **Our vision**

**Vorsprung is our promise.**

We inspire through individual, sustainable premium mobility.  
Our premium vehicles are the foundation.

**D Digitalization**  
We are digitalizing our processes and creating a platform for integrated, connected premium mobility and digital services.

**S Sustainability**  
We stand for sustainability in our vehicles and services throughout the entire value chain.

**U Urbanization**  
By working together with cities worldwide we ensure access to individual, city-friendly premium mobility.

**Vorsprung is our promise.**  
We inspire through individual, sustainable premium mobility.  
Our premium vehicles are the foundation.

The automotive industry is undergoing a transformation: New competitors, new customer desires and new fields of business are arising. This change is being driven by the megatrends of digitalization, sustainability and urbanization and it results in new challenges. Mastering these successfully will require us to transform our company fundamentally. We are now beginning this process of reshaping Audi. But where do we



audi.com

Company Investor Relations Innovations Sustainability Careers

Home > Company > Corporate strategy

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Our premium vehicles are the foundation.**

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We are digitalizing our processes and creating a platform for integrated, connected premium mobility and digital services.

**S** Sustainability  
We stand for sustainability in our vehicles and services throughout the entire value chain.

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## BMW Competitive Advantage

bmwgroup.com

BMW GROUP THE NEXT 100 YEARS

Rolls-Royce

Dates Downloads DE EN Q

Company

**Competitive Advantage.**

**We unite excitement, responsibility and success:  
We have the most emotional products and attractive services.**

We offer the **best customer experience**.  
We have a unique customer understanding through our ongoing, direct dialogue with our customers. We focus solely on premium products and services. We anticipate customer needs and desires. And we bring these to life - quickly and precisely - in innovative and emotional offerings and experiences.

We have the **most aspirational brands**.  
We continuously grow the value of our brands through focused brand management and outstanding design.

We shape **future technologies**.  
We develop innovative technologies for tomorrow's products and services.

We **inspire people** to work for and with us.  
We lead our associates with integrity and respect, securing our position as the most attractive employer.

We are an active **part of the communities** in which we operate.  
We embrace our responsibilities within the wider community and achieve positive results.

As a consequence, we consistently generate **excellent results**.

**Strategic Approach.**

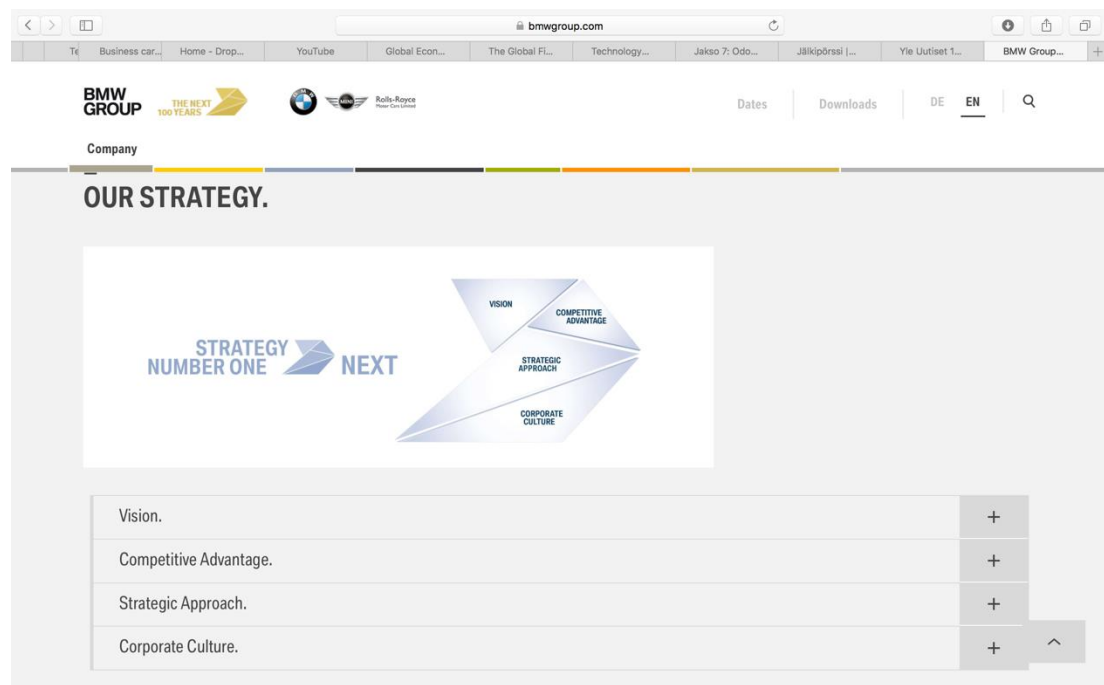
## BMW Corporate Culture

Corporate Culture.

**We create the future:**

**We combine operational excellence and fresh thinking.**

## BMW Our Strategy



BMW GROUP THE NEXT 100 YEARS

Company

### OUR STRATEGY.

STRATEGY NUMBER ONE NEXT

VISION  
COMPETITIVE ADVANTAGE  
STRATEGIC APPROACH  
CORPORATE CULTURE

Vision.	+
Competitive Advantage.	+
Strategic Approach.	+
Corporate Culture.	+

## BMW Strategic Approach

The screenshot shows the BMW Group website's 'Strategic Approach' section. The browser address bar is 'bmwgroup.com'. The page header includes the BMW Group logo, 'THE NEXT 100 YEARS', and the Rolls-Royce logo. The main content area is titled 'Strategic Approach.' and contains the following text:

**We are leading the BMW Group into a new era:**

**We leverage innovative technologies, digitalisation and sustainability to deliver unique customer experiences.**

We embrace the opportunities that the **transformation** of our industry offers. We are committed to expanding our technological competence in the years to come, to enhancing the interaction of individuals, vehicles and services and to driving progress in sustainable mobility. This will secure our success and set new standards amongst our competitors. Our strategic approach comprises:

- Brands & Design
- Products
- Technologies
- Customer Experience & Services
- Digitalisation
- Profitability

The section is followed by 'Corporate Culture.' and a scroll bar on the right.

## BMW Vision

The screenshot shows the BMW Vision section. The main heading is 'Vision.' followed by the text:

We are Number ONE.

**We inspire people on the move:**

We shape tomorrow's **individual premium mobility.**

## Daimler CASE

**CASE**  
New strategic focus for Mercedes-Benz Cars strategy

At the "Mondial de l'Automobile 2016" Mercedes-Benz Cars unveiled its plan for further development of Mercedes-Benz 2020's strategy for growth with its new focus. At the heart is our leadership claim: with the strongest brand and the best products, our aim is to be the number one in the premium segment in terms of profitability and also in terms of unit sales. We are adding four future fields to our leadership claim, which are represented in CASE. CASE stands for Connected, Autonomous, Shared & Service and Electric Drive.

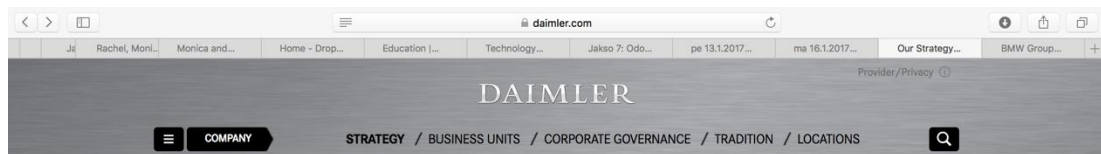
## Daimler Strategy

### Strategic focus areas

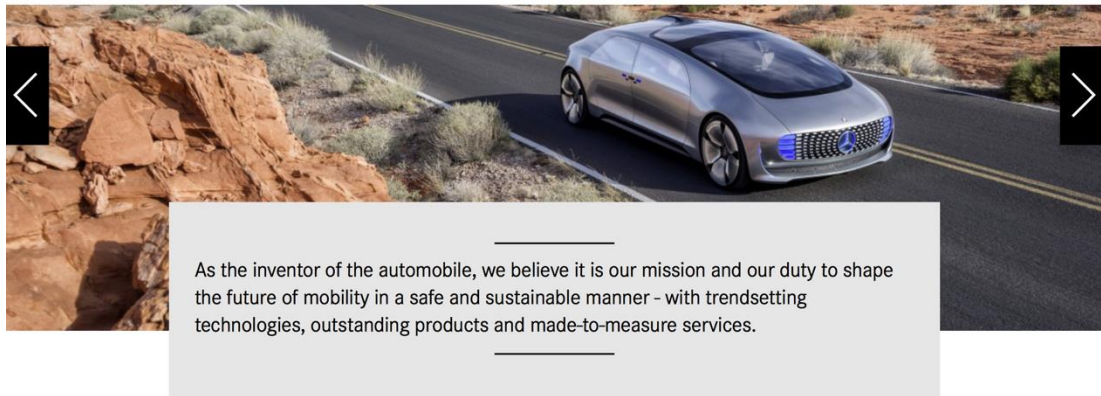
We aim to achieve our objectives in four strategic focus areas: We will continue to strengthen our core business, grow globally, lead in technology and push digitalization.

#### 1 Strengthening the core business

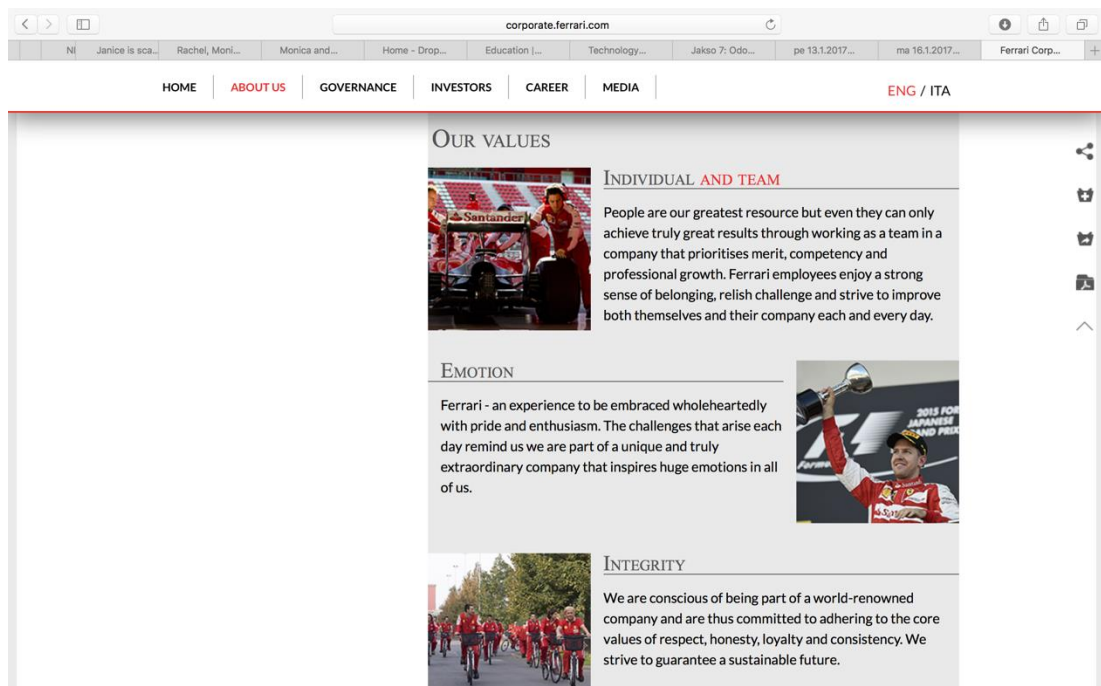
## Daimler Vision



### Our Strategy Overview



## Ferrari Values 1 & 2



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**TRADITION AND INNOVATION**

We represent a company in which tradition and innovation are melded each and every day to fuel the Ferrari legend. Our rich heritage and ability to combine developing extreme technological solutions with human-scale artisanal craftsmanship are a direct result of our company history and the international and multicultural context in which we operate.

**PASSION AND EXCELLENCE**

We are driven by our passion for both the road and the track. The challenge we relish most is to set ambitious targets and guarantee our clients' complete satisfaction. We observe the outside world with open-minded curiosity to help grow our own competencies. We are committed to the pursuit of excellence on a daily basis.

AUTO Configurator | SCUDERIA History | SHOP NOW Man | VIDEOS GT & Sport | CORSE CLIENTI Challenge Europa | EXPERIENCE Company

## Ferrari Vision & Mission

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**About us**

- Ferrari DNA
- At a glance
- Executive officers
- History
- People
- Sustainability
- Product range
- Racing
- Brand

**FERRARI DNA**

**UNIQUE**

Being Ferrari means being part of a unique future-focused team in which people are the most valuable resource. Together we compete on the track and markets all over the world. Together we've crafted the Vision, Mission and Values that are the very essence of feeling part of Ferrari and which guide us as we tackle our day-to-day challenges.

**VISION**

Ferrari, Italian Excellence that makes the world dream

**MISSION**

We build cars, symbols of Italian excellence the world over, and we do so to win on both road and track. Unique creations that fuel the Prancing Horse legend and generate a "World of Dreams and Emotions".