



THE
**new
face**
OF MARKETING

Quarterly review
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FOR TOMORROW



**HENRIK
WENDERS**

Senior Vice President,
Audi brand



DRIVING THE PREMIUM BRAND



A premium mobility player, the Audi Group delivered 1.68 million cars from the Audi brand to customers in 2021, generating revenues of US\$57.3B*

In April 2020 Henrik Wenders joined the AUDI AG Sales and Marketing Division as Head of Brand Audi. Henrik has more than 20 years of marketing and management experience in the automotive sector and has worked across product management, sales and after sales, and market-entry strategy, and is an expert in electric mobility and digitalization.

The Capgemini Research Institute spoke to Henrik about the digital transformation of the automotive sector and the future of premium mobility.

*"Key Figures 2021," Audi Group website, accessed 22 April 2022



Our website offers customers the ability to configure their own car through an interactive platform"

BRANDING A PREMIUM MOBILITY LEADER

How is the Audi brand perceived by consumers?

— We are perceived as a global progressive premium brand. Within the US, specifically, we made strategic investments to boost our brand recognition, moving from a niche premium brand accessible to a small consumer demographic to a household name that everyone can aspire to. A more tailored approach to messaging our premium position and car technology, along with careful selection of partners and media opportunities within sports entertainment and retail, helped us to achieve 83% brand awareness among US consumers in 2019.

How does Audi's vision and mission tie into brand strategy?

— Our brand identity is focused on three main topics: sustainability, digitalization, and design. But it is important to continually re-evaluate brand strategy, especially when preparing for a period of transformation. In 2020 we decided to position Audi as a leader in premium mobility. Shaping the future requires a certain attitude: you need to be brave in facing the unknown.



Henrik Wenders
Senior Vice President,
Audi Brand

At Audi our clear Vision is shaping the future of premium mobility. We also have a clear mission, which is to create meaningful, enjoyable experiences. We have purposely not used the word "car" in our vision or mission because the Audi experience starts at home. Automobiles are becoming what we like to call "experience devices". Our Ecosystem around the car can offer a wide variety of experiences, even before and after the ride.

How have Audi's brand investments evolved?

— We relaunched our website in spring 2021 to align with our refreshed brand strategy. Our website offers customers the ability to configure their own car through an interactive platform. To reflect the premium nature of our brand, we select our investments carefully. We are also very proactive in terms of sponsorship: we have been a partner and sponsor of regional, national, and international sports for decades. For example, our partnership with FC Bayern reflects our strategic ideas: we have provided electric cars to the soccer club and installed electric charging points at the club's facilities, and also the Allianz Arena in Munich. Our brand ambassador program – our newest ambassador is former world-class skier Felix Neureuther – is another key investment that enhances our premium image through cooperation with like-minded people. Audi Middle East also recently become the official automotive partner for Dubai's Museum of the Future, which focuses on sustainability, and innovation.

2025

By 2025, all Audi plants will be CO2 neutral

Executive Conversations

What role does sustainability play in Audi's brand strategy?

— Sustainability is an integral part of our brand values. We set ambitious goals through our corporate strategy "Vorsprung 2030" and committed to "Mission Zero," which means that, by 2025, all our Audi plants will be CO2 neutral. We also committed to transforming our entire product portfolio to electric by 2033. In fact, from 2026, all our new global launches will be electric. We perceive this as an obligation to not only towards our customers but also to the planet.

THE AUTOMOBILE AS EXPERIENCE

What role is digitalization playing in the evolution of the Audi brand?

— Digitalization is fundamental to Audi, in many different ways. Our Audi Design for example is transforming a development process that has been largely unchanged for more than 100 years, with the combustion engine as the focal point of the design.

Design is often the number one factor in our customers' decision-making process and a top reason for purchase. We believe that market-leading design is integral to the Audi brand and will continue to be so. However, from now on the design process is customer centric. Electrification of mobility

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was one big gamechanger in automotive design. We now have a compact electric motor that can lie on either the front or rear axle, or both. This provides a gigantic space that we at Audi call "the sphere." We use the sphere as an arena to create meaningful and fascinating experiences for the consumer.

Within this space, we are designing a holistic ecosystem for the customer – the user: concepts that will allow the car to be used as an office, a movie theater, a place to relax, or as a space for shopping and gaming. Our focus lies on the experiences the car offers while driving from A to B.

Digitalization has allowed us to create a space that can be adapted to each individual. For example, our "Audi grandsphere" concept identifies the driver with a pathway identification; then, it welcomes him or her with personalized settings, such as individually staged displays or a custom music playlist. Our goal is to create a digital ecosystem within the smart device – formerly known as a car – that provides our customers with an excitingly new, and yet comfortingly familiar, environment.



MARKETING AUDI IN A POST-PANDEMIC WORLD

What is a key learning for you from the COVID-19 pandemic?

— As with most industry sectors, the COVID-19 pandemic has been an accelerator when it comes to digitalization. Working from home was already possible at Audi before the pandemic but specifically, it accelerated remote collaboration: it was suddenly imperative to co-create virtually, to an extent we had never thought possible. For example, the Audi e-tron GT quattro is our first model in which we tested the assembly procedures using virtual reality, without any physical prototypes.

We need a digital ecosystem in place that allows us to be predictive. Dramatic changes in customer, behavior, as witnessed throughout the pandemic, require us to respond and meet new demands quickly. Digitalizing the data-processing system will enable that.

What do you love most about your job as head of the Audi brand?

— I love the automotive sector because it is strategic and complex. The one-time investments are gigantic. We are entering the most exciting era in automotive history – it is transforming, but it is more revolution than evolution. We are not only transforming towards electrified, sustainable, and automated mobility, but we are also transitioning from being a car manufacturer to a technology company that produces smart devices on four wheel. I believe this is a “make or break” decade in automotive, and I can’t wait to start the journey.



Henrik Wenders

Senior Vice President, Audi Brand

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