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- NEWS ALERT -

Capgemini global study calls on automotive sector to take measures to ensure stable future for established players

e-mobility report shows 80 per cent of respondents agreed that the future of their industry lies in technological innovation and electric vehicle services

Paris, 1 February 2012 – Capgemini, one of the world’s foremost providers of consulting, technology and outsourcing services, today announced the findings of its 2012 e-mobility report examining how the automotive industry is responding to the technological shifts driven by e-mobility – or electric vehicle - services. With the emergence of new technology the automotive industry has encountered fundamental changes unlike those seen for decades however Capgemini today warns that the automotive sector is in a vulnerable position and the move that is occurring is of huge significance and is extremely complex. While this can result in strong economic growth across industries, it can also lead to the disappearance of numerous formerly successful companies.

The study, entitled “Managing the Change to e-Mobility,” shows that while demand for electric vehicles is growing across all modes of transportation and provides exciting growth opportunities for automotive companies, it also creates a need for existing business models to be overhauled. Capgemini highlights the need for a ‘new network’ to be deployed to bring together established and new stakeholder players (such as e-mobility and IT providers, and battery charging/charging services) to shape the industry with innovative products and services. Historically, past technological changes, such as the move from typewriters to personal computers, from mobile to smart phones, have shown that some formerly successful companies were not prepared for change, and their disappearance highlights patterns of failure that the automotive industry must avoid.

Based on its 40 years of experience providing solutions for automotive companies, Capgemini recommends the following core areas of focus when it comes to managing e-mobility change:

- **Encourage an ongoing innovation process and move away from established structures.** 79 per cent of respondents agreed that innovation, business flexibility and strong partnerships outside of the existing automotive ecosystem are essential in order to succeed. For example the traditional car manufacturer Daimler was founded in the eighteen hundreds, but in 2011 it launched a successful electric car sharing service called ‘Car2Go’ in Texas, USA.
- **Clearly define the company’s present and future positioning in relation to the competition.** Survey respondents were split on whether they expect to see the emergence of an entirely new competitive structure (cited by 47 per cent) or a continuation of traditional competition among known organizations (53 per cent).
- **Embrace new partners.** Seventy per cent of executives expect new partnerships from different industries to be important for e-mobility. For example, weak OEMs who establish strong partnerships can flourish alongside new OEMs from emerging markets.
- **Identify the real benefit of the new technology for the customer and develop products and business models that support it.** More than half of respondents said customer requirements are drivers for the technology change and 52 per cent believe e-mobility is a customer need. Organizations must be prepared to quickly adapt to customer demands as they shift.

The global survey was conducted in late 2011 with 66 automotive industry experts completing a two-part online questionnaire about e-mobility to gain insights into the current situation faced by the automotive industry, and the future prospects for the use of electric vehicles.

“Data from the study supports the widely held view that e-mobility will be the most important technological development in the automotive industry in recent years. It will demand fundamental changes to existing business models, and expertise from other sectors outside of the traditional automotive space,” said Kai-Olaf Dammenhain, Study Director from Capgemini. *“To fulfill consumers’ new mobility needs, automotive companies must come to terms with the idea of integrating the car and services as part of a bigger system instead of focusing just on vehicle manufacturing. Only companies that consciously adapt will maintain their dominant market position and continue to play a major role in the growth of the industry as a whole.”*

For more information, please read the executive summary: <http://www.capgemini.com/insights-and-resources/by-publication/managing-the-change-to-emobility--capgemini-automotive-study-2012/>

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