Navigating through the Future of Automotive Marketing

Virtual Identity
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Introduction

Driving in

The world is changing. But haven't you read that for the millionth time? We already know about the daily transformations that the climate catastrophe confronts us with – it's about time we go into business with it.

Emerging e-brands flood the automotive market, but the marketing discourse still revolves around traditional automotive measures. We see the same old TV spots and OOH marketing campaigns when consumers are mostly watching their phones instead of where they're going.

As we discovered through our VI Marketing Maturity Model, even the most disrupting e-brands do not yet take full possibilities of what traditional – we might as well call it that now – social media marketing offers them. It's time to face the future of automotive marketing. Global brands have the possibility to work with creative automation, a system made to create and distribute campaigns automatically to save costs and gain efficiency.

So, if the vehicles of the future are aiming for excelling in sustainability, why should campaigns blow CO2 into the air we're supposed to breathe? With our campaign for the zero-emission BMW iX, we'll show you an example of what sustainable automotive campaigns could look like: with the industry creating chances instead of simply reacting to it.

Fast Lane

Executive Summary

E-challengers see the changing needs in the mobility industry in both urban and rural areas, autonomous driving, and the emergence of e-bikes as the best-selling e-vehicles.

E-challengers have flooded the market but are not quite there when it comes to the quality of their social media marketing – a key asset to drive sales.

Sustainable brands need to think about their campaigns and how they are paying into their brand's promise. There seems to be an emerging paradigm shift towards giving more consideration to this matter, but the money has yet to follow.

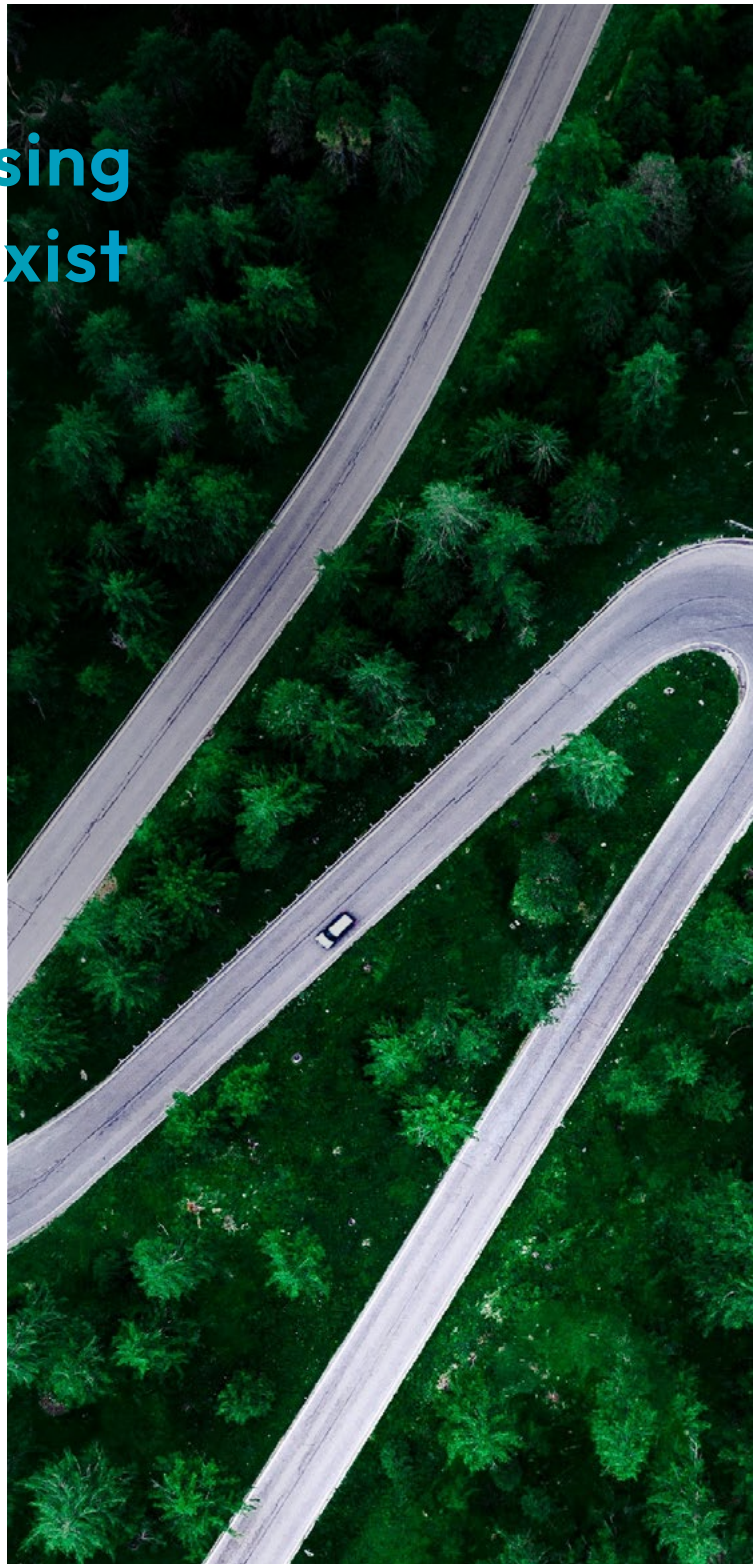
Creative Automation is the asset for the future of global automotive marketing and the possibilities AI brings. The industry needs to be aware that it takes new job roles to maintain and prompt these tools.

Lead Piece

Mobility will be changing rapidly – will Marketing be able to keep up?

by **Michael Schmidt**

“Billboard advertising would simply not exist without cars.”



In the last 75 years, car-centricity has led to a pervasive “car culture” worldwide. We can see this in the aimless cruising of new drivers through inner cities, often with loud music to attract attention. We can also see it in the typical US mall environment, with the hangout lifestyle spanning generations, from which global music stars have gotten their start: Billie Eilish has shot her music videos in abandoned malls for exactly this reason.

But supermarkets and their car parks are also sources of data – the peak times at Walmart have long been evaluated by satellite images, whereas in Austria, before the DSGVO amendment, license plates were evaluated to measure the catchment areas of shopping centers. Another visible long-term effect of car culture is the omnipresence of billboard advertising, which would simply not exist without cars. These phenomena are considered to be second order consequences, a term coined by the analyst Ben Evans. Multifaceted developments are impossible to predict, and yet the assessments of the mobility marketers we interviewed have four exciting commonalities.

Firstly, major changes lead to uncertainty within the population. “According to Statistik Austria, the number of new car registrations is as low as it was 43 years ago”, reports Linda Gruber from ELOOP E-Carsharing. “The mobility transition still leaves some people with the big question marks”, says Jörg Feldheim from the car subscription service ONTO. Christian Clerici from VibeMovesYou agrees and wants to “break down prejudices and instead name the pleasure factor of change.” Incidentally, this factor is also the decisive reason why many people buy e-bikes: it‘s simply fun. The analysts of micro mobility industries talk about “smiles instead of miles” in reference to this concept. This points out that it is no longer about the range of the means of transport, but the joy that comes from using it.

“According to Statistik Austria, the number of new car registrations is as low as it was 43 years ago.”

Linda Gruber
ELOOP E-Carsharing

What changes our mobility then? Tesla or micro mobility? Why is the best-selling EV not a car? The sales figures paint a clear picture. Bikes, scooters, sharing offerings, and Tesla sell better through the word-of-mouth than classic marketing campaigns. This brings us to the second finding of the discussion:

The demands for new forms of mobility are being slowly transferred to marketing. “Content must also be fair hence locally produced”, says Valentin Vodev from Vello. Karin Seywald-Czihak from ÖBB advertising points out that the “customer’s ever-growing interest in sustainable travel options is leading to more and more people looking for environmentally friendly alternatives.” According to Clerici, there is a need for “more substantial messages than the ideal of a perfect world.” For all the good intentions, the danger of greenwashing remains. Gruber believes it is important “that sustainability is not only communicated, but also truly lived.”

Thirdly, many campaigns are based on ideals from the fashion industry, “in order to compensate for the lack of visual appeal in the communication of unconvincing car designs”, says creative director Dian Warsosumato. “Like in fashion, we show different seasons and applications – and stimulate the imagination of how the product enriches real life as well”, Vello confirms. “All with different content production in winter, summer, in the city, and the countryside instead of one-time shootings.” While many car and bicycle brands still fly to southern islands in winter to produce summer commercials, there seems to be a paradigm shift ahead.

“We have to plan OOH differently and rely less on road screens. Instead, CLPs in the city center and at railway stations will become relevant.”

Jörg Feldheim
Onto

City versus countryside

The fourth pattern can be observed throughout the industry. There's the automotive market on where brands become more "urban, digital, and sustainable", while the biggest profits are generated through SUVs and pickups produced for the countryside. In fact, Ford no longer bets on urban landscapes and the skyline imagery that goes along with them, but rather on heavyweights claiming the space available in the countryside. When we look at ideas about urban and rural areas, "the offer and also the communication will develop at two speeds", predicts Helge Sinn of Volkswagen Financial Services|Rent-a-Car. Similarly, ELOOP E-Carsharing finds that "pure product marketing is thus obsolete."
Back to the second order consequences: In the 19th century, the emerging mass use of the bicycle and the increasing and more widespread mobility of the sexes contributed to a decline in incestuous relationships within villages. With the current bike boom, we must pay close attention to similar cultural developments: marketing not only reacts to cultural developments but influences them.

Matthias Grick from KTM already "moved out of the niche and onto the big stage" for their marketing. Mobility transition is such a big part of the public discourse that the bicycle – without being actively promoted– is the major beneficiary of this trend. And this will continue: "The entire population is now the target group." Linda Gruber from ELOOP E-Carsharing has an even more dramatic conclusion: "Mobility providers who don't follow will simply become irrelevant."

"A potential customer for scooter rental & car sharing in the city is in a different environment than an elderly person living in the country."

Helge Sinn
Volkswagen Financial Services | Rent-a-Car

City
countryside

What lies ahead

The next change in mobility will be autonomy: the dream of the self-driving car, which is a topic that holds both opportunities and risks. Algorithm biases, or prejudices consciously or unconsciously built into machine learning processes, create barriers. “Unfortunately, all these topics are still strongly dominated by men. Not only do the entry barriers need to be reduced, but marketing needs to take a closer look at women’s mobility needs, and adapt communication accordingly”, says Gruber. Some cities in Europe and Asia have specific mobility services catered towards women, like Bixie in India. Other cities offer autonomous public transport or taxis.

But here lies an implication for automotive marketing: those who are being driven rather than those who drive themselves look less out of the window and more into their phones. Time spent driving turns into time spent with media – digital media, to be precise. This poses a real threat for OOH, which is mostly designed with car drivers in mind. Therefore, changes in mobility results in changing media decisions: “This is of course a clear competitive advantage for busses and trains and thus also for our advertising media at mobility hubs”, affirms Seywald-Czihak.

So, which means of transport are less affected by autonomy? The bicycle and the scooter of course. At least we will continue to drive these ourselves – always at our own risk.

Social Media Maturity Model

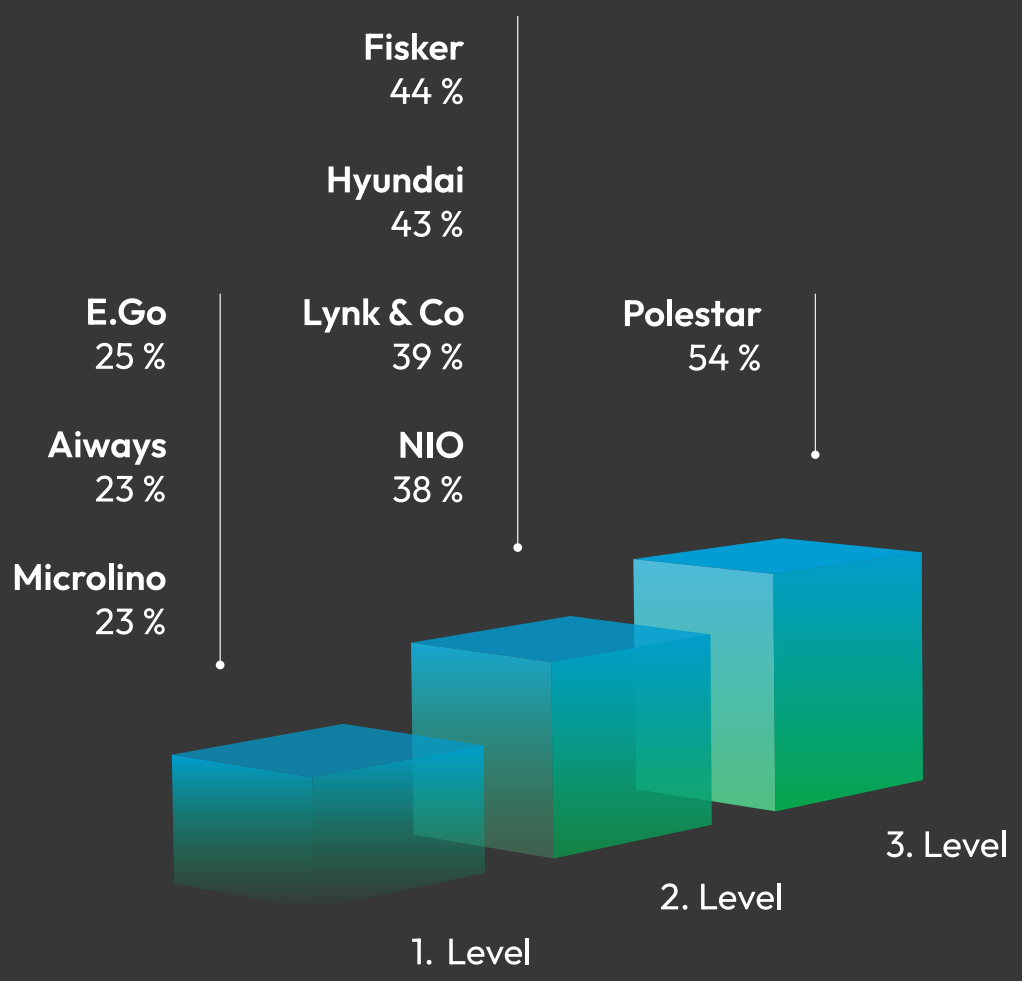
The E-Challengers

VI's Social Media Maturity Model has a range of 4 Maturity Levels, with 1 being a Beginner and 4 an absolute Innovator. Over a period of six weeks, we analysed 16 brands in the DACH region – and were somewhat disappointed.

Facebook & Instagram

The main issues on Fb are with community engagement and ad management. Little emphasis is put on conversing with the community. Brands struggle with content and ad formats – modern ways of reaching the audience are not put into practice.

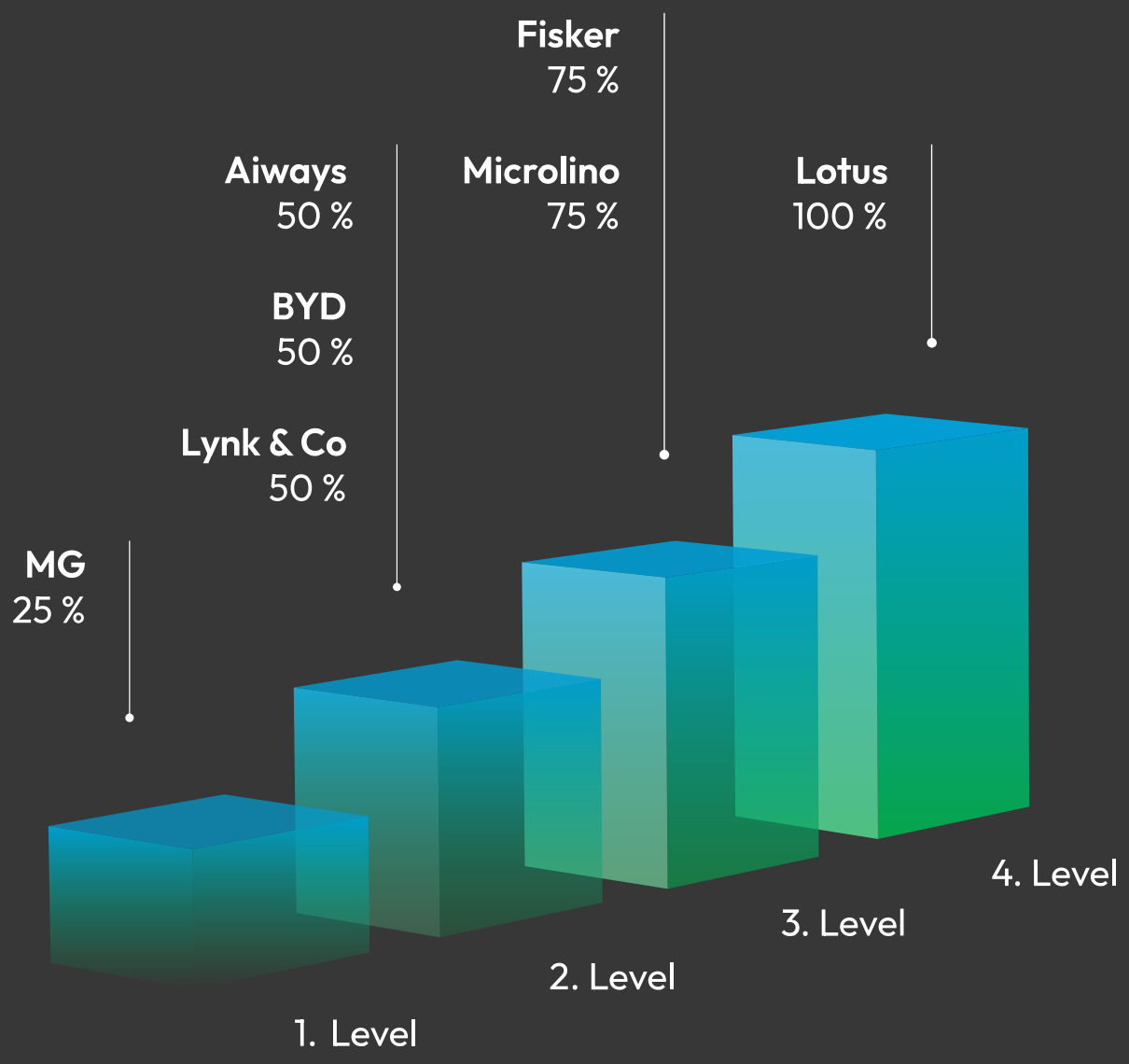
On Instagram, mesmerising visuals paired with clean visual communication, are reflected in the higher scores of some brands. Community management on Instagram is disappointing.



Further brands on level 1: MG 6 %
Further brands on level 2: Lotus 36 %, Smart 33 %, Lucid 29 %, Vinfast 29 %, GWM 28 %

TikTok

Little can be detected in terms of a TikTok strategy, although some brands are championing it with humour and charm – this content is also shared further by loyal fans.



Brands without TikTok: E.Go, Elaris, GWM, Lucid, NIO, Polestar
Further brands on level 2: Hyundai 38 %, Smart 38 %, Vinfast 38 %

Sustainable Marketing

VI's BMW iX Case

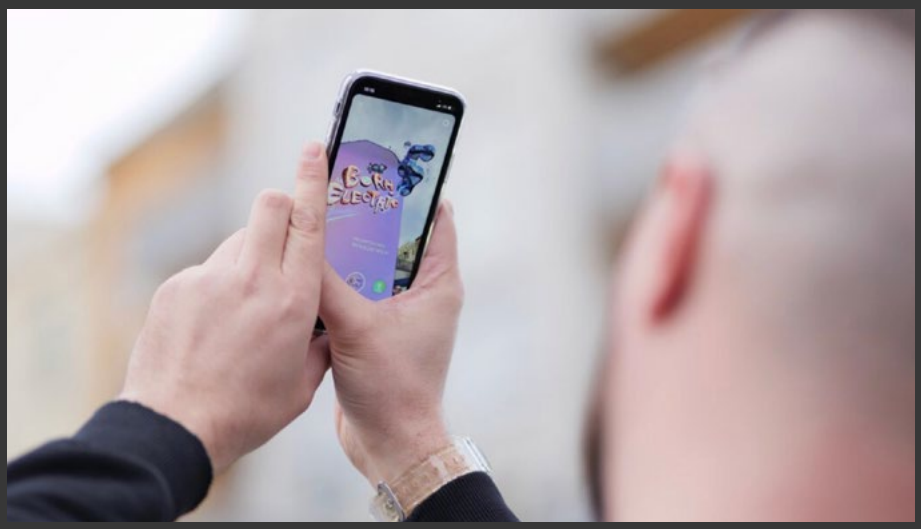
Translating BMW's zero emission approach into their campaign's DNA

case study

The BMW iX stands for maximum innovation with zero emissions. But does it make sense to spend money on a campaign that furthers emissions the brand is determined to cut? Together with the client, we went on a mission: creating a campaign that pays attention to its ecological footprint.

Instead of thousands of OOH posters or CO2-intensive shootings abroad, we launched a campaign that's just as sustainable as the BMW iX itself – by creating an emission-free artwork that brings the brand's passion for progression to life.

Together with CONCRETE. The Graffiti Agency, we applied a mural to an onsite advertising space and used electric vehicles and scaffolding instead of a diesel crane. Ecological paints were applied by hand instead of spray cans; we tapped into green electricity for lighting. All design and communication aspects were aligned with BMW's global strategy of electrification.



The artwork was then transported into the digital sphere with a specifically designed #BornElectric Instagram AR filter. This ensured a new experience of the BMW iX in all realities and was later even featured by Meta Sparks Studios on Twitter. A combination of different media channels – onsite artwork, documentation videos via website, and AR on social media – ensured a wide reach amongst target groups.

97 %
AR Filter open rate

7 Mio.
impressions generated

5
Media awards

Interview

Is Creative Automation the future asset for Automotive Marketing?

with **Storyteq's Danielle Courtney and VI's Ludwig Schirmer**

VI: First things first: How does Creative Automation work exactly?

Schirmer: We often talk about templating creatives. This sounds very restrictive, but it's something we've been doing for a long time. At the beginning of a project, you define the Look and Feel of a campaign and then build all the variants and different formats based on that. Creative Automation is nothing more than the 'filling' of these formats with different texts and images in different resolutions or video lengths. Instead of handling each asset individually, we define first which combinations we need and let the machines do the rest. That may be rendering the assets, but it can also mean writing headlines or editing images to the size needed.

Courtney: Creative Automation basically is the process of using technology to automate the adaptation and modification of static, banner, or video content. This includes the sizing, format, full scenes, compositions, and other graphic elements. These dynamic templates consist of a base creative asset which contains elements that are 'dynamic' or swappable. Which means that text, sound, or entire video scenes, can be changed by the click of a button.

VI: How can global automotive players then benefit from Creative Automation?

Courtney: With these assets being centrally approved and ready for adaptation, brands regain creative and brand control: It ensures that all creative output is on-brand and consistent with their messaging. Also, car dealerships can rapidly self-serve unlimited localised assets using customisable templates or ready-to-use content which has already been given the green light from the brand's headquarters. This is another benefit from total brand and creative control over multiple markets, because local campaigns don't need to be created from scratch anymore.

Schirmer: Let me add another case where Creative Automation is beneficial for the automotive sector: legal texts for the consumption values of a vehicle. Here we can use Creative Automation to ensure that the latest version of the text is automatically being inserted into the asset at the right place. This process is less error-prone than manual insertion.

VI: Doesn't Creative Automation contradict a valuable customer experience – due to its automation factor?

Schirmer: On the contrary, Creative Automation helps us enormously in scaling campaigns, which is a basic prerequisite for personalisation. And as we know from numerous studies, personalisation is one of the topics that customers expect from brands today.

> **“This is another benefit from total brand and creative control over multiple markets, because local campaigns don’t need to be created from scratch anymore.”**
>
> **Danielle Courtney**

Courtney: Exactly, the elimination of repetitive and mundane versioning work plays a huge part in improving the customer experience. The use of the word creative in Creative Automation can also lead to the misunderstanding that it automates the creative process and replaces the need for creative teams. But creativity is not one of the automatable aspects of this process and therefore not under any threat. I’d say it’s about freeing the designer from monotonous tasks and empowering the marketer to serve themselves, allowing both more time to focus on strategy to connect even further with their customer base.

VI: Will Creative Automation replace traditional advertising measures in the future?

Courtney: What we have found through conversations with our clients is that the cost of manual work is simply too much. In a traditional ad creation process, every adaptation comes at the cost of a full production cycle. Consumers want ads that are original, authentic, and emotionally resonant, and these qualities are difficult, if not impossible, to replicate through automation. There is a dullness related to content generated by AI, for example, as it is an amalgamation of what’s already out there. What is the point of adding to the sea of sameness in an oversaturated ad space? So, we know that the technology’s capacity to better scale creative asset production must be complemented by humans whose distinctive human experiences take the ad creative to another level.

Schirmer: For now, the technology will give us more options. We can generate more output faster and better because we can automate time-consuming processes. Take Adobe's Generative Fill: Instead of searching forever for a stock image that someone once took of a certain object from the right perspective, I can use AI to retouch it into my own image in a few minutes. At least in theory, there is still a learning process for the AIs to do, but it is impressively fast.

Maybe AI will shake up advertising, maybe it will ‘only’ make individual roles and skills obsolete. I think our energy is currently better spent experimenting with what works and where the limits are or where we want to set them – not in theoretical discussions about what might happen in the future. The German rapper Dendemann once quoted Wilhelm Busch: “Erstens kommt es anders, und zweitens als man denkt" ("first it comes differently and secondly than you think"). That sums it up quite well, don’t you think?

We thank all of our contributors

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