

Research on Development Strategy of New Energy Automobile Company

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Abstract: Since China has experienced the reform and opening up, the economic development speed increases gradually. The automobile consumption gradually comes into sight of people, and automobile is deeply loved by the people. China’s reform and opening up has further driven the development of China’s automobile industry. In recent years, the grim situation of global energy and environment, especially the huge impact of the international financial crisis on the automobile industry, has pushed countries around the world to speed up the strategic transformation of transportation energy, a new upsurge in the development of new energy vehicles has been triggered. Based on the research on the development of New Energy Vehicle Company, this paper analyzes the present situation of new energy vehicle market by collecting relevant data, and discusses the development of new energy vehicle company at the present stage, some measures are put forward to promote the development of the new energy automobile company and enhance the market competitiveness of its products, which provides some reference value for other enterprises to exploit the market.

Keywords: New Energy Vehicle; company development; strategy research

1 Introduction

With the popularization of environmental protection awareness, more and more people begin to realize the environmental problems caused by traditional fuel vehicles and the high operating costs of them. The new energy vehicle comes on the scene and becomes one of the leading actors of the future automobile development trend, bringing huge development opportunities for the country and the market. But facing the diverse market demand and the complex external environment, if new energy automobile companies want to be invincible in the competitive market, they must study the market situation deeply, promote brand building, product R & D and market expansion in an all-round way, strive to achieve strategic goals, and achieve greater results in future development. The new energy vehicle is a kind of green, environment-friendly, safe and efficient modern technology, which uses new-type energy to replace the traditional fuel and battery power. In recent years, new energy vehicles in China have developed rapidly because policies have been promoted significantly, more and more enterprises have sprung up, market demand has shown explosive growth, and they have become a new sector of the automotive field. Therefore, the potential of new energy vehicle market development is huge. I believe there will be a new automotive market competition pattern in the next few years. In this field, new energy vehicle company as an important part of the industry, its development strategy and implementation plays a crucial role. Based on the development of the company, this article analyzes and studies the enterprise strategy, strengthens the strategic management theory and practice, and also studies and analyzes the strategic information of the new energy automobile industry. After collecting the relevant literature, this article studies and analyzes the internal and external factors that affect the development of enterprises. With the help of more targeted approaches, this article will analyze the external environment of the company. This article will also analyze and study the enterprise strategy, probe into the direction and concrete strategy of the enterprise development,

point out the way for the enterprise development, and clarify the development plan of the enterprise in the future. Finally, combined with the above-mentioned analysis, the author will put forward a future development planning for the enterprises.

2 New Energy Vehicle Market Analysis

2.1 Market Size

The new energy vehicle market has maintained high growth. According to statistics, in 2019, China’s production of new energy vehicles reached 1,190,300, of which 870,500 pure electric vehicles, plug-in hybrid vehicle output of 319,800. The year-on-year growth rates were + 3.8% and + 27.4%, respectively. Meanwhile, China’s new energy vehicle sales in 2019 reached 1,026,600.00 units, up 3.9% year-on-year, of which passenger vehicle sales of 856,000 units, up 5.8% year-on-year. The new energy vehicle market is concentrated in China, Europe, and North. The market shares of the three main battlefields is more than 90%, and China ranks first. But in the first half of 2020 China and North America market share is squeezed as the figure shown below.

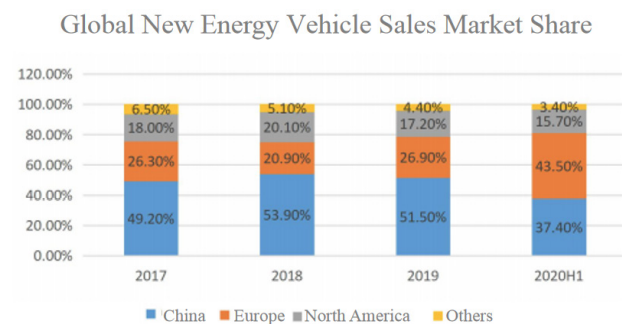


Figure 1 shows the global share of new energy vehicle sales

2.2 Policy Environment

Considering the need to get rid of oil constraint, ease air pollution and upgrade the auto industry, countries in the international community are increasing their investment in the distribution of new energy vehicles, and they have set electrification targets and passed laws banning the sale of fuel-powered vehicles. Countries and local governments aim at supporting the new energy vehicle market, formulate a series of preferential policies and support measures to promote the development of the new energy vehicle industry. For example, the implementation of the state subsidy policy has brought the production and sale of clean energy vehicles into the focus of financial subsidies, and new energy vehicles enjoy more preferential policies in terms of purchase taxes and the like. It has brought a lot of good news to the development of new energy vehicles. In addition, local governments have also introduced policies to support new energy vehicles, and gradually improved the policy and regulatory system for the new energy vehicle industry. China's Ministry of Science and Technology, the Ministry of Industry and Information Technology and the State-Owned Assets Supervision and Administration Commission have respectively formulated relevant plans, while increasing the market promotion of hybrid electric vehicles, we will focus on the industrialization of pure electric and plug-in hybrid vehicles. The Ministry of Science and Technology has compiled the national "12th five-year plan" Major Special Project for the Industrialization of Electric Vehicle Science and Technology, implemented the guiding ideology in terms of integration of technical platform, product development meeting both market demands and government policies and the three-step market promotion with the development goal of forming comparative advantage among small pure electric vehicle, large pure electric commercial vehicle, light hybrid vehicle and plug-in hybrid vehicle. The Ministry of Industry and Information Technology in China has compiled the Development Plan for the Energy-saving and New-energy Vehicle Industry, and its guiding principle is to take pure electric vehicles as the main strategic orientation and take power batteries, motors and electronic control technologies as the breakthrough points to promote the industrialization of pure electric vehicles and plug-in hybrid vehicles, focus on hybrid vehicles, and vigorously promote the popularization of energy-saving vehicles.

2.3 Consumer Demand

Environmentally friendly, safe, economic and high-quality consumer demand is heating up, and it has been an important driving force to market development of new energy vehicles. With the support of policy, more and more consumers choose to buy new energy vehicles to solve travel problems. Vehicles of environmental protection, energy saving, low noise and other characteristics more in line with modern travel needs. According to market research, the market for new-energy vehicles is expected to shift from policy-driven to market-driven in the coming years. This also means that with the increase in market demand, the new energy vehicle manufacturers will face more and more fierce competition. After the short-term decline in 2017 due to the debt problem of the resident sector and the high housing prices, the per capita consumption expenditure of our country has recovered to the normal level in 2019, which reflects the increase of the consumer confidence and willingness of the residents in our country. Excluding the impact of the epidemic and other uncertain factors, consumption in our

country is still expected to grow steadily and rapidly. Stimulated by government subsidies, the domestic new energy vehicle industry once showed explosive growth. Local governments are actively introducing investment to build factories, and industry investment has increased substantially, and China's new energy vehicle industry chains have also made significant progress.

3 New Energy Automobile Company Development Strategy Analysis

3.1 Brand Building

As the core content of market competition, brand has high market values. Enterprises should pay attention to brand construction, especially the formation of brand image, in order to win a broader market. In brand building, enterprises need to focus on three aspects, namely, image, culture and word of mouth. Image is an important symbol of the brand, which have an important impression to consumers, so enterprises should shape the image through different channels and different media, like the media and the advertising. The core value of new energy vehicles is energy conservation and environmental protection. Enterprises can promote low-carbon environmental protection, scientific and technological innovation and other product ideas to improve brand image. Culture is an important part of brand building. Cultivating corporate culture can create a good corporate image and brand image. New Energy Automobile Enterprises can carry out a series of cultural activities and activities planning to strengthen the construction of corporate culture and improve the cultural content of the brand. Enterprises with a good reputation can always be favored by consumers, and new energy vehicle enterprises are no exception. Constantly optimizing services and increasing reputation in the market competition plays a key role for them. Enterprises can carry out interactive marketing in social networks to attract the attention of the majority of consumers and improve word-of-mouth.

3.2 Technological Innovation

Technological innovation is one of the important driving forces for the development of new energy vehicles. The progress of technological innovation and the improvement of innovation ability can make enterprises in an invincible position in the market competition. New energy vehicle enterprises need to focus on core technology and product research and development, carry out special research, promote technological and electrical innovation, and establish cooperative relations with advanced technology laboratories at home and abroad, so as to improve the efficiency of the whole production chain through technological innovation, reduce production costs and improve product quality. On the other hand, the level of independent R & D reflects the strength of the company's product technology leadership. The company should proceed from its own development reality, combine the existing characteristics and advantages, carry out innovative R & D around the market needs, and actively adjust the product structure. First of all, enterprises should enhance the level of technology input, upgrade themselves based on the premise of their own technology continually, and then contribute to the rapid development of independent property rights and practice. In addition, enterprises should actively carry out software research and development. With the application and popularization of the enterprise platform, enterprises will become the mainstream of technology in the

automotive aftermarket. By utilizing existing advantages and resources, they should increase the capital investment in the core laboratory as much as possible, and effectively promote technological breakthroughs through the upgrading of motor and electronic control technology. Enterprises need to focus on improving their core competitiveness in innovation. As for R & D, R & D strategy mainly includes the research and development of products, production and technology of enterprises. If new energy vehicle companies want to bravely stand ahead of the tide in the complex market environment and firmly consolidate their products' leading position in sale, research and development strategy plays a key role.

3.3 Market Expansion

At present, most products in the market almost the same, and there is few differentiation among them. New energy vehicle enterprises need to pay attention to the development of the market to increase market share. The enterprise can expand the market by many ways, such as strengthening the cooperation with the automobile industry chain, expanding new channels and markets, developing the international market, establishing closer social public service system and so on. Enterprises should implement multi-product and international market-oriented strategies. All employees go to the front line. All staff, including managers, technological personnel, and sales staff, should go together to the front line of the market to create a concept of "Everyone is a seller", which can let the employees better understand the market and analyze the market more in-depth. On the basis of comprehensive understanding of the diversified needs of customers, it is conducive to provide enterprises with new ideas for product development, design products for different scenarios, tap the potential needs of customers, constantly improve the product system, form a personalized industrial model, mining product market segments from customer needs, so as to achieve brand share promotion. Effectively reflect the dealer's bridge function, and with the manufacturers to build a comprehensive system of communication between the system and procedures. First of all, enterprises need to deal with the user's needs and give the results in time. Secondly, they should list these problems in a list way. Finally, they should deepen the analysis and study of the market demand. It is necessary to use big data technology to identify market demand and development trend, and adjust and optimize the product, which is helpful to the establishment of new product marketing model. As for precision marketing, enterprises should develop strategic cooperation with well-known domestic automobile enterprises in the special purpose vehicle market. They should continue to form long-term strategic cooperative relations with famous domestic vehicle manufacturers such as Chery, Chang'an and Fukuda to produce special-purpose vehicle products for different scenarios, such as refrigerated vehicles, wingspan cars, food trucks, fire trucks, etc., to ensure the continued growth of product business. In the area of intelligent connected vehicles, enterprises should work closely with the government to obtain orders from the government for building smart cities, and cooperate effectively with universities in the field of teaching aids. In addition, enterprises should actively expand overseas markets, especially in the special-purpose vehicle aspect. In 2021, the vehicle export quantity in China is 200 million. Under the socioeconomic influence, our country launched the belt and road policy, simultaneously promoted the automobile industry

international trade development. Faced with this development environment, enterprises should actively explore ways to increase the export volume of special purpose vehicles, and to increase enterprise sales as much as possible.

3.4 Talent Development

Talents are the most valuable resources of enterprises. Therefore, enterprises need to strengthen personnel training to cultivate professional and technical personnel, constantly improve the comprehensive quality of staff, enrich the staff's knowledge reserves, improve the professional level of staff, and advocate team cooperation, so that staff can further improve their ability to make greater contributions to the development of the enterprise. In the new energy automobile company, enterprises should set the training orientation for the R & D personnel, build the basic personnel training system of training, introducing and growing, and open the channels of introducing talents. Moreover, enterprise should increase the introduction of high-quality talent. They should work together with local government to explore and establish a appropriate salary management system, so as to intrude and retain talents exactly. Finally, enterprises should give full play to the advantages of Shandong universities, strengthen the cooperation with universities, set up courses for the market demand, and cultivate R & D talents for the development of enterprises. Enterprises can establish cooperative relations with universities to realize the common interests of both sides. At the same time, they can also cooperate with scientific research institutes to form a complete R & D cooperation mechanism, and strengthen communication with institutions and enterprises, expand cooperation in technology research and development, strengthen human-computer interaction, and focus on key technologies to develop new energy vehicles. Enterprises should seize the R & D advantages to promote enterprises to have a higher level of innovation and R & D as soon as possible, so that enterprises gradually advance to the forefront of market technology, and to achieve independent R & D industry.

3.5 Digital Platform Construction

To promote the informatization construction and ensure the smooth implementation of the development strategy in new energy automobile companies, they need to strengthen the following three aspects. First of all, the company should make full use of information management system. As a system can be effectively use and shared the entire resources in companies, Enterprise Resource Planning (ERP) system can organize the information, and effectively transfer relevant information, so that enterprises in all aspects can make reasonable adjustments according to information, thus improving the daily operating efficiency of enterprises. Essentially, ERP system is both a tool and a complete information system. ERP in the whole design process can help enterprises greatly improve the level of management, and reduce the burden of managers. But at present, the system development is more cumbersome. It is still required for the transfer of various departments after approval to continue to work. In this way, it takes a long time to sign a variety of paper approval, and did not really achieve "Paperless" to improve the company efficiency. Enterprises need to actively change the awareness, and make efforts to make appropriate adjustments for the development of their ERP system, so that personnel in all departments to learn in-depth, enhance the company's efficiency, and promote the entire

company in the operation of the “Paperless”. Second, to develop an information platform. At present, new energy vehicles do not have a special R & D system. On the basis of the establishment of R & D platform, enterprises can enhance the cohesion of the company through good cooperation, which is conducive to improving the efficiency of business management. Enterprises need to strengthen the supervision of projects, and find out detection of deficiencies timely, in order to avoid the task of the completion of the time has been delayed. At the same time, enterprises should understand the work of each R & D personnel and load to arrange their work reasonably. They need to strengthen R & D quality management, improve the quality of R & D products and related assessment, adhere to the principle of intelligence, make the work process orderly, organize the work data, and ensure that management can understand the work process in a timely manner, so as to improve the efficiency of decision-making. Finally, enterprises need to build an effective after-sales information communication platform, establish a communication platform with customers, understand the individual needs of different customers, and transfer the demand information to technical engineers and production departments, thus launched a variety of products. After customers complete the

purchase, enterprises should provide quality after-sales service.

4 Conclusion

With the development of economy, the demand of travel mode is changing. The development potential of new energy vehicle market is different. In an increasingly competitive market, the choice of development model is crucial. New Energy Automobile Enterprises should pay attention to brand construction, carry out various technological innovation, expand market share and improve service quality, so as to base themselves on the market and occupy more and more important market share in the future development and achieve greater success. To develop new energy vehicles, enterprises must make overall planning from the national strategic height, formulate sustainable and healthy development strategy, pay attention to the training and introduction of talents, actively expand domestic and international markets, and improve the industry concentration and scale effect. Finally, new energy vehicle enterprises need to achieve sustainable development to promote the transformation of the energy structure, so as to promote green, lowcarbon, sustainable social development.

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