ARP – Fiat Research

What is the automobile industry it like in the uk for fiat?

<https://yougov.co.uk/topics/transport/explore/brand/Fiat?content=trackers>

Correlations of people liking fiat in the UK

<https://www.accenture.com/_acnmedia/PDF-161/Accenture-Automotive-Experience-Reimagined-Full-Report.pdf>

Automotive industry report

<https://www.globalsupplychainlawblog.com/automotive/impacts-to-automotive-supply-chains-from-covid-19/>

Text, letter

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<https://fiatgroupworld.com/2019/08/07/the-fiat-500-bev-wont-be-an-all-new-model/>

A picture containing diagram

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Demand Funnel for the electric car

Chart

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<https://fiatgroupworld.com/2019/09/24/fiat-volkswagen-ev-plans-dont-meet-consumer-needs/> - Not meeting customer needs

<https://insideevs.com/news/574378/italy-ev-sales-2022/> BEV Model

How Fiat retained customers

<https://www.carbuyer.co.uk/fiat/500/owner-reviews>

Barriers and restrictions on Fiat

<https://www.ft.com/content/0d11705e-8d00-4707-80b8-a667a0a16d13>

-Increase demand in fiat but due to regulations

-CarMakers are ignored if they rasie obejctions to the poltices- due to the industry-wide fallout from the Volkswagen emissions scandal of 2015.

Merging Fiat and Prugot together

<https://ukandeu.ac.uk/peugeot-fiat-merger-uk-plants-fear-future/>

-Fiat has been lagging in the electric market

-decided to merge with peugot as they got the resources for fiat to grow in the EU markets

Rather, unions fear that a combination of the UK’s flexible labour markets (it’s easier to fire workers here) and uncertainty over the UK’s trading position with Europe after Brexit leaves them exposed if a PSA-FCA merger means a fresh round of cost cutting and likely plant closures.

Disruption in the fiat supply chain

<https://www.forbes.com/sites/arielcohen/2020/03/25/manufacturers-are-struggling-to-supply-electric-vehicles-with-batteries/?sh=2d83fb8b1ff3>

* Increase in demand for lithium batteries – due to increase in demand for electric vechicles
* The EV battery supply chain faces a number of obstacles including high costs and environmental concerns associated with the extraction and processing of key metals.

Fiat speciality is small car- what makes them unique

<https://www.cips.org/supply-management/news/2020/february/fiat-chrysler-production-at-risk-due-to-coronavirus/>

<https://www.autofi.com/blog/the-top-three-things-customers-look-for-when-buying-a-car/>

<https://www.palmenfiat.com/blog/why-buy-a-fiat/>

<https://auto.economictimes.indiatimes.com/amp/news/industry/stellantis-holds-productive-talks-on-uk-car-plant-future/81221617>

Why Fiat is bestseller in the world

<https://moparinsiders.com/all-electric-500e-named-small-car-of-the-year-at-the-2021-news-uk-motor-awards/>

* City car
* Receive the best design award in 2020

<https://www.reuters.com/business/autos-transportation/production-stellantis-italy-plants-fall-fifth-year-due-chip-crisis-union-2022-04-06/>

* Ukranian war
* Shortage in semi conductor

<https://www.assent.com/blog/automotive-supply-chain-disruption/>

Cobalt is an integral part of the lithium-ion battery, the most popular battery used in modern EVs. With over 60 percent of the mineral being sourced from the Democratic Republic of the Congo (DRC), cobalt mines and miners may be exploited by armed groups operating in the region.

[**Most batteries**](https://data.bloomberglp.com/bnef/sites/14/2017/07/BNEF-Lithium-ion-battery-costs-and-market.pdf) are currently produced in Asia, which means other regions may need to invest in battery manufacturing to maintain current automotive production.

How Customer impact in supply chain

<https://www.automotiveworld.com/articles/how-can-automotive-players-mitigate-the-risk-of-supply-chain-shortages/>

Idea of collecting data

-Comparing the pricing of electric vehicles by web scraping

- then induvially scrape the price of fiat

-Leasing websites

-Reviews?

- Through EV forums

Potential data to collect

<https://drive-green.co.uk/used-evs-for-sale>

Forums

<https://www.speakev.com/threads/bev-advantage-or-disadvantage-during-coronavirus.148996/#post-2801804>

Leasing websites

<https://www.gogreenleasing.co.uk/electric-vehicle-leasing?gclid=Cj0KCQjw0umSBhDrARIsAH7FCoero7NNmb-YzA0aUnPGFxOTSyDjG5qjPQzaByP53FT7dfE5aN275Z0aAlMBEALw_wcB>

<https://www.mybiggreenfleet.com/green-leasing?gclid=Cj0KCQjw0umSBhDrARIsAH7FCocXW0WPoZJt8G_RJFNABcz_ZPIt-KzfZRYutqKqqpcttOkqxK3npu0aAkOxEALw_wcB>

Top website for EV Forums

<https://blog.feedspot.com/electric_vehicle_forums/>

Data Collection result

Trustpilot

Twitter API- to get customer thought on Fiat BEV

Clean Research

**Disruption in the EV Supply Chain**

<https://www.forbes.com/sites/arielcohen/2020/03/25/manufacturers-are-struggling-to-supply-electric-vehicles-with-batteries/?sh=2d83fb8b1ff3>

Main points:

* Increase in demand for lithium batteries – due to increase in demand for electric vehicles
* The EV battery supply chain faces several obstacles including high costs and environmental concerns associated with the extraction of key metals

<https://www.independent.co.uk/business/experts-warn-electric-vehicle-rollout-could-slow-due-to-lithium-shortage-risks-b1894850.html>

* Since June (2021), car giants GM and Stellantis, which owns [Peugeot](https://www.independent.co.uk/topic/peugeot) [Fiat](https://www.independent.co.uk/topic/fiat) and [Citroen](https://www.independent.co.uk/topic/citroen) have pledged 30 billion dollars (£21.6 billion) and 35 billion dollars (£25.2 billion) respectively in electrification investments in the next four years
* As result lead to triple in demand for lithium battery in 2025 and double again in 2030 as UK plan to ban Diesel and Petrol
* Can’t meet consumer demand due to limitation of mines that are done ethically, which is a major concern to consumer, as not many mining company can do that now
* likely to result in a lithium market shortage by 2023 to 2024 given that lithium demand should grow at a 20% compound annual growth rate through at least the middle of this decade

**Shift in change in consumer demand – due to the impact of the pandemic**

<https://www.pwc.co.uk/industries/automotive/insights/uk-automotive-demand-in-the-wake-of-covid-19.html>

Main points:

* According to PwC Research’s QuantiBus survey, of those who planned to buy a car pre-pandemic, 22% no longer intend to and a further 35% are now “undecided” about their purchase.

Factors affecting consumer changes in demand- which lead to a significant drop in EV car demand

Chart, waterfall chart

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Three drivers in driving the changes:

1. Varying household impact

* Most households saw a sharp decrease in purchase intent from pre-pandemic levels to October 2020. However, those with secure, high incomes have savings from reduced costs of living, potentially leading to ‘revenge spending’. These highest earning households have seen an 18% increase in demand.

Chart, bar chart

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1. Increase in Anxiety

* 2/3 are planning to seek to alternative way to travel due to travel restrictions, therefore planning to buy new cars as it is much safer to travel

Chart

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1. Remote working and movement reduced

* Due to employees working remotely, lead to 57% of people are undecided to buy cars or not
* Increase in demand for electric cars due to Taxes and Regulations that has been made in September

Chart, bar chart

Description automatically generated

**Transition to electric vehicle- Fiscal Report**

<https://obr.uk/box/the-transition-to-electric-vehicles/>

Main points:

Chart, bar chart

Description automatically generated

* The average car stays on the road for 14 years, the share of electric cars in the total stock of cars is much lower
* By 2025-26, latest forecast assumes that hybrids will make up 31 per cent of sales and 9 per cent of all cars, with the corresponding figures for fully electric vehicles being 16 and 4 per cent

Chart, line chart

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Policy encouraging incentives:

Demand incentives:

* Tax system
* Government campaign to encourage consumer to buy electric vehicles

Infrastructure investment

* Increase in more charging point in public and homes

Regulations to discourage use of conventional vehicles.

Supply-side measures

* Generating innovation

Changes of consumer attitudes towards EV

<https://www2.deloitte.com/uk/en/insights/focus/future-of-mobility/electric-vehicle-trends-2030.html>

Main points:

EVs in regional Market

* The United Kingdom and some other countries reported triple-digit growth for the year. Favourable government policies and a change in consumer attitudes were the catalysts, driven primarily by growing concerns about climate change.
* The United Kingdom committed to a target of net zero emissions by 2050 and proposed a ban on the sale of all polluting vehicles by 2035.

Consumer concern regarding to EV – Pre-Pandemic and Pandemic

Table

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Different Customer Segments opinions on purchasing EV:

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Key behavioural differences from the graph above

This kind of segmentation provides a detailed understanding of modern automotive consumers’ needs, wants and behaviours. Before defining the nuances of each United Kingdom segment by creating Customer Portraits, let’s consider the obvious differences in key behaviours and attitudes:

* **Brand loyalty:**Segments E and G are the most brand loyal, usually buying the same brand (47 per cent and 46 per cent, respectively, versus the average 27 per cent); this translates to their intended purchasing behaviour – both types of consumer believe they would buy an EV from their current brand (48 per cent and 64 per cent, respectively, versus the average 37 per cent). Segments F and I are most likely to consider switching brands to find a more suitable EV (47 per cent and 49 per cent, respectively, versus the average 36 per cent). Segment A is most likely to consider choosing either an EV start-up brand (42 per cent versus the average 25 per cent) or an existing brand not currently associated with automotive products (12 per cent versus the average 5 per cent)
* **Research:**Segment E is most likely to already know what car they intend to buy prior to researching (50 per cent versus the average 28 per cent). Segment A and Segment I are the least likely to know (40 per cent each versus the average 26 per cent)
* **Ownership benefits:**Segment B is the most likely to think environmental reasons are the biggest advantage to EVs (22 per cent versus the average 17 per cent). Segment A considers driving experience to be the biggest advantage (36 per cent versus the average 27 per cent)
* **Price sensitivity:**Most segments would pay more for an EV. Segment E is the most likely to pay £100 ($128) or more per month (15 per cent versus the average 5 per cent). Segments F and I are the least likely to pay more for an EV (28 per cent and 35 per cent, respectively, versus the average 23 per cent)