

Analysis of ZEEKR New Energy Vehicle Marketing Strategy

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Abstract: China's automotive industry is developing rapidly, due to the establishment of China's "carbon peak and carbon neutrality" goals and the green transformation of energy. And nowadays China in automotive industry is one of the world's leading countries. Many new energy vehicle companies emerged like BYD, Ideal, NIO and so on. Traditional Internet giants such as Baidu, Huawei, Tencent and Alibaba also entered the field of new energy vehicles. This report chooses the ZEEKR new energy vehicle brand as an example to analyze the marketing strategy of new energy vehicles, using the PEST model and 4P theory. This article finds that ZEEKR's marketing strategy has problems such as limited product variety, low brand awareness, unclear market positioning, the lacking in public relations and crisis management capabilities and the insufficient after-sales service capabilities. Based on this, suggestions are given to refine the market, enrich product types, improve public relations and crisis management capabilities, enhance brand image, enhance after-sales service quality, and enhance consumer satisfaction.

1 INTRODUCTION

Zhejiang ZEEKR Intelligent Technology Co, Ltd. (referred to as ZEEKR) was established in March 2021. As a technology company driven by intelligence, digitization, and data-driven intelligent travel, ZEEKR adheres to the concept of user oriented enterprises, focuses on the research and development of forward-looking technology for intelligent electric travel, builds a technology ecosystem and a user ecosystem, and takes "co creating the ultimate experience of travel life" as its mission. From product innovation, user experience innovation to business model innovation, ZEEKR is committed to bringing users the ultimate travel experience. As a new intelligent pure electric brand under Geely Holding Group, ZEEKR is backed by Geely Group and has almost all of Geely Group's highest quality new energy sector assets, with a complete car manufacturing system. China's new energy vehicles have developed rapidly, which is a global leader (Wang, 2024). As a new emerging brand of new energy vehicles in China, ZEEKR's marketing strategy focuses on user operation, but there are also certain problems such as single product types, improper public relations and crisis management, and

poor after-sales service. This article will use methods such as the pest model and 4P theory to analyze the current situation of ZEEKR's company, help the enterprise optimize its marketing strategy, improve its market share and brand recognition, and provide relevant enterprises with reference marketing experience to help the development of the new energy vehicle industry.

2 THE DEVELOPMENT STATUS OF NEW ENERGY VEHICLES IN CHINA

Against the background of the "carbon neutrality, carbon peak" goal and the efforts of various sectors in China, the development speed of new energy vehicles in China has exceeded expectations, and various independent brands have emerged (Tang, 2022). China's new energy vehicles are leading the world. With the support of national policies, breakthroughs in core technologies such as batteries, motors, and electronic controls, and the nationwide promotion of charging infrastructure, China's new energy vehicles have entered a stage of rapid development. The

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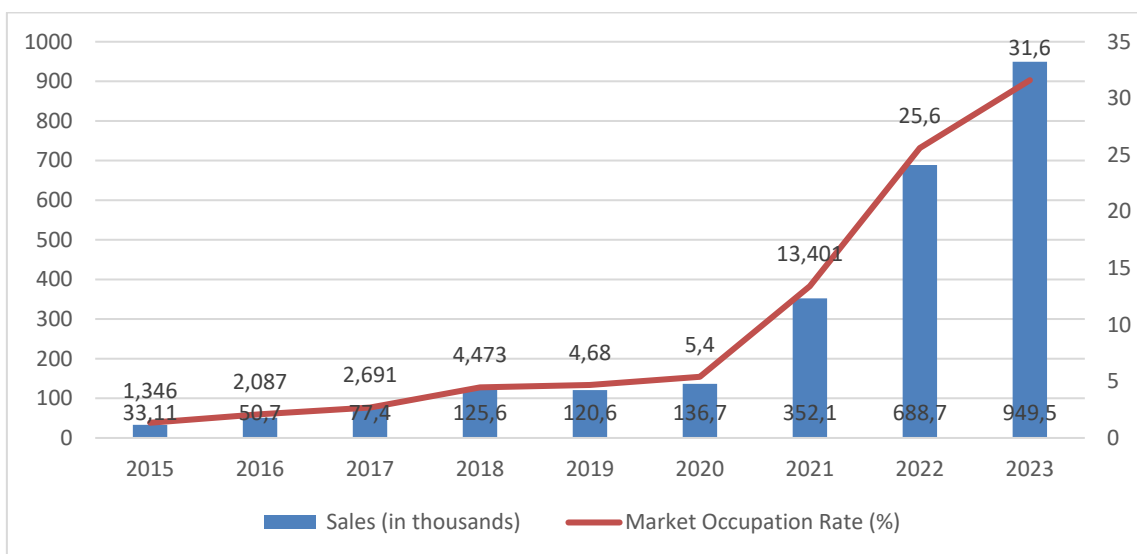


Figure 1: Sales volume and market share of new energy vehicles in China Source: National Bureau of Statistics of China. <https://www.stats.gov.cn/>.

continuous breakthroughs in charging technology and battery technology have largely solved consumer anxiety about mileage and range, and increased consumer acceptance of new energy vehicles. At the same time, with the economies of scale, the cost of new energy vehicles gradually decreases, and lower product prices stimulate consumer desire to purchase. Therefore, the sales of new energy vehicles in China have shown explosive growth in the past four years. As shown in Figure 1, the market share of new energy vehicles in China has doubled from 2020 to 2022. In 2023, the sales of new energy vehicles in China were 9.495 million units, which is nearly 7 times the sales in 2020. This shows that the development of new energy vehicles in China is very rapid.

3 PEST ANALYSIS OF EXTERNAL ENVIRONMENT

3.1 Political Environment

As a pillar industry in China at this stage, automobile manufacturing plays an unparalleled role in the development of China's economy. With China's need for the development of advanced manufacturing industry, adhering to the sustainable development concept of green environmental protection and the innovation-driven strategy, the low-carbon transformation of energy has strengthened the development path of China's new energy vehicles(Gong, 2024). By developing new energy

vehicles and firmly grasping the initiative of automobile development, it can not only enhance international competitiveness, reduce environmental pollution and energy consumption, but also promote the optimization of energy structure and the transformation of green and low-carbon economy(MA; LIU; CHEN; WANG; ZHAO; HE ; XU; ZHANG; ZHANG, 2018).Therefore, China has promulgated a series of policies to support the development of the new energy vehicle industry, such as subsidies, exemption from purchase tax, and the adoption of new energy buses as a new means of public transportation.

3.2 Economic Environment

According to data from the National Bureau of Statistics of China, China's gross domestic product and per capita gross domestic product have continued to grow in recent years, with steady growth in China's three major industries. As shown in Figure 2, in 2020, China's gross domestic product exceeded 100 trillion yuan, and in 2022, it exceeded the threshold of 120 trillion yuan. From 2013 to 2022, China's gross domestic product (GDP) increased from 59.3 trillion yuan to 121 trillion yuan, doubling in the past decade. As shown in Figure 3, the per capita disposable income of Chinese residents has been increasing year by year. After experiencing the resumption of production and work due to the epidemic, the growth rate of per capita disposable income has increased. Against the backdrop of economic difficulties in the global post pandemic era, the Chinese economy has

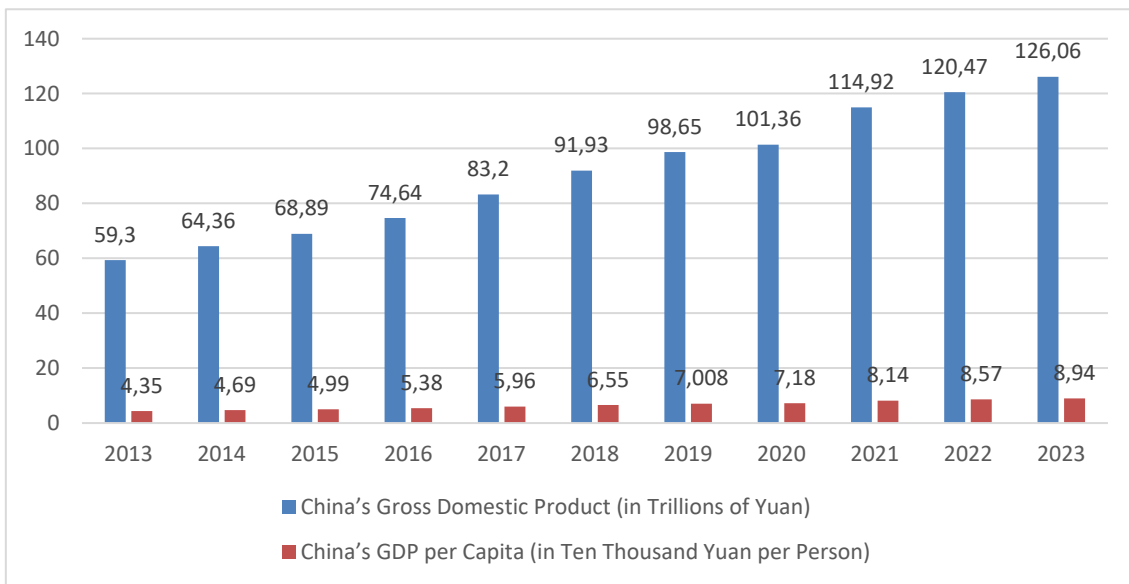


Figure 2: China's Gross Domestic Product and Per capita Gross Domestic Product Data Source: National Bureau of Statistics of China.

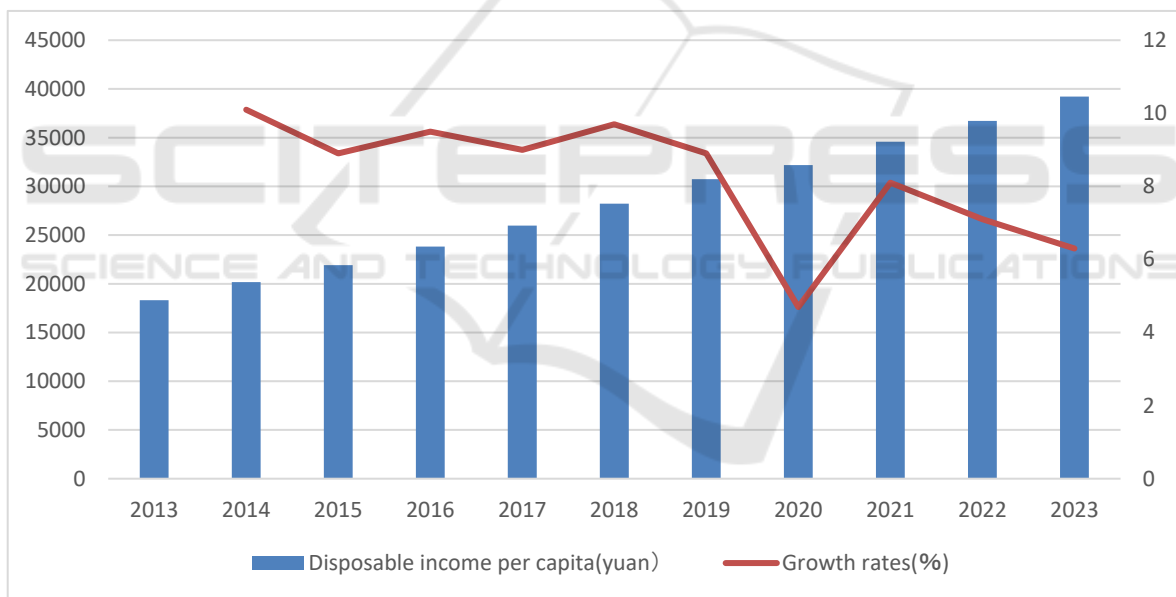


Figure 3: Source of per capita disposable income data for Chinese residents: National Bureau of Statistics of China.

shown strong resilience and momentum, and the Chinese new energy vehicle market will have good development prospects.

3.3 Social Environment

As the most populous country in the world, China has a huge consumer demand and is the world's largest consumer of automobiles. With the liberalization of China's fertility policy, the need for family travel has

increased the demand for cars. Because the exhaust emissions of traditional oil trucks will affect people's health and cause air pollution, people's pursuit of a healthy life and the transformation of consumption concepts, so people are more willing to choose green and environmentally friendly travel methods. With the rise of oil prices, it is more economical to choose new energy vehicles. Therefore, China's new energy vehicles have huge market potential.

3.4 Technical Environment

New energy vehicles have very strong market prospects. Not only are there many new energy vehicle brands, they have also attracted the participation of traditional car brands. The market competition is extremely fierce. For example, traditional car companies such as Mercedes-Benz, BMW, Audi, etc. have launched their own new energy vehicles to seize the new energy vehicle market. In the future, Audi will also be fully electrified. New energy vehicle companies such as Tesla, NIO, Ideal, Xpeng, and BYD are gradually carving up the market, and technology companies such as Baidu, Huawei, and Xiaomi are also entering the field of new energy vehicles. In such a fiercely competitive new energy vehicle market, if you want to win the favor of consumers and have a place in the market, you must master core technologies. The core components of new energy vehicles are: motor, battery, and electronic control. If the internal combustion engine is the heart of traditional oil vehicles, then the motor is the heart of new energy vehicles. In terms of motor technology, China's new energy vehicle motor technology is in a leading position in the world. Most Chinese car companies use permanent magnet synchronous motors, which have high speed, fast cooling, safe and reliable operation, easy maintenance, and high energy utilization efficiency. Higher characteristics. In terms of battery technology, the cruising range and charging speed of new energy vehicles have been criticized, which is also an important reason why many consumers are unwilling to consume. Therefore, many new energy vehicle companies have worked hard on batteries, and the energy density, safety, and charging speed of batteries have been greatly improved(Pu, 2022). For example, CATL's Kirin Battery, as its newly launched lithium iron phosphate battery, can achieve a system energy density of 250Wh/kg when using a ternary system(Wan, 2024). The ZEEKR 007 equipped with this battery has a CLTC comprehensive operating range of up to 870km. , the maximum charging rate is 4C, it can be charged from 10% to 80% in only 15 minutes, and the battery life can be increased by 210km after five minutes of charging. Tesla's previous battery spontaneous combustion accident caused many consumers to worry about the safety of new energy vehicles. Therefore, in addition to improving battery performance, many manufacturers are also actively innovating in battery safety: for example, the NTP developed by ZEEKR has no heat spread. Non-fire technology, cloud monitoring of battery status,

automatic early warning, and millisecond-level power outage to effectively prevent fires. BYD's blade batteries have passed rigorous tests such as extrusion, oven temperature, water immersion, and overcharging, redefining battery safety(Chen, 2024), (Luo, 2022). In addition to charging technology, battery replacement technology is also continuing to develop. For example, NIO's battery swapping technology allows the car's battery to be replaced in about 5 minutes through a battery swapping station, just like refueling at a gas station, which solves the problem of range anxiety to a large extent. In terms of electronic control technology, my country's degree of autonomy in the field of electronic control lags significantly behind that of motors and batteries. This is mainly due to the core components of electronic control such as the core power semiconductor IGBT in the MCU and the voltage on the BMS integrated circuit board. Key components such as acquisition chips are mostly controlled and monopolized by foreign companies such as Infineon, ON Semiconductor, Mitsubishi, Maxim, Texas Instruments and NXP, which has led to our over-reliance on foreign suppliers(Chen, 2024),(Luo, 2022).

4 THE CURRENT SITUATION AND EXISTING PROBLEMS OF ZEEKR NEW ENERGY VEHICLE MARKETING

4.1 ZEEKR New Energy Vehicle Marketing Status

4.1.1 Products Status

Compared to companies such as NIO, Xiaopeng, and BYD, the current number of products of ZEEKR is relatively small. Currently, there are only four models available for sale, namely the ZEEKR 001, ZEEKR 007, ZEEKR 009, and ZEEKR X. These cars are positioned as luxury electric hunting coupes, luxury electric sedans, native luxury MVPs, and new luxury compact SUVs. The product positioning of ZEEKR Automobile mainly focuses on the high-end intelligent electric vehicle market. It is committed to providing users with excellent performance, intelligent driving experience, and high-quality driving experience. The differentiation strategy of ZEEKR Automobile for different vehicle models and market demands.

4.1.2 Price Status

The price range of ZEEKR's new energy vehicles is relatively large. At present, ZEEKR mainly focuses on the mid to high end market. As a compact SUV, the ZEEKR X has a suggested retail price range of 189800 to 229800 yuan. As a mid size car, the suggested retail price of ZEEKR 007 ranges from 209900 to 29000 yuan. The starting price of the pure electric hunting sports car model ZEEKR 001 is 269000 yuan, with the highest configuration version priced at 329000 yuan. The starting price of its high-performance version ZEEKR 001FR is 769000 yuan. As a large luxury pure electric MPV, ZEEKR 009 has a starting price of 500000 yuan. ZEEKR automobiles meet the needs of consumers from economy to luxury by offering products in different price ranges. At the same time, ZEEKR automobiles also focus on product performance and configuration, striving to provide the most competitive products within their respective price ranges. Satisfy consumers with different purchasing power through product and pricing differentiation.

4.1.3 Channel Status

The status of the ZEEKR's channel is robust and positive. It has expanded rapidly with its incredible "ZEEKR 's speed" and has established numerous stores in major cities, and the number is still growing. The brand not only covers first - and second-tier cities, but also actively sinks the market and expands its influence. At the same time, ZEEKR pays attention to improving the quality of service, adopts the direct business model to ensure a high standard of service experience, and invests resources in the construction of a charging and replenishment system. These initiatives give ZEEKR a competitive edge in the market and provide a strong guarantee for achieving sales volume and brand targets.

4.1.4 Promotion Status

From the perspective of promotion strategies, personal selling, exhibition marketing, advertising, and public relations are the main promotion methods for new energy vehicles. Among them, advertising and exhibition marketing play an important role. Many car companies invest large amounts of money every year in advertising and opening exhibitions, ZEEKR is no exception. ZEEKR implements the principle of "no one can be left behind" when choosing distribution channels. Since it is difficult to significantly increase the lead conversion rate of each channel, it can only increase the distribution channels

as much as possible. In 2022, ZEEKR's online channel investment budget accounted for 51% of the total marketing budget, and it rose to 57% in the first half of 2023. The investment strategy has changed from the 'casting net' in 2021-2022 to the 'effect type' in 2023. In addition, ZEEKR also promotes online platforms and launches digital service experiences. ZEEKR Auto actively uses online channels such as official websites, social media and e-commerce platforms for promotion and sales. Attract the attention and purchase of potential consumers by publishing product information, promotions, user reviews and other content. By providing digital service experience, such as virtual test drive, online car purchase, intelligent after-sales service, etc. These digital services not only improve consumers' car buying experience, but also improve sales efficiency. F1 drivers themselves have great commercial value. ZEEKR invites F1 drivers to endorse the brand for promotion, which can bring great support to ZEEKR 's brand influence. In addition, ZEEKR also stimulates consumer purchases through limited-time benefits, upgrade replacement benefits and annual event marketing.

4.2 Problems in the Marketing of ZEEKR New Energy Vehicles

4.2.1 Few Product Categories, Low Brand Awareness and Unclear Market Positioning

From a product strategy perspective, ZEEKR has a single product type, with only four cars currently on sale. According to retail data from the China Association of Automobile Manufacturers in 2023, five of the top 10 models in terms of sales are mid to large-sized SUVs, indicating that Chinese new energy vehicle consumers have a clear preference for SUVs and car sizes (Ma, 2023). However, none of the ZEEKR models available for sale are mid to large-sized SUVs, and only the compact SUV ZEEKR X is available for sale. The brand awareness of ZEEKR is relatively low. Although ZEEKR New Energy Vehicles, as a new intelligent pure electric brand under Geely Holding Group, has certain technical strength and innovation ability, it has not yet accumulated sufficient popularity and reputation in the market as an emerging brand. This results in many consumers having limited understanding of the ZEEKR brand, and may even feel unfamiliar with it, leading to a preference for traditional well-known brands when choosing new energy vehicles. ZEEKR new

energy vehicles seem to have not yet formed a clear strategic direction in market positioning. ZEEKR new energy vehicles position themselves as high-end brands, but their positioning has not been well highlighted and strengthened in actual market promotion. It attempts to compete with high-end electric vehicle brands such as Tesla, but its price and product characteristics seem to be closer to the mid to low end market. The unclear positioning has led to confusion in consumer perception of the brand, making it difficult to form a stable brand image.

4.2.2 Public Relations and Crisis Management Capabilities Need to Be Improved

From the perspective of product strategy, ZEEKR has a single product type, and only four cars are currently on sale. According to the retail data of the Passenger Association in 2023, five of the top 10 models sold are medium and large SUVs. It can be seen that Chinese new energy vehicle consumers have obvious preferences for SUVs and car sizes. ZEEKR does not have a medium and large SUV on sale, and only the compact SUV ZEEKR X is on sale. ZEEKR's brand awareness is relatively low. Although ZEEKR, as a new intelligent pure electric brand under Geely Holding Group, has certain technical strength and innovation ability, it has not yet accumulated enough popularity and reputation in the market because of its emerging brand. As a result, many consumers have limited understanding of the ZEEKR brand and may even feel unfamiliar with it, so they prefer traditional well-known brands when choosing new energy vehicles. It seems that ZEEKR new energy vehicles have not yet formed a clear strategic direction in market positioning. ZEEKR new energy vehicles have positioned themselves as high-end brands, but their positioning has not been well highlighted and strengthened in the actual market promotion. It tries to compete with high-end electric vehicle brands such as Tesla, but its price and product characteristics seem to be closer to the low-end market. This unclear positioning leads to the confusion of consumers' cognition of the brand, and it is difficult to form a stable brand image.

4.2.3 Public Relations and Crisis Management Capabilities Need to Be Improved

In recent years, ZEEKR has repeatedly reported negative news in its marketing activities, such as false

advertising and product quality issues, which have caused significant damage to the brand image. ZEEKR has also exposed some issues during the sales process. Consumers have complained about ZEEKR's failure to fulfill sales commitments and concealing true information. These issues not only harm the interests of consumers, but also seriously affect ZEEKR's reputation. ZEEKR failed to provide clear solutions and compensation measures in a timely manner when handling these complaints, further escalating consumer dissatisfaction. In addition, the ZEEKR 001 model, as the brand's flagship product, encountered doubts and complaints from consumers in the early stages of its launch. Some car owners have reported that their vehicles have issues such as false mileage and high power consumption, which have been widely discussed on social media and online forums, and have had a negative impact on ZEEKR's brand image. ZEEKR's initial response to such issues was not prompt and transparent enough, leading to further deepening consumer doubts. ZEEKR's performance in public relations and crisis management has not been satisfactory, failing to respond and resolve these issues in a timely and effective manner, further exacerbating consumer questioning and distrust of the brand.

4.2.4 Insufficient After-Sales Service Capability

There are a series of problems with ZEEKR's after-sales service, the most prominent of which is the slow service response. When the vehicle fails or needs to be repaired, it often takes a long time to get a response, which not only increases the time cost of the car owner, but also seriously affects their overall evaluation of after-sales service. In addition, the professional ability of some ZEEKR after-sales personnel is insufficient, and they do not have a deep understanding of the technical problems and maintenance solutions of vehicles, resulting in the inability to give accurate answers or effective solutions, and sometimes even misleading car owners. At the same time, ZEEKR's after-sales service process is also irregular. The process is not clear and the links are tedious, which brings a lot of inconvenience to car owners. The supply of accessories is also worrying. The launch of new models and rapid changes in the market have led to the unstable supply of some accessories, and owners often have to wait for a long time for maintenance. What's more serious is that some car owners report

that the attitude of after-sales service personnel is not friendly and professional enough, lack patience and empathy, unable to actively solve problems, and even shirk and perfunctory. This attitude seriously affects the overall feeling of ZEEKR after-sales service.

5 SUGGESTIONS FOR OPTIMIZING THE MARKETING STRATEGY OF ZEEKR NEW ENERGY VEHICLES

5.1 Refine the Market and Enrich Product Types

Market positioning, brand awareness, and segmented products are crucial for marketing. In the era of informatization and digitization, ZEEKR can use big data models to conduct comprehensive and multi-level investigation and analysis of consumer age, gender, consumption ability, purchase intention, purchase preference, and other aspects. Finally, according to the survey results, product research and production can be carried out, which can accurately meet market demand. ZEEKR can launch models with different styles and functions for different consumer groups. For example, for consumers who pursue luxury and comfort, ZEEKR can launch more high-end and comfortable sedans or SUVs; For consumers who value sporty performance and driving experience, ZEEKR can launch more dynamic and handling models. At the same time, ZEEKR can also consider launching customized services, providing customized vehicle configuration and interior design according to the personalized needs of consumers, further meeting their personalized needs. Faced with consumers who have a demand for intelligent driving, ZEEKR can increase investment in technology research and development, introduce intelligent driving technology, and keep up with market trends (Chi, 2023).

5.2 Improve Public Relations and Crisis Management Capabilities, Enhance Brand Image

As a high-end new energy vehicle brand, ZEEKR needs to take a series of measures to enhance its brand image and enhance its public relations and crisis management capabilities. First of all, it is very

important to establish a professional public relations team, which should have rich experience and professional quality, be familiar with industry trends, understand consumer psychology, and have excellent communication and adaptability. Secondly, formulate a perfect public relations strategy to enhance brand awareness and reputation by participating in industry activities, holding brand activities and carrying out media cooperation. At the same time, establish a sound crisis early warning system, formulate a detailed crisis response plan, ensure that the crisis can be responded quickly and effectively, and strengthen communication with the media and the public, release authoritative information in a timely manner, and eliminate misunderstandings and doubts. In addition, ZEEKR needs to further clarify the brand positioning, highlight the core values, and create a competitive brand image through high-quality products, innovative technologies and services. Improve product quality and service level, strengthen the construction of after-sales service system, and meet the needs of consumers. Use advertising, publicity, sponsorship and other ways, combined with new media platforms such as social media and short videos to strengthen brand communication and promotion, and establish interaction and contact with young consumers. Finally, actively participate in social public welfare activities to show the corporate sense of social responsibility and responsibility, so as to further enhance the brand image and enhance consumers' sense of identity and belonging to the brand.

5.3 Improve the Quality of After-Sales Service and Enhance Consumer Satisfaction

After sales service is also a very important part of marketing strategy. Improving the quality of after-sales service can enhance consumer satisfaction and improve brand image. Firstly, establish a more comprehensive after-sales service system. This includes establishing a professional after-sales service team, providing 24-hour service support, and ensuring that users can receive timely and professional answers and assistance when encountering problems. At the same time, optimize service processes, improve service efficiency, shorten user waiting time, and make users feel ZEEKR's emphasis and dedication to after-sales service. Secondly, enhance the professional competence and service awareness of service personnel. ZEEKR can provide regular training and education to help service personnel acquire more product knowledge and

service skills, and improve their problem-solving abilities. At the same time, strengthen the service awareness of service personnel, make them always guided by user needs, and sincerely provide help and services to users. Furthermore, strengthen communication and interaction with users. ZEEKR can collect user feedback and suggestions through various channels, and timely understand user satisfaction and needs for after-sales service. In response to the issues and shortcomings reported by users, ZEEKR should actively improve and optimize to ensure that after-sales service can meet the expectations and needs of users. In addition, ZEEKR can also consider launching some value-added services, such as regularly providing users with vehicle maintenance reminders, fault warnings, and other services, so that users can feel the care and attention of Extreme Krypton for vehicle use. These value-added services can not only improve user satisfaction and loyalty, but also increase the reputation and influence of the ZEEKR brand. Finally, ZEEKR can also learn and draw on advanced after-sales service experience and technology through cooperation and communication with other excellent enterprises, and continuously improve its after-sales service level. At the same time, ZEEKR can also pay attention to industry dynamics and technological development trends, timely introduce new service concepts and technical means, and provide users with a more efficient and convenient after-sales service experience.

6 CONCLUSION

In summary, this article analyzes the marketing strategy of ZEEKR new energy vehicles and finds that there are certain problems in their product types, after-sales service, brand public relations, and crisis management. Suggestions for addressing these issues: refine the market and enrich product types; Improve public relations and crisis management capabilities, enhance brand image; Improve the quality of after-sales service and enhance consumer satisfaction. I hope to further optimize ZEEKR's marketing strategy for new energy vehicles, in order to increase ZEEKR's market share and brand recognition, and also provide relevant enterprises with reference marketing experience to help the development of the new energy vehicle industry.

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