

## COMMERCE

# Mercedes-Benz paves path forward amid rocky earnings round

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*A new global series of campaigns will spotlight innovations in design, technology and performance. Image credit: Mercedes-Benz*

By ZACH JAMES FOR LUXURY DAILY NEWS SERVICE

German automaker Mercedes-Benz is presenting its vision of the future as it recovers from an annual sales decline.

In 2024, the company generated revenues of 145.6 billion euros, or \$152.1 billion at current exchange, a 4.5 percent dip year-over-year. To counter this, the manufacturer is preparing to launch its “biggest ever product and tech launch campaign,” which will run through 2027.

“Mercedes-Benz Group delivered solid results in a very challenging environment thanks to a range of outstanding products and strict cost discipline,” said Ola Kaellenius, CEO of Mercedes-Benz Group AG, in a statement.

“To ensure the company’s future competitiveness in an increasingly uncertain world, we are taking steps to make the company leaner, faster and stronger, while readying an intense product launch campaign for multiple new vehicles starting with the all-new CLA.”

## Roadmap to success

Each of Mercedes-Benz’s three divisions, including cars, vans and mobility, saw their sales decline in the mid-to-low single digits compared to 2023.

Mercedes-Benz Cars, which makes up the vast majority of the company’s total sales, brought in revenues of \$112.6 billion in 2024, a nearly 5 percent drop. Overall unit sales also fell by 3 percent y-o-y.

The automaker traces the decline back to struggles in China.



BEV sales fell by 23 percent last year, bucking industry trends. Image credit: Mercedes-Benz

The sales drop-off is in line with the year-end results of luxury automotive peers, such as Audi, BMW, Porsche and in-house at Mercedes-Benz USA ([see story](#)).

To address the declining figures, the Mercedes-Benz Group is unveiling a multi-year “product and performance enhancement plan” aimed at increasing its resilience during periods of international economic hardship. The programming will begin with the CLA model, which will make its debut later this year.

Each subsequent new or refreshed model will receive similar, intense promotional treatment. The marketing will showcase a consistent design language across the portfolio, accelerated performance capabilities and cutting-edge technological integrations, such as the onboard artificial intelligence that will be included in every vehicle beginning with the launch of the CLA ([see story](#)).



With the initiative, the company plans to recoup losses in China and grow its EV segment to include 30 percent of all sales. Image credit: Mercedes-Benz

“We will excite our customers with a full rollout of uncompromising cars, they will be an intelligent part of their life,” said Markus Schaefer, chief technology officer and member of the Board of Management at Mercedes-Benz Group AG, in a statement.

“All of them come with a fully integrated tech stack and leverage the latest developments in AI; they will be packed with advanced technologies like the latest ADAS systems and innovative tech features like a new steer-by-wire system,” Mr. Schaefer said. “It all starts very soon with our new CLA, our first software-defined vehicle powered by our very own in-house operating system MB.OS.

“It will be followed by our new electric GLC, which is a turning point in our mid-size segment; this is the all-electric SUV our customers have been waiting for.”

Despite the aggressive, soon-to-launch marketing and development strategy, Mercedes-Benz expects its 2025 sales to fall slightly below 2024’s margins.