

MULTICHANNEL

Strong brand identity boosts luxury vehicle sales, puts BMW on top

January 11, 2013



By ERIN SHEA

Luxury automakers that promote strong branding in campaigns make the most impact when it comes to being top-of-mind among potential buyers and is what likely propelled certain brands to have record sales in 2012.

[Sign up now](#)

Luxury Daily

Automakers such as BMW, Mercedes-Benz, Audi, Lexus, Porsche, Bentley Motors and Rolls-Royce Motor Cars reported above-average sales for 2012, which was partly due to marketing campaigns as well as an attractive buying economy for affluent consumers. These sales records likely resulted from strong branding efforts and signal an increase in competition for attention.

“The record sales are partially the result of the marketing campaigns that resulted in the consumer being offered more new models and features, attractive pricing and financing deals and better service at the dealership,” said Ron Kurtz, president of the [American Affluence Research Center](#), Atlanta.

“The affluent consumer has been in the mood to acquire new cars for a few years,” he said.

“What has worked in marketing efforts is the focus on the product, attractive values and

good service.”

Glory days

Affluent consumers have been more apt to spend on luxury vehicles since the economy is becoming more stable.

This resulted in luxury automakers such as BMW, Mercedes-Benz, Bentley, Rolls-Royce, Audi and Porsche reporting record sales in 2012.

“Our surveys have shown that the affluent consumer has been leading the recovery in auto sales for the past few years,” Mr. Kurtz said. “More good times should be ahead for the luxury segment of the auto industry.”

In fact, BMW came out on top and sold the most vehicles out of any other luxury automaker in 2012.

The German automaker sold 347,583 vehicles, just breaking away from Mercedes-Benz that reported 305,072 vehicles sold, according to an article in [The New York Times](#).

These sales could have been prompted by BMW’s consistently strong marketing efforts.

“By far the best automobile advertising is BMW’s 'Ultimate Driving Machine' campaign,” said Al Ries, cofounder and chairman of marketing strategy consultancy [Ries & Ries](#), Atlanta. “It works because BMW has used this theme consistently ever since 1975.

“Luxury products, more than any other products, benefit from long-term, consistent advertising,” he said. “A luxury brand needs to advertise to people who cannot afford to buy the product as well as people who can afford to buy the product.”

The ultimate vehicle

BMW created several unique campaigns during 2012 that could have helped boost its sales.

For instance, the automaker featured the emotions of holiday homecomings in a social video called “The Road Home” that showed a number of trips made in its vehicles and wished consumers well during the holiday season.

The video showed travelers going through the process of making it home for the holidays plus a BMW X series vehicle featured at the end of the spot. It was first posted on the brand’s social media accounts, was sent out to BMW customers as a holiday-themed email and aired during NBC’s Sunday Night Football broadcast Dec. 23 ([see story](#)).

Also, BMW showed off its new 3 Series sedan through a mail campaign that included glossy print images and a seemingly indestructible postcard highlighting the vehicle’s features.

The glossy photographs mailed in one envelope highlighted the four different styles of the 3 Series sedan: Sport, Luxury, Modern and M Sport. The indestructible postcard was mailed separately from the other images and showed off the all-weather ability of the new 3 Series ([see story](#)).



**NEVER WEATHER THE STORM. CHALLENGE THE ELEMENTS
IN THE ALL-NEW BMW 3 SERIES WITH xDRIVE.**

Dunk this card in water, sleet or snow. Witness invincibility.

Indestructible postcard

In addition, BMW enacted a 360-degree marketing campaign to push its first-time sponsorship of Team USA at the 2012 London Olympics with a television spot, social efforts, an on-site brand pavilion and dealership events.

The comprehensive Olympics sponsorship campaign culminated during the broadcast of the games after a two-year push from the North America branch to highlight its support of 11 athletes it calls the BMW Performance Team. The combination of digital ads, local TV ads and social media efforts made it the largest media investment by the branch, according to BMW of North America ([see story](#)).

The saturation of the ad space from BMW's large advertising campaigns could have helped the brand stand out and resulted in it outdoing other luxury automakers in terms of sales.

"The relatively massive advertising budgets of brands like Mercedes and BMW have made these vehicles seem more in the mainstream," Mr. Ries said. "They also have strong brand identities that many lower-priced vehicles do not have."

Final take

Erin Shea, editorial assistant on Luxury Daily, New York

Embedded Video: http://www.youtube.com/embed/V_xrBwV8XMU

© Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.