

# VOLKSWAGEN FINANCIAL SERVICES

THE KEY TO MOBILITY

## 2021: A NEW EMERGING LANDSCAPE

- **Strong evidence points to automotive retailers adapting well and flexibly to lockdown circumstances**
- **Services must be tailored and promoted to address customer fears around EV**
- **Businesses must recognise and understand these shifting times to remain relevant and in tune with customers and employee aspirations.**

**Mike Todd, CEO at Volkswagen Financial Services (VWFS) predicts that aside from the impact of Brexit, three other key areas will continue to influence the automotive sector's response post COVID-19.**

Whilst the outcome of Brexit negotiations will concentrate the minds of everyone across the UK automotive sector in the coming twelve months, other trends and issues that have found increased prominence during 2020 are also set to influence activity and discussions in 2021.

### **Digitalisation**

The Coronavirus pandemic has undoubtedly accelerated consumer acceptance of e-commerce models, meaning that buying online has become a more commonplace and comfortable experience. This includes accessing the car market.

The industry is reacting to ensure it can accommodate how and where people want to engage in the future.

Strong evidence points to retailers adapting well and flexibly to lockdown circumstances which meant despite showroom doors being closed, they were still able to provide a strong and personable online service that allowed them to continue as a business.

Plans to accelerate digital planning and delivery to satisfy consumers will continue to grow during 2021. Even before COVID-19, consumers were becoming increasingly used to interacting online. VWFS is in a strong position to support retailers on their own digital journey so that together we can continue to enhance the offer to customers and provide a wide range of financial product options across a broad range of traditional and digital channels.

A great example of this is the recent launch of a new car leasing platform which can put drivers behind the wheel of a brand-new car direct from the manufacturer within just 30 days. The new service called **VWFS DRIVE** provides access to a range of competitively priced stock vehicles across the Volkswagen Group brands and supports the digital buying journey for VWFS customers by allowing a finance application to be completed online.

### **Electrification**

# VOLKSWAGEN FINANCIAL SERVICES

THE KEY TO MOBILITY

The Government's deadline to outlaw the sale of diesel and petrol engine cars by the end of the decade provides a clear timescale, but also provides additional pressures for manufacturers, retailers, and finance providers.

All have a major role to play in the consumer education process so that customers understand available and alternative options and more importantly, the benefits of electric vehicles.

We believe that such a consumer-led education process will intensify and all those affected will move quickly to ensure that motorists are comfortable about EVs, and understand the product solutions and recognise the finance options available to join the EV revolution.

Services must be tailored and promoted to address the understandable fears some will have around affordability and usage of electric vehicles and such activity will pick up pace during the coming year and beyond. The EV&Me app that VWFS have created with Audi to demonstrate to customers how their driving style would suit an EV and what to expect if they were in one of the new Audi EVs, is just one of the ways that we are helping to educate consumers.

As a finance provider that can facilitate consumer access to a still young and growing marketplace, we also recognise that elements such as government policy, wider manufacturing model solutions and infrastructure issues are out of our hands. However, we will strive to work within the overall framework to help and support customers on their journey towards electrification and the environmental benefits it will bring.

We can now support our customers further with the transition to an electric vehicle following the launch of our Lease&Care package late last year. This is designed to alleviate the unknown costs and depreciation some consumers' associate with purchasing an EV and allows our customers the flexibility and peace of mind they need to make the switch.

## **Consumer and worker behaviours**

The COVID-19 experience has caused many to focus priorities, and, in some cases, reassess their outlook.

Work/life balance, sustainability and diversity and inclusion in the workplace have become ambitions for companies as well as individuals. And these topics have taken headlines across society as it is beset by the challenges that world events, societal restrictions, as well as financial and health worries, have created.

There will be no return post COVID-19 to the old ways and a proactive strategy to further drive flexibility in the workplace, whilst maintaining productivity, will be essential for

# VOLKSWAGEN FINANCIAL SERVICES

THE KEY TO MOBILITY

organisations as restrictions are eased later in 2021. This is no different for us at VWFS, we see the flexibility that has been created by the response to COVID-19 continuing once our offices start to open up to more of our colleagues in the future. Businesses must recognise and understand these shifting times, so they continue to remain relevant and in tune with customer and employee aspiration. The way that people drive, what they drive and how they fund it is a key part of their lifestyle and must be considered as part of this change.

For more information, please visit <https://customer.vwfs.co.uk/>

## Ends

### Information for editors

**Volkswagen Financial Services** is a business division of the Volkswagen AG group of companies and comprise Volkswagen Financial Services AG along with its associated companies, Volkswagen Bank GmbH, Porsche Financial Services, and the financial services companies in the USA and Canada that belong directly or indirectly to Volkswagen AG – with the exception of the financial services of the Scania brand and Porsche Holding Salzburg. The key business fields embrace dealer and customer financing, leasing, the bank and insurance business, fleet management and mobility offers. Volkswagen Financial Services have a total of 16,571 employees worldwide, Volkswagen Financial Services report total assets of around EUR 223.5 billion, an operating result of EUR 2.96 billion euros and a portfolio of around 21.5 million current contracts (as at: 31.12.2019).

### Contact for press enquiries

Holly Park-Davies

Phone: +44 (0) 7817800288

Email: [Press@vwfs.co.uk](mailto:Press@vwfs.co.uk)