

THE PLAN

UK Car Co seeks to launch a new car in the UK to be sold in a radically different way.

THE PROBLEM

UK Car Co need to build investor confidence in plans to retail a 'micro-built' hatchback.

SCOPING A SOLUTION

We have prepared a snapshot understanding of the 'problem space' (pages following). These equate to suggested areas for discussion – and hopefully intersect with thinking you've had already.

Our key finding is that a great deal of the values that would build the brand of the vehicle and shape choices about its equipment, presentation and retail channels should be driven by a confident understanding of who the target market is and whether this market exists or needs to be built. Once this understanding is reached, an evidence-based route-map to build investor confidence should be achievable.

We'd welcome the opportunity to talk about the assistance to strategic direction and planning that Analytic Red could bring.

We hold a proven portfolio of tools and techniques – from competitor intelligence through scenario planning and decision-support to focus group and perception mapping – that we would select from to deliver practical output.

We hope that the thought which follows is of use and look forward to being able to speak further with you.

¹ Compiled solely from conversation with the CEO and open source research.

The Challenge in Summary	UK Car Co plan the simultaneous launch of a car, priced at more than some rival products, by a new brand in the highly competitive supermini sector through an entirely new retail channel
A New Car	What's new? What features and values could be used to makes the fact that the manufacturer is unknown irrelevant?
A New Brand	The company is not unknown in the motoring world and has proven sporting and efficiency performance. Backdrop of decreasing blind loyalty amongst consumers to purchasing the same product; importance of emotional marketing; celebrity endorsement and increasing environmental awareness.
	And yet, consumers will not know of UK Car Co. Their awareness will need to be raised in a planned, systematic and cost-effective manner.
A New Retail Model	Consumers dislike purchasing through dealers and having much to do with the motor trade from sale through to servicing. Yet like estate agents, they are a 'necessary evil'. Online purchasing has yet to make a major impact on the sales of new vehicles. Micro-building is a radical and exciting concept.
	Yet UK Car Co must offer something to consumers that they cannot currently get from the existing retail model. What is the benefit to the consumer of having their car built nearby? What could the novel retail format offer consumers in terms of a very close link between purchaser and builder? What lessons could be learned from Morgan, Aston Martin in the 'open factory' with personal, genuine customer care, customisation options, etc.? What aspects of the car could be highly customised in a way that competitors in the sector could not match? Could there be excitement about watching the car being built? What does 'being built mean'? Are the operations like the craftspeople of Morgan? If not, could this affect the brand?
	Where would the first micro-factories be? Would the retail format / location affect those consumers' buying decisions? (e.g. Ikea or Tesco) How do these choices affect target markets, values? Is the vehicle 'just cheap and green'? Would it have to be cheap to be bought at Ikea / Tesco? What other options are there?
	What else could these retail spaces offer – for example, if they are on holiday elsewhere in the country, could these factories offer a 'club house' atmosphere?
A Risk	Media and consumers likely to recall Daewoo's attempt to sell through Halfords outlets
The Ideal Consumer "designed for fashion conscious folk who want an	Who would this be? What cars are they buying now? Why?

80 mpg hatchback”	Do the consumers for this new car exist – or are they a category or community that needs to be developed? What implications are there for UK Car Co’s strategic planning?
	Fashion-conscious implies a strongly design-led, perhaps highly customisable vehicle. Is the target market people who want a striking vehicle that says a lot about them and also just happens to be incredibly fuel efficient? How could this be achieved for a hatchback? What is the freedom of manoeuvre in design?
	Could a ‘big name’ in design be associated with the vehicle – in a deeper way than, say, deciding on the interior / exterior fabric, colourways?
	Carbon-fibre structure – reduces the carbon (dioxide) footprint, but what does the substance <i>mean</i> to target consumers? Links to aerodynamics? Fishing rods? Brittle? Requires special care? Not tough enough for a ‘real car’? As used in F1?
	If fuel economy is the major selling point? Is this enough? Major brands – Citroen - now front marketing with fuel-efficiency claims. Other highly efficient small cars are easily dismissed as ‘wacky’ and for eccentric types, (e.g. Bénéteau’s Microcar and Aixam). Some of these do have some potential advantages, such as being able to be driven on a motorcycle licence and available in cabriolet format. However, it is assumed that they represent a tiny segment of the marketplace and G-Wiz indicates some of the problems of the quadricycle sector.
	Other manufacturers offer high sporting performance and high economy (e.g. Trident Icen), is that a model – for a ‘whitehot hatch’)? What features and values might a ‘future-proofed’ and desirable hatchback have to target consumers.
	DaimlerChrysler’s Smart cars are highly fuel efficient – but anecdotal evidence suggests that this is not the key factor in their selection by consumers.
A Risk	Is fuel efficiency from weight saving enough? Could this be achieved or exceeded by a mainstream competitor? What’s left if so?
What else can be used as strong points of differentiation?	Is it ‘British’ in terms of design, component sourcing, fabrication? Links to motorsport ... tradition ... British innovation ... values?
	Highly customisable in selected ways?
	Exciting technology in construction, systems, etc. Perhaps integrated GPS as standard? Or some emerging technology / ICE?
	Safety – some dramatic differentiator, far-distanced from the G-Wiz issue.