

Export strategy and path analysis of Chinese new energy vehicle enterprises

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Abstract: With the increase of global demand for new energy vehicles, Chinese new energy vehicle enterprises are actively expanding the international market. This paper discusses the opportunities and challenges faced by these enterprises in the international competition, and analyzes the effective export strategies and paths.

Keywords: export strategy of new energy vehicle enterprises; influencing factors; and path research

DOI: 10.69979/3041-0843.25.02.045

1 Research background

Despite the expanding use of cars, the number of their ownership is growing rapidly. Since the country called for low carbon economy, many industries including auto industry also follow national policy for positive change, to make the auto industry can also be low carbon environmental protection development and operation, so the auto industry began to focus on new energy technology, research and development of new products, so the new energy automobile export status, export strategy, influencing factors and path analysis need worth further discussion.

In recent years, the state has continuously introduced policies to implement the national strategy of developing new energy vehicles, and promote the industrialization and large-scale development of new energy vehicles.

2 China's new energy vehicle export overview and export strategy

2.1 Overview of China's new energy vehicle export

(1) Export type analysis of Chinese new energy vehicle enterprises

China's new energy automobile enterprises show a trend of rapid development. In 2023, the export volume of China's new energy automobile enterprises was 1.5848 million, up 73.8% year on year; the export volume reached 42.401 billion US dollars, with a year-on-year growth of 71.6%. Among them, the export of pure electric passenger vehicles accounted for the largest proportion, at 1.3219 million, accounting for 83.4% of the total export of new energy vehicles; the export volume was \$33.895 billion, accounting for 79.9% of the total export of new energy vehicles. The export of plug-in hybrid electric vehicles was 138,300, accounting for 8.7% of the total export of new energy vehicles; the export volume was \$4.32 billion, accounting for 10.2% of the total export of new energy vehicles.

(2) Scale of export trade of new energy automobile enterprises

From the perspective of export amount, China's new energy vehicle industry has developed very rapidly from 2018 to 2022, and the export scale of new energy vehicles has increased rapidly, from 338 million US dollars in 2018 to 22.907 billion US dollars in 2022, with a compound annual growth rate of 186.92%. The rapid growth of China's new energy vehicle exports shows that China's new energy vehicle industry has a fast development speed and has a greater position and advantages in the global market.

(3) Export price level of the new energy vehicle industry

According to the statistics of the export amount and export quantity of new energy vehicles, the average export price of China's new energy vehicles in China can be preliminarily calculated in recent years. It can be seen that in 2018-2022, the average export price of China's new energy vehicles experienced a sharp decline, stable in the range of \$30,000-\$40,000.

(4) China's new energy vehicle export trade surplus

From the perspective of import and export scale, China's export volume of new energy vehicles has been higher than the import volume for a long time. In 2022, the total import volume of new energy vehicles reached 132,100, and the total export volume reached 1,063,700. From the perspective of import and export amount, in 2021, the import and export of China's new energy vehicle industry changed from trade deficit to trade surplus, 2022, the trade surplus scale has expanded significantly, 2022, China's new energy vehicle trade surplus reached 16.466 billion US dollars.

From 2018 to 2022, the overall import scale of China's new energy vehicles showed a fluctuating and rising trend.

(5) .China's new energy vehicles

From the perspective of export amount, the export amount of China's new energy vehicle industry shows a trend of expanding year by year from 2018 to 2022, and the growth rate has been maintained at more than 100% in recent years. In 2022, China's total exports of new energy vehicles totaled us \$24.126 billion, up 122.2% year on year.

2.2 Export strategy of new energy vehicles

2.2.1. Product strategy

China has a rich new energy vehicle product line, covering a variety of models and price ranges. In terms of product strategy, Chinese enterprises mainly adopt the way of independent research and development and cooperative development. Through independent research and development, enterprises can master the core technology and improve the product competitiveness.

2.2.2 Price strategy

China's new energy vehicles have a great advantage in the price. Because China has a complete industrial chain and a huge production capacity, China's new energy vehicles have a high competitiveness in the price. In addition, the Chinese government has further lowered the price of new energy vehicles in China through subsidies and tax incentives.

2.2.3 Channel strategy

China's new energy vehicles are mainly exported through two channels: one is exported to the target market; the other is to establish a local production base for local production and sales.

2.2.4 Promotion strategy

The promotion of new energy vehicles in China mainly adopts advertising and publicity, participating in international parties and holding brand activities. In addition, some enterprises also attract consumers by providing excellent after-sales service and customer support.

3 Analyze China's new energy vehicle exports from the perspective of SWOT

3.1 China's advantages of new energy vehicle export

(1) Cost advantage

Cost advantage is a major advantage of China's new energy vehicle enterprises. First of all, China is rich in new energy resources. Compared with developed countries, China has lower labor costs, which means that new energy companies can hire employees at a lower cost.

(2) Technical advantages

Independent research and development is also an important reason for China's new energy vehicles to gain advantages. Chinese automobile enterprises have been conducting independent research and development in the field of new energy vehicles for a long time, and the research results are constantly produced and widely used in new products.

(3) Policy advantages

The Chinese government has introduced a series of policies to support the export of new energy vehicles, including fiscal subsidies, tax breaks, and trade facilitation. These policies have reduced the export cost of enterprises and improved the international competitiveness of their products.

(4) Quality advantage

China's new energy vehicle enterprises have made significant progress in quality control, through the introduction of advanced production technology and management system, improve the quality and reliability of products. This quality

improvement makes China's new energy vehicles more competitive in the international market.

3.2 Export disadvantages of China's new energy automobile enterprises

(1) Weak independent innovation ability, and the brand grade positioning is too low

Over the years, the import and export volume of China's new energy vehicle enterprises has maintained a growing trend. In 2017, the export of new energy vehicles was 105,495, and the number of imports was 69,311. In 2020, 222,900 new energy vehicles will be exported, and 130,600 vehicles will be imported. In 2020, the export volume of new energy vehicle enterprises exceeded 22 billion yuan for the first time, and the export amount increased by 135.7% year on year. And in 2020, the total amount of imported new energy vehicles reached 41.978 billion yuan, down 9% year on year.

(2) Export markets are too concentrated

From the perspective of export region distribution, 88% of the total export is exported to Asia, while Europe and America account for a relatively small proportion. At present, China's new energy vehicles are mainly concentrated in Asia, Europe and North America, among which Europe is the main market. China's new energy vehicles are mainly exported to Asia, especially South Asia and Southeast Asia, whose per capita income is low and the consumption level is limited.

(3) Deficiencies in international marketing

The excessive concentration of China's new energy vehicle export market also reflects the shortage of international marketing strategies adopted by China's automobile enterprises. On the one hand, brand awareness needs to take the core technology as the starting point to enhance the added value of the brand of science and technology; on the other hand, it needs to have a perfect international marketing strategy and implementation effect.

(4) The after-sales service system is not perfect

Because the popularity of new energy vehicles is still low compared with traditional fuel vehicles, the number of dealers of some new energy vehicle brands is limited, and the coverage of service outlets is narrow, which leads to the low convenience of consumers in maintenance.

3.3 Export opportunities for enterprises of Chinese new energy automobile enterprises

3.3.1 The good growth momentum of production, sales and export cannot be separated from the strong support and promotion of capital

Under the "double carbon" trend, the production and sales of new energy vehicles are flourishing, attracting a lot of capital to accelerate the industrial layout and set off an investment boom. From the perspective of investment projects, part of the capital is invested in the new energy vehicle projects incubated by GAC, Changan, Yanli and other traditional car companies, while part flow to the new forces of car building, among which Nio, Xiaopeng, Zero Run and Zha have the largest capital team; except Zha, the first three have been successfully listed and formed a certain brand influence in the new energy vehicle market.

3.3.2 Technological progress, supply chain scale and favorable overseas policies have become the main driving forces for China's new energy vehicles to go overseas

In terms of technology, China's new energy vehicle manufacturing technology has basically reached the international advanced level. Specifically from the product appearance, interior decoration, range, environmental adaptability to vehicle performance, quality, energy consumption, intelligent application and other aspects have made comprehensive progress, have a comparative advantage in the competition, to win the favor of overseas customers.

3.3.3 China's production capacity fills the gap in overseas demand, and domestic automobile brands accelerate to go overseas

In 2022, the number of total vehicles in China exceeded 30 billion mark, showing a continuous recovery of growth. Foreign supply chains were dragged down by the situation, such as the shortage of vehicle regulation chips, China's production capacity filled part of the demand gap, and the automobile export market came to the wind. Thanks to the high-quality, cheap and stable supply of cars, Chinese cars are becoming more competitive in North America and Southeast Asia in Asia and Europe. Passenger vehicles are the absolute main force of new energy export.

3.4 Challenges facing China's export of new energy vehicles

3.4.1 Uncertainty in the international market

The global auto market is still facing the impact of COVID-19, especially in Europe and the United States. The epidemic prevention and control situation is still grim, consumer confidence is low, and auto demand is difficult to recover to the pre-epidemic level.

3.4.2 Fierce market competition

As the global demand for new energy vehicles increases, auto companies from around the world have increased investment and launched new products and technologies. This makes China's new energy vehicles face fierce competition in the international market.

3.4.3 Technical and quality challenges

Although China's new energy vehicles have made significant progress in technology and quality, there is still a certain gap compared with some well-known international brands.

3.4.4 Difficulties in brand building

The brand building of China's new energy automobile enterprises in the international market is relatively lagging behind. Due to historical reasons and the influence of brand image, some international customers feel that the grade and cognition of Chinese automobile brands are not strong.

4 The future implementation path and suggestions of China's new energy vehicle enterprises

4.1 Strengthen independent innovation and improve the brand grade positioning

First of all, we should increase r & d investment. New energy vehicle enterprises should continue to increase r & d investment, especially in the core fields such as battery technology, motor technology and electronic control technology, in order to achieve technological breakthroughs and innovation. At the same time, enterprises should also pay attention to the protection of intellectual property rights to ensure that the innovation results can be effectively used. Secondly, enterprises can also focus on the establishment of research and development teams, enterprises should actively introduce and cultivate high-end talents, and establish a team with strong research and development capabilities.

4.2 Expand new markets and form a diversified market layout

On the one hand, we should take the initiative to explore overseas markets such as European and American markets. Chinese and European enterprises should conduct close exchanges and deep cooperation in the industrial chain of new energy vehicle products, which is conducive to the development of low-carbon and environmental protection economy and green development. On the other hand, we should carefully follow the policies proposed by the state, such as the "Belt and Road" initiative.

4.3 Differentiated international marketing strategies

First of all, we should have a deep understanding of the target market, and conduct in-depth research on the laws, culture and consumer needs of the target countries, so as to better adapt to the market environment. Secondly, product differentiation should be achieved for different markets. In addition, the United States and other developed countries pay attention to the core technology, the new energy automobile enterprises on the marketing strategy will highlight the technology.

4.4 Improve the after-sales service system

on the one hand, enterprises should increase the training of after-sales service technical personnel, to ensure that they master the maintenance knowledge and technology of new energy vehicles, and improve the professional level and service quality of maintenance technicians. On the other hand, it is necessary to strengthen the level training, continuous improvement and innovation of technical personnel in the after-sales service group, and to carry out regular training of technical personnel.

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