

04

# ON THE MOVE

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**EXPERIENCE**









THE CAR INDUSTRY IN 2025 WILL BE VERY DIFFERENT TO HOW IT IS TODAY. IN ORDER TO DEAL WITH THIS SWEEPING CHANGE, SEAT IS RELYING ON ITS STRONG POINTS IN A GROWTH SCENARIO, FOLLOWING A FINANCIAL CRISIS ON A GLOBAL SCALE, AND ITS VEHICLES OF THE UTMOST QUALITY. IN ORDER TO PROLONG AND DEEPEN THIS PERIOD OF SUCCESS, THE COMPANY HAS SET OUT AN AMBITIOUS STRATEGIC PLAN FOR PROFITABILITY, IN WHICH IT WILL PUT CUSTOMERS AT THE CENTRE OF ITS ACTIVITY, IMMERSSED IN THE DIGITAL ERA. THIS STRATEGY WAS PRESENTED AT THE MANAGEMENT KONFERENZ MMK 2015, HELD IN BARCELONA ON 30 OCTOBER AND ATTENDED BY MORE THAN 500 PEOPLE, INCLUDING MANAGERS AND REPRESENTATIVES OF THE WORKFORCE AND IMPORTERS.



~ Jürgen Stackmann, Dr Francisco Javier García Sanz and Luca De Meo, during the MMK.

A solid brand needs to be relevant for the customer, differential with regard to the competition and to demonstrate a clear coherence between the idea and the implementation. This involves the entire value chain, since the brand strength has an external dimension (image) as well as an internal dimension (identity): “the identification of the employee with the brand, the pride of belonging, the capacity to explain it and to contribute to its growth is as important as the efforts made in advertising and the value of the product itself. It all adds up”. Those are the words of Andrea Arrieta and Maite Marín, heads of Brand and Customers in Corporate Strategy and of the Market Development Plans, respectively. Both emphasise the importance of the implication of all departments for the successful development of the brand, as it must be taken on as an overarching commitment of the organization and not the responsibility of one specific division.

The starting point is good, among other reasons because the growth of the Leon family has given the company a boost. But that is not enough, because there are trends in Europe that indicate that the strategic change of the market will be significant. One of those important trends is that customers over 50 are now opting for cars that are slightly smaller, but fully equipped and ergonomically better designed. This is where the SUV segment comes in, which continues to grow in sales for that very reason. With the launch of the Ateca, SEAT’s SUV, the company is going to take part in that growth.

At the recent Management Konferenz MMK 2015, the roadmap for the future journey that the company has embarked on was presented. In order to achieve the ambitious profitability goal, the company must endeavour to provide customers with pleasurable experiences and to ensure every person that make up SEAT’s workforce, in every single department, sings the brand’s story together like a choir. In order to set a course for the future, social macro-trends have been taken into consideration.

# THE IMPORTANCE OF STRATEGY

Michael Porter, engineer and professor of the Harvard Business School, considered one of the most influential academic experts in business management, states that “competitive strategy consists of developing an extensive formula for how the company is going to compete, what its goals should be and what policies will be necessary to reach those goals”. With this as a basis, the action plan has been drawn up that SEAT will implement in the next ten years, after interpreting the company’s trends and gaining a deep understanding of the competitors of the automotive sector.

At the same time, the Organisation team led by Norman Wickboldt has studied the optimisation of the activities of all departments. The goal of profitable growth through efficiency is set in the VIA + plan, a path that will only achieve success if it is followed collectively, as Wickboldt underlines. VIA + is the acronym that responds to: value, innovation, agility and the plus of success. An objective based on the conviction that “if we are seeking extraordinary results, we need a new way of organising ourselves”. A mantra inspired by one of the most famous phrases of Albert Einstein: “Insanity is doing the same thing over and over again and expecting different result”. Achieving greater added value in the activities of SEAT, fostering a culture of innovation and giving the company more agility in its processes and in taking decisions are the three goals of the VIA SEAT + plan, which requires reducing complexity in the work, with simpler structures and faster and more transparent decision-making channels.

~ Norman Wickboldt, Organisation manager and head of VIA+.







~ Andrea Arrieta and Maite Marín during a meeting at SEAT's offices.

## THE CUSTOMER IS THE CENTRE OF THE COMPANY

The company has found the formula for success with the Leon, which joins the iconic Ibiza. Now, the brand will also have a third pillar with the Ateca, in the SUV segment

The roadmap places the customer at the centre of the activity of all the departments of the company, which not only continues innovating with its vehicles, but also has digitised all working processes. The analysis of the mobility guidelines of SEAT's customers in big cities, together with the development of more efficient vehicles, are other axes of the strategic plan which the company will implement and which are getting underway at an excellent time, given that the growth in sales brings with it a continuous improvement in results with the help, for example, of the success of the fleets programme.

The company has found the success formula with the Leon and the expansion of this family, which joins the iconic Ibiza as a pillar of the company. Now it has been proposed to strengthen its range through the decisive forward-looking move to enter the SUV segment, experiencing extraordinary sales growth, with which SEAT intends to deepen the change of the portfolio of products and demonstrates that the brand is undergoing a major transformation and gaining strength. This change of direction seeks to offer vehicles that are better-equipped and with a larger contribution margin for the brand. The 2020-2025 strategy has been extensively worked on in all areas of the company over the last few months, in order to incorporate the specific aspects of each and every one of the experts of the departments that have taken part.

The strategy clarifies the profile of SEAT's final customer in the next ten years and how to achieve vehicle user experiences that are in line with the company's DNA. The potential is huge and those that have taken part in the elaboration of the strategy consider that the whole organisation has to understand what those future SEAT customers are really going to want and how their needs can be satisfied in order to convert them into enthusiasts of the brand.

# IMPROVING THE **USER** **EXPERIENCE**

The ultimate goal of the strategic plan is to achieve the profitability of the company. A goal which not only will be reached by selling more cars, but also with better products, a more cohesive team and all the organisation having the customer as the centre of their activity, because only creating a satisfactory experience will be true to the brand. To achieve this, the plan sets out the need for all employees to get involved together, like the choir and the orchestra of the opera. From there, the communication must be permanently reinforced, so that every employee and manager incorporates into their tasks the philosophy and goals of the strategic plan.

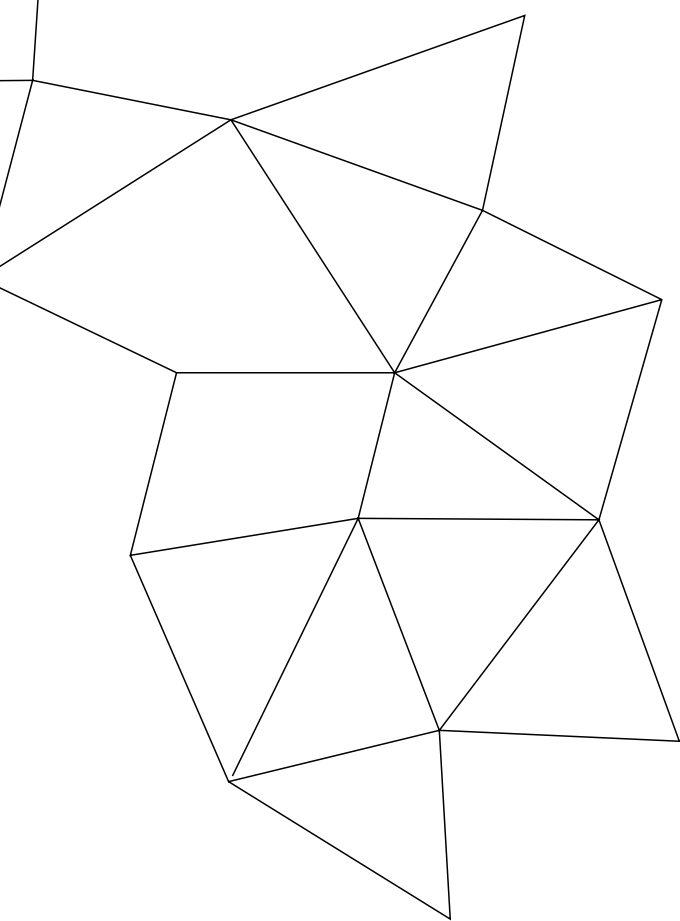
New macro-trends are coming and they require new solutions in terms of mobility. In addition to the ageing of the European population, owing to the lengthening of life expectancy, under 40's do not want a car just for driving. They are the customers that most wish to have a pleasurable experience at the wheel, without ceasing to be connected and entertained. Although young people do not want to own cars as fervently as previous generations did, they are nevertheless going to invest in mobility. The progressive urbanisation of humanity is another aspect that the company will have to tackle, with proposals that can include car-sharing services and intermodal travel. The fact that SEAT is one of the few car manufacturers to be situated in one of the four main metropolitan regions in Europe determines the benefits that this dialogue will bring with it.



~ Maite Marín, head of Market Development Plans. (below) Andrea Arrieta, head of Brand and Customers in Corporate Strategy.







# ALWAYS- CONNECTED DRIVERS

THE INTERNET OF THINGS AND AUTOMATED DRIVING ARE MEGATRENDS IN WHICH VEHICLES WILL BE TO MOBILITY WHAT SMARTPHONES ARE TO CONNECTIVITY. SEAT IS WORKING IN THESE TWO FIELDS AS PART OF THE 2025 STRATEGY, WITHIN THE PRODUCT PILLAR, WITHOUT FORGETTING THE “LEONISATION” OF THE MODELS THAT WILL BE APPEARING IN THE NEAR FUTURE, STARTING WITH THE ATECA, THE SUV PRESENTED AT THE GENEVA INTERNATIONAL MOTOR SHOW 2016. AND THE LEON HAS BEEN A TURNING POINT IN THE COMPANY DUE TO THE SUCCESS SEWN ON THE BASIS OF A FORMULA THAT COMBINES DESIGN AND FUNCTIONALITY, DYNAMISM AND COMFORT, ACCESSIBILITY AND QUALITY AND, ABOVE ALL, DUE TO ITS ABILITY TO CREATE EMOTIONS AND THE TECHNOLOGY IT INCORPORATES. BECAUSE ONE OF THE PILLARS OF THE PRODUCTS THAT SEAT DEVELOPS IS THE TECHNOLOGY AND THE CONNECTIVITY INCORPORATED INTO THE NEW MODELS.









~ The interface has been designed to guarantee an intuitive operation, it guarantees a safe drive and includes exclusive services.

In the last decade, motorists have connected different devices within the car, whether a mobile phone in order to make calls or a USB device to listen to their favourite music. SEAT's CONNECT range is already an example of a car that is truly connected with its environment. The range has the best levels of connectivity thanks to the latest generation of infotainment systems, the exclusive SEAT application ConnectApp, which is offered preinstalled in a SAMSUNG smartphone that is supplied with every vehicle, and the Full Link function. This function developed by SEAT enables connectivity with Android 5.0 and iOS 7.1 or subsequent operating systems, which guarantees a compatibility with a wide spectrum of mobiles on the market. The content from the mobile is projected on the screen of the car in a safe manner, allowing the user to remain connected without missing important message, as they are read out loud through the car's speakers and the customer can also dictate the replies using voice recognition, without having to write the message. As such, the driver is prevented from having to handle their smartphone, something which occurs every 7.5 minutes on average throughout the day.

Thanks to the agreement which SEAT and SAMSUNG signed in March to develop technological solutions together that enable connectivity of the automotive company's models, both companies have worked together to improve mobile devices, both smartphones and wearables, in order for the in-car connectivity to be optimal with midrange devices within the reach of a larger volume of customers.

The CONNECT editions of the Ibiza, Leon, Toledo and Alhambra models offer the option to personalise the car's screen, whether configuring the screen background with the customer's favourite image or positioning the widgets or functionalities of the App as

desired. The interface has been designed to guarantee an intuitive operation, it guarantees a safe drive and includes exclusive services. "The important thing is that the customer remains connected without distractions", states Roger Giralt, head of the connected car at the SEAT Technical Centre.

Now work is being carried out in order for the car to remain connected, even when the driver exits the vehicle with their smartphone. "To have the car permanently connected, a telematics control panel with an integrated SIM card has to be installed", Giralt points out. This is a solution that SEAT is analysing and which allows the vehicle's status to be known remotely and for services to be activated, from the heating in winter to all kinds of services that the company can offer through permanent geolocation and knowledge of the vehicle's and the customer's needs.



~ Presentation of the new Ibiza at the Barcelona Motor Show.



^ SEAT's CONNEC T range is already an example of a car that is truly connected.

# DIGITAL REVOLUTION

With the connected vehicle, SEAT will be able to contact the customer in order to attend to their needs, which represents a qualitative change throughout the company, because it involves all departments, the dealerships and the after sales and repair garage services. In this way, the driver of a SEAT driving, for example, on the roads of Northern Europe in periods and temperatures close to freezing would receive offers for changing winter tyres and indications regarding where the closest dealership is, through geolocation and the knowledge of the wheel change history. "The challenge of connectivity represents a true revolution at the heart of the company, since digitalising the information offers many more opportunities to serve customers in a personalised manner, with them becoming the centre of all of the company's and all of the network's operations, from Marketing, Sales and After sales", highlights Giralt.

74% of the population of Europe lives in cities, a trend that will increase in the future, like the exponential growth of digital data. The user experience of cars is moving towards the driver having intelligent routes that provide a door to door journey, finding parking easily and sharing information, all while remaining permanently connected. Another matter SEAT is considering is which direction in which cities are going. From this concern, projects have arisen such as the pilot that was initiated in March

2015 in the Les Corts district of Barcelona in order to find a response to the needs of drivers searching for a parking space in the streets. Through an app developed by SEAT, Parkfinder, the driver is guided to the places that are free based on real-time data provided by the iCity platform of the city of Barcelona, which results in an improvement in mobility and in the environment.

The challenge of connectivity represents a true revolution at the heart of the company, since digitalising the information offers many more opportunities to serve customers



# CARNET PLATFORM WITH THE UPC

The vehicle connected with its environment is a new dimension prior to the next step in “clustered” intelligence, that is, vehicles connected with each other, which will facilitate mobility management in cities. A vehicle with GPS, radars, front and rear cameras, is a car that can see what is going on around it. It could be said that the vehicle is “conscious” that there are other cars around it and that it is driving around a road network. In other words, the car continuously measures the distance with the vehicles around it and the speed relative to them, thereby increasing safety since, for example, it allows for automatic control of brake assist systems. Incorporating a connectivity electronic control panel with a SIM card facilitates the collection of data and enables the vehicle to send it to a processing centre, which represents a first step towards the totally autonomous car.

“Today we only have statistical information on the vehicles, but with the connected car and then the autonomous car, not only will they change the design of their interior and the usability, which will be completely different, but also it will require the legal framework to be modified, because the cars will drive by themselves”, points out Giralt. The 2025 strategic horizon positions SEAT to be prepared for that cultural and regulatory jump, as long as the road infrastructure is ready to enable the full autonomy of vehicles.

The fact that Barcelona is the global capital of mobile technologies has made it possible for SEAT and the Volkswagen Group to boost the transfer of knowledge through an agreement with the Polytechnic University of Catalonia (*Universitat Politècnica de Catalunya*, or UPC). The first collaboration between SEAT and the UPC was through the SEAT UPC Chair, founded in 2007. Only six months ago, the chair evolved to become included in the Cooperative Automotive Research Network (CARNET), with special focus on innovation in car technology and also in sustainable mobility.

Doctor Jaume Barceló is the academic director of CARNET, the platform that incorporates the investigation into car technologies, which range from the materials to the manufacturing processes, as well as the recycling of components. The other area of interest of the UPC is the efficient design of cars, computational tools, simulation techniques and matters related to the car architecture and connectivity, since electronics allow the vehicle to have a vision of its surroundings. Initially, the work of the UPC was focused on increasing safety through driving aids, “but now we are at an intermediate step towards autonomous vehicles”, states Barceló, given that electronics already provide information about the surroundings through sensors that measure the distances between the surrounding vehicles, maintaining the cruising speed and also facilitating brake assist systems.

For Doctor Barceló, the development of apps that assist parking is only a piece of the big puzzle of mobility that has to be put together. The academic is interested in reaching a single function that includes all the information in a simple manner and in the system planning how to go from one point to another with mixed suggestions of public transport and private vehicles. The various



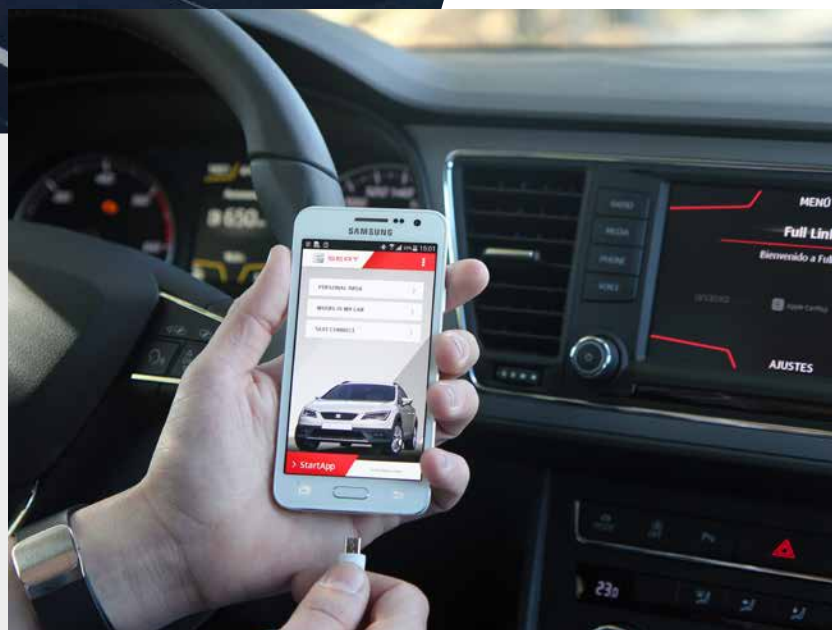


^ Presentation of the CONNECT range at the Frankfurt Motor Show.

disciplines that come together at the UPC elevate the investigators to more ambitious and complex projects, since vehicle electronics are becoming active to the point “that it has perception, it realises what is going on around it”. And car manufacturers are aware of this change at the same time as they are anticipating the evolution of cities, which in the past have spread with the advance of individual transportation, with the consequential effects on mobility and contamination.

## THE KEY ON YOUR MOBILE

Various studies indicate that the current digital generations will no longer have such an interest in buying cars and will focus more on mobility services, where the vehicle will continue to play an important role, from the point of view of the service of point to point transportation, but always connected. “I have experienced a car rental service using an app which, through geolocation, sends me an electronic key for activating a car parked 200 metres away. Once I reached my destination, I parked and the system closed the car and it became available for another user and I only paid for the time I used it, combined with the distance travelled”, explains Doctor Barceló, emphasising the worry-free approach that this type of service entails.

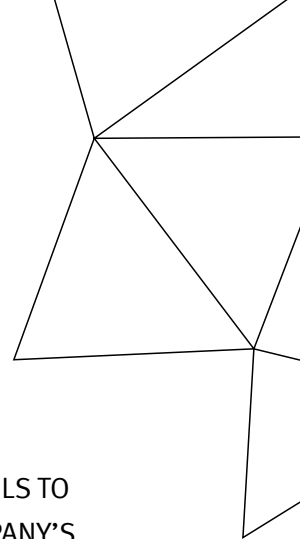


Another complex interdisciplinary project that the UPC is studying is that of electric cars. Professor Barceló wonders what would happen in the Barcelona metropolitan area if 20% of cars were electric if they all charge their batteries at night. The same would happen with buses if they all charged their batteries at the same time coinciding with the change of shift. “There would probably be a power cut in the city, since the quick recharges would suck a huge amount of energy from the grid”, he points out. On top of this problem would be that of the production of the electric energy, because the vehicles would not contaminate the cities but the electricity would have to be produced elsewhere, perhaps in nuclear power stations.









APART FROM TRENDS AND MANAGEMENT GURUS, SEAT WORKS WITH EMPIRICAL TOOLS TO ANALYSE INTANGIBLES SUCH AS THE COMPANY'S CULTURE OR THE WORKING ENVIRONMENT AMONG ITS EMPLOYEES. BECAUSE "FOR THE NEW GENERATIONS, THE COMPANY CULTURE IS GOING TO GAIN IMPORTANCE IN COMPANIES, WHERE NOT ONLY THE REMUNERATION AND PROFESSIONAL CAREER ARE IMPORTANT", STATES MARKUS SCHMADERER, MANAGER OF PERSONAL DEVELOPMENT AT SEAT. IN ORDER TO GET TO KNOW SEAT'S CULTURE BETTER, THE LAST CHAIRMAN, JÜRGEN STACKMANN, COMMISSIONED IN 2014 "A THOROUGH STUDY THAT HAS PROVEN VERY USEFUL FOR WORKING ON ALL THE AREAS OF THE 2020-2025 STRATEGY, SINCE A COMPANY'S CULTURE CANNOT BE CHANGED FROM ONE DAY TO THE NEXT". THIS STUDY FORMS PART OF THE INITIATIVES PUT INTO OPERATION TO STRENGTHEN ONE OF THE FOUR PILLARS OF THE STRATEGY DESIGNED FOR THE NEXT TEN YEARS: THAT OF 'TEAM'.

# CONSTRUCTING CARS TOGETHER



“The staff feel proud to work at SEAT, which is a company that conveys security to them. Now we have to continue working on the link of the employees with the fantastic cars we produce, so that they can get to know them better and better, and feel more satisfied”

# INTERNATIONAL CULTURE

One of SEAT's strong points is the varied international origins of a large part of its workforce, which is not just limited to Spaniards and Germans but has a considerable presence of French, Italians and Dutch, among other nationalities, which, in Schmaderer's point of view, is “an advantage” that contributes to enriching the international vision of a company that is global.

For the manager of Personal Development, it is not only important to have a ten-year future strategy, but it is fundamental for that plan to be conceived from within the company, as has been the case in SEAT; an aspect that turns out to be “an absolute milestone, very useful to bind the organisation together and to have a very good starting point”. The pillar named Team in the 2020-2025 strategy has been worked on collectively, involving all departments, which makes a lot of sense according to this psychologist because “it creates a link across the divisions, but also among the employees”.

Appealing to the need for all the staff to contribute to constructing the future of SEAT is not simply a phrase, but a goal which in 2015 has received two important boosts, earning the Top Employer certification, being the first car manufacturer in Spain to gain that recognition, and holding a Family Day, on which thousands of people, between employees, family members and friends, discovered the ins and outs of SEAT in an area equivalent to 75 football pitches, where around a hundred activities were scheduled.

Both initiatives, together with the Stimmungsbarometer (working environment survey) with which it is hoped to improve the staff satisfaction results, “are two sides of the same coin: being the most attractive company on the outside and also on the inside”, underlines Schmaderer.

~ Markus Schmaderer collects the Top Employer 2015 award.





~ The Stimmungsbarometer (working environment survey) is hoped to improve the staff satisfaction results.

Obtaining that certificate in Spain positions SEAT in an unparalleled position to attract talent. The award for Schmäderer does not represent an endpoint, but rather the path to follow in the medium and long term. “The objective of consolidating ourselves as a *top employer* company is transversal and involves all the divisions, not only that of Human Resources”, points out SEAT’s manager of Personal Development, for whom the company’s digitalisation is essential, both in workshops and in the offices.

The Vice-President of Human Resources, Xavier Ros, and the Vice-President of Governmental and Institutional Relations at SEAT, Ramón Paredes, appealed in the Management Konferenz MMK 2015 in October to the need for all employees to press ahead in the construction of the future of SEAT, undertaking to foster a culture of dialogue, acting with transparency and collaborating in a more transversal manner among all the divisions: “If we go together, we will be stronger”, they remarked.

The Top Employer certification positions SEAT in an unparalleled position to attract talent. The award does not represent an endpoint, but rather the path to follow in the medium and long term

## NEW RECOGNITIONS

It is also necessary to adapt to times of constant change which involve, on the one hand, continually learning in order to obtain a better qualification and, on the other, redirecting company policies in order to attract the talents of the new generations. On this point, other forms of recognition are weighed up besides money and career progression, emphasises Schmäderer: “We have to offer horizontal careers and more freedom and space to try things, to grow personally”. This means “rethinking the old forms of rewards related to finances, hierarchy and authority. For example,





^ Participation of the employees in the presentation of the new Ibiza.



transforming training, with other formats and contents, as well as the way in which it is offered”, he concludes.


As for internal motivation initiatives, the Family Day in summer was a resounding success in the forging of pride of belonging “because the employees felt, together with their family members and friends, part of the SEAT family thanks to the participation of all the divisions of the company”, affirms Schmaderer. It is a success which represents the culmination of a five-year period in which staff motivation and participation measures have been increased “to expand and deepen the pride of forming part of this family, also through the experience with the vehicles we manufacture”.

## UNIQUE EXPERIENCES

In addition to showing cars to the press and to sellers from around the world, exclusive presentations are organised for a selection of employees and their companions

The participation of the employees in the various presentations of the new models that are launched onto the market is another measure that fosters the link between the staff and the vehicles they manufacture. Each time SEAT launches a new car, in addition to being shown to the press and to sellers from around the world, exclusive presentations are organised for a selection of employees and their companions who have signed up for this activity in advance and who are invited by the company to learn first-hand about the new vehicles and also to try them.

Another success in terms of staff ties with the brand’s culture was at the SEAT Leon Eurocup championship, when more than 1,000 employees attended the last race of the competition’s calendar at the *Circuit de Catalunya* (Montmeló) and were able to learn first-hand about the abilities of the Leon Cup Racer. Employees attended the race with their families and their children, just like on the Family Day.



~ A trainee of the Apprentice School together with Manoli Arjona, a SEAT employee who also began her training in the centre.



## INTERNAL REINFORCEMENT

The barometer of internal satisfaction, or Stimmungsbarometer, reinforces the internal face of the Top Employer medal. This is a tool of the Volkswagen Group that measures satisfaction in the working environment. It is made up of twelve questions that cover different areas and each of the company divisions, with the support of Human Resources, painstakingly work through the responses in order to find and implement the most suitable measures. “It is a ritual in the good sense, because its objective is to make things better”, underlines Schmaderer. One of the critical points that the Stimmungsbarometer reveals is the improvement of the quality in the working processes and the need for more internal information, “as it is never enough, particularly in a group as large as ours, in which information usually flows slowly”, he notes.

The Team strategy in the 2025 horizon involves, definitively, “turning the circle of success in order to be the best team and in order to be sustainably the best employer in the automotive industry in Spain”; a circle of success which, for Schmaderer, begins with the need to have an excellent team that has an excellent performance, which is the basis for success. And success forms part of the Top Employer recognition, “which completes the circle because if we are *top employers*, we will procure the best talents, who will make up excellent teams, and so on until we complete the circle of success once again”. In order to achieve this, all the departments are involved in making the work attractive and the job secure, in ensuring teamwork and that there are development possibilities, encouraging leadership, ensuring the remuneration is appropriate and that the image of the product and of the company are perceived with pride. Leaderships and hierarchies change, but they have no impact if the company culture is shared.

The Stimmungsbarometer measures satisfaction in the working environment and is made up of twelve questions that cover different areas



# CUSTOMER-FOCUSED

WITH THE LAUNCH OF THE LAST VERSION OF THE LEON IN 2012, SEAT BEGAN TO REDIRECT ITSELF TOWARDS A NEW TARGET CUSTOMER. THE FOCUS WAS PLACED ON AN URBAN LIFESTYLE PROFILE, SOMEONE WHO ENJOYS FAMILY LIFE, ALWAYS CONNECTED, PREPARED TO BETTER EQUIP THEIR CAR, OLDER, AND OPEN TO LEARNING ABOUT THE ENVIRONMENT THAT SURROUNDS THEM. THE RESULTS OF BROADENING THE FOCUS ARE PATENTS, ALTHOUGH THERE IS A LOT LEFT TO DO, TO REINFORCE THE BRAND'S IMAGE, WHICH TODAY IS PERCEIVED AS MODERN, PRACTICAL, SPORTY AND ECONOMICAL. THE 2020-2025 STRATEGY POSITIONS THE CUSTOMER AS ONE OF ITS FOUR PILLARS AND PLACES THEM AT THE CENTRE OF ALL THE WORK THAT THE COMPANY CARRIES OUT.

~ The new Ibiza, in one of the activities organised as part of the Central Launch Training.



In order to achieve the desired results, the challenge involves improving customer satisfaction with a project that is already of high quality, commencing from a sales process that represents a real commitment with the brand. But the happiness that comes with acquiring a vehicle should endure during its useful life thanks to the satisfaction that a good after sales service provides, as Gaspar Alcaide, after sales training manager, points out. Only in this way will greater faithfulness be achieved, which will result in a drastic reduction of claims inversely proportional to the increase in new buyers, starting with those who are repeat buyers of a SEAT.

“The brand’s potential will be wherever we want to take it”, affirms Ferran Jover, head of the development of the commercial network. “We have the youngest customers in the industry and many opportunities to respond to their needs provided that we put them at the centre of all of our actions”, he adds. The world of the commercial network is usually very traditional but has to adapt in leaps and bounds to a customer that, before visiting them, has already found out about the car and, instead of visiting the dealership an average of seven times like they did previously, they do so no more than twice. “They usually come with a clear idea”, such that the moment of the sale is key.







*One of the brand's dealerships that has already adopted SEAT's new corporate image.*



## FINE TUNING OF THE IDENTITY

Helping the sales and after sales network is essential, above all in training, but beforehand there must be a fine tuning of the corporate identity to keep it uniform, both in the online world and in the physical world of the dealership in order to achieve the best service towards customers. The launch of the current version of the Leon coincided with the renovation of the SEAT brand image. This is a matter that will culminate with the launch of the SUV. The idea is that the dealerships have larger and warmer spaces so that the customer lives the SEAT experience in comfort. The diagonal line that is present in the design of the latest models and in Barcelona itself, thanks to one of its most famous avenues, appears on the main elements of the sales space, which emphasises the dynamism of the brand.

Coherence above all else. Also in the identifying colours, red and oranges, and the transparency that a greater abundance of large windows provides in order to give a sense of spaciousness. Once inside, the customer feels at the centre, with the range of vehicles around them and always attended by the salesmen and service advisors. Just as in the online world, the concept of the design of the dealership makes it easier to browse around the shop interior, starting with a comfortable waiting area.

A network of 1,700 dealerships and exhibitors plus a similar number of service points require an efficiency plan. To date, 500 projects have been carried out to renew the corporate identity and points of sale and after sales spread across 30 countries, which represents around 20% of the network. Jover's objective is for them to be prepared this year for the arrival of the Ateca, a new model for which the best presentation letter will be SEAT's new corporate identity applied to the whole network. "In the end, all the effort made by the brand materialises at the key moment of the customer's visit to the dealership", highlights Jover.

To date, 500 projects have been carried out to renew the corporate identity and points of sale and after sales spread across 30 countries



✓ Víctor García, head of the department of Commercial Training.



## TRAINING FOR SUCCESS

Customer satisfaction as an objective is a philosophy that is only transmitted if all members of staff of the company believe in it. “Us customers are not stupid and a brand is not perceived on the basis of what it says, but on the basis of what it does”, insists Jover. Hence the importance of training. Last summer the Central Launch Training took place in SEAT, a training event that gathered together, for the first time, a total of 4,500 people that make up the sales force of the brand in 40 countries. The centralised training was carried out over three weeks in Port Aventura (Tarragona), at the rate of 288 people per day to learn about and to drive the new 2015 Ibiza. The vehicle incorporates multiple new features, from more efficient engines and the Full Link connection to guarantee integration with smartphones, to new personalisation packages both in the interior and in the exterior. But in order to explain it, it would be necessary to experience it.

The challenges of the CLT culminated successfully, affirms Víctor García, head of the department of Commercial Training, since in addition to the logistical complexity of training 4,500 salesmen, the workshops were given in 19 different languages by 76 trainers, each one with the specific culture of each participating country. Prior to this, all of the salesmen together had completed a total of 13,500 online courses and 768 workshops had been conducted, which facilitated the process of each participant being given two practical courses of knowledge of the vehicle and another two of driving.





## A SEAT EXPERIENCE

The centralised training also had the objective of the sales network receiving the same corporate message. In this way, the participants were permeated with the brand's philosophy and experience through complete immersion, right from the moment they landed up until they returned to their respective countries the following day. All of them were received by a member of the SEAT executive committee, engaged with the initiative. For the launch of the SUV, a Global Launch Training programme will be carried out so that, instead of concentrating all the salesmen in one point, it would be the training team who would travel to their countries. The department led by Víctor García is preparing the training materials in 19 languages with the particularities of each country in order for the dealerships to receive them together with the vehicles and, therefore, the salesmen can try and experience them. Prior to this, the various trainers of each country will be given training.

The results of the CLT are measurable in the sales success of the Ibiza, which has been confirmed once again as one of the fundamental pillars of the company, declares García. Some managers say that the Central Launch Training was "decisive" due to the positive influence that the training had on sales, as well as positively the improvement of the economic situation making a positive contribution. "Apparently the Ibiza did not have any new features, but nevertheless it was totally new, above all in connectivity, a point that cannot be



~ One of the presentations included in the Central Launch Training.

appreciated simply by looking and that has to be explained in order for the customer to see it and to know all the possibilities within their reach", notes Víctor García, who states that "it was a success to carry out the training of the salesmen in an event that was also motivational and about branding, because the participants left very happy. The average satisfaction on the event was 4.59 out of 5, i.e. outstanding in all respects".

With events like the CLT, the foundations are being laid in order for the salesmen to be the first fans of the brand and to contribute to decant customers' purchase decision with a human and highly personal approach. One of the actions planned in the department's strategy consists of offering qualified training so that the commercial network is excellent. "We must not forget that purchasing a car represents the second most important purchase a person makes after their home", points out García.

# PROFESSIONAL COMMITMENT

The after sales environment is at a key moment that implies new services related, for example, to the advances in connectivity with which the vehicles are equipped. The offering of services and products is extensive in order to suit the needs of each user and to achieve maximum customer satisfaction throughout the vehicle's useful life. This satisfaction with the company is fundamental when it comes to ensuring that the customer trusts in the brand again to buy a SEAT car.

Through the new all-inclusive after sales training strategy in the department, the technical sphere, customer service and business aspects are covered. It is a training that focuses on qualifying 14 specialities. The launch of the brand's first SUV, the Ateca, will be a new opportunity to train the representatives of the commercial network in new technologies and customer service, in the countries in which the brand is present.

Next April, the 16th edition of the Top SEAT People will take place in Barcelona. The SEAT After Sales department is a pioneer in this motivational competition in which the best professionals from 26 countries take part in the various after sales specialities:

service manager, spare parts, service adviser, head of guarantee and garage management and, of course, the mechanics and the painting specialists. For two days they enjoy the competition, an emotional experience in Barcelona that also totally immerses them in the brand's values. In order to reinforce the links between sale and after sale, 2016 is the first year in which the salesmen and specialists in fleets from each country also took part in the event. "As well as choosing the best team, the Top SEAT People represents an incentive in order to create brand loyalty among the employees", underlines Juanjo Bofill, head of Top SEAT People.

Gaspar Alcaide emphasises the challenge of an international competition in which 170 professionals, a selection of the best technicians from the commercial network, participate. The Top SEAT People brings those employees to the company's place of origin: an experience that has a strong motivational component, representing a unique opportunity to visit the Martorell plant, a total immersion in the values that the brand promotes and an ideal opportunity to check the rigour with which work is performed in the different fields involved in the production of a car.

~ Participants from the last edition of Top Service People.







# A FORMULA FOR SUCCESS

SEAT MAINTAINS THE MOMENTUM OF THE LAST FEW YEARS, AFTER A DIFFICULT GLOBAL FINANCIAL CRISIS, AND HAS ACCUMULATED A SALES INCREASE OF 25% SINCE 2012, AFTER CLOSING 2015 EXCEEDING THE HURDLE OF 400,000 VEHICLES SOLD IN ONE YEAR, WHICH REPRESENTS AN INCREASE OF 2.4% COMPARED WITH THE PREVIOUS YEAR. BUT THERE IS STILL A LOT OF WORK TO DO IN ORDER TO ENSURE THAT GROWTH IS PROFITABLE AND SUSTAINABLE ON THE BASIS OF BUILDING A SOLID BRAND. THOSE GOALS, EXPRESSED BY THE CHAIRMAN OF SEAT'S EXECUTIVE COMMITTEE, LUCA DE MEO, ARE FURTHER CLARIFIED BY THE VICE-PRESIDENT OF FINANCES, IT AND ORGANISATION, HOLGER KINTSCHER, WHO EXPLAINS THAT THE FOUR INDICATORS THAT WILL ALLOW THAT OBJECTIVE TO BE REACHED INCLUDE THE IMPROVEMENT OF THE RETURN ON SALES AND OF THE RETURN ON INVESTMENT, THE GROWTH OF THE SALES VOLUME AND THE INCREASED ACCEPTANCE OF THE BRAND. THEY ARE INDICATORS WHICH, ACCORDING TO DE MEO, "WILL LEAD US TO SUCCESS IF WE PUT ALL OF OUR EFFORTS INTO LOOKING AFTER THE CUSTOMER, DEVELOPING PRODUCTS IN THE MOST INTELLIGENT WAY AND WORKING AS A TEAM".



In order to achieve those objectives, it is essential that the company has a focused and more efficient organisation, where profitability is the basis that helps to sustain growth. It is on this basis that the team led by Norman Wickboldt, head of Organisation, has chosen the acronym VIA+ as the path to follow. A path in which SEAT is not seeking efficiency in order to save resources, but rather "we are seeking a change of activities where value is of greater importance and where we are more competitive and the important thing is to optimise the programme", notes Wickboldt, highlighting that efficiency and effectiveness are two basic elements.

Companies seek stability with the decisions they take, an aspect that Wickboldt considers "vital to achieve profitability, because the most basic thing is optimisation to prepare for the future". The difference with the VIA+ programme is that it is not related to a product nor to a department, because the focus is on the extra that will benefit the company. In VIA+ the production departments have not been included, pending their completion of a new aptitude programme that was already carried out two years ago. However, "the staff will confirm that some decisions will be able to be taken more directly, without having to go through the most senior manager", asserts Wickboldt.



# SUCCESS IN SALES

The growth in sales has been boosted by the recovery in Spain (77,200 vehicles; +14.3%) and Italy (15,900; +22.1%), the fifth consecutive year of growth in Germany (87,800; +3.8%) and the success of the Mexican market (24,100; +13.2%), SEAT's fourth largest. Furthermore, the brand has achieved in 2015 the historical sales record in countries such as Switzerland (8,374; +5.7%), the Czech Republic (7,901; +16.6%), Denmark (6,470; +4.3%), Turkey (13,891; +15.3%), Israel (7,536; +23.3%), Tunisia (2,182; +10%) and Morocco (1,775; +18.1%). As for the models, the Leon grew by 4.4%, with a total of 160,900 units delivered and it is, once again, the brand's most sold vehicle. For its part, the Alhambra registers

the largest increase (17.2%) and has achieved the second best sales result in this model's history, with 27,000 units. The Ibiza has also progressed 2.4% and accumulates a total of 153,600 vehicles delivered.

Regarding 2016, Luca de Meo has foreseen that "the year will be marked by the launch of the first compact SUV in the company's history, the Ateca", which will arrive at dealerships in the middle of the year and to which three more new models will be added in 2016 and 2017. "The SUV is destined to become the third great pillar of the brand, together with the Leon and the Ibiza, and it will allow us to cover the segment with the highest growth in the last few years", the Chairman of SEAT's Executive Committee said.

*Production lines in the Martorell factory.*





^ A fleet of the Leon ST delivered in 2015.

# THE MOMENTUM OF FLEETS

The increase in sales in the fleets strand is another of the successes of 2015, in which a third of the vehicles sold, including rental cars, belong to this market segment. The success of fleets in SEAT is largely due to Giuseppe Tommaso, head of the department, and to his team and to the positive response of the markets, which has achieved in only three years “the inoculation of the virus of fleets in the company, representing a change in SEAT’s culture”.

In the fleets market, purchasing decisions are predominantly rational, but also emotional, because companies, whether multinationals, SME’s or self-employed workers, choose the vehicles that are best suited to their professional activity and trust in their profitability.

The Leon ST is a highly valued model as a fleet vehicle that has made a notable contribution to the increase in sales in this channel; a channel that has particularly grown in the large European markets such as Germany, Spain, the United Kingdom, France and Italy. Among SEAT’s customers are Siemens, which has already purchased close to 1000 vehicles; Glaxo, which has acquired 400, and other companies such as Vodafone, Cannon,

The Leon ST is a highly valued model as a fleet vehicle that has made a notable contribution to the increase in sales in this channel, which has particularly grown in the large European markets

Adecco and Zurich, which have acquired between 500 and 1000 cars. For the market of large companies, SEAT also has the collaboration of the Volkswagen Group, with the Group Fleet International department that has an international team that works for all of its brands and in which the brand is represented, although SEAT also has direct contact with the large customers.





^ SEAT Leon included in the first fleet of vehicles delivered to the Carabinieri, in Italy.

## SALES TO THE ITALIAN AND FRENCH **POLICE** FORCES

SEAT has managed to have, at the end of 2015, more than 200 salesmen specialised in fleets in different European countries and to sell 18,000 vehicles within that programme

Another success sewn in the fleets programme in 2015 has been the sale of vehicles that will be delivered over the next three years to the Italian law enforcement agencies, the Polizia di Stato and the Carabinieri. This is the first occasion that a non-Italian vehicle wins a tender of this type and for SEAT it is excellent news to be able to contribute to public safety with reliable vehicles. The Italian Police chose the five-door Leon equipped with the 2.0 TDI engine with 150 HP (110 kW). Its equipment includes a number of modifications, from special tyres with suspension settings tailored to the needs of the police, alert and warning lights, a radio and communications equipment. In order to put this model for the Police to the test, different and rigorous types of tests were carried out, both inside and outside, over 30,000 kilometres of road.

Giuseppe Tommaso adds that a few weeks ago, SEAT also won another tender in France to provide close to 400 Ibiza, Leon and Alhambra vehicles to the French Gendarmerie.



The market of self-employed workers, entrepreneurs and SME's cannot be treated like the sale of large fleets and requires a different commercial approach, indicates Tommaso. After training and dedicating a person in the dealerships located in major cities, SEAT has managed to have more than 200 salesmen specialised in fleets in various European countries at the end of 2015. They are salesmen who proactively visit SME clients in their area. The success of this professionalisation is beginning to bear its first fruit, as SEAT's head of fleets highlights, since 18,000 vehicles have been sold in this channel in 11 markets.

In Giuseppe Tommaso's opinion, SEAT will continue to increase its sales in the fleets market with the arrival of the new Ateca and the entry into a new segment of customers that purchase better equipped cars. With this new model, together with the expansion of the Leon range, the offering of cars continues to be highly competitive and complete. The company is also working on offering more and more complementary services to fleet customers, to which maintenance packages are added, for example. In this area, Tommaso points out that there is a lot of scope for growth because, remember, one of every three vehicles that SEAT sells is in the fleets market.



*Presentation of the fleet of vehicles delivered to the Carabinieri and the Polizia di Stato.*