

Volkswagen Diesel Scandal

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1.1 Customers

After the scandal of 'diesel' emissions, Volkswagen has a negative impact on the customers. Many of the customers switched from Volkswagen to other brands (Dowling, 2016). The profit of Volkswagen has tumbled nearly 20 % in 2016 because the customers switched from this brand. In order to remove the negative impact on the customers, Volkswagen has written to all consumers to invite them to make dealership of technical measures which have applied to their vehicles (Volkswagon, 2017).

1.2 Suppliers

Suppliers of Volkswagen who have significant sales with the company were stressed after the scandal of diesel emissions. Suppliers had to make more advanced technology in order to limit the emission of diesel vehicles. Further, suppliers have to provide electronic and mechanical components to Volkswagen, so they became afraid after the scandal as they were also affected by this scandal (Sharman et al., 2016).

1.3 Public's

According to Chossière et al. (2017), public health is affected by air pollution, so the emissions of radiation from vehicles so Volkswagen has a negative impact on the health of the public. After the scandal of diesel emissions, Volkswagen upgraded its software, which was designed in a way to reduce the impact of emissions on the environment. Directors of Volkswagen have discussed how the negative impact on the public could be overcome in order to regain the position of the company. As the profitability of a company depends upon its sustainability, and sustainability is possible only when the company has no negative impact on the society and welfare of people Volkswagen is trying to be environment friendly.

1.4 Competitors

Volkswagen has supplied 80,000 affected cars in Australia. Competitors took advantage of it as they upgraded their software, and many customers were attracted to other brands (Stein, 2017). Subaru introduced fresh vehicles in the market with overlapping prices and took benefit from the scandal at Volkswagen (Shah, 2015).

The Australian Competition and Consumer Commission has a complaint against Volkswagen in the Federal court. So, Volkswagen paid billions of dollars to the court for a civil penalty (Stein, 2017).

2.0 Macro Environment

2.1 Technological Environment

Australia is the most technologically advancing country as Australia depends upon technical resources. Shelton et al. (2016, p. 172) argued that technology is central to the existence of human beings, so it is very important for Australia in the current situation and for the future. Therefore, Volkswagen has the technological pressure in order to sustain itself in Australia. Furthermore, there is high pressure to not harm the environment by the emissions of diesel. So, the technology in Australia is very advanced and has no negative impacts on the environment.

2.1 Political Environment

The political system is stable in Australia, so the company has less pressure from the political environment. Chacko & Davis (2017, p.27) argued that Australia is a democratic, modern, developed and stable nation; therefore, with a stable political system, it is a good place for Volkswagen to run its business.

2.2 Economic Environment

The economic system in Australia is strong, competitive, safe and has low chances of risk. So, it is good for foreign companies and domestic ones to operate their business. The healthy economic and political system ties with South and North America, European unions, as well as Africa and the Middle East, further support the economy of Australia. Moreover, the economic environment is sustainable for the Volkswagen company.

2.3 Cultural Environment

Australian nation is well-established and has new influences. Moreover, the people of Australia are educated and trendy. As they want uniqueness in their life. They want to have luxury life with luxurious things. Furthermore, Australians are united and have shared values; therefore understanding their culture and meeting their needs is an easy task for the firms. Therefore, the cultural environment in Australia is a good sign for Volkswagen to do its business operations.

3.0 Customer Profile

Currently Volkswagen is targeting consumers from all over the world as Volkswagen is providing auto cars to customers. Volkswagen targets young people who appreciate quality, precision and technology. The marketing campaign of the company comprised technical features. After the scandal of diesel emissions, companies are making efforts to make advances in technology diesel in order to satisfy their consumers. Recently, Volkswagen discovered problems with cars, so they resolved the problems by implementing a consumer-based approach to designing the new vehicles. Moreover, VW is targeting customers who are associated with fun, Polo and Golf. Volkswagen is also targeting those consumers who are interested in innovative products (Systyi, 2014). Volkswagen faces a heavily competitive and difficult industry outlook as there are many automaker companies worldwide. Volkswagen targets psycho-graphic customers who are motivated towards transportation. They want to go out outside in a car, which redefines their lifestyles, and that's why Volkmann redesigned the car to attract male customers as the customers for Volkswagen are highly educated and they know the trends of cars.

Gender	Targeting highly self-conscious and status-conscious males and females.	People who want to travel, enjoy the freedom of traveling, like to hang out and are always willing to take risks without fear.
Age	Teenagers and middle-aged people who like to travel a lot in their own vehicles.	Mostly teenagers who want to show off by showing their new or extra advanced car to their colleagues or friends.
Target Area	They are basically targeting people from around the world who want to explore new meanings of traveling.	People from around the globe, especially those from developed countries, are more likely to afford a Volkswagen.

Through the table above, it can be understood that VW's potential customers are the ones who are outrageous, like to travel a lot and especially who are status-conscious because they want to show off their VW to their friends or colleagues in the office or university. Typically, those people are VW's customers who like sports and those who are attracted to buying branded cars.

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