Media information



February 19, 2020

Volkswagen and partner association agree new sales model for ID. family in Germany

- Format similar to proven agency model for major customers to be used for allelectric ID. models sold to private customers and small commercial enterprises
- Customers buy direct from Volkswagen, dealers remain involved
- Seamless switch between online/offline channels possible during buying process

Wolfsburg – Volkswagen and "Volkswagen und Audi Partnerverband" (Volkswagen and Audi partner association) have agreed a new sales model for the all-electric ID. family in Germany. A format similar to the agency model for major customers that has already proven its worth over many years will also apply for ID. models sold to private customers and small commercial enterprises. Following the go-ahead from retail partners, the agency agreement is to be added to the new dealer contracts that come into effect from April.



Holger B. Santel (left), Head of Sales and Marketing Germany, and Dirk Weddigen von Knapp, Chairperson Volkswagen and Audi partner association, and their teams have concluded a new agency agreement ¹

In their role as agents, dealers make the arrangements for selling the ID. family to private customers and small commercial enterprises. This primarily relates to acquisition, sales consultation, organizing test drives, transaction processing and vehicle handover in coordination with Volkswagen. The customer's preferred dealer receives a commission and a bonus identical to showroom-based business, even if the vehicle is bought online. At the same time, the partner is no longer tasked with vehicle financing and the sales process is simplified because the partner no longer needs to negotiate the price.

Holger B. Santel, Head of Sales and Marketing Germany, said: "The agency agreement for the ID. family is a further important milestone in the forward-looking orientation of our sales model. For the first time, we will be the customer's direct contractual partner, while their familiar Volkswagen partner remains involved in the process as the agent. This partner can focus primarily on its role as a customer consultant and we also reduce the financial burden. The concept takes account of the shift in customer expectations towards a seamless buying experience between the online and offline worlds."

Dirk Weddigen von Knapp, Chairperson of Volkswagen and Audi partner association, said: "The new agency agreement gives our partners reliable and calculable compensation regardless of whether the customer buys their vehicle online or from the dealer. At the same time, the manufacturer takes responsibility for marketing the vehicles and for their residual value."

The agency model enables the customer to switch seamlessly between online and offline channels during the various stages of the buying process. Subject to the customer's consent, available data about him and his vehicle is used to communicate

Media contakt

Volkswagen Communications Christoph Oemisch Spokesperson Finance & Sales Tel: +49 5361 9-18895 christoph.oemisch@volkswagen.de

Volkswagen Communications Kamila Laures Spokesperson Sales & Marketing Tel: +49 5361 9-89610 kamila joanna.laures@volkswagen.de







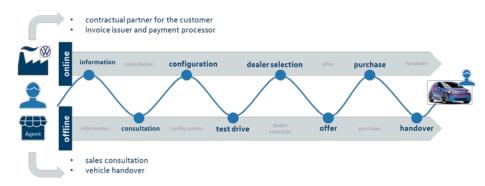
Mehr unter volkswagen-newsroom.com

No. 33/2020 Page 1 of 2

Media information



with him individually and consistently across all touchpoints. "Thunder", the new IT system, is being developed for this purpose and will debut at dealers with the launch of the ID. family. In addition, ID. configuration will become significantly simpler for the customer compared with the procedure for current models. It will only take ten clicks to define the entire vehicle.



In future, the customer will be able to switch seamlessly between online and offline channels during the buying process (example of a customer journey and touchpoints)

¹ID.3: This vehicle is not yet for sale in Europe.

About the Volkswagen brand:

The Volkswagen Passenger Cars brand is present in more than 150 markets throughout the world and produces vehicles at over 50 locations in 14 countries. In 2018, Volkswagen delivered 6,2 million vehicles including bestselling models such as the Golf, Tiguan, Jetta or Passat. Currently, 195,878 people work for Volkswagen across the globe. The brand also has over 10,000 dealerships with 86,000 employees. Volkswagen is forging ahead consistently with the further development of automobile production. E-mobility, smart mobility and the digital transformation of the brand are the key strategic topics for the future.

No. 33/2020 Page 2 of 2