A Study on the Construction of China’s Automobile Own Brand

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ABSTRACT

In recent years, with the rapid development of China's auto market, China's auto brand has also been able to grow at high speed. The automobile industry is the pillar industry of the country. A number of strong independent brand is the automobile industry to achieve "independent development" key. So, I should analysis of the importance of the development of independent brands, China's auto brand development status, development prospects, then put forward a series of recommendations to support the development of independent brands.

INTRODUCTION

With the development of the economic crisis, the global automotive market has undergone profound changes. China's own brand car is not only facing a huge challenge, but also have more opportunities. Independent car brand refers to the independent intellectual property rights under the premise of independent development in the minds of consumers to form a unique feature. It can effectively promote the consumer car brand loyalty symbol, image or design. Since 2002, China's auto market after 10 consecutive years of rapid growth, the average annual growth rate remained at around 15%. At present, China has become the world's third largest automobile producer. Therefore, the analysis of China's current auto brand development status is very important.

CHINA’S AUTO PRODUCTS OWN BRAND STATUS

For more than half a century, China's auto industry in its own brand building aspects of a lot of practice. Especially in recent years worked hard, vigorously develop their own brands. The car own brand building has made important progress. Relevant information shows that the current independent brand cars account for about 60% of China's automobile annual sales. Commercial vehicles own brand market share of about 95%, passenger cars in the car own brand market share of nearly 30%. In 2008, for example, the car brand divided into the country's market share is: 30.8% of Japanese cars, 25.9% of Chinese cars, 20.3% of German cars, 12.2% of US cars, 7.1% of Korean cars, 3.5%. This data shows that the Chinese car's own brand's domestic market share has risen to second place, second only to Japanese cars in China's market share, and has continued to rise trend. The 2008’s car models up to 134 brands, and the 2009’s new models are expected to market about 80 kinds of models.
CHINA’S AUTO PRODUCTS OWN BRAND OF EXISTING PROBLEMS

Overall competitiveness is not strong

To own brand cars, for example, the market share is unstable, rising slowly. The important reason is: product technology and performance with foreign brands have a certain gap, the price advantage is not obvious, the brand influence is small, in the minds of car consumers to change their own brand low-end, low-cost impression still takes time.

Independent brands of automotive products operating efficiency is low

Most of the production enterprises in a thin, or even loss of the state, although you can take some measures to make up for the current difficulties, but very much in the product level, scale of production, marketing and enhanced service users in place and so on, in order to get healthy growth.

Own brand automobile production enterprises and models of many varieties, the volume is too small

According to the relevant information, in 2008 the national passenger car production enterprises 56, of which the production of its own brand of 47 cars (with an annual output of more than 200,000 4, close to an annual output of 100,000 of the two, the other with an annual output of 5 Million or less, or even only an annual output of 1-2 million or less), scattered, repeated development and production, small size, almost no competitiveness, under the protection of local and sector is also difficult to sustain.

Independent brands of automotive products, small, low added value

Currently in the low-end, low-cost market, market capacity growth unhappy, with the formation of contrast to the scale of the industry, it is difficult to achieve effective production capacity and improve market competitiveness.

R & D capability is not strong

Technology, talent, capital, equipment and management are inadequate, and the development model is commissioned by foreign companies to develop more, but also with foreign joint development, buy foreign technology or brand localization to improve the development of the use of foreign platforms and resources Integrated development, as well as through the introduction of technology digestion and absorption of re-development, original local development in the initial stage, to be accumulated practice and solid foundation, the independent development capability to a new level of international competitiveness.

CHINA AUTO PRODUCTS OWN BRAND RESPONSE MEASURES

In general, independent brands should be scientific development as the leading, high quality, good efficiency, management expertise, technological progress as the
goal, and strive to out of a scientific and technological innovation, sound and efficient and sustainable development of the road.

Win the trust of consumers

Brand marketing is the protagonist of the automotive market, brand influence depends on product performance and quality, manufacturers, dealer’s commitment and integrity depends on the service users in place. Independent brand enterprises, grasping quality is the core of survival and development. Only products advanced, sophisticated manufacturing, the use of reliable, service products in place in order to become a trustworthy brand, in order to get the favor of consumers and trust, it can be said that this is the key to their own brand of business success. China National Heavy Industry "CNHTC and logo" trademark, heavy truck group dedicated car company “green” trademark, has been the State Administration for Industry and Commerce Trademark Office approved as China's well-known trademarks, with independent intellectual property rights of well-known brand enterprises, value. "Xiali [Review Photo Forum]", "Fengshen" has also been approved as a well-known trademarks in China.

Products are the core competitiveness of enterprises

Enterprises based on their own technical and financial strength of a reasonable positioning, the introduction of a market competitiveness of products, models are not more and more refined, to continuously increase market share. Independent brand product development, one must track the development trend of the world's automotive technology using new technology, two to understand the dynamic information of competitors, three to investigate market changes and consumer demand; such products, to form the core competitiveness of enterprises important Link. If only with people behind their own characteristics cannot lead one step, it will not get rid of passive, backward and even out of the dilemma.

To build soft power

Enterprise production equipment is the foundation, is hard power, can be used to obtain investment. However, the enterprise's product technology (especially the core technology), professionals and modern management system is dynamic, is the soft power, can only temper, hard training can continue to develop. Enterprise's own brand is so, independent brands should learn from, but also to independent innovation, relying on scientific and technological level, quality assurance, cost-effective and integrity services, and thus soft power, basic business as an independent brand of sustainable development of important issues.

Broaden the market area

Independent brand automotive products, should be the most suitable for China's national conditions and domestic consumer demand for consumers, but also to meet the needs of foreign consumer car users; the key is to develop and produce different countries, different regions, different user needs of various products, and Must be more than the introduction of brand products under the greater efforts of users in place
(including parts supply and maintenance sites) in order to more pragmatic and more effective to broaden the field of market at home and abroad in order to allow users to accept, so that users love, Brand car products to create well-known brands and well-known trademarks to become China's auto industry sustainable scientific development and construction of industrial power in the mainstay.

**To strengthen the independent innovation system**

In order to implement the strategic objectives of independent brand automobile product development, we should enhance the ability of evaluation and evaluation of the trial system, strengthen the informationization, improve and perfect the product development system, cultivate and unite the R & D personnel team, so as to form a strong support for the development of independent brand automobile products. FAW Group from a strategic high degree of unity to speed up the main idea and clear the cause of long-term development of self-independent planning and objectives. Dongfeng Automobile Group to improve the R & D, trial and trial of the hardware and software facilities, establish a sound R & D process, with high levels, large scale, full-featured comprehensive test field. Here, I will China's auto industry's own brand building status and response to the list of actions to help us better understand the current form, as shown in Table 1.

**ON THE DEVELOPMENT OF CHINA’S OWN BRAND OF AUTOMOTIVE PRODUCTS**

Automobile products of Sino-foreign joint ventures in the core technology and supporting the right to long-term foreign control, it is difficult to achieve independent innovation and localization support. At present, China's own brand of automotive products is still facing serious competition, accelerate the development of innovation without delay, especially the status of China's auto parts industry and industrial safety is worrying. Therefore, the proposed self-brand automotive products in China made the following recommendations.

**TABLE 1. CHINA’S AUTO INDUSTRY INDEPENDENT BRAND BUILDING STATUS AND RESPONSE MEASURES.**

<table>
<thead>
<tr>
<th>Item</th>
<th>1</th>
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<tbody>
<tr>
<td>Status or problem</td>
<td>Overall competitiveness is not strong</td>
<td>Own brand of automotive products operating efficiency is low</td>
<td>Many varieties, bulk small</td>
<td>Little influence, low added value</td>
<td>R &amp; D capability is not strong</td>
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<tr>
<td>Responses</td>
<td>Win the trust of consumers</td>
<td>Products are the core competitiveness of enterprises</td>
<td>Build soft power</td>
<td>Broaden the market area</td>
<td>Strengthen the independent innovation system</td>
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To strengthen the effectiveness of government procurement of self-brand car support

"Auto industry restructuring and revitalization plan" clear: "from 2009 onwards, all levels of government and public institutions equipped with new cars to replace the proportion of independent brand cars should not be less than 50%; independent new energy vehicles, government departments should give priority to procurement" The June 2009, the central state organs "agreement to supply car manufacturers list" announced, also issued "to conscientiously implement the State Council" auto industry restructuring and revitalization plan "spirit, give priority to the procurement of new energy vehicles, environmentally friendly low-emission small-displacement cars; All the units equipped with new cars in the proportion of independent brands should reach 50%. "At present, the policy effect has not really reflected, one is the introduction of independent brand standards, not well defined; second, the government procurement policy Displacement and price is not reasonable, the actual proportion of the actual purchase of the brand is not strict control, the effectiveness of inspection is the key.

Reform of automobile consumption tax

Taking into account the overall situation of the national tax system, reform and rational progress in a steady manner, for the current country to vigorously promote independent innovation, to encourage the creation of independent brand status quo, proposed to own brand cars for the reform of automobile consumption tax pilot, and has been introduced to encourage small displacement Car matching, that is, 1.6 liters and below the small displacement car exemption from car consumption tax, will be energy saving, environmental protection is also a kind of incentive complement each other, is a good policy of the country Huimin good policy; national tax should balance, From the automobile product production and marketing increment to make up part of the second is to increase the 3.0 liters and above in the displacement car car consumption tax levy ratio, will also be conducive to energy conservation and environmental protection.

Perfect energy-saving and new energy vehicles supporting policies

Energy saving and new energy vehicles is the national science and technology development plan in the key projects. In the process of vigorously advancing, it is recommended that the state be supported in many ways. First, as soon as possible to develop new energy vehicle development plan, a clear strategic direction and development focus, focus on resources (human, material and financial) joint research, rapid upgrading of technology, narrowing the gap between the international advanced level; Second, focus on supporting core technologies Lithium battery). (Including science and technology fund subsidies, interest-free loans and discounts, etc.), mainly for the pilot capacity, test certification and other aspects of the building; third is to coordinate the development of new energy Automobile development of the relevant standards and technical regulations, as soon as possible the formation of vehicle and parts, test certification, safety inspection, charging facilities and a series of standard system; charging stations, chargers and other social, systematic infrastructure and investment, Form a unified standard or industry-oriented policy, focus on resources, to form a concerted effort to force herd, repeat investment and construction.
CONCLUSION

In 2005, the Fifth Plenary Session of the 16th CPC Central Committee made the decision to build an innovation-oriented country, which stressed that the ability to improve the independent innovation of science and technology as the center of promoting the structural adjustment and improving the national competitiveness. This major decision to the automotive industry continued and healthy development pointed out the direction. Chinese created auto industry, starting from the commercial vehicle. Then, we learned from imitation production, after the exploration of innovation So, I believe that China's automobile industry tomorrow must be nice.

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