BIZCOMMUNITY

Mercedes-Benz takes aim at ultra luxury market

By Gero Lilleike

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Mercedes-Benz aims to become a 'dedicated pure-play luxury car company' and will strategically target higher profitability by elevating its product portfolio and securing its place in the electric vehicle (EV) market.



It's a fascinating time for car manufacturers. With the global electric mobility movement well underway, the survival and success of any car brand will depend on its ability to adapt to dynamic market conditions and, perhaps more critically, how each brand decides to position itself in a fast-changing mobility ecosystem.

For Mercedes-Benz, the ambition is to become the world's most valuable luxury car brand and to do this, the firm has announced that it will recalibrate its product portfolio and allocate up to 75% of its investments into producing products that will return the largest profits.



Exclusive models such as the Limited Edition Maybach S-Gass by Virgil Abloh will help Mercedes-Benz achieve its goal of becoming the world's most valuable luxury car brand.

More profit in ultra luxury cars

Mercedes-Benz has divided its business into 3 key luxury offerings including High-End Luxury, Core Luxury and Entry

Luxury.

To meet its strategic goals, Mercedes-Benz will focus on its top-end luxury vehicle portfolio which is expected to see its sales share increase by up to 60% by 2026.

This includes products in both the Mercedes-AMG stable and the Mercedes-Maybach product line as well as all-electric Mercedes-EQ products such as the EQS and EQS SUV.

The S-Class, G-Glass and GLS product ranges and all limited edition and exclusive collaboration vehicles are also included in this product segment.

The Mercedes-Maybach product range is set to expand with the arrival of the EQS SUV in 2023 as well as an ultraluxurious Mercedes-Maybach SL, which is soon expected to be previewed in concept form. Also, a notable collector's car to come in limited numbers is the limited edition Maybach S-Class by Virgil Abloh.

Only 150 will be made to honour the late designer's talents. More so, further ultra-exclusive vehicles will also be offered in the new "Mythos Series" which will see low-volume, high-worth vehicles come to market with even greater luxury and exclusivity.

The firm's core luxury segment includes the C-Class and E-Class sedans as well as their SUV counterparts. This segment is important because this is a high-volume segment and the firm will look to fast-track electrification. The new E-Class is due in 2023 and will set the course for this segment while a new EQE SUV is due to be revealed later this year.

As for the Entry Luxury segment, which includes the A-Class (hatchback and sedan), B-Class (MPV), CLA (sedan and shooting brake) and the GLA and GLB crossovers, Mercedes-Benz says it will cut the range down from seven models to four.

It's not yet clear which vehicles will be discontinued but the remaining models will receive a technological boost with the new, forthcoming MB.OS (Mercedes-Benz Operating System) is expected to be launched in 2024.



The Vision AMG concept previews the forthcoming high-performance electric future of Mercedes-AMG.

As for Mercedes-AMG, an exciting electric future awaits with the dedicated AMG.EA platform to underpin all future AMG models. The latest Vision AMG Concept offers a glimpse of what's coming in 2025.

Mercedes-Benz is planning to launch a range of new electric vehicles in South Africa in 2022 to compete against offerings from BMW and Audi. The new Mercedes-Benz EV models expected on local showroom floors in 2022 include the EQA, EQB, EQE and EQS.

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ABOUT THE AUTHOR

Gero Lilleike is a published writer and photographer with most of his work appearing in the fields of travel and motoring. Gero has worked as a motoring journalist for Cars.co.za for the past wight years and takes every opportunity to go on an adventure whether it be offroad or in the ocean. For Gero, a car's worth is measured by how many surfboards it's able to carry.

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