

# Macroenvironmental trends in the LCV Market.



This article critically analyses the current business and communications macroenvironmental trends within the UK automotive light commercial vehicles (LCV) sector, identifying implications that could therefore be pertinent to the successful implementation of an integrated marketing communications (IMC) engagement campaign for an automotive organisation. This analysis therefore enables identification of communication imperatives, optimising engagement through establishing how brand values and positioning may be achieved in this rapidly changing market (Mason, 2019a).

Köllner (2018) identifies political regulatory change, including Brexit uncertainty, as a threat to automotive stakeholder communication needs. For example, political environmental change may negate frictionless automotive trade and supplier relationships between UK and EU stakeholders (SMMT, 2019a). Therefore, whilst year-to-year growth of UK commercial vehicles remains steady (SMMT, 2019b), there is an increased necessity to maintain stakeholder business confidence through consistent communication, ensuring ongoing engagement in light commercial vehicle investment (Armstrong, 2019).

SMMT (2019c) suggest increased stakeholder economic uncertainty could threaten large fleet purchases with the UK new van market decreasing by -23.5%. Therefore, whilst Hawes (2019) suggests sustained commercial vehicle production growth, Armstrong (2019) highlights consumers are likely to prevent overtly large purchases until restoring financial confidence. Consequently, a key opportunity to engage pricesensitive stakeholders could be through communicating economic value, building dialogue within multi-stage communication (Chaffey and Smith, 2013), increasing perceived security (Armstrong, 2019).

Arguably, CSR demand could significantly influence stakeholder engagement within the sector (Russo-spena et al., 2018). For example, Duckett (2018) highlights 40% of UK adults argue organisations should actively engage in CSR initiatives, demanding cleaner cities (Armstrong, 2019). Therefore, whilst Schütte (2011) suggests organisations use CSR to prosper at society's expense, Green and Pelozo (2011) indicate CSR communication could increase engagement, improving perceptions towards branding, promotional stimuli and trust (Yang and Hsu, 2017). Consequently, whilst some automotive organisations may currently utilise CSR communication through below-the-line media including sustainability reports and a dedicated microsite (Ford, 2018), Akhtar (2015) emphasises opportunity to increase engagement through overtly communicating CSR commitment within above-the-line media.

**UK new van market down by -23.5%**

SMMT (2019c)

**Demand for environmental sustainability.**

Russo-spena *et al.* (2018)

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