

IN THE FLOW OF CHANGE

MADE IN RUSSIA: PRIDE IN THE RUSSIAN AUTOMOTIVE INDUSTRY

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New high-tech achievements are emerging in Russian civil life. The country has declared a focus on the development of both new and traditional industries, on greater industrial localization, as well as on growth in its own high-tech competencies, including the automotive industry. We wondered how Russian consumers perceive these changes, how they see Russia's potential as a producer of new civil technologies and innovations, especially in the automotive sector, and how brands should react to these changes.

Concepts such as a “need to be proud” or “national pride” have been spoken of little in Russia and are not well-developed in brand communications. However, with the current vector of country's development focused on recreating its own high-tech production facilities and competencies, as well as stimulating production localization in the most promising areas, it could be useful for marketing specialists to take this into account. It is probably high time for large industrial manufacturers, including automobile companies, to pay attention to this issue too.

The Ipsos team in Russia decided to ask the Russian consumers if

they now perceive Russia to be a manufacturer of high-tech industrial goods. To what extent are people ready to be proud of domestic technologies? How strongly do they believe in the future of Russian competencies in the automotive sector? How do such automotive industry achievements influence the image of Russia? How sought-after and useful will the use of this issue be in the communication of Russian and international brands?

In October 2021, Ipsos experts studied this little-researched issue in a qualitative syndicated community, speaking with 30 car owners from different cities of Russia.¹

¹ The Ipsos syndicated community was established in 2019 and has 300 members today: men and women aged 18-55 from 10 Russian cities. Link to a more detailed description of the research methodology

A NEED TO BE PROUD

We started by asking our participants about their overall awareness of Russia's high-tech achievements. The initial hypothesis was that there would be a low level of awareness, but that people's need to be proud of industries, including the automotive one, would be significant. And this hypothesis was verified.

The spontaneous awareness of Russia's high-tech achievements is quite fragmented, comprising the Sputnik V vaccine and medical achievements (developments for cancer, ophthalmology, exoskeletons), as well as IT with the convenience of solving everyday issues (*“it has become more convenient to live”*), the Russian developments in banking applications, and cybersecurity..

Industrial activity is mentioned quite rarely, while respondents most often name the space industry (Nord Stream) and transport (although in abstract). This conforms with the general idea that the situation in the country is changing for the better, but the pace is slow.

The tone of the survey participants'

comments changed after we showed them a selection of Russian achievements. The most inspiring ones include the MC21 aircraft, the PD-14 engine, the *Akademik Lomonosov* floating nuclear power plant, the *Arktika* nuclear icebreaker, space technologies, turbines, and the Elbrus processors. Respondents confessed that they were simply unaware of many of these inventions, and they were pleasantly surprised.

The overall nature of their statements suggests that Russian people lack awareness of domestic high-tech developments. They are pleased to see their country's engineers and companies are creating advanced products and that Russia has something to be proud of.

“They definitely make me take pride in my country! We produce trains, aircrafts, ships on our own rather than buy used vehicles in other countries. Technological development provides both new jobs and an incentive for the new generation to develop in these areas and make new breakthroughs in the future.”

Woman, 34 years old, Moscow

We should also refer to the following statements:

“That’s great – I thought that many of them are foreign-made. It’s nice that I was wrong”; “I am very pleasantly surprised... it turns out that I know very little”; “Impressive and inspiring respect.”

Some participants are more skeptical. They note that these achievements are Soviet developments or that they

are just individual projects – there are many of them, but they will never become commercialized. However, this is skepticism that reflects pain and, in a different way, also shows how important it is to those who have already lost faith to be proud of their country’s achievements.

Therefore, the clear implication is that of raising awareness and a positive context concerned with Russian technologies.

AUTOMOTIVE ACHIEVEMENTS CONTRIBUTE TO RUSSIAN PRIDE

The automotive industry discussion was more emotionally positive. These achievements are more evident, they are noticeable in people’s everyday life. First of all, people spontaneously note progress in public transport development, such as the modern Moscow electric buses, the Moscow metro train and the tremendous active construction of a road network throughout the country.

The electric buses and trains look stylish, current, and innovative. They also reflect the population’s attitude

toward e-mobility: the introduction of this transport is perceived as caring towards the Russian people.

*“It is nice and it makes me feel proud that they have started to think about environmental issues, replace gasoline buses with e-buses”
Woman. 45 years old, Moscow*

The evaluations become even more positive after being further prompted as participants were unaware of many achievements. The hydrogen Aurus and water buses, Sapsan

and Lastochka trains, drones from Yandex and Kamaz, smart roads, and Moscow’s leadership in the number of electric buses in Europe all make people take pride in their country. It shows Russia keeps up with the times and forms a positive high-tech and caring image of itself. After this, we found the number of skeptical answers decrease.

Examples of research participants’ statements:

“Russia is perceived as a more convenient and comfortable country for people”

“Russian technologies are developing very rapidly”

“It already has 700 electric buses, and Russia is the leader in this parameter”

“Now I see that the country has laid a very good foundation for the future, it is just important to accomplish all these projects without abandoning these developments for many years”

“Russia is perceived as an advanced country in technologies”

“I would like these achievements to develop and surpass their Western counterparts.”

E-MOBILITY AS THE MOST PROMISING AREA

The study determined the extent of people’s openness to various automotive innovations and their spontaneous evaluation of the wholesale introduction of automotive innovations into their life.

E-mobility is perceived as the most realistic and relevant achievement.

Our study confirms the conclusion about the Russian people’s readiness for and openness to the use of electric vehicles right now², but their evaluation of the current infrastructure, the absence of available offers for the mass market, and lack of knowledge about the e-mobility development “roadmap”³

² For example, in an article published in the 2021 Ipsos Flair issue

³ Activities to start from 2022

make them pessimistic about how long this trend will take to implement: an estimated 5-10 years.

Autonomous driving still causes apprehension and distrust. People see prospects for this only in 10-15 years, on average. With the launch of self-driving taxis in Russia as early as in 2021-2022, it is necessary to raise public awareness make available attractive offers to trial this technology.

“It sounds scary, I think it’s premature to use self-driving cars, especially taxis. I think it will become possible in about 30 years.”

Woman, 32 years old, Moscow

Hydrogen Fuel Cells. Awareness of this technology is currently the lowest. It is associated with something absolutely incomprehensible, unknown and even dangerous (i.e., with explosions). There is a need to actively raise awareness of this technology.

Although some of these technologies are unknown to a wide circle, the very fact of working on their creation in Russia is a clear source of pride.

“Thank you very much for engaging me

in this discussion. It was interesting for me to learn everything new that gives grounds for our national pride. Russia has a high scientific potential, but it is important to ensure that all developments are good for our society and contribute to our country’s prestige.”

Woman, 35 years old, Ekaterinburg

To sum up our study, we can say that pride in the high-tech achievements of our country is important to the research participants. Addressing this in communications can offer benefits to brands and make them more socially responsible, contributing to country’s economy and development. A further study of this issue will help to specify the most important aspects of presenting such information, but currently, we recommend the following:

- **For international companies**
Speak more about the existing cooperation and joint developments with Russian manufacturers and about the contribution of domestic science and engineering thinking to the creation of brand products. Also share more about production localization and the creation

of high-tech jobs, and the establishment of local high-tech production facilities and infrastructure.

- **For Russian companies**
Increase awareness of Russian achievements. It is important to emphasize their constructive role for people, science, education,

and the economy. Break the existing negative stereotypes, for example the absence of support for new domestic technologies and projects, their global focus (inapplicability to everyday life). It is necessary to focus on the practical benefits of new technologies for ordinary people.

KEY TAKEAWAYS

- Russian achievements in the automotive industry is the most promising area. As for other industries, such achievements are very sought-after, and the existing achievements already make consumers feel proud. However, current awareness is very low.
- Sharing domestic high-tech developments in communications – whether joint or the country’s own –will have a positive effect on brand image. It will also help to increase perceived social responsibility of brands with regards to their work in raising Russian economy, science, the overall development of the country, and in the creation of high-tech jobs.
- Further development of Russia’s own achievements in e-mobility and self-driving will positively influence the country’s image, be welcomed, and be a source of national pride.