University of Antwerp
Management department
Sascha Albers, Steven van den Oord

The Long Goodbye of General Motors in Europe

Abstract

This teaching case describes the long decline of General Motors in Europe. It focuses on the strategic decisions that were made in both the United States headquarters and the European subsidiary and the consequences of these decisions for GM's performance in Europe. The case shows that in the company's attempt to (a) reduce complexity from its brand and market portfolio and (b) leverage the massive efficiency potentials of a large multinational automobile manufacturer, GM compromised responsiveness on one of its biggest markets: Europe. The case prompts students to explore the root cause for both the decisions that GM made to make its European operations profitable again and why the intended effects did not materialize or did so only marginally. The case also illustrates the intricacies of the relationship between headquarter and subsidiary in the context of a large multinational enterprise.

How to map and develop a strategy of a multinational enterprise?

KEYWORDS: International strategy – Decision-making – Multinational enterprise (MNE) – International market entry – Market exit

The use of case studies offers, especially in business studies, the possibility for students to deal independently with complex, economic questions and problems, so that networked thinking and problem solving are promoted.

The present case study can be assigned to the **Case Problem Method**[1], which in this case has the following characteristics:

- The problems are roughly mentioned and the necessary information is given.
- The students identify possible causes, further partial problems and interdependencies.
- They independently develop varied solutions and make a decision.

[1] inspired by Kaiser 1983, p. 23

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

University of Antwerp
Management department
Sascha Albers, Steven van den Oord

TEACHING NOTE

1. Intended audience

1.1. Student group

The teaching case is suitable for students of business-, management studies, and public administration with basic knowledge in the fields of management and/or organization sciences.

1.2. Required previous knowledge

Students should have a basic knowledge of business administration and be familiar with the basic concepts of management.

2. Case background

General Motors (from here on GM) is an American icon of capitalism and innovation, but lost its competitive edge in Europe, that in 2015 still accounted for 48% of its non-North American sales. GM was not able to turnaround its operations in Europe. When exiting the European market GM had accumulated an estimated loss of almost US$20 billion because of strategic misalignment between headquarter and its regional subsidiary. GM failed to realize that its core problem in Europe was not too high costs, but substandard quality, unattractive design, and an erratic car model policy–which simply did not resonate with European customers. A vicious circle was established where the increasing standardization led to declining market share and a devaluation of the Opel brand (e.g. by introducing more and more models from US and Asian markets under Opel and Vauxhaul brands in Europe). This was only effectively addressed under CEO Karl Thomas Neumann with the appointment of Tina Mueller at Opel (2013)—a distinguished marketing executive from the large German FMCG manufacturer Henkel.

But, when their strategy started to produce positive feedback from the automotive press and customers, the external market environment soured—the turn towards a more protectionist trade policy by the Trump administration in the US and Britain’s decision to leave the European Union in Europe, which eventually led GM to sell its European subsidiary with its Opel/Vauxhall brands.

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning environments: using business case studies in higher education

3. Didactic instructions

3.1. Learning goals

3.1.1. General learning goal

Students learn how to map and develop a strategy of a multinational firm.

3.1.2. Specific learning goals

Content competences:

In line with the EQF (level 6), the formal learning goals of this case for the students are:

- Students understand the competing forces of efficiency and responsiveness and their strategic and structural implications for international companies.
- Students analyse how the forces of efficiency and responsiveness compete and influence multinational enterprise (MNE) strategic decisions and performance.
- Students evaluate strategic decisions, actions, and performance implications of a large MNE and discuss alternative courses of action and their implications.

Social competences:

Social competencies are not the special focus of learning in this case study. The learning success is therefore not explicitly identified and measured. Nevertheless, cooperation in groups implicitly enhances team competence, including conflict resolution.

Self-competences:

Self-competences are not the special focus of learning in this case study. The learning success is therefore not explicitly identified and measured. Nevertheless, it can be assumed that, for example, time management, self-learning competence or the assessment of one's own performance are also implicitly promoted.

4. Organisation

4.1. Procedure and time

The case study can be used with the following progress, but of course it can also be adapted structurally or temporally depending on your preferences.

Time schedule for Case Study use:

Depending on the preparation and expectations this case can be taught in 30-120 minutes settings. Students should always be asked to read and prepare the case before class. We sketch options for the 30 and 120 minutes teaching situation:

- For a 30 minutes setting: students should already be aware of the efficiency- responsiveness framework and its implications for firm strategy and structure. The class session then centers around sense-making of GM's declining performance and application of the E-R-matrix; which leads to a discussion on alternative options for GM and a critical reflection on the E-R framework.
- For a 120 minutes setting: The longer classroom setting can be used to introduce the E- R framework to students; they can be asked to explore why GM failed in Europe. This will take more time as students will raise several (correct) issues, but usually not conceptually connect them – which is up to the course convener to do. The efficiency and responsiveness dimensions will then emerge from the factors that the students identify and will be collated by the convener (first 30-45 minutes). The next part of the session will concentrate on locating GM in the E-R-matrix – which needs some orientation in time, as the case covers the move of the firm from the high responsiveness/low efficiency quadrant to the low responsiveness/high efficiency quadrant. Here, GM's actions that actually form the basis for this transformation (incl. the personnel rotation) should be sorted and listed. Students will then quickly realize that GM could have been going to the high/high quadrant (another 30-45 minutes). For the last 45 minutes, the discussion could center on the implications for GM if it had decided for a transnational solution (high/high): what would have been necessary, both in the headquarter and in the subsidiary to bring about this change successfully? Which organizational implications come along with this? Helpful in this discussion is to reflect on the reasons and timing of Tina Mueller's appointment, and her departure.

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

5. Teaching tips

The case illustrates one of the core problems and conceptual frameworks in the International Business/Management field, the efficiency-responsiveness framework (Bartlett & Ghoshal, 1998). It can hence be useful in any class or course that discusses this framework. Typically, this is found in:

- Undergraduate curricula (Bachelor) with an introductory course on "International Business/Management" in 3rd year specialization tracks.
- Graduate courses (Master) on "International Business/Management" as part of a general Business/Management program
- Tutorials or refresher courses in graduate curricula on International Business/Management
- Graduate courses on Strategic Management that include a section or session on international management.

5.1. Use in the university context

- Recommended group size: Up to 4 students.
- Resources: Lecture or seminar room, in the best case with group tables and information or research facilities such as access to the internet.
- Accompanying material: As a lecturer, you decide which material you want to give, when you want to add it or to what extent you want to differentiate internally.
- Adaptation to learning group: This case study is designed for Europe-wide use. However, you can of course adapt or modify it to your learning group and their environment or professional orientation, previous knowledge and competences.

5.2. Role of the lecturer

As a lecturer, you merely take on the role of a learning advisor and moderator when working with the case study. The students should work on the case independently in groups, acquire the necessary knowledge, identify problems and find solutions by themselves. You do not give tasks, instructions or directions. Only if a group of students does not progress and the learning process is prevented, you can act as a learning guide and help through impulses or clarify difficulties in understanding.

5.3. References

This case study deliberately does not include any possible solutions or outcomes, as from a pedagogic point of view, openness to solutions is an important criterion for the learning process. As the lecturer, however, it may still be necessary to know the underlying concepts. Therefore, we would like to provide at least some literature tips:

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

- Bartlett, C. A., & Ghoshal, S. 1998. Managing across borders: the transnational solution (2nd ed.). Boston, Mass: Harvard Business School Press.
- Ghoshal, S., & Bartlett, C. A. (1990). The multinational corporation as an interorganizational network. Academy of management review, 15(4), 603-626.
- Ghoshal, S., & Nohria, N. (1989). Internal differentiation within multinational corporations. Strategic management journal, 10(4), 323-337.
- Kogut, B., & Zander, U. (1993). Knowledge of the firm and the evolutionary theory of the multinational corporation. Journal of international business studies, 24(4), 625-645.
- Kostova, T., Marano, V., & Tallman, S. (2016). Headquarters–subsidiary relationships in MNCs: Fifty years of evolving research. Journal of World Business, 51(1), 176-184.
- Kostova, T., & Zaheer, S. (1999). Organizational legitimacy under conditions of complexity: The case of the multinational enterprise. Academy of Management review, 24(1), 64- 81.
- Wernerfelt, B. (1984). A resource-based view of the firm. Strategic management journal, 5(2), 171-180.

5.4. Questions for reflection

A case study is for students to discover problems themselves, control the learning process and develop their own solutions. Tasks or questions within the case study therefore are unnecessary. These reflective questions should only be asked, if the discussion stops or remains too superficial. They only serve to give new impetus in the final discussion at the end or to open up other perspectives. Ideally, students should consider and discuss these questions and interdependencies/considerations themselves.

- What are the reasons for GM's dismal performance in Europe over the last 20-25 years?
- Which measures did GM take at which point in time to improve its performance in the EU? How do you evaluate these measures?
- How did the changes in GM Europe's top management team influence the turnaround of its European operations? How did they propel them, how did they hinder GM Europe's turnaround?
- How would you envisage GM Europe's role in GM as a transnational corporation? Why did GM exit Europe in 2017? Why not earlier?

Further case studies of this kind, a Manual for your own development of didactically high-quality case studies as well as an Online-Planning-Guide for the digital, cross-location use of case studies in cooperation with other universities and a partner-tool for contacting interested institutions can be found at: https://www.e3cases.uni-koeln.de/en/.

University of Antwerp
Management department
Sascha Albers, Steven van den Oord

CASE

The Long Goodbye of General Motors in Europe

A "Here it is! I knew they would do it!" Matthew slams the newspaper onto the table and grins sheepishly. Mary[2] slowly lowers her Latte Macchiato and looks at the paper's headline: "Opel: The Breakthrough" (see Exhibit 2). Opel, General Motors' (GM) former European subsidiary, is profitable again – just one year after GM sold it to French carmaker PSA Group and after more than 20 years of losses for GM's former subsidiary in Europe (henceforth, GME).

By 2017, when it sold GME, General Motors had sunk some US$20 bn into its European subsidiary. Now, within just one year, the French had achieved what America's largest – and, to many – most iconic carmaker could not accomplish.

As GM's CEO, Mary herself made the decision to sell GME. At GM's helm, she managed to convince both the skeptics in GM's board of directors and the ghosts of her predecessors, not least William C. Durant and Alfred P. Sloan, Jr., who had turned GM into an icon of US American management innovation and proficiency. Her argument has always been that it was better to end this long, humiliating, and expensive European adventure before it sucks the next billion dollars from GM's balance sheet. Rather than competing in a European marketplace with tight margins and low expected growth rates, GM needed to compete in the world's fast-growing markets like China, where customers appear to be more accessible for GM's products.

But here it was. Matthew's triumphant grin is nothing compared to what Mary will hear in the next GM board meeting, so she better be prepared.

"Matthew", she hisses to her personal assistant, "You better do your homework and get me an explanation for this. And I do *not* mean an explanation of why the French manage to turn the company around that quickly. That is none of our business."

Mary was steaming, and the insensitive ears at the surrounding breakfast tables on the executive floor of Chicago's Palmer House Hilton could not avoid noticing. "I want an explanation of why *we* were *not* able to do this! Apparently, our theories-in-use for Opel's dismal performance have just been refuted."

The European car industry

The European automobile market is one of the largest in the world. Even though it is a major market in terms of absolute size, the European market is, just like North America and Japan, a mature market, characterized by flat growth rates and low margins (see Exhibits 3 and 4). This contrasts to the rapidly growing Asian markets, most notably the Chinese market, which has tripled in size over the past decade.

[2] Mary and Matthew are fictitious characters; everything they do, say, and think is fictitious. The characters are used here to allow for an effective class discussion of GM's international strategy.

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

In 2017, 98.9 million motor vehicles were produced globally. Europe's share of global automobile production declined from 33 percent in 2002 to just 10 percent in 2017. This drop has been mainly explained by the rise of China, which has increased its share of global production from 6 percent to 30 percent during the same period.

Automotive analysts describe Europe's car market as highly competitive. The region's six automotive giants (BMW, Daimler, Fiat, Renault-Nissan, PSA, and Volkswagen) together account for roughly 38 percent of the global automobile market. While European manufacturers have been able to extend their grip on their home markets over the last decade, American manufacturers and importers have lost ground (see Exhibit 3).

General Motors

GM was founded by William (Billy) C. Durant. Durant recognized the potential of automobiles over horses and invested in the start-up of the Buick automobile firm. Buick was Durant's springboard for his visionary acquisition spree. By 1900 he had brought together Cadillac, Oldsmobile, and Pontiac. The combination of these four automobile companies merged into what we now know as General Motors.[3]

Back then, Durant's approach contrasted with that of another pioneer in the automotive industry: Henry Ford. Henry Ford founded and incorporated his Ford Motor Company on June 16, 1903. Ford is known for introducing organizational methods for large-scale manufacturing of cars and large-scale management of an industrial workforce using elaborately engineered manufacturing sequences typified by moving assembly lines. By 1914, these methods were known around the world as Fordism. Ford also became well-known for saying, "any customer can have a car painted any color that he wants, so long as it is black."[4]

GM, on the other hand, became famous for a customer-centric marketing strategy introduced by Alfred P. Sloan, which centered on: "a car for every purse and purpose". In its early days, GM's strategy was based on a combination of ingenious marketing, a commitment to innovation, and international diversification. This strategy was aligned with a decentralized organizational structure and a set of processes to sustain them.[5]

The marketing policy was based on Alfred P. Sloan's pricing pyramid, which structured the pricing of its various car brands from the most economic model up to its most luxurious model. The general idea was that customers could follow a type of brand from an economic model towards a more luxurious type

[3] Blank, S. (2018). To Understand the Future of Tesla, Look to the History of GM. *Harvard Business Review*. Retrieved from https://hbr.org/2018/04/to-understand-the-future-of-tesla-look-to-the-history-of-gm.
[4] Ford, H. (2006). *My Life and Work.* Book Jungle.
[5] Garvin, D. A., and Levesque, L. C. (2006). Executive decision making at General Motors. *Harvard Business School Case*, 5-305.

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.
Co-funded by the Erasmus+ Programme of the European Union
e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

as their economic situation improved over time. This would create brand loyalty, as the customer would move up in the ranks over the years.

Aligned with this strategy was GM's focus on innovation, ranging from changes in fleets of brands to particular car parts such as fully automatic transmission. Another example of innovation was the General Motors Acceptance Corporation subsidiary, which involved GM's financial products. Thus, in its early years General Motors was more than just an auto manufacturer. By diversifying its portfolio, it ensured that customers were provided the requested services they needed, from cars, to parts and financing.

Within a decade of GM's inception, the company expanded internationally by entering the British, German, and Australian markets. The was done first by exporting cars, but the company later purchased local automobile companies like the British vehicle firm Vauxhall in 1925, the German Adam Opel AG in 1929, and Australia's Holden in 1931[6].

Although GM's international strategy proved to be successful from the 1960s until the 1990s, its strategy was externally challenged mainly due to a combination of increased international competition and the oil crisis of the 1970s, which made fuel efficiency a more relevant purchase decision criterion. GM lost market share at that time and analysts noted an ineffective struggle to reorganize the multinational company, implementing systemic change.

This ineffectiveness also extended to GM's dealing with suppliers and distributors. GM traditionally employed an arm's length relationship with its suppliers, which boiled down to purchasing a predefined product at the lowest possible price. This arrangement allowed GM to preserve the lowest prices year after year, since the competition between suppliers allowed them to substitute suppliers so that they always received the cheapest product. Over the years, however, squeezing its supplier network came at a price for GM.

Contrary to GM's practice of arm's length relationships, Japanese carmakers used a relational approach based on trust. In this approach suppliers and distributors were treated as long-term partners with creativity and know-how that would help them innovate and increase the value of the final product; suppliers legitimately captured value from this process. GM, by contrast, appeared unwilling and unable to develop such relationships with suppliers and distributors by abandoning its cost pressure strategy; its competitors did, and triumphed in the decades to come as a result.

GM's inability to adapt its company and develop partnerships is clearly illustrated by its struggles related to its Saturn subsidiary.[7] Saturn Corporation, a GM company, was created as a new kind of American carmaker to prove that a different kind of car with American origins could succeed against international competitors.

---

[6] Ibid.

[7] David, H. (2010). How GM destroyed its Saturn success. *Forbes*. Retrieved from https://www.forbes.com/-2010/03/08/saturn-gm-innovation-leadership-managing-failure.html#1dd746136ee3

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning environments: using business case studies in higher education

Saturn's mission was the remedy to GM's root problems; namely, it had a team of people who were committed to both their customers' needs and the company's success. Thus, instead of setting competition as the core value, they simply put collaboration as its mission. However, this would require accountability for results and develop multi-flexibility throughout the value chain so that members and various car parts could work and assist each other, including partners like suppliers and distributors as stakeholders of its success.[8]

Saturn turned out to be extremely successful in the 1990s. However, as the millennium approached, its fortunes turned because GM started to tighten its grip on the subsidiary. Saturn's exceptional status was slowly removed, and it became subject to GM's traditionally more centralized management of its divisions. This traditional management style aimed to maximize synergies and leverage its size as a MNE. GM tried to establish a mix of standardized GM parts with a different label. In doing so, it compromised the Saturn vision of innovating for a different kind of car. Once Saturn had established that it could produce a different kind of American car, it became homogenized by its mother company, despite its initial success.[9]

GM in Europe: Successful market entry and development

General Motors entered the European market in 1911. It produced Chevrolet cars in Copenhagen, Denmark (1923) and Antwerp, Belgium (1925). However, GM's European operations gained momentum with the acquisition of Vauxhall in the UK (1925) and Opel in Germany (1929) – at that time, two key players in their respective markets.

The two GM subsidiaries worked independent with their own product portfolios and development centers. Serious efforts to merge the two companies' operations and product families into one subsidiary did not begin until the 1970s. A direct consequence of this integration was that vehicles built on Opel-based platforms replaced Vauxhall's complete product line.

The establishment of the new GM Europe (GME) subsidiary in Switzerland in 1986 represented a major step in integrating GM's European operations. At the end of the 1980s General Motors also acquired 50 percent ownership in Swedish Saab Automobile and 11 years later became its sole owner (2000). General Motors also became involved with Fiat Automobiles S.p.A in 2000.

Emerging Problems in Europe (1998–2008)

General Motors Europe (GME) was established in 1986 to merge various product lines and develop a series of common platforms from which a range of vehicles could be derived. With its HQ in Zurich, Switzerland, GME included various European factories located in Belgium, Germany, Hungary, Poland, Spain, Sweden, Russia, and the UK.

---

[8] Ibid.
[9] Ibid.

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

Although the creation of GME allowed for possible synergies among factories and brands, it also created tensions among three HQs: Detroit (GM), Zürich (GME), and Russelsheim (Opel as its foremost German brand). This became apparent when, in the last weekend of October 1998, a statement was issued through GME in Zurich that stated:

Hans Willhelm Gäb, 62, vice-president of GM Europe and chairman of Opel's supervisory board, is leaving Opel after 18 years owing to differing perceptions of the company's business strategy[10].

Gäb's departure left General Motors with a headache and was, in particular, a huge blow to Opel. Shortly prior to this, Gary Cowger had been recalled to Detroit after only four months as CEO of Adam Opel AG. Cowger, a manufacturing expert who had previously run GM Mexico,[11] departed on a special mission to patch up labor relations in the US after the damaging United Autoworkers strike of 1998, which cost the firm more than $2bn in lost output.[12] Unofficially, however, the appointment of Gary Cowger as a non-German was received poorly in Germany, which has always been very protective of its car industry and still regards Opel as German despite decades of US ownership.[13]

Rather than building synergies and integrating Europe into GM as a multinational enterprise, GME became a political playing field, with GM executives aiming to tighten control of their Opel subsidiary, shifting power away from the Germany subsidiary. Such a power play was illustrated by the various clashes between Louis Hughes (president of Zurich-based GM International Operations, another division of GM) and David Herman, Opel's chairman and managing director from 1992–1998.

When Hughes was an executive of GM International Operations, Opel executives accused him of losing sight of Opel concerns and robbing Opel of manpower and investment to further GM's global expansion.[14] Rather than focusing on internal German competition of the likes of Volkswagen (VW), Hughes instead pushed GM into developing markets. Because of this, Opel engineers became overworked and too thinly spread, having had to carry GM's aspirations.[15]

However, the German subsidiary, which is based in one of GM's largest markets in Europe, oversees vast manufacturing operations stretching across Europe. This provides the subsidiary, and the Opel boss in particular, with some leverage. Hughes was mainly criticized for not spending enough at Opel to deal effectively with a resurgent VW in Europe. Following a McKinsey & Co. report (autumn 1998) interviewing 60 senior GM Europe and GM International executives, the conclusion was clear:

---

[10] Garfield, A. (1998). Head of Opel quits over GM strategy. *Independent*. https://www.independent.co.uk/-news/business/head-of-opel-quits-over-gm-strategy-1180767.html

[11] Kurylko, D., T. (2001). Why it's so hard to run Opel. *Automotive News Europe*. Retrieved from https://europe.autonews.com/article/20010129/ANE/101290838/why-it-s-so-hard-to-run-opel

[12] Garfield, A. (1998). Head of Opel quits over GM strategy. *Independent*. https://www.independent.co.uk/news/-business/head-of-opel-quits-over-gm-strategy-1180767.html

[13] Ibid.

[14] Kurylko, D. T. (2001). Why it's so hard to run Opel. Automotive News Europe.

[15] Johnson, R. and Kurylko, D. T. (1998) Hughes on hot seat as GM Europe cools. https://www.autonews.com/article/-19980202/ANA/802020716/hughes-on-hot-seat-as-gm-europe-cools

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.
Co-funded by the Erasmus+ Programme of the European Union
e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

Confusion in the ranks and divisions within GM's multilayered European operations ran deep[16].

The McKinsey consultants concluded that roles and responsibilities were not clear; the organizational structure was confusing; goals were conflicting and management performance tools were poor; and executives lacked the skills to manage GME's complex matrix organization.[17]

These clashes to gain power eventually led to the dismantling of the Hughes-led GM International Operations. Hughes left Europe in 1998 and later resigned from GM; Herman (Opel's boss) was appointed (read: demoted) as vice president of GM in Russia. From the early 2000s onwards GM started to report loss after loss. Not only did this lead to dark red numbers, but also caused a (drastic) period of cost cutting, reorganization, and experimentation to turn around GM's European operations (see Exhibit 1).

In 2000 GM launched the Olympia project with the aim of reviving Opel through a comprehensive makeover on various fronts. It focused on developing more innovative products combined with a new and integrated marketing and communications approach. The project would cut 15 percent of Opel's production capacity (c. 300,000 cars p.a.) in an effort to reduce costs and restructure its suppliers and distribution network. Opel was charged with aggressively capturing downstream revenue opportunities and generating revenue and cost improvements in excess of 2 billion Euros over two to three years until 2003.

However, some would argue that inefficiency was not the main issue of why GME in general and Opel in particular were struggling. In line with the Olympia project, GME also merged Opel with Saab. By merging Opel and Saab, GME aimed to create a single European organization for all of its European operations, eliminating redundancies and reducing costs of its European operations. GME then mirrored GM's North American structure where it had recently combined separate divisions' engineering staff into a single corporate engineering unit recently.[18]

Saab's development mirrors Saturn's story in the US: When GM purchased a 50 percent stake in the company in 1989 it bought a car brand that was special in many ways. Saab occupied a niche of luxury cars, despite many changes in ownership over the years. It would soon become apparent, though, that Saab and GM were never bound to work.[19]

Initially, the partnering seemed perfect because Saab would gain access to a massive dealer network in the US, and GM would gain a foothold in the European luxury market, which was already booming by the time of the acquisition. However, there was a severe cultural mismatch. Whereas Saab was known

[16] Johnson, R. and Kurylko, D. T. (1998) Hughes on hot seat as GM Europe cools. https://www.autonews.com/-article/19980202/ANA/802020716/hughes-on-hot-seat-as-gm-europe-cools

[17] Ibid.

[18] Richard J. and Auer, G. (2003). GM merges Opel, Saab product units. Automotive News Europe.

[19] Szymkowski, S. (2015). Why the General Motors and Saab acquisition was doomed from the start. *GM Authority*. Retrieved from https://gmauthority.com/blog/2015/03/why-the-general-motors-and-saab-acquisition-was-doomed-from-the-start/

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

for operating "outside of, around, hell even forgetting the box"[20], GM was a totally different animal. Saab strived to become the first manufacturer to include a turbocharger to enhance performance of a mainstream vehicle. It crafted striking yet aerodynamic designs, building a reputation that for every bad idea Saab had throughout its manufacturing career, it had one good – and often quite brilliant – idea. [21]

However, GM envisioned that Saab would become a rebadged Opel, something Saab would fight to the bitter end. Slowly but steadily, Saab was losing its turf to the corporate powerhouse of GM.[22] GM pressured the company to begin badge-engineering existing European GM cars for future models. Much like the crossover between Buick/Pontiac/Oldsmobile models in the American market, GM wanted future Saabs to be little more than rebadged German Opels.[23]

By 2002, Saab's Opel-based cars had become a global sales disaster and the company was losing over $500,000 a year. Even though Saab kept its headquarters in Trollhättan, it was not immune to GM's woes in Detroit. Unlike the long-lasting success of the older cars, the GM-based models were poorly engineered and unreliable and GM was reluctant to invest money in the development of new models. By the time the Global Financial Crisis (GFC) hit in 2007, Saabs had already developed a reputation for being outdated, unreliable, and uncompetitive cars in the hard-hit global luxury segment, and the company was on the chopping block.[24]

The Swedish Saab, known as the brand for individualists, was fully integrated into the larger GM structure. In the aftermath, it lost its mostly loyal customers, as it was just producing marginally disguised mass-models such as the Opel Vectra under the Saab label, as the German *Auto Zeitung* put it.[25]

Over the years, the conflicts between the heads of Opel and GM Europe remained—especially regarding politics and corporate and subsidiary strategy. GM appointed a series of US executives who were commercially highly qualified and experienced, but mostly lacked specific experience, knowledge, and intercultural awareness towards Europe and its different political, social, and cultural environments. Internally this included an oversight of the importance of dedicated engineering skills and expertise for the European top jobs, as non-engineer executives faced extra-legitimacy burdens in the proud, engineering-dense, and engineering-driven European car manufacturing organizations.

In another reconciliation attempt in 2001, the American Robert Hendry – the sixth person to run Opel in 20 years – was replaced by Carl-Peter Forster two years before Hendry's contract expired. Carl-Peter

---

[20] Szymkowski, S. (2015). Why the General Motors and Saab acquisition was doomed from the start. *GM Authority*. Retrieved from https://gmauthority.com/blog/2015/03/why-the-general-motors-and-saab-acquisition-was-doomed-from-the-start/
[21] Ibid.
[22] Ibid.
[23] Sapienza, James, Derek. (2016). Why GM's reinvention of Saab failed. Retrieved from https://www.motorbiscuit.com/heres-why-gms-reinvention-of-saab-didnt-work/
[24] Ibid.
[25] Auto Zeitung (2014). Warum Automarken verschwinden. Retrieved from https://www.n-tv.de/auto/Warum-Automarken-verschwinden-article12416571.html

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

Forster, a former head of manufacturing for BMW, was brought into the job, the first German chairman in 12 years, following four Americans. The last German to head Opel before Forster had Horst Herke (chairman from February 1986 until March 1989), who took over from legendary executive Ferdinand Beickler, chairman from 1982 to 1986. Beickler was preceded by six Americans, including former GM Chairman Robert Stempel.[26]

However, as one senior Opel executive reportedly said, the company's CEOs struggle is not because they are Americans, but because they are not engineers. Opel lacks engineering skills in its top management. Back then, highly qualified engineers could only be found at the third level down from the top. Although the CEOs are usually American, the passport matters less than the background, as this will determine whether they will stay only for a short period of time and therefore employ short-term objectives that are narrow focused on their own career, rather than Opel's future.[27]

A lack of skills was illustrated when Chevrolet was brought back to Europe in 2005[28] to turn GME around (see Exhibit 1). The idea behind reintroducing Chevrolet in Europe was to sell small budget cars produced by GM Daewoo in Korea (GM had acquired Daewoo in 1998). This would make it possible to address new customer segments with GM's extended dealer network and infrastructure without – so the idea went – causing development costs in Europe. The Chevrolet branded Daewoos, but did not capture significant market share. Competition was tight from Hyundai, Skoda and Renault's Dacia, and the combination of the iconic US brand Chevrolet with small compact cars irritated European customers.[29] The consequential attempt to target a higher price class with Chevrolet put them in competition with GM's own Opel brand, which led GM to finally drop Chevrolet in Europe (for the moment).

In 2006, GME posted its first full year of profitability since 1999, with adjusted earnings of $227 million (following a reported net loss of $225 million in 2006). Contributing to GME's improved performance during the year was strong revenue growth, with record sales of over 2 million units and "continued structural cost reductions". But then the GFC hit in 2007. GM reported a historical loss of US$38.7bn for the 2007 financial year and another $30.9bn for 2018. It was granted state aid by the US government of US$13.4bn in 2008, and an additional EUR3.3bn for Opel from the German government. GM cut 35,000 jobs worldwide. It eliminated various brands from its portfolio, sold Saab, and was about to also sell Opel to Canadian multinational Magna International. GM filed for Chapter 11 protection in 2009 and was put under state control (mostly in US and Canada). However, it reemerged as the "New GM" in 2009. The sale of Opel was stopped – Europe was deemed too strategic to leave.

---

[26] Ibid.

[27] Ibid.

[28] Edward Taylor and Arno Schuetze (2013). Reuters. Retrieved from: https://www.businessinsider.com/chevy-in-europe-is-dead-2013-12?international=true&r=US&IR=T

[29] Auto Zeitung (2014). "Warum Automarken verschwinden", retrieved from https://www.n-tv.de/auto/Warum-Automarken-verschwinden-article12416571.html

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

The New GM: After the GFC (2009-2016)

In June 2011, GM was again open to selling its Opel division. A major overhaul of the operation again failed to bring Opel back to profitability and there was increased competition in the European market. GME posted losses in 2010 and 2011. However, the sluggish performance could say more about the European car market than about GM. GM responded by forming an alliance with PSA, the French manufacturer of Peugeot and Citroen cars. While the two companies would continue to compete against each other, they aimed to leverage their combined $125 billion of purchasing power to pressure suppliers and keep costs down. This alliance was estimated to save a combined $2 billion per year within five years.

In 2012, GME brought Chevrolet (again) back to Europe, this time with PSA as a local European partner. GM acquired a 7 percent stake in PSA, signaling its commitment to this new strategic maneuver. However, the alliance between the two companies remained short-lived. GM decided to sell its shares again in 2014, but the relationship between the companies continued as a sales and technology alliance afterwards.

Despite these fruitful efforts, GME was still not able to turn its European operations around. The main cause was not so much the European market conditions, but its internal organization and strategy. In fact, HQ in Detroit restricted Opel to expand globally because of its risk that the European brands would be too competitive. As such, whereas Volkswagen and other European brands could benefit from growing markets such as China, GME and in particular Opel did not. Meanwhile in Europe, car sales were stagnating due to market saturation and low margins creating negative results for both Opel and GME.[30]

In 2013, still during the reign of Mary's predecessor at GM, Karl-Thomas Neumann was hired as executive vice president in charge of Europe. Neumann, a former Volkswagen executive, drove change along two key axes. First, he pushed for heavy investment in new models as well as a new design language for the entire lineup. Second, he made consistent and local marketing a top priority again. He enlisted Tina Müller as a member of the Board of Management, responsible for the newly created board function of brand management, and chief marketing officer at Adam Opel AG. Müller was a specialized and highly effective marketing veteran, albeit without background in the automotive industry. At the time of her appointment, Müller had accumulated 20 years of experience in the cosmetics and fast-moving consumer goods industries: after entry positions at L'Oréal and Wella (now part of P&G), she had climbed the career ladder at Germany's Henkel KGaA, a world leader in glues and adhesives, detergents – and cosmetics. In her 17 years at Henkel cosmetics, she drove several highly successful new brand and product introductions (such as the Syoss hair care product line) and eventually reached

[30] van der Vaart, J.(2012). Amerikaanse Moeder geeft Opel geen enkele ruimte. *NRC*. Retrieved from https://www.nrc.nl/nieuws/2012/03/01/amerikaanse-moeder-geeft-opel-geen-enkele-ruimte-12267288-a335872

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e³Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

the position of executive vice president cosmetics. Therefore, her appointment – as a non-automotive consumer goods marketing specialist – at Opel was remarkable, and observers were positively attentive to what she could accomplish for the struggling company.

Müller's strategy started with a fundamental repositioning of the sluggish Opel brand. During its ailing years, Opel came to signify inconsistency in product policy, quality, and design; through the negative news on plant closures, layoffs, and restructurings, customers were insecure about the future service and maintenance of Opel cars, which negatively impacted purchase decisions. Müller's idea was to reset people's minds with regard to Opel. Indeed, the advertising campaign "Umparken im Kopf" (literally "repark your mind") turned out to be highly successful in Germany, Opel's home and biggest European market. Müller chose to start the campaign with some mystery, as it only became clear after a couple of months that the ubiquitous "Umparken im Kopf" posters and clips related to Opel (they were published without revealing what should be rearranged in customer's minds and without showing any product or company name or logo). The campaign actually played with Opel's unfavorable brand image as a starting point. The award-winning campaign ran from early to late 2014 and lifted Opel's brand perception significantly.[31] Müller complemented the campaign by further unusual yet high-publicity moves; for example, she enlisted fashion czar Karl Lagerfeld to photograph the fifth-generation Opel Corsa model.

Along with Müller's marketing efforts came a technical and an innovation boost. The revamped Insignia sedan and the new Astra compact cars were well received by the European automotive press. The Astra won the prestigious "Golden Steering Wheel" award in 2015. In total, Opel planned to launch eight new models in the 2014–2016 period; as the influential German *Auto Zeitung* wrote, "Opel is getting brave. The bold 'Umparken im Kopf' ad campaign attracted a lot of positive attention, and now there are several attractive models coming from Opel's pipeline."[32] Opel sales were picking up again, and a 2015 headline in *Fortune* read, "GM's Opel is starting to shine again in Europe".[33]

The exit (2017)

Despite these positive signals, GM sold its money-losing European business to French carmaker PSA Group in 2017. The deal made PSA the second-largest automaker in Europe behind Volkswagen Group, comprising 11 manufacturing facilities and one engineering center that collectively employ about 40,000 people. GM incurred a noncash accounting charge of $4–4.5 billion as a result of the sale.[34]

---

[31] See Tina Mueller in this brief report (in German): https://www.youtube.com/watch?v=GmndAmGR7Ww

[32] Auto Zeitung (15/04/2014). Retrieved from https://www.autozeitung.de/opel-corsa-2014-astra-2016-adam-rocks-neue-modelle-in-der-vorschau-77716.html#

[33] Levin, D. (2015). GM's Opel is starting to shine again in Europe. *Fortune*. (March 10, 2015). Retrieved from http://fortune.com/2015/03/10/opel-europe-gm/

[34] Overly, S. (2017). General Motors pulls back from European auto market. *The Washington Post*. (March 6, 2017).Retrieved from https://www.washingtonpost.com/news/innovations/wp/2017/03/06/GeneralMotors-sells-car-brands-Vauxhill-Opel-in-Europe-to-PSA-Group/

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

The *Detroit News* explained that "GM's vehicle portfolio is highly car-centric in Europe at a time when buyers prefer SUVs and crossovers. GM would have to spend significantly to refocus its lineup. It has small profit margins in the region compared to North America and China. And carmakers in Europe face regulatory uncertainty because of Volkswagen's diesel emissions cheating scandal and the need to invest substantially more in electric vehicles."

GM and PSA Group, which had partnered in an alliance since 2012, had been in discussions for several months on the sale. The maker of Peugeots and Citroens will be able to sell cars in the US after it converts to the new platforms. In doing so, PSA Group will gain large economies of scale with the acquisition, along with synergies in purchasing, manufacturing, and research and development. It expects annual savings of $1.8 billion by 2026. With Opel and its sister Vauxhall brand in the UK, PSA will have about 17 percent market share in Europe, putting it second in the region behind Volkswagen AG.[35]

Mary Barra, GM's CEO, told analysts that selling Opel-Vauxhall will strengthen GM's overall core business, unlock significant value for their shareholders, and help deploy resources to more profitable efforts such as advanced technologies. GM will gain approximately $1 billion in capital spending money with the sale and it plans to focus on more profitable markets and products, as well as new technologies like electric cars, fuel cells, and autonomous vehicles.[36]

In an interview conducted after the sale went through, the then-Opel CEO answered freely on the ever-present tension between Opel and its former mother company. "For a while we used the phrase that 'Paris is closer to us than Detroit ever was', meaning our car design and management of the European market is now developed exclusively in Russelsheim and not anymore in the US or South Korea[37]." GM's authoritarian inclinations to outsource parts of Opel's development and design to other parts of the world did not do the company any good. But the revival of Opel can be considered as an example of the fact that autonomy in the life of the individual or company has a value that pays off, as was recently shown by Opel's improved performance data. Freedom – which is the best that can be said about it in times of capitalism – is not only exhilarating, but also profitable.[38]

A report for Mary

Matthew closes the door of his hotel room, turns his back towards the door, and slowly slumps to the ground. That was some scene that Mary had made at breakfast. But he could not avoid recalling the calls and meetings that he was organizing for Mary to get everyone "aligned" on the PSA deal to sell GM's European operations. Skepticism all around and, yes, most of it fueled by pride and pathos about GM's

35 Burden, M. (2017). GM exits Europe with Opel-Vauxhall sale. *The Detroit News* (March 6, 2017). Retrieved from https://eu.detroitnews.com/story/business/autos/general-motors/2017/03/06/gm-opel-psa-sale/98783864/

36 Ibid.

37 *Steingart's Morning Briefing*, Opel: Der Durchburch. 19/03/2019

38 Burden, M. (2017). GM exits Europe with Opel-Vauxhall sale. *The Detroit News* (March 6, 2017). Retrieved from https://eu.detroitnews.com/story/business/autos/general-motors/2017/03/06/gm-opel-psa-sale/98783864/

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

global ambition and tradition. On the other hand, he has always been impressed by Mary's clear thinking, decision-making and straightforward steps towards implementation. And she had a lot of good points in favor of her "leave scenario" (a propos leave – not least with regard to the British initiative to leave the European Union).

But here was PSA and they turned it around. Just like that. What did we miss at GM? How was it possible that we almost sunk our European subsidiary? If a different owner can make it profitable again within a year, it cannot be the subsidiary alone that is responsible for the former dismal performance. And if GM is to maintain the rest of its global ambition, and eyes the growing markets, we should certainly avoid running into similar traps. So, we need to understand what went wrong in Europe. For GM's future. For us. And so he started working on his report for Mary…

MATERIAL

Exhibit 1: The ever-promised turnaround by GM in Europe

Years	Extracts from GM's annual reports since 2000 promising a turnaround in Europe is around the corner (retrieved from Karaian 2017)
2000	"The decrease in GME's 2000 adjusted income from 1999 was due to the weakening of the European industry, a shift in sales mix from larger, more profitable vehicles to the smaller, less profitable entries, a continued increase in competitive pricing pressure, and a decrease in wholesale sales volume which was further impacted by the reduced availability of the new Corsa during the launch period."
2001	"The increase in GME's 2001 adjusted loss from 2000 was due to a continued shift in sales mix from larger, more profitable vehicles to smaller, less profitable entries, as well as a decrease in wholesale sales volume and continued competitive pricing pressures."
2002	"During 2001, GM Europe announced its plan to turn around its business … These initiatives include, among other things, reducing GME's manufacturing capacity, restructuring the dealer network in Germany, and redefining the way vehicles are marketed. These initiatives resulted in a decrease to GM's pre-tax earnings."
2003	"While we made progress in Europe last year, we were slowed by a stagnant economy and increased competition. Our market share increased slightly on the strength of new products, but we fell well short of our goal to break even on the bottom line."
2004	"GM Europe's losses grew as competition intensified and pricing deteriorated further. In order to address our high-cost position, we reached an important agreement in December with our European labor unions on a major restructuring plan that will help GME significantly improve our cost-competitiveness."
2005	"In the tough European market, our turnaround remained on track. GM Europe cut its losses significantly based on good consumer acceptance of our new vehicles and strong progress on our cost restructuring initiatives. We expect continued improvement in 2006."
2006	"The GME turnaround plan remains on track, and we expect to see more progress in 2007."
2007	"GME recorded restructuring charges of $437 million in 2006. These charges consisted of separation and contract costs for several restructuring initiatives."
2008	"The decline of industry vehicle sales reflects the direct effect of the recession in Western Europe and the indirect effect of the tightening of credit markets, volatile oil prices, slowdown of economic growth and declining consumer confidence around the world. In the short-term, we anticipate quarterly industry vehicle sales to remain below levels reported in the prior 24 months."

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

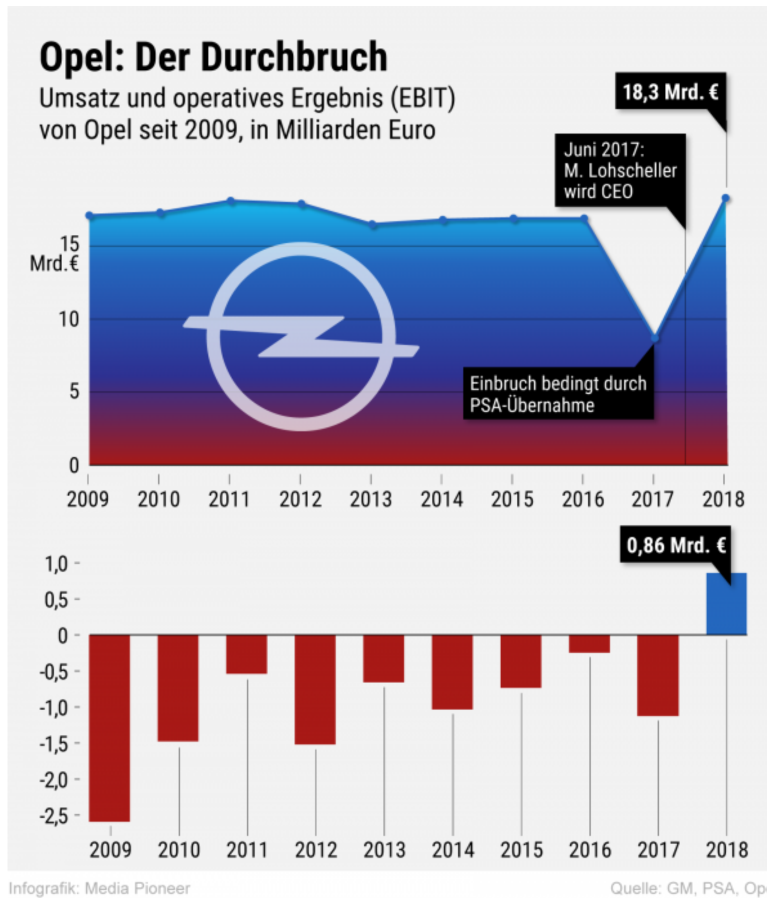
Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education

2009	"To the extent our liquidity is not available to finance the Opel/Vauxhall operations and Adam Opel fails to secure government-sponsored financing or other financing, the long-term viability of the Opel/Vauxhall operations could be negatively affected."
2010	"In June 2010 the German federal government notified us of its decision not to provide loan guarantees to Opel/Vauxhall. As a result, we have decided to fund the requirements of Opel/Vauxhall internally, including any amounts necessary to fund the $1.4 billion in cash required to complete the European restructuring program."
2011	"Our business plan contemplates that we restructure our operations in various European countries, and we are actively working to accomplish this."
2012	"We believe it is likely that adverse economic conditions, and their effect on the European automotive industry will not improve significantly in the short-term and we expect to continue to incur losses in the region as a result."
2013	"We believe it is likely that adverse economic conditions and their effect on the European automotive industry will not improve significantly in the near-term; however, we expect to break even in GME by mid-decade."
2014	"The automotive industry conditions in Europe remain challenging due to economic uncertainty resulting from weak gross domestic growth, high unemployment and vehicle production overcapacity … We expect the European automotive industry to continue to moderately improve and we expect to be profitable in GME in 2016."
2015	"We continue to implement various strategic actions to strengthen our operations and increase our competitiveness … As a result we intend to break even in GME in 2016."
2016	"Despite the improvements we experienced through most of 2016 we were unable to overcome the impacts of the U.K. referendum vote to leave the European Union … We anticipate the impacts of Brexit to continue through 2017."

University of Antwerp
Management department
Sascha Albers, Steven van den Oord

Exhibit 2: Opel's Breakthrough (Source: *Steingart's Morning Briefing*, 19/03/2019)



Translation:
Title: "Opel: The Breakthrough"
Subtitle: "Revenues and operational performance (EBIT) of Opel since 2009, in EUR billions"

Blackboxes from top to botton:

- "18.3 billion EUR"
- "June 2017: M. Lohscheller becomes CEO"
- "Collapse due to the PSA acquisition"
- "0.86 Billion EUR"

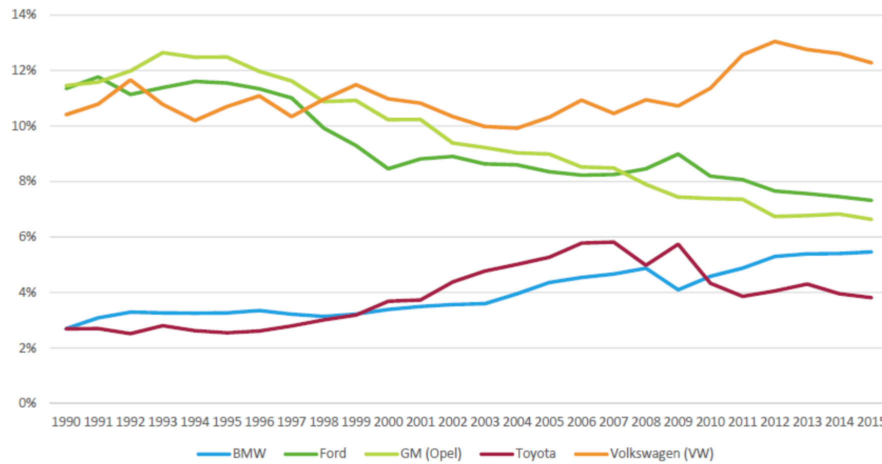
The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e³Cases europe e-learning education
innovative online learning environments: using business case studies in higher education

University of Antwerp
Management department
Sascha Albers, Steven van den Oord

Exhibit 3: Market Share Development of Selected Brands in the EU



Source: ACEA European Automobile Manufacturers Association

See also The Automobile Industry Pocket Guide (ACEA), available at

https://www.acea.be/uploads/publications/POCKET_GUIDE_2015-2016.pdf

https://www.acea.be/uploads/publications/ACEA_Pocket_Guide_2016_2017.pdf

https://www.acea.be/uploads/publications/ACEA_Pocket_Guide_2017-2018.pdf

https://www.acea.be/uploads/publications/ACEA_Pocket_Guide_2018-2019.pdf

Exhibit 4: List op 10 top-selling car models in Europe

List of the 10 Top-selling car models in Europe in 2015. Source: www.best-selling-cars.com

	Make & Model	Cars sold in 2015	% Change	Cars Sold in 2014
1	Volkswagen Golf	533,584	3	520,958
2	Ford Fiesta	314,432	2	308,999
3	Renault Clio	305,305	1	300,924
4	Volkswagen Polo	301,817	8	280,378
5	Opel / Vauxhall Corsa	269,765	7	252,42
6	Ford Focus	234,442	5	222,834
7	Nissan Qashqai	232,176	14	204,2
8	Peugeot 208	229,767	7	215,312
9	VW Passat	228,113	49	
10	Skoda Octavia	218,095	6	206,362

List of the 10 Top-selling car models in Europe in 2017. Source: www.best-selling-cars.com

	Make & Model	Cars 2017	Cars 2016	% Change 16/17
1	Volkswagen Golf	483,105	492,952	-2
2	Renault Clio	327,395	315,115	4
3	Volkswagen Polo	272,061	308,561	-12
4	Ford Fiesta	254,539	300,528	-15
5	Nissan Qashqai	247,939	234,34	6
6	Peugeot 208	244,615	249,047	-2
7	VW Tiguan	234,916	180,198	31
8	Opel / Vauxhall Corsa	232,738	264,844	-12
9	Skoda Octavia	230,116	230,255	0
10	Opel / Vauxhall Astra	217,813	253,483	-14

List of the 10 Top-selling car models in Europe in 2018. Source: www.best-selling-cars.com

	Make & Model	Cars 2018	% 17/18	Cars 2017	Cars 2016
1	Volkswagen Golf	445,754	-8	483,105	492,952
2	Renault Clio	336,268	2	327,395	315,115
3	Volkswagen Polo	299,92	10	272,061	308,561
4	Ford Fiesta	270,738	6	254,539	300,528
5	Nissan Qashqai	233,026	-6	247,939	234,34
6	Peugeot 208	230,049	-6	244,615	249,047
7	VW Tiguan	224,788	-5	234,916	180,198
8	Skoda Octavia	223,352	-3	230,116	230,255
9	Toyota Yaris	217,642	9	199,182	193,969
10	Opel / Vauxhall Corsa	217,036	-7	232,738	264,844

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Co-funded by the Erasmus+ Programme of the European Union

e3Cases europe e-learning education
innovative online learning enviroments: using business case studies in higher education