

Profitability and Market Competitiveness of the Electric Vehicles Geely Auto

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ABSTRACT

This study investigates the factors influencing the profitability and market competitiveness of Geely Auto within the electric vehicle sector. Using a qualitative research design, data were gathered through interviews with ten industry professionals, including managers, analysts, and supply chain experts familiar with Geely's strategic operations. Thematic analysis of the interview responses revealed five factors shaping Geely's competitive positioning: aggressive pricing strategies, supply chain integration and partnerships, innovation in smart technologies and green initiatives, market adaptation and customer engagement, and financial monitoring with strategic investment. The findings suggest that Geely's success in the evolving electric vehicle market is driven by its ability to integrate cost-effective strategies with technological innovation and market responsiveness. The study concludes that a multi-faceted strategic approach, emphasizing both operational efficiency and market-driven decision-making, is essential for maintaining profitability and competitive advantage in the dynamic global EV industry.

KEYWORDS

Electric Vehicles; Profitability Strategies; Market Competitiveness; Strategic Management

1. INTRODUCTION

The global automotive industry is undergoing a profound shift fueled by the rise of electric vehicles (EVs), shifting consumer preferences, and increasing environmental regulations. In this evolving market, Geely Auto has positioned itself as a leading Chinese manufacturer aiming to expand its profitability and market competitiveness within the electric vehicle segment. Geely's strategy reflects the broader industry transformation, where firms leverage both internal capabilities and external market opportunities to remain competitive (Teece, 2019) [4].

One critical factor affecting profitability in the EV industry is vertical cooperation across the supply chain. Collaborative strategies between manufacturers, suppliers, and distributors are especially influential under intense brand competition, shaping pricing policies and market positioning. Effective supply chain coordination is found to enhance competitiveness and financial performance in the electric vehicle sector (Fan et al., 2021) [1].

Another key aspect is the adoption of innovative pricing models for electric vehicle charging services. Pricing strategies based on demand responsiveness can significantly influence consumer behavior and profitability outcomes. Research indicates that dynamic pricing approaches are increasingly essential for maximizing revenues and securing competitive advantage in this sector (Lai et al., 2023) [2].

Moreover, profitability extends beyond traditional sales and is influenced by participation in emerging energy and regulation markets. Electric vehicle aggregators benefit economically when

they effectively manage participation in these markets while addressing operational factors like battery degradation (Zheng et al., 2022) [3].

In addition, sustaining profitability in a competitive market environment requires a balance between pricing strategies and green investments. Companies must navigate market competition by integrating sustainable practices and strategic pricing while considering leadership roles within supply chain channels (Adnan et al., 2023) [5].

While existing studies have provided valuable insights into supply chain collaboration (Fan et al., 2021) [1], charging service pricing (Lai et al., 2023) [2], energy market participation (Zheng et al., 2022) [3], dynamic industry capabilities (Teece, 2019) [4], and competitive pricing strategies (Adnan et al., 2023) [5], most research focuses on industry-wide analysis or broader market dynamics. There is a noticeable lack of studies that specifically analyze how a single firm navigates these competitive factors to enhance its profitability and market competitiveness within the electric vehicle segment. Current literature seldom addresses how Geely's strategic decisions, particularly in supply chain coordination, pricing mechanisms, and market adaptation, influence its competitive position and financial outcomes in the fast-evolving EV market.

This research gap emphasizes the need for a focused examination of Geely Auto's profitability strategies and market competitiveness in the context of electric vehicles.

2. METHODOLOGY

This study adopts a qualitative research approach to explore the factors influencing the profitability and market competitiveness of Geely Auto in the electric vehicle sector.

Data are collected through semi-structured interviews with 10 informants, including industry experts, business analysts, and managers within the electric vehicle sector, particularly those with knowledge of Geely Auto's operations. The interview questions are designed to explore topics such as supply chain collaboration, pricing strategies, participation in energy and regulation markets, and investment in sustainable technologies. The semi-structured format allows for flexibility, enabling respondents to elaborate on their experiences and provide insights beyond the predefined questions.

Purposive sampling is employed to select ten respondents who have direct experience or professional knowledge of the electric vehicle industry and Geely Auto's business strategies. It ensures that the participants possess relevant expertise, contributing to the depth and relevance of the data collected.

Interviews are conducted either face-to-face or via online platforms, depending on the respondents' availability. With consent, all interviews are recorded and transcribed verbatim for analysis. The data are then subjected to thematic analysis, which allows the researcher to identify recurring themes, patterns, and strategic insights from the interview responses. This method facilitates a systematic interpretation of the qualitative data, ensuring that the findings reflect the actual experiences and perspectives of industry professionals.

Throughout the research process, ethical considerations are strictly observed. All participants are informed of the study's purpose, assured of the confidentiality of their responses, and reminded of their right to withdraw from the study at any time.

3. RESULTS AND DISCUSSION

Table 1. Themes of The Findings

Theme	Freq.	Sample Responses
Pricing Strategy and Market Positioning	3	Geely employs competitive pricing and strategic positioning to capture market share and sustain profitability.
Supply Chain Integration and Partnerships	3	Strong supply chain collaboration and partnerships, including with charging networks, enhance operational efficiency.
Innovation in Smart Technologies and Green Initiatives	2	Investments in smart in-car technologies and green initiatives support market competitiveness and long-term profitability.
Market Adaptation and Customer Engagement	1	Adapting products to regional markets and engaging customers through partnerships expand market reach.
Financial Monitoring and Strategic Investment	1	Profitability is monitored through ROI analysis and strategic investments in response to market dynamics.

The thematic analysis of the interviews with industry professionals shows in table 1 identified five themes that define the factors influencing Geely Auto’s profitability and market competitiveness in the electric vehicle sector. The themes reflect the strategic priorities and market responses observed within the company and provide insights into its positioning in a highly competitive industry.

The first theme, Pricing Strategy and Market Positioning, emerges as a central factor in Geely’s approach. Cited by three respondents, this theme highlights Geely’s deliberate use of aggressive pricing strategies to position its electric vehicles competitively against rivals. Geely aims to capture a broader customer base, especially in China’s price-sensitive markets. This strategic positioning not only attracts cost-conscious buyers but also reinforces Geely’s market presence across various segments.

The second dominant theme is Supply Chain Integration and Partnerships, also emphasized by three respondents. Geely’s strong coordination with suppliers and strategic partnerships are seen as critical to its operational efficiency and cost control. Through close supply chain cooperation, Geely reduces production costs, stabilizes supply, and ensures timely market delivery. These partnerships also extend to service providers, such as charging station networks, which enhance customer convenience and expand market reach.

The third theme, Innovation in Smart Technologies, and Green Initiatives, noted by two respondents, underscores Geely’s investment in technological innovation and sustainability. The company’s focus on developing smart in-car systems and engaging in green initiatives like battery recycling and participation in energy markets strengthens its appeal to tech-savvy and environmentally conscious consumers. The innovations serve as competitive differentiators, enhancing both market competitiveness and long-term profitability.

The fourth theme, Market Adaptation and Customer Engagement, reflects Geely’s responsiveness to regional market demands and its emphasis on localized strategies. Through tailoring product features and marketing approaches to fit specific regional preferences, Geely effectively meets the unique needs of different customer groups across China. Moreover, the company’s proactive customer engagement efforts further support its competitive positioning.

Finally, Financial Monitoring and Strategic Investment, although cited by fewer respondents, plays a critical role in sustaining profitability. Geely’s practice of continuously monitoring return on investment for its models and adjusting strategies accordingly demonstrates a data-driven approach

to market adaptation. Strategic investments are made based on performance analytics, allowing the company to respond effectively to market fluctuations and competitive pressures.

Overall, the findings suggest that Geely Auto's profitability and market competitiveness are not driven by a single factor but by an integrated strategy that combines pricing tactics, supply chain efficiency, technological innovation, market responsiveness, and financial discipline.

4. CONCLUSION AND RECOMMENDATIONS

Geely's deliberate use of aggressive pricing enables it to capture a significant market share in China's highly competitive EV market, while strong partnerships and supply chain coordination enhance operational efficiency and cost control. Investments in smart technologies and sustainable practices further strengthen its brand appeal and long-term profitability. Additionally, Geely's responsiveness to regional market preferences and continuous monitoring of financial performance allow the company to adapt swiftly to market demands and competitive pressures. Collectively, these interconnected strategies demonstrate Geely Auto's ability to maintain a competitive position and sustain profitability in the evolving landscape of the global electric vehicle industry.

Based on the study's findings, it is recommended that Geely Auto continue refining its aggressive pricing strategies while ensuring value-added features that appeal to diverse market segments. Strengthening supply chain collaborations and expanding strategic partnerships, especially in the areas of charging infrastructure and green energy initiatives, will further enhance operational efficiency and market presence. Geely should also prioritize continued investment in smart vehicle technologies and environmentally sustainable practices to meet the expectations of tech-savvy and eco-conscious consumers. Additionally, maintaining a flexible market adaptation strategy and implementing rigorous financial monitoring will allow the company to respond proactively to industry changes and competitive challenges.

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