

A Comparative Analysis and Research on Advertising Strategies of Chinese New Energy Vehicle Brands

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Abstract. The rapid growth of China's new energy vehicle (NEV) industry has reshaped the country's automotive landscape and created new opportunities for brand communication through advertising. This paper explores and compares the advertising strategies adopted by leading Chinese NEV brands, with a particular focus on BYD, NIO, and XPeng. The research examines four key dimensions: target audience positioning, advertising appeals, content and creative forms, and media deployment strategies. Through a comparative analysis, this study finds that while these brands share common emphases on innovation, environmental responsibility, and lifestyle alignment, they differ in their narrative styles, spokesperson choices, and digital engagement strategies. The findings highlight that functional appeals remain dominant, but emotional, technological, and social responsibility messages are increasingly integrated to enhance brand equity. The analysis further reveals that advertising effectiveness varies depending on alignment with consumer expectations and brand positioning, with successful cases leveraging authenticity and innovation while unsuccessful campaigns suffer from weak message-audience fit. The study contributes to both academic and practical discussions by offering insights into the evolution of NEV advertising in China and providing recommendations for optimizing brand communication strategies in this dynamic market.

Keywords: New energy vehicles, advertising strategies, China, BYD, NIO, XPeng, comparative analysis

1. Introduction

In recent years, the rapid expansion of China's new energy vehicle (NEV) industry has not only transformed the domestic automotive market but also attracted global attention. According to the China Association of Automobile Manufacturers, NEV sales in China surpassed 9 million units in 2023, accounting for more than 30% of total vehicle sales [1]. This unprecedented growth is driven by technological innovation, government policies, and increasing consumer awareness of environmental sustainability. As the industry evolves, advertising has become a critical tool for NEV brands to differentiate themselves, build consumer trust, and expand market share.

Previous research on advertising strategies has primarily focused on traditional automotive brands, emphasizing functional attributes such as performance and safety. However, the advertising strategies of NEV brands reflect more complex appeals that combine functional benefits with

emotional connections, technological innovation, and corporate social responsibility. Despite the growing literature on NEVs, there remains a research gap in systematically comparing the advertising approaches of leading Chinese brands to uncover both commonalities and distinctive practices.

This study aims to address this gap by analyzing and comparing the advertising strategies of three representative Chinese NEV brands: BYD, NIO, and XPeng. Using a multi-dimensional framework, the research investigates four key aspects: target audience positioning, advertising appeals, content and creative forms, and media deployment strategies. The analysis also evaluates the effectiveness of these strategies in shaping brand image and influencing market performance. The findings of this research not only enrich the theoretical understanding of NEV advertising but also provide actionable insights for marketers and policymakers in China's rapidly evolving automotive sector.

2. Literature review and theoretical framework

The Chinese NEV industry has experienced rapid expansion over the past decade, driven by favorable government policies, advancements in battery technology, and shifting consumer attitudes toward sustainability [2, 3]. Studies highlight that China has become the world's largest NEV market, with companies such as BYD, NIO, and XPeng emerging as prominent players [2]. Research has primarily emphasized the technological and policy aspects of NEV adoption, including subsidies, charging infrastructure, and innovation diffusion [1]. However, while technological innovation has driven adoption, scholars argue that consumer acceptance increasingly depends on brand communication and perceived value beyond product performance [4]. This suggests that advertising strategies are critical in shaping consumer perceptions and facilitating broader market penetration.

Traditional automotive advertising has largely relied on functional appeals such as performance, reliability, and safety [5]. However, recent research highlights a shift toward more diversified strategies, incorporating emotional narratives, lifestyle integration, and corporate values. Yoo and MacInnis demonstrate that emotional and informational advertisements can influence brand attitudes through different cognitive and affective processes [6]. In the NEV sector, advertising increasingly emphasizes environmental benefits, technological sophistication, and future-oriented lifestyles [7]. Chen and Lin further observe that social media platforms have become central in communicating corporate social responsibility (CSR) messages, enabling NEV brands to engage consumers interactively [8]. Despite these insights, comparative analyses across multiple NEV brands remain limited, leaving a gap in understanding how different companies strategically position themselves through advertising.

Several theoretical frameworks provide useful lenses for examining NEV advertising strategies. First, the experiential consumption perspective emphasizes the role of emotions, fantasies, and sensory experiences in shaping consumer behavior [9]. This framework is particularly relevant as NEV brands often integrate futuristic imagery and lifestyle narratives to engage consumers. Second, the theory of corporate credibility underscores how advertising messages influence consumer attitudes through perceived trustworthiness and expertise [10]. This is especially significant in the NEV industry, where consumer concerns about safety, technology, and brand reliability remain prominent. Third, Carroll's pyramid of corporate social responsibility highlights how CSR communication can enhance brand equity by addressing ethical and environmental concerns, which are increasingly central in NEV marketing [11,13]. Finally, Rogers' diffusion of innovations theory provides insights into how advertising facilitates consumer adoption of new technologies by

reducing uncertainty and highlighting relative advantages [2]. Scholars further note that overcoming passive resistance is equally critical for innovation diffusion [14].

The literature confirms that advertising plays a crucial role in shaping consumers' perceptions and market outcomes in the new energy vehicle industry. Although existing studies have examined the roles of functional appeals and emotional appeals, corporate social responsibility communication, and media participation, there are few comparative studies on the strategic similarities and differences among leading new energy vehicle brands in China. Moreover, few people pay attention to how advertising effects relate to brand image and market performance in this emerging sector. This study conducts a comparative analysis of BYD, NIO, and Xpeng, focusing on their four key advertising strategies, in order to address these gaps. This study integrates theoretical perspectives of consumer behavior, corporate social responsibility, and innovation diffusion, aiming to provide theoretical understanding and practical guidance for new energy vehicle marketers.

3. Research design

3.1. Case selection

This study selects three representative Chinese NEV brands BYD, NIO, and XPeng chosen for their market influence, distinct positioning, and varies advertising strategies. BYD, the market leader, is known for its large-scale production capabilities and functional appeals emphasizing product performance and reliability. NIO positions itself as a premium lifestyle brand, leveraging emotional narratives and strong user communities. XPeng focuses on technological innovation and futuristic experiences, targeting younger, tech-savvy consumers. Together, these cases illustrate the diversity of NEV advertising in China.

3.2. Analytical dimensions

The comparative framework is structured around four dimension:

(1) Target Audience Positioning: demographic and psychographic profile, such as families, young professionals, or eco-conscious consumers.

(2) Advertising Appeals: functional (performance, safety), emotional (family, aspiration), technological (innovation, smart features), and CSR-relate (sustainability, green values).

(3) Content and Creative Forms: storytelling techniques, visual design, and spokesperson usage that build brand narratives and consumer engagement.

(4) Media and Deployment: use of digital platforms, social media, offline events, and experiential marketing, including the balance between digital and traditional media.

This design enables a systematic comparison of advertising strategies across BYD, NIO, and XPeng, highlighting both common practices and brand-specific innovations. The findings aims to provide insights into how NEV brands effectively communicate with consumers in a highly competitive and fast-evolving market.

4. Comparative analysis of advertising strategies in Chinese NEV brands

4.1. Target audience positioning

Target audience positioning is central to advertising effectiveness. The three bands adopt distinct strategies.

BYD appeals to middle-class families and pragmatic buyers, emphasizing cost-effectiveness, safety, and environmental benefits to encourage mass adoption. NIO targets upper-middle-class professionals and lifestyle-oriented consumers, positioning mobility as a premium social identity and integrating emotional branding into its campaigns [6, 8]. XPeng focuses on younger, tech-savvy generations, highlighting smart features, autonomous driving, and futuristic design to attract digital natives.

In sum, BYD emphasizes accessibility, NIO stresses exclusivity and lifestyle, while XPeng prioritizes technological novelty and youth orientation, reflecting a diverse targeting landscape in China's NEV sector.

4.2. Advertising appeals

All three brands combine functional, emotional, technological, and CSR-related appeals, but with varying emphases.

Functional Appeals: BYD prioritizes practical benefits such as long driving range, safety standards, and affordability. Its "Han EV" campaigns highlight battery performance and reliability, reinforcing trust [3, 7].

Emotional Appeals: NIO excels at lifestyle-oriented storytelling, associating its vehicles with aspirational lifestyles, family moments, and community values. Its advertisements often present driving as a holistic experience that integrates comfort, prestige, and emotional well-being.

Technological Appeals: XPeng differentiates through its strong focus on AI, autonomous driving, and futuristic aesthetics, positioning itself as a pioneer of smart mobility.

CSR Appeals: While all three brands engage in sustainability narratives, NIO and BYD emphasize environmental responsibility more prominently. BYD frames its green technology as a solution to pollution, whereas NIO connects sustainability with long-term brand credibility. XPeng addresses CSR less directly but implies environmental benefits through its focus on advanced electric technology.

Overall, BYD is function-driven, NIO emotion-driven, and XPeng technology-driven, with CSR serving as a supporting narrative across all three.

4.3. Content and creative forms

Creative strategies further distinguish the brands.

Narrative Styles: BYD employs a rational and informational narrative style, focusing on practical product benefits and comparative performance metrics. Its advertisements are straightforward and fact-based, appealing to consumers seeking reliability. In contrast, NIO uses narrative storytelling infused with lifestyle themes, often portraying aspirational journeys, family unity, and emotional milestones, consistent with the experiential consumption perspective [6, 9].

Visual Elements: BYD relies on product-centered imagery in family or commuting contexts. NIO emphasizes premium aesthetics, with sleek cinematography, warm tones, and symbolic settings (e.g., nature or modern architecture) to reflect exclusivity. XPeng employs bold, high-tech visuals with digital overlays, nightscapes, and cybernetic motifs to convey its innovative DNA.

Spokespersons: BYD often leverages corporate leaders and technical experts to endorse reliability. NIO engages lifestyle influencers and community-generated content to enhance authenticity and consumer belonging. XPeng, while less reliant on celebrity endorsements, integrates technology entrepreneurs and brand ambassadors from the tech sector to highlight credibility in innovation.

Thus, BYD communicates through rationality, NIO through emotional immersion, and XPeng through futuristic experimentation, each consistent with their brand positioning.

4.4. Media choices and deployment strategies

Media strategies reveal further strategic divergence.

Online Media: BYD has increasingly embraced short video platforms such as Douyin and Kuaishou to showcase vehicle performance and user testimonials. NIO, however, emphasizes interactive digital communities with WeChat mini-programs, exclusive apps, and social platforms enabling personalized engagement. XPeng focuses heavily on digital-native channels, including livestream product launches and collaborations with technology blogs, targeting audiences accustomed to online consumption.

Offline Media: BYD invests in traditional channels such as auto shows, outdoor billboards, and dealership promotions, ensuring broad public visibility. NIO leverages offline experiences through NIO Houses and exclusive brand events, where consumers interact with vehicles and the broader lifestyle ecosystem. XPeng participates in auto shows but integrates them with digital storytelling, often live-streaming offline activities to maximize reach.

Marketing Events: Product launches are central to all three brands, but their styles differ. BYD typically organizes large-scale, media-centric events to signal mass-market relevance. NIO creates immersive experiential events with community gatherings, enhancing emotional resonance. XPeng highlights technological breakthroughs in launch events, often simulating futuristic experiences such as autonomous driving demonstrations.

Figure 1 illustrates the relative levels of advertising investment across major NEV brands in China. BYD consistently ranks among the highest in terms of media spending, ensuring broad visibility across traditional and digital platforms. NIO's advertising expenditure is moderate but concentrated on experiential events and community-driven campaigns, while XPeng shows lower overall spending but with a stronger focus on digital-first initiatives. These differences confirm the distinctive strategic orientations of each brand, aligning investment patterns with their positioning priorities (see Figure 1).

In summary BYD balances traditional and digital reach, NIO invests in deep experiential engagement, and XPeng maximizes digital-first, innovation-driven deployment. The effectiveness of these choices depends on alignment with brand positioning and the preferences of their respective target audiences.

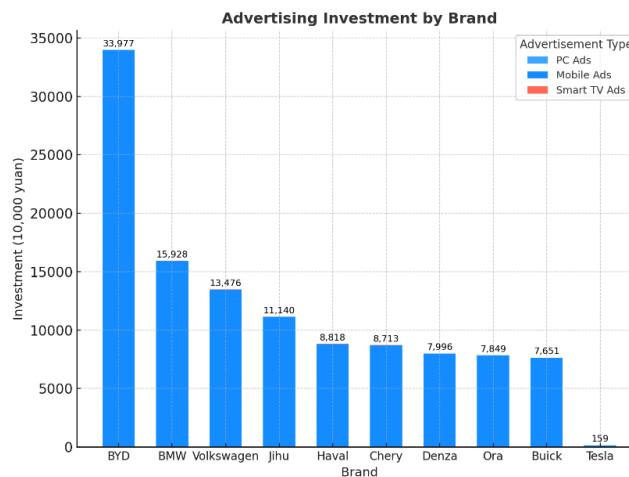


Figure 1. New energy vehicle brands with the most and the least advertising [12]

5. Advertising effectiveness analysis

5.1. Brand image and market performance

Advertising effectiveness can be evaluated through its impact on brand image—measured in terms of awareness, favorability, and associations—and its correlation with market outcomes such as sales and market share.

BYD has successfully leveraged functional appeals to reinforce its reputation as a reliable, cost-effective, and environmentally responsible brand. Its broad-based messaging resonates with a wide audience, contributing to its leadership in market share, which surpassed 30% of China’s NEV sales in 2023. Although its advertising may lack emotional sophistication, its clear positioning enhances trust and accessibility, supporting sustained sales growth.

NIO has established a strong premium brand image by emphasizing lifestyle integration, exclusivity, and emotional storytelling. While its sales volume remains lower than BYD’s, NIO achieves high consumer loyalty and brand equity, reflected in its ability to sustain premium pricing and build vibrant user communities. Its advertising effectively translates into strong brand associations of innovation, community, and prestige.

XPeng has gained visibility among younger consumers through its heavy emphasis on technological innovation. Although its overall sales volume lags behind BYD and NIO, its campaigns have positioned it as a forward-looking, tech-driven brand. This positioning attracts early adopters but also poses risks of over-reliance on technological differentiation without equally strong emotional or functional narratives.

5.2. Case studies of success and failure

A successful example of NEV advertising is NIO’s promotion of its flagship ES8 model, which emphasized not only cutting-edge performance but also emotional resonance through narratives of family journeys and community events [4, 8]. This campaign effectively enhanced brand equity, fostering strong word-of-mouth and consumer advocacy. The success demonstrates the power of combining lifestyle appeals with experiential marketing to cultivate long-term loyalty. In contrast, a less successful example can be seen in XPeng’s early campaigns for its P7 model. While the advertising highlighted advanced autonomous driving features and futuristic technology, it failed to

sufficiently address consumer concerns about safety, reliability, and affordability. The mismatch between message and consumer expectations limited its immediate market impact, highlighting the risks of relying excessively on technological appeals without balancing them with functional or emotional reassurance. BYD, though less reliant on high-concept campaigns, demonstrates a steady effectiveness model: its advertising consistently reinforces functional reliability and affordability, leading to strong alignment with its mainstream consumer base. This approach has proven resilient, particularly in competitive price-sensitive markets, though it may constrain brand elevation to premium status.

6. Discussion

6.1. Commonalities and differentiation in advertising strategies

The comparative analysis of BYD, NIO, and XPeng reveals both shared and distinctive approaches. All brands emphasize sustainability and innovation, reflecting industry trends toward environmental responsibility and technological advancement. They also adopt multi-channel approaches to enhance visibility and consumer engagement.

Differences are evident in advertising priorities. BYD emphasizes functionality and accessibility, supporting its mass-market positioning. NIO uses emotional storytelling and lifestyle integration to reinforce premium associations and build community loyalty. XPeng highlights futuristic mobility and technological innovation to appeal to younger, tech-savvy consumers. These distinctions show that NEV brands tailor strategies to strengthen positioning while fostering trust in emerging technologies.

6.2. Challenges and limitations

Despite progress, several challenges remain. BYD's functional focus may oversimplify brand identity and limit emotional connections, NIO's lifestyle-centric approach risks over-segmentation, constraining reach beyond affluent urban consumers. XPeng's technology-centric narratives, while effective in creating futuristic appeal, may not fully reassure consumers regarding safety or practicality.

The rapidly evolving media environment adds further pressure. Consumers increasingly expect interactive, authentic, and personalized content, and brands rely in traditional media risk losing resonance. Furthermore, widespread sustainability messaging reduces differentiation, requiring more innovative communication strategies.

Overall, the findings highlight that effective NEV advertising depends on aligning appeals with consumer expectations, integrating functional, emotional, and technological narratives, and maintaining consistent brand credibility. While BYD, NIO, and XPeng exemplify distinct approaches, their shared challenges underscore the need for balanced, consumer-centric strategies. Future success will depend on storytelling innovation, authentic engagement, and flexible adaptation to changing consumer demands.

7. Conclusion

This study analyzes the advertising strategies of three leading Chinese new energy vehicle brands from the dimensions of audience positioning, appeal, content and media delivery. The results of the analysis show that the brands share a common emphasis on sustainability and innovation, but each brand applies these themes in a different way, reflecting their respective market positioning.

Integrating insights from the discussion, several implications emerge. First, aligning advertising appeals with consumer expectations is critical. Campaigns that successfully balance functional, emotional, and technological narratives—such as NIO’s ES8 promotion—create stronger brand equity, while overly one-sided strategies, as seen in XPeng’s early P7 campaigns, risk limited resonance. Second, corporate social responsibility and sustainability messages have become industry norms, but their impact depends on authenticity and differentiation. Brands must move beyond generic environmental claims to establish trust and credibility. Third, advertising effectiveness is closely tied to media strategies: BYD leverages broad-based traditional and digital platforms, NIO invests in immersive brand experiences, and XPeng prioritizes digital-first engagement. Each approach carries strengths and limitations depending on the target market segment.

From a practical point of view, BYD can enrich its functional messaging with stronger emotional connections; Nio may need to balance its uniqueness with broader accessibility; Xpeng, on the other hand, should incorporate functional and emotional security into its innovation-driven narrative. Despite the fact that only three brands and a qualitative scope were studied, this study highlights the changing dynamics of the NEV advertising landscape in China. Future research should be extended to international comparisons or longitudinal tracking. Overall, success in this area depends on coherent narratives, authentic interactions, and adaptive strategies that reflect changing consumer values.

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