



The Disneyland for Cars

An Interview with Otto Ferdinand Wachs,
Chief Executive Officer, Autostadt GmbH, Wolfsburg, Germany



Otto Ferdinand Wachs

EDITORS' NOTE In 1995, when Otto Ferdinand Wachs talked to Dr. Ferdinand Piëch, the then chairman of Volkswagen AG's board of management, about ways to "interest the public" and make Volkswagen's "marketing more effective," they were looking out at what was "the back of the factory and full of old oil tanks." But today, that back lot has been reborn as the Autostadt (German for "car city"), a theme park that also serves as "a communications platform for the Volkswagen Group." Wachs, who is now CEO of the facility, describes it as an "educational and entertaining" destination that enables the company to "get in touch and stay in touch with the broader public further afield than Wolfsburg" and, ultimately, "build customer loyalty." Further, the park features attractions for the entire family, including a school "where children as young as five can get their driver's licenses," pavilions displaying prototypes from all of Volkswagen's brands, and a museum of automotive milestones. For, by inviting people to "visit a unique, innovative destination" where "every family member is satisfied," the CEO maintains that Volkswagen is creating a "good rapport between the manufacturer and the consumer." And after all, he concludes, "the fact that over six million people have visited the Autostadt in the past three years speaks for itself."

Prior to assuming his present post in 1999, Wachs was responsible for Volkswagen's participation at the World Exposition and served as project head for the Autostadt. Before that time, he was head of public relations for the VW Group, manager of the office of former VW CEO Dr. Carl H. Hahn, and provisional head of the company's international press, prior to which he worked for 12 months in the United States and Canada. The recipient of an M.B.A. from the University of Hamburg, Wachs began his association with Volkswagen as an intern in 1983.

COMPANY BRIEF Headquartered in Wolfsburg, Germany, and launched in June 2000, Autostadt GmbH is a theme park that comprises more than 40 acres, employs more than 2,000 people, and serves as a marketing tool for Volkswagen and its many brands, including Audi, Bentley, Lamborghini, Seat, and Skoda. In addition, the park features the ZeitHaus museum of automobile history, a corporate forum, factory tours, showrooms, prototypes, theaters, restaurants, shopping areas, a Ritz-Carlton hotel, and the world's highest-volume auto delivery center. With more than two million visitors annually, Autostadt is the second most visited theme park in Germany.

Some might say the Autostadt is a museum, while others might describe it as the automotive industry's answer to Disney World. What do you think it is?

I think it's both: On the one hand, it's an automotive experience, and on the other, it's an entertainment park. But ultimately the Autostadt is a communications platform for the Volkswagen Group. It's a tool that enables us to get in touch and stay in touch with the broader public further afield than Wolfsburg. Of course, it's both educational and entertaining, and both of those elements are integrated into Volkswagen's automotive experience and competency.

What exactly do you hope to communicate to the Autostadt's visitors about Volkswagen?

The Autostadt is a marketing tool through which we try to communicate Volkswagen's values to the public. We try to appeal to various age groups, as well as a broad range of other target groups, and it starts with schoolchildren. In June 2003 we opened an automotive-mobility school to teach young children from northern Germany the answers to traffic, safety, and environmental questions. Ultimately, we hope to keep in touch with this young group so that they remain in contact with the brand. Meanwhile, for adults the Autostadt provides insight into our operations. Adults can visit our factory, for example, and during their visits we're able to build a dialogue and create good relationships with them. Of course, as many of them are in the process of deciding on a new car, we try to plant the idea in their minds that they should buy a Volkswagen. In that sense, the Autostadt's main purpose is to build customer loyalty.

No other automobile company has made such a large investment in a facility of this kind. Why did Volkswagen decide to build the Autostadt?

The Volkswagen Group is the number-one auto manufacturer in Europe. We produce a broad range of cars, from low-end to midrange to luxury automobiles, such as Audis and Bentleys. So we wanted to invite people to Wolfsburg to visit a unique, innovative destination, thereby creating a relationship and good rapport between the manufacturer and the consumer. When people visit the Autostadt they leave having built their own personal links to Volkswagen. They automatically feel a certain brand loyalty because they can identify with our values. It is here that many of the decisions to buy a Volkswagen are made. Visitors are impressed with our philosophy and identify with our values and thus decide to buy a VW, an Audi, or one of the other VW brands.

How long did it take to build the Autostadt?

The idea originated from Dr. Ferdinand Piëch [former chairman of Volkswagen AG's board of management] in late autumn 1995. At that time, I was the head



So each family member can go in a different direction to find something he or she likes?

Yes, particularly at our museum. It's the first place in the world where an automotive manufacturer shows not only its own product history, but also all the milestones of greater automotive history. The museum contains many wonderful old cars. You can see Ferdinand Porsche's original Beetle as well as a 1939 Bugatti. In fact, the first car a visitor sees there is a three-wheeled Benz Patent Model. Contrary to common knowledge, the Model T Fords were produced in colors other than black. We display an original midnight blue

of the communications department, and during our first conversation on this topic, he asked a hard question. Looking at the area where the Autostadt now stands, which, at that time, was the back of the factory and full of old oil tanks, he asked me what I thought we could create there to interest the public in Volkswagen and make its marketing more effective. So we started a project with a team of 400 architects, creative experts, and other professionals. It took two years to develop the idea. In May 1998 we held the groundbreaking ceremony, and we opened our doors in June 2000.

Is there something for everyone at the Autostadt?

We did a lot of market research on this. In German families, the mother plays a major role in deciding which car is purchased, but automotive-marketing efforts classically concentrate more on males. So at the Autostadt we're very keen on targeting women, as well as children, because when families are buying a new car, the needs of children play a major role in the decision-making process.

The mother usually has something specific in mind for a one-day visit to the Autostadt. When families arrive, the mothers are usually attracted to our restaurants and to our children's facilities. We have a driver's-license school, where children as young as five can get their driver's licenses, while learning to drive mini Beetles and learning about road safety. We've also created a film for children that can be viewed in a number of languages. Meanwhile, the fathers most often spend their time examining the actual cars from our different brands, such as Audi or Volkswagen. So we focus on offering an entertainment component and an automotive component at the



The car towers (exterior, top, and interior, above) are the landmarks of the Autostadt where up to 400 cars can be stored in each tower prior to their delivery. Inside each tower, robots ferry cars to and fro as they load or alternately unload cars ready for collection (below).

facility; this way, every family member is satisfied. Once the families arrive here, they're usually pleasantly surprised by the variety and complexity of the attractions.

Model T Ford. So the facility is unique in that our collection isn't limited to our vehicles alone.

It's also important to note that we structure our presentations and displays more than others might. Plus, we don't present things in a traditional way; instead, we surprise people so that we can generate lasting interest. This way, they'll visit the Autostadt again, and more than 60 percent of our visitors do return. For example, an auto manufacturer would normally demonstrate its safety features by displaying a crushed car with its airbags inflated, which is one way to show how safe the car is. However, we show it very differently. Of course, we inform





surrounding the Autostadt. In that sense, the Autostadt is a unique mix of lifestyle products and culture.

It must take many talented people to keep this veritable city of automotive attractions running smoothly. How important are your employees to delivering the Autostadt experience to visitors?

Our employees, and

ultimately we want them to remember the service after their visits. For this reason, we



visitors about airbags and so on, but we show a film on how to create safety in the biggest 360-degree cinema in Europe. After viewing the film, visitors exit the cinema through a tunnel filled with mist. Because they can't see through the mist, they immediately lose their bearings and become disoriented. This demonstrates, without words or pictures, how one can never ensure absolute safety. So that's a very creative idea, and fortunately we have the creative people to come up with ideas like that.

What would visitors to the Autostadt be most surprised to see?

We host theatrical events here in our power plant. It's not in operation, so we use it as a theater. Just recently, we hosted a performance of the Dance Theatre of Harlem, as well as a 16-day dance festival. So those cultural events might be surprising to visitors.



Some of the attractions at the Autostadt: the Murcielago Lamborghini appears three times every hour, surprising visitors both outside and inside the Lamborghini pavilion (left); the mist tunnel (above) and a sliced Beetle (right)

particularly our tour guides, are able to communicate with our guests in 16 languages, and we have an education and training department. Plus, because of our

put a lot of effort into our service, and we just received an award from the European Association for it.

Is Wolfsburg relatively easy to access from other tourist attractions in Germany?

There's a high-speed train that travels at 150 miles per hour and can get visitors here from Berlin in under an hour. Also by train, the trip is 30 minutes from Hanover and two and a half hours from Frankfurt International Airport. So it's much more accessible than it once was. If you're in Germany, there's no distance-related reason not to visit the Autostadt; Wolfsburg is no longer in the middle of nowhere.

Is there a particular part of Autostadt that you like best?

That's a very difficult question to answer. I love the park in the summer, and I enjoy the safety film. I also enjoy our shops, where we sell lifestyle products and Volkswagen merchandise. Of course, my son likes to do his driver's license over and over again. Professionally speaking, I concentrate on the areas that don't work perfectly. I just get inspired and do what's necessary to manage and further develop the facility, and that fulfills me.

The Autostadt must bring a lot of business, and subsequently jobs, to the Wolfsburg area.

This operation now employs some 2,000 people in the Wolfsburg area. None of these jobs existed three years ago, so the facility has had a huge impact on the region. It has also boosted the image of the area and has helped Wolfsburg to rid itself of its former blue-collar, industrial image. In the past, Wolfsburg was associated only with Volkswagen. That association is still strong, but Wolfsburg now has the Autostadt, the art museum, and a new indoor swimming complex, as well as a new science museum that's currently under construction.

It seems that Wolfsburg has become a rather exciting place.

I think the fact that over six million people have visited the Autostadt in the past three years speaks for itself. ●



Children drive mini Beetles and learn about road safety. They even get their own license (inset).



People from all over the world come to visit the Autostadt. Is it convenient for out-of-town visitors to stay at its Ritz-Carlton hotel after hours of sightseeing?

Absolutely. On an average day, we have 6,000 visitors who remain here for about five hours. Many of them spend the night at our Ritz-Carlton or at other hotels

relationship with Ritz-Carlton and Moevenpick, the leading European restaurant operator, we're able to offer our visitors the ultimate in services across the board. While I've mentioned a lot about our creativity, I have to admit that service truly is our first priority. Whatever we do here and however we interest, attract, and surprise our guests,