KPMG

25th Annual Global Automotive Executive Survey

(Re)assert dominance:

A leadership blueprint for future success

Executive Summary

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KPMG International

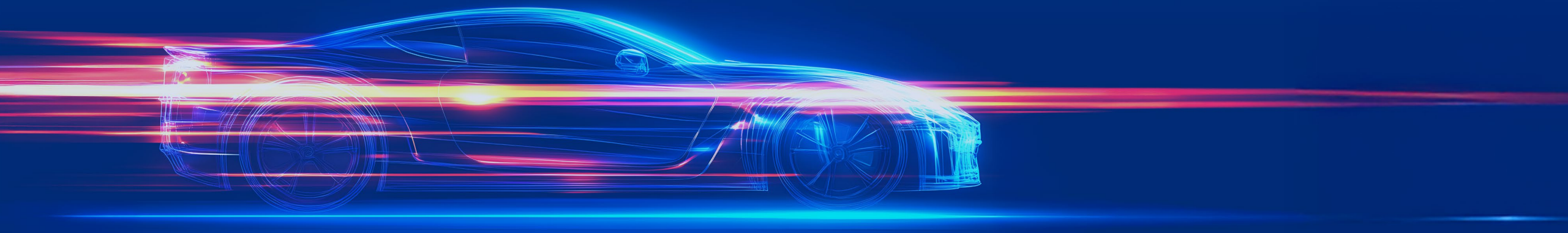
August 2025

Executive Summary

This report, "(Re)assert dominance: A leadership blueprint for future success," marks the 25th edition of KPMG's Global Automotive Executive Survey (GAES). It delves into the disruptive forces reshaping the automotive industry and introduces a framework for addressing these challenges — the **five Ts**:

Spearhead Transformation | **Master Technology** | **Earn Trust** | **Navigate Tensions** | **Thrive Together**

Designed to help stakeholders make bold and informed decisions, this study also provides actionable recommendations for navigating the industry's complex future.



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In a nutshell

The automotive industry is at a tipping point and not enough companies are ready. KPMG's 25th Global Automotive Executive Survey reveals the five imperatives that are already separating the leaders that will control the next decade.

Key findings of the 25th GAES

36% of automotive executives say that their company's business model, products, or operations will be **completely transformed** within the **next three years**.

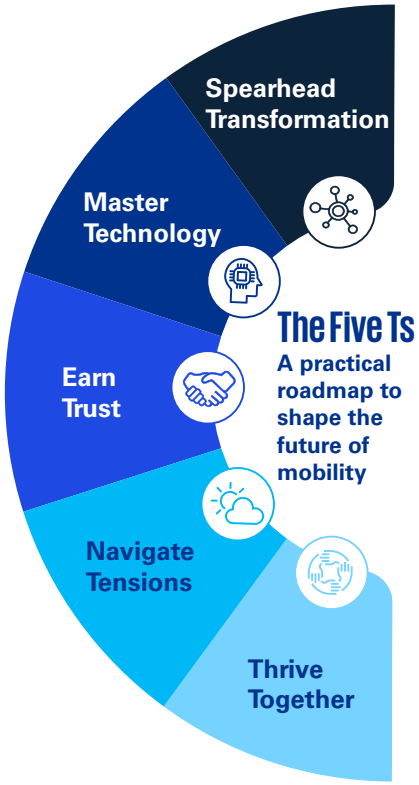
86% of OEMs say they are **investing heavily in AI** and emerging technologies.

5x as many automotive leaders as other respondents say that customer satisfaction is critical to their company's long-term profitability.

68% of companies are **actively restructuring** their **supply chains** (eg., region-focused, local-for-local).

77% of companies say **strategic alliances and partnerships** have either contributed or will be **important to business growth.**

Five Ts that lead from disruption to dominance



Spearhead Transformation
Redefine what scale and value mean for your business

Master Technology
Manage and control your digital strategy

Earn Trust
Build a real-time, insight-driven customer engine

Navigate Tensions
Design your regional resilience strategy

Thrive Together
Build your ecosystem before your competitors do

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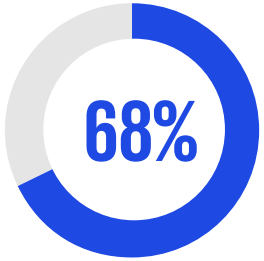
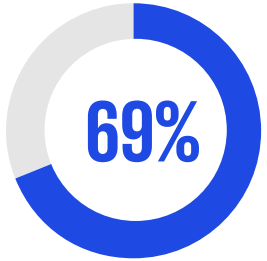
The automotive industry is in perpetual flux

Geopolitical upheavals, evolving regulatory landscapes, supply chain vulnerabilities, and rapidly advancing technologies are creating an unpredictable and fragmented automotive market. Moreover, with consumer preferences shifting toward electrification and digitalization, auto companies face mounting pressure to innovate at a speed and scale that challenges traditional ways of operating.

The report highlights the paradox executives face. While 68 percent of respondents believe new market entrants will displace traditional OEMs by 2030, 69 percent believe OEMs can regain dominance by reconfiguring their strategies. This underscores a critical industry-wide imperative: transformation is no longer optional, and companies must actively embrace disruption as a lever for reinvention.



of respondents believe new market entrants will displace traditional OEMs by 2030



believe OEMs can regain dominance by reconfiguring their strategies

The five Ts: Strategic blueprint for success

The report introduces the "five Ts" framework as a roadmap for companies to reshape their operations, business models, and customer interactions in the face of unprecedented industry challenges. Winning the next decade of mobility will not hinge on a single breakthrough — but on the ability to orchestrate transformation across multiple, interdependent domains. **A small group of companies in our survey — 15 percent of the respondents — are already doing this**. These leading companies were identified through comparative analysis of performance metrics across innovation, customer satisfaction, and operational outcomes.

Their success sends a powerful message:
transformation, done correctly, pays off.

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The Five Ts: A new leadership agenda for automotive executives

Spearhead Transformation: Redefine what scale, speed, and value mean for your business

- Cut to compete
- Redefine ROI metrics
- Accelerate with AI
- Prepare for consolidation
- Communicate the pivot

From:
Volume maximization
To:
Value-focused efficiency

Master Technology: Manage and controll your digital control strategy

- Define digital control zones
- Strengthen governance for tech partnerships
- Build an agile operation model
- Invest in integrity and transparency
- Close the cultural gap

From:
Passive tech adoption
To:
Active digital ownership

Earn Trust: Build a real-time, insight-driven customer engine

- Elevate customer insight as a strategic priority
- Map and enhance the digital journey
- Use data responsibility and transparency
- Link R&D to real preferences
- Consider lifetime value

From:
Assumptions about customers
To:
Data-led intimacy and design

Navigate Tensions: Design a regional resilience strategy

- Localize where it matters most
- Map exposure in real time
- Stay alert to regulatory risk
- Think sustainability by design
- Scenario-plan for the next shock

From:
One-size-fits-all supply chains
To:
Localized, de-risked operations

Thrive Together: Build your ecosystem before your competitors do

- Map partnership gaps
- Build an ecosystem strategy
- Rethink governance and culture
- Invest in relationship capital
- Collaborate on industry standards

From:
Owning the full stack
To:
Orchestrating strategic partnerships

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How KPMG supports the transformation of the automotive industry

The automotive sector is undergoing a profound transformation — driven by digitalization, new mobility concepts, regulatory pressure, and evolving customer expectations. KPMG helps companies navigate this change with a holistic approach that combines deep industry expertise, strategic foresight, and cutting-edge technology.

Digital sales & new retail: Rethinking the customer experience

Today, a large part of the car buying journey is digital — and nearly half of that happens on mobile devices. KPMG supports automotive companies in shaping this shift: from designing digital retail formats to integrating new touchpoints into physical dealerships. As many brands are not yet fully leveraging the potential of digital brand experiences, KPMG experts help close this gap with data-driven, customer-centric sales models that deliver seamless experiences both online and offline.

KPMG expert: **Tom Lurtz**
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Technology & digital transformation: Innovation as a growth engine

From AI-powered production to connected vehicles and digital platforms — KPMG experts supports the automotive industry in integrating emerging technologies. KPMG professionals help digitize manufacturing, enable data-driven decision-making, and foster strategic partnerships with tech leaders. This ensures innovation and market leadership in a rapidly evolving environment.

KPMG expert: **Bernhard Lang**
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Strategy, deals & transactions: Driving targeted growth

Whether entering new markets, optimizing portfolios, or enhancing performance — KPMG professionals offers comprehensive support for strategic decisions and transactions. KPMG professionals guide buy- and sell-side processes, develop turnaround strategies, and help recover commercial costs across supply and customer chains. We create long-term value — beyond traditional M&A.

KPMG expert: **David Royce**
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Sustainability & compliance: ESG as a competitive advantage

Sustainability is no longer optional — it's essential. KPMG experts helps automotive companies develop ESG strategies and meet regulatory requirements efficiently. KPMG professionals identify relevant regulations, assess risks, and design sustainable business models that are not only compliant but also resilient and value-generating.

KPMG expert: **Yannik Michels**
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Global tax & trade: Navigating complexity with confidence

In an era of geopolitical shifts and rising trade barriers, tax and trade expertise is critical. KPMG experts advises on optimizing global supply chains, leveraging R&D incentives, and ensuring cross-border compliance — enhancing transparency, efficiency, and competitiveness.

KPMG expert: **Peter Schalk**
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Captive finance: Reinventing automotive financial services

Automotive finance providers face a dual challenge: adapting to both the fast-paced automotive and financial sectors. KPMG professionals supports captives in transforming their business models, optimizing regulatory processes, and building new mobility and sales strategies. KPMG's six-pillar approach includes data analytics, governance frameworks, and end-to-end process automation — ensuring efficiency and future-readiness.

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Conclusion

KPMG's 25th Global Automotive Executive Survey provides not just a diagnostic of the automotive industry's current challenges but a roadmap for its reinvention. By embracing the five T's, companies can evolve into resilient, adaptive market leaders capable of shaping the future of mobility.

The clear message is this:

Transformation is not optional, but those who embrace it strategically can turn disruption into dominance.

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Methodology

About the research

This report is based on the 25th edition of KPMG's Global Automotive Executive Survey (GAES), a signature piece of research conducted annually to track strategic shifts in the global automotive industry. The 2025 edition focuses on how automotive leaders are responding to disruption and what differentiates high-performing organizations.

Research objectives

The research aimed to answer:

- How are automotive companies adapting to technological, geopolitical, and regulatory disruption?
- What distinguishes the top-performing companies ("leading companies") from the rest?
- What strategies are most effective for navigating the next decade of transformation?

Research design

We employed a mixed-methods approach:

Quantitative survey of
775 senior automotive executives

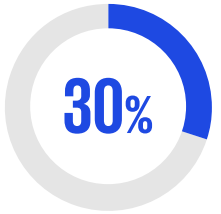
Qualitative interviews with
7 global industry leaders

Desk research to contextualize
findings with external data

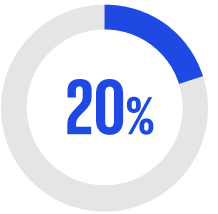
The survey was conducted online between **April and May 2025.**

Respondent Profile

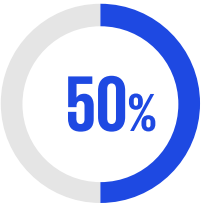
Roles



C-suite (CEO, Chairperson, President)



other C-level



senior executives (VPs, department heads)

Organization size: Ranged from mid-sized to large enterprises; turnover and employee count were not used as filters

Ownership: Mix of public and private companies

Sectors:

OEMs **30%** | suppliers and dealerships **40%** | mobility and financial services **30%**

Regions:

Americas (190) | **Europe (340)** | **ASPAC (245)**

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Qualitative Interviews

We conducted in-depth interviews with senior leaders from companies including:

- **Paul Farrell,** Executive VP and Chief Strategy Officer, BorgWarner
- **Richard van der Meer,** Chief Information Officer, Nissan AMIEO
- **Guy Rodriguez,** President, Nissan LATAM
- **Don Romano,** President & CEO, Hyundai Motor Company, Australia
- **Thomas Schäfer,** Chief executive officer of the Volkswagen brand and a member of the Volkswagen Group Board of Management

These interviews were thematically coded and used to validate and enrich the Five Ts framework.

Analytical approach

Survey data was analyzed using **comparative and correlation-based methods**

"Leading companies" were defined as the top

15% of respondents who:

- Outperformed on innovation, customer satisfaction, and operational targets
- And demonstrated advanced adoption of AI, supply chain localization, and strategic partnerships

No scoring index was used, but segmentation was based on self-reported performance metrics

Data handling and quality

- All responses were anonymized and aggregated
- Data was cleaned and validated for consistency
- No personally identifiable information was retained
- External data sources were cited and used under Creative Commons or with permission

Limitations

- Self-reported data may be subject to bias
- The survey reflects perceptions as of Q2 2025 and may not capture rapidly evolving market dynamics
- Regional and sectoral comparisons are directional, not statistically weighted

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