The Success of the “New” Volkswagen: Uncovering a Paradox

As part of an ambitious new product vision for the 21st century, Volkswagen recently unveiled a luxury car to compete with flagship sedans from the likes of Mercedes Benz and BMW. The announcement was met with much skepticism. Since 1937, this German automobile company had been churning out run-of-the-mill Beetles and Buses that could do little more than noisily transport a handful of people from point A to B. But when independent test drivers took the $70,000 Volkswagen Phaeton to the asphalt this past year, reviews changed. An Edmonton Journal headline set the mood: “Volkswagen … Phaeton: Quiet, powerful new luxury contender might silence skeptics” (Booth H10). Volkswagen’s segue from the utilitarian to the luxury market is not without precedent. Other recent releases such as the sports-utility Touareg and the sporty New Beetle have already proven Volkswagen’s successful departure from a purely utilitarian image. Considering that the Volkswagen brand has been associated with utilitarianism as far back as the company’s origin, it seems paradoxical that the company would suddenly find success in selling sportier and pricier vehicles. The reason for Volkswagen executives’ success in their new product direction can be traced back to the Sixties era. Even though Volkswagens of the time were built as cheap, lack-luster road commodities, they possessed a strong cultural dimension thanks to their loyal owners who included intellectuals, environmentalists, individualists, hippies, as well as people with a spirit for outdoor adventures.
Volkswagen has an undeniably utilitarian origin. The editor of *VW Trends* magazine, Ryan Lee Price, notes how Adolf Hitler asked Dr. Ferdinand Porsche to design a cheap, mass-producible “Volkswagen” (German for “people’s car”) capable of transporting two adults and three children at 33 miles per gallon (Price 14). When Hitler accepted Dr. Porsche’s design in 1934, it was fairly simple: The internal working of the car was basic, and the exterior bug-like styling was borrowed from Dr. Porsche’s past projects. There was no fuel gauge, and a rear window was added only after several revisions in the prototype, but for a country whose industrial development was steadily gaining traction, this Volkswagen “KdF-wagen” was a commodity well poised for success. Soon after production began, however, World War II broke out and the factory shifted its attention to military vehicles (28). When production resumed after the war, the company ditched the name “KdF” in favor of the “Beetle,” and started exporting the Bug to other European countries, Africa, Asia, and finally the United States.

Starting from the early Fifties, Volkswagen Beetles began trickling into the United States (Nelson 176). While Detroit automakers were introducing bigger and more glamorous cars each year, the Volkswagen remained behind the curve with its “no-frills bug”: an expanded paint selection and a radio were added in an attempt to increase American sales, while the low-visibility rear window and the noisy third gear were replaced only after potential buyers cited it as a reason not to purchase the car (Price 61, 64). But instead of disappearing under the shadow of big American cars, Volkswagen experienced exponential sales through its wildly successful “Think small” campaign, which highlighted Volkswagen’s utilitarian advantages over bigger competitors (Addams). For one, driving and parking big cars in concentrated cities was impractical, but the Beetle could fit almost anywhere (Price 59). The Beetle was easy to maintain as well; an owner, for instance, could readjust headlamps without the help of a professional.
Beetle’s high mileage was also attractive to value-conscious working- and middle-class families. Best of all, the car was cheap and so was its insurance premium (Addams). Newspaper cartoons from the era (see Appendix) clearly show that the public acknowledged the bug-shaped car’s practicability, if not its classiness. Consequently, Volkswagen’s original foothold in the United States was purely utilitarian.

Up to the early Sixties, Volkswagen did not garner much respect in the public eyes but it did find an appreciative audience in the academic world. Rational professors saw the Beetle’s exceptional practical value as a symbol of economy and environmentalism. They also cited fine German craftsmanship as a reason for the car’s purchase. Indeed, Volkswagen’s standard of quality was unsurpassed by any of the Detroit manufacturers; between the quality inspectors in the factory, who numbered one in every ten workers, every single Beetle was checked at each stage of manufacturing to ensure the highest level of quality (Nelson 202). Volkswagen’s emergence as a symbol of intellectualism and environmentalism within the college environment proved valuable when conscientious college youths joined their professors to adopt the Beetle as well. These events created the conditions necessary for Volkswagen to find its cultural identity on college campuses.

Even though conscientious students were buying the Beetle, there was little chance of Volkswagen’s widespread acceptance unless it gained popularity amongst the larger student body. But Volkswagen faced stiff resistance from image-conscious youth, as illustrated by a Charles Saxon cartoon where a young executive sticks his head out of a Rolls Royce and smirks to a Volkswagen driver, “Professor Enright, remember me? Dickie Atwell. You flunked me in Business Administration” (Appendix D). The cartoon clearly illustrates the Beetle’s role as the antithesis of ultra-luxury symbolized by the Rolls Royce. So why would anyone, much less
image-conscious college students, buy these Bugs? The answer, according to psychologist Jean Rosenbaum, lies in the role of cars in American life. In her book titled *Is Your Volkswagen a Sex Symbol?* Rosenbaum writes that young men in the American culture crave bigger and more powerful cars because they consider horsepower synonymous to sexual potency. But she emphasizes that young men who are self-confident do not want their cars to measure their sex appeal for them. For such consumers in the Sixties, Volkswagen was the much-needed statement of self-confidence and individualism. “A Volkswagen owner,” maintains Rosenbaum, “is almost fiercely loyal to his ‘bug,’ and does not harbor secret wishes to own a Cadillac, a Thunderbird, or a Continental” (20-21).

Volkswagen’s character of individualism was especially attractive to students who abhorred conformity and wanted to make a counterculture statement. With increased counterculture momentum, fellow “VW” owners began identifying themselves as a select group. This idea of collectivism was essential to Volkswagen’s success in the hippie movement. College students would cram into gaily-colored “Love Bug” Beetles, fit some more friends in the bigger “Flower Power” Buses, and head off into the wilderness to experience a “back to nature” movement. It appears paradoxical that cars would be part of a “back to nature” movement, but these VW’s were more than mere cars; the VW Beetles and the VW Buses were a counterculture from the Cadillac mores. Every Volkswagen was an expression of individualism, yet all of them together were like one big family.

By the late Sixties, the idea of Volkswagen as a “family member” was well established in the American culture. A VW owner wrote, “Owning a VW is like being in love. It’s a member of the family. You don’t hurt it or misuse it, yet you don’t baby it either” (Nelson 242). Disney’s hit movie *The Love Bug* (1969) explored this theme where a Beetle cares as much about its owner as
the owner does about the Bug. Stories and movies out of the late Sixties, such as *The Love Bug*, demonstrate that the cultural association with the VW brand was not just limited to the VW owners’ circle, but widely acknowledged in the mainstream as well. This legacy lives on today, as underscored by one VW fan who recently said, “The VW Beetle wasn’t just an appliance, but a member of the family” (Lewis).

In recent years, Volkswagen has introduced a new slogan – “Driver’s Wanted” – and its fresh new vehicles hardly fit into the Sixties motto of “Think small.” The new Volkswagens may have abandoned their old utilitarian motto, but they remain true to the cultural identity Volkswagen acquired during the Sixties. Take, for example, the New Beetle. The only paints offered by Volkswagen are florescent colors reminiscent of the 1960’s “Love Bugs.” The exterior styling distinctly cues from the 1967 Beetle, even though it results in dismal aerodynamics when compared to similarly priced cars (“2003 Beetle v. 2003 Corolla”). Fuel mileage, a hallmark of the old Beetle, stands at a depressing three-fourths of Toyota Corolla’s. Yet, the New Beetle is gathering increased popularity because of the emotional association people attach to it. But this scenario raises an apparent paradox: Since a major reason why the old Beetle amassed popularity was its economy and environmentalism, can VW truly create a non-utilitarian car and still remain true to its initial audience? It has, with the pricier New Beetle TDI, an environmentalist’s treat that can achieve nearly fifty miles per gallon on the highway. For the spirited outdoor adventurers of Generation Y, Volkswagen offers the Touareg, which can tow over 3 tons of cargo that its Sixties uncle, the VW Bus, cannot. The $70,000 Phaeton sedan may be unlike any other Volkswagen before it, but it still exhibits the very quality and fine craftsmanship that people recognized in a Volkswagen during the Sixties.
It is now easy to understand why Volkswagen’s new non-utilitarian vehicles have found so much success. Volkswagen’s “Drivers Wanted” campaign cleverly capitalizes on not its old utilitarian image, but its pervasive cultural identity instead. Through the success of the New Beetle, the Touareg, and eventually that of the Phaeton, Volkswagen has proved that the cultural value of Volkswagen lives on today. This is the very reason why spirited buyers are driving away in the radically new vehicles, built precisely to acknowledge Volkswagen’s long-standing cultural identity.
Appendix A

Source: Think small. The Volkswagen of America
Appendix B

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Source: *Think small*. The Volkswagen of America
Work Cited


