

Morelia Pena

Brand Image Marketing

BUF 3500

Assignment 4

TESLA Brand

Prof. Shahzad Haider

New York City College of Technology

A brief history of Tesla

Tesla, Inc., based in Austin, Texas, is an American global automaker and sustainable energy firm. On July 1, 2003, founders Martin Eberhard and Marc Tarpenning formally established Tesla Motors, Inc. Tesla, an American company that creates electric automobiles, residential and utility-scale batteries, solar panels, solar roof tiles, and other energy-related goods and services (Loureiro et al., 2017). As of 2023, Tesla has surpassed every other carmaker's market value. The firm led the globe in EV sales in 2021, with 21% of the rechargeable batteries market and 14% of the plug-in market (which also includes plug-in hybrids) (Loureiro et al., 2017). The firm is a leading developer and installer of solar systems in the US via its subsidiary Tesla Energy. In 2021, Tesla Energy will have deployed 3.99 GWh of battery energy storage systems, making it one of the world's biggest providers of such systems (Loureiro et al., 2017).

A few examples and images of Tesla's culture

Example of Tesla's culture

The culture of Tesla, Inc. encourages creative approaches to fixing issues. Workers at companies with this mentality are more likely to come up with commercially viable answers to issues facing the company's target market as they arise. For instance, the corporation uses its corporate culture to address environmental concerns related to conventional autos by creating cutting-edge electric vehicles (Long et al., 2019). The advantages of the company's corporate culture are shown in its capacity to continue developing cutting-edge electric automobiles. The following six attributes characterize the corporate culture at Tesla, Inc.:

- i). Move Fast
- ii). Do the Impossible
- iii). Constantly Innovate

iv). Reason from “First Principles”

v). Think Like Owners

vi). We are All In

Image of Tesla’s culture

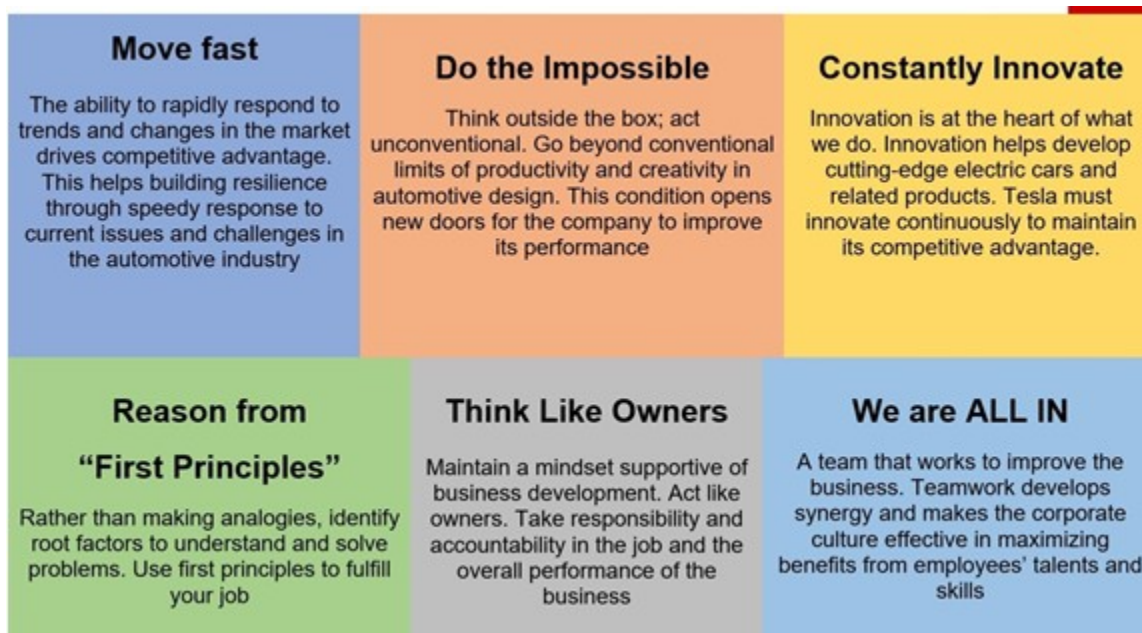


Fig 1: Tesla’s Culture

<https://www.pinterest.com/knsatheesh/leadership-principles/>

Detailed information about Tesla

i). Structure

As a prominent multinational producer of one of the world's most widely coveted automobiles, Tesla has had to adjust its marketing and sales strategies to balance meeting demand and to meet the company's ability to produce new and exciting models. The corporation operates under a functional, or U-shaped, structure, and all of its business functions are handled by worldwide functional centers (Long et al., 2019). In addition to senior offices like Elon Musk's, where the

company's day-to-day operations are overseen, other departments are dedicated to product design, software development, hardware engineering, accounting, and marketing (Larry Ellison). There is a transparent chain of command from managers to lower-level staff in all of them.

The corporation is organized into many departments, the most important of which are the Automobile and Energy Generation departments, each further subdivided into regional departments covering certain countries or regions, such as the United States, China, and others (Mangram, 2018). The company's operations are governed and managed centrally from its Palo Alto, California, headquarters (Mangram, 2018). Corporate business structures like this provide for consistent management oversight throughout a company's operations, no matter where they may be located. This enables efficient procedures and strategic direction to be communicated from upper management to lower levels.

ii). Core values

The critical values at Tesla include excellence, risk-taking, respect, lifelong learning, and concern for the environment. Tesla uses these principles as the basis for how it conducts itself concerning its stakeholders and employees (Mangram, 2018). In addition to valuing performance, Tesla encourages its staff to take smart risks while pushing breakthroughs, which has helped the firm make technical strides (Mangram, 2018). Tesla's record of success so far is primarily due to the high regard with which all of its business partners hold the firm. An atmosphere like this is favorable to learning on all levels, and as a result, the work produced is more likely to align with Tesla's environmental preservation tenets.

iii). vision

Tesla's vision is to accelerate the global adoption of electric cars and transform the firm into the most appealing automobile manufacturer of the 21st century. The vision statement recognizes that we live in a time when renewable energy sources should be our top priority (Mangram, 2018). With Tesla, the emphasis is on using electricity to power all automobiles. Such elements may be found in most vision statements:

i). Most compelling car company.

In this segment, Tesla demonstrates why it is the industry leader in automobile production. Tesla's business model centers on educating competitors about the viability of electric cars and the advantages of green energy in the modern day (Mangram, 2018). Thus, Tesla focuses all its energy and innovation on doing this.

ii). Transition to electric vehicles.

Tesla is working worldwide to persuade the world to switch to electric vehicles. In reality, the company's growth patterns demonstrate its dedication to realizing its goal of mainstreaming electric cars throughout the world (Mangram, 2018). For instance, Tesla has established several manufacturing facilities in several international areas. With this strategy, the corporation continues to persuade other players to acknowledge the importance of renewable and green energy in the current period.

iv). Mission

Tesla's business goal is to shift to renewable power sources globally. Historically, the company's goal has been to hasten the global adoption of environmentally friendly modes of transportation (Mangram, 2018). The company's stated purpose has evolved under Elon Musk's

leadership to reflect the company's new emphasis on capitalizing on market possibilities created by the rise of renewable energy.

To accelerate establishing Tesla's position in driving the industry toward cutting-edge technology and products for sustainable living and working. This quickening suggests that the corporation aims to do more than meet the current demand for sustainable energy solutions (Shao et al., 2021). Tesla's mission statement and corporate vision refer to the global market, shown by the company's emphasis on a world-changing shift (Shao et al., 2021). The third part overviews the company's focus, including electric vehicles, batteries or energy storage solutions, solar panels, and other related technologies.

v). Objectives

The company's current efforts are focused on four primary goals. Their goals include autonomy, sharing, expanding to include the primary modes of land transportation, and integrating energy production and storage (Shao et al., 2021). These four goals have been established to help realize the vision. Tesla has been working toward energy sustainability for a while now, and these four goals represent an effort to stay relevant to modern society's requirements.

Tesla's core and broad target market segments

i). Tesla demographic segmentation

Clients interested in Tesla automobiles tend to be middle-aged men (median age of 54) and a lesser proportion of women. Professionals, executives, senior managers, and others in similar high-income occupations make up most of Tesla's target audience, and they tend to be the parents of young children and teens (Shao et al., 2021). Family incomes of Tesla Model X and Model 3 owners average \$143,177 and \$128,140, respectively.

ii). Tesla's geographic segmentation

In the first three quarters of 2021, Tesla delivered over 627,000 vehicles, an increase of over 16 percent compared to sales in all of 2020. The company's popularity extends beyond North America, Europe, and Asia (Shao et al., 2021). A fifth of Tesla's worldwide sales will come from China by 2021, making it a rapidly expanding market for the company. Nevertheless, in 2021, the United States will account for roughly half of Tesla's global sales, making it its most significant consumer market.

The best places to buy a Tesla in the United States include California, Florida, Nevada, Colorado, and Tennessee, partly because of the necessity for a robust infrastructure to support electric vehicle usage, such as the distribution of charging stations (Shao et al., 2021). Also, jurisdictions with tax policies encouraging the purchase of electric vehicles, such as California, are attractive areas for Tesla buyers.

Tesla behavioral segmentation

For Tesla buyers, the prestige of driving an electric vehicle is a significant motivator. In addition to its reputation as a green car, Tesla is also viewed as a financially sound long-term investment (Maoheng, 2018). Tesla's customers are different from those who buy a new automobile every few years. Their goal is to keep their Tesla for a very long time.

Personalization of the customer profiles

i). Personalized Driver Profiles

Driver profiles are the centerpiece of Tesla's customization efforts. At the touch of a button, each motorist may customize their experience. When the new driver arrives, Tesla instantly recognizes them and makes personalized adjustments to the steering wheel and mirrors (Maoheng, 2018). Although other automakers may remember a user's preferred seat placement

based on the key they use to unlock the vehicle, Tesla driver profiles go beyond that to tailor the vehicle's handling, braking, lighting, radio settings, and even driving style to each individual.

ii). Data-Driven Design

With its fully autonomous test fleet, Tesla has amassed the most comprehensive data set of any company worldwide (Maoheng, 2018). Each vehicle has sensors that pick up on road activity and provide that information to the driver for context. In addition to bolstering Tesla's self-driving technology and facilitating the development of a robust navigation system, this information also reveals exciting trends among Tesla's clientele.

iii). Dynamic Personalization

Tesla aims to develop a flexible system that can be upgraded as technology advances, setting it apart from other automakers (Maoheng, 2018). However, compared to Tesla's completely upgradable dashboard, the dashboards of most other vehicles only have physical buttons that never change. That is excellent news since it implies the whole driving experience may change and improve as the software does.

References

- Loureiro, S. M. C., Sarmiento, E. M., & Le Bellego, G. (2017). The effect of corporate brand reputation on brand attachment and loyalty: Automobile sector. *Cogent Business & Management*, 4(1), 1360031.
- Long, Z., Aksen, J., Miller, I., & Kormos, C. (2019). What does Tesla mean to car buyers? Exploring the role of automotive brands in perceptions of battery electric vehicles. *Transportation Research Part A: Policy and Practice*, 129, 185-204.
- Mangram, M. E. (2018). The globalization of Tesla Motors: a strategic marketing plan analysis. *Journal of Strategic Marketing*, 20(4), 289-312.
- Maoheng, W. (2018). Research on the brand marketing of Tesla Electric Vehicle (Doctoral dissertation, SIAM UNIVERSITY).
- Shao, X., Wang, Q., & Yang, H. (2021). Business Analysis and Future Development of an Electric Vehicle Company--Tesla.