

CHAPTER 5

TESLA BRAND MARKETING

2017, Tesla car finally achieved sales of 101,312 vehicles, an increase of 33%. In the fourth quarter of 2017, Tesla delivered a new car of 29,870 vehicles, a year-on-year increase of 27%, the three-quarter growth of 9%, which also refreshed the best record of the history of Tesla. Subdivided models, Model S delivery of 15,200 vehicles, Model X delivery of 13,120 vehicles, Model 3 delivery of 1550 vehicles. In addition, according to the Tesla statistics, at the end of the four quarter, there are still about 2,520 Model S and Model X, as well as 860 Model 3 in transit, could not be formally delivered to the hands of customers, and therefore could not be counted in the final sales data statistics. Tesla's global revenue grew by more than \$4.8 billion trillion in 2017, to nearly 12 billion U.S. dollars, breaking through the tens of billions of dollars, with growth exceeding 67%. Among them, the Chinese market performance is particularly outstanding, compared to 2016 year-on-year growth of more than 90%, as Tesla's fastest growing global market. It has been said that the success of Tesla's brand marketing is largely attributable to its world-leading electric vehicle technology, in fact, Tesla is not a traditional example of market capture because of technological innovation, and what really makes it so successful is the new business model, the theory of disruptive innovation, which he has developed in the traditional manufacturing industry of automobiles, Is the so-called new market subversion, creating a new market space, Tesla resorting the new concept of electric cars and car design ideas, launched a series of new business models, in his business model, we see a heavy technology companies shadow, let us analyze, Tesla, the difference between the other car manufacturers, In particular, other electric vehicle manufacturers the most unique business model. (Ashley, 2016)

5.1 Unique and accurate market positioning

High-end stylish pure electric coupe, this is Tesla started to give its own positioning. As we look at the entire automotive industry and its history, we can see that most of the cars that began to dominate the market since 19th century, and their flagship models tend to be sedans, a relatively low and inexpensive type of vehicle, such as our well-known Ford T-car, Volkswagen Beetle or China's BYD F3 and so on, and the high-end sports car for their own flagship models of new vehicle companies, in addition to Tesla, we almost never see. Let's take a look at the new energy models developed by traditional car companies these years, almost exclusively mid-range passenger cars, most of which are even small cars, such as the Nissan Wind, BMW i3 and BYD F3DM, why does Tesla want to position himself like this? First of all, electric vehicles due to the natural characteristics of motor That the vehicle does not need to shift gears during the acceleration process, and the motor can produce extremely powerful torque, so its acceleration performance even the Ferrari will not be able to keep up, this eliminates the traditional sports car as a result of technology to reduce costs and increase the high cost of research and development, owners have the tendency to pursue stronger

performance, since no need to use the cost of building a good car Can realize the performance of the sports car, why not? Second, in the pure electric car just enter the market this period, the average consumer to its ability to accept may not be very good, more people for the car such an upscale mentality is to seek stability is not novelty, for the new technology of stable doubt, will affect their desire to buy, And positioned in the high-end models of Tesla, the customer focus on the High-tech crowd, these people tend to accept new things strong, have a better environmental awareness, and have a stronger desire to show off, Tesla's high-end energy-saving positioning, perfect in line with their needs. (Lang, 2015)

5.2 New mode of value communication

In order to achieve the positioning of fashion, Tesla has done a lot of traditional models, even the traditional manufacturing has never done, we analyze Tesla's external value transmission, we can find that Tesla is doing more like a technology business. Tesla's founder, Musk, was a wizard who created the world's largest online payment service company, PayPal, the most successful luxury electric vehicle Tesla Motor Company and the world's first private space transportation enterprise Space Exploration Technology company (SpaceX), Can be said to affect the development of the world's three major products, he let the media packaging their own "Iron Man", by telling stories in his own way, he frequently appeared in front of various cameras to talk about his past, to talk about Tesla's future, to use the founder's brand to promote the company and brand, Musk opened a personal microblog account during a visit to China, Using China's hottest social media for marketing, many CEOs in China have launched their own microblog marketing. At the same time they pay attention to the impetus of Word-of-mouth, the importance of allowing users to share the driving experience in social media, using many Internet marketing methods. "In the traditional media, the investment is zero, they did not do any television advertising, and did not do any print media advertising, he put that part of the cost of all cut off, there is no information on the traditional advertising channels." Tesla's most powerful marketing is "skinflint" in advertising. Although the overall sales of these traditional car companies are better than Tesla's, they need to invest a lot of energy and money in advertising to maintain their existing market share, and to create markets and market for immature electric models that will require more investment. In 2016, Nissan spent about 4.3 million dollars on the cost of its wind-blown model, including a special ad for Tesla on the media. GM spent 3.7 million dollars in the first quarter of 2017 years to bolt the pure electric-car type. Instead, Tesla did not launch any ads, according to Kantar, a market research firm. "Even if Tesla delivers the new car as scheduled, it will take a huge amount of time to complete the order," he said. Tesla's reputation as well as its strong branding effect does not require any advertising, and Tesla is the car brand that really controls its destiny. "The key point of the spread of Tesla's other value is that they invited a large number of celebrities, politicians, movie stars, entrepreneurs, as their first customers, and through their social media discussions, these values are transmitted in the past any car has never done." All the stars in the Tesla car, entertainment stars, technology stars, corporate stars, among the first 1000 clients, including the two founders of Google, celebrities such as movie star Arnold Schwarzenegger, it is exaggerated that this client list copies the global wealth list, in China, 9 executives become its first users, Including Sina CEO Cao Chao, Auto House President Li Xiang, the famous CCTV

TV producer Zhang Han, UC excellent as chairman and CEO You Yongfu, even the CEO of Millet Lei June also ordered two model S. These stars are the most influential figures of society as a whole, the opinion leaders of the entire industry, and their brand demonstration effects are very large. It turns out that Tesla's product image has been molded successfully, and they have succeeded in setting up a high-end fashion, innovative revolutionary car product image in front of the public, bringing in electric cars, who are not the first to think of Tesla? The apple of the car industry, who wouldn't think it was Tesla? (Lang, 2016)

5.3 Subvert the traditional marketing model

Tesla's most critical business model innovation is its subversive marketing model, its sales channels, including experience shop and network direct purchase mode, for the first scheduled remanufacturing, which looks like a technology electronics enterprise, rather than a car enterprise, but it is this marketing model, to the success of Tesla laid a good foundation. Traditional car marketing channel is through the 4s shop, which is a typical distributor, the existence of a distributor means that more people want to share a cup of customers, which leads to the floating of the price of the car, the millet-style network direct and the Apple-style experience shop, which eliminates the cost of the intermediary channel that the customer buys. It also helps to maintain Tesla's high-end fashion product image. Tesla's experience stores, all at the bottom of the large high-end shopping malls, decoration dazzling, and in fact, in addition to the display of car power platform, customers can also be in the shop in the center of the huge screen customization model. The sales staff in the experience shop will not be like the sales staff of 4s stores to sell you a product, but like the Apple Experience shop, let you experience this product better, your order can be on the Internet list, the last car will directly from the manufacturer. A purchase mode that is first made in advance, creating a lot of cash flow for it, Musk said in an interview that the cash generated by their unique cash flow model is enough to support their development of the next model or even two models, since developing a new model is very expensive, typically at more than 1 billion dollars. Tesla also won the true meaning of "hunger and thirst marketing", through limited or limited time as far as possible to arouse the attention of users and attention, can arouse consumers desire to buy, this model in the Apple era of jobs is more. Tesla's Musk is hailed as another genius after Steve Jobs, and buying Tesla is not something you can afford to buy, and is expected to wait at least a few months, whether you are a star or a billionaire, which is longer than the Lei June millet. Of course, not all products can be so, must have a high experience or cost-effective products, even Musk said that they do not like the concept of marketing, because marketing is like cheating to buy things, good products is actually the best marketing. (Miverine, 2017)

5.4 Patent opening and establishment of ecological system

When analyzing the Tesla business model, we have to mention that a company-Fisk, Fisk and Tesla have similar product positioning and the same advanced electric vehicle technology, and then Fisk eventually to the road to bankruptcy and acquisitions, leading to the collapse of the main cause of the collapse of the battery supplier A123. Battery has to say is an electric car the most core technology, and Fisk from the supplier procurement of batteries, Tesla in the

power battery and management system to do a lot of research and development and testing work, the core technology to grasp the stability of the development of the foundation. June 12, 2014, "we have opened up our patents in the spirit of the open source campaign to promote the advancement of electric vehicles," said Tesla's president Elon Musk on the company's official microblog with a post entitled "All of our patents, yours," claiming that all of its patents were officially released to the world, and will be free to open to society, whether enterprises or individuals can learn from. It's a strategy for another tech company, Google's authorization for Android. A patent, a protected exclusive interest owned by the originator of an invention, I believe that the vast majority of the world's people are selfish, can make their own profit by the means to peer competitors of the few enterprises, the number of patents owned by a car manufacturer is to measure the level of the company's technology standards, is it a conspiracy or an overt one for Tesla to have hundreds of patents open to all the world's carmakers? Put aside all this concern, when an advanced product technology, to the relative backward manufacturers reference and learning, will influence the development of their road, and this is invisible in the standard of the same industry. Tesla's move, ostensibly to touch the company's core interests, but they are in the development of the entire industrial ecological environment, not only to promote the unification of electric vehicle charging standards, but also allows Tesla to build a charging station to save a lot of costs, charging the expansion of the treasure will further accelerate, There is no doubt that only electric cars are truly widespread worldwide, and Tesla is in the best interest. Tesla's patent opening, once again let the world's eyeballs focus on their body, from the point of view of communication, Tesla again occupied the commanding heights of the market, not only for their own future market planning, or in the establishment of the brand, have achieved good results. A leader in the electric car industry, the courage to provide their own technology to the community, not only shows Tesla's confidence in their products, but also expressed the hope of a common advance with competitors.

5.5 User area and membership marketing

On Tesla's official website, there's a fan zone, there are blogs, user stories, forums, pictures, videos and activities of the notice, through the official blog to release the latest dynamic of the enterprise, user stories let real users to show the use of experience, pictures and video display every detail to make users feel, activities are mainly users online experience, Through the forum for users to discuss the exchange experience and the use of problems, the official can also be addressed to the user. Tesla's official website has a strong marketing he has provided the member's registration function, whether understands or the order on their website, lets the user submit the valid mail and the telephone, later sends the user the mail and the text message to carry on the database marketing, especially in the foreign mail marketing is ranked first. (Bao, 2015)

5.6 Deep technical background and minimalist product line

February 6, 2018 the Eastern Time zone 3:45 P.M., automotive industry history, and even the entire human universe exploration history will record this historic moment-Elon Musk's

car Tesla Roadster sports car in SpaceX Falcon Heavy rocket to push, Become the first stage of human history into the outer space, to break through the Sudio, to the other planets outside the Earth to run to the civilian car! Ellon MASC's special identity--and the CEO of Tesla and SpaceX--and the cooperation of two High-tech companies is very frequent. Tesla and SpaceX are always committed to building a material engineering team designed to develop new advanced materials and use them in their respective products. Tesla confirmed that two companies will share a material engineering department head, Tesla and the SpaceX material team also convened a joint meeting, the two sides are committed to through technical cooperation to solve materials research and development related issues. In addition, two companies are working together to create a database of materials designed to help with their material projects. It is said that Tesla's Model S and Model X are models designed around computers, a new concept that is subverting the entire automotive industry. OTA updates around almost all aspects of the vehicle (from the power system to the interaction between the pilot and the air-conditioning system) do make these models feel like future cars. For those "technology fans" car owners, although the brand itself is highly idealized, but in this "with the technology of instant gratification as king" era, Tesla has been far away from the other car companies ahead. Refer to the product line, have to mention the traditional car-enterprise routines are often a new car every year, try to cover every segment of the market, but most of the car sales are not high, cannot recover the cost of investment, relying on several best-selling cars to support sales volume and profitability. Tesla's product line, like Apple, is simple and efficient. From the launch of the first car, Tesla has so far only launched 3 cars, the price is very high, sales efficiency, Model X's success also reflects Tesla's excellent product definition capabilities.