



TESLA

STCM 30900: Media Plan

Table of Contents

Executive Summary.....	3
Agency Overview.....	5
Situation Analysis.....	7
Brand Analysis.....	8
Competitive Analysis.....	21
Target Audience Analysis.....	42
Summary.....	51
Media Objectives and Strategies.....	52
Media Mix.....	54
Reach, Frequency, and GRPs.....	67
Scheduling and Timing.....	70
Geography.....	73
Media Budget.....	77
Appendix.....	82

● Executive Summary

In 2003, Tesla showed the world that consumers do not have to compromise their values to drive a luxury vehicle. Tesla proved that driving an electric vehicle could be more efficient than driving an average gasoline car. Since then, Tesla has released many different models such as the Model S, Model X, and the Tesla Semi to meet the innovation of technology. Working diligently to produce luxury electric vehicles that are safe, well-performing, and efficient, Tesla's main focus is moving towards a zero-emission future and making sure the world's reliance on fossil fuels is mitigated. In 2018, Tesla grossed \$21,461,270,000 in sales. However, compared to Tesla's competitors in the luxury vehicle category such as Audi and BMW, Tesla's share of market is quite small. In addition, since Tesla is a newer vehicle company with some controversies lately, there is some apprehension from consumers toward the brand. Vivid Visions Agency is committed to helping Tesla overcome this apprehension and earn consumers' trust.

● Executive Summary Cont'd

○ **Our solution:** a 12-month media campaign with heavy-ups in the months of July, November, December, and January to increase Tesla's annual sales by 20% and unaided recognition to 25%. Additionally, we want to introduce the new Tesla 3 model by targeting male adults, 45-64 years old, who enjoy a luxury lifestyle. We named this target audience High Class and Fast—people who enjoy a luxury lifestyle, are successful, and interested in the innovation of technology.

In order to set Tesla apart from other luxury car brands, we will position Tesla as a luxury vehicle brand with breakthrough technology to bring consumers comfort and luxury. We allocated our budget for this campaign to media that would best attract our target audience. Using trends in our target audience for reference, we focused on television, internet, and magazines, as these are the platforms that our target audience is exposed to the most. The rest of our campaign focuses on sponsorship and virtual reality to demonstrate how to operate a Tesla, as well as highlight its features. With this campaign, we aim to have a reach of 65 depending on the month, a frequency of 3.5, and a total of 292.5 GRPs.

● Agency Overview

Through honesty and compassion, **Vivid Visions Agency** proudly develops strategies to help clients grow. Vivid Visions Agency is a full service media agency that promises to satisfy and fulfill all of your company's marketing and media planning needs. Composed of six Ithaca College students, we possess key qualities and skills such as creative thinking, research abilities, and problem-solving. Vivid Visions Agency ensures diversity and creativity throughout all productions. We conduct extensive research about the industry at hand, its competitors, and the most effective channels to reach certain markets. Our variety of expertise allows us to accommodate the needs of our clients and in turn enables our clients to effectively reach their consumers. Through research, we create campaigns and strategies to implement your ideas and execute your most extraordinary visions.





Grace Bowman

IMC, Class of 2020



Callistina Nguyen

IMC and Finance, Class of 2021



Chelsea Centeno

IMC, Class of 2020



Thea Sousa

IMC, Class of 2021



Brianna Krupunich

IMC, Class of 2021



Megan Szuchman

IMC, Class of 2021



SITUATION ANALYSIS

● Brand Analysis: Marketing Objectives and Strategies

In 2003, Elon Musk and Martin Eberhard founded Tesla Motors. Tesla Motors is an all-electric-car maker, who is headquartered in Palo Alto, California. This luxury vehicle went public in July of 2010, and ever since has been trending for their alternative powertrains. Tesla Motors, an all-electric vehicles company, values clean energy and the idea to stop relying on fossil fuels and gas. The importance of environmentally friendly cars is a key way to move toward a zero-emission future. Tesla welcomes this new technology to society, more specifically the luxury and environmentally friendly car market. This is done by having a variety of vehicles, including Tesla Model S, Tesla Model X, Tesla Model 3 and future plans of Tesla Semi Truck, all of which are contributing to help “save the planet”. As Tesla continues to expand national and reaching different continents, it is a goal to increase sales by 6 percent this upcoming year. This extraordinary brand also looks forward to promoting the qualities of the car itself and their values through social media, putting a face to a name through putting CEO on the frontlines and inspiring wider discussions of environmental sustainability.

● Brand Analysis: Current Brand Situation

○
Founded in 2003 by engineers who wanted to prove that consumers did not have to compromise to drive electric cars, but also that electric cars can be more beneficial than driving gasoline cars. They created Tesla with the belief that the faster we, as consumers, stop relying on fossil fuels. This thought process was the foundation for their first car known as the Model S which is now the best car in its class in every category. Since then, Tesla has continued to expand its product line with new car models such as the Model X, Model 3, and the Tesla Semi. While Tesla was able to hit the ground running in the automobile industry, there are some challenges that the company continues to face.

Current Category

General Motors opened up the door for desirable luxury cars, beginning with the 1966 Oldsmobile Toronado. Being the “first front-drive production car made in America since the 1937 Cord 810 and 812,” (Motor Trend Network) this unique vehicle was not attainable by average Americans. Originally priced at \$4,585, according to Automotive Mileposts, the Oldsmobile Toronado would blow current luxury car buyers out of the water with its insanely low price. From there, luxury cars only grew more and more expensive with the most expensive car to date coming in at \$48 million (U.S. News). The \$48 million vintage 1963 Ferrari 250 GTO “was just one example of a trend, wherein collectible classic cars with a racing pedigree or an amazing story fetch top dollar” (U.S. News). Not only do the classics demand a top dollar amount, but newer, luxury cars rank very high on the chart as well. According to Forbes, the 2019 Aston Martin DBS Superleggera, a “5.2-liter 715 hp twin-turbocharged V12 engine with 8-speed automatic transmission” found itself priced at \$304,995. Although car brands such as Bentley, Mercedes-Benz, Lamborghini, Rolls Royce, Range Rover, and several others find themselves “climbing the corporate ladder... many families can’t justify \$70,000-and-up for a vehicle purchase” (The Globe). Unfortunately, this creates a large gap in the category. While most companies only intend to target those of higher economic status, some companies such as Tesla are finding it beneficial to target a range of economic statuses.

● Current Category Cont'd

○ Similar to Tesla, many car brands are striving to decrease and eventually fully eliminate their carbon footprint. Following luxury cars, the secondary category which Tesla finds itself under is electric cars. These “alternative fuel [automobile’s] that use electric motors and motor controllers for propulsion, in place of more common propulsion methods such as the internal combustion engine (ICE),” (Electric Vehicles News) are becoming increasingly popular as consumers become more aware of their own carbon footprint. At the conclusion of December 2016, “the global count of plug-in electrified vehicles crossed the two-million unit milestone” (Hybrid Cars). The majority of these electric cars are more than easy on the eyes with very sleek and modern features, as brands are conscious of the idea that while consumers are interested in decreasing their carbon footprint, they are not as willing to if it means sacrificing their reputation. Some of the electric cars on the market for 2020 that possess these sleek and modern qualities include the 2019 Audi E-Tron, the 2019 Hyundai Kona Electric, the 2019 Jaguar I-Pace, the 2019 Kia Niro EV, and the 2020 Porsche Taycan (Road Show). While only some of these electric cars remain in a middle class Americans’ budget, the long-term effects are substantial to both the environment and the buyer’s pocket.

● 4 C's

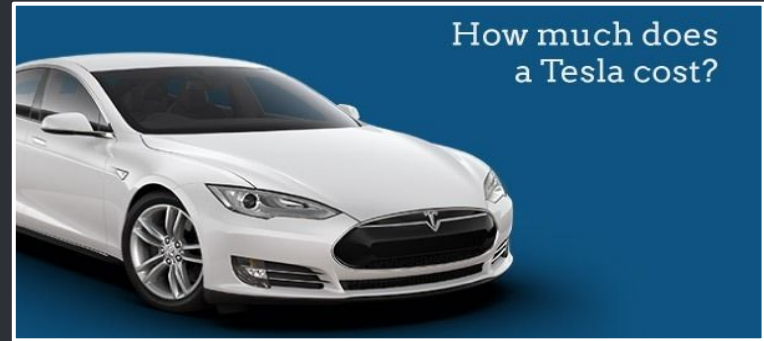
○ **Consumer Wants and Needs**

Tesla is a company that is highly aware of what their consumers value. Tesla has been able to curate the perfect recipe to attract people to their cars by going after current trends. One of the biggest trends being eco friendliness. Tesla has based a huge part of their product around the fact that their cars do not harm the environment. Being green is very much a need in today's society and is an especially important issue among the younger generation. Tesla pushes the fact that although their car is more expensive than a gas burner, the consumer will be saving money in the long run, whilst also saving the planet. Another great part of Tesla's product is its design. The sleek, luxurious, and modern look of Tesla cars is one that has attracted its consumers immensely. In a generation where showing off wealth and assets is seemingly important, consumers want a car like Tesla for its design. Teslas, while good looking and eco friendly, are also high quality cars. All Teslas are a highly functioning and even have updates like a smart device. Tesla also offers a diverse product line, with the Model S, Model X, Model 3, and the soon to be released, cheaper version of the Model 3.

4 C's Cont'd

Cost

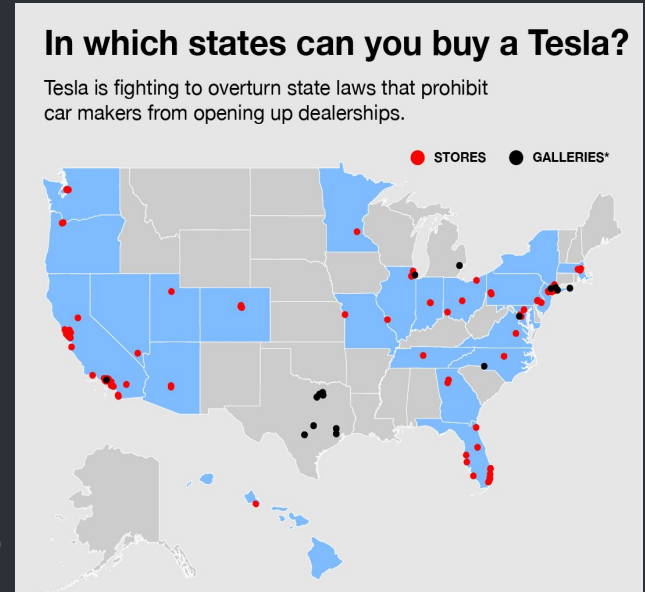
Tesla's pricing tactics are perfectly strategized for the brand. Their cars are on the pricier end of the spectrum on purpose. Tesla uses a premium pricing strategy, targeting a niche upper class market by alluring them with updated tech, modern design, and high pricing. This strategy has proved successful, as Tesla has now become a household name and a noticeable trend among celebrities. Currently, Tesla is attempting to expand into a new, middle class market with the \$35,000 Tesla Model 3 that Musk calls "his every man's car". Tesla is also aware that their cars are more expensive than a gas burner or a hybrid, but they feel it is a small price to pay for luxury as well as helping with climate change.



4 C's Cont'd

Convenience

California is the main hub of Tesla's presence, with their headquarters being in Palo Alto and the majority of their dealerships in the state. Tesla has a very interesting convenience approach, as buying a Tesla car is not convenient at all. Although Tesla conducts business in the U.S., Asia, and Europe, the U.S. is their most important market with 126 stores. But, Tesla does not make it easy for any customer to get their hands on a car. The majority of the dealerships are in California, Los Angeles with 17 and San Francisco with 10 out of 31 total California stores. Tesla not only has dealerships, but also galleries where customers can go and look at the cars, but cannot buy. Many states are fighting to stop Tesla from directly selling to customers and opening dealerships. Tesla also has an online shop, where consumers can buy parts, charging stations, accessories and more.



● 4 C's Cont'd

○ **Communication**

Tesla's promotional strategies are very unique, especially within the category of cars. They do not advertise or create campaigns anywhere near how much other car companies do, and when they do it is a different approach. One of the biggest communication efforts from Tesla is not an effort at all, but simply the face of their company, CEO Elon Musk. Elon has become a huge presence online, especially in the Twitterverse, with almost 29 million followers. His comical tweets and his ability to be made fun of or "memed" has proven to be extremely successful for Tesla and within the millennial/Gen Z market. People like Elon's relatability online and it offsets the prestigious message that Tesla gives off. As previously mentioned, Tesla's way of differentiating themselves from other hybrid cars is by promoting themselves as a modern luxury good that also helps save the planet. Another part of Tesla's communication strategy is the importance of brand awareness.

● 4 C's Cont'd

○ Communication Cont'd

People are highly aware of what Tesla is and can recognize its logo. This is due to tactics like branding all their charging stations, creating visually pleasing galleries/dealerships, and creating merchandise all based around their logo and name. Tesla, like its CEO Elon Musk, also has a large online presence. Their primary social media platforms, Twitter and Facebook, have four million followers and diverse presences with frequent postings. It is important for a modern company like Tesla to do well on social media to reach the appropriate market.



Be an
ordinary
celebrity



Be one of the few
celebrities to
commentate over
memes and earn
the respect of the
meme community

● Geographic Information

○ Tesla is a car company based in Palo Alto, California. Although Tesla's headquarters are based in California, Tesla is a global company. Tesla's business is based in North America, Asia, and Europe. Specifically, in Asia and Europe Tesla has managed to tap into the Chinese and Norwegian markets for cars because of their sustainable products. Although Tesla is based in Palo Alto, there are a total of 31 dealerships throughout Los Angeles and San Francisco, accounting for 25% of the total amount of dealerships in the United States. The U.S. is the highest market for Tesla's with a total of 126 dealerships throughout the country. Tesla operates in over 25 countries and 25 states throughout the U.S. totaling in 330 stores and service locations globally.

● Relevant Economic and Societal Trends

○ **Environmental Consciousness:**

As global warming is an issue, consumers tend to move towards products or brands that are eco-friendly, in an effort to cut down emission. According to Forbes, citing a 2017 study, 68 percent of millennials bought a product with an environmental or social benefit in 2017, and 87 percent would buy a product with an environmental or social benefit if they have the chance to. This trend is growing stronger over time, with a growing amount of environmental strikes and the people who have attended the strikes.

Support for Electric Cars:

According to the Union of Concerned Scientists, from a survey they collaborated with Consumer Reports, 63 percent of consumers are interested in electric vehicles. In addition, with the rise of trends that encourage the practice of going green, vehicles that do not emit are earning more support from consumers.

● Relevant Economic and Societal Trends Cont'd

○ **Social Media Usage:**

The prevalence of social media in the past decade has made them a part of the daily lives of people. With a variety of platforms such as Facebook, Twitter, Instagram, Snapchat, etc., social media are constantly growing strong and evolving, increasing the number of users on each platform. Social media nowadays cover a great range of topics through posts, pictures, videos and news articles, connecting people to each other and to what is happening around them.

● Relevant Economic and Societal Trends Cont'd

○ **GDP:**

United States' GDP increased by 3.1 percent in the first quarter of 2019 and by 2 percent in the second quarter, according to the US Bureau of Economics Analysis (BEA). Up to August 2019, the growth rate has been staying the same. GDP measures the monetary value of goods and services produced within a country in a particular year; this statistic by BEA means that the value of US products and services are increasing in 2019.

Consumer Spending:

According to BEA Consumer Spending report, there is a slow rise in consumer spending; expenditures increased by 0.3 percent in April 2019, and has not increased in August 2019. The spending recorded in this report does not account for food and energy expenditures.



COMPETITIVE ANALYSIS

● Competitive Analysis: Introduction

○ For Tesla's competitive analysis, Ford, BMW, Audi, and Porsche were strategically chosen. The conscious decision was made to include all four of these brands as competitors, as all of them encompass similar aspects to Tesla. Tesla is unique in the sense that it is known as both a luxury vehicle and an electric car. While Ford does not rank on the luxury scale, the brand offers a wide range of electric cars, making it a strong competitor of Tesla. Another brand which finds itself in close competition with Tesla is BMW. BMW is an opulence car brand with an abundance of models to choose from. Additionally, it came out with its first electric car in 1972. Although their first electric car turned out to be a failed attempt due to low mileage, BMW has more experience in the category. The third brand chosen was Audi, for it matches checks off as both a luxury vehicle and electric car competitor. When analyzing the cosmetic aspects of the brand, Audi's style of cars are most similar to Tesla as well. Lastly, is the brand Porsche which is the highest priced competitor for Tesla. Porsche exhibits grandeur as a brand, but it also produces electric cars, making it coincide with Tesla quite nicely. All of the brands chosen for Tesla's competitive analysis have at least one factor, being a luxury vehicle or electric car producer, that makes them an adequate competitor.

● Competitive Analysis: Tesla

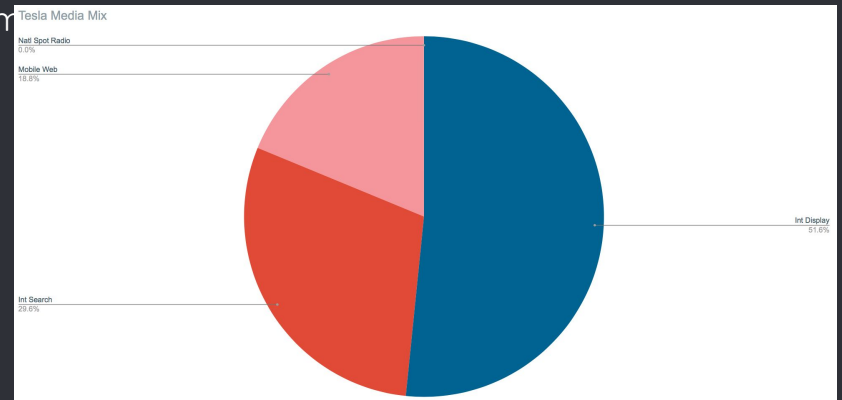
○ Company Overview:

Tesla Motors is an American brand based in Palo Alto, California, founded in 2010 by Elon Musk and Martin Eberhard. This company manufactures a variety of luxurious environmental sustainable cars with many benefits for women and men. Tesla is known for its new innovative technology of self driving cars and electric design models including Tesla Model S, Tesla Model X, Tesla Model 3 and future designs to come. The cost of a Tesla range depending on the model and year made. On average, Tesla vehicles start at \$35,000 and can go up to \$124,000.

Competitive Analysis: Tesla Cont'd

Media Mix:

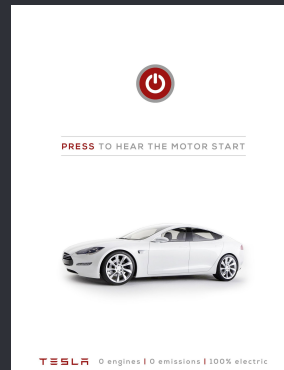
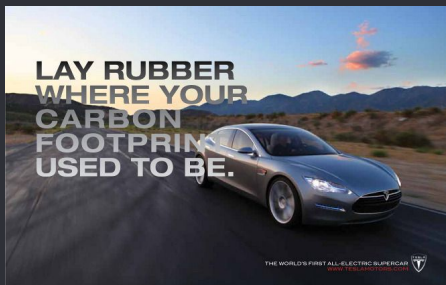
With Tesla Motors being a fairly new brand, its presence on social media through advertising is becoming more noticeable. Tesla accommodates their advertising and media mix according to what most users are on now-a-days to stay relevant and maintain effectiveness. This high-end car brand includes four platforms in their media mix although just focusing on three main ones. National Spot Radio results in 0%, although Tesla only spends 80 dollars on it. Therefore, since it is a relatively small amount there does not show significance according to the other platforms. Tesla motors utilizes the mobile web which makes up for 18.8% of its media mix. Also, Internet search is another priority making up 29.6%. Internet Display is the most important and most focused platform resulting in 51.6%, which is over half. Tesla spent \$1,155,239 in total on advertising.



Competitive Analysis: Tesla Cont'd

Advertising Strategy and Examples:

Tesla Motors takes pride in its high-end vehicles and benefits that it comes with. The visual internet displays are relatively cheap yet also create attention, which is successful in terms of spending less and receiving more. To continue to status of this luxurious brand, their advertisements have a theme of simplicity, mainly to get the brand name out there. There are also advertisements with little information to give the viewers the curiosity to discover and learn more. Including a car model and the Tesla Motor's logo helps create brand awareness to expand its audience and sales.



● Competitive Analysis: Ford

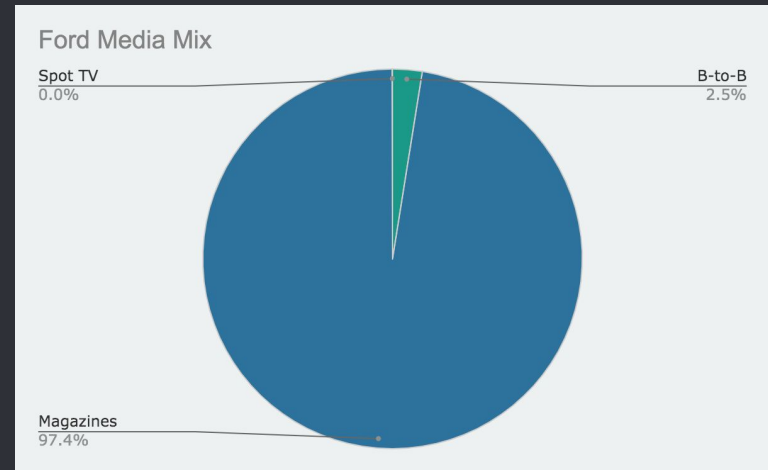
○ Company Overview:

Ford Motor Company started with Henry Ford in 1896 when he built his first vehicle, the Quadricycle. The vehicle had four bicycle wheels, four-horsepower engine, a tilter, and two forward gears. This was the start to what would be one of the most well known motor companies of our time. In 1901, Ford started the Henry Ford Motor Company. It was not smooth sailing from the start, they spent almost their entire cash investment before selling the first Ford Model A. Three years later Ford opened their first international plant in Canada. In 1908 Ford released the Model T and sold 15 million cars, making it one of the most best selling vehicles of all time. The car was affordable, simple, and well functioning, a tactic Ford uses still to this day. In 1922 Ford bought the Lincoln Motor Company. Now, Ford sells a plethora of vehicles including SUVs, trucks and vans, cars, electric cars, commercial vehicles, and performance vehicles.

Competitive Analysis: Ford Cont'd

Media Mix:

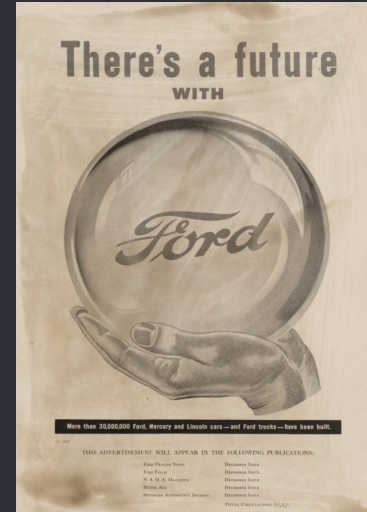
Ford is not too diverse when it comes to their media mix, they stick to a simple and effective strategy. Ford utilizes B to B which makes up 2.5% of their advertising spending, internet displays makeup .009%, magazines make up 97%, and spot TV which makes up .04% of their advertising spending in 2017/18. Ford spent a total of \$928,767 on advertising.



Competitive Analysis: Ford Cont'd

Advertising Strategy and Examples:

As seen with Ford's media mix, magazine/newspaper ads have always been Ford's preferable medium dating back as far as 1944. Some of Ford's more popular campaigns include "There's a Future with Ford/There's a Ford in Your Future," "Built Ford Tough," and "Have You Driven a Ford Lately?"



● Competitive Analysis: BMW

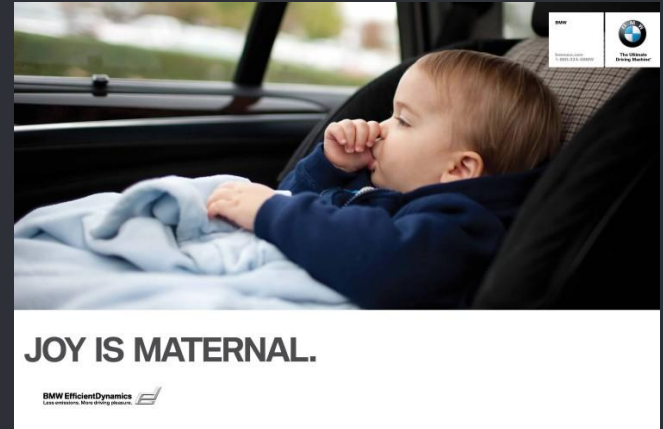
○ Company Overview:

BMW was established in 1916 by Karl Rapp, Max Friz, Josef Popp and Camillo Castiglioni in Germany. Originally, BMW produced aircrafts and aircraft engines until 1928, when they acquired Fahrzeugwerke Eisenach, an automobile manufacturer. In 1929, BMW started making cars and motorcycles. Now, BMW is the world's leading premium automobile manufacturer, setting trends in production technology and sustainability. In 2018, BMW delivered 2,490,664 vehicles, 142,617 of which were electrical vehicles. Their total sales in 2018 is \$111,667,990,000. The starting price for a BMW is around \$35,000 and can go up to over \$100,000.

Competitive Analysis: BMW Cont'd

Advertising Strategy and Examples:

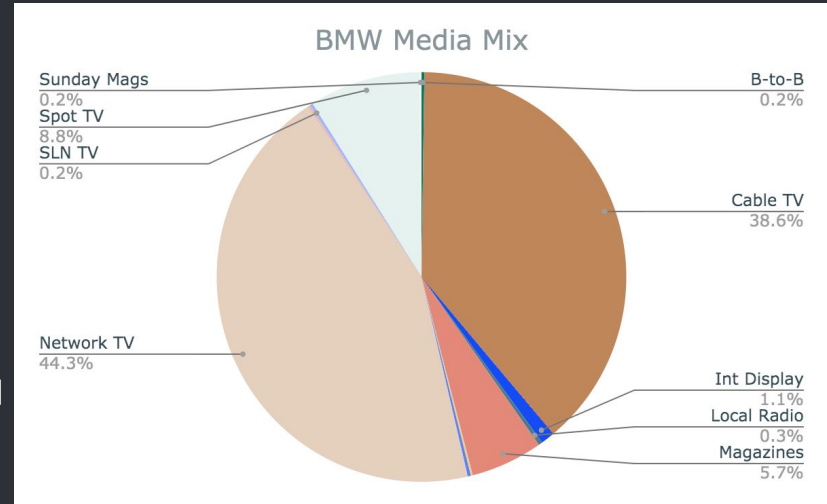
As seen in the media mix chart, BMW has advertisements on multiple media vehicles to maintain relevance. BMW has had several campaigns, two of which are “The Ultimate Driving Machine,” the infamous tagline that gave BMW search engine optimization upon looking up the phrase, and “Joy.”



Competitive Analysis: BMW Cont'd

Media Mix:

As an already-well-established brand, BMW ad spending covers a wide range of media vehicles to maintain relevance and high impression level. To catch up with the present where everything is very much online, BMW spends the most on network television, accounting for 44.3% of their ad budget. In addition, the brand spends 38.6% on cable television. Spot television accounts for 8.8% and magazine takes up 5.7% of BMW's ad budget as these media still have a steady audience base for BMW to put advertisements on and stay on trend. Other media such as Sunday magazines, SLN television, internet display, local radio, B-to-B are not as focused, since BMW is already well-known and only needs to spend little on these media to stay omnipresent and relevant to consumers. BMW spent a total of \$131,598,052 on advertising



● Competitive Analysis: Audi

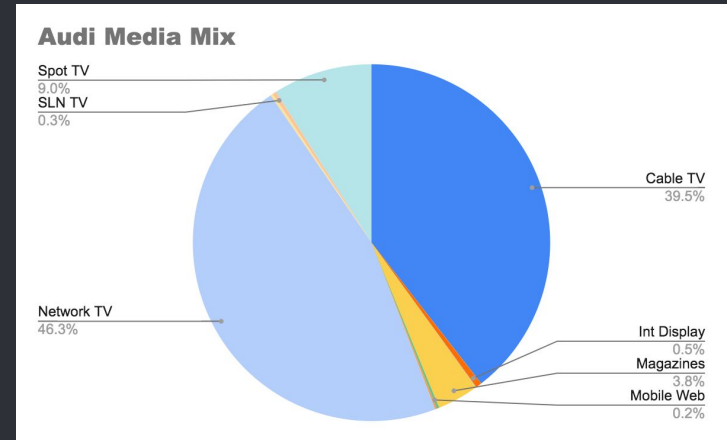
○ Overview:

Audi was established in 1899 by August Horch. He chose the name Audi because of what it translated to in Latin, which is “hark”. In 1932 Audi and three other German car makers formed the Auto Union, which is now symbolized by four interlocking rings that we see on Audi cars today. Despite joining forces, each company kept its own identity and Audi was the company to focus on luxury cars. Due to the mishaps of WWII, the Auto Union had to regroup and Audi was bought by Volkswagen in 1964. Today, both car companies share similar technological innovations in Audi’s lab in Bavaria, Germany.

Competitive Analysis: Audi Cont'd

Media Mix:

Unlike some of our competitors such as BMW, Audi uses a significant amount of their ad budget on television. The bulk of Audi's ad budget is split mainly between cable TV and network TV. Audi spends 46.3% of its ad budget on network TV and another 39.5% of their ad budget is spent on cable TV. Another 9% of their ad budget is spent on spot TV. Majority of Audi's ad budget is allocated towards TV. Audi spends 3.8% of their ad budget in magazines. Lastly, Audi spent .5% of their ad budget on internet display, .3% of their ad budget on SLN TV, and .2% of their ad budget on .2%. Audi spent a total of \$196,353,309 on ads.



Competitive Analysis: Audi Cont'd

Advertising Strategy and Examples:

As depicted on Audi's media mix, Audi advertises heavily on TV. During the 2019 Super Bowl, Audi released its commercial advertising the *e-tron GT electric sedan*. This car is set to be a direct challenger of Tesla and is set to go on sale early in 2021. Audi views creativity as its most important aspect in the effectiveness of their advertising. Executives at Audi believe that creativity is a key component, at least from a business point of view. Being that some of their tactical advertising was failing to deliver, Audi took to more creative measures to market their cars. Some of their commercials include 'Winchester', which features a dog and his owner explaining to him the love he has for his car and the reasons. Another commercial features, an old man taking his last breath, and then an Audi appears and he suddenly is able to speak. This commercial is titled "Final Breath". With these kinds of commercials Audi hopes to capture the attention of their target audience and continue to expand their market.



● Competitive Analysis: Porsche

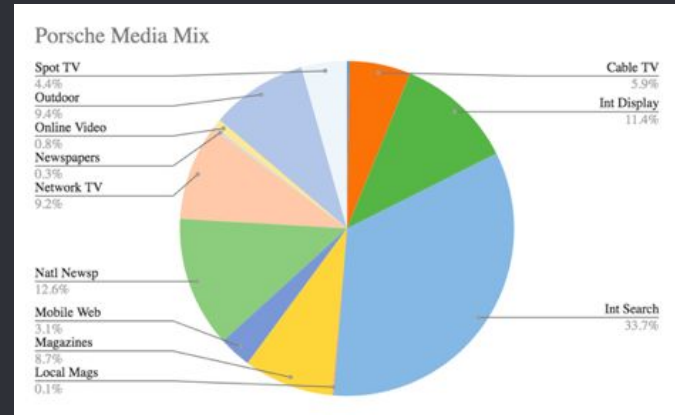
○ Company Overview:

In the 1930s in Stuttgart, Ferdinand Porsche established his first engineering office laying the foundation for the Porsche empire to grow. In that office, sports cars were designed as early as 1931, but after Ferdinand's son Ferry took over, the Porsche 356 was introduced to the market. In 1964 the 356 was replaced with the 911 and in 2011 they launched the 7th generation of the sports car icon. The pricing for Porsches can span from \$58,000 all the way to \$114,000 placing them in the luxury car demographic.

Competitive Analysis: Porsche Cont'd

Media Mix:

Porsche has been around for almost 100 years, so they have had lots of time to advertise their company and make it a household name. From research, we were able to see that Porsche has advertisements on over ten different media platforms. Porsche's largest media platform is through internet searches with it making up 33.7% of the chart. The next largest goes down to 12.6% with national newspapers. Considering Porsche is a global brand that has offices in the United States and Europe, it makes sense that national newspapers are high in their media mix. Next is internet displays at 11.4% which ties into the highest which is internet search. Porsche spent a total of \$21,279,818 on advertising.



Competitive Analysis: Porsche Cont'd

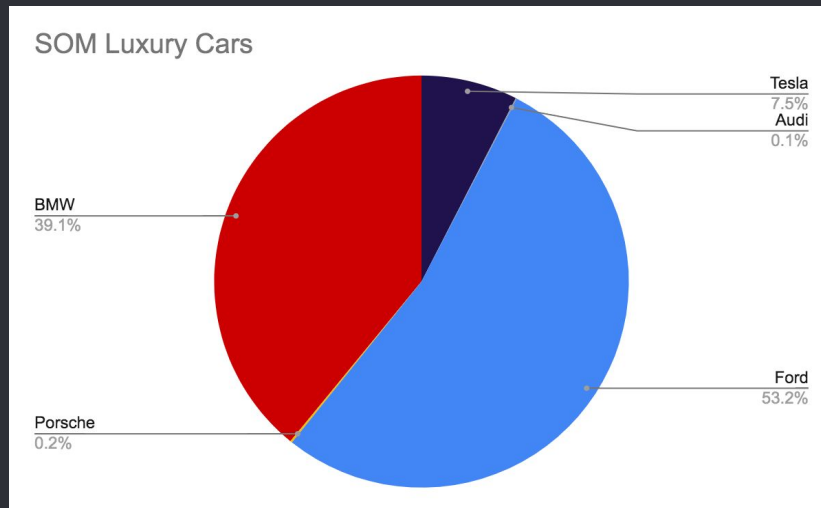
Advertising Strategy and Examples:

As seen with Porsche's media mix, internet searches, internet displays, and national newspaper are their most utilized media. Porsche has stuck to making their ads directly about the cars by having simplistic advertisements that just showcase their cars. Porsche is a high-end company and it does not advertise much through commercials. Along with showcasing the car, they will often add a description of the car and its qualities or have a witty headline to draw in the customer.

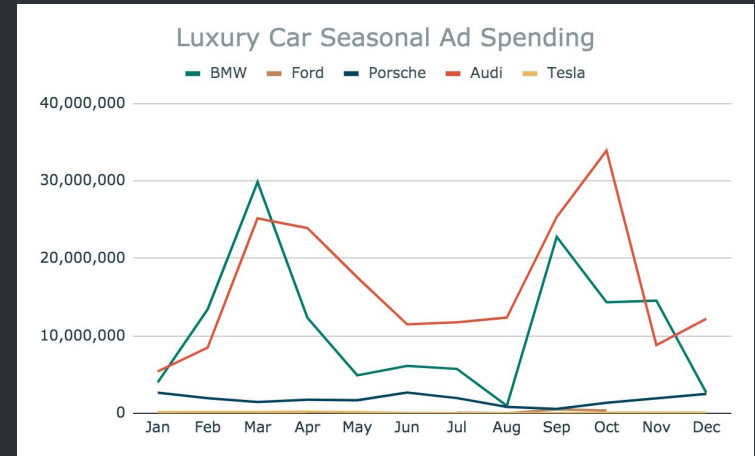
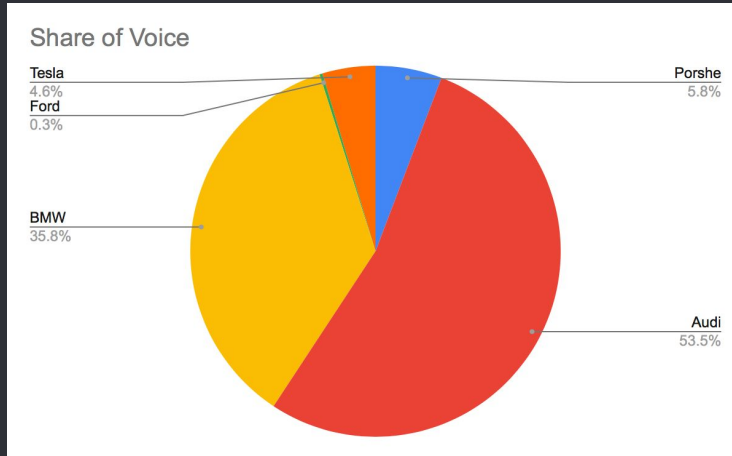


Share of Market and Ad Spending

	Porsche*	Audi*	BMW	Ford	Tesla
Ad Spend	21,297,818	196,353,309	131,598,052	928,767	17,016,060
Sales	\$455,000,000	\$220,000,000	\$111,667,990,000	\$151,800,000,000	\$21,461,270,000



Share of Voice and Seasonal Ad Spending



Social Media Analysis and Price Comparison

Social Media Analysis

	Instagram (followers)	Twitter (followers)	Facebook (likes)
Tesla	6.3M	4.3M	113K
Ford	3.6M	1.1M	15M
Audi	15M	2M	11M
BMW	23.6M	2M	20M
Porsche	18.4M	1.8M	11M

Price Comparison

	Tesla	Ford	Audi	BMW	Porsche
Price Comparison	35,000-124,000	14,260-52,130	32,500-169,900	34,950-147,500	49,900-150,900

● Wrap-Up

Based on the data found, it is clear that there is an abundance of opportunity for Tesla in its category. Tesla may not be the highest ranked amongst the brands similar to it, but it does have a range of routes it may go down in order to build itself as a brand. As shown in the previous media mix graph, Tesla hones down on specific media by focusing heavily on four platforms: Internet Display, Internet Search, Mobile web, and National Spot Radio. Newer compared to the brands it is up against in the competitive analysis, Tesla is more exciting to consumers. However, new often coincides with unfamiliar which is a quality that tends to push consumers away. Nonetheless, Tesla may find itself having difficulty as a brand in the luxury car category at first. Although slowly but surely, it can rise as a brand in its entirety since it seems to grasp the true qualities that consumers hold in high regard: quality, affordability, style, and impact on the environment. Tesla spends a fair share of 17, 016,000 on ad spending, which puts it right next to its competitors. Even though Tesla's sales are the lowest amongst its competitors, it has the most likes on Facebook in comparison to its competitors. Overall, Tesla is in a good spot in this category; although Tesla still has room to grow and expand.



TARGET AUDIENCE ANALYSIS

● Segmentation Process

○ Through secondary research, multiple methods were used to discover which markets, in terms of behavioral, psychographic and demographic data, would be the most fitting target audience for Tesla Motors. Between the three markets of luxury car owners, hybrid/electric vehicle owners and those who value ideal car-green and trendy vehicles, luxury car owners is the best fit. Luxury car owners are the best target audience to choose because of the supporting data. The population was larger; therefore there was more information that had a higher accuracy from the grand number of responders in comparison to the other two groups. Thus, the population remains promising, as well as, the index numbers are supporting the target market.

● Segmentation Process Cont'd

○ According to the MRI data found, men in our target audience tend to be college graduates who may have furthered their education. Men are 16% more likely to be a luxury car owner than the average population, while women are 15% less likely to own a luxurious car than the average population (116,85). Focusing on men who are in the age group of 45-64 years old, this combined age group shows that the 45-64 year olds are 16% more likely to be a luxury car owner than the average population (111,105). People who have graduated from college and continued on to graduate school (144) who are aging from 45-64 (111, 105). Luxury car owners tend to have an income of over \$1,000,000 (169). People who are married (110) and have 0-1 children (104, 102) are more likely to buy Luxury car owner. For jobs, people buying Luxury car owners tend to work in careers pertaining to management (141), computer/mathematics (143), legal (176), healthcare (126), business or financial (123), or are from the military (211). The highest race that purchases Luxury Car owners are 47% more likely to be Asian than the average population (147), people coming from the Pacific regions (131) or people from the Middle Atlantic (110).

● Segmentation Process Cont'd

○ Also, through looking at the MRI data of the psychographic information, it is discovered that the target audience is supported by other material provided. Luxury car owners are 11% more likely to buy a product based on quality rather than price than the average population. (111) They are 7% more likely to prefer products that offer the latest in new technology than the average population. (107) This information is important as Tesla learns who is the best fit target audience to direct this campaign towards. Also, luxury car owners are 8% more likely to not have time to cut out clipping of saving coupons than the average population. (108) They are also 24% more likely to buy hard to find items on the internet than the average population. (124) This is interesting because it shows that the target audience has time and access to the internet to get exclusive rare items. These individuals also find themselves in leadership positions. (113) It is also important to draw attention that luxury car owners are 21% more likely to have wealth-having material possessions and consider themselves to have a lot of money than the average population. Given more psychographic information helps in assisting to create the well rounded insight as to what the target audience lifestyle and mindset is like.

● Segmentation Process Cont'd

○ The media usage of luxury car owners are also important key points to draw attention to. Luxury car owners are 12% more likely to be heavy newspaper users than the average population (112). They are also 18% more likely to be internet quintiles III than the average population (118). Luxury car owners are also internet users and they are mainly on sites such as AOL Mail (133), Fandango (131), Fox.com (123), Popsugar (121), Ticketmaster (125), CNBC (153), MSN Money (177), TheStreet (192), Yahoo! Finance (159), BBC.com (131), CNN (128), NBCNews (128), NYTimes.com (136) and Tracked Investments (157). Luxury car owners also have watched the Golf Channel (152) and other sport events such as; U.S. Open for golf (146), men's tennis (161), women's tennis (145), tennis on ESPN (149) and the US Senior Open (154). Also the NY Times Magazine is popular (177) and they are 122% more likely to read the NY Times Style Magazine than the average population.(222) Also they are 101% more likely to read the Wall Street Journal than the average population. (201)

● Consumer Insights

○ Consumers who have a lot of money to lead a luxury lifestyle

- Consumers have shopped at Nordstroms in the last 3 months (194)
- Consumers have shopped at Neiman Marcus in the last 3 months (200)
- I generally purchase the most expensive model with all the luxury appointments and options (111)
- I'm willing to pay more for top quality electronics (127)
- Wealth-Having material possessions, a lot of money (121)
- Status-Achieving a higher social status (116)
- Home-Buy a second house/or vacation home (141)
- I typically drink wine with dinner (124)
- Consumers are part of frequent flyer program-elite member (222)
- Consumers have golfed within the last 12 months (145)
- Consumers went sailing within the last 12 months (164)
- Travel-Vacation abroad-Europe (173)
- Travel-Vacation abroad-Caribbean (161)

● Consumer Insight Cont'd

○ Consumers who are interested in new technology

- I consider myself to be an automotive enthusiast (119)
- Technology helps make my life more organized (118)
- Consumers have a membership at a collectors club (165)
- Buy/lease vehicle type-Hybrid/Alternative Fuel Vehicle (147)

Consumers who are successful in their careers

- Consumers have a membership at a business club (176)
- I regularly read financial news or financial publications (125)
- Consumers are part of hotel rewards program (155)
- Remodel your home-Add rooms (149)
- Remodel your home-Convert room to home office (137)
- Consumers have contributed to politics in the last 12 months (163)
- Consumers have gone scuba diving within the last 12 months (181)

● High Class and Fast

○ Members of the **High Class and Fast** are men (116), more specifically men who have graduated college and received or seek to receive higher education (144). These men typically range between the ages of 45-64 (111/105). Being that they have finished their collegiate careers, they are now well into their lifetime careers and hold well paying occupations. They typically hold positions in management occupations (141), life, physical and social science occupations (147), and computer and mathematical occupations (143). Their incomes tend to be over \$100,000 (169) which gives them the means to live life on the finer side.

● Persona

Jared is a 46-year-old (111) married (110) man (116) with no children (104) living in Los Angeles, California.

○ He works as an investment analyst (123) at an Aerospace and defense company. Before heading to work each morning, he makes sure he reads up on financial news and/or other financial publications (125). Typically dressed in Nordstrom (194) or Neiman Marcus (200) branded clothing, he is always sure to impress those at the office. He currently leases a hybrid car (147) to travel to and from his workplace, as well as to and from hotels that he is a rewards member of (155). When traveling to the East Coast for conferences, Jared uses his frequent flyer program elite membership (222). At home, he has a room that has been converted into an office (137), as it is important to him that he can complete tasks out of the office as well. After his long day of work, he likes to enjoy dinner accompanied by a glass of wine (124). As a busy middle-aged professional, Jared finds himself low on time. However, he makes sure to put aside time to travel abroad as he fancies traveling to Europe (173) frequently with his wife. He also actively participates in politics (163) to make sure his voice is heard. Among his love for cars (119), he golfs (145) and sails (164) to unwind. Due to his accomplishments thus far, he believes he has achieved a higher social class in society (116).



● Summary

○ While Tesla is well known for producing luxury vehicles that run on electricity, it is very hard to convince consumers to break away from their use of gas-fueled cars or even preference for hybrid cars. The consumers are generally wealthy and established people who are willing to spend a fortune on products they think are top quality technology that are worth their money, but Tesla is a generally new brand compared to other reputable luxury car brands that have been around for longer. Our target audience is generally successful and enjoys a luxury lifestyle. They also care about innovative technology and are willing to spend large money on top quality technology, and Tesla can bring the luxury comfort of new technology to them, even when they don't know it yet. Although Tesla is a new brand, it is the pioneer of luxury electric vehicle technology. Bringing awareness to our target audience about Tesla's breakthrough technology for their luxury comfort will bridge the gap between their trust and what Tesla can actually offer.



MEDIA OBJECTIVES AND STRATEGIES

CONNECTION IDEA

“

Breakthrough technology for luxury and comfort.

Although new to the vehicle playground, Tesla is the pioneer of electric cars and owns the newest vehicle technology. Tesla's breakthrough technology is certain to give you the luxurious experience with comfort in its innovation, because nowadays, novel technology is the new luxury.

● Media Mix Objective

○ The objective of our media mix is to spread awareness about Tesla for men ages 45-64 by appealing to their interests in luxury vehicles and updated technology. This will be done through a variety of mediums such as television, internet, magazines, virtual reality, and sponsorship. We aim to show Tesla is a luxurious, high quality and tech, car that is also comfortable and stylish.



● Television: Strategy and Rationale

○ **Television** is the first medium we believe will be beneficial for Tesla's advertising. With using TV, we can directly target our audience through specific networks and programs they enjoy. Although on the more expensive side, television commercials although for both audio and visual storytelling which are crucial to sending Tesla's message across. Even though some view TV as a dying medium, our older target market of 45-64 are still very much using television and have not completely made the shift to streaming yet. In order to effectively reach our audience, we have decided to advertise on the programs that our audience enjoys, reaches them, and has high index numbers. We will be running a lighter amount of TV ads as our category of luxury car owners prefer light daytime (108) and almost light total TV (117) according to MRI data. Our television ads will be fifteen seconds to keep us in budget range. We are choosing not to use syndicated television because we believe our target audience prefers network stations due to their age. Syndication is also more expensive so this saves us money for the budget. We will be purchasing 17 GRPs of Net Daytime TV during heavy up months and 12 GRPs during regular months. We will purchase 30 GRPs of Net TV Sports during heavy up months as well as the other months. Finally, we will purchase 150 GRPs of Net Cable Daytime for all months. This is due to the high frequency Net Cable gives us.

● Television Buys



The Golf Channel is the first media type we would like to advertise on. With one of the higher MRI index numbers (151), the Golf Channel is perfect for Tesla advertising as golf takes place mostly during the day when we would like to run our TV ads. Luxury car owners tend to prefer other luxurious activities, like golf, so they will be watching the Golf Channel. According to the MRI data, luxurious car owners are 45% more likely to have participated in golf in the past 12 months than the average population. This once again proves the point that The Golf Channel is a good match for Tesla to advertise to luxurious car owners who are on the older side.



The College Football Playoff National Championship is a program we would like to advertise Tesla on. The College Football Playoff National Championship has a lower index among luxury car owners (135), according to MRI, but has a much larger audience of 33,445, meaning Tesla's message will still be reached by the masses. Older men enjoy watching their alma mater so advertising during this game is a good way to reach them.

● Television Buys Cont'd



Similarly to The Golf Channel, the **Tennis Channel** (137) is another sports program that aligns with the luxurious lifestyle of our target audience. According to the MRI data, luxurious car owners are 31% more likely to have played tennis in the past 12 months. Tennis is also a sport that airs during the daytime, which matches with the timing of our television advertising.



The final channel Tesla will advertise on is the **Fox Business Network** (137). According to MRI, our target market is 76% more likely to be a part of a business club than the average population. This overwhelming data shows that luxurious car owners have an interest in business so the Fox Business Network is a good place to advertise for Tesla. Tesla's higher class feel goes along with the seriousness of the Fox Business Network.

● Internet: Strategy and Rationale

○ **The Internet** is the next medium that Tesla will advertise on. Although our target audience is on the older side, the internet is a cheap and effective vehicle to spread Tesla's message to a large chunk of our target market. We will be focusing more on websites than applications through the Internet due to our older audience. According to MRI, luxury car owners are 12% more likely than the average population to get annoyed by cell phone ads, yet are 19% more likely to think the internet is a great way to buy products. This proves that internet advertising is a much smarter digital strategy for our audience rather than mobile/social media advertising. Our target audience is a middle amount of internet users (118), according to MRI, so Tesla ads will be common but not heavy online. For Digital National we will be purchasing 1000(000) IMPs for Digital Sites/Ad Networks and 3000(000) IMPs for Targeted Sites/Ad Networks during heavy up months. During other months, we will only buy 2000(000) of Targeted Sites/Ad Networks. For Digital Spot we will buy the same IMPs, 1000(000) IMPs for Digital Sites/Ad Networks and 3000(000) IMPs for Targeted Sites/Ad Networks during heavy up. We will also only buy 2000(000) of Targeted Sites/Ad Networks for other months for Digital Spot.

● Internet Buys

TheStreet

The first website Tesla will advertise on is **TheStreet**. With one of the highest index numbers (192) TheStreet is the perfect website for the luxury car owner target market we are looking to reach. According to MRI data, our target market is 58% more likely than the average population to buy insurance or financial products, invest in stocks, bonds, or mutual funds in the next twelve months. Due to this attitude, TheStreet is a good website for our audience to see Tesla's ads and align it to their luxurious lifestyle.



MSN Money is another finance website, similar to TheStreet, that matches up with our target audience. MSN Money is a website with an index of 177 according to MRI data. For the same reasons as TheStreet, MSN Money matches with the enjoyment of wealth and finances our luxury car owners feel. MSN Money, although with a lower index than TheStreet, has a higher audience (according to MRI data), making it just as good of an option. Our target audience, according to MRI, is also 25% more likely to regularly read a financial publication or financial news than the average person.

● Internet Buys Cont'd



The next website Tesla would like to advertise on is **LinkedIn**. With an index of 140, according to MRI, LinkedIn is the perfect website for serious employers and those looking to network. As previously mentioned, according to MRI, our target market is 76% more likely to be a part of a business club than the average population. This overwhelming data shows that luxurious car owners have an interest in business, thus an interest in business websites.



The final website we would like to advertise on is the **New York Times** website (136). Newspapers are dying out, but the older audience we are targeting still reads them, so the NY Times website is the perfect medium. According to MRI, luxury car owners are 14% more likely than the average person to feel it is important to keep up with news and current events. This data proves that a news website is appropriate to advertise Tesla on because it is enjoyed by our audience.

● Magazines: Strategy and Rationale

○ Magazines, although some consider a dying medium, are the perfect vehicle to deliver our message to our target age. Magazines are a cheap way to get a high frequency, which is needed with our goal of a 4.5. Magazines are also one of the few mediums that have niche markets, like our target category of “luxury car owners”. Using magazines we can create a niche marketing strategy to effectively reach our category. With an index number of 112, according to MRI data, magazines receive the highest index among all other media in terms of luxury car owners. We will be purchasing half page full color ads. This is because half page ads are cheaper but we want the style and look of color. We will be purchasing 25 GRPs of Men’s Magazines during heavy up months, and drop to 22 GRPs otherwise. For General Interest Magazines we will only buy 20 GRPs during heavy up months and 15 during the other months.

● Magazine Buys



The first magazine we would like to advertise Tesla in is **Autoweek**. Not only is Autoweek a car magazine, but also has a high index number (148) for luxury car owners. Autoweek is the obvious magazine for Tesla to advertise in and it helps that the index number.



The next magazine Tesla will advertise in is **American Way**. With an index of 167, according to MRI, American Way provides an entertainment quality to the older generation of our target market.



Car and Driver is the next magazine Tesla will advertise in. Even though the index number (136) is lower than the previous two magazines, the audience is significantly higher, meaning it will be seen by more of our target. Car and Driver is much more about luxurious cars which is who we are targeting with our category.

● Magazine Buys Cont'd

The final magazine Tesla will advertise in is the **New York Times Style Magazine**. This New York Times magazine has the highest index number (222) for luxury car owners out of all the other New York Times magazines. Advertising in the NY Times magazine and website will allow for continuity with our viewers and allow our target to associate Tesla with the NY Times. The NY Times Style Magazine, although still newsworthy, very much covers hip styles and fashion. Tesla not only offers new technology, but also new styles and designs, matching up Tesla with this magazine perfectly.



T THE NEW YORK TIMES STYLE MAGAZINE

● Virtual Reality: Strategy and Rationale

Although unconventional, **Virtual Reality (VR)** is the future of marketing and we believe it could be extremely beneficial towards Tesla's advertising. Luxury car owners prefer products that offer the latest technology (108), enjoy reading about new technology (113), take the opportunity to talk about new technology when they can (106), and are overall fascinated by new technology (112). This MRI data shows that VR as a new technology is interesting to our target category, even if the audience is on the older side. VR is the next advancements in advertising, as 1 billion dollars was spent on it in 2018 in the advertising industry. Immersive marketing allows customers to experience how to use a product and this is a great strategy for Tesla and the older audience who would like to try before they buy.

Our virtual reality idea for Tesla's media mix is to create a simulation Tesla ride using "4D" technology. The VR experience would place the user inside a real Tesla cars body and contain seats that move with the simulation. The user would sit on the seats and place on virtual reality goggles that simulate the experience of driving in a Tesla. There would also be fans that simulate the wind Tesla user feel when driving with the windows down. This is not only a unique way for our target to test "drive" a Tesla car, but also helps them see the features that cannot really be tested on the open road such as Tesla's intense speed.

- Sponsorship - U.S. Open:
Strategy and Rationale

Sponsorships are a great tool for Tesla to use because it will put their brand front and center at an event their target cares about. It is also great media exposure for Tesla with not only the television audience but also those attending the event. If done well, the audience will associate the event with Tesla even though we are just the sponsor. Sponsorships also tend to have a higher ROI than a TV commercial due to its specificity in the target audience. If paired with an event popular among our target audience, sponsorships can be a great medium to use.



● Sponsorship - US Open: Strategy and Rationale Cont'd

○ Tesla has decided to sponsor the US Open as it will be a great way to reach an audience of male luxury car owners ages 45-64. The US Open in 2019 was the largest viewed event ever for ESPN. In 2019, some of the highest rated markets for the US Open included Washington, DC (2.0), New York (1.9), Miami (1.3) and Los Angeles (1.3). These cities happen to be a large section of where Tesla would like to advertise. This means that the areas that view the US Open the most as also the cities where Tesla dealers are, thus reaching the target market perfectly. The US Open is known to be more of a wealthy event than a sports game. People go to enjoy the luxuriousness of the stadium, hang around other wealthy people/celebrities, and drink. This lifestyle matches our target market description of luxury car owners. For example, luxury car owners are 15% more likely than the average person to purchase a more expensive bottle of wine simply for the quality. This percentage shows that the prestigious lifestyle of those that are involved with U.S. Open coincides with the consumer Tesla is trying to reach.

Reach, Frequency and GRP

With Tesla's new campaign, which is promoting the new product of Tesla Model 3, it is appropriate to have a high **reach goal of 65**. This will be achievable by the media vehicles of social media, magazines and television being used to help connect and get the attention of the campaign's target audience. There will be focus on minimal cross-media duplications; therefore the multiple media vehicles will reach with the different audiences who are interested in Tesla Motors. In order to increase reach, roadblocking will be another strategy used to help get the attention, thus meaning placing ads and commercials in major TV networks at the same time. This is an effective strategy for when viewers are flipping through channels, it is more likely for them to notice Tesla Motors.

Low Required Frequency	Frequency Adjustment				High Required Frequency
Market Factors					
Established brand	-2	-.1	+1	+2	New brand
High market share	-2	-.1	+1	+2	Low market share
High brand loyalty	-2	-.1	+1	+2	Low brand loyalty
Long purchase cycle	-2	-.1	+1	+2	Short purchase cycle
Product used occasionally	-2	-.1	+1	+2	Product used daily
			+1	+2	Need to increase share of voice
			+1	+2	Targeting elderly or children
Message Factors					
Low message complexity	-2	-.1	+1	+2	High message complexity
High message uniqueness	-2	-.1	+1	+2	Low message uniqueness
Continuing campaign	-2	-.1	+1	+2	New campaign
Product-focused message	-2	-.1	+1	+2	Image-focused message
Single message in campaign	-2	-.1	+1	+2	Variety of messages in campaign
Using old messages	-2	-.1	+1	+2	Using new messages
Large ad units (size/length)	-2	-.1	+1	+2	Small ad units (size/length)
Media Factors					
Low clutter	-2	-.1	+1	+2	High clutter
Favorable editorial setting	-2	-.1	+1	+2	Neutral editorial setting
High audience attentiveness	-2	-.1	+1	+2	Low audience attentiveness
Continuous scheduling	-2	-.1	+1	+2	Pulsing or flighting scheduling
Few media vehicles used	-2	-.1	+1	+2	More media vehicles used
High repeat-exposure media	-2	-.1	+1	+2	Low repeat-exposure media

● Reach, Frequency and GRP Cont'd

○ This 12-month long campaign does focus on the new product introduction to Tesla Motors, being the Tesla Model 3. Even though there are many competitors in the Automotive industry, it is important to have a reasonable reach to reiterate a strong and established brand to work to become a leader in category in the future. To understand the message while also creating brand recognition, simple ads will be used to make it easier for viewers to understand the message Tesla is producing.

Tesla Motors' frequency is an important component of this campaign. Even though Tesla Motors is considered a well-known brand, frequency is what makes the consumer act upon the ads they see. It is one thing to have Tesla on your mind, but the main focus is to have the desire to act on the brand thought of to purchase it. This will be succeeded through strategies.

● Reach, Frequency and GRP Cont'd

In the 12-month long campaign **the frequency for Tesla will be 3.5**, thus meaning that the audience is projected to see the advertisement, on average, 3.5 times. This measure of repetition will be effective because of the many competitors in this market. This frequency number was calculated as an estimate from the Ostrow Model. Although the Ostrow Model result estimated to 3.5, that will be viewed as a suggestion with the intention of the frequency being higher, around 4.5. With the frequency being 4.5, it will be more effective because Tesla Motors will have that recognition in the audience's head which will also help with brand recognition and awareness.

Working with the improved frequency of 4.5, and the reach of 65, the **GRP will calculate to 292.5** during the higher concentrated months. This goal of 292.5 will be reached through earned, owned and paid media. However in the months that pulsing is not intense, our agency has a goal to not go below 55 for reach and never go below the frequency of 3.1.

● Scheduling and Timing

○ Objective

Our objective is to advertise Tesla Inc. throughout the entire year, while heavying up in certain months.

Strategies

For Tesla, we would like to create a pulsing plan for advertising. We will start the campaign in July. The months that we will heavy up the campaign will be during November, December, and January. We want to heavy up in November because that is when the holidays start and people start Christmas shopping. For luxury cars, it is best to heavy-up on advertisements during December because that is when it is best for consumers to purchase luxury cars because of the deals around Christmas. Car companies are also required to hit their sales quota by the end of the year, so it is best to advertise your end of the year sales in December because consumers know that their will be more sales.

● Scheduling and Timing Cont'd

○ Strategies Cont'd

We wanted to avoid heavying up on advertisements during the spring because we know that after Christmas, people have generally spent a lot of money and are less likely to make a big purchase. That is why we want to start in July and heavy up during 4th of July because data has shown that cars have large sales during these times and that advertisements for cars spike during this time. Tesla continues to come out with new inventions and new cars throughout the year, which is why we want to continuously advertise throughout the year, while heavying up during certain months.

- Flowchart (with GRPS)

Television	Jan.	Feb.	Mar.	April	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
NetTV- Daytime	17						17				17	17
NetTV-Sports	30						30				30	30
Digital												
	10						10				10	10
Magazines												
Men	25						25				25	25
General Interest	20						20				20	20
Virtual Reality												
Sponsorship												

Geography

Objective

To execute a media plan that employs both a national and spot campaigns, our spot campaigns will feature the top 9 designated market areas (DMA) that have the most Tesla stores and high index numbers in luxury car sales and Tesla sales across the United States. Ultimately, our main focus is to maximize Tesla's advertising voice, by increasing brand awareness.

Rank	DMA	DMA Name	Stores	%USHH	%Luxury Category	%Tesla	BDI	CDI
1	803	Los Angeles, CA	17	4.80	5.965	11.102	231	186
2	501	New York, NY	13	6.40	8.141	13.295	208	163
3	807	San Francisco et al, CA	10	2.27	3.372	5.418	239	161
4	623	Dallas-Ft. Worth, TX	6	2.36	2.434	2.933	124	121
5	528	Miami-Ft. Lauderdale, FL	5	1.42	1.494	2.005	141	134
6	602	Chicago, IL	5	2.88	3.439	4.294	149	125
7	504	Philadelphia, PA	4	2.48	2.893	3.327	134	115
8	511	Washington, DC	4	2.12	2.838	3.347	158	118
9	819	Seattle-Tacoma, WA	4	1.74	2.082	2.500	144	120

● Geography Cont'd

○ Strategy and Rationale

After analyzing MRI data, the use of a spot and national campaign was strategically chosen to enhance the possible promotional aspects of Tesla's new 2019 Tesla Model 3. By engaging our target audience nationally, as well as heavying up in DMAs that have a higher density of Tesla stores, our target audience will be more likely to purchase the new model. Heavying up in DMAs that have a high Brand Development Index (BDI), as well as Category Development Index (CDI) aims for an outcome of success in Tesla's specific categories; specific categories consist of the Tesla brand and luxury cars. Those residing in our chosen spot markets have Tesla infrastructure already set in place, including stores, galleries, services, superchargers, and destination charging. Electric vehicles require a stronger set of foundation compared to gas fueled vehicles, so this type of infrastructure is required in order to gain customers.

● Geography Cont'd

○ Strategy and Rationale Cont'd

While Tesla is doing well in our chosen spot markets at this time, marketing the new Tesla Model 3 in an area with a high BDI and CDI means that those markets are more likely to purchase a Tesla and luxury car than those elsewhere in the United States. Due to the lack of dealerships and charging stations across the nation, Tesla buyers must reside near charging stations in order to make the most of their purchase. Adding up to 26.47% U.S. households in our chosen spot markets, we equal just below the 30% justification for a national campaign. However, marketing the new Tesla 3 model on a national level allows us to reach awareness goals provided by Tesla.

● Geography Cont'd

○ Environmental Impact

Shown on this map, is the total amount of carbon dioxide (CO₂) saved by Tesla vehicles. This map is updated constantly on the Tesla website. One will notice that the brightest blue areas are located in the same areas that we have chosen as our spot markets.





MEDIA BUDGET



\$22,500,000

Budget

● Media Budget

○ Objective

To launch a product introductory campaign, from August 2020 to July 2021, with a budget of 22.5 Million.

Strategy and Rationale

Vivid Visions Agency allocated the media buys according to the budget of 22.5 million dollars set by the client. Since the budget was provided, we did not have to calculate it from the percentage of brand and category sales or competitors spendings. A spot and national combined campaign would be best, since the top 9 DMA's already accounted for 26.27% of U.S Households. Our ad purchases were decided purposely on the media platforms that were used by our target audience with the highest index numbers. We will be spending 50% of our budget, \$11,250,000, on television advertising. We believe the majority of our budget should go to television as it is a more expensive medium and only works effectively if enough money goes into it.

● Media Budget Cont'd

○ Strategy and Rationale Cont'd

Our target audience, luxury car owners, also have watched the Golf Channel (152) and other sport events such as; US Open for golf (146), men's tennis (161), women's tennis (145), tennis on ESPN (149) and the US Senior Open (154). We will be spending 15% on the internet, this strategic buy will allow us to meet our frequency for our campaign through websites that our target audience, men ages 45-64, access often. They are also 18% more likely to be internet quintiles III than the average population. (118) Magazines will account for 35% of our budget, this is a reasonable number because our target audience, luxury car owners are 7% more likely to be heavy magazine users (Quintiles 1) than the average population. The population was also taken into account while making this decision because the population for this quintile is 49,288,000. Due to our pulsing schedule, we are allocating more money for the months which were heavily concentrated on. The first month is July because of the introduction of our campaign,. Later in the year, we will also be scheduled to heavy up during November, December and January due to the holiday season to remind our target audience that Teslas are a great gift.

Media Budget Cont'd

Medium	August\$(000)	September\$(000)	October\$(000)	November\$(000)	December\$(000)	January\$(000)	February\$(000)	March\$(000)	April\$(000)	May\$(000)	June\$(000)	July\$(000)	Total
Television Channels													
The Golf Channel	809.7	571.6	571.6	809.7	809.7	809.7		571.6			571.6	809.7	6334.9
College Football	332.3	332.2	332.2	332.2	332.2	332.2		332.3			332.2	332.3	2990.1
Tennis Channel	312.1	312.1	312.1	312.1	312.1	312.1		312.1			312.1	312.1	2808.9
Fox Business Channel	312.1	312.1	312.1	312.1	312.1	312.1		312.1			312.1	312.1	2808.9
Internet													
TheStreet	15	11	11	15	15	15	11	11	11	11		15	141
MSN MOney	15	11	11	15	15	15	11	11	11	11		15	141
LinkedIn	15	11	11	15	15	15	11	11	11	11		15	152
New York Times	15	11	11	15	15	15	11	11	11	11		15	152
Magazine													
Autoweek	213	187.9	187.9	213	213	213	187.9	187.9	187.9	187.9	187.9	213	2380.3
American Way	171	128.4	128.4	171	171	171	128.4	128.4	128.4	128.4	128.4	171	1753.8
Car and Driver	213	187.9	187.9	213	213	213	187.9	187.9	187.9	187.9	187.9	213	2380.3
Paid Media Totals	2423.2	2076.2	2076.2	2423.1	2423.1	2423.1	548.2	2076.3	548.2	548.2	2032.2	2423.2	22043.2
Brand Integration													
VR TESLA Simulation				15	20	15							50
Sponsorship													
U.S Open	25000	20000	20000										65000
Estimated Owned/Earned Media													65050



Appendix

● Appendix

○ Current Brand Situation

- <https://www.businessinsider.com/teslas-biggest-challenges-in-2019-2019-3#price-fluctuations-13>
- <https://www.tesla.com/about>

Current Category Situation

First Luxury Car:

- <https://www.motortrend.com/news/c12-0509-1966-oldsmobile-toronado/>
- <http://automotivemileposts.com/toronado/prod1966toronado.html>

Most Expensive Luxury Cars:

- <https://cars.usnews.com/cars-trucks/most-expensive-cars>

Collectible Cars and Their Costs:

- <https://www.theglobeandmail.com/globe-drive/news/industry-news/how-buyers-are-driven-toward-entry-level-status-symbol-cars/article23242058/>

● Appendix Cont'd

○ Current Category Situation

Electric Vehicle Definition:

- <https://electricvehiclesnews.com/Definition/description.htm>

Electric Vehicles on a Global Level:

- <https://www.hybridcars.com/the-world-just-bought-its-two-millionth-plug-in-car/>

Electric Cars on the Market in 2020:

- <https://www.cnet.com/roadshow/news/every-electric-car-ev-range-audi-chevy-tesla/>

● Appendix Cont'd

○ Relevant Economic and Societal Trends

Forbes on Consumer and the Environment:

- <https://www.forbes.com/sites/forbesnycouncil/2018/11/21/do-customers-really-care-about-your-environmental-impact/#2343c5a4240d>

Support for Electric Cars:

- <https://www.ucsusa.org/news/press-release/electric-vehicle-survey-2019>

GDP:

- <https://www.bea.gov/news/glance>

● Appendix Cont'd

○ Relevant Economic and Societal Trends Cont'd

Consumer Spending:

- <https://www.bea.gov/news/2019/personal-income-and-outlays-august-2019>

Introduction:

- <https://www.businessinsider.com/history-of-bmws-electric-cars-2016-5#bmws-first-major-step-into-the-world-of-electric-cars-came-in-1972-with-the-1602e-1>

Tesla Advertising Strategy:

- <https://www.teslarati.com/brilliant-tesla-advertising-strategy-lack-thereof/>

Tesla Price Range:

- <https://news.energysage.com/how-much-does-a-tesla-cost/>

● Appendix Cont'd

Ford Price:

- <https://www.truecar.com/prices-new/ford/>

Audi Price:

- <https://www.truecar.com/prices-new/audi/>

BMW Price:

- <https://www.truecar.com/prices-new/bmw/>

Porsche Price:

- <https://www.truecar.com/prices-new/porsche/>

● Appendix Cont'd

○ Relevant Economic and Societal Trends Cont'd

Ford Overview:

- <https://corporate.ford.com/history.html>
- <https://www.ford.com/>
- <https://repository.duke.edu/dc/jwtfordmotorads>
- <https://repository.duke.edu/dc/jwtfordmotorads/jwtad010020140>
- https://s22.q4cdn.com/857684434/files/doc_financials/2018/annual/2018-Annual-Report.pdf

● Appendix Cont'd

○ SOM:

- https://bi-gale-com.ezproxy.ithaca.edu/essentials/company/303604?u=nysl_sc_ithaca
- https://bi-gale-com.ezproxy.ithaca.edu/essentials/company/1377397?u=nysl_sc_ithaca
- https://bi-gale-com.ezproxy.ithaca.edu/essentials/company/283?u=nysl_sc_ithaca
- https://bi-gale-com.ezproxy.ithaca.edu/essentials/company/127228?u=nysl_sc_ithaca
- https://bi-gale-com.ezproxy.ithaca.edu/essentials/company/226862?u=nysl_sc_ithaca

● Appendix Cont'd

○ Social Media Analysis:

- <https://www.instagram.com/audi/>
- <https://www.instagram.com/porsche/>
- <https://www.instagram.com/bmw/>
- <https://www.instagram.com/teslamotors/>
- <https://www.instagram.com/ford/>
- <https://twitter.com/Tesla>
- <https://twitter.com/Ford>
- <https://twitter.com/Audi>
- <https://twitter.com/Porsche>
- <https://twitter.com/BMW>
- <https://www.facebook.com/TeslaMoto/>
- <https://www.facebook.com/audi/>
- <https://www.facebook.com/porsche/>
- <https://www.facebook.com/ford/>
- <https://www.facebook.com/BMW/>

● Appendix Cont'd

○ VR

- <https://venturebeat.com/2019/07/25/vr-ads-in-2019-whats-working-and-whats-not/>
- <https://www.theverge.com/2014/12/9/7327953/drivers-education-20-simulators>

Sponsor

- <http://blog.cebiter.com.au/7-benefits-of-sponsoring-an-event>
- <https://espnpressroom.com/us/press-releases/2019/09/us-open-most-watched-ever-on-espn/>
- <https://www.forbes.com/feature/usopen/#74d8dd0313d8>