

AUTOMOTIVE

## BMW challenges Tesla in front of Olympic audience

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*BMW 330e*

By FORREST CARDAMENIS

German automaker BMW is urging consumers to skip the wait for an electric vehicle with two new television spots.

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The TV spots will air during the 2016 Rio de Janeiro Olympic Games and advertise the newly available BMW 330e, a plug-in hybrid available from \$44,695. The ads implicitly target competitors and underscore the importance that higher mileage and more environmentally friendly vehicles have for BMW.

"The Olympics' opening weekend pulled in 19.5 million viewers, so there might be a case to be made that BMW's advertising swipe at Tesla could be considered too "mass" of an event to air these ads," said Michael Del Gigante, CEO and president at [MDG Advertising](#). "But first, let's take a look at the audience to see if there's a fit.

"Primetime Olympics coverage skews slightly female in viewership (a shared demographic in the potential car-ownership base of this electric hybrid)," he said. "Then when you consider that the BMW 330e starts at \$44,695, which places the plug-in hybrid in the same affordable luxury segment as the Tesla Model 3, you realize that the Olympics are the perfect venue to debut these ads and reach the exact audience that BMW hoped to capitalize on."

Wait or drive?

Boutique ad agency and production company The Vault of New York, which first worked with BMW in late 2014, designed the ads.

The first spot, entitled "Waiting," shows a man sitting on his porch as narrator opines, "You will do your taxes twice, maybe more; you will ring in the New Year twice, maybe more all before that electric car company's new model ever even arrives." At that point, a couple across the street pulls up in the BMW 330e, and the narrator makes the case that it's "the car you've been waiting for without the wait."

While Tesla is not mentioned by name, the mention of "that electric car company's new model" and the multi-year waiting time scans as a reference to the electric automaker. Tesla's Model 3 vehicle has made headlines for its affordable \$35,000 price and for compiling a lengthy waitlist despite a tentative 2018-delivery date ([see story](#)).

BMW's Waiting

By marketing the 330e as "the car you've been waiting for without the wait," BMW aims to pilfer Tesla's prospects by assuaging their desire for the similar vehicle.

However, the two vehicles retain significant differences. The 330e's MSRP of \$44,695 is nearly \$10,000 more than Tesla's Model 3, and its all-electric range of 14 miles pales in comparison to Tesla's promise of 215-miles per charge.

The second ad, "Wait or Drive," draws a contrast between making a deposit, applying to a waitlist and waiting in line steps that evoke the Tesla 3 to the possibility of driving. BMW pushes its 72 MPGe and immediate availability, which "reinvent what a plug-in hybrid is like only BMW can."

#### *BMW's Wait or Drive*

Tesla's Model 3 has attracted numerous headlines and widespread attention. Airing the ads during the Olympic allows BMW to reach a similarly large group of consumers, likely including a great deal of overlap.

Additionally, recent studies show that consumers who plan on closely following the Olympics have higher incomes and net worth than the average consumer.

Current events generate large, affluent and engaged audiences, presenting a prime marketing opportunity, according to a panel at Ipsos' "Affluents, Influence & Media" presentation Aug. 4.

In research conducted July 8-22 relating to the upcoming Rio Olympic Games, the United Kingdom's recent Brexit referendum and the impending United States election, Ipsos determined that consumers that pay most attention to these issues are wealthier and more influential than other consumers. Live audiences and current events therefore offer brands an opportunity to adjust positioning and reach responsive audiences in volume ([see story](#)).



#### *BMW i3*

BMW's decision to compete directly with Tesla signifies the widespread shift in attitudes among consumers, who are becoming significantly more receptive to once-niche vehicles powered by alternative energy sources.

#### Electric power

Recent BMW initiatives suggest the brand is focusing efforts on increasing the visibility of its electric vehicles.

In June, BMW won a bid to supply the Los Angeles Police Department with a fleet of BMW i3 electric vehicles.

BMW will provide the Los Angeles Police Department with 100 of its fully electric vehicles to be used as part of the department's transportation fleet. The automaker secured the placement after a field trial where BMW i3s were evaluated alongside competitors' electric vehicles ([see story](#)).

The combination of Tesla's success and consumers' changing attitudes is forcing numerous automakers to dedicate resources to electric vehicles.

German automaker Porsche is generating early buzz for its first electric vehicle, despite the model not having a launch date.

A new microsite allows users to watch the design unfold through a series of virtual slides, examine the vehicle from different vantage points and learn about the design, performance and features just by scrolling. The vehicle, the Mission-E, was announced at the Frankfurt Motor Show and does not yet have a launch date, but teasing it with an elaborate and well-designed microsite will create strong initial buzz ([see story](#)).

"In the automobile industry, every major manufacturer's website has a comparison tool that allows you to put their

car next to the competitors' cars in their category and see the differences for yourself," Mr. Del Gigante said. "In this case, it's just a fact of life that Tesla's model isn't available right now. These ads are just pointing out a differentiator that will certainly keep BMW loyalists who are entertaining the idea of an electric car or hybrid from leaving the family.

"Part of Tesla's mystique is to be considered a little harder to attain, which goes against the car-buying psyche of, 'I buy it when I want it,' not 'I buy it when I need it,'" he said. "If consumers can have what they want now and not have to 'Ring in the New Year twice,' as the spot states, then this ad is a win for BMW."

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