Overview and Asks
Based on increasing requests, we’ve started to think about the future leveraging our analysis of the past.

We want feedback
We are still in early stages but we want this to be helpful for clients.

Use directionally for strategy
While we feel confident in our analytics, at the core it’s about imaging the future without a crystal ball.

We can always customize or go deeper
With data or a direction, we will do our best to help answer strategic questions.
Electric Vehicles are expected to see explosive growth

Projected Electric Vehicle Growth through 2025
New Launches Only; First 6 Months Following Launch
1Q 2020 – 2Q 2022

Sources: Bloomberg NEF

Scale: 1 Car = 200 vehicles
But historically, marketing has often been an afterthought for some brands.

$1.5M
Avg. monthly spend on EV launch campaigns

Monthly Marketing Support for EV Launches 2019 to 2022

31%
Of the time, EV had at least 1 month of their launch campaign with $0

Sources: Internal Analysis. Mediaradar. JD Power: EV Only.
And it shows in media support

5x

more paid media needed to sell one EV vehicle vs. gas vehicle launches over the last 3 years

Average Advertising Spend
New Model Launches Only per Car Sold (2020 – 1Q 2022)

<table>
<thead>
<tr>
<th>Type</th>
<th>Advertising Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas</td>
<td>$1,520</td>
</tr>
<tr>
<td>Electric</td>
<td>$7,719</td>
</tr>
</tbody>
</table>

Sources: Internal Analysis, MediaRadar, JD Power: EV Only
But an EV isn’t just a car, it’s a concept.

NEW IDEAS ALWAYS NEED MORE ADVERTISING.

The PASSING of the HORSE

The silent horse power of this runabout is measurable, dependable and spontaneous—
the horse-power generated by supplies of hay
and oats is variable, uncertain and irresponsible.
There is "Nothing to watch but the road" when
you drive

The Oldsmobile

You see it everywhere. Doctors, Lawyers and
Merchants find the Oldsmobile the most practi-
cal vehicle for business purposes. Ladies and
children can readily understand its
mechanism. Unvarying reliability
proves it is built to run and does it

Price $650.00

Selling Agencies are established in
all the larger cities where you will
be gladly accorded the privilege
of trying the Oldsmobile on the
road. Write for illustrated book
to Dept. A.

Olds Motor
Works
Detroit, Mich.

FACTORIES, DETROIT
AND LANSING

Electric cars.
They’re
Normal Now.
With so many new cars coming,
Can companies afford not to market?

Using historic data, we simulated several scenarios such as:

- **Tesla decides to market**
- **New entrants launch big**
- **to capture market share**
How We Conducted The Simulation

We created 3 scenarios

Based on current status-quo, what might happen in/when Tesla advertises, and what new entrants mean to the EV market

And added how marketing can drive car sales

We used historic EV marketing support to determine how that impacted cars sold by make/model

And then added budgets and ran simulations

We then modeled out 3 potential marketing scenarios and simulated how they might impact total EV cars sold
THE SCENARIOS:
Impact of marketing on EV Sales
and how that will shape market share through 2025

1. Current Trend
We wanted to have a baseline to understand what might have happened if Tesla opted not to advertise, using it to benchmark.

2. Tesla Spends
We simulated Tesla in market advertising in-line with EV peers, spending on digital and linear video at equal levels to existing OEM EV launches.

3. New Entrants Spend
In the last scenario, assuming Tesla would inspire upstart brands, we simulated the impact of new brands coming to market with higher than historic ad support (in dollars and mix).

Scenarios were created using proprietary NBCU analytics in concert with industry sources and consensus forecasts including but not limited to: S&P CIQ, JD Power, MediaRadar, iSpot and Morning Consult.
Without a change to strategy, new launches from existing OEMs will command the market by vehicles sold by 2025

Share of EV Sold
Average For 2020

- 45% Existing OEM EV
- 55% Tesla

Share of EV Sold
Baseline Assumption Average For 2025

- 64% Existing OEM – New EV models
- 21% Tesla
- 11% New Brands
Tesla’s recent advertising announcement makes sense

Our initial model assumed that Tesla would shift strategy (if at all) during Summer of 2023 as competitive EV’s launch and erode share. Without a change to strategy, Tesla was forecasted to be less than 20% of the EV market by early 2026.

Scenarios were created using proprietary NBCU analytics in concert with industry sources and consensus forecasts including but not limited to: S&P CIQ, JD Power, MediaRadar, iSpot and Morning Consult.
And it will very likely help them with market share + cars sold

While it will not completely solve Tesla’s competitive problems, we estimate that marketing will be worth an incremental 4pp of share for Tesla between 2023 and 2025, with the greatest benefit occurring in 2025 as their marketing efforts mature.

Scenarios were created using proprietary NBCU analytics in concert with industry sources and consensus forecasts including but not limited to: S&P CIQ, JD Power, MediaRadar, iSpot and Morning Consult.
Lastly, as we think to the future, OEMs face dual threat from Tesla ad spend + new car entrants.

While OEM Share is at greatest risk of loss to Tesla advertising, if new entrants increase ad spend above historic launch levels, they are likely to take an additional 2-5 share points from OEMs, not Tesla through 2025.

That is the equivalent of ~420,000 cars in 2025.

Scenarios were created using proprietary NBCU analytics in concert with industry sources and consensus forecasts including but not limited to: S&P CIQ, JD Power, MediaRadar, iSpot and Morning Consult.
Lastly, as the market becomes more crowded, ad dollars are going to have to work harder.

New launches + Tesla spending will likely lower ad performance across the board as marketing will need to work harder driving awareness and intent.

For comparison, 48% of campaigns achieved that ratio from 2020 to 2022.

Scenarios were created using proprietary NBCU analytics in concert with industry sources and consensus forecasts including but not limited to: S&P CIQ, JD Power, MediaRadar, iSpot and Morning Consult.
Thank You

QUESTIONS?
Please contact Sean Wright