

# Automotive analysis – bmw essay

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Since the competition started to imitate BMW's advertising messages of outstanding quality, BMW decided to come up with a unique way of reaching its target audience. The company did so by hiring Fallon Worldwide, and advertisement agency based in Minneapolis, MN, to come up with a new campaign. Fallon developed the concept "The Hire" series.

Fallon's responsibility also included the way in which these movies were to be delivered to BMW's target audience. It was also questionable whether the campaign should be the same throughout the world, or if it should be localized to adapt to language and consumer taste differences. In order to attract highly recognized directors, as well as actors, BMW was willing to spend a large amount of money. In addition to coming up with a unique advertising campaign, BMW also wanted to change their image. One of the goals was to make BMW look, not only cool, but likeable, which the brand needs to do to combat negative perceptions some people have based on old associations with the 80's style yuppie arrogance. Company Profile BMW (Bayerische Motoren Werke Aktiengesellschaft) was founded in 1916 and has been publicly traded since 1969. The company produces, and markets, a varied range of higher end sporty cars and motorcycles.

BMW has also manufactured the first passenger car running on hydrogen ready for common use, although the production figures are limited by the lack of a respective filling station net. In addition to cars and motorcycles, BMW operates an aircraft engine division under the brand name of Rolls Royce. The company has worldwide subsidiaries and manufacturing plants in Germany, Austria, the UK, the USA, Mexico, Brazil, South Africa, Egypt, Thailand, Malaysia, Indonesia, the Philippines and Vietnam. The company

also operates its own financing company, which offers financing for vehicles. Automobiles accounted for 78% of 2000 revenues; vehicle finance leasing, 18%; motorcycles, 3% and other, 1%.

**BMW's Revenue Sources Marketing Overview** The majority of BMW's success is attributed to the development of a consistent marketing policy, the 'market niche' strategy. The company has built its brand on four core values, which are: Technology Quality Performance Exclusivity BMW has maintained these core values since the company's inception. Coupled with WCRS (BMW's advertising agency since 1979), the company has adopted a consistent advertising strategy. In addition to the message of these values being portrayed in advertising campaigns, the company explicitly expresses one or more of these values in all BMW advertisements.

However, it is important to point out that BMW also relies on its sensitivity to the environment, which is clearly seen by how the company's advertisements evolved in response to economic, environmental and competitive changes. This design philosophy, which runs through every BMW, has been communicated through a number of TV and print ads. The brand image has been built up by using over 300 color press advertisements, and more recently through a total of 64 different television commercials. Throughout this campaign, BMW has remained consistent to its beliefs of focusing on the substance of the cars themselves. In addition to the high profile national color press and television advertising, individual dealers are encouraged to run their own local campaigns. Local press, radio and bus advertisements are all available from BMW dealer marketing. Additionally,

brochures, price lists and dealership point-of-sale materials are made accessible through the corporate office.

BMW encourages its dealers to make use of these services. Providing the dealers with a central source for advertising, BMW ensures that all communications remain standardized as well as maintaining BMW's brand values. BMW has embarked on a global advertising campaign. What differentiates this promotion is the fact that it remains consistent throughout the company's international campaign across the European, USA, Asia, South Africa and the Middle East markets. In over 15 countries there will be: TV spots Print advertisements Mega-posters Radio spots Events In all three James Bond films BMW, MGM and EON Productions Ltd worked together on a cross promotion project.

This was accomplished worldwide with TV commercials, print ads as well as displays in BMW dealer showrooms. BMW Film The best new film series, by the most cutting-edge directors, are not playing at the local theater. Instead, these films are accessible through your home computer, as well as your local BMW dealership.

Since its launch at BMWFilms.com, "The Hire" (a film series consisting of five different short films) has been singled out as the first high profile, big-budget, celebrity-laden Internet marriage of advertising and entertainment. It has been reviewed, scrutinized, deconstructed and cited as evidence of the perilous future for traditional advertising. New York Times film critic (Elvis Mitchell) called the series "a marriage of commerce and creativity, straddling the ever-dwindling line between arts and merchandising.

" BMWFilms is simply the latest and possibly the hippest Web site to make use of streaming video in order to lure prospective customers. Fast cars, mysterious passengers, Buddhist monks, rock superstars, and sinister enemies are all part of the film series, which are presented in installments by some of Hollywood's top directors. These films are being advertised on television the same way that movie trailers are advertised; the difference is that instead of the catch phrase " coming soon to a theater near you," this catch phrase reads " see it only on BMWFilms. com. " Actor Clive Owen (star of the acclaimed British film " Croupier" and, in the opinion of his growing legion of fans, the next James Bond) is " The Hire" in the series title, a skilled mercenary driver who seems to specialize in risky assignments. While he is certainly a smooth operator behind the wheel (very " James Bond" like), it is always the Ultimate Driving Machine that saves the day.

The car is definitely the star of the show. Each episode features a " driver" (in a BMW, naturally) who is on a mysterious nighttime mission along with a mysterious passenger. Examples include one incident where the driver is on the run with a small Buddhist boy, to another episode that has an arrogant superstar diva (played by Madonna) desperately wanting to escape the swarm of the paparazzi. Filmgoers, thrill seekers, and potential customers have the option of watching the video using Real Video or QuickTime video players. Another option is to download the BMW Film Player, a fairly simple process offered through the BMW web site, which turns the computer screen into a miniature personal theater complete with " DVD quality" pictures and sound. Installing this player allows the user to download and view the video on the full computer screen while offline. In addition to the full-length videos,

BMW also offers trailers for those customers with slower modem connections. These trailers allow viewers the ability to have a “ quick peek” at the films.

The numbers of viewers to the site are soaring each week. One week following the advertising blitz of the web site films, traffic to the site was up 55% to 214, 000 unique visitors compared to only 138, 000 the previous week. (according to Web measurement, firm Nielsen/Net Ratings) This tremendous leap made BMWFilms one of the Internet’s fastest growing sites. The films all have differentiating styles, however one thing that they all hold in common: the majority of the action takes place in a BMW while the participants are in the middle of a car chase. There is no limit to the actual number of BMWs that you will see; one, two, three, even more Beemers are seen speeding down alleyways and streets, screeching around corners. BMW did not randomly decide to initiate a web based advertising campaign. The company clearly did its homework. It is a well known among advertising firms that over 85% of potential car buyers will conduct most (if not all) of their initial research on the Internet before they make a final decision on a purchase.

Therefore, BMW has made it convenient for shoppers by adding a link to their film site to BMWUSA. om. This site gives consumers basic information about the car(s) as well as the location and phone number of the local dealerships. Given that the average BMW automobile starts at approximately \$30, 000, the company’s decision to design a classy film series, which can be viewed on a high-speed Internet connection by an upscale, mostly male audience, is clearly targeted.

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The simple concept of these films - BMW wants to sell cars! Film concept In the spring of 2000, two factors were on the table at BMW. The first was concerns over TV effectiveness, and the second was how to exploit the popularity of the Internet. BMW wanted to come up with an entirely new branding campaign; too many competitors were copying the "look and feel" of the BMW, the company needed to do something different to distinguish itself.

On a more basic level, BMW was growing more concerned with its ability to reach its core market via traditional methods such as network TV. The creative team of writer David Carter and art director Joe Sweet, had recently completed a project for Timex with director Tim Burton. This marketing campaign incorporated an Internet portion that featured short videos specifically shot for the Web. The executives at BMW saw this as a way to differentiate the company from other manufacturers. BMW wanted something done exclusively for the Internet, something not only entertaining but also cinematic. A concept was born - a longer film that would be shot in segments and distributed via the Internet as a series.

This series would combine product placement with entertainment. Most importantly, it would allow BMW to push the envelope when it came to scripting the series. The Internet would allow the company to show what a BMW can do when pushed to the limits, under extreme conditions and circumstances. BMW would not be able to convey this type of advertising through traditional TV ads, without a few hundred disclaimers. BMWFilms has accomplished several objectives; the most important being the tremendous buzz in both the entertainment and business press. This was important to <https://assignbuster.com/automotive-analysis-bmw-essay/>

BMW, since one of its goals was to make the BMW look cool, without the old association with the 1980's style of yuppie arrogance.

A fact that was not prominently mentioned in much of the coverage of "The Hire" was the core creative concept along with key strategic thinking, Web development, as well as several scripts, all came from one source: Publicis Troupe's Fallon Worldwide in Minneapolis. "I think we're reinventing advertising," said David Lubars, Fallon president and executive creative director. Mr. Lubars added "We're not looking to make this a template, as though this is what advertising is [going to be]. I think what technology affords you is that every client can get their own customized media approach, and this was really right for this client." "BMWFilms.

com is a good example of blurring the lines between entertainment and advertising," said Jarvis Mak, senior Internet analyst at NetRatings. "The site combines Hollywood's intense car chase scenes and Internet video to deliver a new spin on product showcasing," added Mak. "We think that a lot of the time when people view traditional advertising they view it through a filter of disbelief," said Jim McDowell, vice president of marketing for BMW of North America. When people watch entertainment or a movie, then they're watching in an entirely different way where they enjoy the fantasy, and hopefully remember it and share it with others." "We thought maybe instead of doing advertising we should be doing entertainment and doing something fun and interesting on the Web," McDowell said. What if you do not have a computer, or if your computer is not hooked to a T1 connection? Never fear, BMW has already begun buying infomercial time on the Bravo and Speedvision channels to showcase their "Hire" series.

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