



# **BMW MARKET STUDY**



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## ABOUT BMW

**Mission statement:** “Move people with products that evoke emotions”

- Bavarian Motor Works (BMW) is a German MNC that manufactures premium luxury cars and motorcycles.
- Founded in 1916 by **Karl Rapp, Franz Josef Popp, Gustav Otto** and **Camillo Castiglioni** in Bavaria, Germany, now holds a market share of 4.24% by revenue among the top global brands.
- Headquartered in Munich, Germany, is led by CEO **Oliver Zipse** and has a strong workforce of over 60,000 employees worldwide.



## ABOUT BMW

- BMW is a leading global brand in the automotive sector, with its major competitors being Mercedes-Benz, Audi, and Lexus, who also operate in the luxury vehicle market.
- The BMW Group also includes the MINI and Rolls-Royce brands that are among the top luxury cars sold worldwide.

## RECENT NEWS

- BMW Group's 2024 financial year revenue was €142.38 billion (166.7 billion USD), a decrease of 8.4% from €155.49 billion (181.78 billion USD) in 2023, primarily due to a significant decline in the automotive segment performance.
- Current share price is 89.60 EUR (104.35 USD), which is a 9.61% performance increase from previous month with €80 (93.17 USD).
- BMW's global sales are held back by China's preference for domestic EVs while Europe, U.S. show growth.

## FINANCIALS

- Revenue (2024): 166.7 billion USD
- Net income (2024): 7.889 billion USD
- Operating income (2024): 12.454 billion USD
- Total assets: 313.25 billion USD
- Earnings per share: \$12.57

# PRODUCTS

BMW's product offerings include various vehicle lines such as

1. Sedans and Coupes (1, 2, 3, 4, 5, 7, 8 Series)
2. BMW X Series (SUVs like X1, X3, X5, X7)
3. BMW i Series (all-electric vehicles like i4, i5, iX)
4. BMW Z Series (Z4)
5. BMW M Series (M2, M3, M4, M8, M-performance SUVs)

## TARGET AUDIENCE

1. Affluent professionals with high disposable incomes
  2. Entrepreneurs
  3. Sports Icons
  4. Status seeking individuals that desire a blend of luxury, performance, and technological sophistication
- Major audience concentration: Asia, United States, and Germany.
  - Pricing strategy: BMW employs a premium pricing strategy that reinforces its image as a luxury brand. BMW emphasizes exclusivity and quality by setting its prices higher than its mass-market competitors.



## COMPETITORS

BMW's global competitors are Audi, Mercedes-Benz, and Lexus. While there are many competitors in specific regions, BMW has successfully managed to be a luxury brand in all the markets.

Other major competitors are

1. Asia: Volvo, Jaguar, BYD, Hongqi, and Land Rover.
2. USA: Porsche, and Tesla.
3. Europe: Porsche

Global Market share of competitors

1. Audi: 8.6% (2024)
2. Mercedes\_Benz: 2.67% (2023)
3. Lexus: Under 1% (2024)

# SWOT ANALYSIS

## Strengths

Global market presence

Brand reputation and customer loyalty

Design and performance

Exposure to latest technologies and expertise

## Weaknesses

High pricing

Catering to a small percentage of demography

Pressure of perfection

# SWOT ANALYSIS

## Opportunities

Product diversification

Huge untapped customer segment

Shifting focus to EVs

## Threats

High competition

Global market volatility

Risk of associating brand image with high profile individuals