

ENGG 683 Winter 2022
Assignment 2
Deadline: March 4th, 2022 at 11:59pm

A Startup's existence relies heavily on its business model and competitive advantage. This case study allows us to analyze NIO's unique business model at its core. This case describes the industry background, how NIO was established and developed, their choice of power services, and their competition. You will use some analytical techniques including the PEST analysis to assess and understand the major external factors present and influenced NIO's establishment, and the SWOT analysis to evaluate their competitiveness internally and externally. You will learn to master the business model canvas and analyze it in depth. You will also recommend some adjustments that would help them with some of the challenges they face. In general, this case study will guide you to develop a broad perspective about NIO's past, present, and future.

Analyze this case and answer the following questions:

1. Describe the industry factors that were present when NIO was first founded. You should focus on political, economic, social, and technical factors, the PEST analytical tool.
2. Describe NIO's business model using the business model canvas attached as Appendix 'A' to this assignment document (also shared in Mural).
3. What were the innovations in NIO's business model? What were the advantages of NIO in comparison to Tesla? You should look at the differences related to *value proposition, infrastructure, cost/revenue, and customer interface*.
4. Conduct a SWOT analysis (strengths, weaknesses, opportunities, and threats) on NIO's power swap. Fill out the Mural and discuss.
5. Describe **TWO** major challenges NIO are faced with?
6. What would you recommend NIO do to adjust its business model to enhance market competitiveness? Present at least **TWO** recommendations and explain.

Submission

- This is a group assignment.
- There is no page limit.
- Submit the Murals as a link or pdf file.
- Submit to the Dropbox for Assignment 3 on D2L.

Supplemental materials

You can refer to some of these additional resources below. This is not mandatory.

1. Osterwalder, A.; Pigneur, Y., *Business model generation: a handbook for visionaries, game changers, and challengers*. John Wiley & Sons: 2010; Vol. 1.
2. Review, M. S. M., 9 The Hard Truth about Business Model Innovation. **2018**.
3. www.tesla.com.
4. www.nio.com.