

Experiences in the Retail World: Tesla

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If you live in the Greater Houston area, you need an automobile to travel around the city. It is a necessity, like air is to breathing and living. Additionally, you need a vehicle that will allow you to travel thousands of miles a year, reliably and comfortably.

Buying a car is a difficult decision. The first step is the easy part—you have to justify the need for a new car. Then comes the hard part—you have to figure out what you can afford and seek out alternatives that meet your needs. Finally, you have to get involved in the process and consummate the transaction, hoping that you have picked the right car and made the right decision.

With more than three decades of car-buying decision making for not only my own car but also for other members of the family, I feel somewhat confident that I have nailed the process that assures optimum outcomes—best value without sacrificing safety, reliability and after-sales service. Bells, whistles, and brand aura are welcome but only after these core needs are met.

I am kinda-sorta in the market for buying a car and was tempted by Tesla. There's a lot of hype about the car, its performance, and its impact on a personal carbon footprint. So, when I happened to be at The Galleria, I walked into Tesla's showroom to admire the car. Soon, I was talking with a salesperson.

She was very knowledgeable about the car and could answer all questions I asked. I needed some technical details and she was superb at addressing these. No commercial details were discussed. None.

So we get to the next step of the sales cycle—trial. I assumed that the salesperson has qualified me as a potential buyer. So, when I asked her how I could experience these phenomenal features of the car, she said that I would actually “test-drive” a Tesla.

“Really?” I wondered. I could not discuss commercial terms but I could drive the car?

A typical sales cycle for any product has the following self-explanatory steps: Awareness, Interest, Trial, Purchase, and Repurchase. Businesses, especially car companies, spend a significant amount of their budgets in getting qualified customers through the sales cycle to finally purchase their products and then some more to turn these buyers into repeat customers. For a new car company, especially one that has so many competitive and regulatory impediments, it is vital that every qualified customer (not hobbyists) test-drive their car.

And I was at that trial stage, ready to test-drive a car.

The process to set the date and time was smooth and error-free. Emails and phone calls confirmed the date and time several times over.

However, when I arrived at the retail showroom at the appointed time, only one, lone salesperson was seen; he was catering to another customer. There were two other customers ahead of me, waiting to talk to this salesperson.

I waited for about five minutes and then, begging their pardon, I asked if there was anyone else in the store to handle my test-drive.

“No,” he replied. “But, I will be with you in a moment to get some information.”

After checking out my driver's license and downloading its information onto his computer, he asked me to read a disclosure document on his iPad. I accepted the plainly worded conditions.

And then I waited. After some time, I asked the salesperson what the next step was and I was told that the person with the car will be back shortly.

And then I waited and waited and waited. Then, I asked the salesperson, when I could realistically test-drive the car. He replied that he had texted this other person, who had not yet responded. So, he couldn't add any details.

When I am seated in a plane, on a tarmac, waiting to take off and I am told that we have no idea when the jet would actually take-off, I have no control over the situation. I am in my seat, with my seat-belt securely fastened. However, here I did not have this limitation.

Additionally, as you will recall, after-sales service is very important in my buying criteria. My idle mind conjured up post-purchase images that made me cringe. I couldn't help reaching the conclusion that if this is the way Tesla treats its prospective customers, I wondered how they would treat their post-purchase customers. Yes, the answers were cringe-worthy.

The salesperson was talking to the next appointment after mine, when I excused myself and told him that I was leaving. He requested me to stay for a few more minutes but when I asked him if he had any update, he said, "No."

I shrugged my shoulders and left. I had waited for more than forty-five minutes.

I have been (and am) in the business of marketing and commercializing new technologies, products and services. I have learned that it is very difficult to change people's habits, let alone buying habits for capital items such as cars. Companies that enter very competitive markets and try to disrupt them need to focus on a very tiny segment (about 3%) of the market, who will become beacons that influence and attract the broader market.

Tesla is no different. Their products are not cheap and if the firm screws up the early steps of the buying process, they will become another one of those pioneers, with arrows in their backs. Tesla would have cut through the rough terrain to show the way for established players, who will be only too eager to pave ten-lane highways to market victories.

I am not saying that I am one of those 3%, who is a beacon. However, this whiff of poor service convinced me that total customer experience over the life of the product is still important in the automobile world. I am not going compromise after-sales service to be an early-adopter of a brand with panache and oomph.

C'est la vie in these United States.

PS: Several weeks later, I received an email from Tesla requesting me to complete a survey to gauge my "customer experience". The firm was clueless that I hadn't even driven the car—another indicator of the firm's marketing immaturity.

Pradeep Anand is president of Seeta Resources, LLC (www.seeta.com). He has more than thirty years' experience in strategic marketing of industrial and technology products and services. Please visit www.seeta.com for more papers, articles and presentations on how to turn your firm into a powerful market force!