

**STRATEGIC MARKETING MANAGEMENT: MACRO
ENVIRONMENT ANALYSIS AND STRATEGIC RESPONSES IN
THE GLOBAL ELECTRIC VEHICLE (EV) INDUSTRY**

Table of Contents

1. Introduction	3
1.1 Purpose of the Report	3
1.2 Industry Overview: Electric Vehicle (EV) Industry	3
1.3 Importance of Macro Environment Analysis	4
1.4 Structure of the Report	4
2. Task 1: Critical Analysis of the Macro Marketing Environment	4
2.1.1 PESTLE Framework Overview	4
2.1.2 Selected Macro Factors	4
2.1.3 Justification of Selection	5
2.2 Analysis of Macro Factor 1: Technological Factors	5
2.2.1 Pioneer Organisation: Tesla	5
2.2.2 Follower Organisation: Ford (EV division)	8
2.3 Analysis of Macro Factor 2: Environmental Factors	8
2.3.1 Pioneer Organisation: Tesla	8
2.3.2 Follower Organisation: Ford	11
3. Task 2: Strategic Responses of Pioneering and Follower Organisations	11
3.1 Pioneering Organisation: Tesla	11
3.1.1 Strategic Response Overview	11
3.1.2 Application of Porter's Generic Strategies	13
3.1.3 Critical Evaluation	14
3.2 Follower Organisation: Ford	14
3.2.1 Strategic Response Overview	14
3.2.2 Application of Ansoff's Growth Matrix	15
3.2.3 Critical Evaluation	15
4. Conclusion	17

4.1 Summary of Key Findings	17
4.2 Strategic Insights	17
4.3 Final Evaluation	17
5. References	18

1. Introduction

1.1 Purpose of the Report

This report discusses the influence of the macro-environmental factors in strategic marketing decisions in the highly dynamic industry. It deals with the difference between pioneering and follower organisations and how the role of first movers is to secure a competitive advantage and how their follower organisations modify their strategies to survive in a dynamic environment.

1.2 Industry Overview: Electric Vehicle (EV) Industry

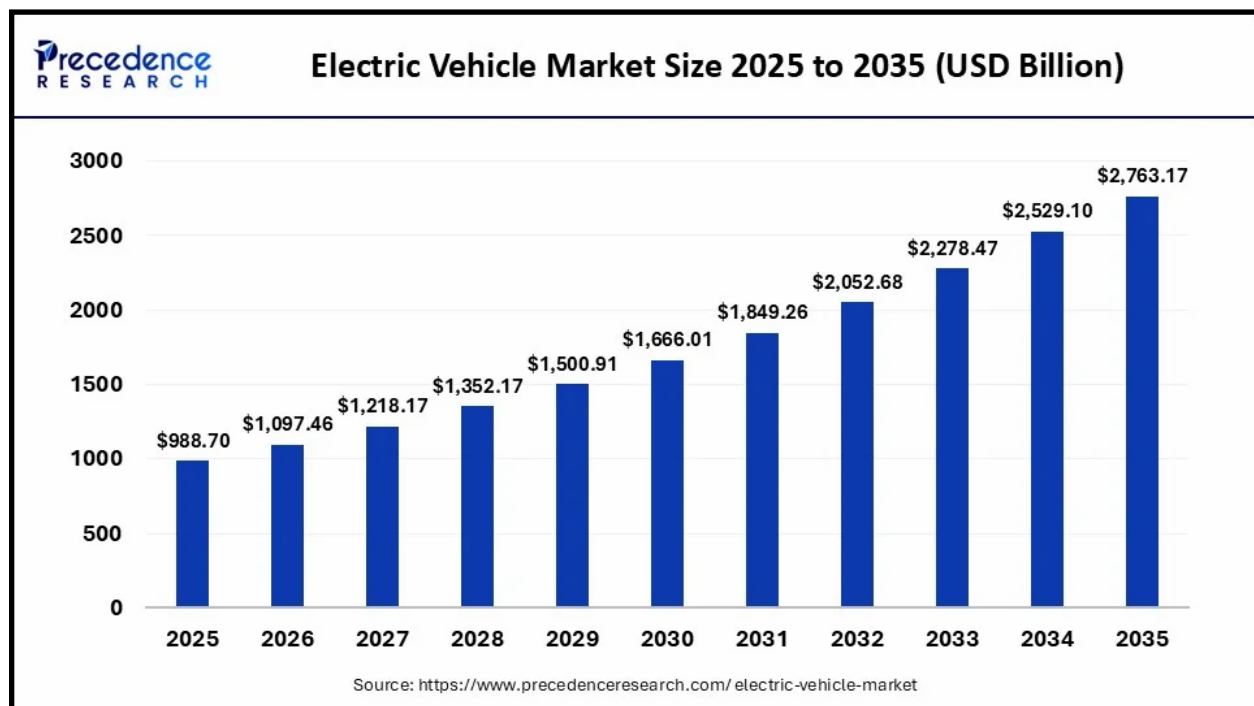


Figure 1: Electric Vehicle Market Size

(Source: Precedence Research, 2025)

The worldwide EV market is undergoing a steady growth, and it is forecasted to have more than 20 million vehicles sold in 2025, which will represent more than 25% of all cars sold globally. The growth will be positive to 2026, which can be attributed to the sustainability policies, technological advancement, and increased consumer demand

(Precedence Research, 2025). The competition in the industry is quite stiff with such players as Tesla, BYD, and conventional vehicles fighting to dominate the market.

1.3 Importance of Macro Environment Analysis

The PESTLE framework helps organisations evaluate external forces like environmental regulation and technological change. This analysis assists companies to determine their opportunities and threats so that they make their strategic decisions proactively in uncertain circumstances (CIPD, 2025).

1.4 Structure of the Report

The report will undertake macro-environmental analysis (Task 1) in the first part of the analysis, strategic response of pioneer and follower firms (Task 2), and a final summary.

2. Task 1: Critical Analysis of the Macro Marketing Environment

2.1.1 PESTLE Framework Overview

The PESTLE framework is a strategic model applied in the analysis of outside macro-environmental conditions that affect business decisions. It comprises of Political factors (government policies and incentives), Economic factors (inflation, cost of production, consumer purchasing power), Social factors (consumer attitudes toward sustainability), Technological factors (innovation and R&D), Legal factors (regulations and compliance) and Environmental factors (climate change and sustainability pressures) (Gini and Agala, 2023). These forces in the EV industry are influential in competitive strategy and positioning in the long term.

2.1.2 Selected Macro Factors

This report focuses on:

- **Technological Factors**
- **Environmental Factors**

2.1.3 Justification of Selection

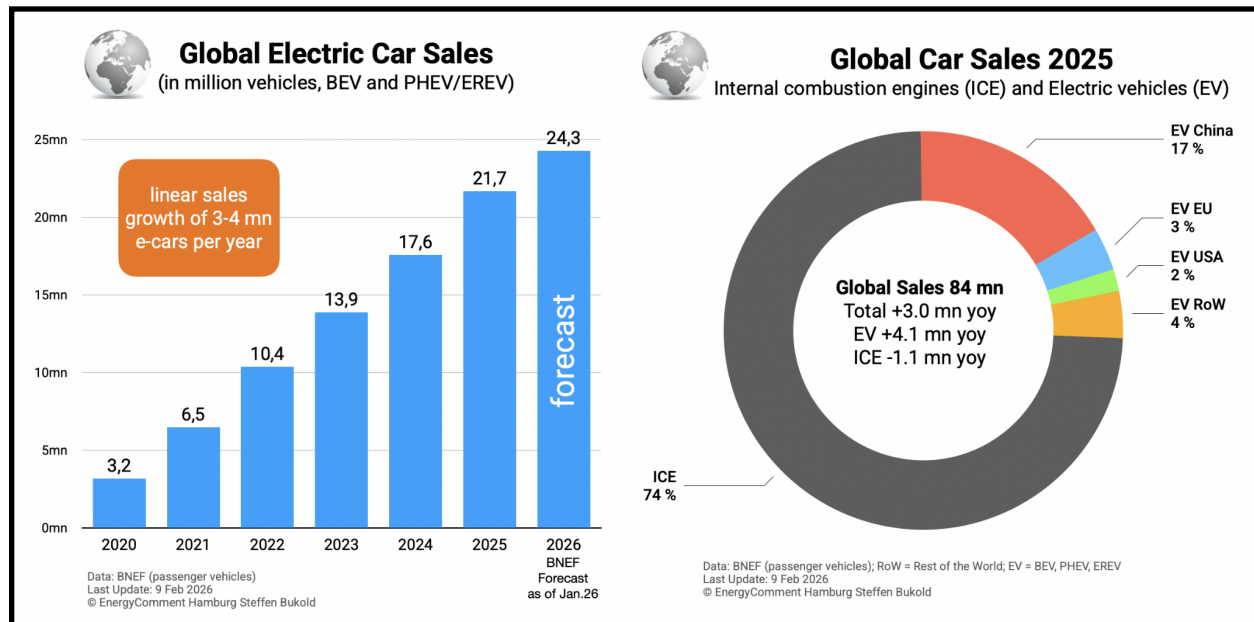


Figure 2: Electric Car Sales

(Source: Energycomment.de, 2026)

Technological changes are the reason why the EV industry is moving in the right direction, especially the efficiency of batteries, the charge network, and self-driving systems. At the same time, environmental issues and global sustainability goals have a strong impact on the demand and regulation. As an example, EV was estimated to have a market share of about 26% of car sales worldwide in 2025, and the figure is expected to increase to 23-28% by 2026-2027 because of climatic policies and advancement. Consequently, these two are strategic factors (Energycomment.de, 2026).

2.2 Analysis of Macro Factor 1: Technological Factors

2.2.1 Pioneer Organisation: Tesla

Opportunity/Threat

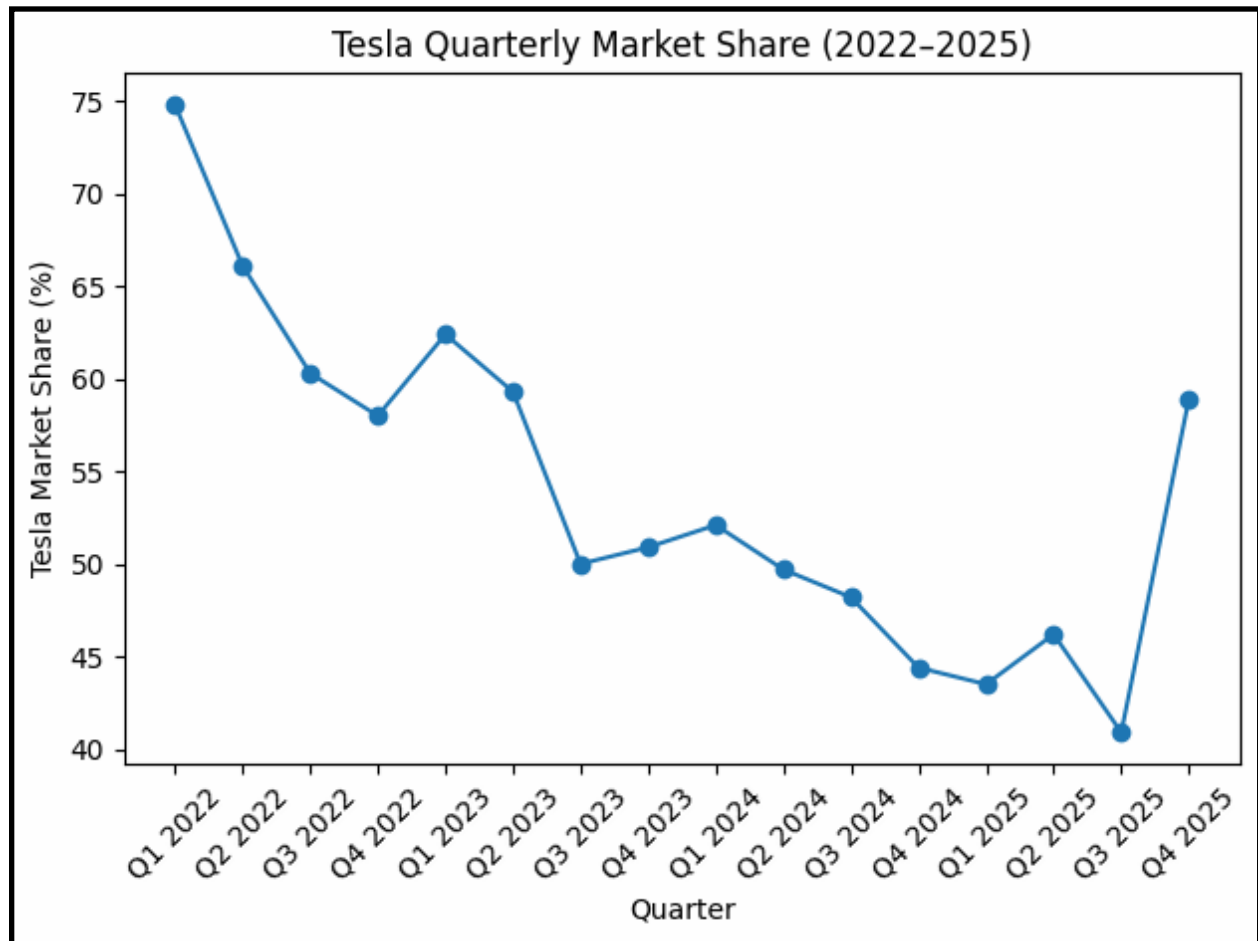


Figure 3: Tesla Quarterly Share

(Source: Fischer, 2025)

A significant opportunity for Tesla is technological development. The company is on the forefront of battery, artificial intelligence and autonomous driving technology. The emphasis of Tesla on vertical integration and Gigafactories has enhanced the technological leadership of the company. With a market share of approximately 59% in the United States of America, Tesla dominated the EV market despite the heightened competition in the year 2026 (Fischer, 2025).

Evidence

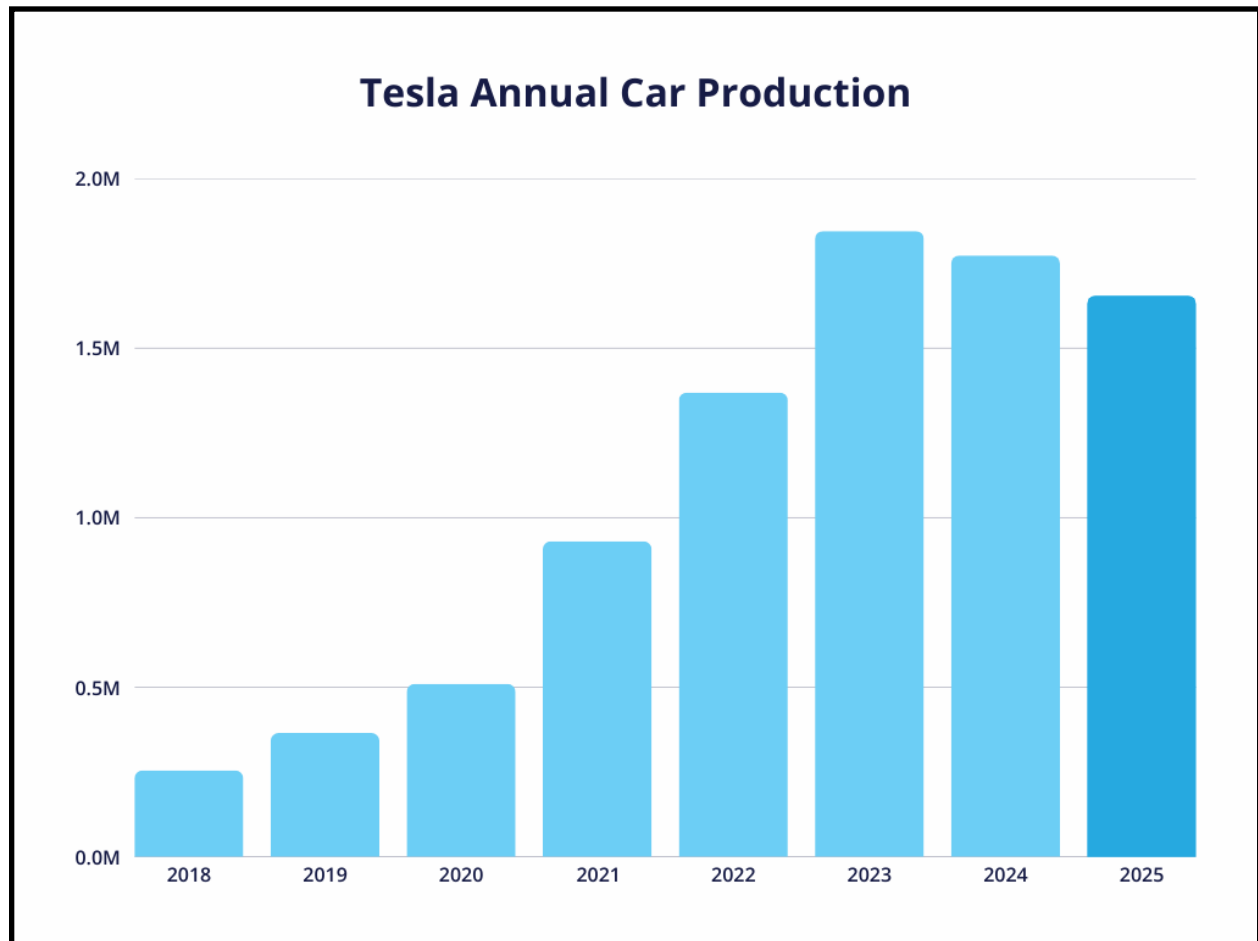


Figure 4: Tesla Annual Car Production

(Source: Lesjak, 2026)

As far as evidence is concerned, Tesla produced almost 1.65 million cars in the world with the assistance of high-tech battery systems and software skills. Moreover, the battery innovation in the world is gaining pace, with the top battery makers such as CATL controlling 45.2% of the battery market in 2026 which is emphasizing the significance of technological ecosystems (Lesjak, 2026).

Implications

This has serious implications on Tesla. Being a first mover, it enjoys good brand loyalty, economies of scale and innovation. This technology leadership supports its strong

competitiveness and high positioning though an increasingly competitive environment is slowly eroding its dominance.

2.2.2 Follower Organisation: Ford (EV division)

Opportunity/Threat

In the case of Ford, change, in as far as technology is concerned, poses a threat and an opportunity. The key weakness is that it is behind Tesla in EV-related technologies, especially battery performance and software development (Collins, 2025). Nevertheless, the existing manufacturing strengths and worldwide supply chains are an opportunity that can be exploited by Ford.

Comparative Position

Ford is slower in innovation but with better legacy resources as compared to Tesla. As an illustration, Tesla continues to lead their main EVs, with the Model Y alone having more than 27% market share in the U.S. in 2025 showing the technological difference between innovators and adopters (Liu, Boothman and Graham, 2025).

Implications

The opportunities and threats to Ford include pursuing a catch-up strategy, such as alliances with battery customers and greater research and development. Nevertheless, implementing the transition towards technology is quite expensive, with the traditional automakers around the world spending more than 65 billion on EV-related investments and write-offs by 2026 (Bracken, 2026). This shows financial risk of getting adjusted to technological disruption.

2.3 Analysis of Macro Factor 2: Environmental Factors

2.3.1 Pioneer Organisation: Tesla

Opportunity/Threat

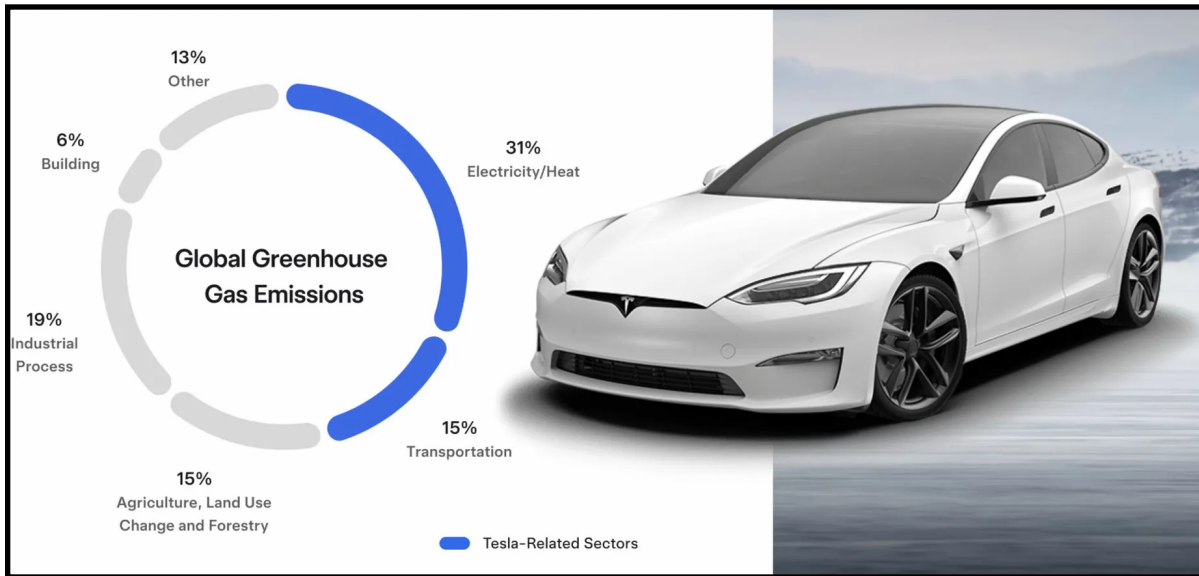


Figure 5: Tesla and Greenhouse Gas

(Source: Gows, 2025)

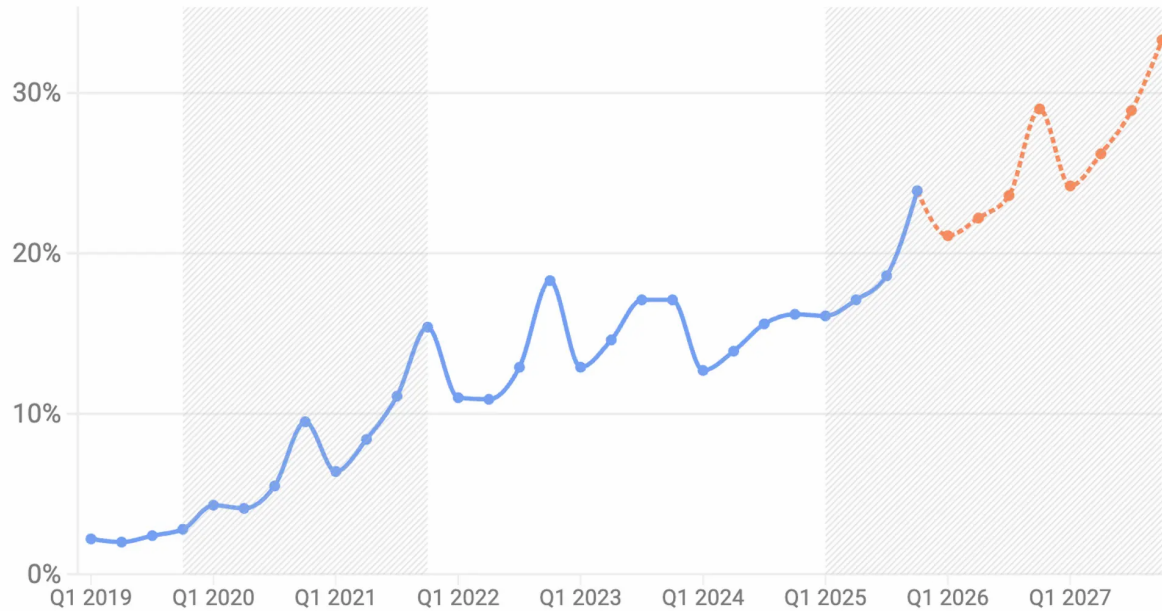
There is a great opportunity that Tesla enjoys because of the environmental factors. The actions of the world to go carbon neutral and to enforce more stringent emission regulations are catalyzing the use of EVs. The major markets with governments offer incentives and policy support, which greatly enhances demand (Gows, 2025).

Evidence

Quarterly BEV share development in the EU and Norway

Historic data T&E projection

BEV sales share



Source: ACEA (2025) and T&E projection • Scope: EU27+NO



Figure 6: Estimated Increase in the electric car sales

(Source: T&E, 2026)

Indicatively, by 2025, sales of EVs worldwide had reached about 18.5 million units, an overall growth of 21% in a year, and the growth is projected to continue through 2026. Also, EVs are expected to increase to 23% in 2026 due to environmental ambitions. These trends give Tesla a good chance to capitalize as the company has an all-electric portfolio and a solid sustainability branding (T&E, 2026). The company also enjoys the convergence between regulations and demand by consumers of low-emission cars.

Implications

The implications are the increased market prospects across the world and brand positioning as a sustainability leader. Nonetheless, the dependency on subsidies is also risky as the policy can influence the demand.

2.3.2 Follower Organisation: Ford

Opportunity/Threat

The environmental factors both offer opportunities and threats to Ford. One key opportunity so as to meet the objective of sustainability and regulation is the replacement of internal combustion engine (ICE) cars with EVs. Nevertheless, it is also a major menace with high transition costs and operations re-engineering. (Udendhran et al., 2025)

Comparative Position

Ford has more difficulties than Tesla because it is forced to change its traditional business format. The sales in some markets have already been affected by the withdrawal of EV incentives, and it is already reported that EV sales have decreased by 11% at the beginning of 2026 (without major premium brands). Herein lies the susceptibility of conventional car manufacturers to changes in policy (Parodi, 2026). Also, Ford has a comparatively low market share of EVs in the U.S. EV market in 2025 at approximately 7% compared to Tesla dominance, which suggests slower adaptation (Shahan, 2026).

Implications

The Ford implications are a threat of losing the market share in the event Ford does not hasten its EV transition. Nevertheless, competitiveness in the long term might be successful with adaptation. It is highly important to invest strategically in sustainable technologies and production processes (Thompson, 2026).

3. Task 2: Strategic Responses of Pioneering and Follower Organisations

3.1 Pioneering Organisation: Tesla

3.1.1 Strategic Response Overview

The Tesla strategic approach to macro-environmental pressures is based on innovation-led growth and vertical integration and direct to consumer (D2C) model. The company still focuses on technological advances, spending a lot on battery efficiency, autonomous systems that are driven by AI, and energy solutions. As of 2025, Tesla is spending more than 4 billion a year in worldwide research and development, which supports the innovation-first approach (Finbox, 2025).

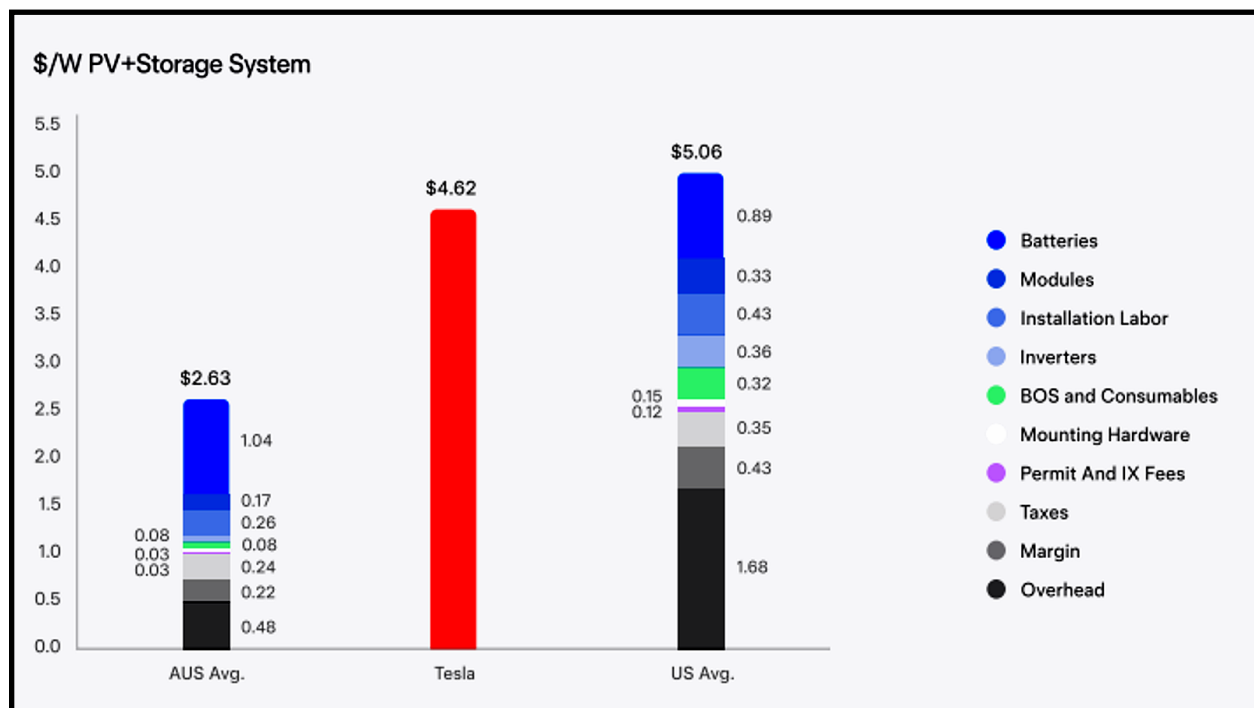


Figure 7: \$/W PV+Storage System

(Source: Tesla, 2025)

One of the strengths is vertical integration. Tesla has dominance over major components of its value chain such as battery manufacturing, software development, and production in Gigafactories. This has enabled Tesla to stop reliance on third-party suppliers and enhance cost effectiveness. An example is the cost per kWh battery of

Tesla, which was below \$100 in 2025, whereas the industry average was approximately \$120-\$130, which is an important competitive advantage (Tesla, 2025).

3.1.2 Application of Porter's Generic Strategies

Tesla primarily follows a **Differentiation Strategy**, focusing on delivering unique value through advanced technology and premium branding.

- **Premium Brand Positioning:** Tesla cars have been viewed as high-performance, innovative, and environmentally friendly. The models like the Model S and the Model Y dominate the high-end EV segments in the entire world.
- **Advanced Technology:** Tesla's Autopilot system, Tesla has the Autopilot system, Full Self-Driving (FSD) features, and a better battery range (usually over 500 600 km/1 charge), which make it superior in comparison to other products (Tesla, 2025a).

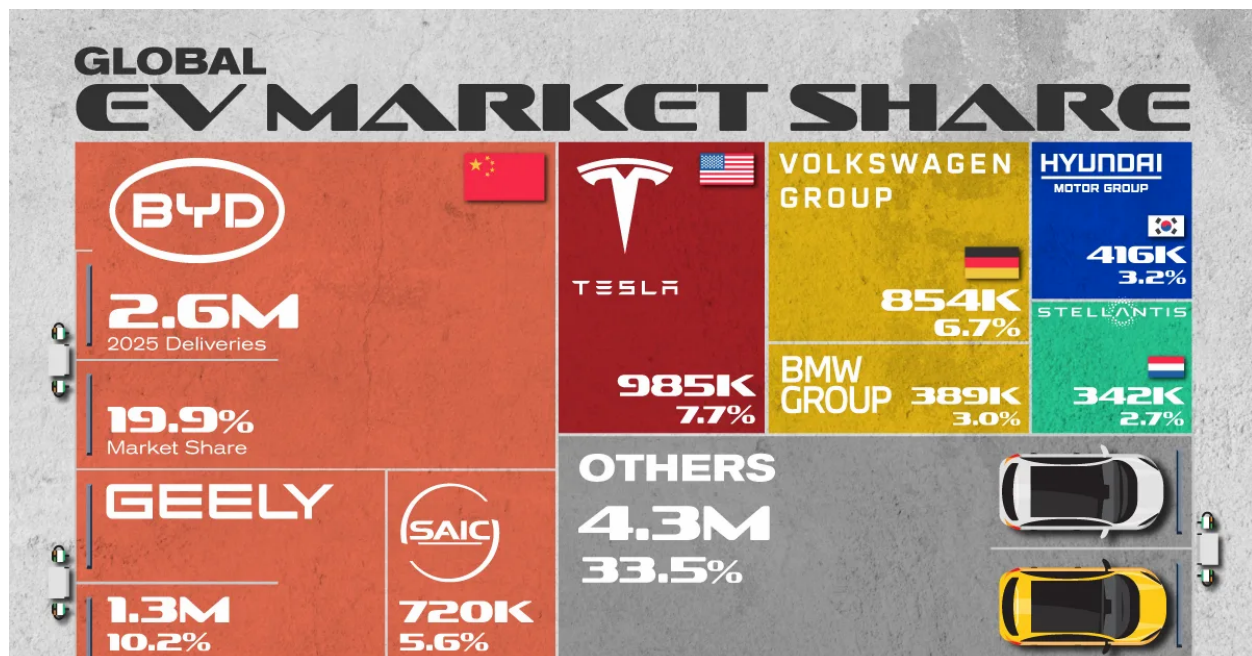


Figure 8: Tesla Global Market Share

(Source: Neufeld, 2025)

By 2026, Tesla was estimated to hold about 18-20% of the global EV market share in the world and the company was ranked among the leading global EV makers despite the growing competition of companies such as BYD. As a result of its differentiation strategy, its Model Y was the highest selling car in the world in 2025, having sold more than 1.2 million vehicles (Neufeld, 2025).

3.1.3 Critical Evaluation

Strengths:

The strategy of Tesla has a number of strengths. To begin with, its high brand loyalty is seen in high customer retention levels and a globally recognized technology leader. Second, it has the strength of efficiency and price power that has given it high margins against its major competitors.

Weaknesses:

Tesla is losing its leadership slowly due to heightened competition. Its US market share dropped to approximately 50 to 55% in 2025-2026, compared to more than 65% in 2022, and it shows that the established manufacturers are increasing pressure on the company as well as new entrants (lata.org, 2025).

Example:

One vivid illustration is the Model S which despite its technological superiority is increasingly experiencing competition by luxury EVs that are being made by Mercedes-Benz and BMW. This implies that the differentiation strategy is still efficient in Tesla (Wilmot, 2025). To maintain the position in the long term, the company must innovate and adjust its price.

3.2 Follower Organisation: Ford

3.2.1 Strategic Response Overview

The strategic move of Ford is based on switching internal combustion engine (ICE) cars to electric cars, along with strategic alliances and incremental innovation. In contrast to

Tesla, Ford is forced to operate its traditional business and invest millions of dollars in EV change.

Ford made more than \$50 billion in investments on EVs, battery plants, and new EV platforms by 2026 (Ford, 2026). The strategic agreements with battery manufacturers like SK On have helped Ford to improve its supply chain and decrease technological lapses.

Ford also uses its current advantages of manufacturing scopes and brand awareness. It is planning to electrify its popular models (F-150 Lightning and Mustang Mach-E) instead of designing new product types altogether (Martinez, 2025). This will enable Ford to make the transition slowly but retain its current customers.

3.2.2 Application of Ansoff's Growth Matrix

Strategy	Application by Ford	Evidence
Market Penetration	Increasing EV adoption among existing customers	EV sales expected to exceed 600,000 units globally by 2025 , with ~30–35% repeat customers shifting from ICE vehicles
Product Development	Introducing electric versions of existing models	F-150 Lightning production scaled to 150,000 units/year , Mach-E contributing 40% of Ford EV sales in 2025 (Ev.com, 2025)
Market Development	Expanding EV sales into new global markets	Europe EV sales projected to grow 20–25% annually , China expansion targeting Tier-1 city penetration by 2026
Diversification	Investing in EV technologies and digital services	Over \$50 billion EV investment by 2026 , including partnerships for next-gen battery production (Ravichandran, 2026)

Table 1: Ansoff Matrix

(Source: Self Created)

3.2.3 Critical Evaluation

The strategy of Ford has a number of strengths. Its developed brand name and years of customer loyalty give it a solid base on which to implement EV. Moreover, it has a large network of distribution allowing it to reach the widest possible area of the market, especially in North America and Europe (Yu, 2024).

Nonetheless, Ford has serious challenges. Tesla is more technologically advanced than it, which removes its chances of competition in the field of technological innovation. As an example, the software features and the EV line of Ford frequently do not match those of Tesla, which influences the perception of consumers (Palmié et al., 2024).



Figure 9: Ford EV Loss

(Source: Boudette, 2026)

The shift is expensive in terms of finances. In 2025, Ford reported EV-related losses of more than 4.5 billion, which indicates short-term financial cost of change. Moreover, its

EV market is small at approximately 7-8% in the U.S. in 2025-2026, whereas Tesla controls the market (Shahan, 2026).

One of them is the Mustang Mach-E that directly competes with the Model Y of Tesla. Although the Mach-E has been successful with more than 150,000 units being sold worldwide in 2025, it continues to lag far behind the Model Y in terms of sales volume and technology image (Crothers, 2025).

4. Conclusion

4.1 Summary of Key Findings

This report has also shown that macro-environmental factors are very important in influencing strategic marketing decisions in the EV industry. Specifically, the technological and environmental forces have become the strongest driving forces, influencing innovation, regulation and competitive forces. The modern world is characterised by rapid developments in battery technology and the growing popularity of sustainability in the whole world, which has changed the structure of industries and the behaviour of firms extensively.

4.2 Strategic Insights

The analysis attributes definite disparities between pioneering and follower organisations. The three main ways through which Tesla manages to utilize its first-mover advantage are its constant innovation, its leading brand position and its technological lead (The Strategy Institute, 2025). By comparison, Ford has a transformation-based approach, where it is moving towards the use of internal combustion engines and the use of electric vehicles but using partnerships and other existing capabilities to stay relevant.

4.3 Final Evaluation

Altogether, the findings point to the fact that environmental scanning is a continuous activity that is important to strategic success. Firms that operate in the fluctuating industries must be fast, receptive and progressive. Contrary to the anticipations, the

speed of adaptation to the external changes is bound to eventually affect the sustainability and competitiveness in the long run regarding the dynamic EV market.

5. References

Boudette, N.E. (2026). *Ford Says Electric Vehicle Losses Will Continue for 3 More Years*. [online] Nytimes.com. Available at: <https://www.nytimes.com/2026/02/10/business/ford-earnings-electric-vehicles.html>.

Bracken, N. (2026). *EV carmakers register \$65 billion in write-offs globally*. [online] Semafor.com. Available at: <https://www.semafor.com/article/02/17/2026/ev-carmakers-register-65-billion-in-write-offs-globally>

CIPD (2025). *PESTLE Analysis*. [online] CIPD. Available at: <https://www.cipd.org/uk/knowledge/factsheets/pestle-analysis-factsheet/>.

Collins, G. (2025). *Ford Learns Tough EV Lessons from Tesla and China*. [online] Manufacturingdigital.com. Available at: <https://manufacturingdigital.com/news/fords-ev-manufacturing-shift-learns-from-tesla-and-china>.

Energycomment.de. (2026). *Global Electric Car Sales 2025 and 2026 (Feb. 26 Update)* – EnergyComment. [online] Available at: <https://www.energycomment.de/global-electric-car-sales-2025-and-2026-feb-26-update/>.

Ev.com. (2025). *Ford Mustang Mach-E Drives 30% Surge In EV Sales During Q3 2025* | EV.com. [online] Available at: <https://ev.com/news/ford-mustang-mach-e-drives-30-surge-in-ev-sales-during-q3-2025>.

Finbox (2025). *The Complete Toolbox For Investors* | finbox.com. [online] Finbox.com. Available at: https://finbox.com/NASDAQGS:TSLA/explorer/rd_exp/.

Fischer, J. (2025). *Electric Vehicle Sales and Market Share (US - Updated Monthly)*. [online] CarEdge. Available at: <https://caredge.com/guides/electric-vehicle-market-share-and-sales>.

Ford (2026). *Ford Releases New Battery Capacity Plan, Raw Materials Details to Scale EVs; On Track to Ramp to 600K Run Rate by '23 and 2M+ by '26, Leveraging Global Relationships | Ford of Europe | Ford Media Center*. [online] media.ford.com. Available at: <https://media.ford.com/content/fordmedia/feu/en/news/2022/07/21/Ford-Releases-New-Battery-Capacity-Plan.html>.

Gini, K.B. and Agala, H.O. (2023). The Impact of Macro-Environmental Factors on Business Performance. *International journal of research and innovation in social science*, 7(11), pp.1837–1843. doi:<https://doi.org/10.47772/ijriss.2023.7011145>.

Gows, G. (2025). *The Hour Markers: India's Top Media Hub for Luxury Watches*. [online] Thehourmarkers.com. Available at: <https://thehourmarkers.com/articles/of-energy-transition-tesla-and-watchmakings-environmental-impact>.

Iata.org. (2025). *Welcome To Zscaler Directory Authentication*. [online] Available at: <https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport-june-2025/>.

Lesjak, Z. (2026). *Tesla Sales Statistics in 2025 Production, Revenue and Superchargers*. [online] Tridens. Available at: <https://tridenstechnology.com/tesla-sales-statistics/>.

Liu, C.C., Boothman, S.G. and Graham, J.D. (2025). The Rise and Recent Decline of Tesla's Share of the U.S. Electric Vehicle Market. *World Electric Vehicle Journal*, [online] 16(2), pp.90–90. doi:<https://doi.org/10.3390/wevj16020090>.

Martinez, M. (2025). *Ford brand focuses on smaller EVs, popular subbrands*. [online] Autonews.com. Available at: <https://www.autonews.com/car-concepts/future-product/an-ford-future-product-0824/>.

Neufeld, D. (2025). *The World's Top EV Makers by Market Share*. [online] Visual Capitalist. Available at: <https://www.visualcapitalist.com/the-worlds-top-ev-makers-by-market-share/>.

Palmié, M., Miehé, L., Mair, J. and Wincent, J. (2024). Valuation entrepreneurship through product-design and blame-avoidance strategies: How Tesla managed to change the public perception of sustainable innovations. *The Journal of Product Innovation Management*, 41(3), pp.644–676. doi:<https://doi.org/10.1111/jpim.12732>.

Parodi, A. (2026). Global EV sales fall again in February. *Reuters*. [online] 13 Mar. Available at: <https://www.reuters.com/sustainability/climate-energy/global-ev-sales-fall-again-february-2026-03-13/>.

Precedence Research (2025). *Electric Vehicle Market Size, Trends, Growth, Report 2022-2030*. [online] www.precedenceresearch.com. Available at: <https://www.precedenceresearch.com/electric-vehicle-market>.

Ravichandran, D. (2026). *Ford aims vertical integration of EV battery materials supply chain*. [online] Emerging Technology News. Available at: <https://etn.news/iesa-contacts-menu/5153-ford-aims-vertical-integration-ev-battery-supply-chain>

Shahan, Z. (2026). *Tesla Had 46% of US EV Market in 2025 (Down from 49% in 2024) — GM 13%, Ford 7% - CleanTechnica*. [online] CleanTechnica. Available at: <https://cleantechnica.com/2026/02/04/tesla-had-46-of-us-ev-market-in-2025-down-from-49-in-2024-gm-13-ford-7/>.

T&E. (2026). *EV progress report: EV sales and affordability are reaching a tipping....* [online] Available at: <https://www.transportenvironment.org/articles/ev-progress-report-2026>.

Tesla (2025a). *Autopilot and Full Self-Driving Capability | Tesla Support United Kingdom*. [online] Tesla. Available at: https://www.tesla.com/en_gb/support/autopilot.

Tesla (2025b). *Tesla Energy: Breaking the Cost Barrier in Residential Energy*. [online] Available at: https://energylibrary.tesla.com/docs/Public/Solar/Retrofit/WhitePaper/en/Tesla_Energy_Breaking_the_Cost_Barrier_in_Residential_Energy.pdf.

The Strategy Institute (2025). *Inside Tesla's Blueprint: Strategy, Sustainability, and Competitive Edge*. [online] Thestrategyinstitute.org. Available at: <https://www.thestrategyinstitute.org/insights/inside-teslas-blueprint-strategy-sustainability-and-competitive-edge>.

Thompson, E.J. (2026). *Ford Faces Challenges and Opportunities Amid Market Pressures*. [online] Available at: <https://intellectia.ai/news/etf/ford-faces-challenges-and-opportunities-amid-market-pressures>

Udendhran, R., Mohan, T.R., R, B., Uthra, R.A., G, A.C., Selvakumarasamy, S., Dinesh, G., Mukhopadhyay, M., Saraswat, V. and Chakraborty, P. (2025). Transitioning to Sustainable E-Vehicle Systems – Global Perspectives on the Challenges, Policies and Opportunities. *Journal of Hazardous Materials Advances*, [online] 17(100619), p.100619. doi:<https://doi.org/10.1016/j.hazadv.2025.100619>.

Wilmot, S. (2025). *BMW and Mercedes Just Launched Electric SUVs to Rival Tesla*. [online] The Wall Street Journal. Available at: <https://www.wsj.com/business/autos/bmw-mercedes-ev-suv-tesla-483024d9>.

Yu, Y. (2024). Market Competition Analysis and Strategic Research of Ford Motor Company. *Highlights in Business, Economics and Management*, [online] 24, pp.1263–1273. doi:<https://doi.org/10.54097/99hc1323>.