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FIAT HISTORY AND OVERVIEW

- The company was founded in 1899 by Giovanni Agnelli.
- Founded in Turin, Italy where the headquarters remain today.
- Fabbrica Italiana Automobili Torino (FIAT).
- Their most iconic car, the Fiat 500 was first presented in 1957.
- Stellantis Europe has been their parent organization since 2021 and was previously part of Fiat Chrysler Automobiles.
- Great car for city driving due to its compact size.
- In the early 1900s, the brand made inexpensive cars as many Italians were poor.
- Most popular car in Italy (178,961 sold in 2022).
- Reliability Rating is 3.5 / 5 stars, which is 18th out of 32 car brands.
- Derogatory joke – Fix It Again, Tony (FIAT).

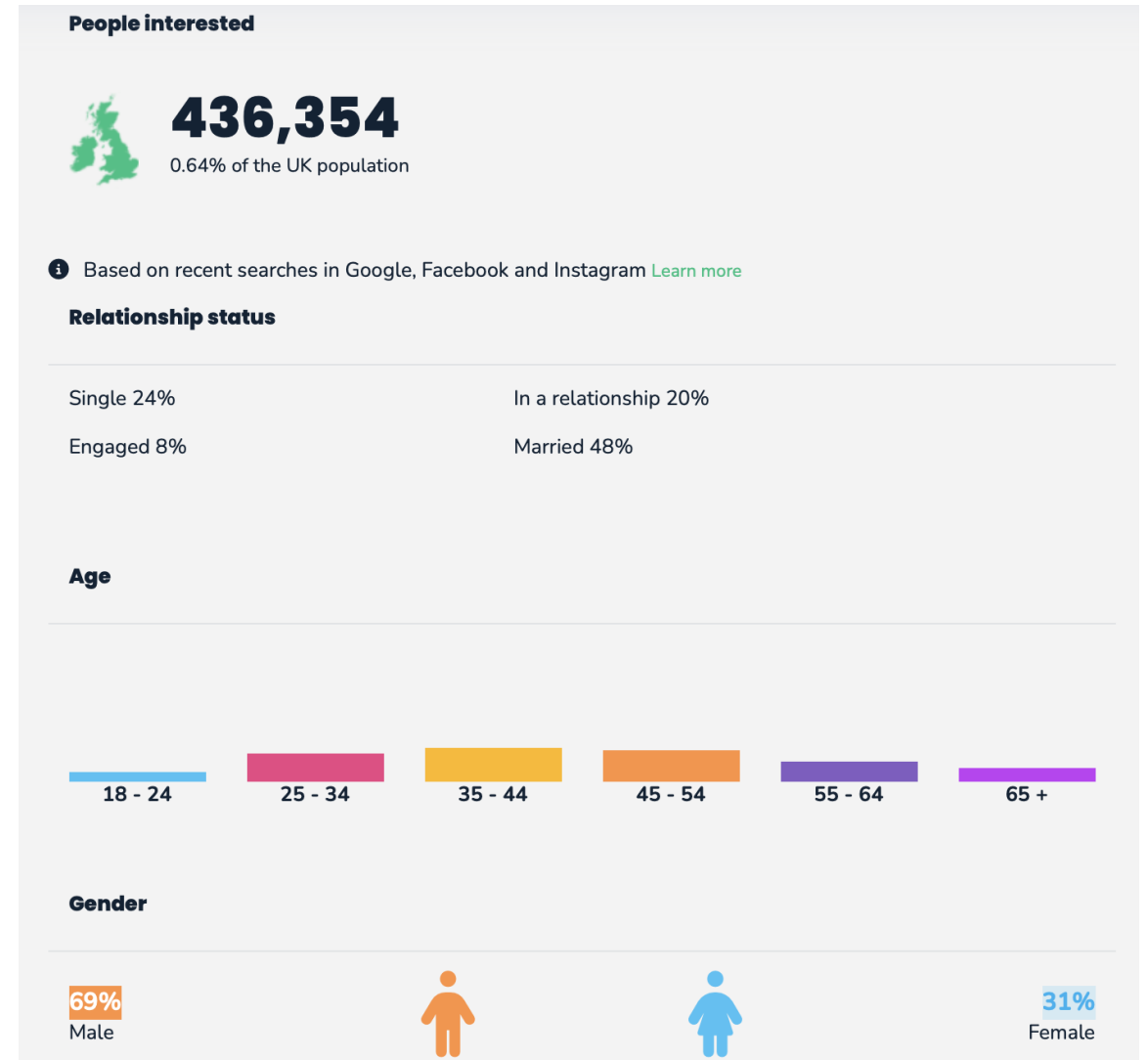


COMPANY VALUES

- Mission Statement – “Make relevant mobility accessible to everyone, everywhere.”
- Stellantis Vision Statement – “Fully committed to our customers and backed by partners that are leaders in their industries, we aim to develop, engineer, manufacture, and scale the best breakthroughs in all facets of sustainable mobility from autonomous, connected, electrified, shared and pre-owned vehicles to micro-mobility, commercial vehicles, and even electric aircraft.”
- Stellantis Core Values – Customer Centric, Win Together, Agile and Innovative, and Caring for the Future
- Fiat works to be authentic, bold, and creative.

TARGET MARKET

- Fiat targets young people (ages 25-40) who prefer style, inexpensiveness, and driving accessibility.
- The brand is popular in European cities (especially Italy) with narrow driving spaces.
- Popular in South American countries like Brazil as well as in numerous cities in North America.
- [Startup Talky - Fiat Marketing Strategy](#)
- Use digital marketing strategies.
- Use Google Search to check into consumer behaviors.
- Create a brand community, loyalty, and awareness through their social media posts.
- Use celebrity-driven ad campaigns when reentering the American market.
- [The Big Marketing - Fiat Marketing Strategy](#)



[Leebot UK](#)

INTERNAL STRENGTHS

- Unique branding and look
 - Compact car offering
- Strong market share in Brazil
- EV and Hybrid options have been released and planned for release



INTERNAL WEAKNESSES

- Narrow product line which varies upon location
 - No Stellantis CEO (owner of Jeep and Fiat)
- Niche product offering limits Fiat to a smaller market
- Continuous decline of sales from 2014-2021 with no critical adjustments
- Poor vehicle construction compromises crash safety and passenger protection

EXTERNAL OPPORTUNITIES

- The trend of the EV tax credit
- Entering the US market with factories
- Heavily target cities and dense locations

EXTERNAL THREATS

- Paused production in Italian factories due to low demand
 - Weak initial introduction to US Market
- “Late to the game” release of Hybrid Model

FIAT CRASH TEST



EXTERNAL ENVIRONMENT

POLITICAL

- EV Tax Credits promote the purchase of electric vehicles, they have been established in both Europe and the United States
- Trump campaign spoke of tariffs on imports, Italy not mentioned but these will adjust market prices and demands

MARKET TRENDS AND EMERGING TECHNOLOGIES

- EV and Hybrid offerings
- Self-driving

TECHNICAL

- Adjustment to Hybrid and Electric vehicle production and innovations



COMPETITORS

THE LUXURY COMPETITOR: BMW

STRENGTHS

- Strong brand equity
 - “The Ultimate Driving Machine”: Luxury, performance, and innovation.
- Wide range of models
- High performance and handling



WEAKNESSES

- High price points
 - For a new BMW, prices range from \$30,000 to over \$150,000.
- Average annual repair costs \$968.
- Limits their target market
- Reliability concerns
 - 2.5/5 reliability rating, places BMW at 30/32.

THE COMPACT COMPETITORS: HYUNDAI, TOYOTA, KIA

STRENGTHS

- Strong reliability
 - Top 8/32 in reliability.
- Affordability
 - \$20K - \$24K
- Wide range of models



WEAKNESSES

- Not flashy or luxury style branding
 - Lower tier feeling
- Limited Performance
 - Economy offering
- Lower resale values



LUXURY



Jeep®

WEAK
COMPACT
OPTION



ECONOMY



GOOD
COMPACT
OPTION

MARKETING MIX

PRODUCT:

- **Focus:** Fiat offers small, stylish cars (Fiat 500 & Fiat Panda), designed for city driving and eco-friendliness.
- **What Makes Them Unique:** Italian design, great fuel efficiency, and lots of customization options attract young city drivers.
- **Challenges:** Their cars aren't as popular in markets that prefer bigger vehicles, along with tough competition in the small car market.

PROMOTION:

- **Ads:** Fiat runs trendy ads that highlight its Italian roots and city-friendly design.
- **Social Media:** They are very active on platforms like Instagram and YouTube to connect with younger audiences.
- **Partnerships:** Fiat teams up with influencers and pop culture stars to make their brand more popular.



PRICING AND DISTRIBUTION

PRICE:

- **Affordable Pricing:** Fiat keeps its prices affordable, offering good value for the money without feeling cheap.
- **Special Deals:** They attract budget-friendly buyers with financing offers, trade-in deals, and seasonal discounts.
- **Market Position:** Fiat's prices are higher than those of budget brands but lower than those of luxury ones, making them appealing to those looking for something stylish but not too expensive.

PLACE:

- **Wide Reach:** Fiat has a large network of dealerships, especially in Europe and other countries.
- **Online Options:** Customers can customize cars, order online, and even take virtual test drives using Fiat's website and apps.
- **U.S. Challenges:** Fiat struggles in the U.S. with fewer dealerships and less popularity than its competitors.



OBJECTIVE 1: ESTABLISH FIAT AS A SAFE AND STYLISH CAR IN THE CONSUMER'S MIND

YEAR 1

Product Innovation: Improve the body of the vehicle with stronger materials for crash safety.

Channel Management: Train sales departments to emphasize safety features, reliability, and style.

YEAR 2

Brand repositioning: Promotions incorporating videos and imagery of small families and couples (cities and suburbs), alter messaging to emphasize safety

Channel Management: Reinforce and assess the implementation of sales training.

YEAR 3

Product Innovation: Continue to improve vehicle technology, and begin to explore electric vehicle models.

Channel Management/CRM: Check in with customers quarterly to ensure they are satisfied, and gather feedback to improve continuously.

OBJECTIVE 2: ESTABLISH MARKET LEADERSHIP AS THE PREFERRED CAR BRAND FOR SMALL FAMILIES AND COUPLES

YEAR 1

Brand repositioning: Change the tagline to emphasize the practicality of the car's compact build while remaining aligned with the Italian culture.

CRM: Increase personalized touchpoints with customers through email, and email campaigns highlighting safety and compact design.

YEAR 2

Brand repositioning: Video ad campaigns using emotional appeal such as driving to a vacation.

CRM: Elevate convenience for younger buyers through the Fiat app to book maintenance and service appointments, and surveys with perks to gather feedback about the customer experience.

YEAR 3

Brand repositioning: Promote safety features, practicality, and style through taglines, and social media such as Instagram and YouTube.

CRM: Expand social media engagement with Fiat user campaigns.

FIAT COMMERCIAL



FOUR ACTIONS FRAMEWORK



IMPLEMENTATION ISSUES

- Product innovation and channel management increase costs and vehicle prices.
- Technology, research, and safety are not cheap.
- Repositioning Fiat into a new target market is difficult.
- A new strategy could show the loyal customers that the brand is changing too much, too fast.
- Emphasizing the small size can eliminate targeting families with numerous kids.
- A small product mix could limit consumer choice.



IMPLEMENTATION CONTINGENCIES

- Investing in technology, resources, and safety can drive sales.
- Being clear and concise on who they are targeting can help them develop new and old customer loyalty.
- Fiat should be for couples and small families, which can identify their target market more clearly.
- Change can be good, especially since Fiat is already distressed.
- Diversifying the product portfolio can be beneficial in establishing different needs for various market segments.





SUMMARY & RECAP

Fiat's challenges include weak U.S. market entry, niche product focus, and delayed hybrid models. To address these, we recommended **product innovation** for improved safety and electric options, **brand repositioning** to emphasize practicality and style, and **CRM enhancements** to strengthen customer relationships. These actions will position Fiat as a preferred choice for small families and urban drivers, driving growth and sustainability.

SOURCES

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