

The Secret of the Eponymous Company

—Taking Tesla as an Example

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Abstract: A company's eponymous character can help consumers remember it, highlight the company's worth to the public through the characters' backstories, and deepen the viewer's emotional stake in the brand. By means of his namesake company, Tesla is delivering messages about innovation, exploration, and progress. At the same time, the company has released products that can be used in any age, thus proving the quality of the brand. In addition, Tesla's vision is aligned with the company's "electric" components. The United States' significance for 2022 Tesla's brand value to achieve the third automobile category, and Tesla's corporate culture are intertwined. This paper uses a literature review and a case study to investigate the effect Tesla has on a company's stock price, and it finds that the company's namesake has a positive effect on the stock price and has helped foster a healthy corporate culture at Tesla.

Keywords: eponymous company, Tesla, brand value of the company

1. Introduction

The naming of a company or brand is the first and arguably most essential step in establishing the company. The quality of the name will have a significant impact on the success of subsequent marketing efforts. People will remember an effective business name because it is memorable, yet profound. After a firm has matured, its name is considered to become more than just a code name [1]; it is also a sign of the organization's culture and values and a means by which the corporation can directly communicate its worth to the public. Companies like McDonald's, Ford, Disney, Dell, and Panasonic are all examples of eponymous corporations, which are distinct from newly created company names because they are directly named after a personal name rather than a generic term like "computer" or "electronics." These corporations honor famous people whose lives are fascinating in their own right. Naturally, the public will associate the products and characteristics of the company with the stories of these celebrities, and they will take the name of the founder as the name of the company, which gives people a specific definition of the business scope of the company from the very beginning, and has been deeply influencing people and has many influences on the development of the company.

Elon Musk's Tesla is a firm named after Nikola Tesla, the historical inventor of alternating current and a famous scientist in his own right. Even though Elon Musk was already a successful businessman before he started Tesla, he chose to honor a famous scientist from history by naming the

company after him: Nikola Tesla. As a company, Tesla has electric vehicles as its development direction, which piques consumers' interest and generates a sense of wonder; the word "electricity" is also a symbol of the value of Tesla's offerings.

This paper uses a literature review and a case study to examine the effects of Tesla, Inc. on corporate value, and finds that the presence of the namesake company has been beneficial to the parent company, both in terms of value growth and corporate culture, both of which are essential to the company's continued success.

This research gives the company's name some citational value by analyzing the value of the Tesla brand. The success of a firm might be aided by giving it a name that has some significance. A company's namesake need not be its founder; instead, it might honor a historical figure with a similar or identical name, and the utilization of the well-recognized traits associated with such figures can help people recall the name of the business in a flash. There is some use in using it as a reference when looking at company names.

2. Analysis of eponymous company

2.1. Overview of the development status of eponymous company

In general, the company name is distinct from the plant, machinery, equipment, and other items that can produce and process products; it is also distinct from the goods that are sold on the market and can partake in circulation. In other words, the company or its name is not a tangible object that directly generates value and profits. However, the company's name can indirectly generate value, which is sometimes greater than the value created by the plant, machinery, and equipment, and even greater than the value created by tangible assets. There are by no means a scattering of valuable company names in the world today. Coca-Cola, IBM, Nestle, MOTOROLA, etc. are all examples of names that are worth billions or tens of billions of dollars. The specific reasons why the company or the company's name is an intangible asset of the company are primarily reflected by the following:

First, the company's name is the carrier of the founder's identity and the company's strength. In business activities, it is said that the company or its name represents the founder's worth and reflects the company's strength [2]. Even if they are dressed casually and simply, famous company founders will never be looked down upon. Because the name of the company speaks for itself, it determines how people evaluate the founder's worth and the company's strength.

Second, the company's name is the company's image's spokesperson. The quality of a company's image has a significant influence on its business activities. There are numerous factors that can represent a company's image and assist it in constructing a positive image. For instance, the company's product quality, service status, and commitment to social welfare initiatives. In addition to these, the company's name is among the most crucial factors.

The reason a company's name can become a spokesperson for the company's image is because the company's image is derived from people's perception, and people's impression of the company or the company's name is the first and foremost component of that impression.

Even if people only hear about the company and have never visited or engaged with it, they will have a favorable impression and be willing to see and deal with the concept. On the other hand, the company or the company's name is undesirable, and people will feel disdain and rejection.

2.2. Reasons behind the success of Eponymous Companies development

The popularity of similarly named businesses stems from the fact that consumers are more likely to recall its name if it has a familiar name. A person's actual name is easier to recall than any kind of abbreviation or acronym. For instance, Ray Kroc, the man who started McDonald's, is today practically synonymous with the fast food giant.

Furthermore, it is a healthy method of strengthening feelings of closeness. A company's name can give it a more human touch. It is stated that a person's name instantly conjures up mental images of that person's appearance and character [3]. Taking a real person's name and turning it into a business name has the potential to endear the brand to its target audience on a more personal level.

Moreover, the company's core values might be highlighted. Names can also facilitate the communication of a company's ethos. For instance, if the company is named after its creator, its mission and principles will be immediately apparent. This is great for the reputation and trustworthiness of the company's brand.

3. Case study

Since its inception in 2003, Tesla has expanded significantly. In Interbrand's 2016 Top 100 Global Brands ranking, Tesla was ranked higher than Chevrolet for the first time in the automobile category. Rapid progress in the feature pull is intrinsic to Tesla's brand promotion. The famous person with the name Tesla, Nikola Tesla, will revolutionize society by popularizing and perfecting alternating current. His body is shrouded in mystery, and his utilization of electric energy is well beyond most people's wildest dreams—yet Edison was largely ignored during his lifetime. Much untapped potential remains thanks to Nikola Tesla and the obscurity with which he was treated in the United States.

Since Tesla automobiles run on electricity, the name and brand are naturally associated with the inventor. However, Tesla's electric vehicle is a product of immense trans-epoch significance that has revolutionized the way people travel and the auto industry as a whole. Intelligent technology is brought to the masses through electric cars. It has been suggested that electric automobiles provide a technological platform for society and expand people's access to technological advancements by way of the intelligent driving module and the car aided driving module [4].

Customers' enthusiasm for and satisfaction with Tesla's offerings are primary indicators of the company's marketing success. Traditional automobile owners make up the vast majority of Tesla's consumer base, and they seek out the company because they believe it is innovative, expressive, and socially responsible. This fits neatly within the modern trend of focusing on both pleasurable and meaningful purchases in an effort to maximize personal satisfaction. In many respects, Tesla has delivered on this promise, such as with the Tesla new car launch site, which is like a tech rock concert, evoking obsessive emotions and immersion among Tesla's devoted following. Tesla did not merely yell out the Nikola Tesla catchphrase. To illustrate the usefulness of energy in everyday life, he cited examples from his own line of futuristic electric vehicles. Electricity is a clean energy option since it is reliable, consistent, and digitally controllable. It demonstrates the use of electric energy as the ultimate energy for humans through concrete achievements like supercharging stations and new energy vehicles. It builds on Nikola Tesla's pioneering ideas and continues to spread the word about the benefits of electricity more than 60 years after his death. Electricity enables every aspect of contemporary human life.

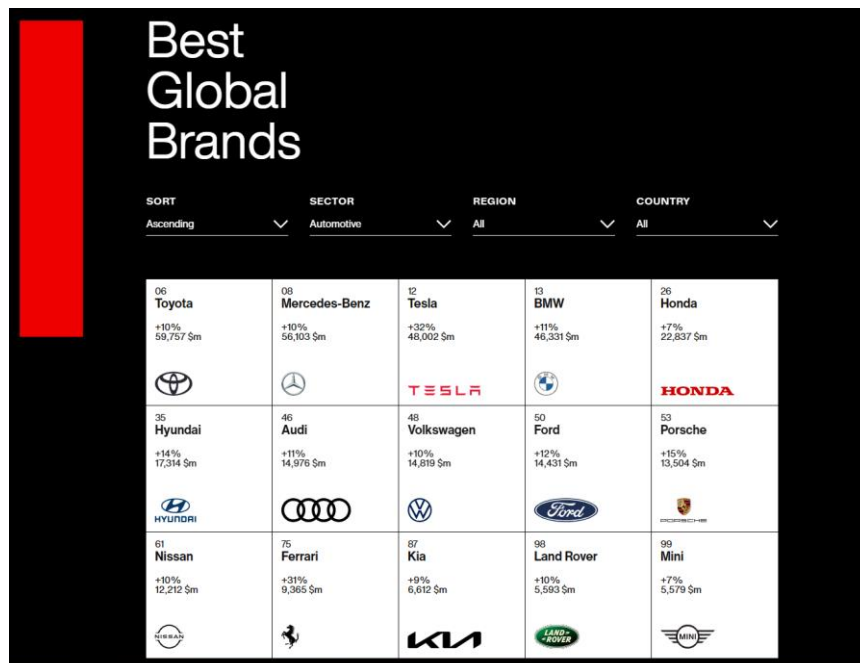


Figure 1: Best global brands [5].

Figure 1 from Best Global Brands shows that Tesla has become the most valuable car company in the United States and the third most valuable car company in the world in 2022 thanks to the increasing demand for its electric automobiles. Figure 2 depicts the exponential increase in Tesla's enterprise value from \$4.011 billion in 2016 to \$4.8 billion in 2022. Figure 3 depicts the rapid approach of Tesla's brand value to that of Mercedes-Benz. And as Tesla continues to innovate and release new products, the value of the Tesla name will only increase. Perhaps the most valuable business in the world.

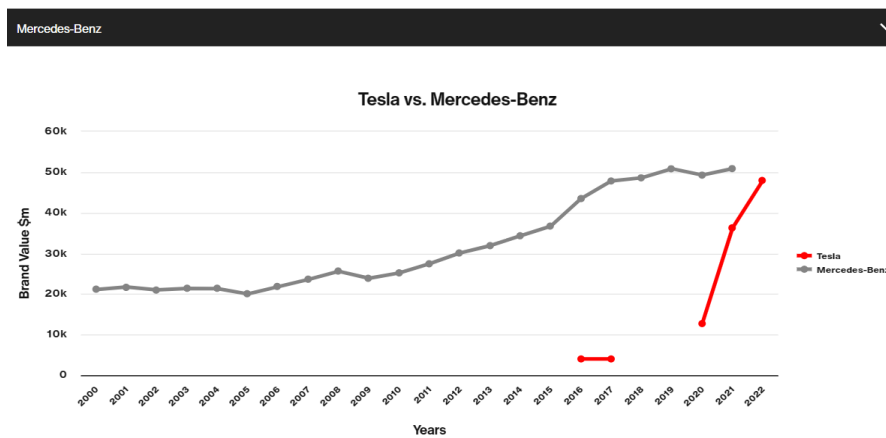


Figure 2: Comparison of brand value between Tesla and Mercedes Benz [6].

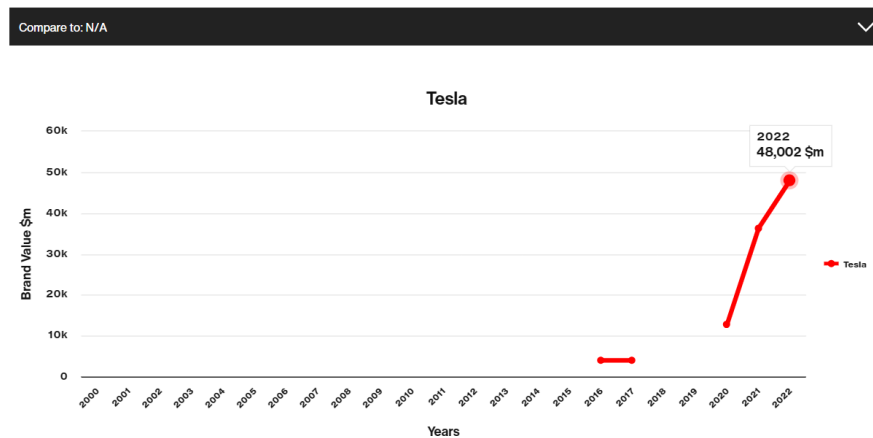


Figure 3: Tesla's brand value in 2022 [7].

4. Discussion

Both the development of electric vehicles and the concept of "electricity" have been linked to the name Tesla, which has become synonymous with Nikola Tesla. People have an innate grasp of Tesla's products thanks to the company's widespread recognition and positive reputation. But it also restricted the variety of Tesla products in people's minds.

After reaching that size, Tesla is going to rely on its own resources to continue expanding. To create original cultural worth for their product or service. It has been said that using a Tesla not only gives people with a high level of objective well-being, but also the ultimate technological and functional experience [8]. Technology-wise and when behind the wheel, Tesla has "horrible performance, exaggerated range, and high-end equipment." Panasonic, a Japanese company, supplied Tesla with its world-class batteries, which can last more than twice as long as those in regular electric cars; simultaneously, the installation location of the battery reduces the chance of rolling over by 50%; and the design has also earned Tesla the highest safety score of 5 stars from the U.S. Highway Safety Administration. The company's dedication to technology is reflected in its self-driving car technology, HEPA air filtration system that removes more than 99.97% of exhaust pollution particles, software and interactive testing, and over-the-air (OTA) air innovation and update services that are analogous to those found in the IT industry. Tesla combines a multitude of cutting-edge technologies in order to increase customer trust in the brand by providing them with a high level of safety performance and to improve the user experience, which in turn increases the user's sense of subjective well-being. If you want to make your customers happy and provide them a unique experience, use some high-tech labels.

It is necessary to improve the company's social responsibility and the public's perception of the company in order to expand the company's business horizons and enter the clean energy industry via the entry point of electric vehicles. Contributing to society is one of the best ways to make friends and acquaintances. Tesla's brand message has capitalized on the company's commitment to renewable energy, highlighting the many ways in which buying a Tesla is a positive action for the planet. Environmental protection is reportedly becoming trendy as people become more concerned about quality of life [9]. It's no secret that contributing one's own strength to society and the environment through purchases of "green" brands like Tesla increases one's own happiness as well as the happiness of those around them. Tesla's founding principles were "zero compromise, zero emissions," and "accelerating the world's transition to sustainable energy," respectively. With the rebranding of Tesla Motors Inc. to simply "Tesla Inc." on February 1, 2017, the company reaffirmed its commitment to realizing its long-term objective of becoming not only an electric vehicle

manufacturer but also a leader in the renewable energy sector. Despite its lack of financial success, Tesla's great plan to better humanity is said to remain popular with investors [10]. Tesla's actions are consistent with global tendencies and technological progress.

5. Conclusion

In general, a company's name contributes significantly to the company's overall worth. A company with a memorable name is more likely to attract talented employees, have a strong sense of corporate identity, and enjoy positive brand recognition. The creator will be more attentive to handling the company if it bears his name or the name of a historical figure, which will serve as a sign of legitimacy. Managers will pay a higher price for a firm that is named after a historical figure because they will feel obligated to elevate the company to the same status as the figure in question.

Limited page count prevented us from conducting any empirical research, making any horizontal comparisons to other organizations, or providing sufficient data. Meanwhile, the companies that were examined are still young, so there isn't enough data to draw meaningful conclusions. It will be the subject of future research to analyze how businesses might raise their brand value as they mature and how they compare to one another. The name of the company is meant to convey the organization's mission. Future research in this area will examine how the backstory of a company's name influences strategic decisions including product creation, market positioning, and public profile.

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