



# International Journal of Research Publication and Reviews

Journal homepage: [www.ijrpr.com](http://www.ijrpr.com) ISSN 2582-7421

## Analysis Of Barriers and Challenges Faced by Companies While Expanding Internationally - A Specific In-depth Study on Tesla.

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### ABSTRACT:

One of the leading companies in electric vehicles and renewable energy, Tesla Inc. has faced great challenges in its search to grow worldwide. The above analysis indicates that the company is mainly facing four major challenges: regulatory complications, cultural differences, poor infrastructure and competition from local players. Through the application of secondary data sources, financial ratio analysis and five forces such as SWOT and Porter, this study provides a significant evaluation of the global development strategy of the study Tesla. Examples of China and India are applied to display both the successes and borders of Tesla's expansion plans. The report states that although Tesla has been successful in overcoming some challenges in local production and online sales models, high prices, policy rules and lower public consciousness, it still limits entry into broad market. Strategic local nexus, electric vehicle infrastructure investment, and stitching products for regional needs are suggested as a solution to the report.

Keywords: Tesla, worldwide expansion, global market strategy, power dynamics, international development, business barriers, regulatory challenges,

### I. INTRODUCTION AND LITERATURE REVIEW

Tesla Inc. has emerged as a major global electric powered automobile (EV) venture player, bringing revolution in transport through innovation, stability and advanced technology. With the growing boom of employers in market phrases globally, it faces different types of complex troubles in international places. Issues include monetary driver, regulatory rule, market competition and cultural criteria.

The EV market worldwide has observed meteorite growth over the years, which has been operated using rising ecological concerns, improving battery technology and encouragement of authorities. The path of Tesla for global dominance is interrupted through some failures, though. Although the corporation has a decent in parts of Europe and America, efforts to enter markets in India and China have decreased through high import duty, limited charging infrastructure, bureaucracy failures, and research and aspirations to regulate the taste of consumers of the surroundings.

Academic studies have shown that for extremely generation companies such as Tesla, a hit global expansion involves maintaining a delicate balance between general operations and maintaining variation around the nearby platform (Keegan and Green, 2017). Peng (2017) proceeded to clarify political, economic and cultural differences and had an impact on the overall performance of an organization in foreign markets. The International Energy Agency (IEA, 2020) provides that the infrastructure determines the adoption of the reading electric automobile. More research through Ghemawat (2001) and Chaturvedi (2021) emphasized that localization, strategic partnership and government incentives are important promoters for EV manufacturers who are looking to enter new markets.

The purpose of this essay is to determine the circumstances facing Tesla in its globalization efforts and assess the effectiveness of its strategic repetition in a specific environment worldwide. The study of comparative case in India and China will provide comparative evidence about the success or determinants of the boundaries of Tesla's entry techniques in the markets.

### II. RESEARCH OBJECTIVES

- To determine major obstacles in entry and expansion into foreign markets.
- To assess Tesla's global trade strategy, to assess regulator, infrastructure and cultural aspects.
- Investigating the current strategies employed by Tesla to respond to challenges in their international development.
- To measure the effectiveness of these measures by the application of analytical structure.
- To offer practical suggestions aimed at improving Tesla's performance in international markets.

### III. RESEARCH METHODOLOGY

This research employs a qualitative and exploratory research method based on secondary data sources. Major sources include academic magazines, Tesla's official report, government reports and industry-specific trade magazines. The strategic devices used for analysis include SWOT analysis, five

forces of porter, and case study method, especially Tesla's business in China and India. Financial ratio analysis has also been employed to assist Tesla's global market performance.

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## IV. DATA ANALYSIS AND CASE STUDIES

### 4.1 Case Study: Tesla in China

Tesla strategically targeted China, the world's largest electric vehicle market. But the company initially experienced difficulties such as high import tariffs, complex government regulations, and intense competition from domestic brands such as BYD and Nio. As a reaction, Tesla opened a gigafactory in Shanghai in 2019 and became the first foreign automobile manufacturer, providing full ownership of his factory in China. This action improved the brand trust among import levy, increased distribution efficiency, and Chinese buyers. Tesla promoted the demand for its locally manufactured model 3 and model Y automobile by making its workforce and supply chain local.

### 4.2 Case Study: Tesla in India

India presented a unique set of challenges. Tesla was met with too much import duties (as high as 100%), rare EV infrastructure, and highly value-sensitive consumers. While the initial enthusiasm was present and Tesla India Motors was included in 2021, the actual market entry was stopped with policy differences. While the Government of India supported local production, Tesla started starting with vehicle imports. The disconnect stopped progress until 2024, when a new EV came with low tariffs for policy makers, promising domestic production.

### 4.3 SWOT Analysis:

- Strength: innovation, powerful brand image, technical leadership, committed R&D.
- Weaknesses: high prices of products, narrow global service network, dependence on some suppliers.
- Opportunities: Subsidies by governments for EVS, increase in demand for clean energy, new market opportunities.
- Threat: Local competition, ups and downs in policy, supply chain risk and lack of raw materials.

### Porter's Five Forces Analysis:

- Competitive rivalry: strong, due to the presence of several electric vehicles (EV) manufacturers globally.
- New entrants: medium to high, because the EV market continues to attract new start-ups.
- Power of bargaining of suppliers: high, due to the dependence of the industry on the limited number of important, important raw materials.
- Buyers' bargaining power: medium, varies from the region, consumer is affected by income levels and environmental awareness.
- Threat of substitutes: Medium, hybrid vehicles and fuel-efficient internal combustion engines are still competing in the market.

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## V. FINDINGS AND INTERPRETATION

- Regulatory challenges: Continuous troubles included high tariff imports, stringent emissions and safety policies and complex licensing regions.
- Infrastructure deficiency: Inadequate EV charging infrastructure and neighbourhood service networks that obstruct widespread adoption.
- Cultural and Economic Different: Disparities in consumer behaviour and purchasing strength affected Tesla's product and pricing strategies.
- Strategic flexibility: Creating a neighbourhood construction hub including gigafactory in China proved to be very successful. This is a kind of story with reluctance to establish local manufacturing in India, which slowed down the flow of Tesla in that country.
- Tesla's global supply is accidental on its flexibility, cooperation and response to local market conditions. While on-line systems and software programs promote skills enhance consumers, they should be complemented through strong physical infrastructure and meaningful strategic partnership.

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## VI. RECOMMENDATION

- Develop local participation: Work collectively with local governments, vendors and producers to facilitate market access and stable institutional support.
- Increase in infrastructure: Increase the number of charging factors and service centres to decorate availability and win customer confidence.
- Tailor product option: Customers of the neighbourhood customize and value to fit the taste and financial conditions.
- Launch Awareness Program: Launch programs to train the general public on the blessings of electric automobile.
- Adopt supply chain strategies: Extend the number of suppliers and motivate local purchases to reduce expenses and ensure operational stability.

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## VII. CONCLUSION

The enlargement of Tesla across the globe is a testimonial to the demand for flexibility in international commercial enterprise operations. Its achievement in China illustrates the benefits of adapting to the local situations and investing in infrastructure, at the same time as the disasters in India

illustrate the dangers of rigid strategies and non-alignment with the government policy. This observe concludes that Tesla need to strike a balance between technological innovation and sensitivity to local market forces in order that it can maintain its competitive facet global. As the electrical automobile area evolves, groups like Tesla ought to consciousness on innovation of their services as well as innovation of their marketplace access strategies, government engagement, and relationships with customers.

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