

Tesla suffers huge market share loss as shoppers look to rivals... and it's only going to get worse

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By [BEN SHIMKUS](#), US CONSUMER REPORTER

Tesla's once-dominant grip on the EV market is slipping fast. That trend shows no signs of stopping.

According to August's vehicle sales data, only 38 percent of new EV owners drove a Tesla off the lot. It is the first time in nearly eight years that the company sold less than 40 percent of America's new EVs.

Shoppers have flocked to newer, cheaper models from rivals like Chevy, Hyundai, and Kia, or older models with big incentives from Volkswagen and Ford.

The problem is straightforward: Tesla **has not launched a hit car** with an affordable price in years.

Its last big release, the angular Cybertruck, was expected to be a blockbuster, with CEO Elon Musk saying the company had 'over 1 million reservations' a month before the car's launch.

But, in two years since the \$72,000 truck's release, the company has only sold around 52,000 copies.

Still, Tesla is not sweating the loss of its sales power.

On September 1, the company released 'Master Plan 4,' a roadmap of its future strategy. It did not mention a new vehicle model or any updates to its current cars.



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Tesla is betting that its high-tech vision for the future will cushion a drop in auto sales



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The company just remodeled the Model 3 and Model Y, its best-selling vehicles

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Instead, the plan puts AI and robotics at the center of Tesla's future, with promises of humanoid robots that can clean a house and autonomous vehicles that do not have steering wheels or rearview mirrors.

'We must make one thing clear: this challenge will be extremely difficult to overcome,' the company wrote.

That bet is also tied to Musk's own wage. Tesla's board **has proposed a \$1 trillion compensation package for him**, pegged on the promise that those future technologies will skyrocket the company's valuation to \$8.5 trillion over the next decade. So far, Wall Street agrees, with Tesla's stock rising 6 percent over the past five days.

Morningstar analyst Seth Goldstein told the Daily Mail he thinks the strategy holds water long-term.

'I think Tesla's long-term strategy makes sense, to shift the company from an automaker to focusing on autonomous driving software and robotics,' he said.

'Tesla can still differentiate itself through its autonomous driving software.'

For now, though, Tesla is bleeding ground in the very market it created. Industry analysts are worried about the company's sales slump.



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Celebrities, including Kim Kardashian, rushed to purchase the attention-getting Cybertruck - but sales have fizzled since the release date



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Elon Musk's bet on a robot and autonomous future has a \$1 trillion price tag - the company voted on a compensation package that approved the tech company's move away from EV dominance



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The company has been building self-driving capabilities with some driverless rides rolling out in Texas earlier this year

While Tesla's sales have flatlined, other companies are hitting monthly records before the end of the federal EV tax credit on September 30.

Ford announced chart-topping sales of its Mustang Mach-E crossover. Same with Chevy's Equinox EV. Volkswagen said its ID.4 helped the company's EV sales jump 450 percent in a single month.

And next year, Tesla will encounter even more competition from legacy automakers.

Nissan's remodeled Leaf SUV will have a starting price of \$30,000 and a range of 300 miles. Toyota's new CH-R is \$35,000 with enough juice for 290 miles.

And Slate, a **new vehicle startup backed by Jeff Bezos**, is promising ultra-customizable small trucks with a starting price of \$20,000.

Stephanie Valdez Streaty, Cox Automotive's director of industry insights, told Reuters she thinks the new products could be a problem for Tesla's aging lineup: 'When you're a car company, when you don't have new products, your share will start to decline,' she said.

EXCLUSIVE

