

Research Article:

Innovation And Risk-Taking to Future Entrepreneurial Success of Tesla in The Philippines Particularly Pangasinan

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ABSTRACT:

This research examines how innovation and risk-taking influence the future entrepreneurial success of Tesla in the Philippines, with particular attention to Pangasinan. Anchored on entrepreneurship, innovation diffusion, and strategic risk-taking perspectives, the study highlights how Tesla's technological innovations, electric vehicle leadership, brand positioning, and willingness to enter emerging markets may shape its potential success in a developing regional economy. The discussion emphasizes the relevance of product innovation, process innovation, service innovation, digital integration, charging infrastructure, market readiness, consumer affordability, environmental awareness, and government policy support. Findings indicate that Tesla's innovation capacity is a major driver of future entrepreneurial success because it strengthens brand value, customer interest, sustainability appeal, and competitive advantage. Risk-taking also contributes significantly, particularly through investment in infrastructure, entry into price-sensitive markets, adaptation to local conditions, and navigation of regulatory and economic uncertainties. In Pangasinan, opportunities are linked to growing urbanization, increasing environmental consciousness, transport modernization, and potential partnerships with local government units and private stakeholders. However, barriers include high acquisition costs, limited charging stations, consumer unfamiliarity, and after-sales service concerns. The article concludes that Tesla's success in Pangasinan will depend on strategic localization, infrastructure expansion, financing accessibility, policy alignment, and continuous innovation.

Keywords: *Tesla, innovation, risk-taking, entrepreneurial success, electric vehicles, Pangasinan, Philippines.*

INTRODUCTION:

Entrepreneurial success in the modern business environment is increasingly shaped by the ability of firms to innovate and take calculated risks. Innovation allows enterprises to introduce new products, improve processes, create superior customer experiences, and respond to emerging market needs. Risk-taking, on the other hand, enables firms to enter uncertain markets, invest in new technologies, and pursue opportunities before competitors fully recognize them. These two entrepreneurial dimensions are especially relevant in industries undergoing rapid transformation, such as electric mobility.

Tesla has become one of the most recognized global companies associated with electric vehicles,

battery technology, renewable energy, autonomous driving systems, and digital automotive platforms. Its growth has been strongly connected to innovation-driven strategies and bold market decisions. Tesla challenged the traditional automotive industry by promoting electric vehicles as high-performance, technology-centered, and

environmentally sustainable products. Rather than competing only through conventional automobile features, Tesla positioned its vehicles as part of a broader ecosystem involving software updates, charging networks, energy solutions, and future-oriented mobility.

In the Philippine context, the potential entry and expansion of Tesla represent both opportunity and

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challenge. The country has shown increasing interest in electric vehicles due to rising fuel prices, environmental concerns, traffic congestion, and government programs supporting sustainable transport. The passage of the Electric Vehicle Industry Development Act, or Republic Act No. 11697, provides a legal and policy foundation for promoting electric vehicle adoption, charging infrastructure, and investment in the electric vehicle industry. These national developments create a favorable environment for companies such as Tesla.

However, the Philippine market remains complex. Electric vehicle adoption is still developing, charging infrastructure is limited in many provinces, and consumer purchasing power varies significantly across regions. While Metro Manila and other highly urbanized areas may serve as early adoption centers, provinces such as Pangasinan offer an important setting for examining future entrepreneurial success beyond the capital region. Pangasinan is one of the largest and most economically active provinces in Northern Luzon. Its strategic location, expanding commercial centers, tourism destinations, agricultural economy, and growing middle-class population make it a relevant area for assessing the feasibility of Tesla's market potential.

Pangasinan has transport needs that may support electric vehicle adoption in the long term. The province connects major municipalities and cities such as Dagupan, Urdaneta, San Carlos, Alaminos, Lingayen, and Bayambang. These areas have increasing economic activity, educational institutions, government offices, and business establishments. The province also receives domestic tourism, particularly in coastal and heritage destinations. Electric vehicles may become attractive for private users, transport operators, government fleets, and businesses that seek lower long-term operating costs and environmentally responsible mobility.

Despite these opportunities, Tesla's entrepreneurial success in Pangasinan cannot be assumed. The company would need to address affordability, charging accessibility, after-sales service, spare parts availability, consumer education, road suitability, and local regulatory conditions. Innovation alone may not be sufficient if products

remain inaccessible to most consumers. Likewise, risk-taking may not lead to success unless supported by market research, strategic partnerships, and adaptation to local realities.

This article focuses on the relationship of innovation and risk-taking to the future entrepreneurial success of Tesla in the Philippines, particularly in Pangasinan. It presents Tesla as a case of innovation-led entrepreneurship and evaluates how its strategies may translate into regional market potential. The article also discusses major factors that may influence success, including consumer readiness, infrastructure, policy support, business partnerships, and sustainability value.

STATEMENT OF THE PROBLEM:

This study examines the influence of innovation and risk-taking on the future entrepreneurial success of Tesla in the Philippines, particularly in Pangasinan.

Specifically, it seeks to answer the following questions:

1. What is the level of innovation associated with Tesla in terms of:
 - product innovation;
 - process innovation;
 - service innovation;
 - digital and technological innovation; and
 - sustainability-oriented innovation?
2. What is the level of risk-taking associated with Tesla's potential expansion in the Philippines, particularly Pangasinan, in terms of:
 - market entry risk;
 - financial and investment risk;
 - infrastructure development risk;
 - regulatory and policy risk; and
 - consumer adoption risk?
3. What is the level of future entrepreneurial success of Tesla in Pangasinan in terms of:
 - market acceptance;
 - brand competitiveness;
 - profitability potential;
 - sustainability contribution; and
 - local partnership opportunities?
4. What relationship exists between innovation and Tesla's future entrepreneurial success?

5. What relationship exists between risk-taking and Tesla's future entrepreneurial success?
6. What recommendations may be proposed to enhance Tesla's future entrepreneurial success in Pangasinan?

RESULTS AND DISCUSSION:

Level of Innovation Associated with Tesla

Innovation is one of the strongest foundations of Tesla's entrepreneurial identity. The company is widely known for transforming electric vehicles from niche environmental products into high-performance and technologically advanced automobiles. This innovation-centered identity gives Tesla a competitive advantage in markets where consumers value advanced design, environmental responsibility, and digital convenience.

Innovation Indicator	Interpretation
Product innovation	Very evident through electric vehicle design, battery performance, safety features, and vehicle software integration
Process innovation	Evident through digital purchasing systems, production efficiency, and technology-centered operations
Service innovation	Evident through remote diagnostics, software updates, and connected vehicle services
Innovation Indicator	Interpretation
Digital and technological innovation	Very evident through autopilot features, over-the-air updates, artificial intelligence integration, and mobile application controls
Sustainability-oriented innovation	Very evident through zero-emission mobility, renewable energy alignment, and reduced dependence on fossil fuel

The findings show that Tesla's innovation is multidimensional. Its product innovation is visible in battery electric vehicles that combine performance, range, minimalist design, safety, and smart technology. Unlike conventional vehicles that rely primarily on mechanical improvements, Tesla vehicles operate as digital platforms. Features may be enhanced through software updates, making innovation continuous rather than limited to the point of purchase.

Process innovation is also important. Tesla's approach to direct customer engagement, online ordering, and integrated service systems differs from traditional dealership-heavy automotive models. In the Philippine setting, digital access may appeal to younger professionals, entrepreneurs, executives, and technology-oriented consumers. However, in Pangasinan, the effectiveness of such a model would depend on local support systems, service accessibility, and consumer trust in online automotive transactions.

Service innovation strengthens customer value. Remote diagnostics, connected vehicle monitoring, and software-based maintenance can reduce inconvenience for consumers.

However, these advantages require reliable internet access, trained technicians, available service centers, and responsive customer support. In a provincial market such as Pangasinan, after-sales service would be a critical factor in consumer confidence.

Tesla's sustainability-oriented innovation is especially relevant in the Philippines because transport emissions, fuel costs, and climate-related concerns are growing public issues. Electric vehicles may support national sustainability goals and local environmental programs. In Pangasinan, the use of electric vehicles could benefit cities and municipalities seeking cleaner transport systems, especially in government fleets, tourism routes, and urban mobility services.

Overall, Tesla's high level of innovation supports future entrepreneurial success because it creates differentiation. The company does not compete merely as a car manufacturer but as a technology and sustainability brand. This distinction may attract early adopters and environmentally conscious consumers in Pangasinan.

Level of Risk-Taking Associated with Tesla's Potential Expansion

Risk-taking is a major entrepreneurial behavior because it involves committing resources to uncertain opportunities. Tesla's global expansion has involved significant risks, including high research and development costs, production challenges, infrastructure

investment, market skepticism, and competition from established automobile companies. In the Philippines, particularly Pangasinan, the risks would be different but equally important.

Risk-Taking Indicator	Interpretation
Market entry risk	High due to developing electric vehicle demand outside major metropolitan areas
Financial and investment risk	High due to infrastructure, logistics, service center, and pricing concerns
Infrastructure development risk	High due to limited charging stations in provincial areas
Regulatory and policy risk	Moderate to high due to evolving electric vehicle policies and implementation mechanisms
Consumer adoption risk	High due to affordability concerns, limited familiarity, and range anxiety

Market entry risk is significant because electric vehicle adoption in the Philippines is still at an early stage. Although awareness is increasing, many consumers remain more familiar with gasoline and diesel vehicles. In Pangasinan, adoption may initially be concentrated among higher-income households, business owners, professionals, local government units, and institutions with sustainability programs. This means Tesla may not immediately achieve mass-market penetration without pricing strategies or financing support.

Financial and investment risk is also high. Tesla's success would require charging stations, trained personnel, service facilities, spare parts availability, and logistics systems. Without these support mechanisms, even interested customers may hesitate to purchase. For Pangasinan, investment decisions must consider geographic distribution. Charging facilities would be most strategic in commercial centers, transport corridors, tourism destinations, government hubs, and major highways.

Infrastructure development risk is one of the most pressing concerns. Electric vehicles depend on accessible and reliable charging systems. In Pangasinan, charging stations may be placed in cities such as Dagupan, Urduyeta, San Carlos, and Alaminos, as well as in provincial government centers and major commercial establishments. Partnerships with malls, hotels, resorts, gasoline stations transitioning to energy hubs, and local government units may reduce infrastructure risk.

Regulatory risk is moderate to high because policies supporting electric vehicles are still being implemented. National laws may provide incentives, but local execution, permitting processes, power supply considerations, and public awareness campaigns influence actual market growth. Tesla's success would depend partly on alignment with national agencies, local government units, energy providers, and transport regulators.

Consumer adoption risk remains a major concern. Potential buyers may worry about vehicle price, battery life, maintenance costs, charging availability, resale value, and suitability for Philippine roads. In Pangasinan, where practical value strongly influences purchasing decisions, Tesla would need to communicate not only technological prestige but also long-term economic benefits.

Risk-taking, therefore, is necessary but must be calculated. Tesla's willingness to enter a developing provincial market could provide first-mover advantage. However, success would require careful localization and staged expansion.

Future Entrepreneurial Success of Tesla in Pangasinan

Future entrepreneurial success refers to the likelihood that Tesla can establish a sustainable, profitable, and competitive position in Pangasinan. This success may be measured through market acceptance, brand competitiveness, profitability potential,

sustainability contribution, and partnership

opportunities.

Success Indicator	Assessment
Market acceptance	Promising among early adopters, professionals, entrepreneurs, institutions, and environmentally conscious consumers
Brand competitiveness	Strong due to Tesla's global reputation and association with innovation
Profitability potential	Moderate to strong depending on pricing, financing, demand, and service support
Sustainability contribution	Strong due to alignment with clean transport and reduced emissions
Local partnership opportunities	Strong through local government units, malls, tourism establishments, energy providers, and fleet operators

Tesla's market acceptance in Pangasinan may begin with early adopters. These consumers are likely to value innovation, social status, environmental responsibility, and long-term savings on fuel. The province's growing commercial and professional sectors may provide a customer base for premium electric vehicles. However, broader market acceptance would require more affordable models, financing programs, and visible charging infrastructure.

Brand competitiveness is one of Tesla's strongest advantages. The company is globally associated with advanced electric vehicles, innovation, sustainability, and high-profile entrepreneurship. In emerging markets, strong brand recognition can reduce consumer hesitation because the product is already known internationally. In Pangasinan, Tesla's brand may appeal to consumers who view electric vehicles as symbols of progress and modern lifestyle.

Profitability potential is promising but conditional. Premium pricing may limit sales volume, but higher margins, fleet partnerships, corporate buyers, and institutional procurement may support profitability. Local governments and private companies pursuing sustainability goals may consider electric vehicles for official use, logistics, tourism, or executive transport. Tesla's profitability would improve if supported by lower import costs, incentives, favorable financing, and accessible service centers.

Sustainability contribution is highly relevant. Pangasinan's environmental concerns include air quality, coastal protection, climate resilience, and sustainable tourism. Electric vehicles may contribute to cleaner mobility, especially if paired with renewable

energy sources. Tesla's sustainability value could align with local development plans and environmental campaigns.

Local partnership opportunities are essential. Tesla may benefit from collaboration with local government units, electric cooperatives, universities, shopping centers, real estate developers, tourism businesses, and transport groups. These partnerships could support charging infrastructure, consumer education, demonstration projects, and fleet adoption.

Relationship Between Innovation and Future Entrepreneurial Success

The findings indicate a strong positive relationship between innovation and Tesla's future entrepreneurial success. Innovation strengthens the company's ability to differentiate itself from competitors and create customer interest. In the electric vehicle industry, consumers are not only purchasing transportation; they are also purchasing technology, convenience, environmental value, and brand identity.

Product innovation contributes to success because Tesla vehicles offer features that distinguish them from conventional automobiles. Battery efficiency, acceleration, safety technology, and software integration create strong appeal. In Pangasinan, these features may attract professionals, entrepreneurs, and institutions seeking modern mobility solutions.

Service and digital innovation also influence success. Consumers are more likely to adopt new vehicle technology if maintenance, updates, diagnostics, and customer support are convenient. The possibility of software-based improvements may increase perceived value over time. However, this advantage requires local service reliability.

Sustainability innovation supports success by aligning Tesla with national and local

priorities. The Philippine government's support for electric vehicles creates an enabling environment. In Pangasinan, environmental positioning may be especially valuable in tourism areas, coastal communities, and public institutions pursuing green initiatives.

Innovation also improves Tesla's long-term competitiveness. As other automotive companies enter the electric vehicle market, Tesla must continue to innovate to maintain leadership. Future success in Pangasinan would depend not only on brand entry but also on continuous adaptation to local needs.

Relationship Between Risk-Taking and Future Entrepreneurial Success

Risk-taking also shows a positive relationship with future entrepreneurial success, provided that risks are strategic and well-managed. Tesla's potential expansion into Pangasinan would require investment before demand is fully proven. This includes charging facilities, service support, marketing campaigns, partnerships, and consumer education. Such investments involve uncertainty but may create early advantages.

Market entry risk may produce success if Tesla becomes one of the first premium electric vehicle brands to establish strong visibility in the province. Early entry could allow the company to shape consumer perception, build loyalty, and influence infrastructure development. However, early entry without support systems may damage customer trust.

Infrastructure risk may become an opportunity if Tesla helps develop charging networks in strategic areas. Charging stations located in commercial centers, tourist destinations, government offices, and transport corridors would make electric vehicle ownership more practical. Infrastructure visibility may also serve as a marketing tool by making electric mobility more familiar to the public.

Financial risk may be reduced through partnerships. Instead of independently shouldering all costs, Tesla may collaborate with local businesses, energy providers, and government units. Such partnerships may increase feasibility and accelerate adoption.

Consumer adoption risk can be addressed through education and demonstration. Test-drive events, information campaigns, total

cost-of-ownership comparisons, and public charging demonstrations may reduce uncertainty. In Pangasinan, practical examples would be important because consumers often consider durability, maintenance, and long-term value before purchasing vehicles.

Risk-taking is therefore not merely exposure to uncertainty. It is a strategic action that may lead to entrepreneurial success when supported by research, planning, local collaboration, and innovation.

Opportunities for Tesla in Pangasinan

Pangasinan presents several opportunities for Tesla's future entrepreneurial success. First, the province has growing urban and commercial centers. Dagupan, Urdaneta, San Carlos, and Alaminos are active areas where businesses, professionals, and institutions may support early adoption.

Second, Pangasinan has strong tourism potential. Electric vehicles may be promoted for sustainable tourism routes, hotel transport, resort services, and government tourism programs. Destinations such as the Hundred Islands National Park and coastal tourism areas may benefit from green mobility branding.

Third, local government units may serve as early institutional adopters. Government fleets, inspection vehicles, and official transport units could adopt electric vehicles as part of sustainability initiatives. This would increase public visibility and confidence.

Fourth, Pangasinan's educational institutions may become partners in electric vehicle awareness, technical training, and research. Collaboration with universities and technical-vocational institutions may support workforce development for electric vehicle maintenance and energy systems.

Fifth, the province's strategic road networks provide opportunities for charging station placement. Stations along major highways and commercial hubs would support intercity mobility and reduce range anxiety.

Challenges Affecting Tesla's Entrepreneurial Success

Despite promising opportunities, several challenges may affect Tesla's success in Pangasinan. The first challenge is affordability. Tesla vehicles are generally positioned in the premium market. Many consumers in Pangasinan may find the initial purchase price

too high compared with conventional vehicles. Financing programs, leasing options, and lower-cost models would be necessary to expand market reach.

The second challenge is charging infrastructure. Without accessible charging stations, consumers may hesitate to buy electric vehicles. Range anxiety remains a major barrier, especially for users traveling between municipalities or to other provinces.

The third challenge is after-sales service. Vehicle buyers need assurance that maintenance, repairs, parts, and technical support are available locally. A lack of service centers may discourage adoption even among interested consumers.

The fourth challenge is consumer awareness. Electric vehicles are still unfamiliar to many potential buyers. Misconceptions about battery life, charging safety, electricity costs, and performance may affect acceptance.

The fifth challenge is competition. Other electric vehicle brands, hybrid vehicles, and lower-cost alternatives may enter the market. Tesla's premium positioning must be supported by clear value communication.

The sixth challenge is power supply and energy readiness. Charging infrastructure must be supported by reliable electricity distribution. Coordination with energy providers and local utilities would be essential.

Strategic Measures for Enhancing Future Success

Tesla's future entrepreneurial success in Pangasinan may be strengthened through several strategic measures.

First, infrastructure development should be prioritized. Charging stations should be established in high-traffic and high-visibility areas such as malls, hotels, municipal centers, government offices, transport terminals, and highway corridors. A visible charging network would reduce consumer hesitation.

Second, Tesla should pursue local partnerships. Collaboration with local government units, electric cooperatives, commercial property owners, universities, and tourism establishments would reduce risk and increase public acceptance.

Third, consumer education should be strengthened. Information campaigns should

focus on total cost of ownership, charging procedures, battery durability, environmental benefits, safety, and maintenance requirements. Demonstration units and test-drive events would help consumers experience the technology directly.

Fourth, financing accessibility should be improved. Installment plans, leasing arrangements, bank partnerships, and corporate fleet packages may make Tesla vehicles more attainable for qualified consumers and institutions.

Fifth, after-sales support should be localized. A service facility or authorized service partnership in Pangasinan or nearby regional centers would increase buyer confidence. Mobile service units may also support early adopters across the province.

Sixth, Tesla should align with public sustainability programs. Participation in clean energy forums, green transport initiatives, and local development projects may strengthen its reputation as a partner in sustainable progress.

Seventh, market entry should be phased. Initial focus may be placed on early adopters, institutional buyers, corporate fleets, tourism establishments, and local government units. Broader consumer expansion may follow after infrastructure and awareness improve.

Conclusion and Recommendation

Innovation and risk-taking are significant factors in the future entrepreneurial success of Tesla in the Philippines, particularly Pangasinan. Tesla's innovation is strongly reflected in its electric vehicle technology, battery systems, software integration, digital services, and sustainability-oriented business model. These innovations create competitive advantage, strengthen brand identity, and increase market interest.

Risk-taking is also essential to Tesla's potential success. Entering a developing electric vehicle market such as Pangasinan requires investment in infrastructure, consumer education, service systems, and partnerships. These risks are substantial because electric vehicle adoption remains at an early stage and consumer readiness varies. However, calculated risk-taking may allow Tesla to establish early leadership, shape market expectations, and benefit from future growth in sustainable mobility.

Pangasinan offers promising opportunities due to its expanding commercial centers, strategic location, tourism potential, growing professional population, and possible

institutional demand. However, success will depend on addressing affordability, charging access, after-sales service, consumer awareness, and local infrastructure readiness.

The study concludes that Tesla's future entrepreneurial success in Pangasinan is possible but conditional. Innovation provides the foundation, while risk-taking provides the pathway for market entry and expansion. The combination of both factors may lead to sustainable success if supported by localization, partnerships, and long-term commitment.

The following recommendations are proposed:

1. Tesla should establish strategic charging stations in major Pangasinan cities, commercial centers, tourism destinations, and highway corridors.
2. Local partnerships should be developed with local government units, energy providers, malls, hotels, universities, and transport-related businesses.
3. Consumer education campaigns should be conducted to address concerns about

charging, battery life, maintenance, cost savings, and environmental benefits.

4. Financing schemes should be introduced to make Tesla vehicles more accessible to professionals, entrepreneurs, institutions, and fleet buyers.
5. Local after-sales support should be strengthened through service centers, authorized technical partners, or mobile service units.
6. Tesla should align its market entry with the implementation of the Electric Vehicle Industry Development Act and other government sustainability programs.
7. Pilot projects may be introduced in government fleets, tourism transport, corporate mobility, and institutional service vehicles.
8. Market entry should be gradual, beginning with early adopters and institutional buyers before expanding to a wider consumer base.
9. Technical training partnerships should be formed with educational institutions to develop local expertise in electric vehicle maintenance and charging systems.
10. Continued innovation should be maintained to ensure that Tesla remains competitive as more electric vehicle brands enter the Philippine market.

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