

# Contents

|   |    |
|---|----|
| 1. Introduction.....                    | 1  |
| 2. Perceptual Map and Positioning ..... | 1  |
| 2.1 Survey Design.....                  | 1  |
| 2.2 Factor Analysis .....               | 1  |
| 2.3 Perceptual Map .....                | 2  |
| 3. Reflections and Recommendations..... | 3  |
| 3.1 Brand Positioning Strategy .....    | 3  |
| 3.2 Targeting and Segmentation .....    | 3  |
| 3.3 Marketing Programs.....             | 5  |
| 4. Limitations .....                    | 7  |
| 5. References.....                      | 8  |
| 6. Appendix.....                        | 11 |

# 1. Introduction

This report aims to analyse Tesla's perceptual positioning in the market. Data was collected through a designed survey and used to conduct a factor analysis and develop a perceptual map. It delves into the brand positioning of Tesla which includes the target segmentation and the analysis of the marketing programs using the 4P strategy. Moreover, recommendations are given based on the analysis.

## 2. Perceptual Map and Positioning

### 2.1 Survey Design

The survey evaluates attitudes and opinions of electric/non-electric cars amongst respondents within various demographics to analyse Tesla's perceptual positioning in the market. Created to objectively view a respondent's perceptions using statements that they could agree or disagree with. The scale consists of ten points ranging from "Extremely disagree" to "Extremely agree" and seven statements for each car brand. This method of collecting data is universal and easy to comprehend (Smartsurvey, n.d.).

The survey also consisted of a set of nominal and exclusive demographic questions placed at the end of the survey, as it encourages rapport with the respondents; avoids questions left unanswered due to personal questions; allows respondents to answer survey questions before answering the mandatory demographic questionnaire (Teclaw, Robert, Price, & Osatuke, 2012).

### 2.2 Factor Analysis

A factor analysis allows researchers to transform and reduce variables to interpret results. Two factors are extracted from the survey (Figure 1). The full factor analysis with SPSS output can be found in Appendix.

|   |  |
|---|--|
| Factor 1 (High Performance vs Moderate Performance) | <ul style="list-style-type: none"><li>• I think Tesla cars are safe</li><li>• I think Tesla has long-range cars</li><li>• I think Tesla cars have great acceleration</li><li>• I think Tesla is a customer centric brand</li></ul> |
| Factor 2 (Technology Driven vs Traditional)         | <ul style="list-style-type: none"><li>• I think Tesla has long-range cars</li><li>• I think Tesla cars are stylish</li><li>• I think Tesla is innovative</li></ul>   |

*Figure 1: Factor Analysis*

## 2.3 Perceptual Map

A perceptual map aims to showcase the respondent's opinion, belief and attitude towards the brands above using different research methods. After conducting the factor analysis using SPSS, a perceptual map (Figure 2) is generated.

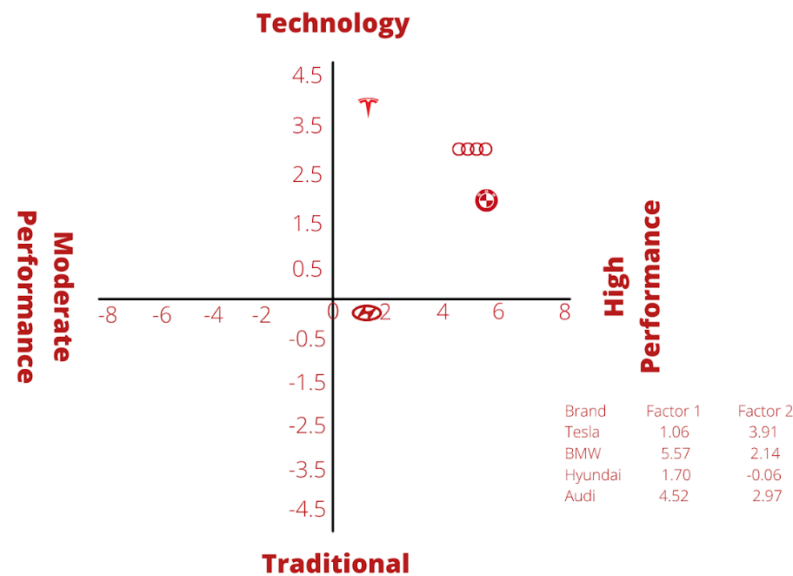


Figure 2: Perceptual Map

According to the data and perceptual map, Tesla is a market leader in technology as it scored 3.91 out of 5 for technological advancement, which is the highest amongst its competitors. Furthermore, its innovation strategy has resulted in cars that have adopted full-self-drive and they aim to build safer cars using high-edge software and hardware (Aurumbureau, 2019). However, it only scored 1.06 in performance - driving range, safety and acceleration. Tesla is considered “unsafe” for reasons such as the autopilot feature that was led to make consumers believe that it was full-self-drive, which caused accidents (Insidehook, 2020). Whereas Hyundai scored 1.70 for performance which is relatively same as Tesla, but it's still viewed as a traditional car manufacturer. Despite being one of the first to develop “hybrid” cars – Camry, Hyundai lacks the technological advantage compared to Tesla. Presumably, due to increased focus towards Internal Combustible Engine (ICE) cars. However, Audi and BMW, both manufacturers of ICE cars have scored higher in performance, with BMW scoring 5.57 and Audi scoring 4.52, although lag Tesla in terms of technology. The ostensible reason being that the luxury car manufacturers have developed their brand image for decades and have excelled in developing luxury ICE cars and are now developing their goal towards electric cars to compete with Tesla.

### **3. Reflections and Recommendations**

#### **3.1 Brand Positioning Strategy**

According to the perceptual map, Tesla is suggested to retain its competitive advantage of high technology and can move to the top left (high technology and moderate performance) or top right market (high technology and high performance).

It's unfavourable for Tesla to move to the top left market. As, in moderate performance, customers have a high bargaining power and could cause Tesla to decrease its price. Although, given high production costs, Tesla will lose profits that are needed to survive in the market. However, it's hard to define if it's a niche market as there could be more competitors.

Ideally, Tesla should move to the top right market and strengthen its positioning as a pioneer with the mission of accelerating the world's transition to sustainable energy (Tesla, 2021). To achieve this, Tesla needs to have trustable battery technology with high performance that can offer customers safety, great acceleration and long-range. According to the survey, Tesla is the most technology-driven brand, but it has lower performance in customer perception comparing to Audi and BMW. However, Tesla's cars have high performance. For example, combining safety, great acceleration and technology, Model S has reset the world's expectations for the car of the 21st century with the longest range of any electric vehicle (Tesla, 2021). The reason for the low customer perception in performance is vehicle product issues that resulted in recalls, fires, autopilot crashes and software hacking. To increase customer perception in performance, Tesla should emphasise its competitive advantage of long range, cutting-edge technology in its marketing campaigns with illustrated examples to prove vehicle quality and safety.

#### **3.2 Targeting and Segmentation:**

Tesla's current targeting strategies shows: (1) Tesla's targeting customers are perceived as environmentally friendly (Thomas & Maine, 2019). They care about long-term effectiveness. (2) They have comparatively higher income and education level than the average. (3) Majority of targeted customers are males between 20 to 35-year-old.

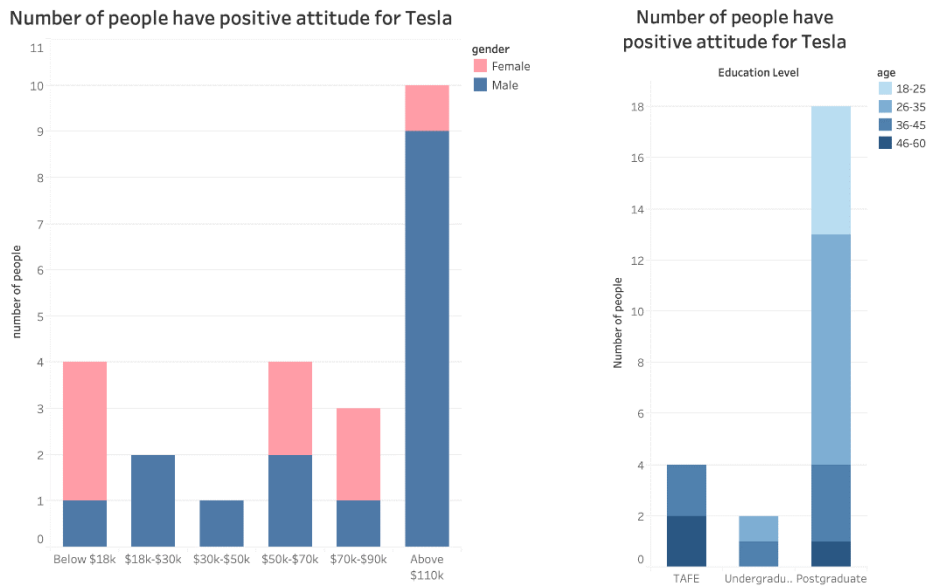


Figure 3: Targeting Customers

Additionally, some valuable insights were gained from survey data (Figure 3). Firstly, survey data shows that people with above 110k annual income are more likely to have a positive attitude towards Tesla, and that most of them are male. Secondly, people with a postgraduate degree tend to have a positive attitude, and most of them are between 18 to 35-year-old.

Based on research and survey data analysing, the following recommendations are created for Tesla to improve on customer targeting:

- To efficiently target 20-35 years old customers, it is recommended for Tesla to establish an attractive referral program. Research shows that people in the 18 to 38 aged group are more likely to share their experience with their friends and families (Özdemir & Tozlu, 2016). Tesla currently rewards its referrals with 1500 kilometres of free supercharging (Referral Program, 2021). However, this referral program does not incentivise current users to share their user experience with others (Cartwright, 2021). Tesla could build up a referral credit system. Referrals could get generous credits as a reward. These credits could be used for many purposes such as charging, self-driving upgrade, and other purchasing vehicle accessories. This strategy could increase not only current customer's brand loyalty but also optimise Tesla's word of mouth marketing.
- Tesla's target market has comparatively high-income, and less price sensitive, Tesla is recommended to provide extra premium services for its high-end customers. For

example, paid premium membership could be a valid service for customers willing to pay more for more assistance. The premium member could get limited times of free charging, car washing services and discount for further purchasing from Tesla. This targeting strategy could help Tesla efficiently capture more business values from high-end customers.

- Tesla is recommended to participate in some environment-saving programs such as the carbon emission reduction project for well-educated customers. This strategy helps Tesla's environmentally friendly brand image and effectively respond to the public doubts that Tesla is destroying the environment (Hassan & Valenzuela, 2016). Through this, Tesla could effectually satisfy customer's perception of being environmentally friendly, hence, attracting more potential customers in the Australian market.

### **3.3 Marketing Programs**

#### *3.3.1 Price*

Tesla currently uses a high-end pricing strategy. As shown in Figure 4 in Appendix, the average price of a new car in the Australian market is \$40,128 (Biro, 2020). Tesla's price is not only much higher than the market average price, but also one of the highest among most EV manufacturers (Corby, 2021). However, according to the perceptual map, consumers in Australia believe that Tesla's performance is like Hyundai and far below BMW. But the average price of EVs from these two manufacturers is much lower than Tesla (Corby, 2021). Meanwhile, Australian consumers are highly price sensitive to EVs (Budget Direct, 2020) and may not accept the high price of Tesla. To solve this, Tesla can appropriately lower its selling price in the Australian market. If Tesla wants to maintain a high-end pricing strategy, it could try to improve products quality to meet consumer expectations.

#### *3.3.2 Product*

Tesla's investment in R&D is three times that of traditional manufacturers (Pressman, 2016). According to the perception map, Australian consumers view Tesla as a high-tech electric vehicle manufacturer, substantiating Tesla's large investment in R&D. Therefore, Tesla could continue to adopt its disruptive strategy and invest in innovation to maintain its differentiated advantages. However, according to the results of the survey, as shown in Figure 5 and Figure 6 in Appendix, Australian consumers believe that Tesla's product safety and drive range are

much lower than other EV manufacturers. Firstly, Tesla has been criticized for brake failure and sudden acceleration recently. In the U.S. market alone, there have been more than 200 consumer complaints about Tesla's sudden acceleration leading to a crash. Tesla interprets most crashes as driver's operating errors, but this has not convinced the public. For safety issues, on the one hand, Tesla could continue to improve product safety include its braking system and self-driving system. On the other hand, Tesla could provide consumers with EV autopilot and safe driving education services to consumers. Secondly, although Tesla's battery technology is already the best among EV manufacturers in the Australian market (Corby, 2021), the shortage of EVs charging stations in Australia is another important factor for consumers to avoid investing in Tesla. In Australia, there is only one charging station for every six electric vehicles. However, there is one charging station for every three electric vehicles in China (Electric Vehicle Council, 2020). Therefore, Tesla can build more electric vehicle charging stations to meet the needs of EV drivers in the Australian market, and Tesla can continue to improve the supercharging technology to reduce the charging time for each drive.

### *3.3.3 Place*

Tesla's currently selling channels in Australia is online-focused. Consumers can only purchase their vehicle through the website. This might be a smart choice for Tesla, not only it helped Tesla won the best consumers satisfaction since 2017 (Nedelea, 2021), but also match the target consumers' E-commerce preference (Passport, 2020). According to a consumer report in Passport (2020), most of the target consumers (aged 20-40) have an interest in real-world experience. This means they may prefer to physically feel Tesla's car before purchasing it. But there are only five offline shops in Australia for people to have a test drive (Tesla, 2021). Hence, Tesla may increase the number of offline trail shop in Australia to satisfy the target consumers.

### *3.3.4 Promotion*

Tesla currently spends little on advertising. By using word-of-mouth through social media and referral program, Tesla has built up a good awareness among digital channels (Folschette, 2021). Although this strategy helps Tesla gain fames, as shown in the perception map, people recognize the technology advantage of Tesla but fail to acknowledge performance Tesla's cars have. The reason being Tesla's innovative factors are increasingly popular on online platforms, i.e., Tesla's main advertising forum (Lan, 2019). Hence, to encourage conversations about Tesla's performance, online campaigns can be launched to educate consumers about the performance features. As, Australian consumers aged 20-40 have a strong dependency on the

Internet (Passport, 2020). The platforms could be Facebook and YouTube since they are the most popular social media in Australia (Admin, 2021).

This campaign aims to attract Tesla divers to participate. Tesla at the beginning should promote this campaign through different social media. Then, under a hash tag-More than Technology, participants could post their stories about Tesla's performance such as acceleration and driving range on Facebook or by shooting relevant videos through YouTube as Figure 7 in Appendix shows. After two months, in each platform, 50 publishers who get the most liked content would be awarded by one-year free charge.

This campaign would not only align with Tesla's zero advertising strategy but would also use word-of-mouth to change consumers' mind about Tesla's performance. By guiding the topics through online channels, Tesla is forecasted to be a brand with high performance and innovative cars in Australian consumers' perception.

#### **4. Limitations**

Although the above recommendations may help tesla capture potential consumers in Australia, there are still some limitations according to the survey. Since the sample size is only 41, and the responses are finished voluntarily, the result may have some bias. To capture more precise consumers' perceptions, further research may need to conduct.



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## 6. Appendix

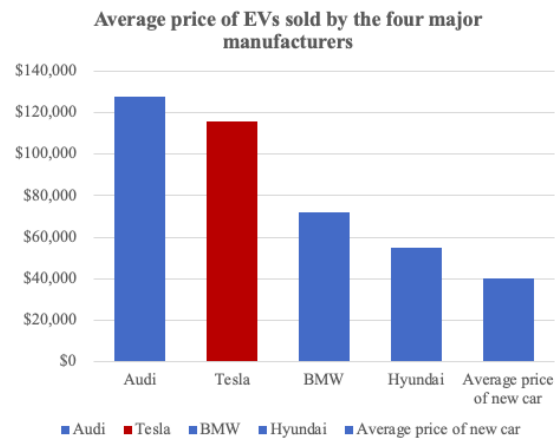


Figure 4: Average Price of EVs

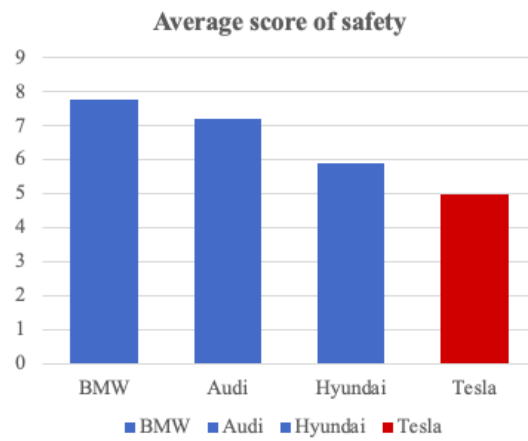


Figure 5: Average Score of Safety

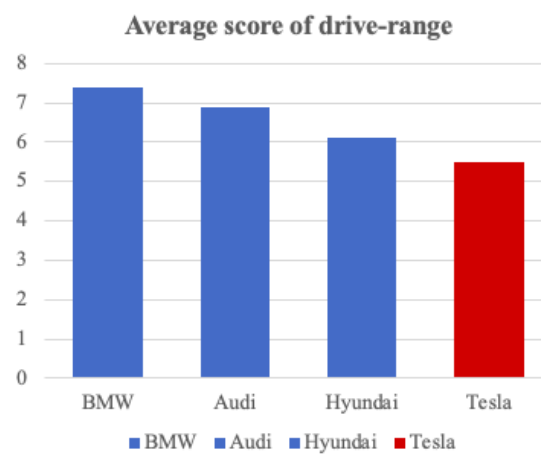


Figure 6: Average Score of Drive-range



# More than Technology

I once drove Tesla from Sydney to Melbourne without Charging.

Acceleration: Tesla VS Lamborghini Saved as draft ✕

**Details** Video elements **Checks** Visibility

**Tags**  
Tags can be useful if content in your video is commonly misspelt. Otherwise, tags play a minimal role in helping viewers to find your video. [I learn more](#)

22/500

Enter a comma after each tag

**Language and captions certification**  
Select your video's language and, if needed, a caption certification

Video language:  Caption certification:

📘 You can now upload or add captions from the video elements step.

**Video preview:** A small video player showing a person in a car. Below it, the video link is <https://youtu.be/bM9u9FI801o> and the filename is **Tesla VS Lamborghini.mp4**.

Figure 7: Sample Campaign Posts

## The Survey

Survey Link: [https://sydney.au1.qualtrics.com/jfe/form/SV\\_eDKO6p2emWp3Riu](https://sydney.au1.qualtrics.com/jfe/form/SV_eDKO6p2emWp3Riu)

The purpose of this survey is to analyse customer perception among electric vehicles.

Tesla - Please rate the statements from 1 (Extremely Disagree) - 10 (Extremely Agree)

|   | 1 -<br>Extremely<br>Disagree | 2                     | 3                     | 4                     | 5 -<br>I'm<br>not<br>sure | 6                     | 7                     | 8                     | 9                     | 10 -<br>Extremely<br>Agree |
|---|------------------------------|-----------------------|-----------------------|-----------------------|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------------|
| I think Tesla cars are <b>unaffordable</b>        | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Tesla is <b>innovative</b>                | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Tesla is a <b>customer centric</b> brand  | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Tesla cars are <b>stylish</b>             | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Tesla cars are <b>safe</b>                | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Tesla has <b>long-range</b> cars          | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Tesla cars have <b>great acceleration</b> | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |

BMW - Please rate the statements from 1 (Extremely Disagree) - 10 (Extremely Agree)

|   | 1 -<br>Extremely<br>Disagree | 2                     | 3                     | 4                     | 5 -<br>I'm<br>not<br>sure | 6                     | 7                     | 8                     | 9                     | 10 -<br>Extremely<br>Agree |
|---|------------------------------|-----------------------|-----------------------|-----------------------|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------------|
| I think BMW cars are <b>unaffordable</b>        | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think BMW is <b>innovative</b>                | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think BMW is a <b>customer centric</b> brand  | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think BMW cars are <b>stylish</b>             | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think BMW cars are <b>safe</b>                | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think BMW has <b>long-range</b> cars          | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think BMW cars have <b>great acceleration</b> | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |

Hyundai - Please rate the statements from 1 (Extremely Disagree) - 10 (Extremely Agree)

|   | 1 -<br>Extremely<br>Disagree | 2                     | 3                     | 4                     | 5 -<br>I'm<br>not<br>sure | 6                     | 7                     | 8                     | 9                     | 10 -<br>Extremely<br>Agree |
|---|------------------------------|-----------------------|-----------------------|-----------------------|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------------|
| I think Hyundai cars are <b>unaffordable</b>        | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Hyundai is <b>innovative</b>                | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Hyundai is a <b>customer centric</b> brand  | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Hyundai cars are <b>stylish</b>             | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Hyundai cars are <b>safe</b>                | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Hyundai has <b>long-range</b> cars          | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Hyundai cars have <b>great acceleration</b> | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |

Audi - Please rate the statements from 1 (Extremely Disagree) - 10 (Extremely Agree)

|  | 1 -<br>Extremely<br>Disagree | 2                     | 3                     | 4                     | 5 -<br>I'm<br>not<br>sure | 6                     | 7                     | 8                     | 9                     | 10 -<br>Extremely<br>Agree |
|--|------------------------------|-----------------------|-----------------------|-----------------------|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------------|
| I think Audi cars are <b>unaffordable</b>        | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Audi is <b>innovative</b>                | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Audi is a <b>customer centric</b> brand  | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Audi cars are <b>stylish</b>             | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Audi cars are <b>safe</b>                | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Audi has <b>long-range</b> cars          | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |
| I think Audi cars have <b>great acceleration</b> | <input type="radio"/>        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |

What's your gender?

Male

Female

Non-binary / third gender

Prefer not to say

What's your age group?

Below 18

18-25

26-35

36-45

46-60

Above 60

What's your level of education?

Primary School

High School

TAFE

Undergraduate

Postgraduate

Others



What's your annual income level? (in AUD)

Below \$18,000

\$18,000-\$30,000

\$30,000-\$50,000

\$50,000-\$70,000

\$70,000-\$90,000

\$90,000-\$110,000

Above \$110,000

Do you own a car?

Yes

No

## SPSS Output

| Correlation Matrix <sup>a</sup> |      |       |       |       |       |       |       |       |
|---------------------------------|------|-------|-------|-------|-------|-------|-------|-------|
|                                 |      | Q1_1  | Q1_2  | Q1_3  | Q1_4  | Q1_5  | Q1_6  | Q1_7  |
| Correlation                     | Q1_1 | 1.000 | -.057 | -.021 | -.196 | -.055 | -.230 | -.318 |
|                                 | Q1_2 | -.057 | 1.000 | .308  | .626  | .357  | .430  | .223  |
|                                 | Q1_3 | -.021 | .308  | 1.000 | .129  | .416  | .413  | .206  |
|                                 | Q1_4 | -.196 | .626  | .129  | 1.000 | .085  | .521  | .150  |
|                                 | Q1_5 | -.055 | .357  | .416  | .085  | 1.000 | .579  | .503  |
|                                 | Q1_6 | -.230 | .430  | .413  | .521  | .579  | 1.000 | .304  |
|                                 | Q1_7 | -.318 | .223  | .206  | .150  | .503  | .304  | 1.000 |
| Sig. (1-tailed)                 | Q1_1 |       | .362  | .448  | .109  | .365  | .074  | .021  |
|                                 | Q1_2 | .362  |       | .025  | .000  | .011  | .002  | .081  |
|                                 | Q1_3 | .448  | .025  |       | .210  | .003  | .004  | .098  |
|                                 | Q1_4 | .109  | .000  | .210  |       | .299  | .000  | .175  |
|                                 | Q1_5 | .365  | .011  | .003  | .299  |       | .000  | .000  |
|                                 | Q1_6 | .074  | .002  | .004  | .000  | .000  |       | .027  |
|                                 | Q1_7 | .021  | .081  | .098  | .175  | .000  | .027  |       |

a. Determinant = .100

According to Correlation Matrix, since most of the correlations are greater than 0.3, the data is suitable for factor analysis.

| KMO and Bartlett's Test                          |                    |        |
|--|--------------------|--------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. |                    | .571   |
| Bartlett's Test of Sphericity                    | Approx. Chi-Square | 84.852 |
|  | df                 | 21     |
|  | Sig.               | <.001  |

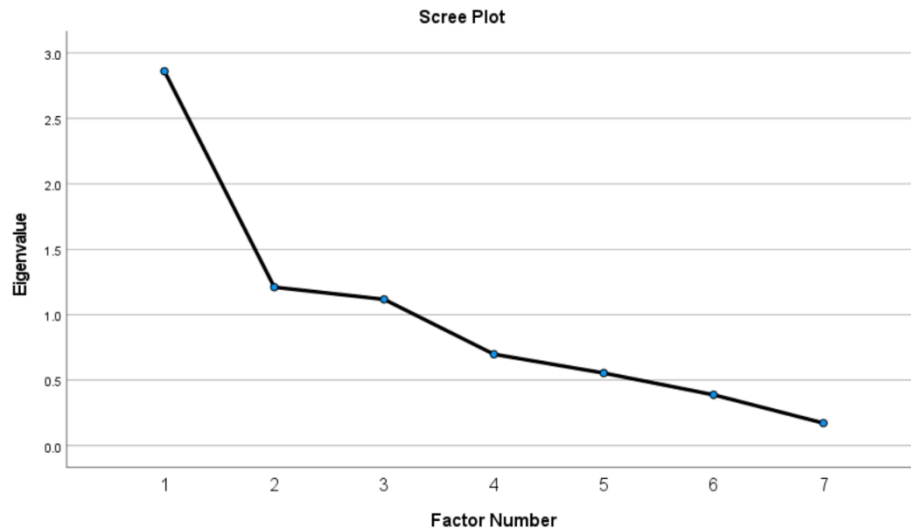
According to Bartlett's Test, since the p-value is less than 0.05, the data is suitable for factor analysis.

| Total Variance Explained |       |                     |              |                                     |               |              |  |
|--------------------------|-------|---------------------|--------------|-------------------------------------|---------------|--------------|--|
| Factor                   | Total | Initial Eigenvalues |              | Extraction Sums of Squared Loadings |               |              | Rotation Sums of Squared Loadings <sup>a</sup> |
|                          |       | % of Variance       | Cumulative % | Total                               | % of Variance | Cumulative % | Total  |
| 1                        | 2.860 | 40.857              | 40.857       | 2.460                               | 35.147        | 35.147       | 2.043  |
| 2                        | 1.210 | 17.292              | 58.149       | .995                                | 14.213        | 49.360       | 1.915  |
| 3                        | 1.117 | 15.961              | 74.110       |                                     |               |              |  |
| 4                        | .698  | 9.971               | 84.080       |                                     |               |              |  |
| 5                        | .554  | 7.919               | 91.999       |                                     |               |              |  |
| 6                        | .388  | 5.543               | 97.542       |                                     |               |              |  |
| 7                        | .172  | 2.458               | 100.000      |                                     |               |              |  |

Extraction Method: Principal Axis Factoring.

a. When factors are correlated, sums of squared loadings cannot be added to obtain a total variance.

According to Total Variance Explained, 49.36% of the variance can be accounted for by the two extracted factors.



**Pattern Matrix<sup>a</sup>**

|      | Factor |       |
|------|--------|-------|
|      | 1      | 2     |
| Q1_5 | .957   |       |
| Q1_6 | .528   | .402  |
| Q1_7 | .503   |       |
| Q1_3 | .457   |       |
| Q1_4 |        | 1.042 |
| Q1_2 |        | .555  |
| Q1_1 |        |       |

Extraction Method: Principal Axis Factoring.  
Rotation Method: Promax with Kaiser Normalization. <sup>a</sup>

a. Rotation converged in 3 iterations.

Factor 1 (High Performance vs Moderate Performance)

- I think Tesla cars are safe
- I think Tesla has long-range cars
- I think Tesla cars have great acceleration
- I think Tesla is a customer centric brand

Factor 2 (Technology Driven vs Traditional)

- I think Tesla has long-range cars
- I think Tesla cars are stylish
- I think Tesla is innovative

**Factor Correlation Matrix**

| Factor | 1     | 2     |
|--------|-------|-------|
| 1      | 1.000 | .345  |
| 2      | .345  | 1.000 |

Extraction Method: Principal Axis Factoring.  
Rotation Method: Promax with Kaiser Normalization.

According to Factor Correlation Matrix, the correlation is 0.345, which is greater than 0.3, it indicates oblique rotation will be required.

