

# Ford ka analysis (with r software)



**ASSIGN  
BUSTER**

After using the similarity data provided for the Ford Ka market research study to perform a MDS analysis on the whole sample, the map (exhibit 1) shows the position of the different cars relative to each other. We can see two groups: one of them made of Peugeot 106, Ford Fiesta and Opel Corsa (practical and safe cars), the other one made of Nissan Micra and Fiat 500 (dull and outdated cars). The other cars cannot be grouped together but there are all the same similarities between cars in the light of the two dimensions: it allows us for example to see similarity concerning the second dimension between Toyota Rav 4 and VW Polo.

It is important here to keep in mind that it is an analysis on the whole sample, it is the reason why the two dimensions cannot be easily labeled. The first dimension (coordinate 1) shows us if the car is considered as more and less youthful by the respondents. Indeed by using the adjectives associated with each car by "Ka Choosers" and "Non-Choosers" provided in the preliminary report we can see that there is no crucial difference concerning this aspect. But for the second dimension it is not that easy because it does not seem to have a consensus and so I decided to not label this dimension. In this case the fact that the MDS analysis does not distinguish between the "Choosers" and "Non-Choosers" makes more complicated the naming of the coordinate 2, even if it allows us to see which cars are close to each other or not, according to all respondents.

To see more clearly we need to differentiate the MDS between "Ka Choosers" and "Non-Choosers". The two maps provided by this analysis are not exactly the same (see exhibit 2), but they solve the issue of the coordinate. Indeed concerning the first dimension there is almost no

difference: the " Choosers" and " Non-Choosers" have a similar perception of " youthful" of a car. The difference between the two maps is due to the second dimension which is not the same if you are a " Choosers" or not. They do not perceive the market of small cars in the same way: for the " Choosers" the look of the car is the second dimension with the importance of the futuristic aspect of the car, for the " Non-Choosers" the second dimension is the safety provides by the car. The explanation for these differences is that they might not have the same needs: needs for safety against need for a fashion and futuristic car.

With regard to our first discussion of the Ford Ka case this MDS analysis is an added value to the formulation of Ford's market introduction strategy. After the initial results of market research (case studypart A) we only knew that a demographical segmentation was not relevant and that it would be better to have an attitudinal segmentation. But we did not have any idea of this segmentation because of the complexity of our results. Thus the issue was that this market research did not give clear answer about who the target customers should be. Now we can say three things: The Renault Twingo is the most closer car in the map according to potential buyers (the " Choosers"): it is the " main competitor". It can be connected to the fact that for these people who listed the Ford Ka as one of their top three choices, the Renault Twingo was frequently in the top three as well. The main salient attitude of potential buyers is the importance of the look of a car, especially the futuristic aspect. At the opposite the " Non-Chooser" qualify the Ford Ka as unsafe. The point is the most interesting because we know that women (especially with children) want a safe car. Thus the desire to focus on women

is probably not the good point. For the " Choosers" and above all for the " Non-Choosers" the Ford Ka is a special car which does not look like to others. In glances of this information we know that the Ford Ka occupies a niche in product space, that the " hard" positioning cannot be changed because the car is already produced and that the " soft" positioning should be to confirm the perception of a special and futuristic car with for example futuristic advertising focused on the esthetic aspect of the car.