



Advanced Quant Techniques

July 14, 2011



*The Benefits of Conjoint Analysis and
Choice Modelling*

Ray Poynter, The Future Place

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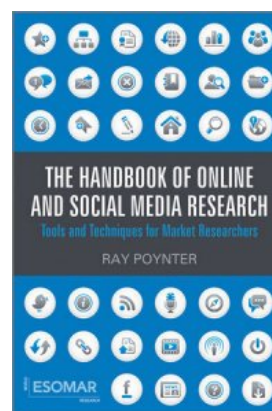
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The Benefits of Conjoint Analysis and Choice Modelling

Ray Poynter
The Future Place



Speaker Ray Poynter, The Future Place, UK
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Traditional Research



How important is screen size compared with size of memory?

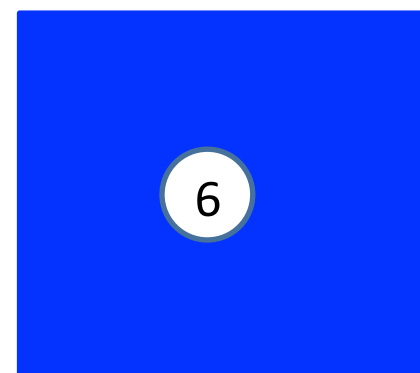
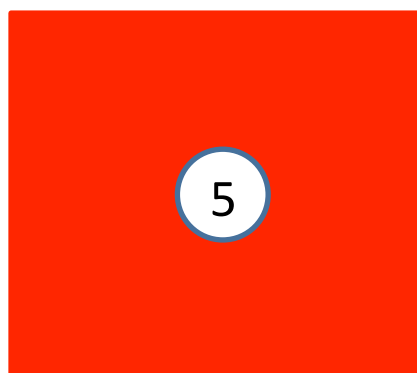
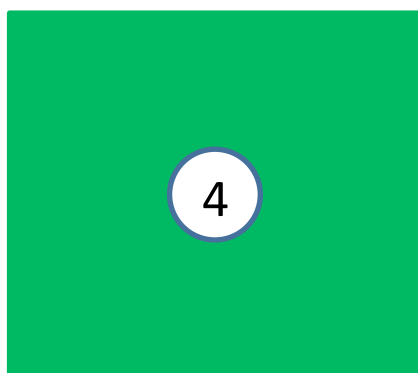
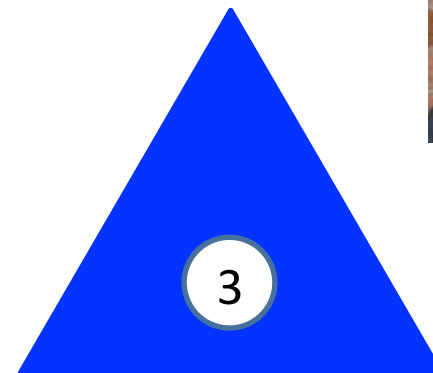
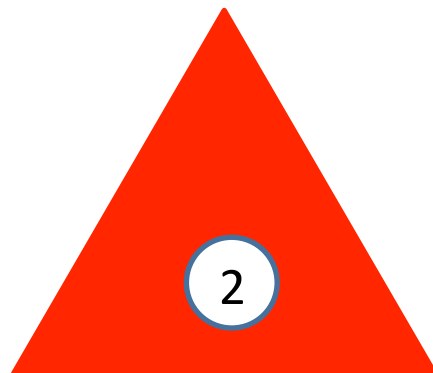
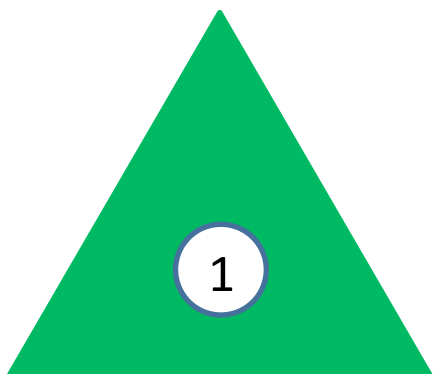
How much extra would you pay for 24 hour service?

On a scale of 1 to 5 how much does each of the following drive your choice of holiday?

1. Number of tour reps
2. Transfer time
3. Number of swimming pools
4. Number of night clubs

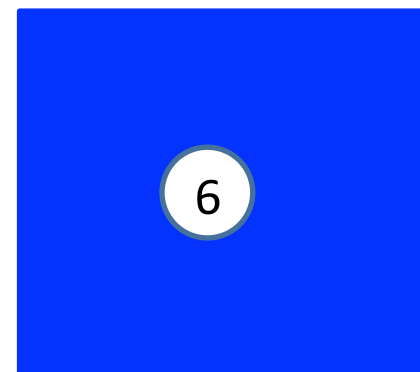
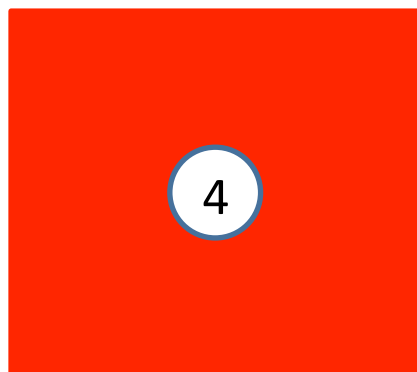
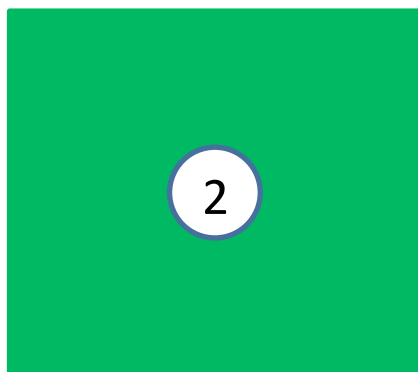
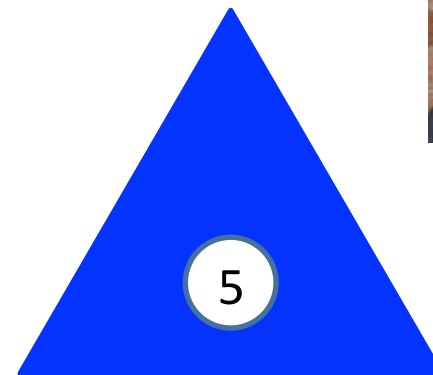
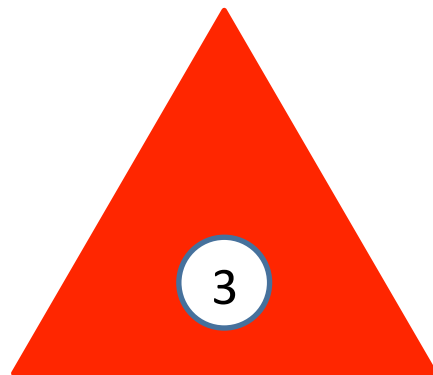
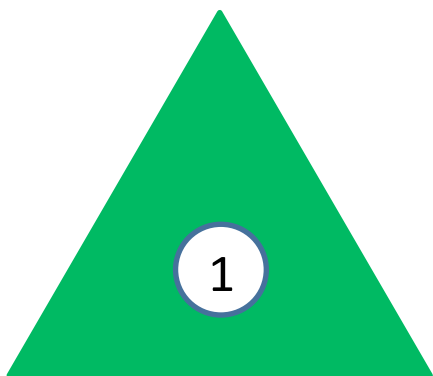


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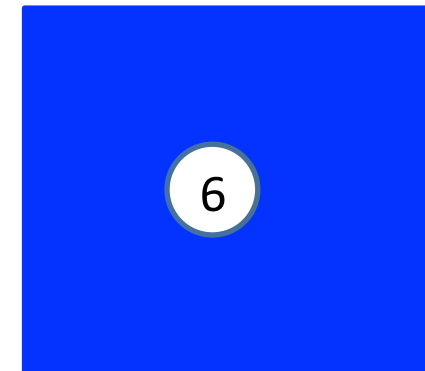
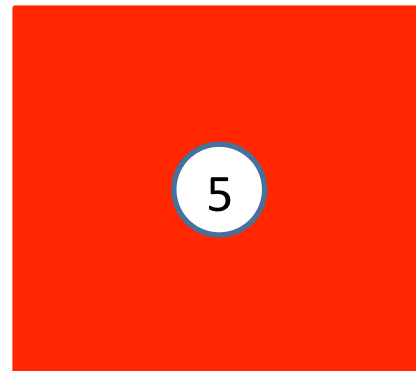
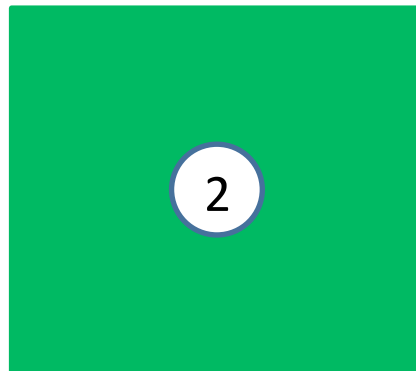
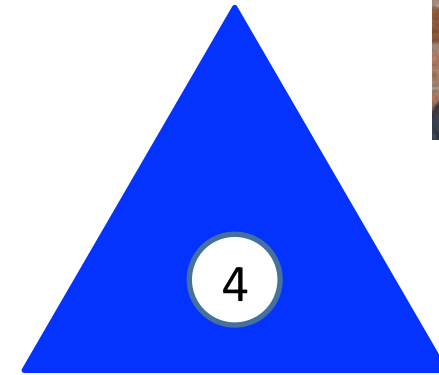
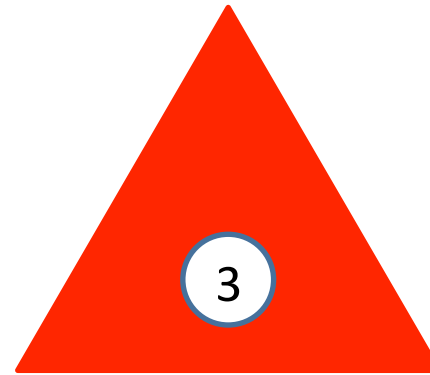
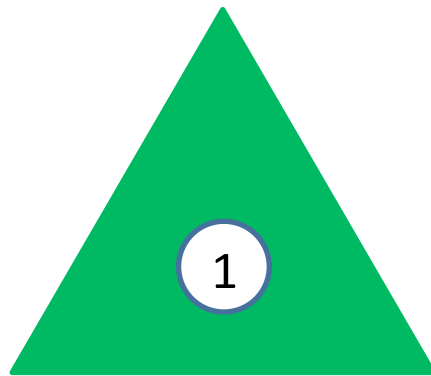


Prefers triangles

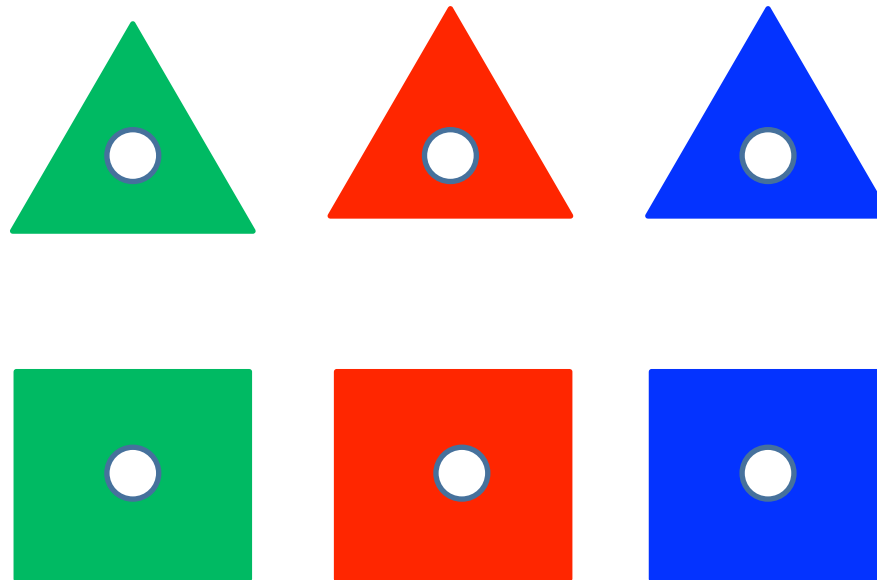
Green is better than red & that is better than blue



Prefers Green, then red, then blue
Triangles are better than squares



Prefers Green
Triangles are better than squares
Red is better than blue



Green	Red	Blue	Triangle	Square	Rank
1	0	0	1	0	1
1	0	0	0	1	2
0	1	0	1	0	3
0	1	0	0	1	5
0	0	1	1	0	4
0	0	1	0	1	6

If you are thinking about dummy coding the variables/levels, you do not need an introduction

Attributes, Levels & Importance



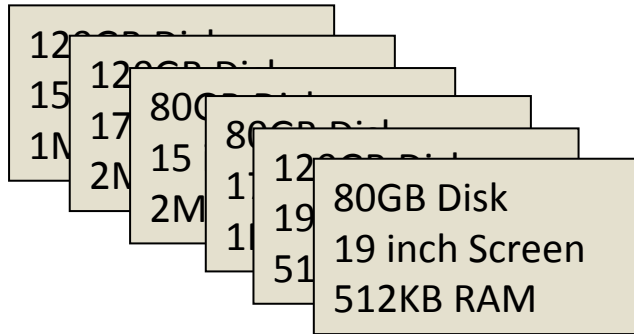
Colour

Green	109
Red	18
Blue	0
Importance	109

Shape

Triangle	73
Square	0
Importance	73

Data Collection



Card Sort

120GB Disk
15 inch Screen
1MB RAM

Not Buy Def Buy
1 2 3 4 5 6 7 8 9 10 11

Ratings Conjoint

120GB Disk
15 inch Screen
1MB RAM

or

80GB Disk
17 inch Screen
2MB RAM

Pair-wise Comparisons
(Discrete Choice)

120GB Disk
15 inch Screen
1MB RAM

or

100GB Disk
17 inch Screen
1MB RAM

or

80GB Disk
15 inch Screen
2MB RAM

or

None
of
these

Discrete Choice

Uses for the Conjoint & DCM



What-if modelling

Needs based
segmentation

Determining drivers/
importances

Pricing benefits

NPD

Portfolio management

Pricing research

Scheduling/Offers

Input to cust. sat.

Policy choices



Limitations

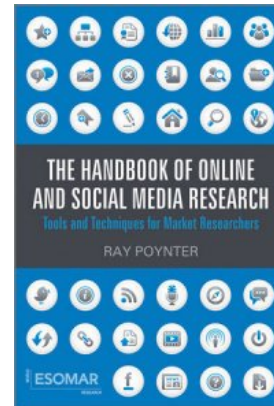
1. Limits to numbers of attributes
2. Attribute interactions
3. Variations in attribute perceptions
4. Costs
5. Can be boring (but not necessarily)

More Advanced Topics



- a) Attribute specific levels
- b) Partial profiles
- c) Latent class
- d) HB (Hierarchical Bayes)

Thank you



Ray Poynter
The Future Place

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Q & A



Ray Poynter
The Future Place



Sue York
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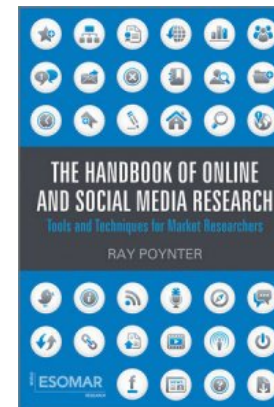
Ray Poynter

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Find out about Ray's book at @ <http://bit.ly/cmFnbo>



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