Rapid Response Advanced Analytics

Answering Key Business Questions

MICHAEL GROSS

Vice President, Ipsos Science Center

NEGAR BALLARD

Senior Account Manager, Ipsos Public Affairs

GAME CHANGERS

Contents

Introduction to Advanced Solutions

ANALYTICS

This section explains what advanced analytics tools are and when to utilize the tools.

Using the tools to help answer key business questions

What message is going to resonate with my stakeholders?

What's important to my customers?

Can I charge a premium for this feature?

How do I build a better product?

Best/Worst Scaling

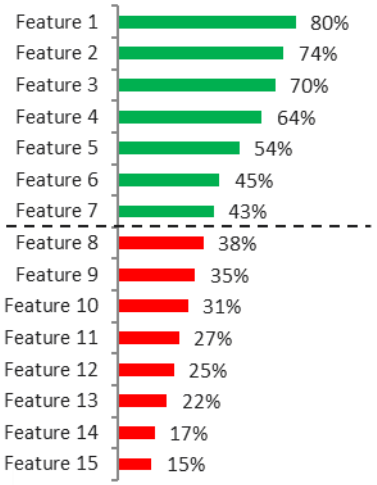
MAX DIFF

This section presents the background, methodology and outputs of a Max Diff.

MAXIMUM DIFFERENCE / BEST-WORST SCALING

What's important to customers?

How do I build a better product?

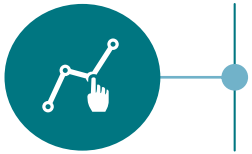


MaxDiff is a cognitively efficient method for evaluating product ideas and features, line optimization, and potential premium pricing.

Results can be bundled with other techniques (such as TURF) or utilized in additional analysis.

Feature 1	Feature 2
Feature 3	Feature 3
Feature 4	Feature 1
Feature 6	Feature 5
Feature 2	Minecraft
Feature 7	Feature 4
Feature 10	Feature 7
Feature 9	Feature 8
Feature 5	Feature 6

Background & Advantages



Maximum **Diff**erence provides a ranking of the relative positioning of the items being evaluated. It is a comparative method where respondents are shown sets of items and asked to pick the best and worst, or most- and least-important item in each set.

Not as mentally taxing as the standard ranking or chip allocation approaches, especially when there are too many items involved.

Can better discriminate among multiple items
- Avoids the problem of constant high/low raters

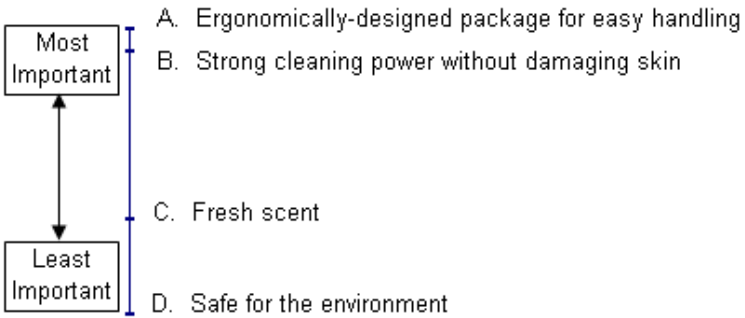
No scale use bias
- A rating of 5 in some cultures might not be equivalent to the same rating in other cultures
- Respondents are asked to make choices rather than expressing strength of preference/importance

MaxDiff Methodology

- Respondents are shown subsets of items based on an experimental design. For each subset, respondents are asked to select best/most/highest and worst/least/lowest.
- In this example, a respondent selects “ergonomic” as the best and “safe” as the worst in a set of 4 items. From this, the only pair of items we don’t have information on is Cleaning Power and Fresh Scent.
- The survey presents respondents with multiple subsets to test all possible combinations of the items being evaluated.
- A more objective measure of ‘importance’ or ‘goodness’ can be calculated with the addition of an “anchor” question for each set of items (Are [all/some/none] of the items above important to you?)

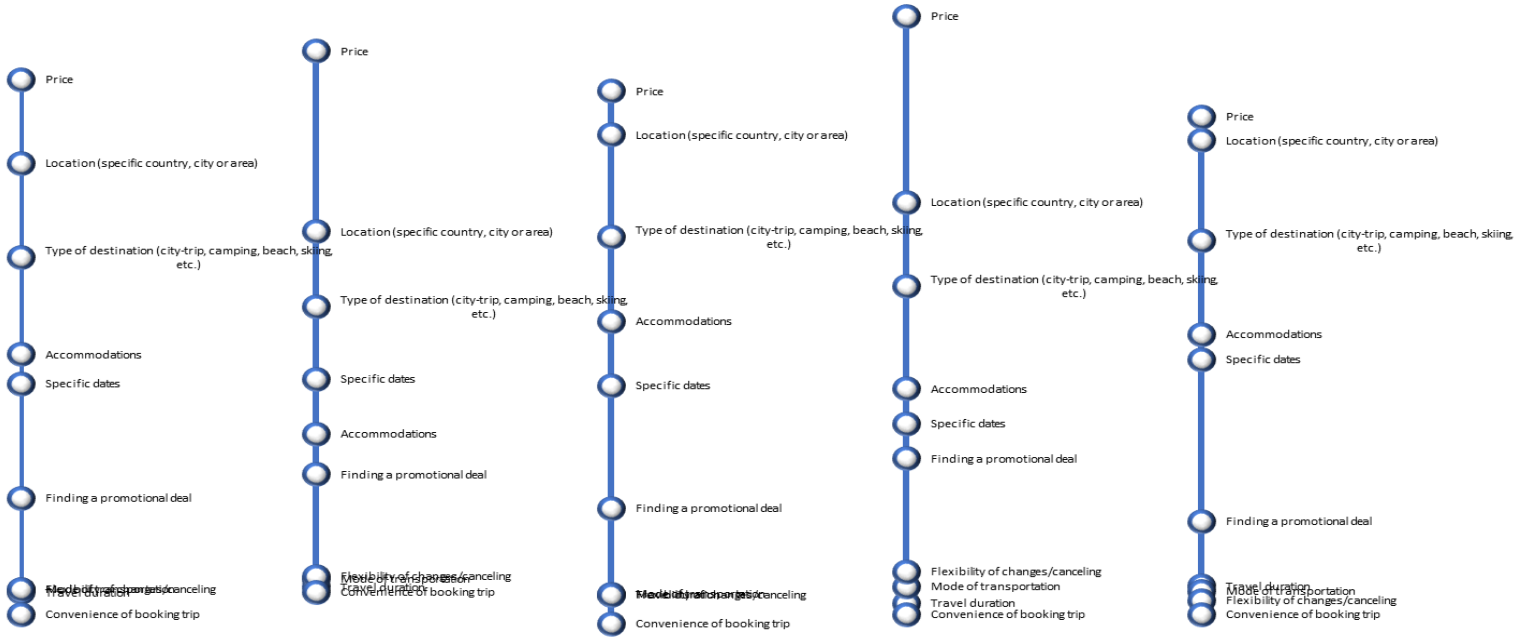
Most Important	When purchasing a dish-washing detergent, which of the following is the most and the least important to you?	Least Important
X	Ergonomically-designed package for easy handling	
	Strong cleaning power without damaging skin	
	Fresh scent	
	Safe for the environment	X

MaxDiff Output



- ✓ The output of the MaxDiff is an isotherm that shows the relative positioning of the items tested by the survey.
- ✓ The graphical output clearly indicates the “most/best/highest” and the “least/worst/lowest” items along with the ranking of other items evaluated in the research
- ✓ Output utilities for each item can be utilized in other analyses (such as TURF)

MaxDiff Subgroups Output



Total (n=1011) | **Age 18_34 (n=300)** | **Age 35 and more (n=711)** | **Income less 50K (n=399)** | **Income 50K and more (n=612)**

Total Unduplicated Reach and Frequency

TURF

This section shows how you can take the Max Diff solution to the next level; TURF analysis.

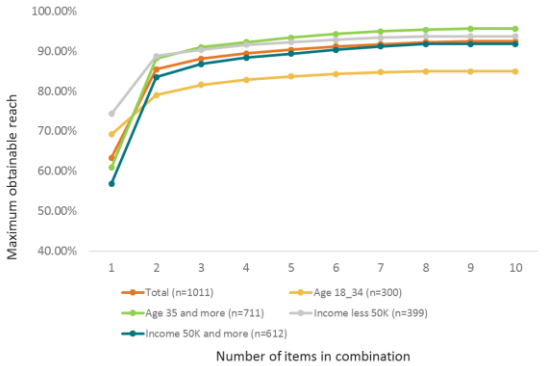
TURF OVERVIEW

What's the optimal size of our offering?

What items/options should be included in our offering?

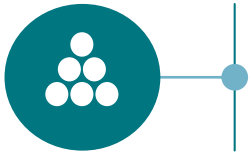
TURF helps understand the maximum number of unduplicated consumers who would find their favorite items in a line of products

Limited resources often prevent the strategy of offering all possible options. TURF can help make decisions about which options will reach or appeal to the largest amount of customers.

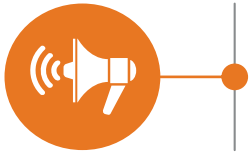


TURF

Methodology



TURF analysis measures unduplicated reach of every possible combination of items in a product line. The TURF algorithm simply cycles through each possible combination of items and counts how many consumers would “be reached” by at least one of them.

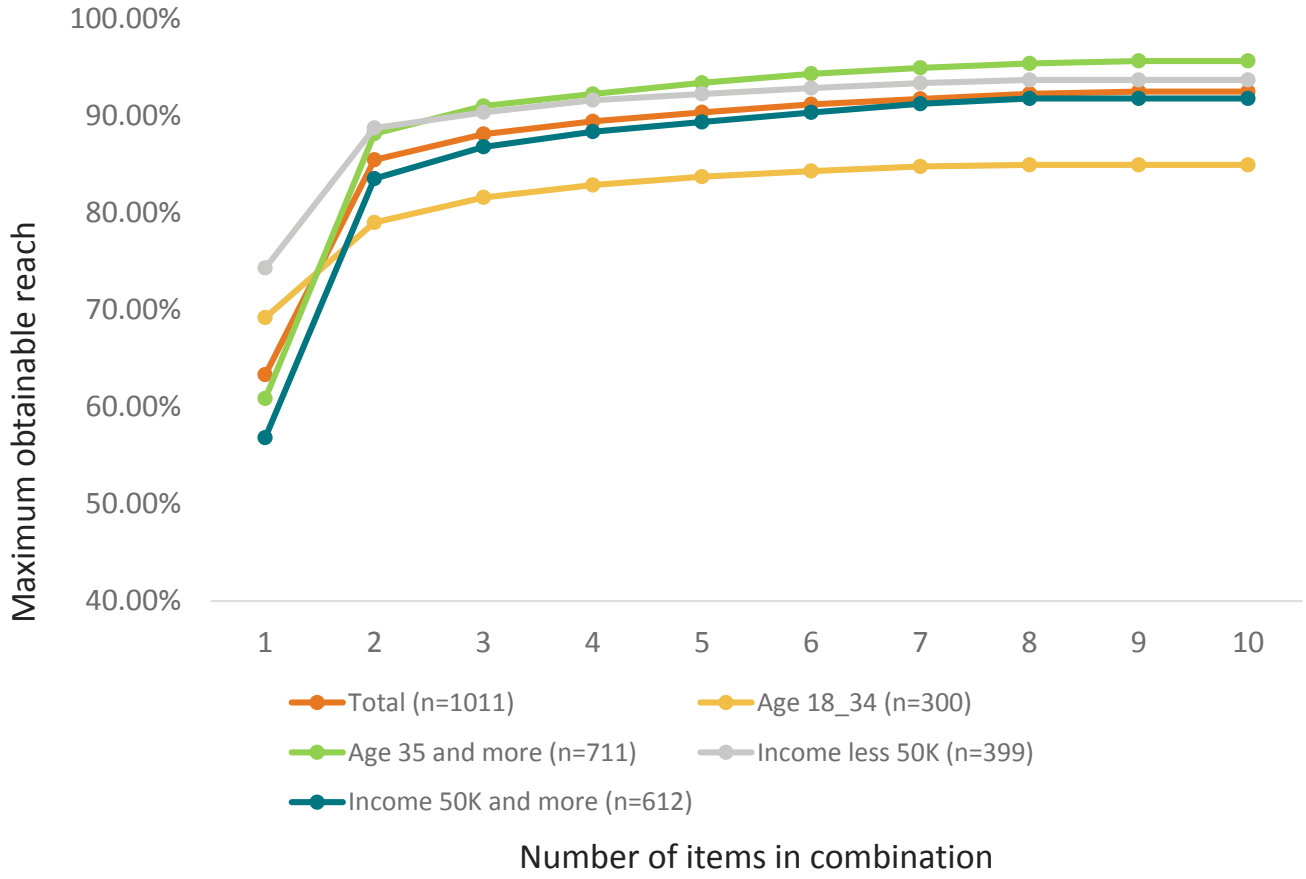


TURF Analysis attempts to maximize the “reach”, or the number of consumers that would be interested in at least one of the potential product/item offerings. When bundled with MaxDiff, the utilities can be leveraged to understand reach/importance, rather than asking a new set of questions.

Key Advantages

- Provides solutions to specific marketing questions (e.g., If I could only market 2 of the 10 options/offerings, which 2 should I use?
- Gives good indication of the optimal number of items that should be included.

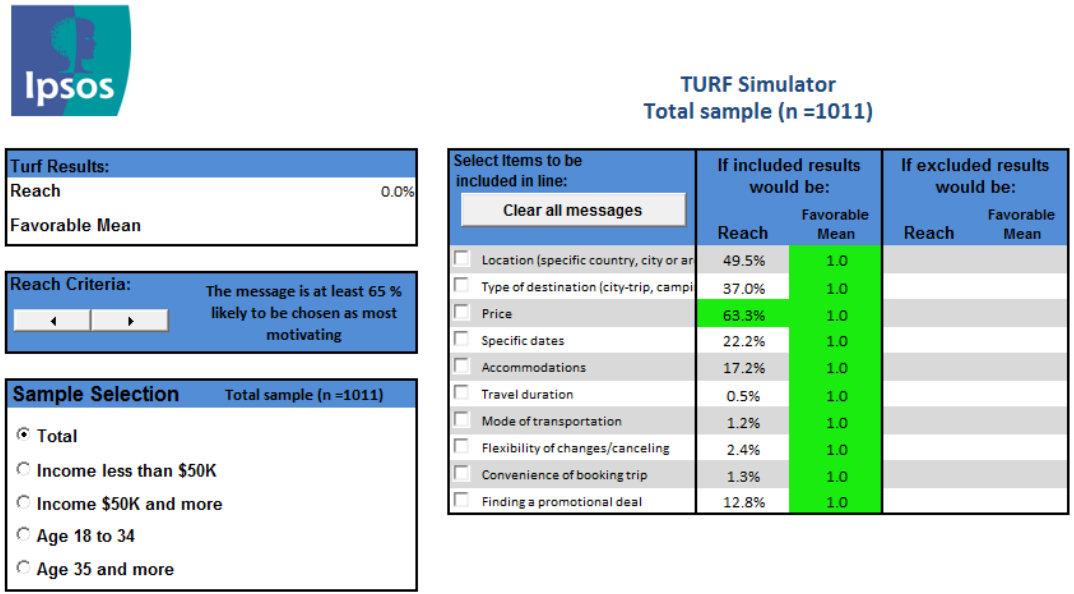
Maximum Obtainable Reach



TURF Calculator

A TURF CALCULATOR IS AN EXCEL BASED TOOL THAT ALLOWS THE USER TO LOOK AT ANY POSSIBLE COMBINATION OF ITEMS

THE USER CAN DEFINE THE REACH CRITERIA AND SELECT SUBGROUPS TO LOOK AT.



“Planning a Vacation”

CASE STUDY

This section showcases how advanced analytics were used to dig deeper into the data.

Study fielded on the U.S. Omnibus

U.S. Omnibus Survey Vehicle:

- Online survey of 1,011 adults ages 18 and over from the U.S.
- Turnaround time approximately one week

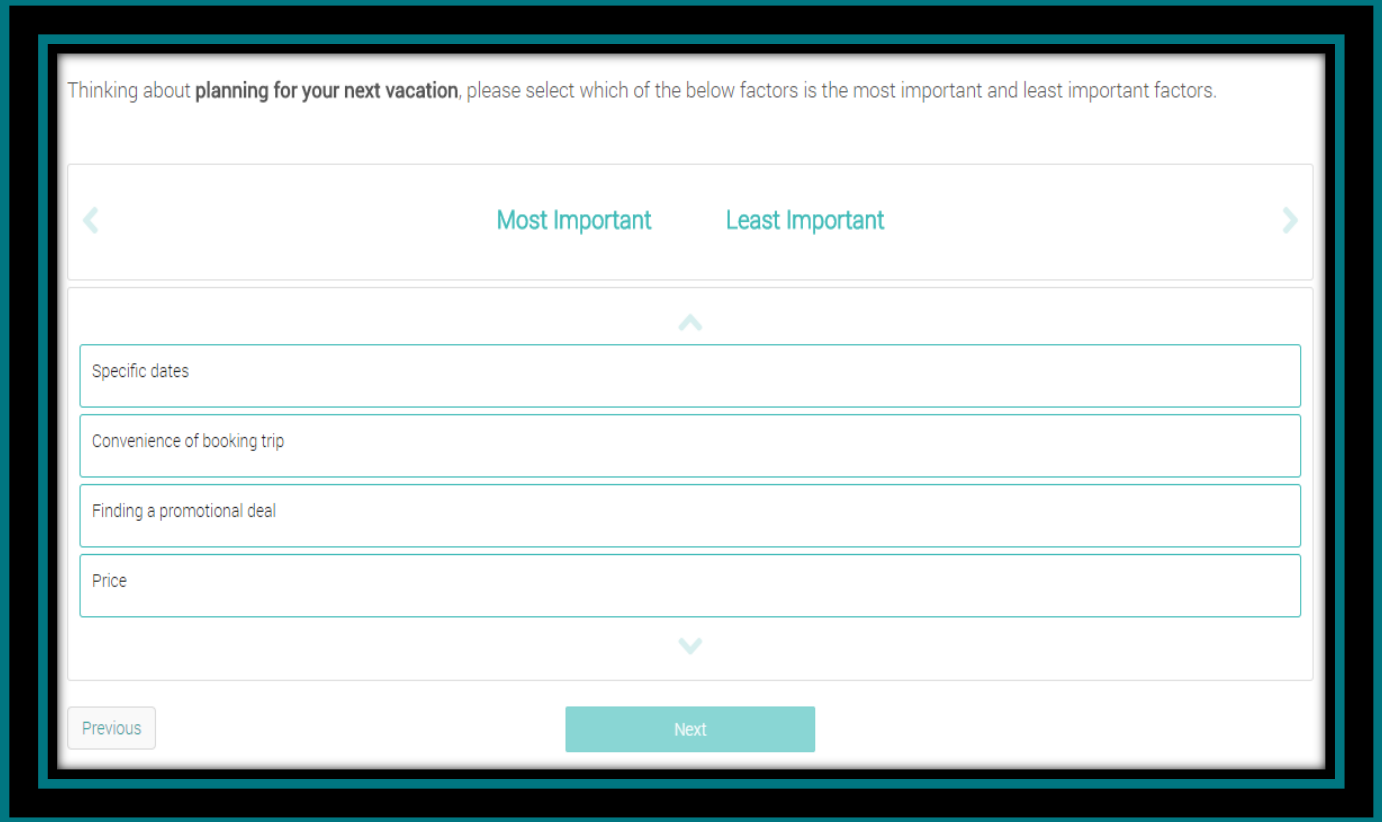
Ipsos Science Center:

- Created the Max Diff design
- Completed analysis for Max Diff output + TURF findings

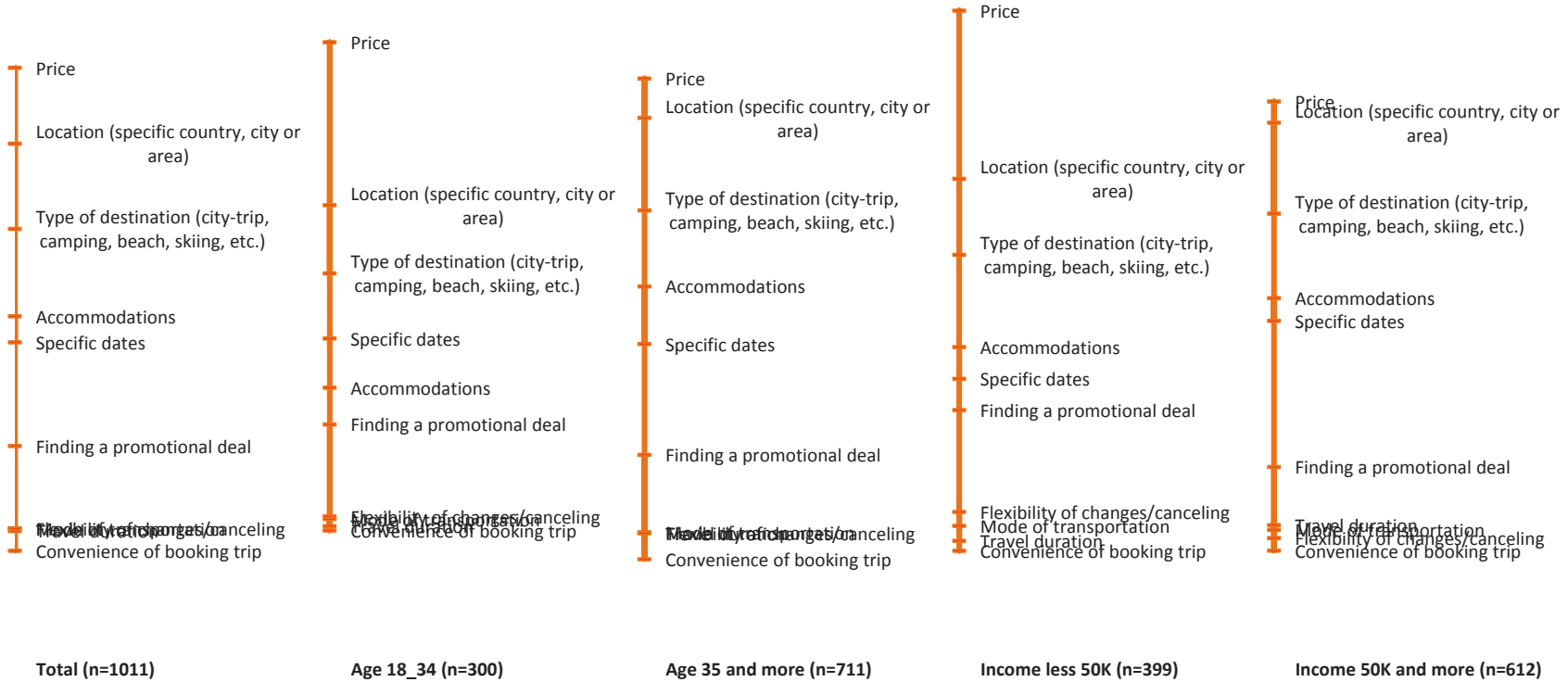
Survey = 1 question asked 8x to determine ranking for the 10 factors:

1. Location (specific country, city or area)
2. Type of destination (city-trip, camping, beach, skiing, etc.)
3. Price
4. Specific dates
5. Accommodations
6. Travel duration
7. Mode of transportation
8. Flexibility of changes/canceling
9. Convenience of booking trip
10. Finding a promotional deal

MaxDiff question shown 8 times for each resp.



Max diff isotherms: by total and by subgroups



Which 2 should we bundle for the greatest reach?

Bundle 1

Location + Price

85%

Bundle 2

Type of destination + Price

81%

Bundle 3

Dates + Price

74%

Which 3 should we bundle for the greatest reach?

Bundle 1

Location +
Price +
Accommodations

88%

Bundle 2

Location +
Price +
Dates

88%

Bundle 3

Location +
Price +
Type of destination

87%

Which 4 should we bundle for the greatest reach?

Bundle 1

Location + Price + Dates + Accommodations

89%

Bundle 2

Location + Price + Dates + Promo Deal

89%

Bundle 3

Location + Price + Dates + Changes/Canceling

89%

How many to include? Diminishing returns…

# of Factors in Combination	Maximum Obtainable Reach	
1	63.31%	22.14%
2	85.45%	2.65%
3	88.10%	**1.31%**
4	89.41%	0.94%
5	90.35%	0.82%
6	91.17%	0.56%
7	91.73%	0.52%
8	92.25%	0.23%
9	92.48%	0.00%
10	92.48%	

Going from 2 factors to 3 increases the reach by 2.65%

Going from 3 factors to 4 increases the reach by 1.31%

Conjoint/ Discrete Choice

MODELS

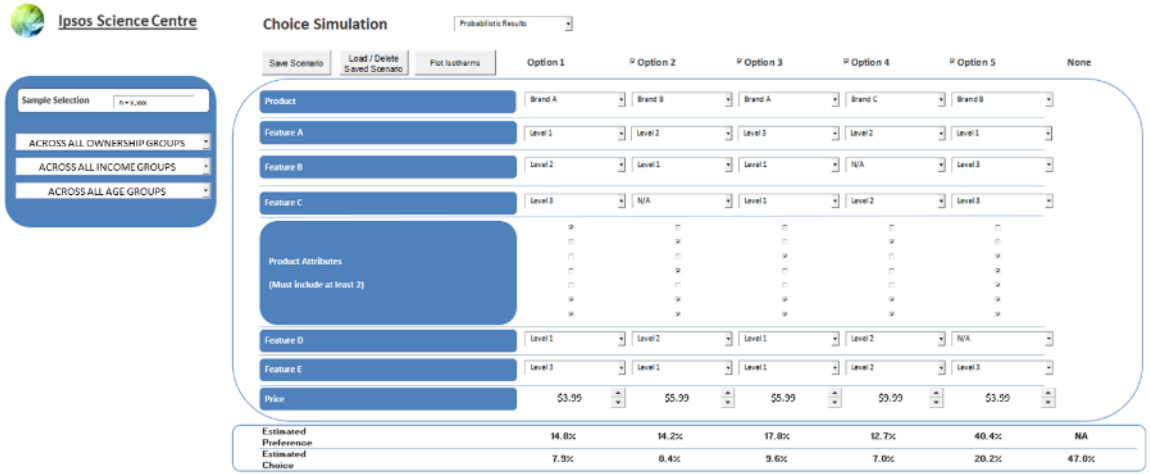
This section highlights the advantages of using models that can mimic the marketplace to help answer key business questions.

CONJOINT ANALYSIS / DISCRETE CHOICE MODELS

How do I build a better product?

Can I charge a premium for this feature?

What combination of features will maximize participation?



Using an experimental design, conjoint choice data mimics what consumers do in the marketplace.

Modeling facilitates comparison of multiple attribute combinations and understanding of tradeoffs and willingness to pay for attributes.

Q&A

Submit your questions!

Contacts

Michael Gross
Vice President

michael.gross@ipsos.com
202 420 2012

Negar Ballard
Senior Account Manager

negar.ballard@ipsos.com
312 292 8366

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