

CHOICE-BASED MODELS

Knowledge Networks excels at helping clients reach the right balance of rigor and efficiency with choice-based models that quantify what consumers value most and least. We provide a superior level of creativity in our approach realizing that the model does not always have to be DCA based. For example, across an array of budgets we can leverage advanced choice techniques to obtain clear insights about trade-off's that consumers make in the decision-making process.

Crucial to actionable estimates is a clear understanding of both the modeling techniques and clients' information needs. The choice-based approach is excellent for gauging how consumers will respond to:

- New products
- Concepts
- Product line changes
- Pricing issues
- Brand value
- Product positioning



Expert design and execution of these models buys incredible flexibility in our ability to address critical business issues, for example:

- How should we price a new product introduction to minimize cannibalization and maximize volume draw from competitors?
- Is our brand healthy enough to command a price premium relative to competitors?
- What is the optimal service configuration and price for an established product or service, and from which other providers will share be drawn?
- What combination of benefits and claims are most convincing to consumers in drawing share?

Virtually any company that is faced with multiple alternatives in its business decisions can effectively leverage choice-based models — of which the most rigorous is solidly grounded in Econometric modeling theory with proven, validated results.

Choice-based models can also address a breadth of attributes and levels related to product/product line issues. However, as the number increases, so does the complexity and scope of the design and modeling efforts. In many situations, trade-off decisions must be made by the client about which attributes and levels are most crucial to include in the study. These design trade-offs require careful consideration. The refinement during this “weighing and measuring” phase — an area in which Knowledge Networks' expertise is well-honed — is easily the most critical aspect of choice-based models.

From a respondent perspective the choice based tasks are quite natural. Thus, these models combine analytical rigor and a data collection task that has high face validity for respondents.

Knowledge Networks' team of analytical experts has the breadth of experience and expertise to guide marketers through the decisions inherent to choice modeling. We have a proven track record of helping clients create successful scenarios among your consideration set.

If you would like to learn more about Choice-based Models, please contact:

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