



Imagination Report: Testing Claims

A major packaged goods manufacturer needed a method to efficiently screen dozens of potential product claims on an ongoing basis. Many companies have "gold standard" norms, but the reality is that ratings for identical claims/concepts are subject to random sampling variation.

We devised a procedure in which benchmark claims are always included, and whose ratings are normalized within each wave to a value of 100.

- Ratings for new claims are calibrated on the same scale.
- It is very quick and easy for management to review the findings.
- A cumulative database of ratings is maintained in an online, sortable library.

Going Negative

We have survived the latest season of relentless political attack ads, but barely. At least since "The Selling of the President" in 1968, campaigns have made heavy use of Madison Avenue techniques. Yet we are hard-pressed to think of any successful business advertising that uses fear, voice-overs from Mrs. Darth Vader, and competitive attacks to this degree.

Do the political mavens know something we don't? The justification is always that "it works." We've seen research suggesting that attack ads do not so much persuade the Undecideds, but rather, dissuade marginal supporters of the attacked candidate from voting at all. Let's hear it for democracy.

Still, all we think we know about effective advertising says that money is better spent on communications that people like. Where in the 100 campaigns that *Advertising Age* considers to be the best of the past century is there is anything remotely like political attack ads? (<http://adage.com/century/campaigns.html>) There has to be a smarter way.

Bespoke

"Individually or custom made. Originally used in custom-tailoring, but now commonly used in other industries, such as Information Technology, where there are two types of product: the 'pre-packaged' products with a fixed set of features and 'bespoke' products which are custom built to meet the customers individual needs."—Wiktionary

We can't think of many better words to describe our approach to research services. On the one hand, industry obviously needs lots of routine, pre-packaged research. Why else would there be so many other companies selling it?

On the other hand, we have yet to encounter an organization that doesn't need original thinking and research design at least some of the time—if not most of the time. We have this old-fashioned view that methods should be tailored to fit objectives, rather than *vice versa*.

While bespoke clothing costs more than off-the-rack apparel, that does not have to be the case at all for research services. Anyway, what can be more expensive than getting useless research answers?

Archetypes Again

Several years ago we began promoting a statistical procedure called archetype analysis as an alternative to cluster-based segmentation. We think it applies only in special circumstances, but is intriguing.

Imagine our surprise to see an article on this subject in the September *Journal of Advertising Research*. But while our procedure makes use of algorithms explicitly written to extract archetypes from a dataset, this one uses any old cluster-based segmentation as the starting point. Then within clusters (segments) of interest, the authors seek to identify one or more individuals who are "archetypal."

For all practical purposes, the archetypal consumers are those in the center of the clusters. Not surprisingly, their profiles are more distinctive than those of the entire segments. The idea that multiple archetypal individuals exist within a segment is a novel one, in our opinion.

The new procedure is easy enough to implement, but we are disappointed by the lack of any reference to the existing literature on archetypal analysis in mathematics and the physical sciences. Our approach is truer to that work. See:

www.action-research.com/archtype.html



Thanksgiving Dinner on the Hoof

Anyone You Know?

A statistician is someone who loves to work with numbers but doesn't have the personality to be an accountant [also said about actuaries].

Did you hear about the statistician who took the Dale Carnegie course? He improved his confidence from .95 to .99.

There is no truth to the allegation that statisticians are mean. They are just your standard normal deviates

Statistics means never having to say you're certain.

A Few Notes On Modeling

In our world, "modeling" is the process of using data to forecast a result or outcome. A common form uses historical data consisting of predictors and outcomes to create a model into which new data are plugged. One of the most venerable applications is the prediction of a new product's potential sales using data from a concept test. The well-known "Burke Model", which really originated at the old Pillsbury Company, is a good example.

Conjoint models differ in that they usually employ data from a single study. The model itself is used to simulate outcomes under different product/pricing scenarios given the data at hand, but is not relevant to other sets of data.

What you may know as "data mining" is another variant on modeling. It refers to the massaging of sometimes vast databases (e.g. transaction history) to detect subtle, often non-linear relationships.

Whatever the particulars, you do need data to predict other data. Then there was the time we were asked to help someone optimize the pricing of various size print ads. They had no data on pricing and demand, and no resources to do any research. We're good, but not that good!