MACRO CONSULTING INC.

WHITE PAPER©

Image MD©

A superior way to measure Brand Imagery

Paul Richard McCullough

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Brand imagery research is an important and common component of most market research programs. Understanding the strengths and weaknesses of the client brand, as well as its competitors, is fundamental to any marketing strategy. Ideally, any brand imagery analysis would not only include a brand profile, providing an accurate comparison across brands, attributes and respondents, but also an understanding of brand drivers or hot buttons.

Traditional approaches to brand imagery measurement usually involve ratings scales, such as the example below.

SONY	Very Strongly 5	4	Neutral 3	2	Very Weakly 1
Makes products geared towards men	\bigcirc	\bigcirc	\bigcirc	0	\bigcirc
Very Reliable	0	0	0	0	0
Modern Design	0	\bigcirc	\bigcirc	\bigcirc	0
Compact Design	\bigcirc	0	0	\bigcirc	0
Easy to use	\bigcirc	\bigcirc	\bigcirc	\bigcirc	0
Great Customer Service	0	0	0	0	0
Enjoyable to use	\bigcirc	\bigcirc	\bigcirc	•	0
Makes products that enhance the way I use technology	\bigcirc	0	0	0	0
Makes products geared towards women	0	0	0	0	0
Makes products that children can use	0	0	\bigcirc	0	\bigcirc

There are typically three main issues with brand rating scales:

- Flat responses
- Brand halo
- Scale usage bias

Resulting data are typically non-discriminating, highly correlated and potentially misleading. With high collinearity, derived importance scores generated from a purchase drivers model may actually have reversed signs, leading to absurd conclusions, e.g., lower quality increases purchase interest.

While the problems with traditional measurement techniques are well known, they continue to be widely used in practice. Familiarity and simplicity are, no doubt, appealing benefits of these techniques. Moreover, team members may be reluctant to break from historical trend data they have based past marketing plans on.

With Max/Diff scaling, the respondent is shown a random subset of items and asked to pick which he/she most agrees with and which he/she least agrees with. The respondent is then shown several more subsets of items. A typical Max/Diff question is shown below:

Most	SONY	Leas
0	Available in stores near me	0
0	Makes products geared towards women	0
0	Makes products that children can use	0
0	Is trust-worthy	0
0	Expensive	0

Brand-anchored Max/diff scaling, where each brand has its own separate max/diff exercise, adequately addresses the major problems associated with traditional scaling methods but historically has had, within the context of brand imagery measurement, at least two serious limitations of its own. Traditional Max/diff scores are relative, not absolute. Max/diff scores will tell you which brand imagery statements have higher or lower scores than other brand imagery statements for a given brand but can't tell you which brand has a higher score than any other brand on any given statement. The second problem is that traditional Max/diff exercises that span a reasonable number of brands and brand imagery statements may take too long to complete.

A new max/diff question format, referred to here as modified Brand-anchored Max/Diff, accommodates more brands and attributes than the standard design. The format of the modified Brand-anchored Max/Diff used in Image MD© is illustrated below:

For each brand, pick the one statement that best describes that brand and the one statement that most poorly describes that brand.								
		Í	Logitech.		SAMSUNG		SONY	
	Best	Poorest	Best	Poorest	Best	Poorest	Best	Poorest
Available in stores near me	\bigcirc	\bigcirc	0	\bigcirc	0	\bigcirc	\bigcirc	0
Compact Design	۲	\bigcirc	\bigcirc	\bigcirc	۲	\bigcirc	\bigcirc	\bigcirc
Expensive	\bigcirc	\bigcirc	0	\bigcirc	0	۲	۲	0
Great Customer Service	\bigcirc	۲	۲	\bigcirc	\bigcirc	\bigcirc	\bigcirc	\bigcirc
Geared towards women	0	0	\bigcirc	۲	\bigcirc	\bigcirc	\bigcirc	۲

To accommodate the Dual Response form of Max/Diff, a Direct Binary Response question is asked prior to the MBA MD task set¹:

Please select all the statements that you feel describe the brand.	
	Cogitech.
Expensive	
Reliable	
Geared towards women	
Inexpensive	
Geared towards men	
Compact Design	
Available in stores near me	
Great Customer Service	
Hard to use	
Easy to use	
Enjoyable to use	
Modern Design	

A negative Direct Binary Response question, eg, *For each brand listed below, please check all the attributes that you feel strongly <u>do not describe</u> the brand, is also included².*

In summary, Image MD© consists of an innovative Max/Diff exercise and two direct binary response questions, as shown below:



¹ This approach to Anchored Max/Diff was demonstrated to be faster to execute than the traditional Dual Response format (Lattery 2010).

² Johnson and Fuller (2012) note that Direct Binary Response yields a different threshold than traditional Dual Response. By collecting both positive and negative Direct Binary Response data, we eliminate this effect.

It is possible, in an online survey, to further increase data collection efficiency with the use of some imaginative programming. We have developed an animated way to display Image MD© tasks which can be viewed at <u>www.macroinc.com/ImageMD</u>.

Thus, the final form of the Image MD© brand measurement technique can be described as Animated Modified Brand-Anchored Max/Diff Scaling with Positive and Negative Direct Binary Response.

In a paper presented at the 2013 Sawtooth Software Conference and published in the 2013 Sawtooth Software Conference Proceedings, Paul Richard McCullough, president of MACRO Consulting, Inc., demonstrated the superiority of Image MD© over traditional methods:

- Image MD© has been demonstrated to be superior to rating scales for measuring brand imagery:
 - Better inter-item discrimination
 - Better predictive validity
 - Elimination of brand halo
 - Elimination of scale usage bias
 - Fewer invalid completes

You can review the complete Sawtooth Conference presentation on Image MD at <u>www.sawtoothsoftware.com</u>.

Image MD© has been proven to be the most accurate method of measuring brand imagery currently available.

For a more detailed discussion of Image MD©, please contact Paul Richard McCullough at Richard@macroinc.com.

