

Maximum-Difference Analysis

Measuring the importance consumers place on attributes is a common research objective. Maximum Difference Analysis (Max-Diff) is one of an array of tools Morpace uses to achieve this goal, and in some applications can yield more powerful and clearer insights than other rating techniques.

How Does Max-Diff Work?

The Max-Diff survey exercise is based on a measure of customer choice and trade-off, instead of typical rating scale responses. In a Max Diff exercise, consumers evaluate multiple sets of four to six attributes. For each set, the consumer indicates both the most important item and also the least important item. Responses are analyzed using Hierarchical Bayesian techniques to derive attribute importance scores at the individual respondent level.

Max-Diff Advantages

Using Max-Diff leads to clearer differentiation among items and eliminates straight-lining and scale usage effects that can complicate rating scale analysis.

How We Use Max-Diff

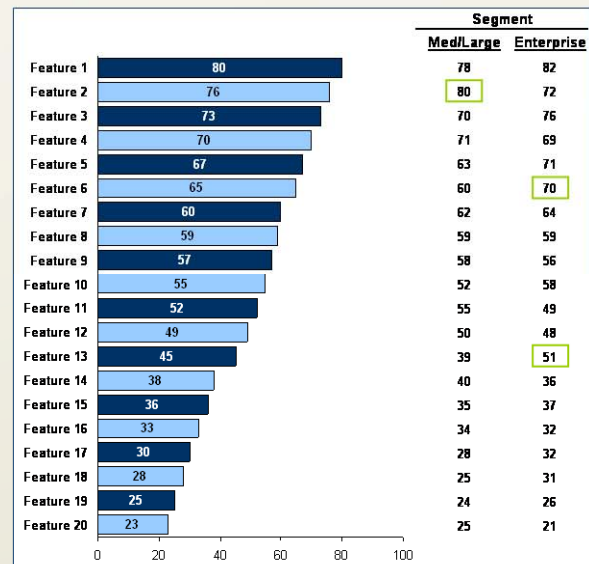
Like other methods for measuring customer preference, Max-Diff is often used for attribute prioritization. Other uses include product benefits and brand preferences as well as customer needs and attitudes. Its greater differentiation and lack of scale usage effects also means that Max-Diff is a great input to a segmentation analysis.

Example of Max-Diff Exercise

Which of the following four features would you most and least desire in WiMAX?

	<u>Most Desired</u>	<u>Least Desired</u>
Feature 1	<input type="checkbox"/>	<input type="checkbox"/>
Feature 2	<input type="checkbox"/>	<input type="checkbox"/>
Feature 3	<input type="checkbox"/>	<input type="checkbox"/>
Feature 4	<input type="checkbox"/>	<input type="checkbox"/>

Example Max-Diff Feature Importance Scores



Contact Morpace at 248.737.5300 or information@morpace.com to learn more about what Max-Diff can do and how we can use it for you.