

Applying choice-based conjoint analysis to sport marketing research

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Abstract 257**

As competitions in the sport business industry have been increasing, understanding consumers' decision making process is gaining importance for researchers as well as marketers. Conjoint analysis is one of the prevalent research techniques for investigating consumer preference in marketing and consumer behavior (Green & Srinivasan, 1990; Jaeger, Hedderley, & MacFie, 2000). By examining the relative importance of each attribute and the differences among products, conjoint analysis offers practical information such as evaluating the current products, developing strategies, predicting the market for new products, segmenting the market, and setting price level (Green, Carroll, & Carmone, 1978).

In terms of measuring consumer preference, conjoint analysis is classified into two main components: rating-based conjoint (Green & Srinivasan, 1990) and choice-based conjoint (Louviere & Woodworth, 1983). Rating-based conjoint analysis consists of compositional, decompositional, and hybrid approaches (Green & Srinivasan, 1990). However, because of some limitations of the rating-based conjoint analysis, choice-based conjoint (CBC) analysis has attracted the attention of more researchers. Although CBC analysis has been used mainly in marketing, it has also been employed in many other fields such as transportation (Louviere, 1988; Bates, 1988), tourism and recreation (Dellaert, Bogers, & Timmermans, 1995), and environmental valuation (Adamowicz, Louviere, & Williams, 1994). While some sport marketing researchers have begun using conjoint analysis (Jones, Sutor, & Koch, 2006), more research is certainly needed.

CBC analysis is an alternative model where respondents express preferences by choosing concepts from a choice set instead of rating or ranking each stimulus separately. Louviere and Woodworth (1983) provided the theoretical foundation of CBC analysis and tried to integrate traditional conjoint concepts with econometrics' discrete choice modeling. Orme (2006) further argued that CBC analysis is considered more appropriate when the number of attributes is less than six and there is expected to be interaction effects between attributes.

Studying sport marketing through CBC analysis gives respondents a more realistic setting; thus, it has several strengths that enable the researcher to examine a more accurate prediction of consumer preference, to build effective strategies for new product development, to set the optimized price for products, and to predict market share. Also, CBC allows the researchers to include a "none" option, which allows for a more practical decision making environment. In addition, CBC analysis can measure two-way interaction effects between attributes; in contrast, other types of conjoint analysis can only offer a result of main effects. If the researchers assume that there would be interactions between attributes, CBC analysis could be a more appropriate solution than any other types of conjoint analysis. Last, choice task is basically simpler than rating or ranking tasks. That is, it is much easier for respondents to answer the questions and researchers can obtain much more useful information merely by counting how frequently concepts are selected.

Considering all the benefits of CBC analysis in marketing research, the purpose of this poster presentation serves to introduce CBC analysis to the sport marketing profession by outlining its major tenets and comparing it to traditional rating-based conjoint analysis so that we can better understand and identify issues related to sport marketing. Moreover, as showing the exemplary study applying CBC analysis in sport marketing research, this paper also pursues: a) better understanding of the benefits and limitations of CBC analysis, b) explaining how to design the CBC experiment, and c) learning the way to interpret the data. Lastly, the future research topics in sport marketing that can be examined by conducting CBC analysis will be discussed.