Positioning/Repositioning Multidimensional Scaling

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Positioning means that the image customers have about a product or service, particular in relation to the product’s or service’s competitors (Kotler, 2003). Sport organizations may want to know the following questions: what customers currently think about their products or service; what the sport marketers want the customers think about their product or service; and most importantly, what positioning strategies should sport marketers utilize in order to let customers’ current product/service image arrive at the desired one. These questions may be some of the most critical ones for sport marketers. Multidimensional Scaling (MDS) is a quantitative technique that sport marketers can employ to understand more about how their product/service is perceived by the customers compared to the their competitors.

MDS is a multivariate procedure that allows researchers to determine the perceived relative image of a set of objects with the purpose of transforming customers’ judgment into distances represented in multidimensional space (Hair, Anderson, Tatham, & Black, 1998). What MDS can help sport marketers is not just evaluating the current positioning strategies, but assisting in repositioning the product/service if it is necessary. Key elements in the MDS including dimensions, ideal point, and index of fit will be elaborated. Also, how to interpret the results of MDS into marketing implications will be given. Moreover, various possible applications regarding MDS on the sport industry will be provided. For example, the positioning strategies for sport merchandise and professional sport franchises will be presented. Finally, the issues with respect to the MDS will be under discussion.