**Background**

- Conjoint analysis is typically used to measure consumers’ preferences for different brands and brand attributes. Conjoint analysis revolves around one key idea; to understand the purchase decision best.

- This methodology was developed in the early 1970’s. It has become one of the most widely used quantitative tools in marketing research.

- It is described in many published journal papers. Green & Rao (1971)\(^1\) first introduced the research concept and Batsell & Elmer (1990)\(^2\) discuss its application to pricing and demand forecasting.

- There are many different conjoint methods; adaptive conjoint analysis (ACA), full profile conjoint analysis (CVA) and choice based conjoint (CBC).

**Description of How it Works**

- Respondents in a market research interview are asked to make either choices or rankings of preference regarding hypothetical product profiles.

- A group of products are presented to a respondent. The respondent is asked to select or rank the products.

- This process is repeated several times with the levels of each product attribute (and sometimes price) varying in each scenario.

- The respondent’s choice data derived from each scenario enables the analyst to decompose their preferences for the different profiles and individual attributes.

- The conjoint analysis yields two measures: 1) The relative importance of each attribute and 2) the relative importance of each attribute level.

- This analysis produces information that will give strategic direction for marketing managers.

**Strengths**

- Conjoint testing holds all extraneous real world factors constant. (i.e. advertising, new product entries, stock outs, promotions, distribution, etc.)

**Weaknesses**

- Conjoint testing holds all extraneous real world factors constant. (i.e. advertising, new product entries, stock outs, promotions, distribution, etc.)

**Source:**
