



## What is Market Structure Analysis?

Market Structure Analysis is a multivariate technique that produces a snapshot summary of a marketplace and its competitors. The output demonstrates the perceived strengths and weaknesses of the various brands and provides insight into the most advantageous positioning for particular brands.

## MSA will help answer the following questions...

- ◆ What features are of particular importance to the marketplace?
- ◆ How do the various brands perform on the features of importance?
- ◆ What are the strengths of the market leaders?
- ◆ What are the weaknesses of the market leaders? What are their vulnerabilities?
- ◆ What should be emphasized about your brand in order to improve its marketplace performance? What should be downplayed?
- ◆ Are there opportunities to educate the marketplace with respect to the importance of particular features?

## MSA is based on two sets of exercises

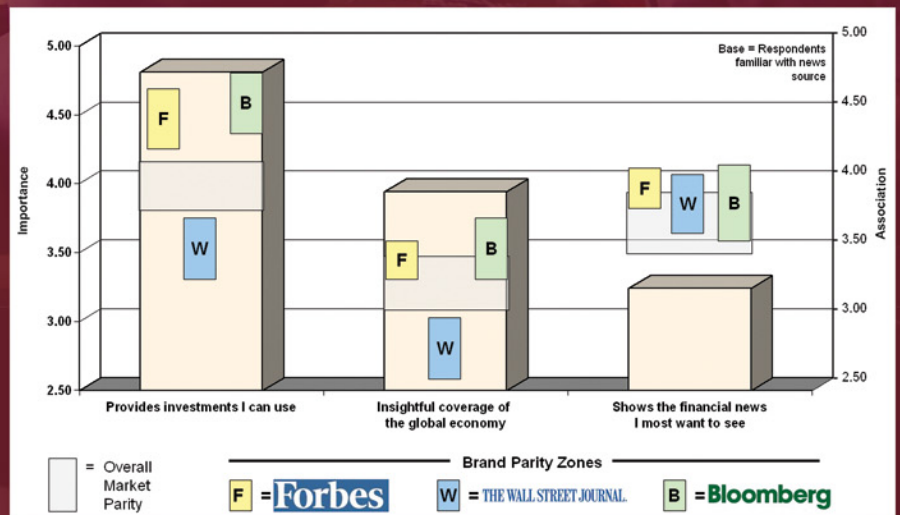
- ◆ One to measure feature importance (derived or stated)
- ◆ The other to assess the performance of brands on the features.
- ◆ Once these data are collected, appropriate statistical testing is performed using individual level contrasts to establish the parity zones. The result is a highly actionable and understandable picture of the marketplace competitors.



## MSA achieves its goal by displaying both importance and performance measures in a single output

- ◆ The columns in the chart represent the importance of the features and the markers (brand parity zones) represent the performance of the various marketplace competitors.
- ◆ Significance testing is used to contrast each competitor to the overall market average. This creates a "market parity" zone for each feature. Brands within the parity zone do not differ significantly from the overall market average.
- ◆ Two brands that have overlapping parity zones do not differ significantly from each other.
- ◆ Brands that have parity zones that do not overlap are significantly different than each other.

The standard MSA output displays the performance of the competitors in a market place, along with the perceived importance of each of the features in a single chart.



1. On a scale of 1 to 5, where 5 is absolutely essential and 1 is not at all desirable, how desirable is [insert feature]?
2. On a scale of 1 to 5, where 5 completely describes the news source and 1 does not describe it at all, how well does [insert feature] describe [insert news source]?