

Paul Thompson

HW #2

Using Super Decisions Software

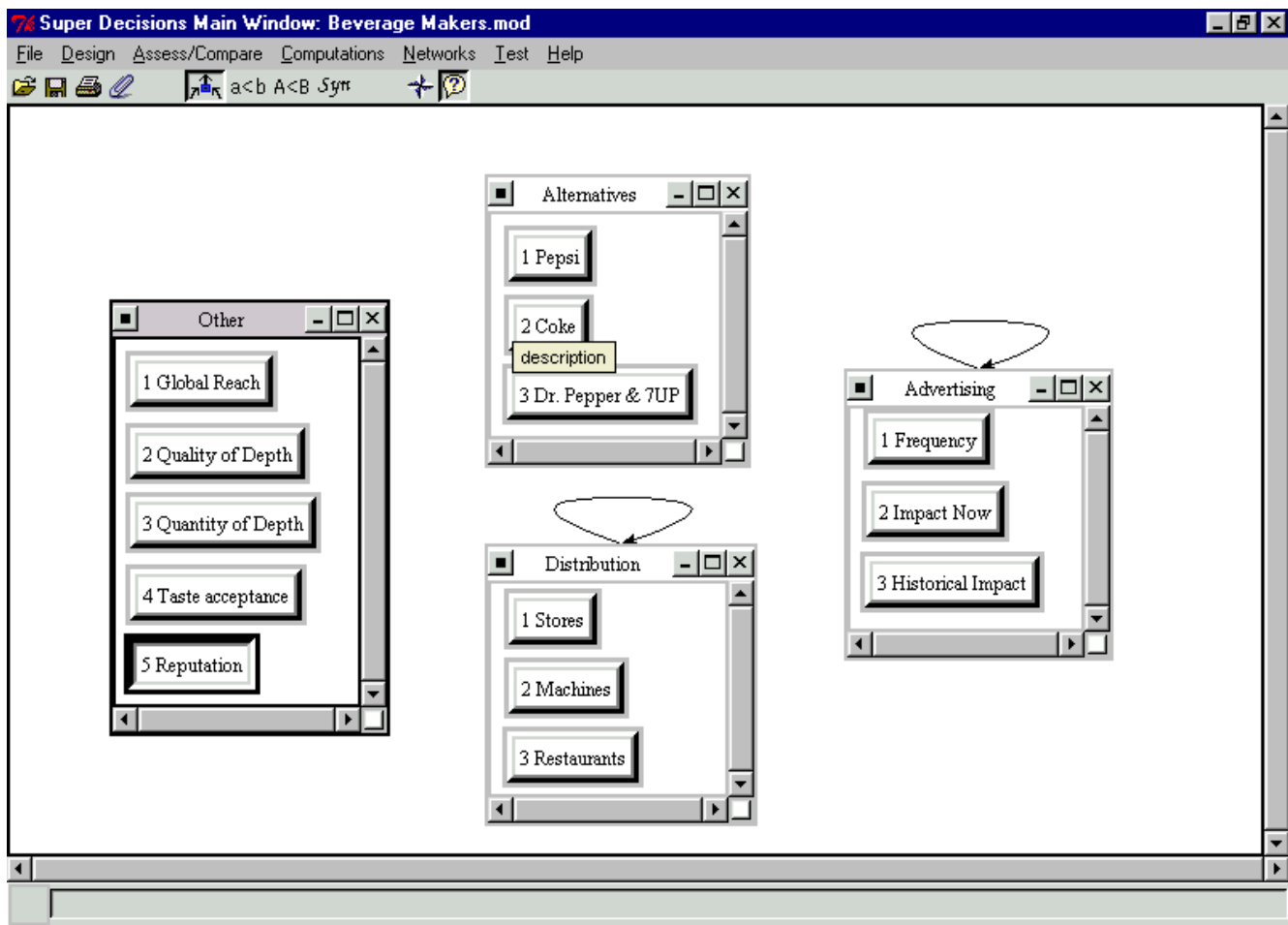
With this model I will compare three companies – Pepsi, Coca-Cola, and Dr. Pepper / 7-UP. This comparison will be done in order to guess at the market share of each company. They will be rated in terms of four things:

- Advertising – frequency, impact today, historical impact
- Distribution – grocery stores, machines, fast food chains
- Other – global scope, quality of brands (depth), quantity of brands (depth), taste acceptance (either you like it or you don't?), reputation

To help the reader visualize the brands, a diagram is included below:

Product Line Ups, Shows Depth				
Pepsi		Coca-Cola		Dr. Pepper / 7 UP
Pepsi		Coke		Dr. Pepper
Diet Pepsi		Diet Coke		7 UP
Pepsi Twist		Sprite		Sunkist
Wild Cherry Pepsi		Vanilla Coke		Canada Dry
Pepsi ONE		POWERADE		A & W
Pepsi Blue		Schweppes		Country Time
Mountain Dew		TaB		Hawaiian Punch
Code Red		DASANI		Hires Root Beer
Sierra Mist		Mello Yello		RC Cola
Lipton Brisk				Welch's
Fruit Works				Squirt
Aquafina				
Mug Root Beer				
Slice				

So now, let the comparison begin.... Here is an initial reaction to the factors and what they look like in a Single Network Model:



Some of the factors are obvious. Here are some better explanations of my 'influences'.

- Impact Now – I keep noticing Pepsi commercials, such as the Britney Spears ads, and not the others. Pepsi will be favored with impact now.
- Historical Impact – Think of Coke's Mean Joe Greene commercial.
- Quality of depth – just the perception of their entire product line
- Quantity of depth – number of popular products in their lines
- Taste acceptance – think of Dr. Pepper – you either like it or you don't. I believe the taste challenges done by Pepsi were normally close.
- More information is included in the model.

So then we do the connexions. Here is one of the results:

74 Comparisons for "Other" wrt "2 Coke"

File Computations Misc. Help

Graphic Verbal Matrix Questionnaire

1 Global Reach is very strongly more important than 2 Quality of Depth

1. 1 Global Re~	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	No comp.	2 Quality o~
2. 1 Global Re~	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	No comp.	3 Quantity ~
3. 1 Global Re~	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	No comp.	4 Taste acc~
4. 1 Global Re~	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	No comp.	5 Reputation
5. 2 Quality o~	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	No comp.	3 Quantity ~
6. 2 Quality o~	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	No comp.	4 Taste acc~
7. 2 Quality o~	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	No comp.	5 Reputation
8. 3 Quantity ~	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	No comp.	4 Taste acc~
9. 3 Quantity ~	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	No comp.	5 Reputation
10. 4 Taste acc~	9	8	7	6	5	4	3	2	1	2	3	4	5	6	7	8	9	No comp.	5 Reputation

We should look at the inconsistency index as well (I could not figure out how to show the full version of this.) (Nor could I find how to actually get inconsistency. The book method did not seem to work for me.)

Super Decisions Main Window: Beverage Makers.mod: Priorities

Here are the priorities.

Icon	Name	Normalized by Cluster	Limiting
No Icon	1 Frequency	0.50541	0.141123
No Icon	2 Impact Now	0.33691	0.094073
No Icon	3 Historica~	0.15769	0.044030
No Icon	1 Pepsi	0.39425	0.100618
No Icon	2 Coke	0.47222	0.120516

Okay

I also took a look at a super matrix:

Super Decisions Main Window: Beverage Makers.mod: Weighted Super Matrix

	1 Frequ~	2 Impac~	3 Histo~	1 Pepsi	2 Coke	3 Dr. P~	1 Stores	2 Machi~	3 Resta~	1 Glob
1 Frequ~	0.64864	0.00000	0.00000	0.07470	0.07277	0.08251	0.00000	0.00000	0.00000	0.00000
2 Impac~	0.00000	0.00000	0.00000	0.25547	0.24025	0.26196	0.00000	0.00000	0.00000	0.00000
3 Histo~	0.00000	0.00000	0.00000	0.04368	0.06610	0.03465	0.00000	0.00000	0.00000	0.00000
1 Pepsi	0.08357	0.24266	0.07096	0.01393	0.00000	0.00000	0.12121	0.14815	0.18985	0.1023
2 Coke	0.02965	0.06677	0.25004	0.00000	0.00000	0.00000	0.12121	0.14815	0.11102	0.4684
3 Dr. P~	0.00841	0.03675	0.02517	0.00000	0.00000	0.00000	0.03030	0.03704	0.03246	0.0446
1 Stores	0.00000	0.00000	0.00000	0.06981	0.06112	0.07344	0.18182	0.00000	0.00000	0.1648
2 Machi~	0.00000	0.00000	0.00000	0.01525	0.01851	0.01382	0.00000	0.00000	0.00000	0.0549
3 Resta~	0.00000	0.00000	0.00000	0.02664	0.03364	0.02601	0.00000	0.00000	0.00000	0.1648
1 Globa~	0.00000	0.00000	0.00000	0.22711	0.28670	0.04362	0.54545	0.66667	0.66667	0.0000
2 Quali~	0.00000	0.00000	0.00000	0.08949	0.04351	0.15787	0.00000	0.00000	0.00000	0.0000
3 Quant~	0.00000	0.00000	0.00000	0.04660	0.03590	0.05932	0.00000	0.00000	0.00000	0.0000
4 Taste~	0.00000	0.00000	0.00000	0.01974	0.03412	0.14636	0.00000	0.00000	0.00000	0.0000
5 Reput~	0.22973	0.65383	0.65383	0.11759	0.10737	0.10042	0.00000	0.00000	0.00000	0.0000

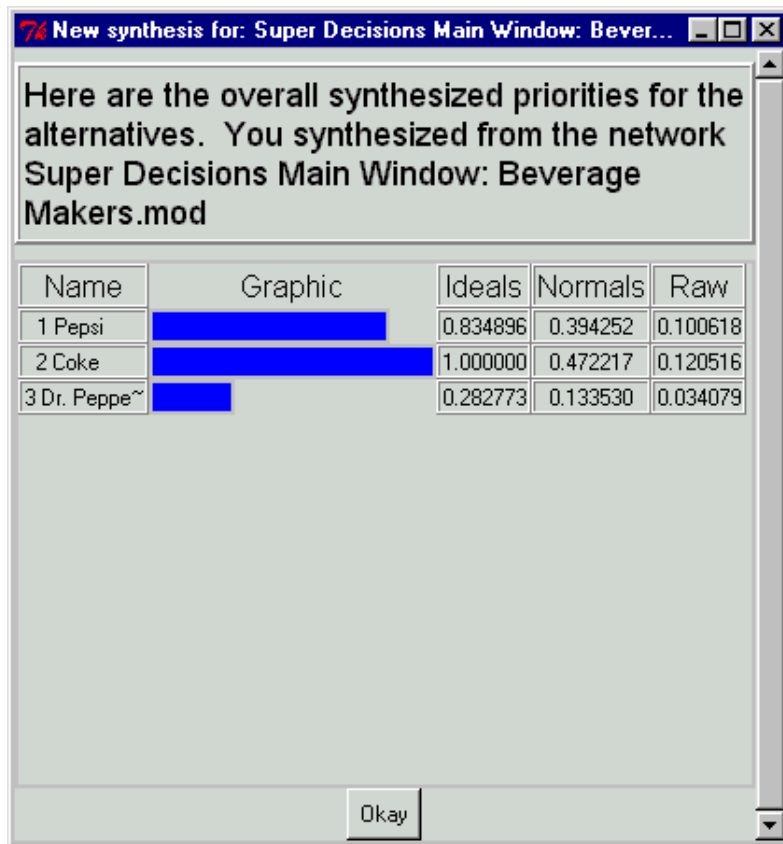
So then it is necessary to make cluster comparisons.

Super Decisions Main Window: Beverag...

Cluster Node Labels	Advertising	Alternatives	Distribution	Other
Advertisi~	0.648641	0.373847	0.000000	0.606059
Alternat~	0.121631	0.013931	0.272728	0.242425
Distribu~	0.000000	0.111691	0.181819	0.151516
Other	0.229728	0.500531	0.545454	0.000000

Done

Now, after all of the comparisons were made, I am glad to present the reader with the suggested market shares:



Now, I was able to attain data from 2001. So it is time to make the comparison. And let me tell you that due to time, there was absolutely no 'tweaking of influences'! Consider the following chart:

Brand	Actual Shares	Shares with other brands dropped	Findings (My results)	Difference
Coke	43.7	0.48	0.472	-0.008
Pepsi	31.6	0.35	0.394	0.044
Dr. P / 7 UP	15.6	0.17	0.134	-0.036
Sum	88.9	1	1	

So we find that for the comparison of Coke, Pepsi, and Dr. Pepper / 7 UP the decision making software was successful. I should mention that my bias towards Pepsi and away from Dr. Pepper / 7 Up probably stems from where I've lived my whole life. If I lived in Texas for example, my bias may have swung the other way. The other possibility is that I could have underestimated Dr. Pepper / 7 Up's depth.

The source I have used was from Beverage Digest 2001: <http://www.beverage-digest.com/editorial/020228s.php>