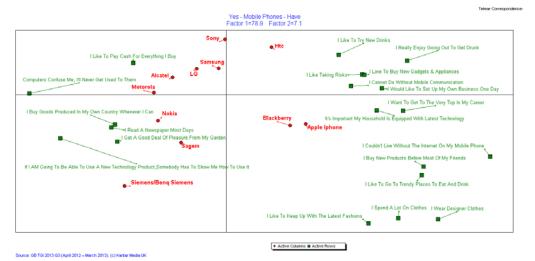
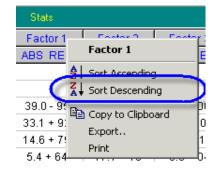
# How Do I Interpret a Correspondence Analysis?

This document helps you to understand the brands within a market using Correspondence Analysis statistics. For this example, we have used the 'Mobile Phone' market e.g. Mobile Phone Brands.

Correspondence analysis is a statistical technique for examining the relationship between variables. It is often used to understand brands in a market, but it will answer whatever "questions" you throw at it. The end result is a pictorial representation of a crosstab, showing data plotted according to correlation. It is a quick method of summarising a lot of data. Each factor summarises the relationships.



In order to understand the chart above or describe the 'Mobile Phone' market, you must look at the stats. Click on the 'Stats' button and then right hand click on the heading 'Factor 1' and select Sort Descending. This will sort Factor 1 by ABS score.



The correspondence program plots the brands and lifestyle statements on a graph. It shows **Factors 1** as the **'X-axis'** (*left to right*) and **Factor 2** as the **'Y-axis'** (*top to bottom*).

In order to understand what the factors are, we need to examine which lifestyle statements are important to each factor; this is done by using the statistics. The statistics are used to get the describing words for explaining the chart.

## **Factor 1 Explained:**

Description		Factor 1	Factor 2
Based on Audience(000)	% Inf	ABS REL	ABS REL
Columns (+)			
Apple Iphone	28.3	33.1 + 92	13.0 - 03
Blackberry	14.6	14.6 + 79	9.8 - 05
Htc	6.7	5.4 + 64	17.1 + 18
Rows (Top 20+)			
l Couldn't Live Without The Internet On My Mobile Phone	4.0	4.8 + 94	0.8 - 01
l Want To Get To The Very Top In My Career	1.8	2.2 + 95	0.1 - 00
l Cannot Do Without Mobile Communication	1.6	2.0 + 99	0.0 + 00
l Love To Buy New Gadgets & Appliances	1.5	1.8 + 92	0.1 + 01
l Would Like To Set Up My Own Business One Day	1.5	1.8 + 98	0.0 + 00
l Like To Go To Trendy Places To Eat And Drink	1.5	1.8 + 95	0.9 - 04
l Wear Designer Clothes	1.5	1.7 + 88	1.7 - 08
l Really Enjoy Going Out To Get Drunk	1.2	1.4 + 95	0.1 + 01

## **ABS**:

This helps you understand the influence of a brand or lifestyle statement on this factor. You can interpret the ABS score like %Col in TNT+. In the example above, **Apple Iphone** contributes **33.1%** towards **Factor 1's** results.

#### Factor 1 Continued....

Description		Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Based on Audience(000)	% Inf	ABS REL	ABS REL	ABS REL	ABS REL	ABS REL	ABS REL
Columns (+)							
Apple Iphone	28.3	33.1 + 92	13.0 - 03	24.6 + 04	2.2 + 00	6.9 + 00	2.0 + 00
Blackberry	14.6	146+79	9.8 - 05	50.4 - 15	7.6 - 01	1.1 - 00	1.4 - 00
Htc	6.7	5.4 + 64	17.1 + 18	5.9 + 04	1.1 - 00	30.3 - 08	13.4 - 03

#### **REL:**

This score determines which side of the graph the brand or lifestyle statement will appear on. For **Factor 1** "-" appears on the left and "+" appears on the right. The REL score also explains which factor best explains the brand or lifestyle statement. We look at these scores horizontally. In the example above, we can see that **Factor 1** best explains **HTC**, the REL score is **+64**, the highest score for HTC compared to the other 5 factors.

Rows (Top 20)		
l Couldn't Live Without The Internet On My Mobile Phone	4.0	4.8 + 94
If I AM Going To Be Able To Use A New Technology Product,Somel	2.1	2.6 - 94
l Want To Get To The Very Top in My Career	1.8	2.2 + 95
I Cannot Do Without Mobile Communication	1.6	2.0 + 99

### %Inf:

This shows how much influence a brand or lifestyle statement has on the analysis. We usually sort by %inf prior to a Cluster analysis to determine the most influential statements for a market. In this example 'I couldn't live without the internet on my mobile phone' has the most influence on the mobile phone brand market, it has the highest %inf, 4.0 compared to the other statements used in this analysis.

# **Factor 2 Explained:**

Description		Factor 1	Factor 2
Based on Audience(000)	% Inf	ABS REL	ABS REL
Columns (+)			
Sony	2.6	0.0 - 00	19.7 + 54
Htc	6.7	5.4 + 64	17.1 + 18
Samsung	2.5	0.5 - 15	16.8 + 47
LG	2.0	0.9 - 36	2.0 + 07
Alcatel	2.2	1.0 - 37	0.3 + 01
Motorola	4.0	3.6 - 71	0.0 + 00
Rows (Top 20+)			
I Wait Until Technology Becomes Cheaper Before Considering A P	0.4	0.3 - 61	1.8 + 33
Because Of My Busy Lifestlye, I Don't Take Care Of Myself	0.3	0.3 + 67	1.4 + 29
l Only Go To Work For The Money	0.4	0.3 + 67	1.3 + 26
I Look For The Lowest Possible Prices When I Go Shopping	0.1	0.0 + 04	1.2 + 72
Prefer To Spend Quiet Evening At Home Than Go Out	0.2	0.1 - 51	1.0 + 30

Right hand click on the heading 'Factor 2' and select Sort Descending. This will sort Factor 2 by ABS score.

Sony and HTC have the highest ABS scores compared to the other brands for Factor 2 (19.7 and 17.1) and they correlate with the rows (lifestyle statements) directly below e.g. 'I wait until technology becomes cheaper before considering a purchase' and 'Because of my busy lifestyle, I don't take care of myself'.