



### **Annotated Summary of:**

**Green, Paul E., Catherine M. Schaffer, and Karen M. Patterson (1988), “A Reduced-Spaced Approach to the Clustering of Categorical Data in Market Segmentation.”**

***Journal of the Market Research Society* 30(3): 267–88.**

### **Chapter 9: Multidimensional Scaling**

***Multivariate Data Analysis, Sixth edition***

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This article provides three different market segmentation applications to illustrate how correspondence analysis can be used to facilitate the matching of a market to product attributes. Used as a data reduction tool, CA reduces the space representation of respondents and categories and provides proximity measures that are suitable for use in such grouping procedures as cluster analysis. The objective of the procedures outlined in the article is to provide the researcher with a diagram or map that indicates how items such as products or services, or multiple variations of these items, may be matched with a particular market. From this information, a profile of the type of consumer served is derived. While the authors do not elaborate on many of the technical details, they do indicate the purpose, design, results, and implication of each of the three examples.

In the first example, the authors use CA to provide a two-dimensional map that indicates how modes of advertising can be more matched to a specific target type in joint space. The second and third examples use CA as a data-reduction technique by representing individual responses as proximity measures that are suitable for use in cluster analysis. These results demonstrate how CA provides a multidimensional representation based upon respondent classification of multiple variables. These results may then be applied for segmentation purposes by matching items such as product attributes and consumer type.

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