Annotated Summary of:

Furse, David H., Girish N. Punj, and David W. Stewart (1984), "A Typology of Individual Search Strategies among Purchasers of New Automobiles," *Journal of Consumer Research* **10(4): 417–431.**

Chapter 8: Cluster Analysis
***Multivariate Data Analysis*, Sixth edition**
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Using cluster analysis, this study seeks to identify a typology of new car buyers based on aspects of the purchaser's search activities. The authors identify 24 search activities that, through factor analysis, are reduced to five dimensions. The dimensions are dealership visits, level of personal participation, participation and involvement of others, interpersonal search factors, and the amount of search activity. Using these five factors, the cluster technique reveals six groups. The results are then validated using data from sales personnel and a proposed theoretical framework.

Data are collected from a sample of 1,031 recent car purchasers, which is divided into two groups. From the first sample, the authors use Ward's hierarchical clustering method with Euclidean distance to obtain the initial seed points and number of clusters. The holdout sample, using K-means nonhierarchical clustering procedure, is then used to confirm the stability of the hierarchical cluster solution. Although other methods are available to determine the optimal numbers of cluster, this study used a coefficient of agreement (Kappa) between the two subsamples to determine the appropriate number. Based on a variety of descriptive variables, the six-cluster solution is interpreted and comparisons made among the clusters. To validate the findings, the authors collect similar information from 48 salespersons. Using a similar procedure, the cluster analysis reveals six similar groups based on seller perceptions of buyer search strategies. These results are then related to current theory in consumer research.