

Answering sheet Assignment Marketing Models

Student information

Name:

Student Number:

Details Data

Number of the dataset used for solving the exercise:

Details Coding

Which computer language/program did you use?:

What was the version number of the software that you used?:

Estimation Results:

Fill in the next table using your estimation output:

| parameter | ML estimate | standard error |
|-----------------|-------------|----------------|
| Heinz 28 ounces | 0 | N.A. |
| Heinz 32 ounces | | |
| Heinz 40 ounces | | |
| Hunts 32 ounces | | |
| price | | |
| display | | |
| feature | | |

Maximum Log Likelihood value:

McFadden R^2 :

Partial Effects:

Fill in the table with average partial effects of prices where element (j,k) denotes the marginal change in the choice probability of brand j due to a change in the price of brand k .

| brand | average partial effects of price | | | |
|-----------------|----------------------------------|-----------------|-----------------|-----------------|
| | Heinz 28 ounces | Heinz 32 ounces | Heinz 40 ounces | Hunts 32 ounces |
| Heinz 28 ounces | | | | |
| Heinz 32 ounces | | | | |
| Heinz 40 ounces | | | | |
| Hunts 32 ounces | | | | |

Effects of Hunts display promotion:

Fill in the table with the average effects of a display promotion for Hunts 32 ounces (with no feature promotion for Hunts and no feature nor display promotion for any other brand-sizes) on the probabilities of all 4 brand-sizes relative to a scenario in which there are no feature nor display promotions for any brand-sizes (including Hunts).

| brand | Heinz 28 ounces | Heinz 32 ounces | Heinz 40 ounces | Hunts 32 ounces |
|--------|-----------------|-----------------|-----------------|-----------------|
| Effect | | | | |

Hausman Test:

Test the assumption of the independence of irrelevant alternatives by implementing a Hausman test comparing the unrestricted model with a restricted model that does not include the Heinz 40 ounces observations.

| | |
|----------------|--|
| Test Statistic | |
| P-value | |