**Household and Shopping Behaviour ICE**

A media firm measures 7 variables relating to consumer attitudes and opinions of interest to them. The variables are:

1. I normally spend evenings at home
2. I always check prices
3. I think magazines are better than movies
4. I would not buy products advertised on billboards (in India, we call this hoardings)
5. In general, I am a homebody
6. I normally save and cash coupons
7. I think advertising is a waste

The data are in the file “household and shopping behaviour.sav”.

1. Before they proceed with further analysis, the media firm is wondering whether the data can be reduced. Can this be done? How? If possible, please reduce the data. How many factors emerge? What can they be called? How are the inter-correlations now explainable? Ignore the variable “tendency to trust online reviews”.
2. The firm also measures consumers’ tendency to trust online reviews. They use multi-item standard scales and obtain a high alpha for this (0.8). Which factors drive this?
3. The firm is also wondering whether the first and the second factor interact with respect to consumers’ tendency to trust online reviews? Do they? If yes, what is the advice/implication?