

# [Measurement scales essay sample](https://assignbuster.com/measurement-scales-essay-sample/)

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Market research in business is important by keeping up with the everyday life of consumer society. Market research helps businesses study what are the likes and dislikes of consumers, what is popular, and what products are already out in the market. Market research collects data and information about the products and services from the past, present and potential use from the customers. Customers are the main focus when conducting research into a product or service. Businesses study consumers’ buying habits, spending locations, and characteristics. Other than studying consumers, business also study each other by researching their marketing information, products, services, and their consumer targets. To do market research, certain measurement scales are used, especially when conducting a questionnaire. Nominal, ordinal, interval, and ratio are four out of six measurement scales that are used in questionnaires. Nominal

Nominal scales are a form of categorizing objects by labeling the variables. Nominal scales are usually in form of yes or no answers where the object is in a category or not and do not have any numerical significance. Nominal scales do not have an order. The characteristics of nominal scales can be “ choose one”, “ choose all that apply”, “ choose one and specify”, or “ choose all and specify”. For example, on a questionnaire, the question is “ what is your hair color?”, the answer choices are “ brown”, “ black”, “ blonde”, “ red”, “ other”. A sub-type of nominal scale has only two categories, for example, on a questionnaire, the question asks, “ what is your gender?” and the choices available are “ male” and “ female”; the respondent would have to choose one or the other never both (Types of Data & Measurement Scales: Nominal, Ordinal, Interval and Ratio, 2012). Ordinal

Ordinal scales are used to rank objects or variables by characteristic amount the variable has. When ranking the variables, it ranges from high to low amounts, the ranks are different from one another, and it does not have an absolute zero. Some examples of ordinal scales are the order of a NASCAR race, military ranks, or classroom achievement in school. Questionnaires use ordinal scales to rank how important the variables are to the respondent. For example, when making a new vehicle, car companies would say, “ rank in order what is most important to have in a car”, with the options as: multiple air bags, heated seats, loud horn, cruise control, Bluetooth, and sun roof, with the use of “ 1” indicating first priority while “ 2” indicates second priority and so on. Ordinal scales helps measure the consumers’ pleasure, happiness, and discomfort for certain variables. Interval

Interval scales gives the order and the exact differences between the variables. For examples, time, it is understood, consistent, and measureable. There is always 60 second in a minute, 60 minutes in an hour, and 24 hours in a day, time never changes it stay consistent. Interval scales do not have a true zero and can only be added and subtracted, not multiplied and divided (Types of Data & Measurement Scales: Nominal, Ordinal, Interval and Ratio, 2012). In a questionnaire, interval scales usually range from “ strongly agree” or “ agree” to “ disagree” or “ strongly disagree” with a neutral in the middle as “ neither agree nor disagree” or “ no option”. Interval scales helps consumers define their satisfaction with a product or service by giving a direct opinion listed. Ratio

Ratio scales tells the order of the variables, the values between the variables, and the variable measurements have an absolute zero. The measurements in a ratio scale can be added, subtracted, multiplied, and divided while giving description of the respondents answer and statistical data. “ Central tendency can be measured by mode, median, or mean; measure of dispersion, such as standard deviation and coefficient of variation can also be calculated from ratio scales” (Types of Data & Measurement Scales: Nominal, Ordinal, Interval and Ratio, 2012). Examples of ratio scales on a questionnaire are: height, weight, age, income, and number of years worked. Conclusion

Market research is a key importance in running a business. In market research measurement scales are used to collect data from consumer characteristics of marketing products and services. These measurement scales are nominal, ordinal, interval, and ratio. Nominal scales are used to categorize variables. Ordinal scales is used to rank variables according to amount of characteristics. Interval scales use ranking and rating to judge the opinion of the respondent. Ratio scales has all the characteristics of nominal, ordinal, and interval scales.

References
Types of Data & Measurement Scales: Nominal, Ordinal, Interval and Ratio. (2012, November 28). Retrieved from My Market Research Methods: http://www. mymarketresearchmethods. com/types-of-data-nominal-ordinal-interval-ratio/