

### Case 25: Advertisements and Purchase Intention

In order to study whether advertising can increase consumers' purchase intention, a random sample of 100 people is asked to watch the ads. Before they see anything, they are asked if they intend to buy the product. Then after watching the ads, they are asked again to see if anyone has changed their mind. The following is the contingency table (Table 5.11):

TABLE 5.11: Does Watching Ads Increase Purchase Intention?

	Before	After	Total
Yes	30	10	40
No	70	90	160
Total	100	100	200

Does the ad have significant effects in changing the consumers' purchase intention?

**Initial Questions**

1. What are the research objectives?
2. What are the statistical questions?
3. What is the response variable, and what is the data type of the response variable?
4. What are the explanatory variables of interest?
5. Are there covariates?
6. What is the population of interest?
7. What is the subject, and what is the number of distinct subjects?
8. Are there subject-level data?
9. Are response variables dependent (repeated measures / clustered subjects)?
10. Are the subjects selected randomly?
11. Are the subjects randomly assigned to different groups?

**Initial Thoughts**