

# Applied Choice Analysis: A Primer by David Hensher



## Applied Choice Analysis by David A. Hensher

★★★★☆ 4.3 out of 5

Language : English  
File size : 40932 KB  
Text-to-Speech : Enabled  
Screen Reader : Supported  
Enhanced typesetting : Enabled  
Print length : 1217 pages  
X-Ray for textbooks : Enabled



Choice analysis is a powerful tool for understanding how people make decisions. It is used in a wide variety of fields, including transportation, marketing, economics, and psychology. Applied Choice Analysis: A Primer by David Hensher is a comprehensive guide to the theory and practice of choice analysis. This book will be of interest to researchers, practitioners, and students in these fields.

## Overview

The book is divided into four parts. The first part provides an overview of the theory of choice analysis. The second part discusses the different types of choice models that are available. The third part provides a step-by-step guide to conducting a choice analysis study. The fourth part discusses the applications of choice analysis in different fields.

## Theory of Choice Analysis

The theory of choice analysis is based on the assumption that people make decisions by weighing the costs and benefits of different alternatives. The goal of choice analysis is to identify the factors that influence people's decisions. These factors can be divided into two categories: attributes and alternatives.

Attributes are the characteristics of the alternatives that people consider when making a decision. For example, when choosing a car, people might consider factors such as price, fuel efficiency, and safety. Alternatives are the different options that people have to choose from. For example, when choosing a car, people might have to choose between a sedan, a coupe, or an SUV.

## **Types of Choice Models**

There are a variety of different choice models that can be used to analyze people's decisions. The most common type of choice model is the multinomial logit model. This model assumes that people make decisions by choosing the alternative that has the highest utility. The utility of an alternative is a function of its attributes.

Other types of choice models include the nested logit model, the mixed logit model, and the probit model. These models can be used to capture more complex decision-making behavior, such as the effects of correlation among alternatives and the effects of unobserved heterogeneity among individuals.

## **Conducting a Choice Analysis Study**

Conducting a choice analysis study involves several steps. The first step is to define the research question. The next step is to collect data on the

attributes of the alternatives and the choices that people make. The third step is to estimate a choice model. The final step is to interpret the results of the model.

## **Applications of Choice Analysis**

Choice analysis has a wide range of applications in different fields. In transportation, choice analysis can be used to study mode choice, route choice, and destination choice. In marketing, choice analysis can be used to study product choice, brand choice, and advertising effectiveness. In economics, choice analysis can be used to study consumer demand, labor supply, and investment decisions. In psychology, choice analysis can be used to study decision-making under uncertainty, risk aversion, and time preferences.

Applied Choice Analysis: A Primer by David Hensher is a comprehensive guide to the theory and practice of choice analysis. This book will be of interest to researchers, practitioners, and students in the fields of transportation, marketing, economics, and psychology.

## **References**

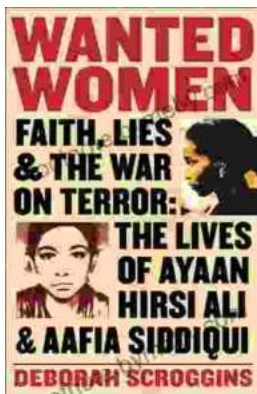
1. Hensher, D. A. (2005). Applied choice analysis: A primer. Cambridge University Press.
2. Train, K. E. (2009). Discrete choice methods with simulation. Cambridge University Press.
3. McFadden, D. (1974). Conditional logit analysis of qualitative choice behavior. In P. Zarembka (Ed.), Frontiers in econometrics (pp. 105-142). Academic Press.



## Applied Choice Analysis by David A. Hensher

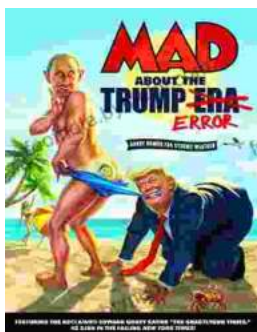
★★★★☆ 4.3 out of 5

Language : English  
File size : 40932 KB  
Text-to-Speech : Enabled  
Screen Reader : Supported  
Enhanced typesetting : Enabled  
Print length : 1217 pages  
X-Ray for textbooks : Enabled



## Faith Lies and the War on Terror: Exposing the Truth Behind the World's Conflicts

In the aftermath of the 9/11 attacks, the world was thrust into a new era of conflict—the War on Terror. This global campaign, ostensibly waged against...



## Mad About the Trump Era: Mad Magazine 2024

The Trump presidency has been a wild ride, and Mad Magazine has been there to document it all with its signature blend of satire and humor. Mad...