

DOWNLOAD PDF CONSUMER INITIATORS: ADAPTORS AND INNOVATORS

Chapter 1 : An application of the style/involvement model to financial services - CORE

Theoretical and practical studies of 'consumer innovativeness' are currently beset by two problems. First is the proliferation of terms referring to 'innovators', 'use-innovators'.

From a study of the cognitive styles of users of debit and credit cards, three varieties of innovation resistance were identified: It is suggested that innovation resistance can no longer be regarded as a potentially negative aspect of target markets for new goods and services but rather a response based on rational choices. From a managerial perspective the reasons why new products are not accepted, which may be identified from a qualitative research approach, should prove useful in further new product development. All rights reserved 1. The quest for the personality correlates of a focused instead on what constitutes an innovation trait that would identify innovation-prone consumers Robertson, ; Hirschman, ; Rogers, seems bogged down at the conceptual level: By concentrating on the charac- Technovation Vol. This emphasis is understandable. The received wis- dom in marketing has long been that it was the con- 1. Hirschman Coke before its launch in consumers did not pointed out that, without innovativeness, consumer reject the new formula, not that is until they knew that behaviour would be no more than a series of rout- it was to replace their old Coke. While these examples inised buying responses to a static state of products. Clearly marketing should benefit from Understanding how the consumer actually behaves the early identification of consumer innovators if their and why needs more attention if investment in new adoption and use resulted in social comparison which product development research is to be wisely and suc- in turn lead to diffusion across a wider market. At a time when the concept of relationships Christopher et al. However, there are a number that the depiction of non-adopters or late adopters is of problems associated with the approach that charac- of people somewhat behind the times. In con- ent to those who adopt early; one may be reaching trast, the early triers of new products tend to have the most innovative people in society who may also what might generally be considered more positive be willing to try anything if it is new and may not connotations such as higher income and education, to be representative of a larger market. Also, empirical be younger and more socially mobile, and to show research to date does not appear to have conclusively greater group participation and opinion leadership found a particular type of innovative personality, Robertson, ; Rogers, ; Robertson et al. Similarly, and so for each new product launch one may although studies to link innovative behaviour with be looking afresh to identify potential early adopters. Reynolds developed a product, which would However, understanding why people do not adopt provide smokers with something that looked and is arguably at least as important as knowing about tasted like a cigarette but contained only a very small those who do adopt. Not only should such under- amount of tobacco. An actual smoke and tar. While the product had a number important impetus in this direction was made by of technical problems, nevertheless R. Reynolds Midgley and Dowling when summing up the Technovation Vol. Sheth developed a typology of was to reject adoption. They concluded that further innovation resistance, which included what he termed research into rejection should help to improve under- Habit Resistance. Here the innovations tend to be low standing of innovative behaviour more generally. Sheth concludes that those who do not attempts to understand how and why rejection might wish to change may be both more typical and more come about. Their model presented a number of by the view of both Ram and Sheth that the prospect routes that can lead to de facto rejection of the inno- of economic gain or cost savings will greatly affect vation. The consumer may have symbolically the likelihood of an innovation being adopted or accepted the innovation, as may have been the case rejected. From a marketing point of view, Ram sug- in the Midgley and Dowling example above, but this gests that the most important characteristic for an is not sufficient to lead to trial, which in turn may or innovation to possess to be successful is amenability may not lead to adoption. Mittelstaedt suggested three to modification, such that it may be altered and re- possible rejection scenarios: Similarly, Gatignon and Robertson range of situational and personality factors that could suggest that non-adoption of an innovation lead to resistance and what may be done to make may be explained

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by either rejection or postponement; innovations more acceptable and so reduce such while rejecters have processed the information they resistance. Thus innovation rejection may not neces- and the marketing environment: This is supported by Ram study Szmigin, into how consumers used pay- who portrays adoption as the result of over- ment methods where we found resistance to be related coming initial resistance; he asserts that, for an inno- to both personality and situational factors. See also Ram and Sheth, Cog- with their existing situation, may simply not be mot- nitive style is presented on a continuum dependent ivated to change. Every point on this cognitive style Technovation Vol. Foxall continuum has advantages and disadvantages, given 2. While this was a con- terns of rules and operating procedures. In contrast, venience sample, an equal proportion of men and innovators are more likely to challenge rules and pro- women were interviewed across a range of jobs from cedures and will break away from established secretary to director level and with a representative methods preferring to think tangentially and suggest sample of ages from 20s to 50s. The size and selection novel solutions. While originally developed within an organisational context, Each respondent completed the KAI and sub- it has also proved effective as a composite measure sequently took part in the in-depth interview, which of cognitive traits. All the interviews were taped and due to its positive correlation with validated measures then analysed using a commercial software package. Each respondent is required to esti- thoughts and attitudes; process activities, i. There are ment methods such as risk, control, convenience. It is not timed and takes people varying KAI categories as identified by the administered ques- amounts of time to complete. The respondents are tionnaire. The purpose of using the KAI in this research was to identify how in-depth information It was expected that adaptors would be the most derived from a qualitative approach to understanding likely to show innovation resistance. As adaptors are less tolerant than innovators of change and disruption, they are 2. However, this profile As part of a research study into the cognitive style of adaptors is in fact more complex than at first of consumers of financial retail services, fifty in-depth appears. Consumers were asked which pay- that, while the lowest level of variety seeking in terms ment methods including credit, debit and store cards, of the number of innovative brands bought was cheques and cash, they used and which they preferred. A distinguishing over the last two years. There- the innovation in a less discontinuous manner than fore, in this study, it was thought that while many via the television. However, as the following dis- 2. Most often this expected which was present across adaptor and inno- would appear to be caused by situational factors. Many of these students fully most extreme form of resistance is rejection. When intended to obtain such payment methods when they there is mass rejection of an innovation by consumers, started full-time employment, others had found means then the responsibility for the company is to change to acquire one or the use of one despite their student or modify the innovation appropriately and then re- status: Following modification the the product but are unable to actually try it innovation may be accepted or it may still be rejected Mittelstaedt et al. Some people postpone but also it may be postponed or initially opposed adopting financial services so that they can see how which may lead to other actions or alternatives, the product develops over time and choose an appro- further discussed below. In our study There are numerous examples of consumer rejec- Szmigin, , respondents indicated that they tion and generally they are a result of the new product waited until they were sure that a telephone banking not offering any worthwhile advantage; this the con- account would be better than their existing service, sumer identifies very quickly. The Sinclair C5 is a while with debit cards, many had been automatically classic example but there are many others. Here con- supplied them from the bank but initially found that sider the introduction of home banking, whose initial many places did not accept them. NBS had hoped to Andy achieve subscribers by the end of but only reached As the product has been of no economic cost launched in This was couple of years, I think my awareness of using probably due to the relative incompatibility for con- Switch is only 18 to 24 months old and I suspect sumers of using an on-screen method to do their bank- that more outlets are now offering the debit card ing Rogers, ; the concept was acceptable but option, if I do have no cash and I am out, a good the technology applied to the concept was inappropri- example is when I go to the tube station in the ate. This was clearly an innovation, which could be morning and look in my purse and find I have modified, and

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once the appropriate modification was not enough money, thank goodness for Switch recognised the result was highly successful. Vicki phone had a distinct relative advantage in introducing Technovation Vol. Many consumers were many: Most importantly, an inno- iour. Consumers had been expected to use credit cards vation, which is opposed by certain people, does not for obtaining credit and paying interest charges, and appear to offer those consumers, for whatever reason, when the banks found that many customers were not a differential advantage that benefits them and indeed, behaving in this way, they retaliated by introducing such innovations may be opposed because consumers annual fees for their credit cards from actually perceive a relative disadvantage. We high- Burton, Named the Connect Card, below. Although debit As shown above, opposition may lead to a further cards were somewhat slow to be accepted by cus- pro-active search for further information which in turn tomers, who were used to cheque transactions, they may lead to final acceptance, but equally a consumer have succeeded in relatively rapid diffusion in the last may oppose and reject on the available knowledge few years Graham, The process of transaction about the innovation because they know that it will is similar to the credit card but the cost of the pur- not be suitable for them or their situation. Once authorised, cash 2. Debit Credit cards were introduced in the US at the cards have generally proved vary successful and as beginning of the century, but did not reach the UK they are handled electronically are cheaper to process until when Barclays Bank became the first over- than cheques; in the US it is estimated that a cheque seas licensee of the Bank Americard, issued by Bank costs 80 cents to clear while a debit card payment of America and the forerunner of the current Visa costs only 28 cents Graham, The credit card market grew through the s and s both in terms of credit card ownership and If banks could move their non credit-taking credit usage and by there were 76 separate cards in card holders from credit card to debit card trans- issue under the Visa and Access card the latter is actions, then their costs would be even further now replaced by the MasterCard logo. An important reduced Worthington, b. While superficially feature of the credit card in terms of consumer behav- the debit card may appear a very attractive prop- iour is that there are basically two ways to approach osition for consumers offering a quick and immediate using the product Worthington, a. Depending on the timing of their purchases, cardholders can receive over 50 days of While this qualitative study could not indicate the free credit. Some innovators also advantage of the interest free period or by taking rejected the debit card but more often they used a short-term credit on the card or as an alternative to combination of credit cards and debit cards to manage an overdraft or personal loan. However, one of the their funds. A conclusion may be drawn here that most significant trends is for credit cards to be used adaptors, not wanting change, stayed with what they as a means of payment rather than credit. Worthington knew and felt comfortable with. However, this would Technovation Vol. Anna styles using the Kirton Adaptorâ€”Innovation theory and usage of alternative payment methods, one of the Additionally they are able to purchase any item as most interesting findings to come out of the research long as it lies within their credit limit: Chris the use of the debit card seeing only comparative dis- advantage over their existing methods. Initially, their There are of course products available which are strong rejection of this apparently convenient tool devised to be just charge cards, American Express may appear illogical but in fact they have a very being the obvious example. However, rather than sound basis for their rejection based on their own adopting a specific product designed to do what they innovative behaviour and by the relative disadvantage want, these consumers have adapted another product the debit card would introduce. One respondent had two to solve new consumption problems Hirschman, credit cards, which she used at different times of the Foxall has suggested using the term month because they had different payment dates and use-initiation to describe the behavioural level on so she could effectively increase her interest free pay- which the consumer initiates novel functions for an ment period. Others made sure that large purchases existing product. He also made clear that use- were transacted at the most appropriate time to capi- initiation can cover a range of alternative applications talise on the interest free period. As comparative examples room suite which would not be delivered for six he suggested the use of household bleach as a germi- weeks: I would decide when to purchase, I deliberately went in to order the In the case of credit cards what full payer credit bedroom suite on

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the day after pay day which card consumers exhibit is a form of use-initiation effectively gave me six weeks to pay it because which involves using the product exclusively in a way one month later you get the statement through in which it was not designed, essentially as a charge and then you get two weeks to pay Credit cards card rather than a credit card. This brings them many can be extremely useful if you use them in the advantages. By putting all their outgoings on one card right way. Peter they have a convenient and contained method of con- trolling their finances. Credit card bills come with all In comparison, the debit card takes the money Technovation Vol. For those who to consumer resistance.

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Chapter 2 : The 5 Stages of Technology Adoption | www.nxgvision.com

Consumer Initiators: Adaptors and Innovators First is the proliferation of terms referring to 'innovators', 'use-adopters', 'innovative personality traits' and so on which are both confusing and conceptually inexact.

Innovativeness and Involvement as Determinants of Website Loyalty: Theoretical and managerial contributions. *Technovation* 26 12 , pp. Cognitive styles of consumer initiators. While a considerable body of evidence could only identify the personality profile of the earliest users of innovations [e. Cognitive style and consumer innovativeness: Cognitive style and discontinuous consumption: *Food Marketing* 3 2 , 1993; Goldsmith, R. Psychographics and new product adoption: Perceptual and Motor Skills 57, 1983; Goldsmith, R. Personality characteristics associated with adaptation to innovation. *Innovativeness and involvement as determinants of Website loyalty: Adaptors and innovators* a description and measure. *Journal of Applied Psychology* 61 5 , 1976]. Comparisons among Wang et al. Cognitive style, personal involvement and situation as determinants of computer use. *Technovation* 11 3 , 1991; Foxall, G. *Journal of Economic Psychology* 14 1 , 1993; Foxall, G. Cognitive style and use-innovativeness for applications software in home computing: Implications for new product strategy. *Technovation* 13 5 , 1993; Foxall, G. Measuring Purchase Decision Involvement for financial services: Styles of cashless consumption. Consumer innovativeness and product involvement as determinants of purchases of financial services, submitted for publication] in the research design context were summarised so as to investigate why a more significant result was revealed in the former study.

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Chapter 3 : Consumer behavior : adapting and experiencing | Search Results | IUCAT

SUMMARY. Theoretical and practical studies of 'consumer innovativeness' are currently beset by two problems. First is the proliferation of terms referring to 'innovators', 'use-innovators', 'innovative personality traits' and so on which are both confusing and conceptually inexact.

Over years of research, Rogers identified some fascinating personality traits that help us organize how people will accept a new innovation. It turns out we approach innovations in the following ways. From Diffusion of Innovations Innovators 2. Innovators are willing to take risks, youngest in age, have the highest social class, have great financial lucidity, very social and have closest contact to scientific sources and interaction with other innovators. Risk tolerance has them adopting technologies which may ultimately fail. Financial resources help absorb these failures. Rogers 5th ed, p. These individuals have the highest degree of opinion leadership among the other adopter categories. Early adopters are typically younger in age, have a higher social status, have more financial lucidity, advanced education, and are more socially forward than late adopters. More discrete in adoption choices than innovators. Realize judicious choice of adoption will help them maintain central communication position Rogers 5th ed, p. This time of adoption is significantly longer than the innovators and early adopters. Early Majority tend to be slower in the adoption process, have above average social status, contact with early adopters, and seldom hold positions of opinion leadership in a system Rogers 5th ed, p. These individuals approach an innovation with a high degree of skepticism and after the majority of society has adopted the innovation. Late Majority are typically skeptical about an innovation, have below average social status, very little financial lucidity, in contact with others in late majority and early majority, very little opinion leadership. Unlike some of the previous categories, individuals in this category show little to no opinion leadership. These individuals typically have an aversion to change-agents and tend to be advanced in age. This is the point of market saturation. Which One Are You? For example, a person may adopt cutting-edge green technologies for their home with solar heating and yet not belong to an online social network or own a smartphone. We bounce back and forth across the curve in large part based on the pain points we are trying to solve and our interest in the underpinnings of the change presented. While this research can seem a bit high-level, it has profound real-world impacts on how technology products and services get adopted. Many entrepreneurs and marketers fail to take into account that you must move from left to right in the adoption curve. As a result, they drastically overestimate their market size and how much work and time will go into getting a disruptive idea into the mainstream. Translate Our Mission We help educate aspiring digital marketers and entrepreneurs on how to use the power of the web, social media and analytics to grow their brands and causes. Can We Ask a Favor?

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Chapter 4 : Summary of Innovation Adoption Curve of Rogers. Abstract

The identification of consumer innovators offers marketing managers the opportunity to tailor new products to the buyers who initiate the diffusion of innovations.

Findings – This paper finds that, although the benefits of identifying innovative early adopters are not as strong and clear-cut as is often claimed, they are still sufficient to warrant further research into methods that will accurately identify them and predict their purchasing behaviour. Practical implications – Targeting strategies should distinguish carefully between truly innovative consumers and other early adopters. The costs of identifying them in a particular market need to be weighed against the potential benefits. In clarifying the situation, this paper should provide guidance for academic researchers and marketing planners. Conceptual paper Keyword s: Innovation; Consumer behaviour; Market segmentation; Marketing strategy; Marketing planning. The study of diffusion behaviour started with anthropologists, and spread throughout other disciplines such as sociology, psychology and geography. Rogers provides a complete history. These studies often have the understanding of human behaviour as their core goal. Marketing as a discipline, though, is concerned with understanding human behaviour primarily as a means to other ends, perhaps forecasting such future events as sales, and as a guide to maximising the effectiveness of corporate marketing activities Hunt, ; Moorman and Rust, Although marketing research frequently synthesises the findings of other disciplines into marketing theory, the motives that those other disciplines have for studying individual adoption behaviour do not necessarily justify the interest of marketing scholars. Some marketing authors argue in broad terms, claiming that individual adoption behaviour is so crucial to marketing activities that its study seems almost compulsory. In many past research studies, innovators are conceptually defined as those who adopt an innovation earliest, which seems somewhat tautological. An important distinction needs to be made, however, between different types of early adopters based on the information sources they use to make their adoption decisions. True innovators, who are defined here as both early and independent adopters, provide a wide range of benefits to the provider of a new product or service, whereas the imitative early adopters provide only a subset of these benefits. The first step in evaluating the worth of innovators is to define exactly what and who they are, and past research has not always been clear on this. Many of the problems that retard research into innovation and innovative behaviour stem from a lack of consensus about the way in which key concepts should be defined and thus operationalised. The latest version of the seminal text Rogers, , p. In other words, this is a purely statistical artefact. Such a definition contains an element of circular logic; early adopters are defined as those who adopt early. It therefore does not offer any new insight into the reasoning behind the action of innovating, and so is a construct that brings us no closer to understanding the phenomenon it studies. Operationalising this definition, though simple after the fact, cannot be done prior to an innovation launch. The arbitrary categorisation of the first 2. If innovators were more than just first adopters, if they had other meaningful characteristics and were defined in those terms, then one could develop theories to predict the adoption behaviour of individuals in a market and identify likely early adopters in advance. Other researchers have attempted to overcome this problem by employing a cross-sectional technique, where the adoption time lag of past products is used as a predictive measure for a new, similar innovation. Midgley and Dowling point out that such a method suffers from both measurement problems consumer recall of past adoption times not being accurate , and theoretical problems innovation being considered to be product-category specific, and therefore not a good way of predicting future actions with respect to different products. With these problems in mind, this time-based definition of innovativeness is clearly too simple to be adequate. In the same paper, Midgley and Dowling developed an alternative conceptualisation of innovativeness, based on earlier work by Midgley , p. Innovativeness is the degree to which an individual makes innovation decisions independently of the communicated experience of others. The obvious difference here is that no longer is innovative behaviour considered to be solely defined in terms of time of adoption but rather on kind of information type taken into

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account by the consumer when making the decision to adopt or not. Thus, innovation could take place very late in the diffusion cycle of a product, provided that the individual as making the adoption decision based on mass communications rather than interpersonal communications. The concept has now been divorced from the observed behaviour; thereby, it is argued, allowing greater understanding of the process. This definition owes much to the work of Bass who, when modelling aggregate market behaviour, inferred that the commonly seen exponential growth pattern of most product diffusion the S-curve had to be caused by communicated experience or word-of-mouth. Both Bass and Midge and Dowling claim that the first 2. It is therefore possible for people who have a high degree of innate innovativeness to adopt very late in the lifecycle of a product. Again, innate characteristics and actual behaviours are differentiated. This conceptualisation has not been investigated by many other researchers and, apart from some conceptual insights, does not seem to offer any new, practical direction. Dickerson and Gentry and Goldsmith and Hofacker are examples of the few who have nevertheless pursued this research direction. Textbooks of marketing management and consumer behaviour generally cover the theory of adoption of innovations at a level of detail varying from a paragraph through a section to a chapter. It furthermore suggests that this does occur in marketing practice: No distinction is made, however, between the benefits of reaching innovators and early adopters " both are important as the early buyers of a new market offering. However, they recommend that early adopters should also be targeted for essentially the same reason: This, and the Kotler example, demonstrate the difficulty of differentiating between whether innovators should be targeted more so than early adopters, and they demonstrate inconsistent rationales for the targeting of these groups. To summarise the argument so far, two main views on what constitutes innovative consumer behaviour exist " those holding that it is time dependent, and those proposing an innate quality of innovativeness linked to the reliance on interpersonal communications, which may be related to actual adoption time. In practice, most researchers continue to use a simplistic time-based definition of innovators; see, for example, Lockett and Littler or Frambach et al. Attempts to measure the concept of innate innovativeness have often been both complicated in their application and confusing in their findings, perhaps explaining this reliance on more simple conceptualisations. There are also well established links between innate innovativeness and high product-class interest Dickerson and Gentry, ; Taylor, and high levels of media usage Summers, ; Darden and Reynolds, ; Gatignon and Robertson, , which should mean that the number of innate innovators who do not actualise will be very small. It could, therefore, be argued that a time-based definition of innovators is the most relevant to marketing researchers and, more directly, to practitioners. However, it is self-evident that independent adoption is vital in the early stages of the life cycle of a new product, simply because someone must initiate the word-of-mouth communication. To reach a broad spectrum of the market within a reasonable time frame, this would have to be generated by more than just a handful of individuals. To initiate market adoption, marketing planners need to be able to identify those people most likely to assess the product or service independently in the absence of word of mouth, presumably on the basis of mass-media input and tailor appeals to them, so as to ensure they hear about it, adopt it and spread the word to others. Put simply, we cannot predict likely early adopters if all we know about them is that they adopt early. Both definitions can be seen to have value but, from a marketing management point of view, it is the combination of both early and independent adoption that is vital to the future of the innovation. There seems to be no reason why a definition of innovators cannot include both aspects that theorist have focussed on in the past. They are neither contradictory nor conflicting. Accordingly, innovativeness is defined here as: Whether it is in practice worth measuring both innate innovativeness and actualised innovativeness, and determining the best predictor of each depends on the claimed benefits of doing so, which will next be evaluated. The strategic benefits of identifying and targeting innovators A disproportionate amount of marketing work has focused on the first adopters of innovations, attempting to uncover their unique characteristics and reveal their motives. Unless there are good reasons, treating them as a distinct group within the rest of consumer society is not justified in a marketing sense. If they are not meaningfully different from other purchasers, a simple factor such as

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awareness or chance may be the sole driver of adoption time. If those are all that distinguish between early and late adopters, then a mass marketing approach focussed on raising awareness is warranted, to attempt to maximise early adoption rates. Additionally, it is recognised that all early adopters are not the same. If measured simply in terms of time of adoption, those first adopters will include some who have innovated and others who have imitated. It follows that marketing practitioners need to be able to do more than just identify likely early adopters. They must identify likely independent adopters specifically. Critics of market segmentation argue that appealing to one particular segment of the market can often be inefficient Wright, or, worse, ineffective Hammond et al. Where it is clear one group of consumers will react differently and reward specific targeting, segmentation is sensible, provided it can be done easily and profitably. Nevertheless, criticism of the way the strategy is often approached has been strong: Before any segmentation effort can be justified properly, we need evidence that two key assumptions are true: There is enough evidence in the literature to suggest that, when it comes to the adoption of more innovative products, early adopters can be associated with a stable set of preferences McDonald et al. Unfortunately, there is no consensus yet about a simple, reliable method of identifying consumer innovators, prior to the launch of an innovation. Some advocated explanations are: The search for such a method, however, is not justified unless it can be shown that being able to target innovators is likely to be more beneficial than mass marketing initiatives. The following sections identify and critically review the evidence relating to the benefits previously said to be gained from being able to identify and target consumer innovators. Some of these benefits, of course, flow from all early buyers, not just those who act independently. Obviously, those prone to word-of-mouth influence will not act without some innovators. Not one of these benefits is possible without some independent early buyers, justifying the focus on identifying them. Early adopters bring cash flow to an organisation The importance of the revenue generated by sales to early adopters is frequently asserted Goldsmith and Flynn, ; Gatignon and Robertson, ; Nabih et al. Figure 1 Summary of benefits of innovators It is said that, without it, few companies could afford to make the product refinements and fund the marketing efforts required to spread the innovation to the wider community. Increasingly, such companies as Hewlett Packard and Gillette are relying on the success of new product introductions for future growth and immediate profitability Steenkamp et al. Furthermore, retailers and wholesalers would be unlikely to support innovative products for long unless innovative consumers purchased them. The growing power of retailers in most economies means that they are intolerant of slowly moving products, and often require new products to pay subsidies or be heavily supported before taking them on Berman, ; Jones and Ritz, On the positive side, one research study focussed on innovators, as opposed to all early adopters, found them to be less price sensitive than later buyers Goldsmith and Newell, If so, the practice of price skimming makes good sense. Early adopters promote the product to others Bass argued that word-of-mouth communications drive the diffusion process, and modelled the process. Innovators adopt early because they are comfortable making decisions on the basis of mass-media communication alone. The vast majority, however, wait for such interpersonal communication as word-of-mouth recommendations or demonstrations, before they decide to adopt. Gatignon and Robertson, p. Although this is a widely held belief, and is frequently used to justify research into innovators, the evidence is in fact limited, and somewhat mixed. Early research generally supported the notion of innovators as the generators and spreaders of word-of-mouth messages about an innovation Arndt, ; Engel et al. This research stream established the idea that the media sources used by innovators were different from those influencing later buyers, and particularly included media that were high in informational and editorial content. More recently, it has been found that later adopters have more difficulty in determining appropriate evaluative criteria, and therefore look to current users for help Olshavsky and Spreng, If we accept the idea that it is innovators who drive later adoption through their words and actions, a number of important implications follow: Unless some consumers adopt the innovation before any word-of-mouth communication exists, and then discuss it with others, diffusion to a wide market is unlikely to occur. Someone must start the interpersonal communication chain. Failure to appeal to innovators means market failure for the innovation

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under these conditions Baumgarten, Innovators, through their word-of-mouth promotion on behalf of the product or service, can reduce the cost of marketing promotion later in the life cycle Feick and Price, ; Arndt, Thus, word-of-mouth communication is vital for companies with risky products or limited promotional funds Gatignon and Robertson, Innovators reduce the perceived risk for later adopters through their adoption and use of the innovation Rogers,

Chapter 5 : An application of the style/involvement model to financial services -ORCA

Terminological confusion and its resolution Before showing how the KAI has been used in consumer research and how the results have Technovation Vol. 15 No. 5 Cognitive styles of consumer initiators TABLE 1 Behaviour descriptions of adaptors and innovators [2} Adaptor Innovator Characterized by precision, reliability, efficiency.

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To some extent, when predicting a specific consumer buying/use behaviour, corresponding cognitive styles of adaptors/innovators measured by the KAI scale and adaptors/innovators measured by the DSI scale were uncovered.

Chapter 7 : Research on Trends: Influentials, Innovators & Early Adopters | White Paper | www.nxgvision.com

The following sections identify and critically review the evidence relating to the benefits previously said to be gained from being able to identify and target consumer innovators. Some of these benefits, of course, flow from all early buyers, not just those who act independently.