

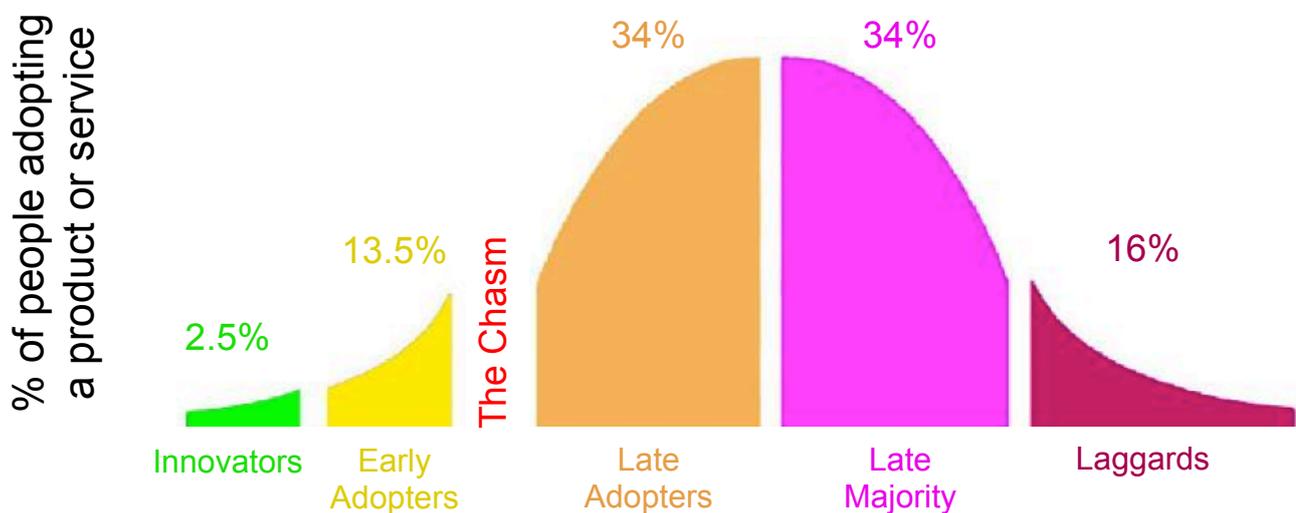
# Product/Service Adoption Model

*“Success has many fathers, yet failure is an orphan.”*

- English proverb

The product/service adoption model, first described by Bohlen et al in 1957, describes the behaviour of consumers in purchasing new goods or services.

Consider your own consumer behaviour; are you the sort of person who queues overnight to get your hands on the latest technological gizmo (innovator)? Do you wait a few weeks to see whether the device gets good reviews before splashing the cash (early adopter)? Do you buy when the product is well established and proven (late adopter), only when it has become commonplace and similar models are available (late adopter), or are you one of the last to buy (laggard)?



The original model has been adapted for technological innovations, with the introduction of the concept of a ‘chasm’ in disruptive or discontinuous innovation. This is when technology shifts require significant change in consumer behaviour e.g. moving from desk-based PC storage to cloud computing. The ‘chasm’ refers to the gap between innovators and early adopters, who tend to be visionary and experimental in nature, compared to late adopters tend to be more pragmatic.

The rate at which consumers adopt new products and services, apart from being a function of psychology (attitude to risk and experimentation, caution, scepticism, wanting to be seen with the latest product etc), depends on logical evaluation of benefits vs. existing alternatives, price and ongoing costs, ease of use, promotional impact, positive initial experiences by innovators and early adopters, availability and distribution channels.

As the model is chronological marketers are advised to focus on one group of customers at a time, using each group as a basis for influencing, and marketing to the next. Laggards tend not to be of interest to marketers for obvious reasons.