BREAKING UP IS HARD TO DO
Using Behavioral Economics to Speed New Product Adoption
Produced by Ipsos Marketing
When Neil Sedaka wrote “Breaking Up Is Hard to Do,” little did he know he’d written a treatise for the modern shopper.
By applying the learnings from Behavioral Economics, you can introduce new products that are more successful in-market.

1. Why Breaking Up Is Hard to Do
2. Singing A New Research Song
WHY BREAKING UP IS HARD TO DO
In general, there are two primary motivators that lead people to purchase a new product.

- Things aren’t quite right
- Something new is appealing
However, even when both motivators are present, consumers don’t always switch products. Behavioral Economics provides multiple explanations.

**PROSPECT THEORY**

**ENDOWMENT EFFECT**

**STATUS QUO BIAS**
Our proposed Adoption Equilibrium Framework seeks to create concepts that balance motivators for switching with overcoming barriers to switching.
Today, companies focus mostly on those elements in their new products they believe consumers will find appealing.
Paying more attention to the negative forces that keep us with existing products is where the greatest opportunity exists to improve product adoption.
To demonstrate these barriers to adoption, as well as how to overcome them, we leverage four recent research projects along with text analytics.
Consumer reactions to new products are in some cases actually more negative than positive.
Even within the same dimension, we saw that the negatives were stronger than the positives at impacting purchase interest.
All the concepts tested evidenced barriers to adoption, but there were differences seen depending on the concept tested.

**INERTIA**
(Happy with what I have, I don’t need this)
- Wifi: 19%
- System 2: 19%

**NEGATIVES**
(e.g., Expensive, don’t like features)
- Wifi: 42%
- System 2: 19%
- Bowl: 41%
- Lipstick: 28%

**SYSTEM 2**
(e.g., I need more information, I would compare)
- Wifi: 12%
- Bowl: 15%
By using the Adoption Equilibrium Framework, we were able to identify clear ways to overcome barriers to adoption by writing better concepts.
SINGING A NEW RESEARCH SONG
It’s not enough to leverage a BE-based Adoption Equilibrium Framework. Our approach to testing concepts should also reflect these learnings.
Qualitatively pretesting concepts

Then text analyzing results

Allows us to put the strongest offer into the stage-gate process.
Make a conscious choice when writing concepts regarding the degree to which you are asking for System 1 vs. System 2 thinking.

<table>
<thead>
<tr>
<th></th>
<th>Starting Price</th>
<th>CPU</th>
<th>GPU</th>
<th>Display</th>
<th>RAM</th>
<th>Ports</th>
<th>Size</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Starting Price</strong></td>
<td>$1,499</td>
<td>6th-Gen Core i5</td>
<td>Intel Graphics HD 520</td>
<td>13.5 inches, 3000 x 2000</td>
<td>8GB/16GB</td>
<td>USB 3.0 (2), Mini DisplayPort, SD Card</td>
<td>12.3 x 9.14 x 0.51-0.9 inches</td>
<td>3.34 pounds</td>
</tr>
<tr>
<td><strong>Starting Price</strong></td>
<td>$1,299</td>
<td>2.7-GHz, 5th-Gen Intel Core i5</td>
<td>Intel Iris Graphics 6100</td>
<td>13.3 inches, 2560 x 1600</td>
<td>8GB/16GB</td>
<td>USB 3.0 (2), HDMI SD Card, Thunderbolt 2(2)</td>
<td>12.35 x 8.62 x 0.71 inches</td>
<td>3.48 pounds</td>
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Testing concepts within a direct competitive context will force consumers to most realistically respond to adoption barriers.
Leveraging natural consumer language at least as much as attributes will provide a greater understanding of motivators and barriers.

Customer Reviews

4.0 out of 5 stars

5 star: 50%
4 star: 17%
3 star: 0%
2 star: 0%
1 star: 33%

Most relevant positive review

50 people found this helpful

5 star

love my x2

1 year on June 1, 2013

I rode my x2 for the first time about 4 years ago for my x2 best deal I ever made and I hope to get me from point a to b. I'm a big guy 340 lbs 6'4" so I have trouble walking, it will take me up steep hills no problem. I can ride on trail, lawn, street, sidewalk. I love going grocery shopping in the segway bag that's it came with and two packs with three legs I wrap around the hand grips I have carried two bags worth of groceries all at a time. It will take me for a good 10 to 20 miles on a charge depending on how hard I ride it speed or hills will est juice, also know winter affects mileage about 10 to 12 miles on a cold day.

Read more
WHAT’S NOW

WHAT’S NEXT
BALANCED INNOVATION PIPELINE
INCREMENTAL INNOVATION
TEXT ANALYSIS OF OPEN ENDS
FOCUS ON MOTIVATORS AND BARRIERS
DIRECT COMPARISON TO DEFAULT OPTION
FOCUS ON MOTIVATORS
ANALYSIS OF ATTRIBUTES
BALANCED INNOVATION PIPELINE
INCREMENTAL INNOVATION
THANK YOU