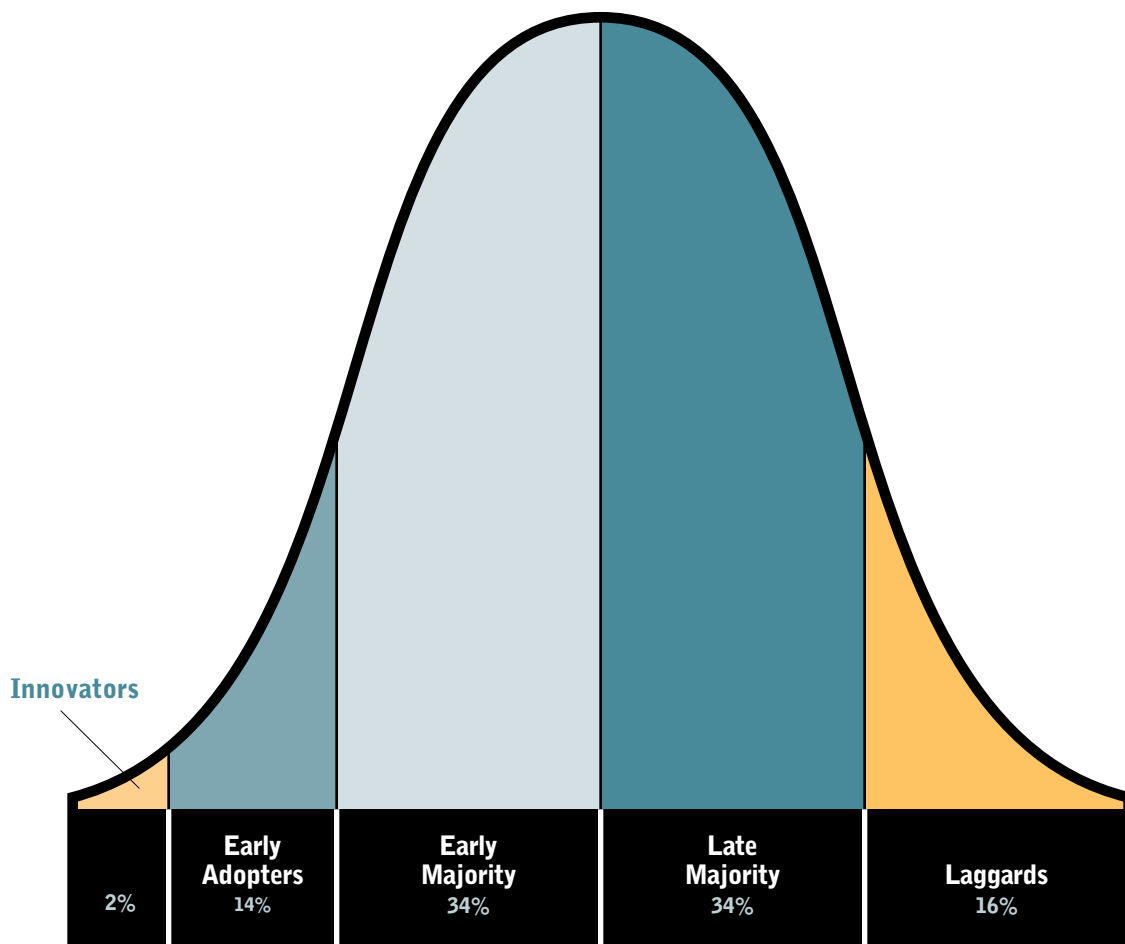


# Technology Adoption Life Cycle\*



\*Moore, 1991, 1999

# Understanding the Technology Adoption Life Cycle

*Who you have to reach... and what you should consider when marketing to them.*

Introducing a high-tech product is a special marketing challenge. For this discussion, “high-tech product” is defined as a “discontinuous innovation,” or a product that requires its user to make a change in behavior or modify how other products and services are used.

Every new technology goes through an adoption life cycle in which certain audience segments adopt the product before others are willing to do so. Here are each of the audience segments—and what you should consider when marketing to them.

## Innovators

Innovators are technology enthusiasts. They like technology for technology's sake. They pursue new technology aggressively, learning about and evaluating new products in an effort to be first. They're likely to try anything new. They're also relatively few in number—so, for marketers, they represent a beachhead, an important source of references and referrals.

### How to market to them:

You have to win the innovators early, and you have to tell them the truth. They don't need or want cleverness or hype: they want facts. Other factors:

- They want access to knowledgeable people to answer their technical problems.
- They want everything cheap—no use for “value-added” arguments.
- They can be reached on the Web, or via direct e-mail.
- Direct response works well—offer literature or a free demo.

## Early Adopters

Early adopters are visionaries, not technologists. They find it easy to imagine, understand, and appreciate the benefits of new technology. When it comes to high-tech products, they're looking for fundamental breakthroughs, not small improvements. They care about ROI and see new technology as helping them reach a business goal in a hurry, before their window of opportunity closes.

### How to market to them:

Early adopters are the key to opening up the market for your high-tech product. They are the least price-sensitive, easy to sell, and hard to please. Other factors:

- They like a project orientation, starting with a pilot project.
- Success requires careful account management, including frequent contact at the executive level.
- A top-level direct sales force works well to reach them.
- They typically find you (you don't find them) by maintaining relationships with technology enthusiasts.

## Early Majority

Early majority customers are pragmatists. They're ready to buy when someone else has taken the risk and worked out the bugs. Their goal is to make a percentage improvement, rather than a quantum leap. They see a technology decision as something they're going to have to live with for a long time, so service is important. Once you win them, they're extremely loyal.

### How to market to them:

Be patient with pragmatists. You can smooth your path if you develop alliances with other vendors they already know. Other factors:

- Pragmatists like to buy from market leaders who are known for quality and service.
- Become conversant with the issues that dominate their particular business.
- Attend industry-specific conferences and trade shows.
- Work to be mentioned in articles that run in the magazines they read.

## Late Majority

Late majority adopters are conservative. They're content to be followers, and often are not comfortable in their ability to handle new technology. They're not going to buy until lots of others have the product, and what they're using instead has become inconvenient. They are extremely service oriented and want lots of support. They won't support high price margins.

### How to market to them:

Know that you're not going to sell to this audience until late in your product life cycle, when your product has probably become the accepted industry standard. Other factors:

- They like to buy pre-assembled packages with everything bundled, at a heavily discounted price.
- To maintain leadership in a mainstream market, you must at least keep up with the competition.
- Promote service and value-added features to this audience.

## Laggards

Laggards are skeptics. They are very late adopters and may, all things being equal, never adopt. In fact, their major role in the high-tech marketplace is to block purchases by pointing out that new systems don't deliver on the promises that are made at the time of purchase.

### How to market to them:

In a word, don't. They really don't want to buy your product. The best thing you can do is neutralize their influence so they don't block others from purchasing. And the best way to do this is to make sure your high-tech product lives up to all the claims your marketing materials make.