

A Study of Consumer Innovativeness and Motivations behind Adoption of Innovation

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ABSTRACT:

The purpose of this article is to study consumer innovativeness and to explore various consumer motivations behind adoption of innovation. Consumers may have different motivations behind adoption of an innovation. Most of the researchers researched different categories of consumer needs which are categorized into three or four main groups: (1) functional needs, the motivations to get functional benefits from the new product and to create more utility, (2) hedonic needs, the motivations to have fun, pleasure, variation etc. (3) social needs, the need for status, prestige and symbolism, uniqueness etc. and (4) cognitive needs, the need for curiosity and a desire for knowledge. This study explores in detail the various motivational drivers for participating in adoption of innovation process. The aim of this paper therefore is to explore user characteristics and motivations that contribute to adoption of innovation process. In-depth interviews were conducted from 20 consumers, selected through convenience sampling, who recently adopted at least one innovation. The main findings of our study indicate that four types of motivations underlie consumer innovativeness and adoption of innovation. These motivations are functional, hedonic, cognitive and social. Functional motivated innovativeness is at the top for adoption of innovations. Second most important reason behind adoption of innovation is hedonic.

Key Words: Consumer innovativeness, Motivation, Adoption of innovation

1. INTRODUCTION:

Companies ensure their success and competitive position in the market by continuously introducing and offering new products in the market. Today, much of the marketing programs are designed to ensure the success of newly launched products. But most of the newly launched products become failure before growing old (Crawford, 1977). Some studies show success ratio of new products as 1/5, indicating 80% failure rate of new products.

Because of the contribution of new product adoption in new product diffusion process, the topic of new product adoption has become of keen interest for both researchers and managers (Rogers, 1995). Adoption determines the acceptance or rejection of new product or idea by the consumer. The two concepts, diffusion and adoption, are closely related. The first concept diffusion, a macroeconomic concept, is concerned with the spread of a new product, service or idea in a market by communication within a specific time period. The second concept adoption,

a microeconomic concept, is concerned with the process of accepting the new product, service or idea by the consumer. In this research the concept of innovation is studied at the microeconomic level. In this study the motivations behind adoption of innovation are explored in the context of consumer innovativeness.

According to Goldsmith (1992), the adoption of new products or services by the consumers is related to consumer innovativeness. Innovativeness is defined as “the degree to which an individual is relatively earlier in adopting new ideas than other members of his/her social system” (Rogers, 1995). Consumer innovators are those who are among the first to buy new products in the market. According to Goldsmith & Newell (1997) people with high level of general innovativeness are more likely to adopt new products than those of low level. These consumers generate revenue for the company through the purchase of new products as well as spread information about the new product through word-of-mouth. Along with the explanation of buying behavior, innovativeness show the tendency to learn and adopt innovations within specific domains of interest (Midgley & Dowling, 1978).

Consumers may have different motivations behind adoption of an innovation. Most of the researchers researched different categories of consumer needs which are categorized into three or four main groups: (1) functional needs, the motivations to get functional benefits from the new product and to create more utility, (2) hedonic needs, the motivations to have fun, pleasure, variation etc. (3) social needs, the need for status, prestige and symbolism, uniqueness etc. and (4) cognitive needs, the need for curiosity and a desire for knowledge.

In previous studies no special attention is paid to the motivation to understand the innovation adoption process. The objectives of this study are to understand consumer innovativeness and developing theories about motivations for adoption of innovation.

2. LITERATURE REVIEW:

According to Engel et al. (1990) an “innovation may be any idea or product, seen as new by the perspective consumers” There is no universally accepted definition of the terms product innovation (Schiffman & Kanuk, 2009). Product innovation can be defined in four perspectives: (1) a firm-oriented approach considers a product as innovation when it is new for the company producing it, (2) a product-oriented approach considers the features of product and the possible effects of these features on established usage patterns of consumers, (3) a market-oriented approach evaluates an innovation on the basis of exposure consumers have to the new product and (4) a consumer-oriented approach considers a product as new if a potential consumer judges it to be new (Schiffman & Kanuk, 2009). Hirschman (1986) classified innovations into two dimensions: (1) symbolic innovations and technological innovations. Symbolic innovations refer to assigning some new social meaning to an existing product while technological innovations refer to any modification in or addition of tangible features in a product (Hirschman, 1986). According to Kotler (1994) new products include original products, improvements in existing product, modifications in existing product, and new brands developed by the company through its R & D efforts. “Adoption is the acceptance and continued use of a

product, service, or idea” (Howard & Moor, 1988). Adoption process consisted of five stages which are awareness, interest, evaluation, trial and adoption (Schiffman & Kanuk, 2009). According to Lindquist and Sirgy (2003) the consumers can be divided into five adopter groups on the basis of relative time taken by them to adopt innovation. These adopter groups are (Lindquist and Sirgy (2003): Innovators: The first consumers to adopt new products. Early adopters: The consumers who are more sensitive to reference group values and norms than other types of consumers. Early-majority adopters: These consumers wait to see whether a product will prove to be successful. Late-majority adopters: These consumers are typically skeptical of new products. Laggards: The consumers who dislike change and are suspicious of new products and ideas.

Many researchers have worked on the topic of consumer innovativeness because it is considered as a way to understand the consumer willingness to adopt new products and services (Kumar & Uzkuurt). Innovativeness is defined as the “degree to which an individual is receptive to new ideas and makes innovation decisions independently of the communicated experience of others” (Midgley and Dowling, 1978). According to Roger (1995) innovativeness is “the degree to which an individual or other unit is relatively earlier in adopting new ideas than other members of a social system”. According to Venkatraman and Price (1990) there are two types of innovativeness: (1) cognitive innovativeness, which refers to the tendency to get involve with pleasure in new experiences that arouse thinking and (2) sensory innovativeness, which refers to the tendency to get involve with pleasure in internal experiences. Consumer innovativeness is defined as the tendency to adopt new products and services more frequently and quickly than other people (Midgley & Dowling, 1978). Consumer innovativeness and innovators are considered as important factors in new products diffusion and adoption (Roger & Shoemaker, 1971).

In the fifties, some marketing researchers recognized the existence of psychological and symbolic aspects of consumption next to the more functional ones (Arnould and Thompson, 2005). Since then, researchers (e.g., Chulef, Read, & Walsh, 2001; Ford & Nichols, 1987) formulate a number of motivation classifications, using a diversity of consumer motives and desires. Brown and Venkatesh (2005) and Foxall et al. (1999) show that consumers seldom purchase goods and services for their functional values alone but consumers also want to impress others, show their social status and amuse themselves with these products.

A division into two dimensions can be found in work of Rossiter and Percy (1991), who make a distinction between informational (i.e., problem removal, problem avoidance and which can be interpreted as functional) and transformational (i.e. sensory satisfaction, mental stimulation, social approval, which can be termed as hedonic, cognitive and social respectively) motivations.

Shopping motivation research uses a three-way division frequently. Tauber (1972) and other researchers (e.g., Dholakia, 1999; Geuens, Brengman, & S’Jegers, 2003; Westbrook & Black, 1985) show that shopping may occur not only for acquiring goods (functional motivation), but also for satisfying social and personal (hedonic or cognitive) needs.

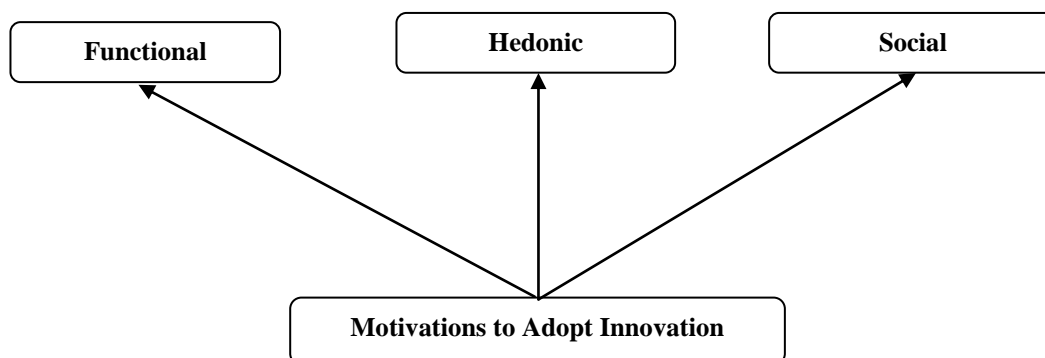
The value research papers by Sheth, Newman, and Gross (1991) and Sweeney and Soutar (2001) distinguish even five main consumption values that the consumers seek from consumption of product and these values are functional, social, emotional, epistemic and

conditional. However, conditional value is not used in Sweeney and Soutar’s (2001) study because it is interpreted as a specific case of the other types of value. Sheth et al. (1991) defined epistemic value as “the perceived utility [...] to arouse curiosity, provide novelty, and/or satisfy a desire for knowledge”. This value comes under cognitive dimension. Vallerand (1997) also included such a cognitive motivation in his intrinsic motivation dimension. Vallerand (1997) defines it as an intrinsic motivation to know and relates it with the concepts of learning goals and intellectuality. Besides this motivation dimension, he also mentions the intrinsic motivations toward accomplishments (i.e., functional), intrinsic motivations to experience stimulation (i.e., hedonic), and extrinsic (i.e., social) motivations.

Other researchers do acknowledge the importance of other motivations (e.g., Daghfous, Petrof, & Pons, 1999). Hirschman (1984) and Venkatraman (1991) introduce a distinction between two types of consumers: (1) cognitive consumers, who are more attracted towards functional (new) products and (2) sensory consumers, who are more attracted by hedonic (new) products. A similar distinction is also proposed in shopping values (utilitarian reasons for shopping vs. hedonic reasons) (Babin et al., 1994 and Voss et al., 2003). Other researchers have emphasized on social or symbolic factors of consumer innovativeness (Roehrich, 2004; Rogers, 2003). It is also observed that new product adoption may be stimulated by social rewards and social differentiation (Arnould, 1989; Fisher and Price, 1992). After all, consumers can receive power, knowledge, and status through the adoption of innovations. According to Simonson and Nowlis (2000), a socially accepted way of making unique impression is possession of innovations. Desire for Unique Consumer Products (Lynn & Harris, 1997) is caused by a person’s need for uniqueness, status, and materialism. Consumers build certain image of themselves through the possession of new products by making them visible to others (Tian et al., 2001; Tian & McKenzie, 2001).

To conclude, most studies end up with broad categories of consumer needs which are categorized into three or four main groups: (1) functional motivations (physiological needs to solve problems, to work more effectively, and to create more utility), (2) hedonic motivations (the “just for fun” motivations such as cognitive and experiential needs), (3) social motivations (including status, prestige and symbolic needs) and sometimes a distinct (4) cognitive motivations dimension (including curiosity and a desire for knowledge) as well.

3. RESEARCH MODEL:



4. RESEARCH METHODOLOGY:

4.1. Research Design:

This research utilized exploratory research design to explore and identify motivations behind adoption of innovations.

4.2. Exploratory interviews:

Qualitative research approach is used in this research. For this qualitative research, in-depth interviews are used as instrument for data collection. These in-depth interviews were conducted with consumers who recently bought innovations and thus are adopter of innovation. I included interviewees from relevant population. The objective of these interviews is to uncover motivations of innovativeness.

4.3. Procedure:

For the exploratory interviews, a convenience sample of 20 innovative adult consumers of mixed age (mean age=34.2 years) and gender (15 males versus 5 females) was asked to come up with reasons for actual innovation purchases in the past. The innovative consumers were selected based on self-reports of their innovative buying behavior. Respondents who purchased minimum of two products from a list of 350 innovations were selected to participate in the study. The list of innovations consisted of a variety of product categories varying from food and drinks over cosmetics, media, services, technology, office equipment to innovations for use in the education. A list of selected participants was prepared considering the following definition of innovative consumer: "An innovative consumer is a consumer who frequently acquires innovations earlier than the average consumer." The following definition of an innovation was used: "An innovation is a newly (less than two years) launched product, service or brand on the consumer market." Innovations are thus used to differentiate between innovative consumers from non-innovative consumers. Each interview on average took about one hour. In the interview product attributes were linked to more abstract consumption goals and values. Laddering interviews were used to understand how consumers translate product attributes into meaningful associations and consumption goals and values.

5. RESULTS:

During the 20 interviews 70 different new products, varying from new food products to very specialized electronics, were discussed (e.g., dish tv, mobile phones, soft drinks, home appliances, detergents, food items, telecommunication services). For adoption of these 70 innovations, the interviewees reported 64 functional motives, 35 hedonic motives and only 15 social motives.

The motivations that the respondents reported fit with the motivations found in the literature, and are included into functional, hedonic, and social motives. Table 1 and the exemplary quotes below illustrate this.

Table 1: Interviews: List of motivations to buy innovations (qualitative exploratory study)

Functional Motivation		Hedonic Motivation		Social Motivation	
Categories	Frequency	Categories	Frequency	Categories	Frequency
More Quality	8	Enjoyment/pleasure	15	Status/honor/power	6
More comfortable	7	Variation/change	10	Image building	4
Easier (to use)	7	Experimentation	4	Belonging/popularity	3
Handier	6	Show off/impress	4	unique/special/original	2
More efficient	6	Trendy/cool	2		
Faster	5				
Cheaper	5				
Functions	5				
More compact	4				
Better	4				
Safer	3				
Healthier	3				
More ecological	1				

6. SOME EXAMPLES:

The majority of the reasons mentioned for buying innovations are functional. Some interviewees state that the new product is easier to use: “It is quite simple to use *evo* for getting internet access anywhere” (Raheel Akram, 24, *Evo* device). Others mention that the new product is more comfortable: “I feel comfortable with *iMAC* because it is all in one” (Ali Khan, 32, *Apple iMAC*), or possesses a higher quality level: “I used many cars in Pakistan but I would like to appreciate the quality of *GLi 2012*” (M. Zakariya, 31, *GLi automatic 2012*). Some respondent stated that new product is good for health: “I used *blue band* for my youngest child and it gives him energy and in this way I care my child’s health” (Saeeda, 48, *Blue Band*).

Other mentioned reasons for buying certain innovations are of a hedonic nature. Some respondents mention the enjoyment and pleasure they experience from the new product: “I use these products just to amuse myself” (Farhan Tabassum, 22, *Ipod*), “I can enjoy more the colors, the sound, the special effects and the sense of reality” (Akhtar Hussain, 30, *LCD HD TV*). Variation and change is also an important motivation source: “It’s different from the usual slice of bread every morning” (Munawar Baloch, 52, *Yoghurt with cereals*), “I don’t always want to drink the same in my life” (Adnan Aslam, 24, *Sting*). If you take something you already know, then it’s more a routine” (Anum Zara, 28, *i7 Dell laptop*), and “I use that product for a while to test it and then I draw my inferences about it” (Ahsan Raza, 32, *Lifebuoy Liquid Hand Wash*).

In our research social motivations are mentioned least. Some statements are: “People have to see that you are trendy and that you can use the technology” (Imran Ali, 24, *Evo* device). “I like people to say nice, is this new?” (Hashim Saeed, 29, *automatic air freshener dispenser*) and “I’m

an enthusiastic person. We often play games among different teams and it is always nice to win". (Shahab Akram, 28, innovative squash racket).

7. DISCUSSION:

These in-depth interviews support previous researches on the motivations of innovative consumers. All the reasons of buying innovations that were identified during the interviews fit into three categories found in literature. So, we may conclude that there are three main motivations behind buying an innovation. These are functional, hedonic and social motivations for consumer innovativeness. Functionally motivated consumer innovativeness can be defined as consumer innovativeness motivated by functional aspects of an innovation. These functional aspects may include usefulness, compatibility, efficiency, comfort, ease of use, quality, reliability, etc. When this motivation is dominant, consumers buy innovations to gain functional benefits or solve functional problems. So in this case these innovations are not a goal but a means to an end. It means that product is used as a source for satisfaction of functional needs. Hedonically motivated consumer innovativeness can be defined as consumer innovativeness motivated by hedonic aspects of an innovation. Hedonic aspects may include variety seeking, pleasure, fun, sensation seeking, excitement, enjoyment, creativity, experimentation, stimulation, discover new things, etc. In this case innovation itself is a goal because hedonic aspects are achieved by purchasing the product. Socially motivated consumer innovativeness can be defined as consumer innovativeness motivated by social aspects such as status, prestige, distinction, visibility, social reward, trendiness, symbolism, showing success, sense of belonging, image, etc. In this case innovations also serve as means for consumers to distinguish themselves from others.

Majority of the interviewees in this research reported that they would buy an innovation because of its functional aspects and less because of its hedonic merits. In this research it was difficult to identify social factors that were relevant to the adoption of innovations. It may be because of negative connotation attached with prestige, distinction, visibility, social reward, trendiness and symbolism, which makes them harder for the interviewees to mention.

8. CONCLUSION:

There are a number of reasons behind adoption of an innovation. These reasons may be grouped into functional, hedonic and social motivations behind adoption of an innovation. When a consumer adopts an innovation all these motivations play their role to motivate consumer for adoption. The extent of influence of each group of motivations varies from person to person as well as from product to product. In our research the major motivations behind adoption of innovation are functional. Most of the consumers adopt innovation to get functional benefits from the product. Functional motivated innovativeness is at the top for adoption of innovations. Second most important reason behind adoption of innovation is hedonic. That is, the consumers adopt an innovation for variety seeking, pleasure, fun, sensation seeking, excitement, enjoyment, creativity, experimentation, stimulation etc. The least important reason behind adoption of an innovation is social. It means that consumers are

less motivated by social factors such as status, prestige, distinction, visibility, social reward, trendiness etc. to adopt an innovation.

9. MANAGERIAL IMPLICATIONS:

Current study suggests that managers should focus on developing and highlighting the functional aspects of innovations. Managers should focus on the functional and hedonic aspects of innovations while designing their marketing communications for innovations. This study also suggests that minimum attention should be given to the social aspects of an innovation.

10. FUTURE RESEARCH:

In the future other aspects of new products diffusion, adoption and innovativeness may be researched. In the future we may focus on studying the influence of culture on new products diffusion; the effects of various consumer personality traits on adoption of innovations; the impact of marketing communications on adoption of innovation; the role of demographics in consumer innovativeness; studying innovation adoption process in the context of some specific new goods and services etc.

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