

What makes us buy, and why? The future of consumers' roles and motivations





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Tekes

Tekes – the Finnish Funding Agency for Innovation

Tekes is the main public funding organisation for research, development and innovation in Finland. Tekes funds wide-ranging innovation activities in research communities, industry and service sectors and especially promotes cooperative and risk-intensive projects. Tekes' current strategy puts strong emphasis on growth seeking SMEs.



What will get people to buy or participate what we have to offer?

This simple question is at the heart of most marketing programs, business strategies, innovation initiatives, and business models. Companies make huge investments based on the hope of hitting upon unmet needs or finding the hook to get people engaged.

Most purchase decisions are driven by motivations. Sometimes these motivations are conscious calculations. In other cases, motivations may be unconscious – though they're just as powerful (or even more powerful) in influencing why someone might choose one product or service over another.

Roles & Motivations of the Future

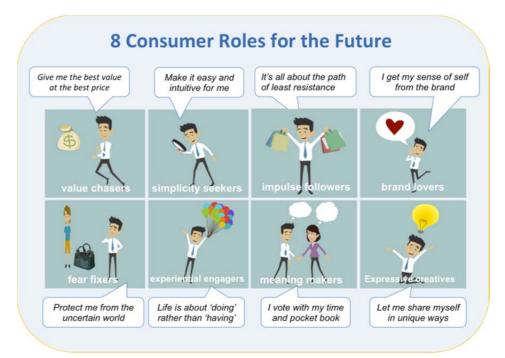
Today's reality is that our social institutions and personal experiences are increasingly fragmented. We may act differently at home than at work. We may want things for our children that we don't splurge on for ourselves. The social networks we care about may be different from those of our closest friends, or even our spouses. We may work from home certain days, while jump on airplanes or go into a corporate office other times. Life has become a complex combination of choices and options.

The motivations that lead us to choose to do business with one company over another are influenced by our backgrounds, social context, and culture. Just like each of us possesses unique DNA, so do we possess unique life experiences that impact what we think, feel, and do.

Through extensive research, we identified eight primary roles that consumers play as they interact with companies, products, and services. At certain times we may let one role drive our behavior over others. At other times and in other contexts, we might assume a different role. We also might also take on two or more roles at the same time. The person who loves Apple's technology, stores, and user experience, for example, might be completely committed to Apple's higher end offerings — while at the same time deciding to purchase a used iPad from the online classifieds to save money. This individual is a high-end brand lover who demonstrates cost conscious behavior.



Here are the eight roles and what makes them tick:



- 1. Value Chasers Look for the greatest value, usually with cost in mind
- 2. **Impulse Followers** Follow the most convenient path, including buying and engaging when it's fast and easy
- 3. **Simplicity Seekers** Seek solutions that reduce complexity and make things easier
- 4. **Brand Lovers** Gravitate to specific brands and aspire to the images and values they represent
- 5. **Fear Fixers** Do what it takes to minimize risk, reduce the potential for problems, and address fears about the future
- 6. **Experiential Engagers** Enjoy participating in unique experiences and place value in intangible services over tangible products
- 7. **Meaning Makers** Tries to find meaning in most everything they do, including the causes, companies, and products they support
- 8. **Expressive Creatives** look for ways to express themselves to release creativity and gain a personal sense of creative accomplishment

Deep
Motivators
for the
Future

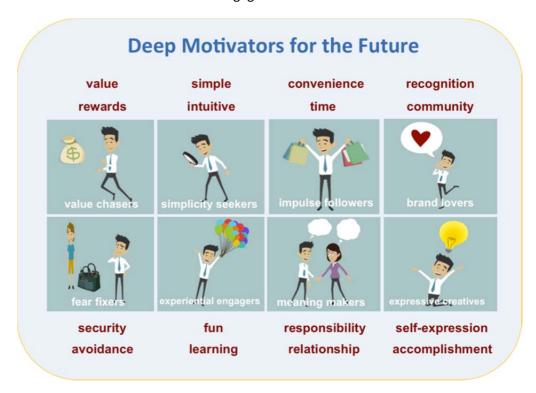
So what inspires people to engage with organizations in ways that lead to real competitive advantage, co-creation and innovation, and greater profitability for one company over another?

The answers aren't simple. But there's a first step in figuring it out – to understand the deep motivators that drive decision-making. This isn't just about why someone might choose one product over another. It's about the fundamental motivators of human behavior and how we express these when we consider – consciously or



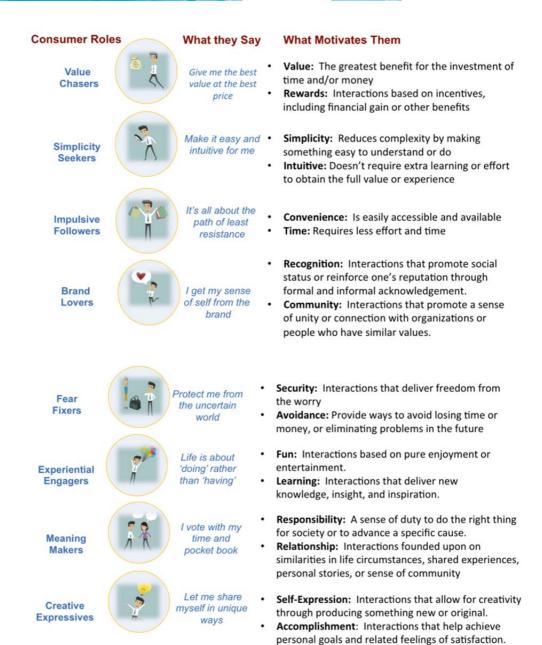
unconsciously – if we will buy something, be served, co-create, or interact with a product, service, or business model. It's about how companies can connect into deep motivators as a source of business transformation for the future.

Most successful products, services, and business models already tap into these motivators in some way or another. In the future, the companies that harness the power of these motivators *in new ways* will reap the biggest rewards. Here are the motivational drivers of consumer engagement and interaction:



These motivators are not mutually exclusive. Here they've been tied to the specific roles they support, but any individual may experience a variety of these deep motivators during any period of the day, and especially over their lives.





The underlying motivations for each of these roles run deep. Most of the motivations are fundamental to what provides purpose in life, and they've been around for a long time. How these motivations are *met and expressed* today, however, changes depending on how the options available – how innovative organizations choose to address these with new products, services, and business models.



Business Implications and Opportunities

Most companies provide products or services that focus on delivering specific features and benefits. Without an understanding of the deeper motivations that drive consumer behavior, it becomes much harder to create differentiation in a crowded market.

Companies that address deep motivators in creative ways can protect themselves from commoditization. Deep motivators are essentially the building blocks of great customer experiences and business models that create competitive advantage.

As today's world becomes increasingly complex, a vast array of technological, social, political, and other trends shape our local and global environment every day. Here are 10 examples of trends that highlight how leading-edge companies are tapping into some of the deep motivators to innovate their way to future success. As you review these, consider:

- 1. How might these trends apply in my markets and for my customers?
- 2. Which trends, roles, and deep motivators are most relevant for what we do today?
- 3. Which trends, roles, and deep motivators represent opportunities for future innovation to tap into new customer segments or as the basis for new products, services, processes, experiences, or business models?
- 4. What other trends in your own industry tap into the deep motivators, and how can you use them as a source of innovation?

1. Instapreneurship:

The Internet makes it easier for brands and consumers to connect and "cocreate." A number of platforms have emerged that enable aspiring entrepreneurs to design, create, develop, and sell their products, ideas, and or services. These are the so-called "Instapreneurs" who are able to create businesses and accomplish great things in (almost) an instant. It empowers consumers whom may have never developed their ideas without these programs.

Key Target: Expressive Creatives, Value Chasers





Zazzle

The online community enables consumers to become co-designers of by making custom-made bags and other merchandises, this co-designer can then check out, vote on, and buy from other users and/or branded partners, and set licensing fees for their own designs. These consumers are able to express themselves by creating something of their own while belonging to a specific community as well as having the sense of accomplishment and recognition.

Website: Zazzle

Video: Zazzle



Huggies Mominspired

Kimberly-Clark gives \$15,000 'Huggies MomInspired Grants' to 'Mompreneurs' who are creating their own businesses so that they can build relationships with women who are innovating children's products. The company gives these women money to fund their business, and the only thing they ask in return is to have the rights to buy their business if they decide to sell. The program received 50 millions web impressions when it went live which created incredible brand awareness. The company has received hundreds of new ideas and product submissions from moms around the world.

Website: Huggies MomInspired

Video: Huggies MomInspired



2. Social Currency Marketing

Key Targets: Brand Lovers, Experiential Engagers, Value Chasers

Marketing messages bombard consumers every day. To cut through the noise, many companies now provide merchandise or discounts in return for consumers' social sharing and promotion to their friends. Consumers who are passionate about certain products, brands, or experiences share with their networks – and receive financial incentives in return for promoting the company.



Marc Jacobs Pop-Up Tweet Shop

Marc Jacobs opened up a pop-up shop in the middle of Manhattan for its perfume brand, Daisy. Customers pay through the tweet they send out and/or share — the more they tweet, the more free products they receive. The high end designer goes beyond advertising and engage his clients in ways that they become ambassadors of the brand.

Website: Marc Jacobs Pop-Up Tweet Shop

Video: Marc Jacobs Pop-Up Tweet Shop



Hertz "Share it Up"

The "Share it UP" campaign gave consumers the opportunity to share promotion Hertz to their friends on Social Media. The more they shared, the higher the discounts they received.

Website: Hertz "Share it Up Campaign



3. Affinity Networks:

Key Targets: Meaning Makers, Expressive Creatives, Brand Lovers

Affinity Networks are communities where people come together around a shared purpose or focus. Companies create networks where people connect, share, and interact with each other based on specific common interests.



Untappd

Beer fans can socially connect with one another on this mobile app by sharing their favorite beers and breweries. Members can also gain points for the different kind and brands, and amount of beer they post and share on their account. This mobile app is developed specifically for people who have a specific subject in common – in this case, beer – that brings them all together and creates a sense of exclusive community for beer enthusiasts all over the world.

Website: <u>Untappd</u>
Video: <u>Untappd Beer App</u>



Runkeeper

Runkeeper is a mobile app where people with a common interest – athletic activities – are able to track their outdoor fitness activities and connect with fellow athletes. Their personal records, and time tracking can also be shared with fellow members, which makes Runkeeper part app and part social network. Runkeeper members share a common passion, which encourages them to stay active and progress toward their individual and shared goals.

Website: Runkeeper Video: Runkeeper



4. Rent-a-Anything:

Key Targets: Fear Fixers, Simplicity Seekers, Meaning Makers

Many consumers increasingly recognize the value in approaches that share, rent, swap, or loan products, services, and experiences. Concern for the environment, a desire for greater simplicity, freedom from accumulating "stuff", and a sense of community are triggers for participation in such marketplaces.



Open Shed

Open Shed's value proposition speaks for itself: Why buy, when you can share? The company connects people with others who would like to share and lend household items and tools to them. When looking for hardware tools, consumers no longer have to buy them for a one-time use, but are able to make their lives easier by borrowing what they need for when they need it.

Website: Open Shed
Video: Open Shed



Meemeep

Meemeep simplifies the hassle of moving. Usually, moving means costs, especially when renting a moving van or hiring a moving service. Through Meemeep, customers post the items they want to move and to where, and other users with a moving van from the given geographic area pick up and help these movers to get from point A to point B at the lowest possible cost. The two parties make agreements on the price while Meemeep holds the money until the items are successfully delivered.

Website: Meemeep
Video: Meemeep



5. Peer Support for Motivation & Change:

Key Targets: Fear Fixers, Simplicity Seekers

Most people want to change something about themselves. But change is tough! A new breed of company now brokers connections with peers and experts to promote greater compliance with goals and the motivation to achieve personal objectives. Whether financial planning, weight loss, or just sticking to a New Year's resolution, social support is one of the most powerful drivers of personal change.



Myntcity

Myntcity provides a way for people to incentivize their social networks friends by requesting for help with tasks. These tasks include; resume writing, babysitting, plumbing, and accounting. The friends who help out receive Mynt points that are redeemable for products online.

Website: Myntcity
Video: Myntcity



Jenny Craig Buddy Groups

Focused on dieting and weight loss, Jenny Craig provides a peer support community for behavior change. Members share their goals and get both emotional and practical feedback from other members and nutrition experts. The journey of losing weight could be hard on some people and the company provides a safe environment where people can obtain support that helps them reach future goals.

Website: Jenny Craig Buddy Groups



6. Interactive (Virtual) Shopping:

Key Targets: Experiential Engagers, Impulse Followers, Simplicity Seekers

The line between physical and virtual shopping is rapidly becoming blurred, and shopping, itself, will likely become a blended virtual and retail experience. While wiz-bang technology may feel novel initially, interactive shopping can save time, reveal options for customization and personalization not available in physical stores, and deliver engaging experiences as part of the purchase process.



Tesco/ Home Plus

Tesco, the giant supermarket chain, came up with a fresh new idea for South Korea, where people work long hours and have little time to shop. A virtual billboard in subway stations looks like supermarket shelves, which gives commuters the ability to scan QR codes within the billboard. Selected items are then delivered to their homes. The billboards deliver a unique, surprising, and engaging experience — as well as food!

Website: <u>Tesco/Home Plus</u> Video: <u>Tesco/Home Plus</u>



Adidas Adiverse Footwear Wall

Within selected Adidas stores, the savvy athletic brand provides an interactive instore digital wall that allows customers to purchase online merchandise not found in the store. The wall features shoes not physically available while helping provide more options without the inventory, which saves space and cost. Customer satisfaction increases due to greater product assortment, customization options, and one click ordering. It's a truly different brick-and-mortar retail experience.

Website: Adidas Adiverse Footwear Wall Video: Adidas Adiverse Footwear Wall



7. "Fun-and-Games-Agement" (Engagement for Fun & Games)

Key Targets: Experiential Engagers, Impulse Followers

With the struggle to gain consumer mindshare, many brands are looking to interact with consumers by creating experiences that rely on fun, games, and humor. Often these strategies and programs take consumers by surprise, tapping into the impulse to explore, try something new, or just have fun.



Traffic Light Pong

This crosswalk traffic light in downtown Germany engages fellow pedestrians from the opposite side of the street with a game of pong. Each side uses a controller on a street post. Strangers become game opponents while waiting for the light to green, and are able to express their glory or defeat after the traffic light turns green. This 'urban interactions' was originally created as an art installation, but commercial applications may be right around the corner.

Website: <u>Traffic Light Pong</u> Video: <u>Traffic Light Pong</u>



Coca Cola Small Worlds Machine

Two countries with high tensions came together to share happiness when Coca-Cola placed two vending machines in two malls, one in India and the other in Pakistan. The vending machines were connected with touchscreens and a live streaming video feed. Consumers from both countries were encouraged to complete tasks together including dancing, peace sign drawing, and waving, before receiving their Coke.

Website: Coca Cola Small Worlds Machine
Video: Coca Cola Small Worlds Machine



8. Upgrade-ability:

Key Targets: Meaning Makers, Brand Lovers, Value Chasers

Upgrade-ability isn't about consumers making new purchases every time they want something new. It's about constantly upgrading or improving existing products. Tapping into consumers' desire for instant access to the "next version," the whole concept of "upgrades" are now being applied to physical objects. Preserving the environment, obtaining a sense of community, and saving money are all triggers for engaging in upgrade-ability.



Phonebloks

Invented by a Dutch designer, Phonebloks focus on reducing electronic waste. Phones are split in different "blocks" and are customizable. Consumers, for example, decide how large their batteries will be or the size of their camera lenses. When parts of the phone malfunction, they can instantly replace the faulty part instead of buying a new phone.

Website: PhoneBloks
Video: PhoneBloks



Ovicuo

Car manufacturer Renault partnered up with Ovicuo to design a multi-purpose car. The car is versatile, which means it can be transformed from an ordinary car into a camper in just minutes. This new design provides a fresh look to camping, and makes it more accessible since anyone with Ovicuo doesn't have to rent or buy a RV to go camping.

Website: Ovicuo
Video: Ovicuo



9. Social Enterprise Business Models:

Key Targets: Meaning Makers, Experiential Engagers

Social enterprises are businesses that bring social value to society while at the same generating revenue. Their goal is to provide a win-win that allows consumers to "give back" to society by doing business with them.



Granny's Finest

Granny's Finest brings fresh new clothing designs to life through the knitting of volunteer grandmothers. The "grannies" knit for free since they are given opportunities to come together and meet other grannies within the network. Incentives include social gatherings, lunches, and group day trips for sightseeing. Granny's Finest is solving the social problem of elderly isolation in The Netherlands by giving grandmothers new meaning in life – all while selling high-end and fashionable knitwear.

Website: <u>Granny's Finest</u> Video: <u>Granny's Finest</u>



MyBnk

A London-based financial program, MyBnk delivers financial and enterprise education to schools and youth groups. Financial experts teach children how to manage their finances. It's not just about education, but also practice. Kids can receive loans without any interests when they set-up their own entrepreneurial enterprises in their local communities. They gain a feeling of empowerment with a sense of responsibility, while generating value for the neighborhoods in which they live.

Website: MyBnk
Video: MyBnk



10. Grassroots Experiential Marketing Campaigns (GEMCs):

Key Targets: Experiential Engagers, Meaning Makers

GEMCs are interactive consumer "activation" campaigns in which consumers are directly engaged as the driving force behind a product rollout or marketing strategy.



Volkswagen Fast lane

The guerilla marketing campaign called 'Fast lane' was implemented in order to promote VW Polo GT's two core elements: have fun while driving with speed. The campaign enabled mall-goers to choose between a normal escalator and a bright red slide to descend. Many chose to slide down while a hidden camera recorded their experience and facial expressions – the campaign went viral.

Website: Volkswagen FastLane
Video: Volkswagen FastLane



TNT Drama

The American television network TNT created a dramatic surprise for their launch in Belgium. It created a guerilla campaign on a quiet square in Belguim and put a pole with a red button where people could push. As soon as people pushed the red button, a theatrical drama would occur that would leave people's faces in awe. The network managed to engage spectators with the element of surprise by keeping them on their toes as to what would happen next.

Website: TNT Drama
Video: TNT Drama



Idea
Generation
for
Implications &
Opportunities

Deep Motivators as Drivers of Future Opportunities

So what motivates <u>your</u> customers? Where are the opportunities to tap into one or more of these motivators to create competitive advantage?

Select several deep motivators and brainstorm answers to their respective questions. Identify ways to address multiple deep motivators in your products, services, experiences, or business models. Consider the trend examples, discuss other trends in your industry, and explore how you might connect trends, consumer roles, and motivators to create competitive advantage.

| Consumer Roles | | Motivators | Opportunities |
|--------------------------|---|----------------------------------|---|
| Value Chasers | () () () () () () () () () () | Value & Rewards | What can you deliver that's the best value (benefits versus cost) compared to the competition? What incentives, rewards, or perks can you give in return for loyalty, early-bird purchases, or bulk orders? |
| Simplicity Seekers | N. | Simple & Intuitive | How can you simplify the life of your customer while making your offering extraordinarily easy to understand, use, and experience? What can you eliminate all instructions, manuals, or user guides so that no additional effort is required to get the full value from the product or experience? |
| Impulsive Followers | | Convenience & Time | How can you make your offering the easiest to find, fastest to purchase, and quickest to get? How can you save customers time throughout their entire experience with your product or service? |
| Brand Lovers | 7 | Recognition & Community | What status symbols can be used to highlight and reinforce social status related to owning or using your product or service? What values do your customers share with each other, your organization, and society – and how can you explicitly promote these? |
| Fear Fixers | | Security & Avoidance | What can you do to eliminate concerns or worry in customers' lives? How can you help customers avoid potential problems in the future to give them greater peace of mind? |
| Experiential Engagers | | Fun & Learning | What can you do that delivers pure enjoyment or entertainment? How can you help customers gain new knowledge, personal insight, and inspiration in their lives? |
| Meaning Makers | | Responsibility & Relationship | What can you do that helps advance a social cause, the environment, or just simply "do the right thing?" How you can foster connections between customers or with your organization tied to shared life experiences, personal stories, or community? |
| Creative Expressives | | Self-Expression & Accomplishment | What can you do that gives customers an opportunity to express their creativity? How can you provide opportunities to give customers a sense of accomplishment around achieving specific personal goals? |



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