<table>
<thead>
<tr>
<th>Opinion Leadership</th>
</tr>
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<tbody>
<tr>
<td>The process by which one person (the <em>opinion leader</em>) informally influences the consumption actions or attitudes of others who may be <em>opinion seekers</em> or <em>opinion recipients</em>.</td>
</tr>
</tbody>
</table>

![Diagram](image)
Word of Mouth in Action

Restaurants: 69%
Computer Hardware/Software: 36%
Consumer Electronics: 24%
Travel: 22%
Automotive: 18%
Financial Services: 9%
Dynamics of the Opinion Leadership Process

- Credibility
- Positive and Negative Product Information
- Information and Advice
- Opinion Leadership Is Category-Specific
- Opinion Leadership Is a Two-way Street
Issues

- The Needs of Opinion Leaders
- The Needs of Opinion Receivers
- Purchase Pals
- Surrogate Buyers versus Opinion Leaders

- Self-involvement
- Social involvement
- Product involvement
- Message involvement
**Issues**

- The Needs of Opinion Leaders
- The Needs of Opinion Receivers
- Purchase Pals
- Surrogate Buyers versus Opinion Leaders
- New product or new usage information
- Reduction of perceived risk
- Reduction of search time
- Receiving the approval of the opinion leader
Motivations Behind Opinion Leadership

**Issues**

- The Needs of Opinion Leaders
- The Needs of Opinion Receivers
- Purchase Pals
- Surrogate Buyers versus Opinion Leaders

- Actually accompany consumers on shopping trips
- Used 25 percent of the time for purchases of electronic equipment
Motivations Behind Opinion Leadership

Issues

- The Needs of Opinion Leaders
- The Needs of Opinion Receivers
- Purchase Pals
- Surrogate Buyers versus Opinion Leaders

- Surrogate buyers may replace opinion leaders
- An example is a wardrobe consultant who helps in the purchase of business clothes
### Profile of Opinion Leaders

#### GENERALIZED ATTRIBUTES ACROSS PRODUCT CATEGORIES
- Innovativeness
- Willingness to talk
- Self-confidence
- Gregariousness
- Cognitive differentiation

#### CATEGORY-SPECIFIC ATTRIBUTES
- Interest
- Knowledge
- Special-interest media exposure
- Same age
- Same social status
- Social exposure outside group
Two-Step & Multistep Flow of Communication Theory

1. Mass Media → Opinion Leaders
2. Opinion Leaders → Opinion Receivers (the masses)

Multistep Flow:
1a. Mass Media → Opinion Leaders
1b. Mass Media → Information Receivers
2. Opinion Leaders → Opinion Receivers/Seekers
3. Opinion Receivers/Seekers → Opinion Leaders
Advertisements Stimulating Opinion Leadership
Word of Mouth May Be Uncontrollable

Marketers Seek to Take Control of the Opinion Leadership Process

- Creating products with built-in buzz potential
- Strategy designed to stimulate buzz
- Viral marketing
- Weblogs
### Diffusion Process

The process by which the acceptance of an innovation is spread by communication to members of social system over a period of time.

### Elements of the Diffusion Process

<table>
<thead>
<tr>
<th>Element</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Innovation</td>
<td>The Channels of Communication</td>
</tr>
<tr>
<td>The Social System</td>
<td>Time</td>
</tr>
</tbody>
</table>

### Adoption Process

The stages through which an individual consumer passes in arriving at a decision to try (or not to try), to continue using (or discontinue using) a new product.
Defining Innovations

- Firm-oriented definitions
  - Product is “new” to the company
- Product-oriented definitions
  - Continuous
  - Dynamically continuous
  - Discontinuous
- Market-oriented definitions
  - Based on consumer exposure
- Consumer-oriented definitions
  - Consumer judges it as “new”
Product Characteristics That Influence Diffusion

- Relative Advantage
- Compatibility
- Complexity
- Trialability
- Observability

Time and Diffusion

- Purchase Time
- Adopter Categories
- Rate of Adoption
Adopter Categories

- Innovators: 2.5%
- Early Adopters: 13.5%
- Early Majority: 34%
- Late Majority: 34%
- Laggards: 16%

Percentage of Adopters by Category Sequence
An Enhanced Adoption Process Model

1. Pre-existing problem or need
2. Awareness
3. Interest
4. Evaluation
5. Trial
6. Adoption or Rejection
7. Adoption or Postpurchase Evaluation
8. Discontinuation
9. Rejection
10. Discontinuation or Rejection
11. Evaluation
Issues in Profiling Consumer Innovators

- Defining the Consumer Innovator
- Interest in the Product Category
- The Innovator Is an Opinion Leader
- Personality Traits
- Media Habits
- Social Characteristics
- Demographic Characteristics
- Are There Generalized Consumer Innovators?
Thank You