

Diffusion of Innovation Theory

Diffusion of Innovations by Everett Rogers



Diffusion is the process by which an innovation is communicated through certain channels over time among the members of a social system.

Innovation is any new idea, new behavior, new product, new message i.e., a new thing that one brings to you for your adoption.

Adoption of innovation step process

Knowledge



Person becomes aware of an innovation and has some idea of how it functions

Persuasion



Person forms a favorable or unfavorable attitude toward the innovation

Decision



Person engages in activities that lead to a choice to adopt or reject the innovation

Implementation



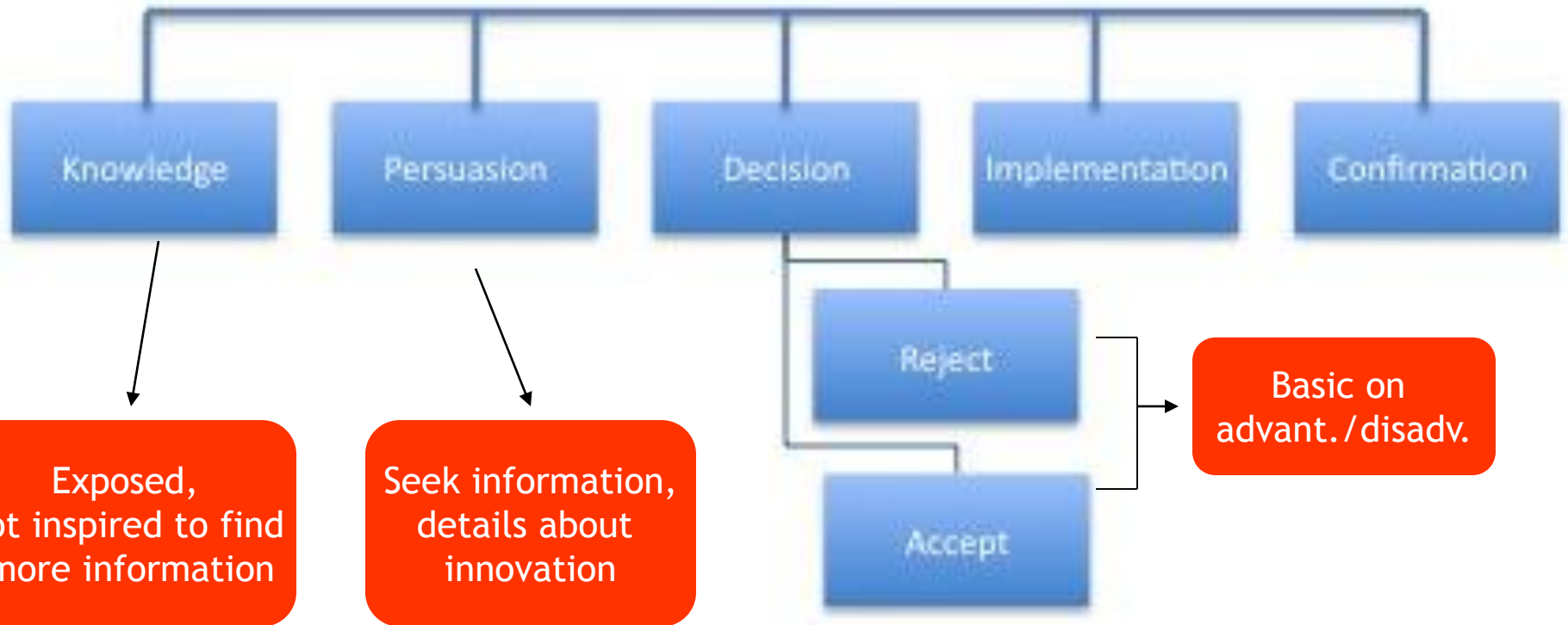
Person puts an innovation into use

Confirmation



Person evaluates the results of an innovation-decision already made

Five Stages in the Decision Innovation Process



Adoption of innovation over time



Innovations do not spread equally over different society segments (social groups) but through 5 stages with particular profile of reaction

5 particular profile

Innovators	→	Adopt new ideas (technologies, concepts, and behaviors in early stages)
Early Adopters	→	Still have some traits of innovation (risk concern)
Early Majority	→	First sign of diffusion
Late Majority	→	Delay its adoption, must be clearly its advantages
Laggards	→	Mature implementation and risks involved are smaller

Affecting the diffusion of an innovation



Powerful way for change agents to affect the diffusion of an innovation is to affect opinion leader attitudes.

Persuading opinion leaders is the easiest way to foment positive attitudes toward an innovation.

Leaders have the knowledge and the social skill to start word-of-mouth epidemics

Rogers model evolution

“Rate of Adoption”



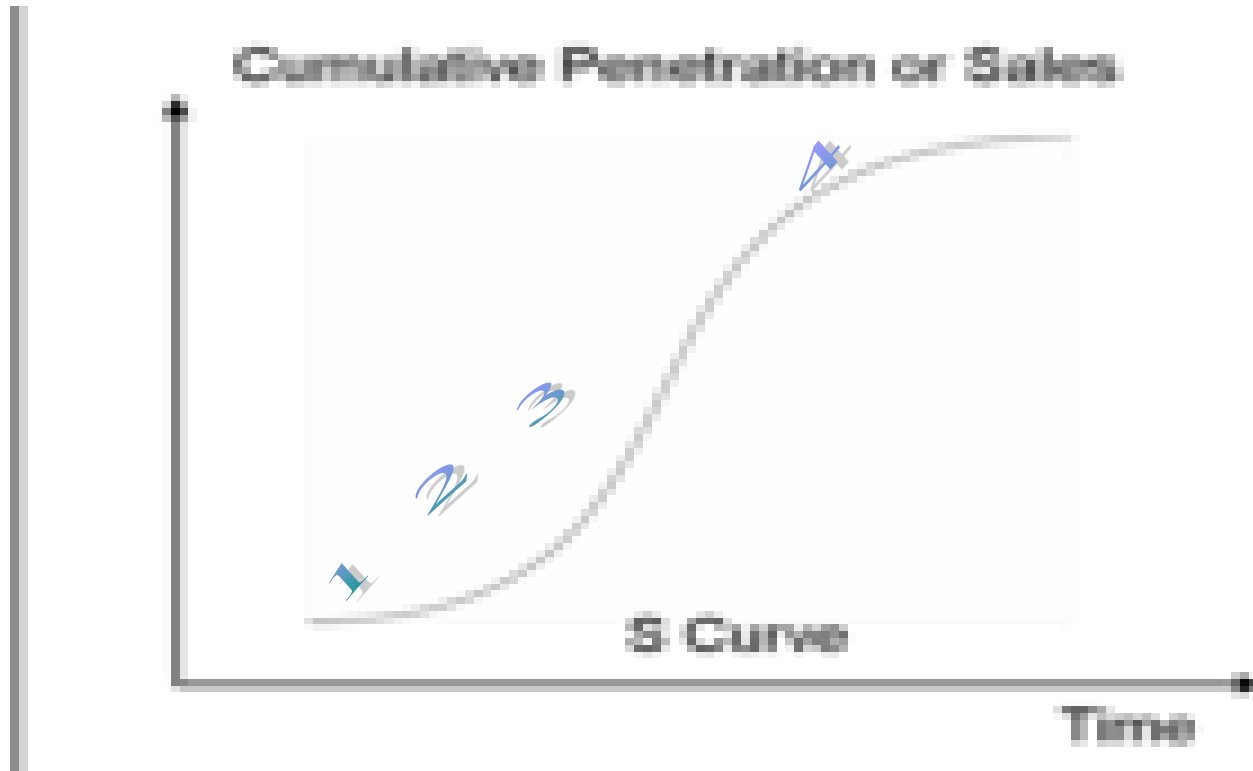
Regardless the “experts” opinion, individual before making a decision takes into account the function that indicates how much he can lose with that decision

integrating profiles



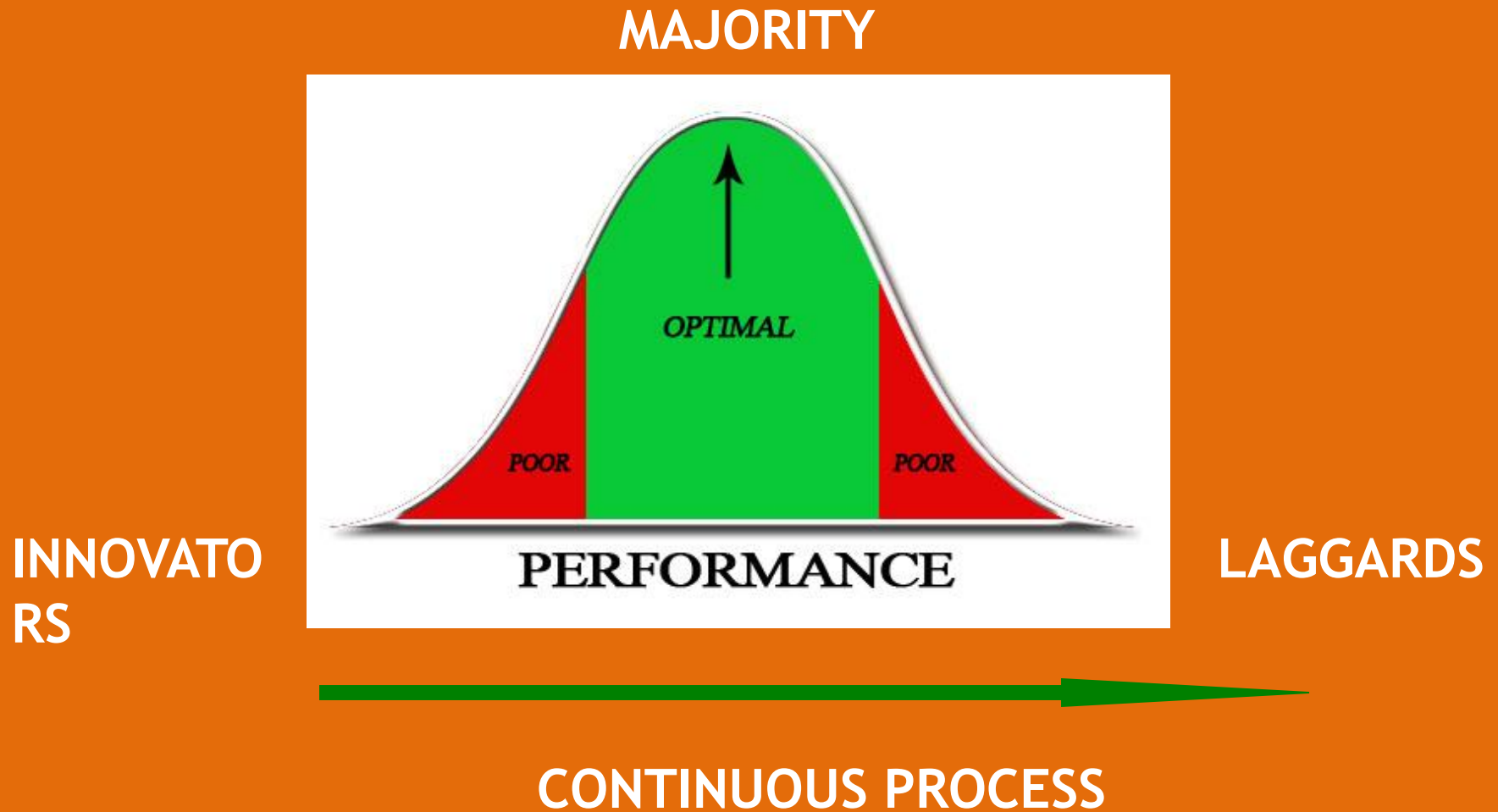
There is a huge range of different behaviors between each profile described (continuous model)

ADOPTER TYPES



1. INOVATORS
2. EARLY ADOPTERS
3. EARLY MAJORITY)
4. LATE MAJORITY
5. LAGGARDS

Innovation processes follow a normal distribution curve



5 critical factors influencing innovation diffusion

Relative advantage



Adoption probability grows if innovation has clear advantages for product, service or current behavior

Compatibility



The more innovation is consistent with pre-existing higher the adoption probability

Complexity of transition



Complex changes involved in innovation, reduce adoption likelihood

Possibility of testing



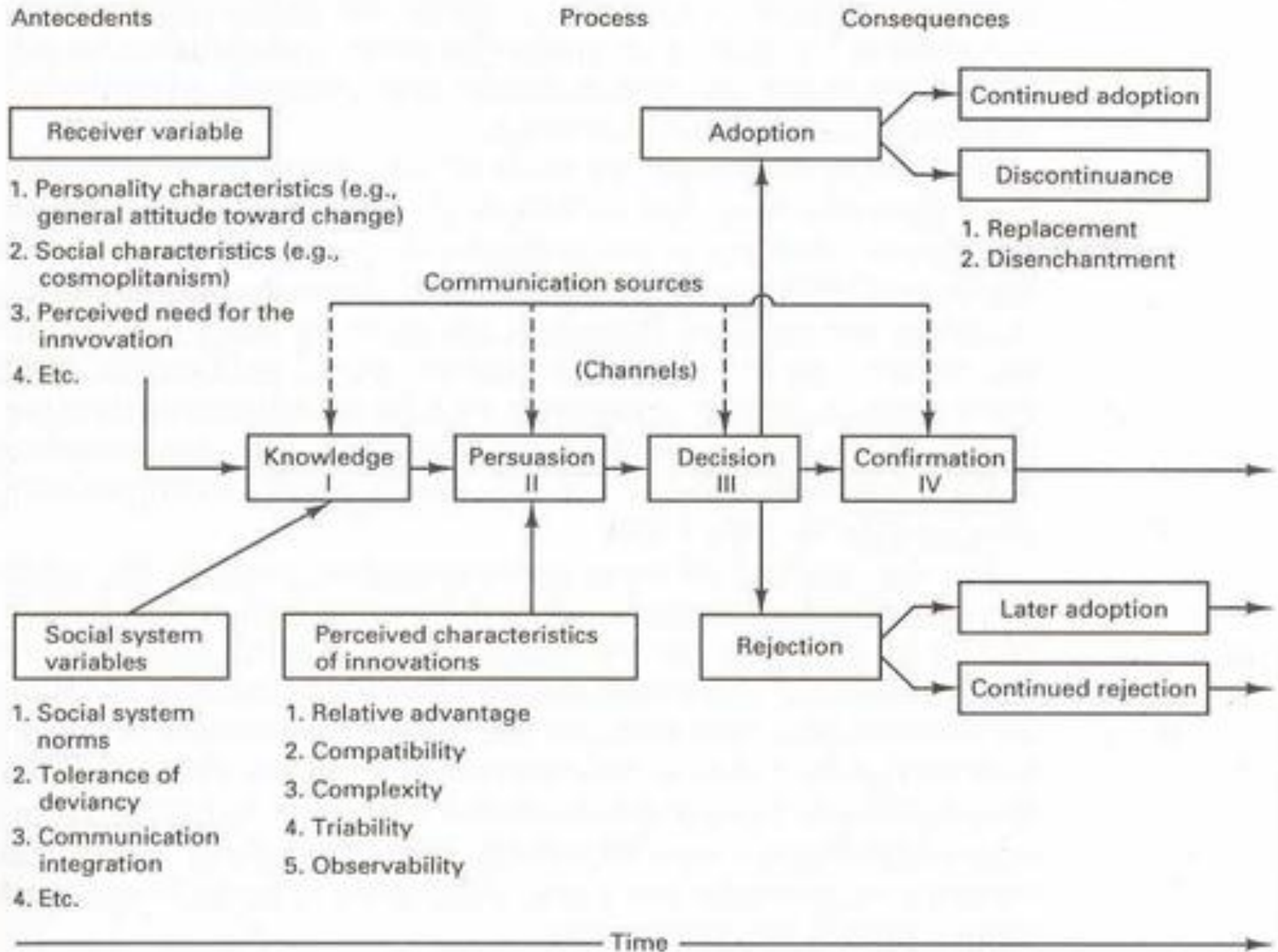
A chance to try an innovation before making a final decision increase adoption likelihood

Visibility of benefits



The more obvious innovation benefits the greater adoption likelihood

The Process of Diffusion Innovation



Stage of Adoption by Rogers' (1995)

1

- **Awareness** - the individual is exposed to the innovation but lacks complete information about it

2

- **Interest** - the individual becomes interested in the new idea and seeks additional information about it

3

- **Evaluation** - individual mentally applies the innovation to his present and anticipated future situation, and then decides whether or not to try it

4

- **Trial** - the individual makes full use of the innovation

5

- **Adoption** - the individual decides to continue the full use of the innovation

Factors affecting diffusion

1

- Innovation characteristics

2

- Individual characteristics

3

- Social network characteristics

4

- Others...

Innovation characteristics

Observability

- The degree to which the results of an innovation are visible to potential adopters

Relative Advantage

- The degree to which the innovation is perceived to be superior to current practice

Compatibility

- The degree to which the innovation is perceived to be consistent with socio-cultural values, previous ideas, and/or perceived needs

Trialability

- The degree to which the innovation can be experienced on a limited basis

Complexity

- The degree to which an innovation is difficult to use or understand.

Individual characteristics

- Innovativeness
 - Originally defined by Rogers: *the degree to which an individual is relatively earlier in adopting an innovation than other members of his social system*
 - Modified & extended by Hirschman (1980):
 - Inherent / actualized novelty seeking
 - Creative consumer
 - Adoptive / vicarious innovativeness

Other individual characteristics

- Reliance on others as source of information (Midgley & Dowling)
- Adopter threshold (e.g. Valente)
- Need-for-change / Need-for-cognition (Wood & Swait, 2002)

Network characteristics

Opinion leadership: number of nominations as source of information

Number of contacts within each adopter category

Complex structure

Other possible factors:

- Lyytinen & Damsgaard (2001)
 - Social environment of diffusion of innovation
 - Marketing strategies employed
 - Institutional structures (e.g., government)

SUCCESS FACTORS AFFECTING THE AGENT:



vigorous promotion

Client Oriented

Partnership with Community Leader

Credibility of the agent



Make the
Application of
Diffusion Innovation
on your own case !