

**Subject: Business Economics**

**Course: B.A., 6<sup>th</sup> Semester, Undergraduate.**

**Paper No: 602**

**Paper Title: Business Strategy & Ethics.**

**Unit No.: 4 (Four)**

**Title: Strategy Implementation & Control.**

**Lecture No: 1 (One)**

**Title: Opinion Leadership and Diffusion of Innovations**

## **Summary**

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The diffusion and adoption process are two closely related concepts concerned with the acceptance of new products by consumers. The diffusion process is a macro process that focuses on the spread of an innovation from its source to the consuming public.

The definition of the term innovation can be firm oriented , product oriented, a continuous innovation discontinuous innovation, dynamically innovation.

Five product characteristics influence the consumers' acceptance of a new product: relative advantage, compatibility, complexity, trailability and observability.

Time is an integral consideration in the diffusion process. The five adopter categories are innovator, early adopters, early majority, late majority and laggards.

Consumer research has identified a number of consumer- related characteristics, including product interest, opinion leadership, personality factors, purchase and consumption traits, media habits, social characteristics and demographic variables that distinguish consumer innovators from later adopters.