



Maslow's Malady

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When I was busy getting a degree in Management Sciences, my university compelled me to take a course in psychology, much against my will. I perceive most psychology to be loosely grouped superstitions, which explains the behavior of people who avidly read pop-psychology books.

Yet in one semester I encountered Maslow and his achingly simple theory on the Hierarchy of Needs in both my psychology and marketing books. I sensed there was something compelling to any theory that bridged such dissimilar disciplines. Long a favorite tool and topic among organizational behaviorists, Maslow's hierarchy receives only brief mention in other management disciplines, and then only as a throttling device. Thus is the nature of management -- to willingly overlook fundamentals while rushing headlong toward grander mistakes.

What got me to reminiscing about Maslow was the utter lack of application his theory receives in technology marketing, and particularly B2B technology. The fact is that Maslow's hierarchy is relevant to marketing decisions throughout the product life cycle, but it is masked by market segments, sectors, and an odd quirk in the nature of technology adoption cycles.

In other worlds, if you cannot visualize in three or more dimensions, you'll never get it.

Who was this Maslow *#^@*! anyway?

Abraham Maslow was an American psychologist who achieved his own self-actualization in 1945 when he published his "Theory of Human Motivation." In this work, Maslow concluded the availingly simple principle that humans are too busy satisfying basic needs to achieve more complex ones. In other words, people worry about feeding themselves before even thinking about taking a basket-weaving class or starting a new religion.

Maslow's hierarchy has traditionally been represented as a pyramid, under the assumption that as few people achieve complex needs as do those who achieve CEO job titles.

Technology adoption follows a similar pattern, in that more basic needs must be met through technology before higher-level needs can. A crude example would be that a buyer would have little need for a CRM suite if they don't yet have a basic bookkeeping application.

This is where marketing diligence comes into play. For any aggregate market, there is little use in pitching a product that is further up the hierarchy than the market wants. If you don't believe this, try to sell an airplane to someone who squats in a hut and spends their day ankle-deep farming in a rice paddy. Odds are you won't sell many airplanes --not only due to economic

imbalances, but due to an absolute lack of need for airplanes among subsistence farmers who are mainly interested in not starving to death or being swept away in a flash flood.

Hierarchy noise

For technology marketers, Maslow's picture is as clear as a Picasso, which is to say that it is at best extremely confused if not outright psychotic. Buyer hierarchical status is determined not by the market in general, but by market segments, size and technical sophistication of the customer, and an odd quirk whereby the hierarchy is reversed for new technologies.

Once you have segmented your market -- and shame if you have not yet done so -- you will often discover that each segment has climbed to different levels of adoption for your technology. One segment may be struggling to achieve lower-level functionality and not be ready to adopt your product, and a different segment may be perfectly primed to buy. And as with everything in life, there are several thousand shades of gray in between.

This creates a troubling situation for marketers. Messaging, positioning, whole product definition and even branding may be affected by where in the adoption hierarchy members of a segment sit. This is especially relevant for in-bound marketing, when product features and benefits are being negotiated. Green marketing types are found of trying to plug in features demanded by their early adopter customers, and ignoring more fundamental features desired by prospects lower in the needs hierarchy. Unfortunately, these more basic needs are those most demanded by mass market buyers, and are to be ignored at competitive peril.

The size of prospects (revenues, employees, IT staffs, etc.) within a segment may be the best determinant of their place in the hierarchy of needs. Smaller companies with few employees have more basic needs. This has been demonstrated in the software business for years through feature segregation and licensing. Customers who seek to fulfill basic needs are offered a package with baseline functionality (let's say a simple accounts ledger system for bookkeeping). Within the same bucket of bits are licensable modules that allow ever greater functionality. Another customer, who is larger and more sophisticated, buys not only the general ledger, but also the add-on payroll module. This trend evolves until the top-tier customer has a complete ERP system.

Maslow, meet Moore

These two dimensions alone are enough to drive Maslow mad, not to mention your average technology marketing maven. Technology adoption hierarchies become more confounding with the adoption of any new technology. When indoor plumbing was first invented, it was a luxury. The benefits were clear to everyone, but folks plowing and planting forty acres in the middle of desolation (AKA West Virginia) had to worry about their children surviving the winter, having enough food in the cellar to last the summer, and keeping the few remaining Indians from killing them. Water closets would have to wait for the farmers; but folks in Manhattan, who had grown weary of chamber pots and who had the lucre for new technology, were eager buyers.

Thus, new technologies -- be they toilets or telecommunications -- are adopted based on the hierarchical level of the segment, region, and individual buyers. While detailing the problems of

[Crossing the Chasm](#), Geoffrey Moore indirectly noted that early adopters are higher up in Maslow’s hierarchy than anyone else. Early adopters attempt to fulfill needs that others cannot yet consider because mass-market buyers are busy fulfilling lower-level needs.

Thus, marketing pros need to reverse their thinking for new technology introductions. Pitching a new technology for the mass market will ignore the specific, higher needs of the people who buy early in the technology adoption cycle. For new technologies, positioning and messaging must focus on the next hierarchical level of need for it to resonate with early adopters.

What is more interesting and lucrative is that for B2B technology, what is today’s self-esteem need is tomorrow’s physiological need. B2B technology is adopted to create competitive value. Thus, technologies bought by early adopters this week will have to be purchased by laggards eventually, or the laggards will become non-competitive and die an economic death. In other words, what was a self-esteem technology for an early adaptor will become a physiological need for a laggard.

You need this

The unspoken truth of technology marketing is that we are in the business of moving buyers up Maslow’s hierarchy. When Apple sells iPhones, they are not fulfilling basic needs -- they are selling self-esteem, a “need” near the top of Maslow’s pyramid. Had Apple sold the iPhone on features and function alone, the product would have tanked. Apple instead sold cool, hip, “better than you” attitudes and tapped into something stronger than even love, namely self-love.

Below is a table that might mimic some areas of B2B and B2C technology marketing hierarchies, but I encourage you to draw your own as it fits your products, markets and segments. Having such a chart may keep you from selling airplanes to aborigines.

Humans (Maslow)	B2B (Smith)	B2C (Smith)
Self-actualization (creativity, morality, full potential)	Brand management suites, green tech	GPS, computer games
Esteem (self-respect, peer respect, contribution, knowledge)	Knowledge bases, portals, wikis, community sites	Books, self-help software, social web sites, television
Love (friendship, romance, family)	Collaboration software (ERP, CRM, etc), loyalty marketing apps	Photography gear (cameras, printers, Picasa), dating web sites, cell phones
Safety (security, health, insurance)	Protecting what we have (backup, anti-virus, firewall, etc)	Fire/burglar alarms, refrigerators, firearms, tax software
Physiological (food, water, sex)	Basic business management (accounting, HR, etc) - point solutions	Automobiles, furnaces, stoves

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