

When the product offer isn't clear, change the way people think about it



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If your potential customers are scratching their heads, consider priming them with a goal to accomplish. Goal prompts, along with analogies and prototypes, can help position your products strategically.

It was while researching a French public investment bank for his dissertation that [Romain](#)

[Boulongne](#) began delving into the cognitive processes at work in people's minds when faced with ambiguous product offerings.

In trying to figure out why uptake for a new loan product was so disappointing, he turned to psychology research on categorization processes, yielding practical insights for business strategists into how best to prime and prompt audiences, so that ambiguous offerings are communicated and understood with greater clarity — and potentially greater social impact.

In this interview, he explains more about his paper on [evaluating ambiguous offerings](#), which he co-authored with Rodolphe Durand (HEC Paris) and which was published in *Organization Science* (2021).

Tell us how you got started with your research.

For my PhD research, I wanted to work on urban economic development, especially aimed at socioeconomically deprived areas, then officially known as *zones urbaines sensibles*, nowadays termed *quartier prioritaire* (QP) or *quartier prioritaire de la politique de la ville* (QPV). Many of these disadvantaged areas are disproportionately made up of immigrants who often face religious and racial discrimination. You see this in some of Paris's poorer *banlieues* (suburbs).

So, I partnered with a public investment bank in France that had a real business problem: it had launched a promising new loan product aimed at entrepreneurs in disadvantaged areas. However, there were few takers.

To figure out why, I had to take a step back. Why was this financial offering not reaching its target audience? People understood loans and interest rates, so what was it about this new product that made it more difficult for people to understand?

How did this lead you to study categorization processes?

In psychology literature, two main approaches are used to make sense of difficult or ambiguous offerings.

The primary approach is the baseline: relating an offering to an existing prototype. That's the easiest approach; we do it almost automatically. But what happens when there is no prototype?

That's when we try the second approach: relating the existing offering to some ad-hoc or specific goal. This can dramatically change the way we think.

Let me give you an example. Think of a bird. What's the first image that pops to mind? Usually, people will say a robin or a pigeon. But why not a chicken?

As many psychology studies have shown, human beings tend to think of a bird's most defining or prototypical characteristics first. So, flying is a quintessentially bird thing to do, and chickens are pretty terrible at flying. That's the baseline.

Now what happens if I give you a goal prompt? Think of what you might have for dinner while you are thinking of a bird. That's when a chicken is more likely to register.

Having a goal in mind can take us down a different cognitive path. "Eating" can prompt us to think about some secondary characteristics. And that is why goal priming can be extremely useful in business strategy and innovation, particularly when it comes to putting forward ambiguous offerings.

We saw this with smartphones. When the smartphone first came out, it was initially hard for customers to grasp what it was because there was no preexisting category for it. But by activating the idea of a goal — thinking about what we can do with a smartphone, like watching videos or using a map for directions — suddenly what would be considered weird in one category can be evaluated and accepted differently in another.

Tell us how you tested prototyping and goal priming in your paper.

My co-author and I conducted six experiments. Through these experiments, we found that, with a clear-cut offering, it's better to activate prototype-based categorization and it's detrimental to activate goal-based categorization. And vice versa: if an offering spans categories, is hard to classify or is ambiguous, then to get higher evaluations, it's always better to prime audiences with a goal.

Our findings hold up in the realm of financial products (our original problem) as well as in the realm of a consumer product like a smartphone with more or less ambiguous features.

For example, we ran an experiment using smartphones with a fixed processor speed (clear-cut) and variable speeds (ambiguous) and found that participants who were primed to think of how they would watch movies on the go (a goal) ended up giving higher evaluations to the

variable-speed phone. Meanwhile, those who were primed with a prototype gave higher evaluations to the clear-cut offering.

Why is that?

Prototype-based categorization is easiest for us because we map what we are evaluating with something already stored in our minds. So, if we are evaluating a movie or a wine, if we know the category (genre or varietal), we know what to expect. And we tend to reward products that meet our expectations.

But when customers start to evaluate something ambiguous, thinking of a prototype is confusing. They may react negatively just because of that. In these cases, priming with a goal activates another cognitive mechanism that puts offerings in a more favorable light.

Take another example: Amazon's Alexa. What is it? A virtual assistant that looks like a speaker? Or a way of listening to songs while cooking? Framed that way, Alexa makes more sense.

What the goal prompts really do is relax the baseline assumptions that customers tend to rely on first and move them to another mental model. With the smartphone, using a goal prompt of watching movies is different enough from the prototype to activate a new cognitive process or a new way of thinking.

Who is this research most useful for?

There's obviously something here for marketers, but more broadly it raises questions of strategy, including how to manage different product portfolios, how to introduce new products into markets, how to communicate to stakeholders and the key messages you want to put forward.

When we dive into how customers or other stakeholders make sense of a firm or its core products, we can devise strategies that lead to better evaluations.

In his research, Boulongne further explores these ideas of strategizing categorization processes to a firm's advantage, especially in relation to impact investing and the fostering of business ventures in disadvantaged urban areas for social impact.

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