Spring 2018

Understanding the Millennial Buying Process in the Modern Digital Era - Primary Research

Matthew B. Cimperman
mbc37@zips.uakron.edu

Austin Harrison
ajh176@zips.uakron.edu

Julia Hatch
jeh117@zips.uakron.edu

Kelly Pillar
klp98@zips.uakron.edu

Tara Snipes
tms178@zips.uakron.edu

Please take a moment to share how this work helps you through this survey. Your feedback will be important as we plan further development of our repository.

Follow this and additional works at: http://ideaexchange.uakron.edu/honors_research_projects

Recommended Citation
http://ideaexchange.uakron.edu/honors_research_projects/545

This Honors Research Project is brought to you for free and open access by The Dr. Gary B. and Pamela S. Williams Honors College at IdeaExchange@UAkron, the institutional repository of The University of Akron in Akron, Ohio, USA. It has been accepted for inclusion in Honors Research Projects by an authorized administrator of IdeaExchange@UAkron. For more information, please contact mjon@uakron.edu, uapress@uakron.edu.
Understanding the Millennial Buying Process in the Modern Digital Era: Primary Research

Matt Cimperman, Austin Harrison, Julia Hatch, Kelly Pillar, Tara Snipes

The University of Akron

8 May 2017
Table of Contents

Introduction and Purpose..................................................................................................................3
Tweet Analysis.....................................................................................................................................5
Tire Store Visits...................................................................................................................................6
Survey Analysis.................................................................................................................................8
Survey Conclusions........................................................................................................................13
App Research.....................................................................................................................................14
Recommendations............................................................................................................................15
Challenges and Limitations..............................................................................................................19
Ten Types Integration....................................................................................................................20
References........................................................................................................................................24
Introduction and Purpose

The Goodyear Tire & Rubber Company is an American tire manufacturer that was founded in 1898 in Akron, Ohio. With over $16 billion in total assets and $15 billion in net sales for the year ended December 31, 2016, Goodyear is the largest wholly American tire manufacturer and is one of the largest tire manufacturers in the world. The Company has been named the World’s Most Admired Tiremaker for five years running by Fortune magazine. Fortune has also recently named Goodyear as the number one company on its Most Admired Vehicle Parts Maker in the U.S. The Company makes tires for several different lines, including consumer and commercial automobiles and trucks, aircrafts, motorcycles, industrial and farming equipment, and earthmoving and mining equipment. In certain segments, Goodyear also retreads tires, sells chemical products, and provides automobile repair services. Tires are sold for replacement purposes or to outfit original equipment. About 70 percent of Goodyear’s total tire sales come from replacement tires (The Goodyear Tire & Rubber Company, 2017).

Goodyear has a global presence with facilities in 21 countries around the world. Goodyear separates its global sales into three segments: Americas; Europe, Middle East, and Africa; and Asia Pacific. Nearly two thirds of Goodyear’s sales are international. Sales have held steady or only slightly decreased in recent years in the face of rising commodity prices. The Company has leveraged its considerably scale and status to stay consistent during less-than-ideal economic times (The Goodyear Tire & Rubber Company, 2017).

Despite the consistent and impressive streak of successful operations, the changing consumer market poses a potential risk for Goodyear and companies like it. Consumer preferences and capabilities are continuously changing, tied to the rapidly evolving technology that is available today. A particularly concerning aspect of this trend are millennials, who are
now the largest portion of the population and are entering the periods of their lives when their purchasing power is greatest (Migliaccio, 2017). From the way they communicate to the way they like to shop, millennials consumers have different preferences and habits than their parents and grandparents do. They dislike face-to-face interaction in most circumstances (Faw, 2012) and they often avoid their responsibilities (McClay, 2015). They pay for goods and services in ways that did not exist 15 years ago (“2014 Consumer Payments Study,” 2014) and place a high priority on value as opposed to cost when shopping (JD Power, 2016). Millennials also know little about car and tire care relative to older generations (Laughery & Wogalter, 2012).

Companies need to realize these differences and adjust to them to stay relevant.

Goodyear’s own internally generated research shows that millennials consumers have a particularly negative experience when purchasing tires. By the Company’s estimate, it takes around 40 days for a millennial consumer to purchase a tires or tires once the need initially arises. This suggests that there are pain points that millennials experience during the tire buying process. Goodyear aims to identify those points and rework them or remove them, hopefully creating a more worthwhile, valuable, and positive experience for millennial consumers.

Our initial research suggested that the answer to Goodyear’s problem likely lies with technology. Millennials have grown and evolved with technology and are highly “connected” (Taylor 2016). Goodyear does have an online tire buying platform, the first of its kind for major American tire manufacturers (Stock, 2015). Our findings, however, indicate that another, further step may be necessary, namely through the use of social media and a mobile application. To explore this, we have used our secondary research to guide us in conducting our own primary research, utilizing several different methods. We conducted a survey of mostly Northeast Ohio millennials to gain some insight into their interaction with technology and their consumer habits.
We visited a number of tire stores in the Akron-area to observe other consumers and to interview the store managers and employees. Through social media platforms, we quickly analyzed the feelings and sentiment that millennials expressed after experiencing the tire buying process for themselves. Finally, we downloaded and used some of the more successful mobile applications available to consumers so that we could examine what works and what does not when it comes to consumer interaction and mobile buying experiences.

**Tweet Analysis**

An easy way to gain a basic understanding of the problem was to log onto Twitter and search a few key words. For example, when we searched the words “I hate tires,” a multitude of tweets from dissatisfied consumers came up. Most of the tweets shared a few common themes. Nearly all the tweets were from accounts that appeared to be run by a younger person. We were able to judge this because some accounts list the user’s birthday. For accounts without a birthday listed, we estimated the user’s age based on the photos and content of the account. The fact that tweets from mostly millennial-aged users came up was not incredibly surprising to us, as our secondary research and Goodyear’s initial question indicated that this would be the case. It was, however, interesting that almost every single one of the tweets we came across were from younger, millennial-aged users. Of the few tweets the came up from non-millennial users, the words and phrasing used did not indicate any sort of extreme dislike for buying tires. Those tweets were mostly just a status update with no accompanying sentiment.

Also of note was how often the tweets mentioned how buying tires is an “adulting” activity. This lends some evidence to the idea that part of the reason why millennials dislike buying tires is because that responsibility is associated with being an adult and millennials are either not ready or unwilling to accept all the responsibilities that come with that. This may mean
that millennials dislike being adults more than they dislike buying tires.

We also analyzed the Twitter pages that Goodyear runs. We analyzed the three verified Goodyear accounts: @goodyear, @GoodyearBlimp, and @GoodyearRacing. Both the blimp and racing account are clearly for unique and specific purposes. The racing account promotes Goodyear’s line of racing tires and NASCAR-related news. The blimp account promotes the whereabouts of Goodyear’s blimps and the events that it is flying over. The @goodyear account is the official account of the Company and serves several purposes. It tweets out information on new tires and tire innovations. It lets followers know about company news. It also tweets and retweets content from other accounts, mainly the accounts of car manufacturers or sporting events that will feature the blimp. All of this is good information, but we did notice a distinct lack of interaction with consumers. In fact, going back to the beginning of this year, we saw only four tweets that were either directed at regular users or retweets of regular users’ content, and all were related to Goodyear-sponsored football games. We believe that Goodyear is missing out on an enormous opportunity to engage with its customers.

**Tire Store Visits**

We visited several tire stores in the Akron-Canton area to observe the other consumers in the store and interview some of the managers. This gave us a better idea about why such a negative stigma exists about tire-buying.

All the tire stores we visited were relatively similar to each other. There was a display area in which several of the tire brands and models are set up so that customers could look at and compare them. These display areas were not big enough to show every brand and model of tire that the store offers, so the chances are good that a customer would have to either speak to an employee or do some outside research to find out the tire that they need. During the times we
visited these tires stores, there were just as many, if not more, employees than customers. This implies that a significant number of customers do not bother coming in to the store to buy tires. Instead, they likely do their own research and order online or over the phone. The few customers who were in the stores seemed a little timid and unsure of themselves. And in making small talk with some of them, most shared a general lack of confidence in what they were looking for. Interestingly, there were even two customers who were on their phones looking for tires while standing in front of the tire displays in the stores.

Speaking with the employees and managers of these stores proved to be an enlightening experience. They said that, in general, customers usually use regular credit cards but there are a significant portion who utilize the Goodyear credit card and take advantage of its rebates. In addition, the orders that the tire stores receive are split relatively evenly between in-store and online. The managers we spoke to also said that the cost and estimated mileage of the tires were the things that customers are most interested in. In fact, the managers said that those are usually the only factors that customers want to know and if they try to go into more detail about the qualities and features of the tires the customers get confused and frustrated. When we asked if customers ever come in knowing what tire they want, the managers said that typically customers have no idea, but some will come in clearly having done some of their own research. These customers are usually younger and want to avoid any prolonged interaction. This the opposite of how many older customers act when they come into the tire stores. We asked if customers come in for new tires before their old ones are flat or dangerously worn out. Most of the managers said that customer's' current tires are usually in pretty bad shape when they come in for new ones. One manager said that in the winter, customers come in before their tires are very bad. He guessed that they probably slid on the roads and realized that they should get new tires. In the
summer, however, he said that customers come in with flat or badly worn tires more often.

Finally, as asked some questions specific to social media. Some of the managers said that they thought the Goodyear social media pages could be utilized better, especially in dealing with the large volume of complaints that are submitted through the various platforms consumers use. In addition, one manager expressed concern about the introduction of an app that could take orders. He said that all of his store’s processes and systems would have to be reworked to fit the new way customers would search and order tires, as well as schedule appointments. These observations and conversations provided an interesting and different viewpoint from the research we had conducted up to that point and we gained valuable insights from them. The regular tire buying process, or at least the searching part, is often an uncomfortable or unfamiliar experience for millennial consumers, as it does not seem to match up with their preferences. Millennial consumers may be uncomfortable with the process because they do not know much about tires and the fact that they are only interested in knowing a tire’s cost and mileage indicates that they are willing to learn the bare minimum if it allows them to avoid extensive conversations with employees.

Survey Analysis

Our survey was constructed based on the insights we gleaned from our secondary research. In general, we wrote questions about millennials’ interaction with technology and how their consumer habits have been influenced by the rapid advance of technology. We also wanted to learn about how preferred payment options change based on product type and product cost. In addition, more in-depth information was needed about the specific feelings millennials have about shopping for tires, as well as shopping in general. The survey was distributed through Facebook and email on Friday, March 17th and closed on Sunday, April 2nd. We incentivized it
with the chance to win one of five $20 Amazon gift cards. We received 209 complete responses, mostly from millennials in the Northeast Ohio region. We did, however, receive a surprising amount of responses from people aged 50 and over. These responses provided a helpful point of comparison when we analyzed the results. The breakdown of the ages of the people who took the survey is shown below. Those in the millennial generation made up over 70 percent of the total number of complete responses we received.

Almost everyone who participated in the survey had a smartphone. Of those people who had one, nearly 72 percent strongly agreed that they rely on their phone as a source for information. When asked if they rely on their phone for interaction, roughly 73 percent strongly agree that they did.
Next, participants were given a number of common phone uses and asked to rank them in terms of how often they are used. Communication, which included texts, calls, and emails, received almost 69.57 percent of the number one use votes, followed by social media with about 24.64 percent of the number one votes. The number two most popular use was social media, which received about 56 percent of the votes. Communication received 23.19 percent. Apps were the clear number three use, with 57.50 percent of the votes. Online shopping was the fourth most common use, with 55.56 percent of the votes. In summary, participants ranked the uses for their phones, from most to least frequently used, as: communication, social media, apps, online shopping, other.

Roughly 80 percent of the survey participants who had smartphones had used an app to make a purchase. Apps were not, however, the preferred way to make purchases. About 64 percent of participants picked in-store as their preferred purchasing method, followed by online
as the second most preferred with 60 percent. Apps and over the phone were the third and (distant) fourth most preferred ways to make purchases.

Participants were also asked if they had ever purchased tires before. Of the 65.88 percent who had, a little over half rated their tire shopping experience as average. Another 39.57 percent rated it as good. Of the 34.12 percent who had not purchased tires, two thirds perceive the tire shopping experience as average, while almost 20 percent perceive it to be poor.

In terms of their personal finances, a total of 78.67 percent of all survey participants at least agreed somewhat that they save money for emergencies. Similarly, 79.51 percent at least somewhat agreed that they save up for higher-than-average cost purchases.

When asked if they would buy Goodyear brand tires over their various competitors, 40.95 percent of said that they would, 15.71 percent said that they would not, and 43.33 percent said that they did not care where their tires came from. Participants were asked to explain why they chose their answers. A few named a specific brand that they prefer over Goodyear. Quite often
the explanation involved an appreciation of Goodyear's quality and reputation. There were, however, just as many explanations that described how brand name doesn’t matter at all, at least not when compared to cost.

Next, we turned to tire knowledge and care. We asked our participants how much they felt they knew about tire care and 42.58 percent said that they knew a moderate amount. Almost 30 percent said they knew a little and 11 percent said that they knew nothing at all. Only 17.22 percent said that they knew at least a lot.

Participants somewhat agreed that they regularly check their tires for visible signs of wear and tear. They also somewhat agreed that they know when their tires need to be replaced. Similar responses were given when asked if new tires are typically bought before old ones become a safety risk and if replacing unsafe tires was a high priority.
Survey Conclusions

Our survey provided several helpful insights. Those who had purchased tires before did not find the experience to have been bad. Most thought it was at least average and many thought it was good. Those who had never purchased tires, however, largely perceived the experience to be no better than average. This suggests that the problem millennials have with the tire buying process may not be with the process itself, but rather with the information that they know or think they know about the process. Also of importance is what they do not know. It seems the problem with the process is how millennial consumers think about and interact with the process before they actually need to purchase tires.

A large number of participants claimed only moderate knowledge about tire tread and wear. Many participants also reported that they somewhat agreed with the statement "I regularly check my tires for visible signs of wear and tear." This indicates that consumers might not recognize a problem when they see one. Logically, if you do not have a great amount of
knowledge about what you are looking for, you probably will not find whatever it is. In addition, most participants at least somewhat agreed that they know when their old tires need to be replaced and that they typically purchase new tires before their old ones become a safety risk. Both of these points contradict with the insights we gleaned from our tire store manager interviews. According to the managers, customers often come in with tires that are badly worn or damaged. This means that they do not know when their tires need to be replaced and that they do not replace their old tires before their old ones become unsafe, at least not as often as our survey participants claimed. Finally, over two thirds of participants at least somewhat agreed that replacing worn or damaged tires was a high priority for them. This directly contradicts Goodyear’s statistic that it takes an average of 40 days for consumers to purchase new tires once the need initially arises.

**App Research**

The final area of our research was an examination of the apps that Goodyear already has available. The Company has two apps that are meant to service commercial trucking and fleet management. The Goodyear SmartTech and Goodyear Truck for iPhone apps are intended to assist with the on-the-go services that Goodyear representatives offer and provide an easy way for truckers to get tire information and help. There is also a Goodyear RoadService app that serves much the same purpose. The Goodyear Events App provides a resource that house all types of information relevant to Goodyear-hosted events around the country. Finally, the Go Goodyear app has a lot of general information about the company and has some information about tire tips and options, but it was made specifically for Goodyear’s European market. It is also relatively basic in terms of its features and functions.

We examined some of the examples of successful apps that we came across during our
secondary research. One of them was the TrueCar app. This app’s purpose is to help consumers look for new or used cars. Its design is simple and easy to navigate and it presents just the information you are looking for, not wasting your time with other things. It also has other functions beyond just searching for cars, such as savings and financing functions. In addition, it simplifies the car buying process into a few uncomplicated steps and shows car specifics as easily understood “stats.”

The CVS Pharmacy app was another successful app we examined. This colorful and interactive app is constantly updated so that it includes current information. It is also integrated with each service that CVS Pharmacies offer, from the MinuteClinic to the Photo Center. This allows consumers to really engage with the app and, in turn, with the store. There are also several personalization options and loyalty-driven features. These ensure that consumers will keep coming back to the app.

**Recommendations**

Based on the conclusions that we found during our secondary research, as well as the results of our primary research, we have developed two recommendations on how Goodyear can make the tire buying process less painful for millennials. We believe that the answer is rooted in technology. As we have established, millennials utilize technology more often and more effectively than any other generation. Logically, this indicates that millennials can be reached through technology-based channels. It is our understanding that the problems millennials have with the tire buying process is not about the process itself, but rather about what they know about the process and how they interact with it. Therefore, these recommendations are aimed at improving those two aspects: knowledge and interaction.
Our first recommendation is a relatively simple one. We recommend that Goodyear use its social media, specifically Twitter, to reach out to and connect with consumers. Currently, it appears Goodyear’s main Twitter account serves as a promotional tool for Goodyear-sponsored sporting events and the Blimp, with the occasional tire-related tweet mixed in. If Goodyear also used the account to respond to consumers’ questions and comments, they could likely increase the brand awareness and overall tire care awareness of their millennial consumer base. They could also effectively build trust and loyalty with a consumer group that is still largely up for grabs by engaging with them using a form of communication that they are comfortable with. This small change could start to improve the tire knowledge and sentiment that exists in the minds of millennials.

Our second recommendation is somewhat more significant. We recommend that Goodyear develop a mobile application made specifically for regular, everyday consumers. Goodyear clearly has this capability, as they already have a number of apps out on the market, but none of them serve this purpose. There are several features that this app should include in order to help remove the pain points millennials experience in the tire buying experience by increasing tire-related knowledge, encouraging interaction with the tire buying process, and streamlining the process for millennials.

First, the app would have all the necessary information needed so that consumers could look for tires on their smartphones. Goodyear’s online tire store already has this information, so it could simply be transferred over. It would be necessary, however, to streamline and simplify the search process. This is necessary due to the smaller screen and lesser computing power of smartphones, but it would also fit the preferences of millennials who appreciate and prefer quick
and easy processes. A little bit of personalization could be integrated by allowing the user to save their car or tire preferences for future searches.

Another effective way to personalize the app would be to have a feature where the user could input their driving characteristics. By entering basic information such as car type, road and weather conditions, and average daily mileage, the app would be able to suggest certain brands of tires to the user, simplifying the tire buying process further.

The app would also include several features designed to inform the user. For example, sections related to financing, discounts, and rewards programs should be included, as millennials are notably conscious about their finances. In addition, tire care tips and a guide to reading the codes on tires should both be included, especially since our research has indicated that millennials know very little on these two areas. Another helpful feature is a tire store locator. By turning on the location services on a smartphone, this feature would identify the nearest tire stores to your exact location at any given time. It could also provide directions if you do not know how to get there. This feature would help those millennials consumers who have never bought tires before and do not have a go-to tire store in mind.

Another feature of the app would be a help button. Our research has indicated that the need for tires is often a surprise. Tires may become unsafe or undrivable while a consumer is away from home. To alleviate stress, this help button could be used to summon a tow truck with the click of a button. Goodyear could utilize their Tow365 service for this app feature. Tow365 provides towing services to the nearest Goodyear Service Center for anyone, 24 hours a day, 7 days a week (The Goodyear Tire & Rubber Company, 2017). It is possible that this service would need to be built out to meet an increased demand, but we find it likely that this service would solve a number of pain points that millennials consumers experience.
One final app feature we feel is necessary is a feature that tracks the driving of the user. By tracking the driving of the user, the app would be able to judge when it is coming time to purchase new tires. As we previously stated, the need for tires is often a surprise. By tracking the miles driven and the type of roads driven on, the app could provide a helpful reminder to the user to start thinking about buying new tires. This type of technology is already being utilized by insurance companies. Liberty Mutual Insurance uses a device called RightTrack that you plug into your car and track your driving with for policy pricing purposes (Liberty Mutual Insurance, 2017). Progressive Insurance uses their Snapshot device for much the same purpose (Progressive Insurance, 2017). Goodyear could make use of a similar device that connects to the app so that it could predict when the user’s current tires are getting old. Alternatively, Goodyear could utilize similar technology that GoogleMaps uses and house the tracking function entirely in the app itself. Assuming location services are on, the app would recognize when the user is driving and begin tracking. Technology is also being developed that allows smartphones to wirelessly and automatically connect to newer cars’ bluetooth capabilities, providing another method of tracking (Google Maps, 2017).

These recommendations would solve several of the pain points we discovered in our research. By interacting with millennial consumers on social media, Goodyear could start to raise tire-related awareness in a generation that does not know much about that. Goodyear would also establish a positive relationship with millennial consumers using a form of communication that they feel comfortable with. The educational resources in the app would remove some of the pain millennials experience. Also, a better-informed millennial consumer is better for business. The personalization features in the app would help to increase interaction between Goodyear and millennials even before tires are actually needed, setting up potential future business
transactions. The tire store locator, help button, and tracking features would all simplify the tire
buying process for millennials, who prefer simple and easy processes. Having the nearest tire
store’s location or getting a tow truck sent to you by pressing one button could relieve a
significant amount of stress and anxiety if a millennial ever finds him or herself in the unfamiliar
situation of needing a tire as soon as possible.

**Challenges and Limitations**

The main limitation of our research was the somewhat narrow scope of the millennials
we surveyed. The majority were University of Akron students who live in the surrounding area.
This also means that we almost exclusively asked millennials who are attending college.
Millennials do attend college at a high rate, but there is still a large part of the millennials
population who did not attend or are not attending college. This puts our responses through a
filter, potentially limiting their applicability. It would be interesting to see if or how the results
would change if we were able to survey a wider variety of people.

Another limitation of our research was the fact that the company we did it for is very
active and well known in the area. University of Akron students frequently interact with
Goodyear, so their perception of the brand may be more positive than other college-aged
millennials who do not go to school in Akron. Survey participants were also aware of the fact
that the questions we were asking were in the context of tire buying. This was not a problem for
the questions that were directly related to tires, but for the questions about general consumer
habits, technology interaction, and money it could have had an effect. Participants may have
been influenced by having that one type of product in mind. To correct for this, two separate
surveys could have been made. One would ask about tires directly and the other would be about
all consumer products.
A challenge we faced while conducting our primary research was recruiting people for a focus group we had intended to hold. Despite 30 survey participants indicating that they would be interested in attending, only two people gave confirmation that they would be there, so we were forced to cancel. We think this was mostly due to scheduling. We settled on a date and time for the focus group after we had already sent out the survey, so the survey did not list that information. Had we included that information in the survey, we think it is likely that people would have been interested in participating in the focus group. In addition, due to our own schedules, we were only able to schedule the focus group around midday on a Friday. The Friday we scheduled was also before a major holiday weekend. We believe that so few people signed up because many students do not have classes on Fridays and thus are not on campus. Also, many students who are not from the surrounding area were likely already on their way home to celebrate the holiday.

One final challenge we faced during our research was connecting with people on Twitter. We had originally planned to conduct short, informal interviews over the social media app to gain better insights into why so many people dislike buying tires. We set up our own Twitter account and messaged some of the people whose tweets we analyzed, but none of the people we reached out to responded to us in a helpful manner.

Ten Types Integration

This type of innovation combines several concepts spelled out in *Ten Types of Innovation: The Discipline of Building Breakthroughs* by Brian Quinn, Helen Walters, Ryan Pikkel, and Larry Keeley. First, this innovation focuses on shifting the customer experience. Often, when an industry is old or somewhat set in its ways, a customer-centered change is needed. Rather than substantially changing the product offering, the goal is to connect and
engage customers in new and distinct ways. This type of shift is appropriate for industries that rarely see innovations and are relatively competitive. Also, a process that customers dread and possibly even avoid may provide the conditions for a customer experience shift. Connected and networked customers will raise the likelihood that these innovations will be successful, assuming the new experience is a positive one.

Another characteristic of our innovation is a change of the known. We are not suggesting any new type of technology or process; we are simply adapting an existing technology and way of engaging customers to the tire industry. These types of innovations can help keep products competitive and are most effective if the company in question is already established and successful. They can also drive new growth and set the pace for the industry. Changes of the known work best when the company making the change already has strong products and the market it competes in is a stagnant one lacking innovation.

Our app also qualifies as a simplification innovation, which simplifies and streamlines complicated or difficult processes. Simplifications always have a few characteristics in common. Improving the ease of use is a major concern. The goal is to make a process or product simple and intuitive for the end consumer. Companies also focus on creating an engaging functionality by integrating unexpected or new features that elevate the customer’s interaction with the process. Something that is newsworthy enough to attract new customers is another positive. Experience simplification is perhaps the most important characteristic of simplification innovations. Companies should devote resources to reducing complexities and focusing on delivering a few specific experiences extraordinarily well, rather than doing a lot of things adequately. Another characteristic that can make a company’s simplification innovation successful is whimsy and personality. Customers appreciate products and processes that can be
adapted to their specific needs and preferences, so incorporating aspects that accomplish these things are important for any company wishing to create a successful and noteworthy innovation.

A common example of a successful simplification innovation is Nintendo’s launch of the Wii gaming console. Nintendo set out to make a completely new gaming experience with the Wii, and most agree that they accomplished that. The Wii was easy to use with its simplified, bare-minimum controller. The console also created a simplified experience for consumers. The games that were playable on the Wii were created with the goal of appealing to a wider demographic than typical videogames do, mainly through easy controls and lighthearted games. This allowed almost anyone to play and whole families could play together. But the introduction of the Wii really excelled at offering an engaging functionality and whimsy and personality. The Wii was one of the first gaming systems that incorporated wireless motion-sensor controls (Nintendo, 2017). This was radically different from gaming systems that came before it, as players would often have to be up on their feet and physically involved with the game to play. The Wii also used in-game avatars called miis that players could create and personalize. These characters would be used in most games that were playable on the console. The introduction of the Wii gaming system is a perfect example of a simplification innovation, resulting in a significant increase in sales for Nintendo once the system gained popularity (Nintedo, 2008).

SAP, the German multinational software corporation, is another example of a company making efforts at a simplification innovation. SAP provides software and analytical tools to companies around the world and has made serious efforts in recent years to drive innovation. Several their software solutions have undergone changes that have served to slim down and simplify them. Wasteful and tedious features have been cut out to increase efficiency. Customers find the software as easy to set up and use and having a logical functionality (“SAP ERP
Overview,” 2015). In addition, many software programs have been combined, eliminating the need for multiple programs running at the same time. SAP was also one of the first software companies to embrace the use of the cloud for data storage. These innovations have been successful for SAP, who have over $22 billion in revenue and are the software provider of choice for 87% of the companies on the “Forbes Global 2000” list (SAP, 2017).

Goodyear has already taken steps to develop simplification innovations. The Goodyear website is an online platform through which consumers can purchase tires. This website is the first of its kind for a tire manufacturer, and the intended goal is to streamline and simplify the tire-buying process (Stock, 2015). This social media shift and app we have proposed have the same intention and same end-goal in mind, they just take things a step further. The age of the internet is already here. We believe that it is necessary to look at what is coming next. Based on our research, we believe that is the rise of mobile devices and mobile shopping.
References

2014 Consumer Payments Study (2014). Total System Services - Credit Card Processor. 5-10.


