

Toto[®] Relief!

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There is a bodily function that people perform throughout their lives: eliminating liquid and solid waste not required by the body (You fill in the blanks!). We will refer to this function as the *substance-elimination function*, or *SEF*, for short (Doesn't this sound nicer than otherwise would be the case?). A review of the history of the toilet and toilet paper will shed some light on this bodily function and the associated habits (see links below).

While the products available on the market to aid in carrying out SEF have changed over time, in recent times, most of the changes relate to the cosmetic (aesthetic) nature of the product. However, a product introduced to the U.S. market by Toto U.S.A. Inc. reflects more of a functional change related to what a toilet is designed to do and the behavioural habits which are carried out by individuals during the associated *substance-elimination function*. In the U.S., the original models sold for between \$700 and \$2600. A portable, personal-sized (wand-like) version sold for \$133.

The new product in question, called the *Washlet*[®], can be reviewed by visiting the company's website for the product: <http://cleanishappy.com> or <http://washlet.com>. The company's U.S. website is <http://totousa.com>. The images shown at the beginning of the *cleanishappy* site were placed on a billboard in England, a billboard near a local church. Because of the resulting public reaction, the company quickly covered up the bare bottoms (a.k.a.: "tushes"). Visit all of the links listed below to broaden your knowledge on the subject area.

History of the toilet:

http://www.muswell-hill.com/foxandco/pages/history_toilet.htm
<http://www.history.com/exhibits/modern/toilet.html>

History of toilet paper:

<http://encyclopedia.toiletpaperworld.com/fun-facts/history-of-toilet-paper/>
<http://nobodys-perfect.com/vtpm/ExhibitHall/Informational/tphistory.html>

Toto U.S.A., Inc. websites:

<http://washlet.com>
<http://cleanishappy.com>
<http://totousa.com>
<http://www.totousa.com/Default.aspx?tabid=88>

Focus: New product development, Maslow's Hierarchy of Needs, product innovation, degree of innovation, adoption process, conspicuous vs. non-conspicuous products, conceptual content (compatibility, relative advantage, communicability (observability), divisibility (trialability), complexity), product evaluation, cultural differences, attitude formation and measurement, generic demand vs. selective demand, evaluative criteria, utility, need vs. want, strategies for diversification (market penetration, product development, market development, diversification), international marketing.

Questions:

1. Explain how Maslow's Hierarchy of Needs relates to the substance-elimination function.
2. An innovation can be classified as (1) a new concept, (2) a new process, (3) new to the company, or (4) a new model. When the Washlet[®] was introduced to the U.S. market, which of the four categories is the most appropriate? Explain.
3. Would the Washlet[®] be considered an innovation? Explain. What is the distinction between something that is considered to be an innovation and something that is not considered to be an innovation?
4. A new product can be classified as a continuous innovation, a dynamically continuous innovation, or a discontinuous innovation with respect to the degree of innovation. How a new product is classified depends on how closely related the new product is to currently existing products (i.e., highly related to highly unrelated) and the level of impact on the behaviour of the consumer (i.e., little or no impact to high impact). As the level of relatedness declines and the level of impact increases, the more likely the new product is a discontinuous innovation.
5. Relate the adoption process [(unawareness), awareness, interest, evaluation, trial, decision, confirmation] to the ability of Toto[®] getting market acceptance of its product (i.e., What has to be done by the company? What is happening in the mind of the consumer at each stage of this process?)
6. Would you classify the Washlet[®] as a socially conspicuous or non-conspicuous product? Explain. How would such a classification influence the likelihood of adoption?
7. Marketers evaluate the conceptual content of a product idea, even before creating the product. Based on this analysis, it is possible to determine the likelihood of success of the new product on the market. The five dimensions of conceptual content are the following: (1) compatibility [to a consumer's beliefs, values, attitudes, and behaviour], (2) relative

advantage [economic, social, performance], (3) communicability or observability [the extent to which the benefits of product ownership and the aspects of product performance can be communicated to the potential buyer], (4) divisibility or trialability [the extent to which the consumer can try the product before full-scale adoption], and (5) complexity [is the product easy or difficult to use or learn to use]. Generally, the greater the compatibility, relative advantage, communicability, and divisibility and the lower the complexity of the new product, the greater is the likelihood of market acceptance.

Evaluate the Washlet[®] with respect to the five dimensions of conceptual content. Based on your analysis, how likely will the product succeed in the U.S. or Canada? If you live in another country, how likely will the product succeed in your market area?

8. In order to answer this question, you first need to develop a matrix similar to the one shown at the end of the case.

Step 1. What are the different product categories/methods a consumer can use to carry out the functions performed by the Washlet[®] (e.g., a traditional toilet with toilet paper, a bidet, and, of course, the Washlet, itself)? List each of the alternatives in separate columns. Add any other products/methods that come to mind. No other brands similar to the Washlet will be considered in this assignment, since we are more concerned about the product category (generic demand) represented by this specific brand (selective demand) rather the brand, itself.

Step 2. The next task is to identify the characteristics of each of the identified alternatives that are relevant to the consumer need under consideration. List the characteristics in the first column. The characteristics used by consumers in evaluating products are referred to as evaluative criteria. You can add any others that come to mind.

Step 3. The next task is to identify the importance of each of the attributes listed with respect to decision of the typical consumer who is evaluating a way to achieve the desired need. Using a scale from 10 (Very Important) to 1 (Very Unimportant), evaluate each of the identified attributes. There is only one importance score for each attribute. You do not evaluate each product category/method along this dimension.

Step 4. The next task is to evaluate each of the product categories/methods with respect to each of the identified attributes. Using a scale from 7 (Very Likely) to 1 (Very Unlikely), evaluate what you think would be the belief of the typical consumer who is evaluating a way to achieve the desired need. Record the expected belief scores in each of the cells for each of the product/methods.

Step 5. Once you have evaluated each product/method along the set of attributes, you can now determine the attitude for each product/method. One attitude measurement approach is the unweighted expectancy-value model. In this case, all that needs to be done is to add up the beliefs scores for each product/method. Given the way the belief scales have been structured, a higher score indicates a more positive attitude. If the consumer is seeking to maximize the level of utility, the consumer will select that alternative that reflects the most positive attitude. What alternative (i.e., product/method) did you find to be the most likely choice for your typical consumer?

Step 6. A second attitude measurement approach is to take into account the importance of each attribute. This can be done using the weighted expectancy-value model. In this case, multiply each belief by the importance score for the identified attribute. Once these scores are calculated, just add of the weighted scores for each product/method. Again, given the way the belief and importance scales have been structured, a higher score indicates a more positive attitude. If the consumer is seeking to maximize the level of utility, the consumer will select that alternative that reflects the most positive attitude. What alternative (i.e., product/method) did you find to be the most likely choice for your typical consumer?

9. Toto[®] makes a personal-sized (wand-like) Washlet[®], one that the consumer can take along and use in facilities outside the home, or even at home. Based on the concepts discussed in this case, how likely do you think consumers in your country would buy and use such a product? Explain.
10. Do you think the personal-sized Washlet[®] has a market as a gift item? Explain. Who do you think would be the gift giver(s) of the product and who do you think would be the receiver(s) of the product? Explain.
11. Using the strategies for diversification framework developed by Ansoff (1957), explain where the introduction of the Washlet[®] would fit within this framework [Possible cells: Market penetration, Product Development, Market Development, Diversification]. [Ansoff, Igor. (1957). Strategies for diversification, *Harvard Business Review*, 35(5), 113-124.]

Evaluation of Product Categories/Methods that are Capable of Performing the Necessary Tasks After Completion of the Substance-Elimination Function				
		List of Product Categories/Methods		
		Beliefs (7- Very Likely) to (1 - Very Unlikely)		
List of Attributes of Alternative Product Categories/Methods to Consider	Importance of Attribute (10 - Very Important) to (1 - Very Unimportant)	Washlet [®] (uses water and warm air)	Traditional Bidet	Traditional Toilet with Toilet Paper
Has an economical price				
Is economical to use				
Can accomplish its task at an acceptable level of comfort				
Provides a hygienic result				
Can be discreetly used				
Is effective (accomplishes task)				
Accomplishes its task in a reasonable time (efficient)				
Sum of Beliefs	--			
Sum of Weighted Beliefs	--			