



# Crossing the Chasm

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Geoffrey Moore is a best selling author and a Managing Director at TCG Advisors. His most recent book is Dealing with Darwin: How Great Companies Innovate at Every Phase of Their Evolution published in January of 2006. For more information on Dealing with Darwin, please go to the website: [www.dealingwithdarwin.com](http://www.dealingwithdarwin.com).

Geoffrey has made the understanding and exploitation of disruptive technologies the core of his life's work. His other books, Crossing the Chasm, Inside the Tornado, The Gorilla Game and Living on the Fault Line are best sellers and required reading at leading business schools.

## Abstract:

Crossing the Chasm is about taking technology to the mainstream market and thereby the majority of users. The book takes its starting point in the traditional technology adoption life cycle, which is a bell curve divided into five groups of people depending on at what stage of a products life cycle you decide to purchase the product.

The five groups of people are the following:

**Innovators** are technology Enthusiasts; they always want to be the first to try out new technologies. The innovators only represent a very small slice of the bell curve.

**Early adopters** are also visionaries who, if they see a potential in the product, are easy to sell to and they are very little price sensitive. They are looking for breakthroughs and not fundamental improvements and therefore they are willing to try new technologies. This group is often willing to serve as references for your product. But this segment is still very small compared to the mainstream.

**Early majority** or pragmatists are part of the main stream market and they are a large and crucial segment for technology products. It is harder to sell to this group, because they require that many things are in place before they decide to purchase your product. They focus on the setup of the company with regards to quality, support infrastructure and service

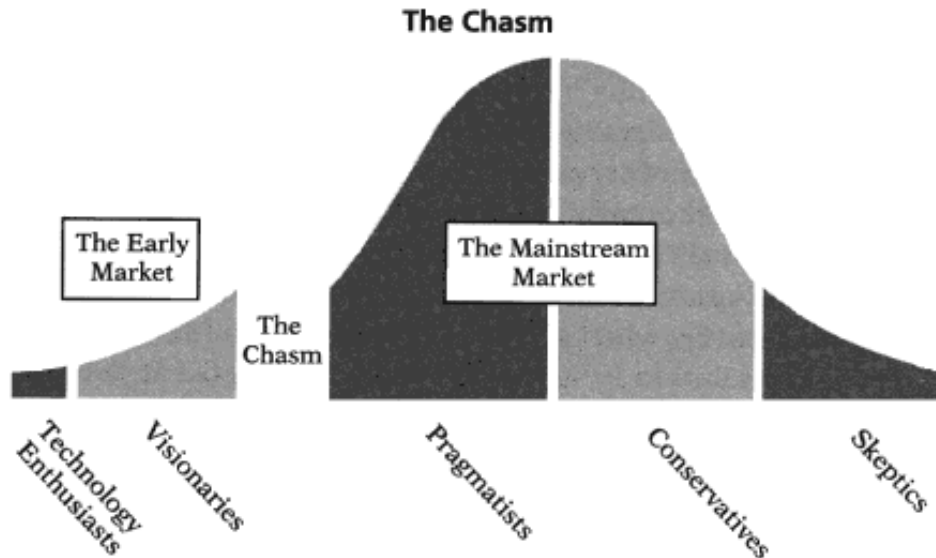


functions and they look at the product with regards to system interfaces, standardization etc. It is also important to pragmatists that you have relationships with and references from other pragmatists, which makes it difficult for especially new companies to succeed with this segment. They are also price sensitive and a sale can take a long time.

**Late majority** or the conservatives are as many as the early majority. This group has the same perspective and needs as the early majority, but they are just much more resistant to buying technology in general. They are the kind of people who may own a technology product but rarely uses it or they use a product that they do not necessarily comfortable with. In order to sell to this group it is necessary to have a complete packaged product with everything bundled.

**Laggards** or the skeptics are a group about the same size as the early adopter segment. This group will not buy technology products and the only time this segment should be considered by technology companies is in making sure that they do not influence people from any other group in the buying process.

The traditional technology life cycle model shows that it is a smooth and natural process to move between the different groups through the products life cycle. Moore has revised the technology adoption life cycle by dividing each of the groups in the bell curve with cracks illustrating that it takes more effort to move from one group to the next. The crack between the early adopters and the early majority is larger than the others and this is what Moore refers to as the chasm. The chasm is created because the needs and perspectives of the early adopters and early majority are very different and the pragmatists are not satisfied with references from visionaries but want them from other pragmatists. Therefore, crossing the chasm is about getting the first footing in the pragmatist segment.



To illustrate how the chasm can be crossed, Moore uses the analogy of D-Day, where American forces during Second World War used a beachhead in Normandy to liberate mainland Europe from German occupation. The English Channel was crossed fast by using an invasion force that was focused directly and exclusively on the point of attack from where the forces could spread further and further into Europe. In this light the Chasm would be the English Channel and the challenge of transitioning from an early market segment to the mainstream market can be accomplished by a focused attack on a single strategic market segment. Once the company have forced the competition out of the target niche markets it is possible to move on and take over other segments toward total market domination.

The way to cross the chasm requires a number of steps that will be shortly explained in the following (Moore spends an entire chapter on each step).

**Target the point of attack** refers to defining the initial target market that you will focus all your resources on. The key is to decide on a target market that is small enough that you can quickly become the dominant player in that market segment. The target should also be of strategic value meaning that you are able to move from this segment into other nearby segments. What matters the most when choosing the target segment is to identify a segment where the pragmatist buyers truly feel they need your product.

**Assemble an invasion force** is about creating the “whole product”, ensuring that the product delivers everything it promises. To find out what



the whole product is you need to think through your customer's problems and the solution in its entirety. This includes the core product and everything else needed for the pragmatist to find your product compelling, including complementary products and supporting services.

**Define the battle** refers to creating the competition, positioning the company and developing an elevator pitch. To pragmatist buyer a product is more compelling when it is positioned among competing alternatives than if is being introduced as a new and groundbreaking innovation.

**Launch the invasion** is about distribution and pricing of the product. Possible strategies are introduced, but Moore also ranks the distribution options and claims that the most consistently successful channel is a direct sales force. With regards to pricing three different pricing perspectives are introduced and Moore includes that the most fundamental pricing goal is to set the price at the market leader price point.

**Other Comments:**

With this book Geoffrey Moore succeeds in taking an often complicated topic of marketing strategy to an operational level that most people understand. The book is a great tool for bringing together the entire company be it the development, marketing, sales or top management. When everybody in an organization is familiar with this book, a common language enables the possibility of carrying a conversation across functional borders and a common understanding of strategic objectives can be achieved.

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