

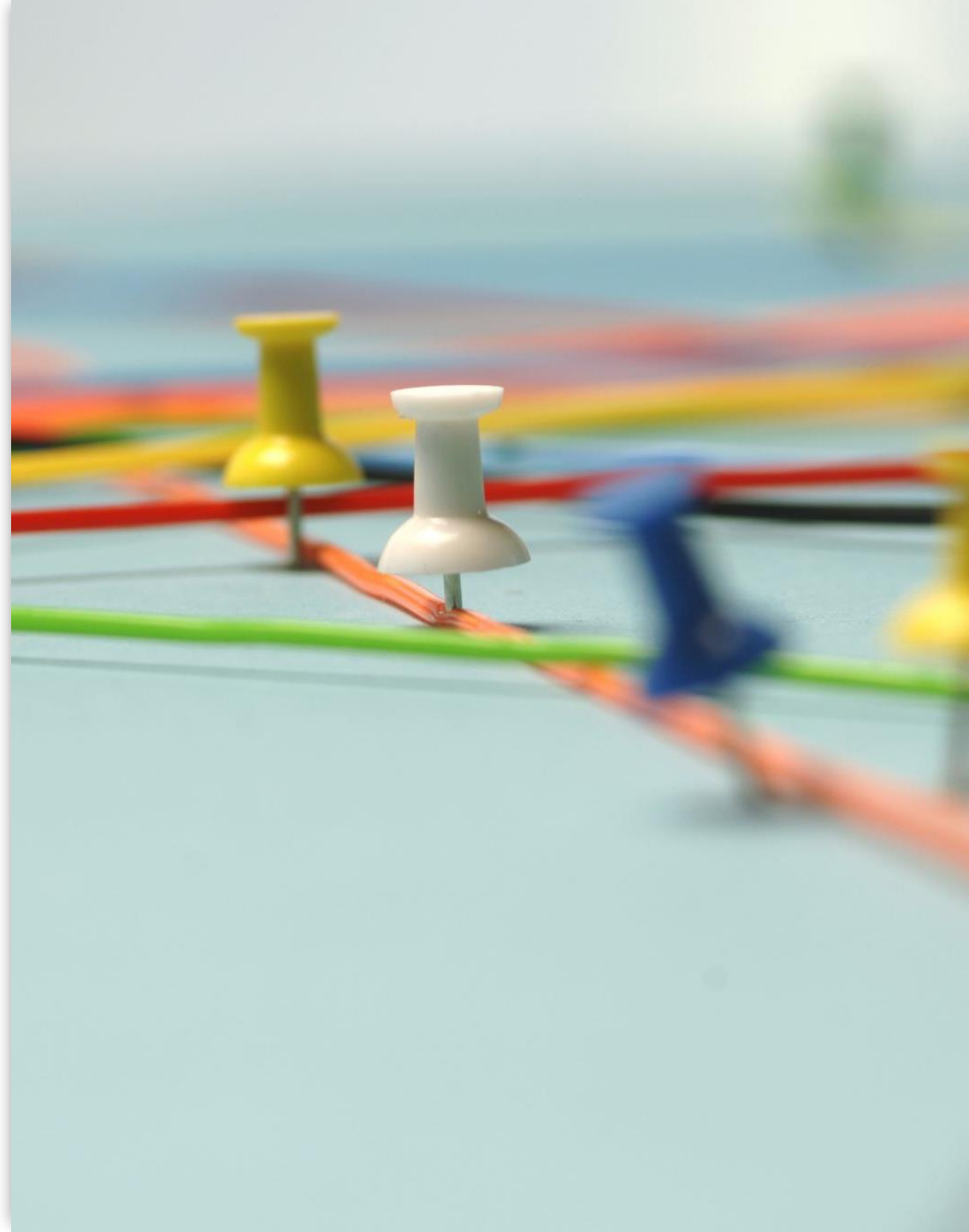


Habit forming products

Tech seminary 7

Content

- Hooked model
- How to Create a Pitch Deck



'A must-read for everyone who cares
about driving customer engagement'

ERIC RIES, author of *The Lean Startup*

HOOKED



How to Build
Habit-Forming Products

NIR EYAL

WITH RYAN HOOVER

Hooked

- NIR EYAL creates, builds, and successfully sells 2 startups
- **Hook Model**
 - When Offering Value to Users
 - Building User Engagement
 - Creating Habit-Forming Products (designing features that encourage regular use)
 - Enhancing Customer Retention
 - In Competitive Markets
 - When Building Brand Loyalty

Ethics

- **Responsibility in design:**
 - + fitness App encourage healthier lifestyle
 - make user obsessively check their progress and compare (negatively) with others
- **Avoid manipulation:**
 - + build engaging products
 - a social media platform where users spend excessive time, ignoring real-life relationships and responsibilities
- **Create positive habits:**
 - + learning app that encourage users for regular practice



Hook Model

- The goal should always be to **enhance the user's life** and provide value, **rather than exploiting** psychological vulnerabilities for profit.
- **Hook Model:**
 - Trigger
 - Action
 - Variable Rewards
 - Investment

Trigger

- **Externs** (what makes the user getting the product):
 - Marketing, press releases, videos, newsletters, shares, ...
- **Interns** (what does the user really want)
 - Fear of losing precious moments (Instagram)
 - Social connection (email app, WhatsApp, Facebook)
 - Boredom: Twitter, TikTok



Action

For a behavior to be adopted, 3 elements are needed:

- **Trigger**
- **Motivation:** pleasure-seeking, hope, pain avoidance, social acceptance
- **Possibility** of acting:
 - Time
 - Money
 - physical effort
 - intellectual effort
 - deviation from the social norm
 - lack of routine



(Variables) reward

- The reward from **the tribe**:
 - Our behavior is influenced by the **people we admire**
 - Facebook, League of Legends, Stack Overflow
- Reward from **hunting**:
 - The outcome is important but let's not forget about the process
 - This **unpredictability** stimulates continued usage.
 - online shopping, searching for information on the internet
- The reward **for ourselves**:
 - Self-progress
 - Ex: games, Mailbox (acquired by Dropbox for \$100Mil)

Bad example for variability. *FarmVille* which was very popular, but the next versions (City, Chief) kept **the same suspense elements** and consequently lost 80% of the users.

Investment

- Psychological, we are **over-evaluating our work**
- **user** puts something into the **product** (time, data, effort, social capital, or money)
- likelihood of returning due to a **sense of ownership**
- Examples:
 - IKEA, you have no problem ensemble it, and you care more about it because you “build” it
 - Instagram/Facebook account where you “acquire” a lot of followers
 - Photoshop (as you grow your competences)
 - Stack Overflow (as you grow your reputation)



Create a Pitch Deck

- Pitch decks typically contain about **10-12 slides**
- Keep the slides simple, concise
- Reduce and simplify text with icons
- Accentuate numbers with charts
- Compare competitors with an XY graph
- Show off the team with professional photographs

Competition



THE BURGUNDY TEAM



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Madeleine Lowe
Marketing Associate



Elaine Ross
Marketing Associate



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Jennifer J. Abell
Executive Assistant

Pitch Deck Slides

- The problem
- Primary Target Market
- Your Solution
- Numerical results
- Competition
- Business Model: how to generate revenue
- Demo (code, self-made components, AI models)



Conclusions

- The main purpose is **NOT** to create **manipulative** or **destructive** products, but tools that frequently connect users' **problems** to **solutions** and create **habits**.
- “**Hook Model**” includes the following elements: “**Trigger**”, “**Actions**”, “**Variable Reward**”, “**Investment**”
- I hope the "hooked model" will shine a spotlight on your **success**



References

- **“Hooked. How To Build Habit-Forming Products” – Nir Eyal**