Chapter 8
Marketing Strategies for IoT Consumer Adoption: Understanding Consumer Psychology and Building Brand Trust

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ABSTRACT

The rapid growth of Internet of Things (IoT) consumer products has transformed daily life, yet widespread adoption remains a challenge due to privacy concerns, perceived risks, and usability barriers. This chapter explores marketing strategies that enhance IoT consumer adoption by integrating insights from consumer psychology and trust-building practices. It explores key psychological factors influencing adoption, such as perceived usefulness, risk, and social influence, and highlights the importance of transparent communication and brand reputation. Strategies like education campaigns, personalized messaging, and influencer engagement are discussed as means to address consumer fears and motivations. The chapter also

DOI: 10.4018/979-8-3373-3441-7.ch008

identifies future directions including personalized marketing, gamification, and ethical considerations. By combining psychological understanding with targeted marketing and trust-building, IoT companies can better engage consumers and foster sustained adoption in a competitive and evolving market.

1. INTRODUCTION

1.1 Background

The Internet of Things (IoT) means that daily physical devices can be linked together over the internet to gather and share their data(Gokhale et al 2018). In the world of consumer products, IoT has moved from an unusual technology to one that changes the way people live, work and interact with their surroundings. Consumer IoT products cover many devices, including smart appliances for the home, devices that monitor health, connected automobiles and voice-controlled assistants(Kashyap, R. 2019). Because sensors are now more affordable, wireless connections are improving and smartphones are being used more widely, smart devices are being used more everywhere. Over the last few years, the number of IoT consumer products has increased a lot and experts expect worldwide markets to expand rapidly. Researchers expect that within the next decade, billions of devices will be connected in homes. The reason for this growth is the promise of easier service, better efficiency and more personal choices. Smart thermostats adjust themselves to fit how people live and fitness trackers let them see their health in real time. Though the market is moving strongly, people's willingness to use technology varies widely by region and product, suggesting that many different things affect its acceptance(Soumyalatha 2016).

1.2 Importance of Consumer Adoption in IoT

IoT technologies need consumers to use them for them to succeed and remain sustainable. While innovation drives the industry, the real factor in a product's success is how consumers choose to adopt these new devices(Gadre, M., & Deoskar, A. 2020). Adoption brings many different challenges. Many people are concerned about privacy and security because IoT devices regularly collect their data and remain connected to the internet. People are concerned about their data being stolen, watched without permission and being misused. Moreover, problems with how easy it is to use and connect devices made by different manufacturers stand in the way. People are more likely to buy and use IoT products if they trust the value and usefulness will be worth the money and the risks. There may not be a mass adoption of technology until the main problems are addressed. Marketing can significantly