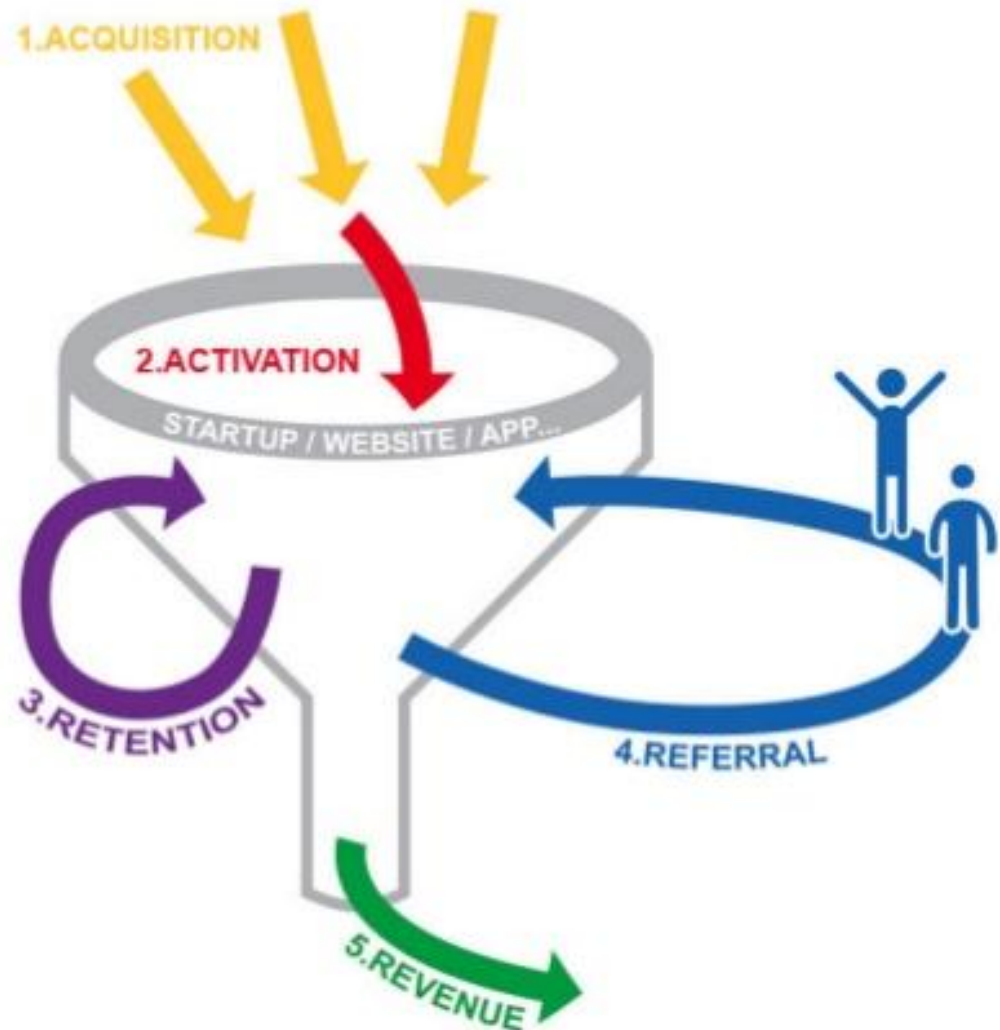# Design for Execution Part 2: Retention and Growth

Shan-Hung Wu

CS, NTHU

Product Launched… and Then?

- User funnel
  - *A*cquisition
  - *A*ctivation
  - *R*etention
  - *R*eferral
  - *R*evenue

Outline

- Design for retention
- Design for growth
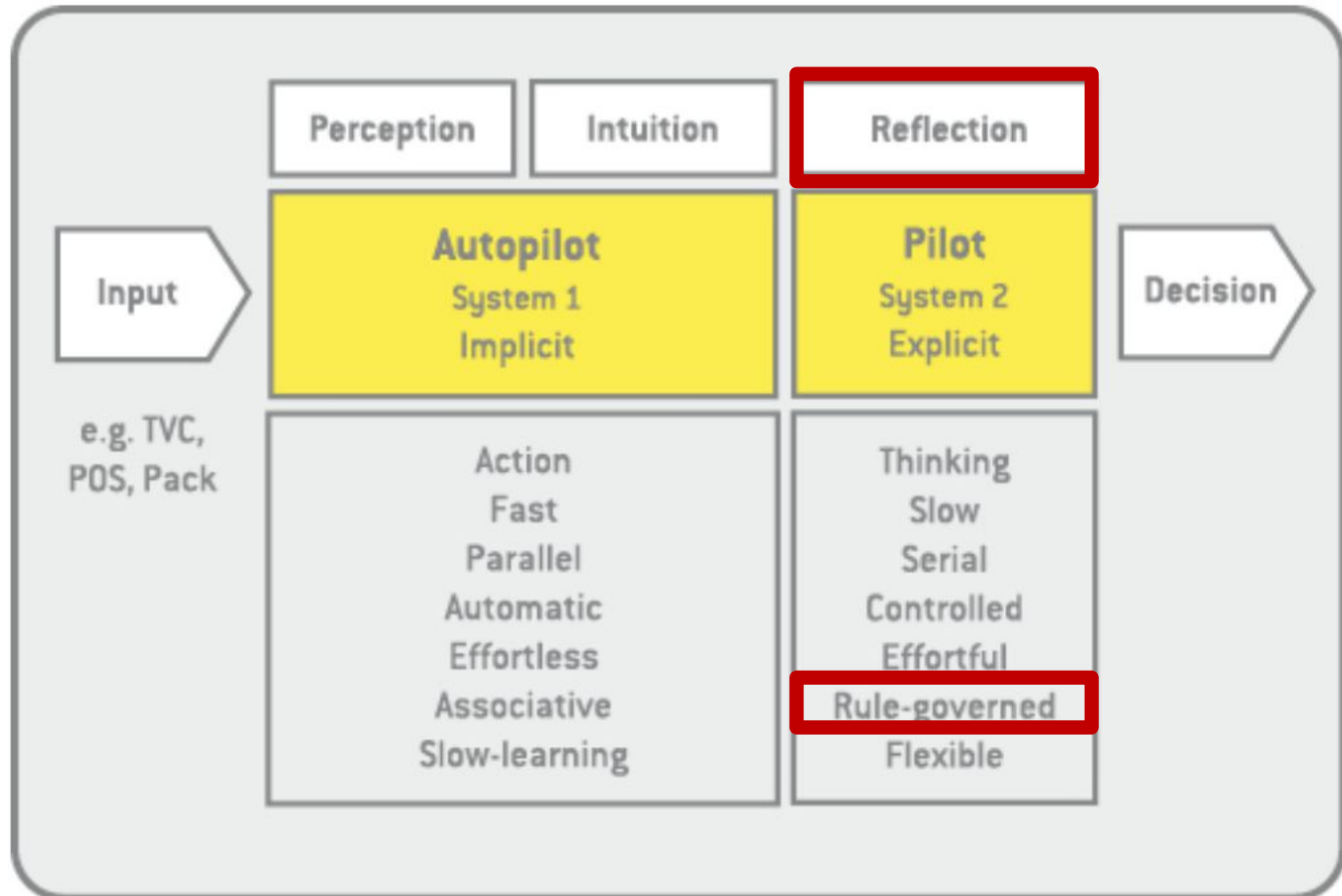
Outline

- Design for retention
- Design for growth

Why Are You Addicted to Facebook/Instagram/YouTube…?

- Information hunting
  - Mindless scrolling for "the next interesting thing"
- Evolution supported*!*
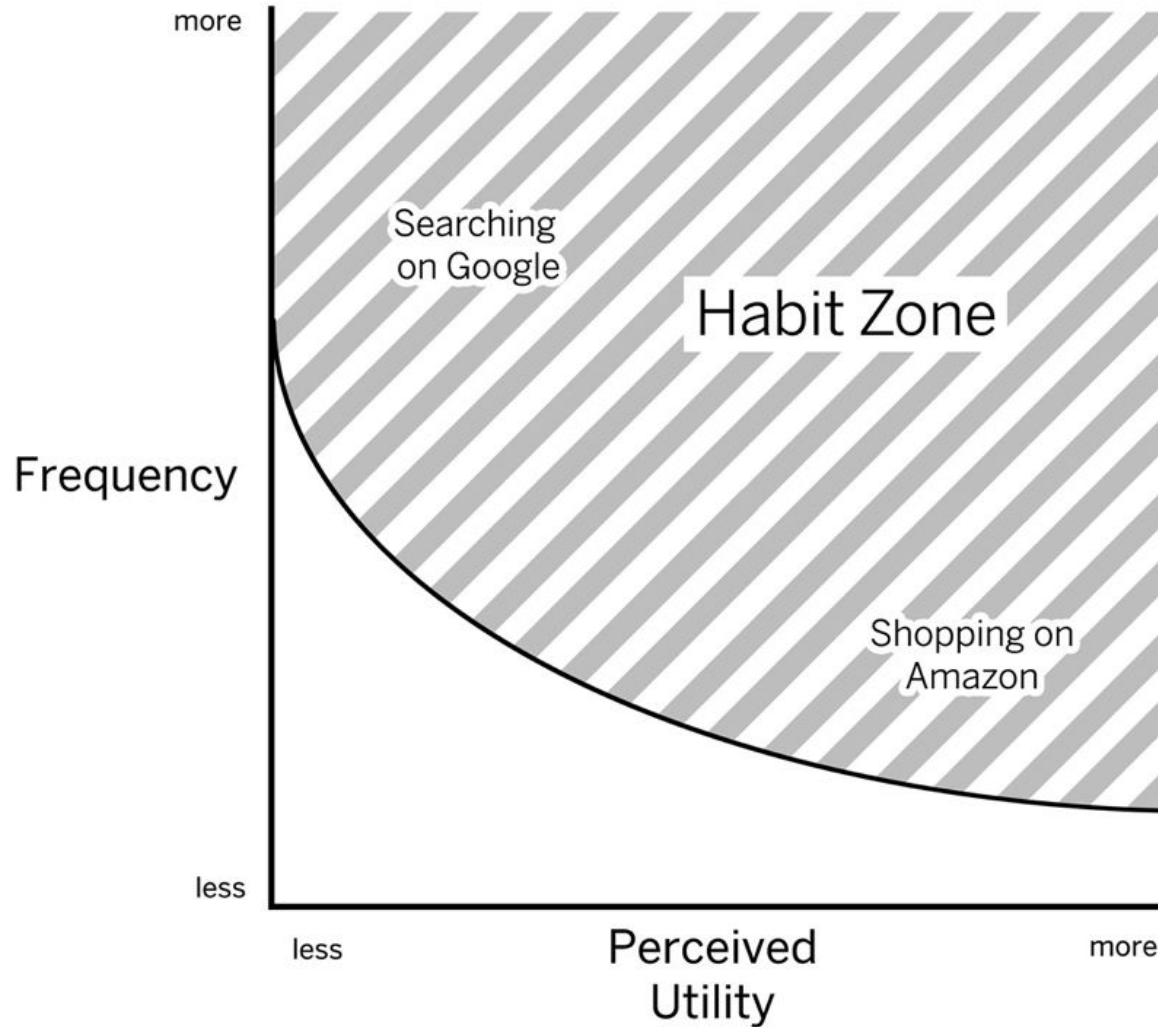 - How primitive mans hunt?
  - Persistence hunting
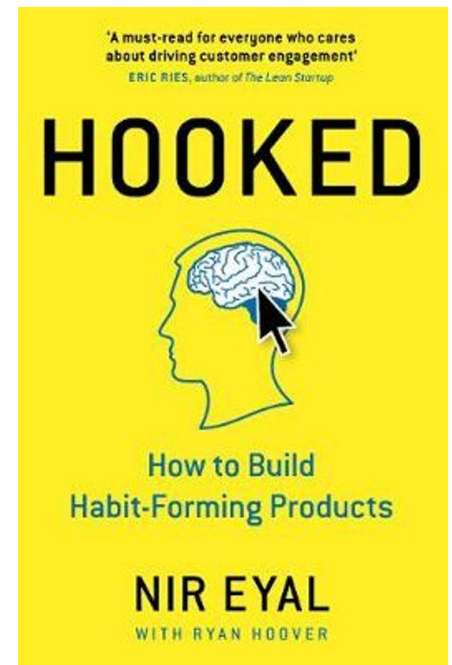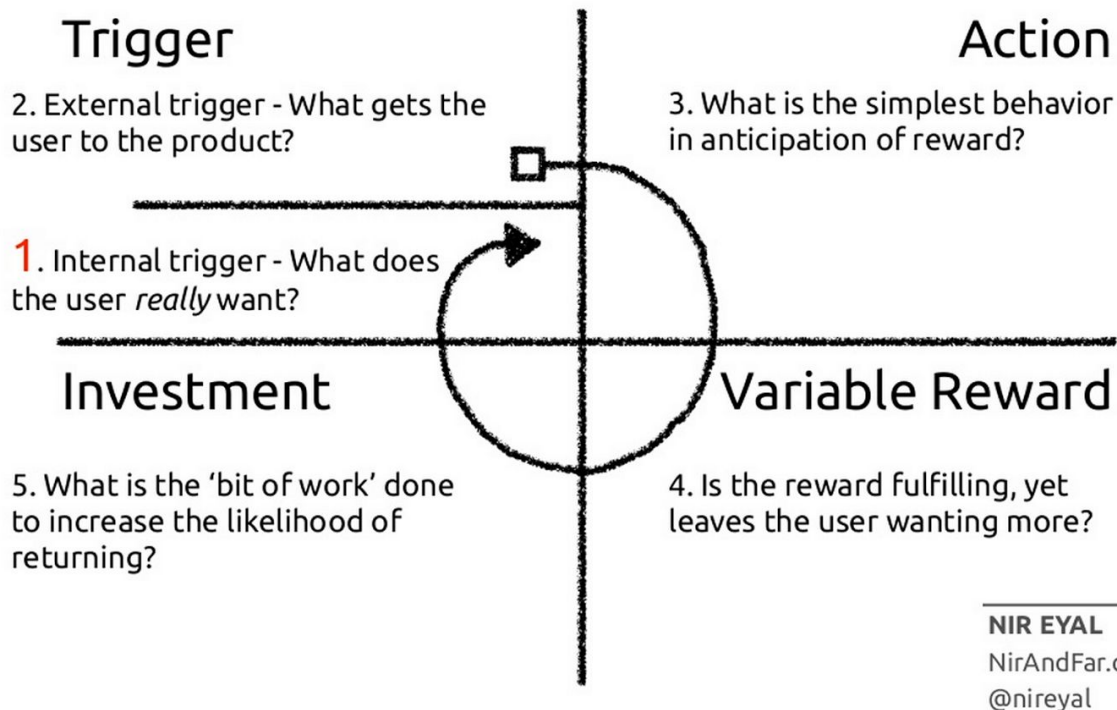

- But how exactly is the "addiction" is formed?

Thinking, Fast and Slow

Habit-forming Products

A Cycle for Habit Forming

Trigger

2. External trigger - What gets the user to the product?

1. Internal trigger - What does the user *really* want?

Action

3. What is the simplest behavior in anticipation of reward?

Investment

5. What is the 'bit of work' done to increase the likelihood of returning?

Variable Reward

4. Is the reward fulfilling, yet leaves the user wanting more?

NIR EYAL
NirAndFar.com
@nireyal

'A must-read for everyone who cares about driving customer engagement'
ERIC RIES, author of *The Lean Startup*

HOOKED

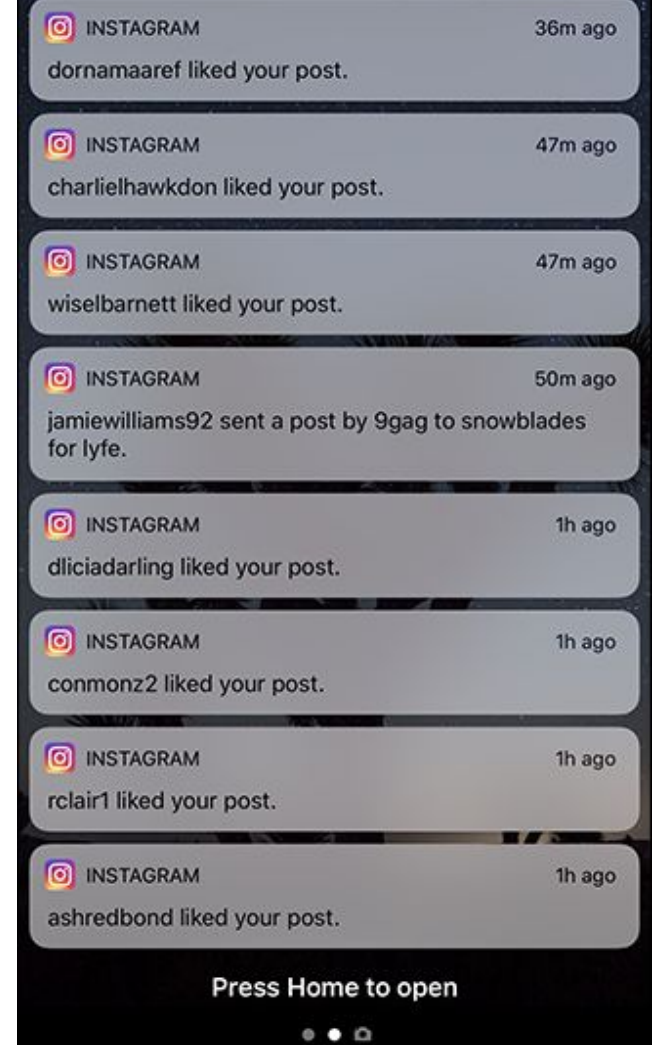How to Build Habit-Forming Products

NIR EYAL
WITH RYAN HOOVER

Triggers

- External vs. internal triggers
- Internal triggers:

- Google?
  – Security (certainty) + discipline (knowledge)
- Can only leveraged by *leading brands*
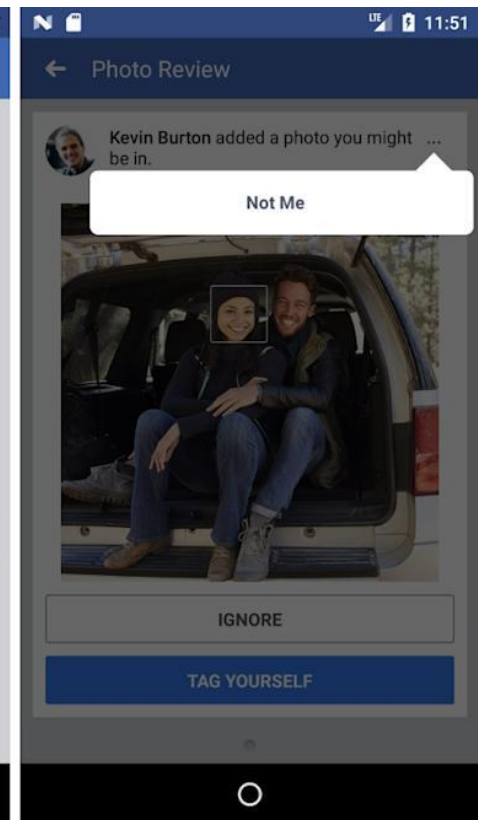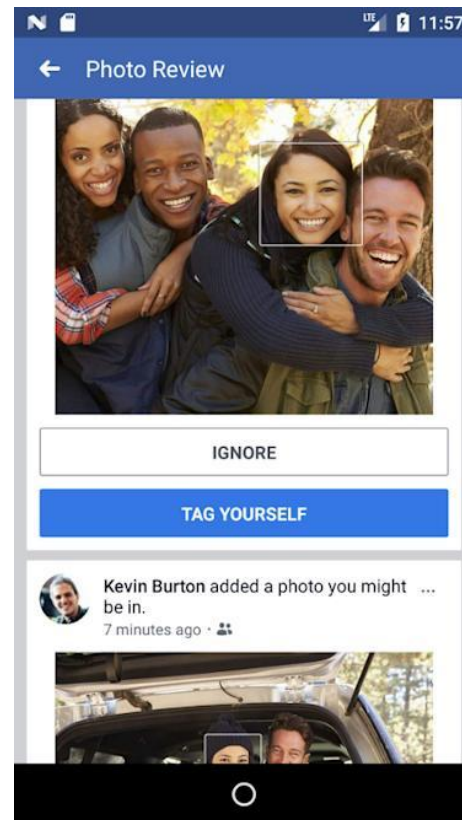
External Triggers

- Target: from life events to internal triggers

- In what context?
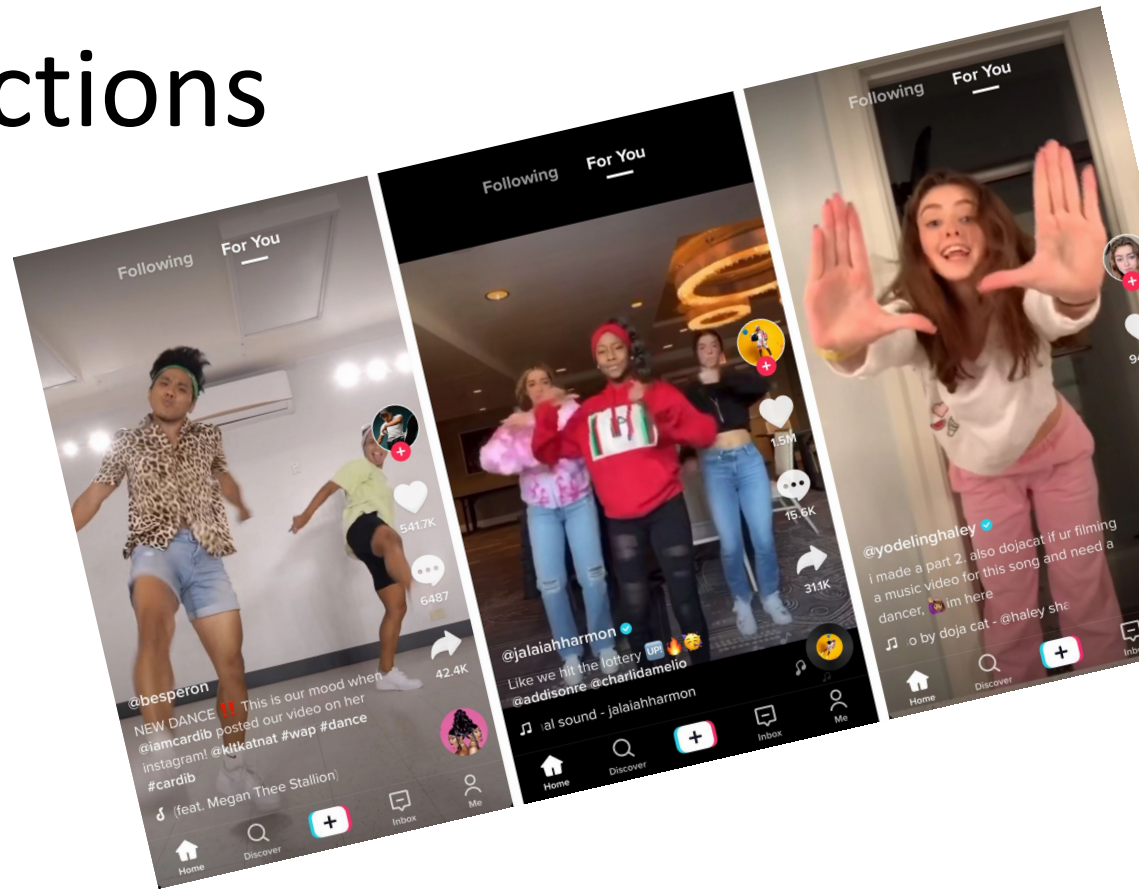- When's the right time (touchpoints)?

Actions

- Necessary conditions:

- Trigger (tangibility)
- Immediacy
- Certainty
  - Expected rewards vs.
  - Costs

Costs of Actions

- Time
- Money
- Effort
- Brain power
- Deviation from social norm
- Breaking convention

Rewards

- Bio fact: dopamine are released (by nucleus accumbens) at the time people ***want to*** get rewards

- Rewards must align with ***user goals***
  - So, dopamine can triggers actions in the next cycle

- Rewards must be ***dynamic***
  - If you don't get it this time, you want it more
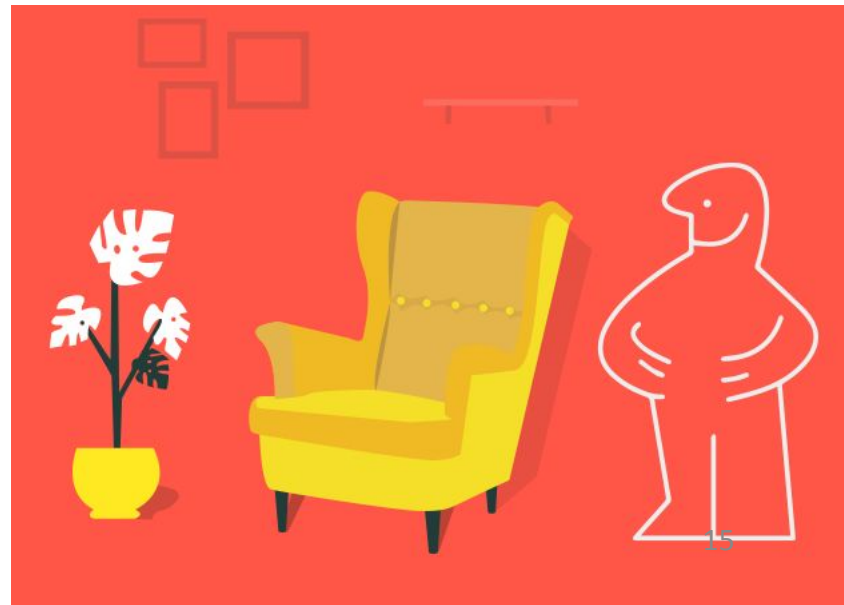 - E.g., gambling
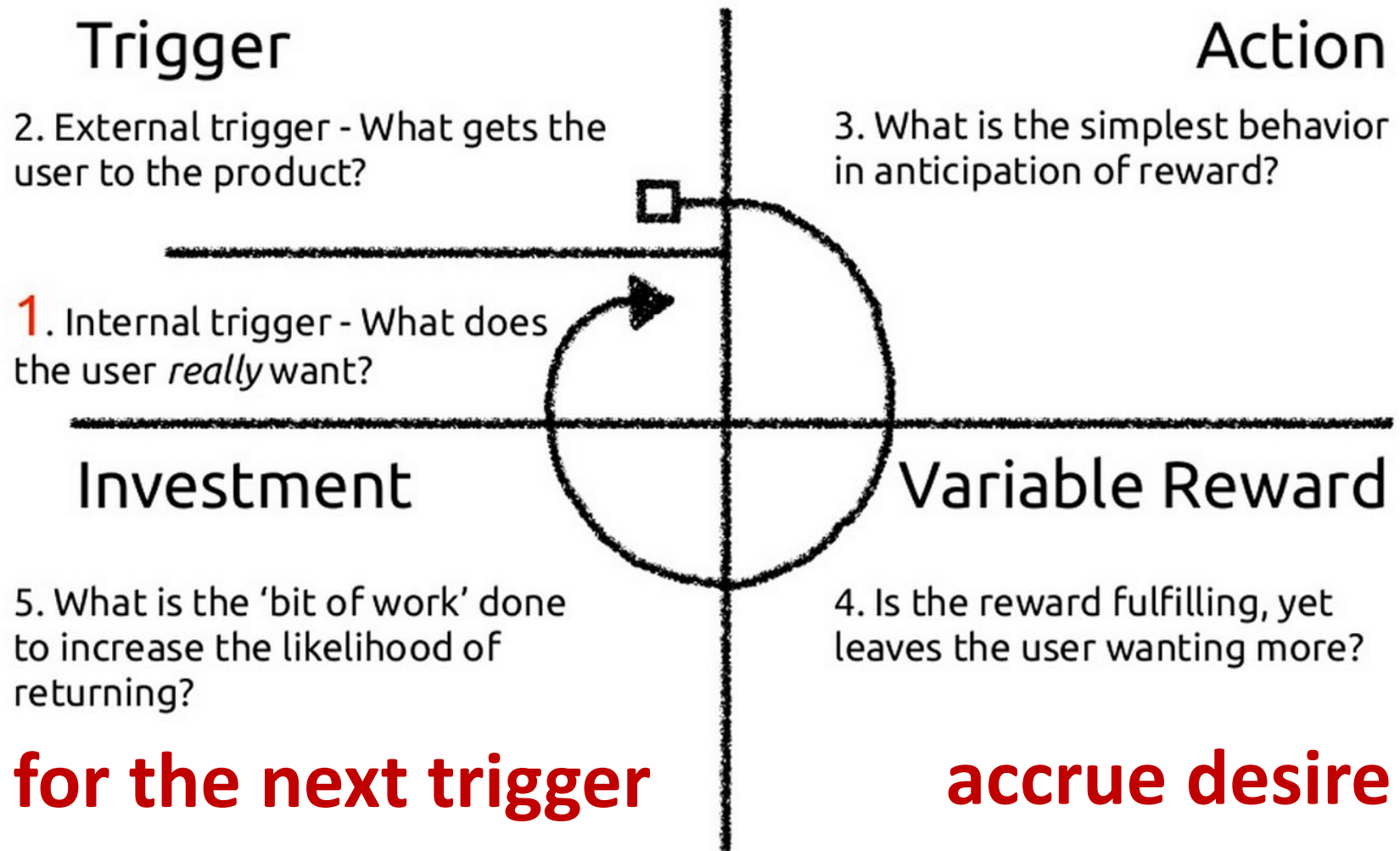
3 Types of Dynamic Rewards
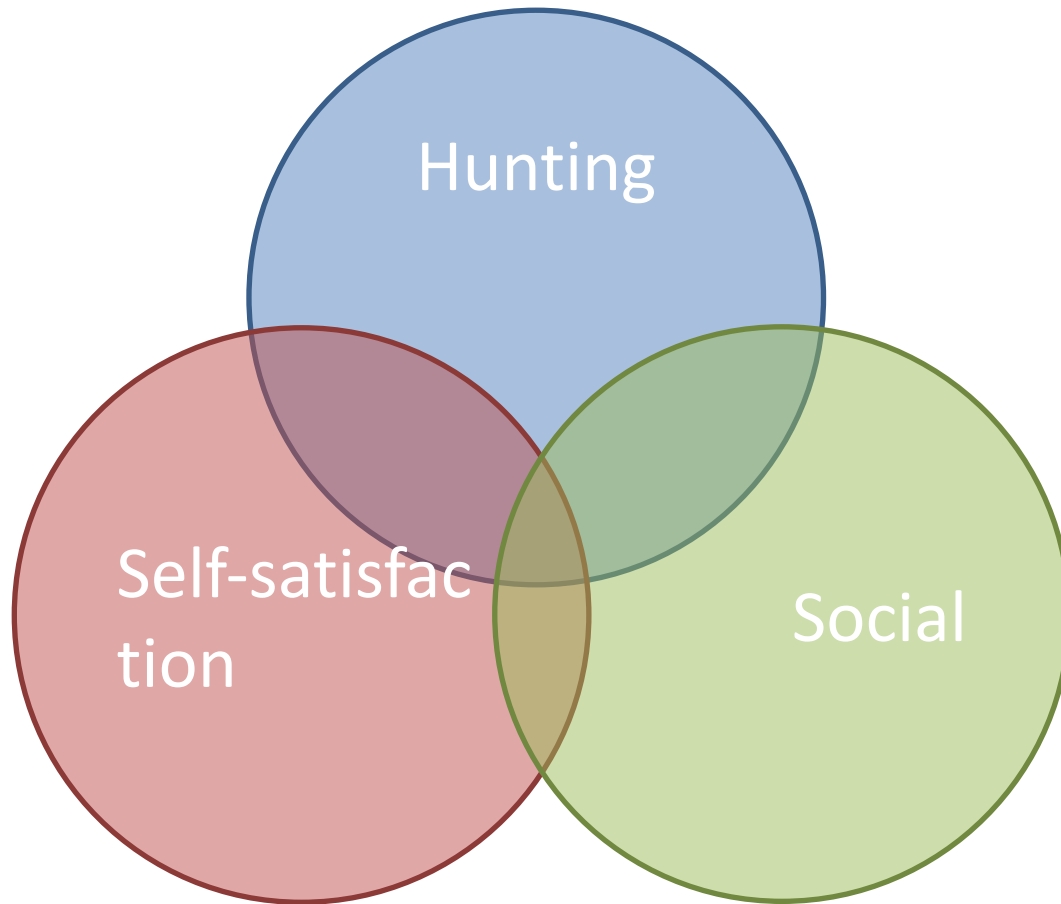
Input/Investment

- Goal 1: for the ***next triggers***
  - Increase action frequency
- Goal 2: to make users like your product
  - The more people input, the more they like you
  - Commit and consistency
  - Rationalization
- Input ***after*** rewards
  - Reciprocation

at right time

of low cost

Trigger

2. External trigger - What gets the user to the product?

1. Internal trigger - What does the user *really* want?

Action

3. What is the simplest behavior in anticipation of reward?

Investment

5. What is the 'bit of work' done to increase the likelihood of returning?

Variable Reward

4. Is the reward fulfilling, yet leaves the user wanting more?

for the next trigger

accrue desire

Can you add hook cycles in your apps?

Outline

- Design for retention
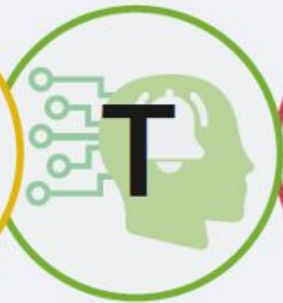- Design for growth

Will Users Share Anything?

- No!

Social Currency
We share things that make us look good

Triggers
Top of mind = Tip of tongue

Emotion
We share when we care

Public
Build to show = Built to grow

Practical Value
We share news that others can use

Stories
Info travels via stories & idle chatter

Contagious
WHY THINGS CATCH ON

JONAH BERGER

21
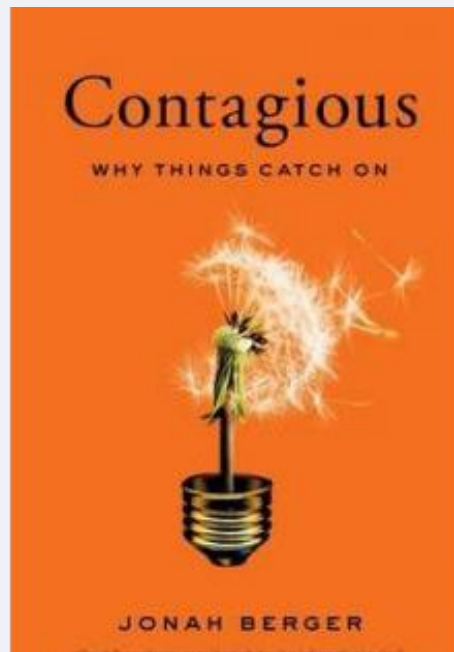
Social Currency

- People share products/ideas that make them appear smart, cool or informed

- Help create social currency by
  - Making your product/idea remarkable
  - Leveraging game mechanics
  - Using scarcity and exclusivity

Triggers

- People tend to talk about whatever's at the top of their minds

- Create effective triggers that meet 3 criteria:
  - Frequency
  - Relevance
  - Context

Emotion

- ***Not all*** emotions spur action
- Focus on arousal emotions:

	High Arousal	Low Arousal
Positive	Awe (Wonder) Excitement Amusement (humour)	Contentment
Negative	Anger Anxiety	Sadness

Public

- We're more likely to discuss and imitate something that's public and observable

- Turn private to public using
  - Self-advertising
  - Behavioral residue

Practical Value

- People like to pass on content with practical value that'll benefit the recipients

- Can we help users help other users?

Stories

- People like to pass on information in a vivid, engaging, and persuasive way

- Embed your product/idea in a captivating story
- Make sure your brand/message is integral to the story

What are your STEPPS?

Demo 2: Hi-fi Prototypking

- Mockups & design systems   20%
- Interactions (happy path)   20%
- Design critic (intra-tram peer review)   10%
- Usability test (inter-team peer review)   10%
- **Design for Execution**   40%
  - Acquisition   10%
    - A pitch
  - Activation   10%
    - Design for the promised value
  - Retention   10%
    - Design for retaining users
  - Referral   10%
    - Design for growth

Demo2: Submission

- Video presentation
  - About 15 min
  - Landing page (aquisition)
  - App key features (activation)
  - Retention design
  - Growth design
- Progress report
  - Up to 10% bonus

Happy prototyping!