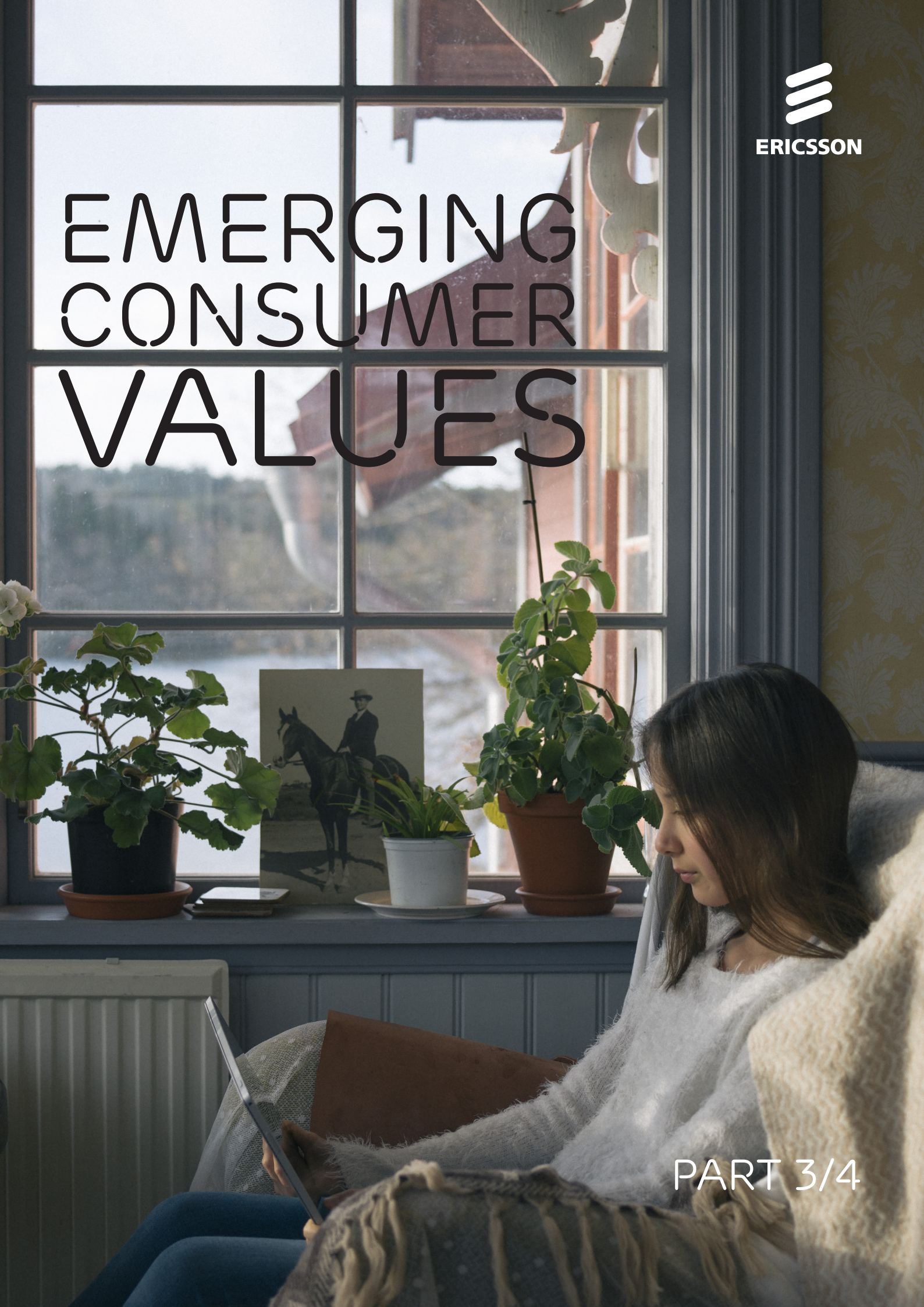# EMERGING CONSUMER VALUES

ERICSSON

PART 3/4

PREFACE

This series of reports on Lifestyle Change provides insights into how consumption patterns will change and respond to some of the major technology-driven trends now reconfiguring the global marketplace.

The methods consist of extensive qualitative analysis including a series of in-depth interviews with 36 academic researchers, experts, authors, entrepreneurs and forerunners; a broad range of literature and articles on the topic; and many blogs and websites on the digital economy and homepages of digital companies.

The report series consists of four parts: "Disruption of the old consumption logic," "The sharing economy," "Emerging consumer values," and "The consumer in the Networked Society." Supporting the whole series is a fifth report – "A tale of two transforming cities" – with contrasting case studies of two rapidly transforming urban areas, Detroit and the Bay Area, which highlight the emerging opportunities of the Networked Society.

Special thanks to Jan Unkuri, Fredrik Öhrfelt and Josef Conning at Augur, a Stockholm-based insight agency, as well as to all the people whose interviews contributed to these reports.

CONTENT

INTRODUCTION

It's what you do that counts… what we see emerging is a meritocracy. The political system in many countries may still be a traditional 20th century democracy, but the reality of how society works and runs is as a meritocracy.

It is what people accomplish on a daily basis that decides their role and position in society. It is what you do, not who you are or where you come from, for that matter. At the fast pace at which the Networked Society is moving ahead, changing, and disrupting itself, few people can expect to stay relevant based on old merits. People who want to stay in the loop, belong to the right networks and make an impact will have to develop and change as fast as society does. This is a race that requires intelligence, skills, social abilities and stamina – because one's cultural, social and economic capital needs constant input and tending.

EMERGING CONSUMER VALUES

"Knowledge is the key to the whole hipster movement. Why is it so cool to brew your own beer, make your own sausages and tinker with your own fixie bike? Because learning to do it takes time. It takes time and some amount of nerdy interest, which is also connected to the fact that it takes time to cultivate such an interest. Time, and to actually take the time, is attractive in a society that moves very fast."

Jacob Östberg, Professor, Advertising and PR, Stockholm Business School

The Networked Society and digital culture is a fragmented world and accordingly it's difficult to know exactly which values will be guiding consumers in the future. The speed at which the world is moving also tells us that the values people hold on to become more fleeting and can change relatively rapidly from one year to another, and from one context to another. The Networked Society will be characterized by liquidity rather than solidity, as the sociologist Zygmunt Bauman puts it, meaning that everything from objects to people's identities will not hold their shape for long and will be in constant flux.

This also means that consumers will not be guided by a solid set of values but will be flexible regarding their principles for consumption.

However, considering the overall structural changes in society and the impact of technology we can see a number of guiding values that are likely to shape people's wants and preferences with regard to consumption over the next 10-15 years.

KNOWLEDGE

Knowledge is increasingly becoming one of the most critical components of consumption. The ability to make informed consumption choices, and sociocultural knowledge about how to use consumption to your benefit will, to a very large extent, drive the consumers of the Networked Society. As the usage of a number of different services and consumption takes precedence over other activities in everyday life and becomes the primary way of coping with life and society, consumption knowledge rises naturally as a required skill, just as professional skills are required to do a job.

Cultural and social capital will play a significant role in how knowledge is applied to consumption. Much of the knowledge required for consumption skills will be learned through peers and the cultural contexts in which people reside. Digital networks will be critical to consumers in order to stay "educated" about products, services, brands and markets. Consumers will have to educate themselves about the origins of products and services, how they are understood and used in the sociocultural context and how to engage with them on a more involved and productive level. To acquire all this knowledge will take time and effort, but it will bring value and status in the sociocultural context.

The consumer will have to become a curator who learns how to combine sign value and use value in order to rise above the market and be an empowered consumer in the Networked Society rather than just a receiving 20th century consumer. There will be very little status and cultural meaning in what the market provides; instead the consumer must become more involved in order to contribute to the creation of cultural meaning in products, services and brands.

TRANSPARENCY

Market transparency – or the openness of what a brand really is, how its offering is put together and how the business model for the brand actually works – is increasing in importance as a guiding consumer value in the Networked Society. The demand for transparency also correlates strongly with consumers becoming more and more knowledgeable.

The consumer in the Networked Society will not accept pretend brands and will be able to "deconstruct" market offerings if they want to. There are three primary reasons why transparency is continuing to influence consumers:

> Consumers have access to almost all kinds of information and learn more and more about brands, products and services without having to rely only on commercial brand communication.

> The consumer society has educated people in understanding market mechanisms and how marketing works, which means that it's increasingly difficult for companies to add irrelevant meaning to their products and services.

> By engaging in more and more involved consumption, people are learning how products and services are created and learning how to create themselves. Therefore, they are also much more able to see through and evaluate commercial market offerings.

FAIRNESS

Fairness is an important guiding value. As service usage increasingly becomes a primary activity in daily life individuals will become more knowledgeable as consumers – they will become much more reluctant to accept market conditions that are not fair to them and to the society in which they live. Fairness will be expected in:

> User experiences: consumers will expect user experiences that respect them and treat them as humans and individuals (not as the other end of a transaction), and which value their time and effort.

> Business models: consumers will expect business models that are based on fair price-value ratios rather than maximized profits.

> Manufacturing conditions: consumers will expect manufacturing conditions that do not damage the world or the community for which they produce.

> Brand communication: consumers will expect communication that is on their level and not based on exaggerated sales talk.

EXPERIENCES, SERVICES AND ACCESS OVER ITEMS

"Commerce has reached a limit. Consumption is at the point of diminishing returns. We need to start selling the experience, not the product," says Rachel Barge at Yerdle pointing to how industrialization and the mass production of consumer goods during the late 20th century have brought huge volumes of items to the world. At the beginning of the 21st century, the average middle class household owned vastly more things than it ever used or cared for. With this abundance of items in circulation, the sign value and the emotional value of consumer goods have declined.

When the majority of the population in a society can afford to buy all types of consumer goods, the sign value of owning these goods declines. The first person in a neighborhood to own a car acquired plenty of symbolic status. When everybody in the neighborhood owned cars, it was the person with the most prestigious car that acquired some amount of symbolic status. But when cars become more similar and difficult to distinguish from one another they are increasingly drained of distinct sign value and appreciated more for their use value.

Secondly, when people own a myriad of objects they cannot give all objects the same emotional appreciation they could when they only owned a few things. And with the "wear and tear" mentality of the late 20th century, people have begun to form ever weaker relationships to the things they buy and possess.

This logic of abundance versus scarcity implies that people are increasingly valuing other things in their consumption than the very objects they buy and use. Instead of items, it will be experiences, services and access that are valued by the consumers of the future.

EXPERIENCES OVER ITEMS
That consumers value experiences is not a new insight. This has always been the case and many goods have been purchased for the experience they provide. However, as the object itself becomes increasingly unimportant – not the least due to technology replacing objects altogether – all that remains in the consumption is the experience which the usage of an object brings. It is not surprising that the market – and especially new digital brands – has started to focus on the user experience in the last couple of years. This is a tendency that will only accelerate. It is the experience that people will demand, pay for and evaluate in the coming decades.

Doug Stephens, the Retail Prophet, sees that our future lust for experiences will also change the logic of the store:

"Media is becoming the store and vice versa. Retailers have to treat their stores not only as distribution centers for products but distribution centers for experiences. The store needs to be measured like a piece of media rather than just a brick and mortar distribution center. If more sales go online or mobile it doesn't mean that the store is less effective. The objective of the store will be like the old objective of media: to tell the brand story, to really get me interested and excited and to educate about products and ultimately to buy it, but across any channel."

This is a shift that is already highly visible among many front-running brands and we can expect to see more and more stores being turned into physical media channels.

SERVICES OVER ITEMS
More products are becoming services as much as they are products – hence the term "servgoods." Again, digital technology is accomplishing much of the "servification" of consumer goods, applying a service component to products or embedding them within a larger service offering. As the product itself becomes increasingly generic it is, in many cases, the service that can differentiate it from other products. Accordingly it's safe to assume that the consumer market will, to a very high extent, value and be guided in its choices by the services that are connected to products.

ACCESS TO ITEMS AND FUNCTIONS
When the sign value and emotional value of items decline it's no longer necessary for people to own them, but they do still need to use the items. With digital technology it has become increasingly simple to create services that give people access to consumer goods, without the need to actually possess and own them. Spotify and Netflix are good examples, as are sharing services for cars, bikes, tools and clothes. A relevant prediction about the future is that people will value simple and fast access to items or functions – the ability to use things – over owning them. Access over ownership is also advocated by many of the movements of organized consumption and we can expect emerging consumer ethics to value access over ownership.

AUTHENTICITY THROUGH EXPERIENCE, INVOLVEMENT AND SOCIALITY

The mass production and mass marketing during the age of industrialization removed a sense of authenticity from many products and services. Digital technology, and the extreme automation it brings to the consumer experience, is in many ways escalating this. When all products and services become data – and thus infinitely replicable – the sense of authenticity vanishes completely. Accordingly, a sense of authenticity in consumption becomes a scarce resource in the Networked Society. This will lead to people desiring and valuing a true sense of authenticity very highly. Sofia Ulver at the University of Lund says:

"The thirst for authenticity stems from that we once produced what we consumed. We were in existential contact with our own bodies. We have lost control and lost touch of our own capabilities and the potential of nature. Unhappiness and mass depression is instilled by the separation from nature and being absorbed by the digital world. This alienation creates a thirst for anything that is genuine and has a clear origin." What brings authenticity back into the equation? The answer can be found in the experience, the involvement and the sociality of consumers in the creation of the experience.

AUTHENTICITY THROUGH EXPERIENCE

Although a product or service may not be completely authentic, the experience that it provides for the consumer can be. Experiences are created by many more cultural and social components than simple products and services are. How the experience is composed and how it plays out adds an element of authenticity. The service that is connected to a product, or in which a product is embedded, plays an important part in nurturing a sense of authenticity.

AUTHENTICITY THROUGH INVOLVEMENT

The more the consumer is involved in the creation of the experience, the more unique the experience becomes, and the more authentic. The individual thought and effort that goes into the creation adds something real which wasn't there in the first place. As more and more people become increasingly involved in at least a few categories, they begin to value the personal uniqueness they bring to the consumer experience.

AUTHENTICITY THROUGH SOCIALITY

When a consumer experience is also social and shared with other people it gains in authenticity. The social context in which the experience is consumed will always vary and be unique, which will also make it authentic. There is unpredictability in how a group of people act in relation to a consumption experience. This is one of the reasons why digital technology will continue to include a strong social component and a whole social context, as it makes up for the authenticity that the technology itself lacks.

SOCIALITY AND RELATIONSHIPS

Technology may be deemed as having an alienating effect on people and their social relationships, but the Networked Society is, on the other hand, also connecting people with each other in an unprecedented way.

The age of industrialization also had an alienating effect on society. It pulled people out of their rural communities and into cities and cut apart the collective organization of society and replaced it with smaller nuclear family units and highly-individualized lifestyles. The Networked Society is now re-connecting and re-organizing people into more community-like constellations, although on a more global scale.

As humans are social creatures and strongly motivated by belonging, digitally transformed societies have jumped extremely eagerly on the opportunity that the Networked Society has presented them with. People are using digital technology as a tool for re-introducing sociality into their perhaps all too industrialized lives.

Sociality and the ability to foster relationships with other people will only continue to guide people in their consumption. Consumption of various kinds has always helped to provide "fireplaces" for people to gather around and topics for interaction, conversation and relationship building. In the Networked Society people will seek out consumption contexts that provide them with a sense of belonging and with human relationships. We will see an increase in highly involved sub-cultural and tribal consumption.

We will also see how products, services and brands are instilled with meaning more through the crowd than through branding and marketing efforts. It will increasingly be the crowd that decides what a brand stands for and how to interpret and understand various products and services. We already see this happening through various forms of organic and social reviews and ratings of brands and products. This trend is likely to continue, while marketers will lose their control over brands as their construed messages are drowned out by the cacophony of social voices in the digital space.

HEALTHINESS

The body has long been one of the major focuses of people's consumption. As science and technology advance even more rapidly and people learn more about their biology, physiology and psychology, health will move into the center stage of consumption. Also, the more society and human life is distanced from its natural – animal – origins as technology evolution keeps pulling society and culture farther away, the more people will focus on living healthily for a long time – and even seek immortality beyond our biological limitations.

As survival is such a basic, primitive and egotistic driver, healthiness is bound to become a critical component in any type of consumption where it can be, as people realize that more can be done to improve their health. This will have spillover effects on how people expect society to be organized.

For one, healthy food consumption will put extreme pressure on how food is produced and is likely to encourage ecological and local food production. Another area is that people will demand technological innovation within health and life sciences and they will be prepared to prioritize financial resources for consumption in these fields.

SIMPLICITY

As digital technology is driving automation of consumption and eliminating all unnecessary friction from consumption experiences, people are getting increasingly used to the simplicity of consumption. They will value this even more highly as automation evolves. All everyday consumption experiences will be expected to be readily available with minimal effort.

However, when people engage in involved consumption, in the categories they are more passionate about, they will disregard simplicity and instead value complexity.
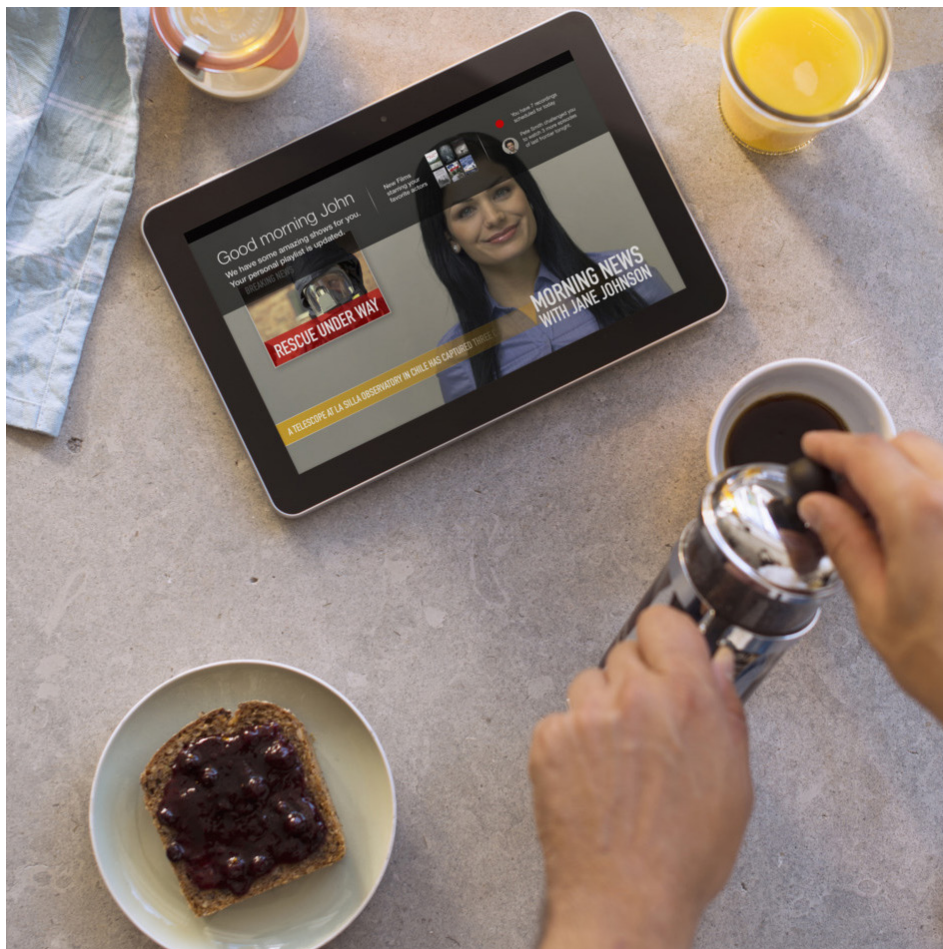
EMERGING CONSUMPTION DICHOTOMIES

"Consumerism is going to become a bad word. It's going to be 'Can I be more of a producer than a consumer? How can I do this within these limits? How smartly can I do this?' Limits have always led to innovation."

Asher Miller, the Post Carbon Institute

The analysis of consumption in the Networked Society spawns a number of dichotomies that are telling for the logic and dynamic of the future of consumption. The most important of these are examined below.

TECHNOLOGICAL AUTOMATION	VS.	HUMAN INVOLVEMENT
GENERIC PRODUCTS	VS.	ORIGINAL EXPERIENCES
VIRTUAL EXPERIENCES	VS.	AUTHENTIC EXPERIENCES
ACCESS	VS.	OWNERSHIP
ACTIVE CONSUMPTION	VS.	PASSIVE CONSUMPTION
SELF-PRODUCTION	VS.	COMMERCIAL PRODUCTION

TECHNOLOGICAL AUTOMATION VERSUS HUMAN INVOLVEMENT

In the first report in this series, "Disruption of the old consumption logic," we discussed automated production, automated consumption and involved consumption. These trends imply that the future market of the Networked Society will on one hand consist of products and services that are produced automatically by cleverly-employed technology and on the other hand of products and services that are created with a great deal of involvement from real people.

These two trends tell us that the supply in most markets will be polarized. People will orient themselves and evaluate products and services based on whether they are produced automatically or with significant human involvement.

Because automated large-scale production will make up the majority of the market supply, products and services that are automatically produced will be understood more as low-end, regardless of how they are packaged and marketed. Products and services that are produced with significant human involvement will, on the other hand, be understood as premium. Consumers will appreciate that these are products where actual human time, thought and care have been invested in the creation and manufacturing process.

This dichotomy will contribute to the deconstruction of the traditional branding paradigm of the late 20th century. Industrialization saw the invention of clever marketing in order to be able to position products and services as either low-end or premium, regardless of the underlying production process. Consumers in the Networked Society will see through this industrial superstructure created by marketing, and they will instead understand the concept of premium – partly in the capacity of the human touch. This is also a reason why consumers will value transparency highly – they will need to know whether they are paying for true craft and artistry or a large marketing department.

There will, however, be an important dimension between production based on technological automation and human involvement: automatically-produced products and services that have a naturally incorporated social peer-to-peer component. Examples of this are services like Uber and Lyft, which incorporate humans as drivers and as users to rate a service that in all other respects is highly automated. The social component will add a human touch and both sign value and emotional value. These are human components that move a relatively automatic and low-end experience like a taxi ride towards the premium end.

GENERIC PRODUCTS VERSUS ORIGINAL EXPERIENCES

Technology is making it increasingly possible for any provider to deliver all kinds of products and services, particularly so when they are largely made up of software. Technology drives the overall market in a more generic direction, and this tendency is applied ever more quickly to most categories. One example is smartphones. The iPhone was a revolutionary product when launched in 2007, but relatively generic in the category only five years later. The massive emergence of private label brands in the fast-moving consumer goods sector over the last decade is another example where automated large-scale production is driving whole categories in a more generic direction.

This effect of automated production is bound to create demand for products and services that offer the exact opposite to the generic: originality. But how can originality thrive in a technological world of mass automation, where anything can be easily copied, scaled up and delivered to the masses in an instant? The answer is probably, again, the human and the social components. Products and services that come with a defining human touch or a critical social component of some kind can more easily move from product/service status to an experience. For the consumer, an experience will always be more original than the actual product or service.

This means that consumers who are shopping in the premium end of the market will be looking for original experiences delivered by humans and which are embedded in a social context, rather than looking for specific products and services. When consumers are "only" shopping for the use value of products and services, they will pay a minimum for generic low-end products and services that are highly automated.

VIRTUAL CONSUMPTION VERSUS PHYSICAL CONSUMPTION

Digital technology is transforming products and services into digital versions or digital innovations, either completely or by including digital components in the traditional value propositions. While a few market offerings will remain completely physical in the Networked Society, this will also drive a counter-trend where purely physical experiences will be understood and appreciated because they are exactly that: physical, analogue and tangible.

While it can be expected that most future products and services will be made up of both digital/virtual components and physical components (for example, the shopping experience – order online in a virtual store but receive physical goods) it's interesting to consider the extremes and what these will mean and enable: completely virtual consumption and completely physical consumption.
Much of the consumption in the Networked Society will become completely virtual. Entertainment is a good example, as are many social experiences (as people will socialize in virtual worlds using avatars and other virtual personalities) and practically all information consumption. Because virtual experiences are digital, and accordingly easier and less expensive to produce on a large scale, they will be more widely available, both in terms of accessibility and cost (or even at no cost at all). This economic dimension of future virtuality indicates that the bulk of consumption will happen in the digital space.

When virtual consumption becomes the mainstream it puts physical consumption in a different light. It will become a rarity, and something extraordinary, in the context of a highly digital, virtual and automated society. If society will be dominated by virtual consumption experiences, people will be ready to pay a premium for the rare physical consumption experience.

ACCESS VERSUS OWNERSHIP

The industrial paradigm of consumption was to a large extent based on the notion that people should own their goods: one or more cars for each household, a collection of favorite records in the bookshelf, a bunch of hardware tools in the garage, or your own wardrobe of precious clothes. Digital technology and disruptive digital transformation have begun to seriously question this notion and instead introduce access as a means of consumption in the Networked Society. Physical resources already exist in excess (for example, cars, which are only used for a small amount of their lifecycle) or can be digitized (for example, music, which can be easily be accessed through streaming).

Digital transformation and the emergence of the Networked Society, where people are always digitally connected to all sorts of resources, is driving consumption towards an access-based model. This trend is further reinforced by environmental concerns about the impact of excess mass production on the planet – and by people who are starting to question the logic of everybody just buying everything instead of sharing things with one another.

This would indicate a future where the bulk of consumption is based on access rather than possession, not least because access to consumption experiences will be available at a significantly lower cost to most people. Possession and ownership then becomes the rarity or oddity in the market. In turn, we can then expect possession to stand for a premium experience in a society where the majority of consumption is access based. A good example is to own vinyl records as the premium experience while using Spotify or a similar service as the mainstream everyday experience.

ACTIVE VERSUS PASSIVE CONSUMPTION

This leads us to the dichotomy of active and passive consumption. This will have a much more fundamental meaning in the Networked Society than the forward-leaning and backward-leaning user engagement we're used to discussing in the traditional marketing conversation.

In an automated world, running on digital technology, passive consumption is the everyday consumption that people use just to keep life moving forward, whether they make active choices and purchase decisions or not.

Active consumption, on the other hand, is consumption which people engage in with time, money and effort, whether it's for pure pleasure or for the sake of livelihood, as in organized consumption.

Active consumption is relatively organized and with a higher purpose, where the consumer is collaboratively active in the production of the experience. Passive consumption is used to fulfill everyday needs, kill time and escape reality, where the consumer is inactive in the production.

COMMERCIAL PRODUCTION VERSUS SELF-PRODUCTION

The Networked Society will also see a dichotomy between commercial production and self-production. Large-scale automated production by commercial providers will be in sharp contrast to individual nano-scale production, geared to individual needs and with a highly personal signature.

Very active and involved consumption, in passion categories and various forms of organized consumption, verges on self-production. Emerging technologies like 3D and the increasing ability among the population to code their own software allows consumers to truly take control of their own production and bring it away from the market. This indicates that there will be a battle in many categories over whether the market will cater for self-production or try to offer consumers commercial alternatives that are so attractive and simple that they avoid self-production.

According to a consumer logic valuing knowledge and personal involvement, many forms of self-production will be perceived as more high-end than actually going to a commercial provider to acquire the product or service.

POLARIZATION OF THE MARKET: THE AUTOMATED "AVAILABLE-END" VERSUS THE "INVOLVED-END"

The overarching dichotomy of the Networked Society is the emerging polarization between low-end and high-end, and the new shape of these concepts.

The extreme mass-manufacturing capacity developed by 20th century industries, combined with the technologically-enabled automation of both production and consumption, is driving a market where most products and services can be provided very easily to most people at a very low cost: a low-end mass-market. With the evolution of 3D printing technology this trend will only increase as it will be possible to print out products at home or at print shops on the street corner. Similarly, as more consumption becomes digital and occurs in virtual contexts, this also makes consumption experiences significantly less expensive and available to all.

Today, many products sit in the middle of the market, between low-end and high-end, but many of these will be pushed towards the low-end – or more accurately, the available end.

When most products and services are very affordable and available, traditional notions of high-end and premium also change. It's no longer enough to add a premium branding superstructure in order to position a product or service as high-end. Instead high-end will become increasingly defined by the level of involvement (skill and time) that goes into the creation of the consumption experience. Truly high-end experiences will require involvement from both the provider/producer and from the consumer/user. In an automated world this means that the high-end markets will, to a large extent, be made up of consumption experiences with strong and prominent elements of artistry, craft, DIY and a human touch.

It is these types of experiences that people who really want to differentiate themselves from the crowd will take part in – and they will require a certain amount of cultural and social capital in order to be involved.

THE ROLE OF VALUE IN THE NETWORKED SOCIETY

"Ownership will not be the main key to status. Creating and experiencing will be more important. What have you experienced? What have you created? Those who have created something (the entrepreneurs) are the ones that have the most credibility. There is also status in creating together with others, which implies a new type of solidarity, which is not related to the traditional political dimensions of left or right."

Sofia Ulver, University of Lund

"We will engage less and less emotionally with possessions and express our identity less through possessions, so in that regard we're not going to seek to extend ourselves through possessions and products we buy and the brands that we own."

Fleura Bardhi, Professor of Marketing, Cass Business School, City University London

Consumption has always been motivated by a dynamic between the use value and the sign value of consumer goods and consumption experiences. Clothes are worn for functional reasons as well as sociocultural symbolism. Food is consumed to fend off hunger but also to embrace culture. And consumer electronics are purchased both as enablers of entertainment and as status symbols, signifying an individual's place in society. The emerging Networked Society is changing the way this dynamic is being played out.

CAPITALISM: A RACE TOWARDS SYMBOLIC REFINEMENT

With the emergence and evolution of the capitalistic system, consumption has become more and more a game of cultural symbols than a primarily functional practice. For capitalistic purposes it has not been enough that people own one coat to keep warm, have basic food on the table or hang around their old TV set for decades. Instead it has been important to the capitalistic system that people keep on consuming. To this end, the sign value of consumption has served an important purpose.

When the majority of products and services became available to the large majority of the population – especially the middle class of the 20th century – the symbolic meaning of consumption took priority over the use value of consumption. The capitalistic system has been eager to fuel this evolution by investing heavily in symbolic refinement through branding, marketing and design. Symbolic refinement has allowed commercial providers to add a premium price to many otherwise relatively basic products and services. Mineral water, t-shirts and headphones are just a few of thousands of examples for which consumers are willing to pay a premium for branded symbolism in a product that is in general very much the same as the next product.

In a world of large-scale automated production of almost all categories of products and services, the sign value has been the most important way to differentiate products and services in the market, in order to win against competitors. Consumers, on the other hand, have been eager to play along, as they have been in need of symbolically significant products and services – in a context where everybody has access to the same products and services, but where at the same time it's important to express both individuality and group belonging by distinguishing yourself from other people in various ways.

THE NETWORKED SOCIETY: A SWING BACK TO USE VALUE?

It can be argued that the capitalistic consumer culture of the 20th century has reached a kind of maturity in the Western world. Production of consumer goods is automated, extremely efficient, and maximized towards demand. Branding and marketing efforts have been so heavily implemented that many consumers have now learned the mechanisms of marketing and started to see through plain symbolic refinement. And when all categories and almost all products and services are being symbolically refined, the cultural meaning added by strictly commercial symbolic refinement loses its attraction.

Does this imply a swing back towards a focus on the use value of products and services? There are some indications of this.

THE USE VALUE OF THE ACCESS MODEL

The emerging access model is one such indication. Even though people may draw sign value out of products which they only access (rather than own and possess) it's clear that the sign value is standing back compared with the use value. The example of cars is illustrative. Increasingly throughout the 20th century, cars became status symbols. With the advent of various forms of car sharing, and with more drivers choosing access to cars over possession, the cultural meaning of the car for the consumer decreases while the use value of the car increases. The fact that this is happening in the USA, a country where the car has been one of the individual's most important cultural symbols, makes this argument even stronger.

THE USE VALUE OF SIGNS

An interesting logic of the digital space is how symbols are put into a much more functional use than in the physical world. The more people reside in virtual realities online (social media, games) the less they can use physical goods to communicate who they are and what they stand for. What happens instead is that people take the symbolic value of products and put these signs to use, but without necessarily using or consuming the product. For example, people may add to their Facebook page that they follow certain premium brands which they cannot even afford to buy.

In one sense, this argues the case for the sign value becoming even stronger than the actual use value as

it's only the sign value that is being consumed. One could argue the whole digital space is nothing but symbols – ones and zeroes at the core – which means that people have to use the signs of the digital world in a functional way to be able cope in the virtual environment. The signs that are put to use in the digital space aren't as emotionally loaded or as strongly attached to inherent values in certain products as was the case in the physical space. Accordingly, they become more functional than emotionally important to consumers.

THE USE VALUE OF NEW TECHNOLOGY

Another interesting observation regarding use value is the role of new technology in consumption. When new technology enters the consumer market, it's reasonable to argue that it's embraced equally for the new functionality it enables and for the cultural meaning it holds, just by being cutting edge new (sometimes referred to as "the novelty effect"). However, since technology is today undergoing constant innovation, technology categories rarely have time to make it to a state where all technology is practically the same and where consumers, therefore, choose tech gadgets only based on the symbolic value branded into the gadgets. With constant new iterations and innovations of technology products and services – which either improve the functionality or invent something completely new – technology has a tendency to remain in the equilibrium of equal use vale and sign value based on the novelty effect. Since more and more consumption is focused on technology and based on technologically enabled products and services, it can be argued that the pendulum is swinging back towards use value for this reason as well.

THE USE VALUE OF AUTOMATED CONSUMPTION

Related to the role of technology is the automation of consumption. When a number of consumption practices are removed from the hands of individual consumers and automated, their cultural role diminishes. The consumer will pay even less attention to which brands of products or services they are using as long as they available when they need to use them.

PEER INFUSED USE VALUE

The cultural meaning of products and services in the

Networked Society is increasingly infused by other users and peers, and less by commercially motivated marketing and branding. Cultural meaning is grafted onto products and services by how a network of users – or a network of peers – decides to use them. The individual consumer understands the value of the products and services for the use value they have in various cultural contexts, not according to how they are branded and marketed.

PRODUCTIVE CONSUMPTION PRACTICES AND USE VALUE

Use value becomes more important when consumers engage in more productive practices in relation to their consumption. When people act less as consumers at the receiving end of a market transaction and instead engage more in the creation of the whole consumption experience, through DIY practices, co-creation platforms and passionate craft consumption, they also look increasingly at the use value of products and services. The question for the individual is not what the product or service signifies, but how they can make it more useful for them. It's the act of creation that signifies something culturally meaningful for the consumer.

FROM SYMBOLS ON DISPLAY TO AN ART OF PERFORMANCE

The consumption of the late 20th century was understood very much in terms of symbols, where people chose and consumed products and services based on their sign value and used these symbols to display who they were and how they belonged in society. Even though this was not always the case in reality (as this is in many ways an academic understanding of consumption) the market and economic system were construed according to a logic where commercial providers added cultural meaning to their market offerings and where consumers supposedly chose brands based on this symbolic refinement.

As the balance of the networked market is now shifting and empowering consumers to a higher degree, commercially-created symbolic refinement becomes less important. Instead consumption is becoming more an art of consumer performance. It is how products and services can be used and how a person performs in society by using the products and services that is important. Not their assumed "internal" or "inherent" cultural meaning.

This means that the sign value of consumption relocates from objects, and the services in which objects are embedded, to the act of using the objects – to the performance that the consumer applies to their consumption.

THE ART OF USING CONSUMER GOODS

How to use products and services is becoming increasingly important. This is an art based on social and cultural capital, and the sociocultural understanding that precedes these. This is really nothing new – it has always been important for the upper classes to distinguish themselves from aspiring classes by applying cultural and social capital to their consumption. However, in the increasingly fragmented Networked Society, it is much more up to the individual consumer to be the artist of their own consumption.

THE ART OF INVOLVED CONSUMPTION

In categories where an individual is highly involved as a passionate consumer, they become a craftsman or even an artist. They focus on the use value on a granular level in order to be able to craft or create their own consumer experience, just like a skilled carpenter knows how to use their tools and materials or a musician knows how to use their instrument.

YOUR CHOICES BECOME POLITICAL STATEMENTS

"In the 21st century you will be appreciated because you make up a force of consumption. All this political talk we have now about the work line and about employment numbers will turn into talk about consumption activities."

Bo Dahlbom, Professor, IT University, University of Gothenburg

Consumption has always had political dimensions. However, in the Networked Society, where people are empowered increasingly as consumers instead of working professionals or citizens in a nation state, the political dimension of consumption becomes much more directly present.

EXPRESSING POLITICAL VIEWS THROUGH CONSUMPTION

That people express political views through their consumption is not a new phenomenon. Just consider Che Guevara t-shirts, conscious purchase of Fair Trade products or brands like Toms. Media consumption is also full of political aspects as people often choose media outlets based on their political views.

When people become increasingly informed about products, services and brands they become knowledgeable about what they stand for – for real – and this becomes a part of their choice processes, because people are more inclined to use brands that correspond to their own values.

With increasing use of social media and other networked means of communication, people's lives become increasingly transparent, which means that consumption – which once occurred in relative privacy – now occurs in the open. This increasing transparency will drive people to consume in a more political fashion, something that can already be observed in today's social media flows. Doug Stephens, the Retail Prophet, says:

"In a post-industrial era we will be much more responsible in our purchase behavior. The financial crisis showed how irresponsible and unbridled our consumption can be and we are now moving into a more thoughtful area. We have information and the ability to network to share and make better use of the assets we have and hold brands accountable for what they do in this world. It's a very powerful transition and I look at it as an optimistic time rather than taking a dystopic view."

Eventually, politically meaningful consumption will become as frequent as culturally meaningful consumption has always been. The political debate in society will not only be played out in discussions, it will be expressed in the arena of consumption. Sofia Ulver at the University of Lund says:

"Political consumption and boycotting are changes that mark a shift from symbolic consumption to actively taking a stance. The motives are, however, not altogether altruistic, as it will also generate status."

As Ulver points out, political consumption will also be used by people to gain social status in their networks. It's reasonable to assume that consuming in a politically interesting and attractive manner will become as important as it has been to consume in a culturally relevant manner during the 20th century.

CHANGING SOCIETY THROUGH CONSUMPTION CHOICES

In the emerging, increasingly transparent, Networked Society, people are becoming more aware of how the whole system of production and consumption works. Accordingly, they realize to a much higher degree that their choices matter and that they can change not only society but also their own situation by making certain choices as consumers.

As Matt, a resident of Detroit, says:

"You can either spend money on good food now or on healthcare later."

The example of local markets in Detroit and other US areas is a telling example. People are starting to realize that buying local produce does more for the local economy than voting for a political careerist with an egotistic agenda. Choosing ethical brands is another example that's becoming increasingly important in a world where politics doesn't seem to be interested in

dealing with some of the less ethical business conglomerates.

There has been much debate about whether consumers are actually taking responsibility in the market through their consumption choices. In any case, the Networked Society provides them with a much better platform for doing so than they have ever had. People can easily recommend brands that they view as positive to their network, while alerting their network to brands they think should be avoided. Political consumption in the Networked Society is a much more prolonged process than just making a certain choice. It will also involve networked political communication as a sequel to the actual consumption.

ORGANIZED CONSUMPTION AS POLITICAL ACTIVISM

The many emerging forms of organized consumption are very obvious political manifestations, Access models, local currencies, systems for barter trade, community collectives and other forms of organized consumption all have a very present social agenda, with a clear political dimension of how they think that society should be organized.

As organized consumption increases out of structural necessity in the Networked Society, it will in many cases take on an even more obvious political role. Groups and communities of organized consumers will become political interest groups, at city level or national level, and possibly even larger movements that enforce new policies and legislation.

COMPANIES BUILD POLITICAL BRANDS

When consumers increasingly have an ambition to change society through consumption, this forces companies to create more political brands rather than trying to stay completely neutral (as they have previously done in order to attract the mass market). When companies add a political dimension to their brands, this only increases the political dimensions of consumption and spirals the politics of consumption further.

Many of the new generation of brands are political from the start. They incorporate a political dimension into their vision, even if the message may be somewhat vague. Google's "Don't Be Evil" slogan, Tesla's ambition to overthrow the fossil fuel automotive industry and Chipotle's war on factory farmed meats are examples. When organized consumers form more union-like movements with regard to consumption they will also force businesses that want to deal with them into political stances.

CONCLUSION

In the Networked Society consumption is becoming less a display of symbols and more an art of consumption performance. The market is shifting and empowering consumers to a greater degree than before. It is how the products and services can be used and how a person performs in society by using the products and services that is important.
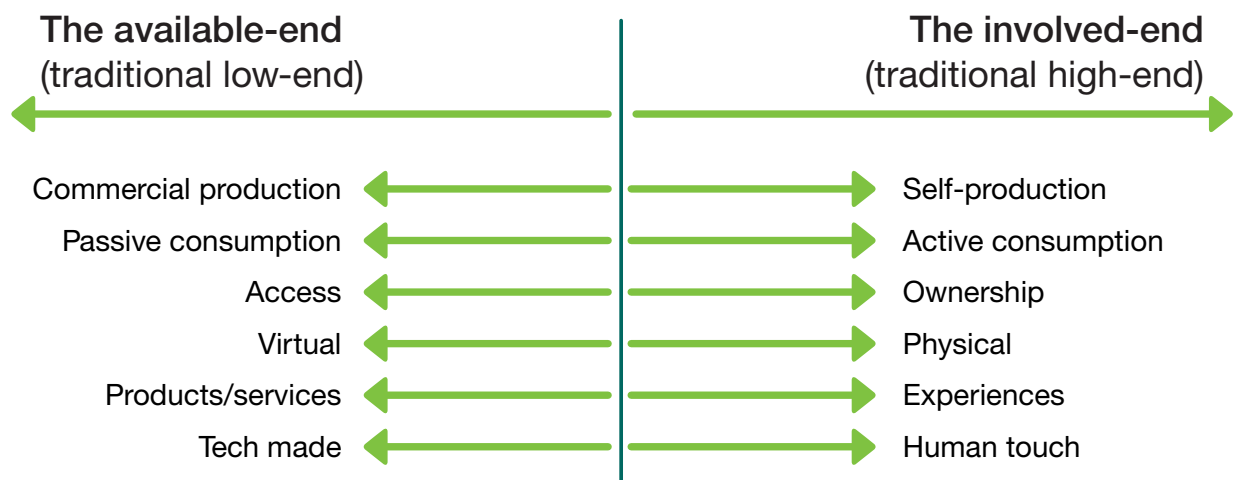
Individuals' choices become more visible ideological statements, whether they want to own a car in the traditional way or if they choose to use a car as a service. With the overall structural changes in society and the impact of technology, we can see a number of guiding values that are likely to shape people's wants and preferences in the relation between the business/brand and the users:

> the customer's knowledge about a product or service
> the brand transparency
> the fairness of the business model and the business itself
> simplicity and the value of services and access to functions.

The analysis of consumption in the Networked Society spawns a number of dichotomies that are telling for the logic and dynamic of the future of consumption. The most important of these are:

> technological automation versus human involvement
> generic products versus original experiences
> virtual experiences versus authentic experiences
> access versus ownership
> active consumption versus passive consumption
> self-production versus commercial production.

To some extent (but not perfectly) these dichotomies can be plotted on the scale of the future "available-end" and "involved-end." The available-end (low-end) will be more about products and services that are tech-made and virtual, that can be accessed and that are consumed in a more passive manner. The involved-end (high-end) is more about experiences that are physical and include a distinct human touch, that can be owned and that require a more active consumption mode.

The available-end (traditional low-end)	The involved-end (traditional high-end)
Commercial production	Self-production
Passive consumption	Active consumption
Access	Ownership
Virtual	Physical
Products/services	Experiences
Tech made	Human touch

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