Empowered consumers

Consumers now have more choice, more information at their fingertips, and more opportunities than ever before to create their own products and services – a trend that distributed manufacturing technologies like 3D printing may well accelerate. The balance of power is switching from producers and companies to users, who have an unprecedented power and ability to force industry-wide changes with few or no resources.

People increasingly expect better, faster and more personalised services. No longer limited by what is available on local store shelves due to ecommerce, they are becoming much more selective about what they want and how they want it. [1]

The rapid increase in access to information – mainly due to the internet, and apps or maps that make sense of data – combined with shifts in consumer awareness of concerns for social and environmental health, is also creating a step change in organisational and individual transparency. For consumer brands, no amount of marketing can now overcome a swathe of bad sentiment. In the near future, every aspect of a company's operations could be in the public eye, and its license to operate therefore in the balance. If consumers lose trust in a product or service, social media has also made it much easier for them to take action against the company and create pressure for change.

New models of interaction enable people and communities to embrace novel ways of achieving the results they want, from crowd funding to peer-to-peer sharing services. This trend could grow and continue to create a new form of consumer economy in which experiences and access to items are more desirable than ownership.

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Footnotes:

1. [Entrepreneur (2014). How Brand Transparency Builds Enduring Relationships With Customers](#)

Implications

- An emergent and growing group of consumers care about the social and environmental footprint of the products and services they consume and this can influence decisions, particularly where the price is comparable. As a result, consumers expect to have access to information to help them make informed decisions. Companies should prepare for a world where society demands absolute transparency from brands. Businesses should use transparency as an opportunity to build trust with all stakeholders — from consumers to communities to activists. However, there is a concern that too much transparency might make it harder to innovate as it might inhibit their competitive edge.
- Consumers can make a difference to carbon emissions by adopting and demanding more sustainable lifestyles. They can adopt new behaviours, lifestyles and purchasing decisions. Examples include avoiding unnecessary short haul flights and being less tolerant about products that damage the environment by using more efficient vehicles and adopting lower carbon impact diets by consuming less meat. Given such a high level of consumer influence, a lack of conscious action by consumers will lead to adverse long-term impact such as a continued exploitation of cheap labour, depletion of global resources and the devastation of ecosystems.
- A new type of economy where end users engage much more actively in product design and

production is beginning to emerge. In time co-ideation could dissolve the barriers between companies and consumers altogether, and services and schematics for customisable 3D-printed designs may even begin to take precedence over traditional product sales. Co-ownership, however, also democratises access to information that can be hacked or exploited. This could have major implications for business and government, including from a regulatory or tax perspective.

Current trajectory

- While previous ICT revolutions have enabled consumers to take an ever increasing part in production processes, distributed manufacturing is the 'last piece of the puzzle' that enables consumers to intervene at any stage in theproduction process, from the initial idea to the fully manufactured product. [1]
- Usage-based insurance (UBI) programs prime examples of ways in which individuals can choose to trade personal data in a transparent market transaction. According to a 2014 survey by SDL, a global customer experience company, about half the consumers in the US, UK and Australia are willing to share personal information with vendors in exchange for loyalty programs and/or product/service incentives. Parents, commercial truckers and individual motorists now have the option to track their driving behavior with vehicle sensors, feeding personal driving profiles that are factored into auto insurance prices from companies such as Progressive. Both parties know more about their risks, and the resulting insurance price is more accurate. [2]
- Outside of ICT technologies and market structures enabling co-creation, consumers now can gain innovation, design and prototyping skills more easily at low or no costs. One recent example, amongst many others, is the 100% Open Innovation Toolkit, which is free for all to download and use under a Creative Commons license. It covers the whole open innovation journey, from setting a strategy for collaboration to implementing mutually beneficial business models. [3]

Footnotes:

1. Science Direct (2015, July-September). Co-creation and user innovation: The role of online 3D printing platforms
2. Techcrunch (2015, June). The Latest Big Data Innovation Is Consumer Empowerment
3. The 100% Open Innovation Toolkit (2015).