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Alvin Toffler (1980), in his book The Third Wave, argues that consumers are a phenomenon of the Industrial Age. As society moves toward the Post-Industrial Age, so will the number of pure consumers decline. They will be replaced by "prosumers," people who produce many of their own goods and services. Although his prosumer theorizing has not attracted much critical comment, has concept is sufficiently provocative to merit the attention of consumer behavior scholars and marketing practitioners. If Toffler is right, we might have to rettitle the field "prosumer behavior" and rev4see our notions of effective marketing.

My purpose is three-fold: first, to describe Toffler's prosumer thesis; second, to extend the prosumer concept further; and third, to examine its validity and implications.

THE PROSUMER ACCORDING TO TOFFLER

Toffler defines prosumers as people who produce some of the goods and services entering their own consumption. They can be found making their own clothes, cooking their own food, rearing their own cars, and hanging their own wallpaper. All of these services could be purchased in the marketplace and in fact, most people today purchase these goods and services from others. This is the essence of being a consumer. The essence of being a prosumer, on the other hand, 's to prefer producing one's own goods and services.

Underlying this is the distinction between production for use and production for exchange. When people produce for use, production and consumption are united in the same person. When they produce for exchange, then producion and consumption are separated. In this case, people put their time into producing one thing and they use their earnings to buy all the other things they need.

Toffler argues that product on and consumption activity became separated during the Industrial Age. In fact, he distinguishes between three stages or waves in human history.

In the First Wave, agriculture is the dominant institution (see Figure 1). According to Toffler, the vast majority of people are prosumers. They hunt or grow their own food, make their own clothing, and create their own amusements. They are Sector A, the largest sector of society. A few members of the community specialize in some mode of product on, such as candlemaking, black-smithing, and fishing. They trade their surplus output for things that others produce. They are consumers and make up a much smaller Sector B. The dominant process of First Wave societies is self production, the norm is survival, and the social nexus is kinship, friendship, tribe.

The Second Wave occurred with the Industrial Revolution in England. The factory became the dominant institution. An increasing number of people now spend their productive hours there. They work in factories (or offices) for eight hours a day and use their income to buy what they need in the marketplace. Most people produce for exchange, not for use. Sector A (prosumers) has grown small, while sector B (consumers) has grown large. The only prosumers are housewives who cook, clean, sew, knit and shop, while not getting paid for this. Prosumer activity is so undervalued in Second Wave Societies that these societies don't include homemaker activities in estimating the gross national product.

Toffler says that the dominant processes in Second Wave Societies are industrialization and marketization. Second Wave societies are marked by the establishment and elongation of exchange networks through which people obtain needed goods and services. Goods are produced under the norm of efficiency, and are consumed under the norm of indulgence. The social nexus holding people together are contracts and transactions in addition to kinship and social relationships. With industrialization and marketization, people increasingly become specialized producers and are increasingly unable to produce almost anything else, even cooking well.

Toffler sees the post-industrial age as moving toward a synthesis of First and Second Wave societies, which he calls the Third Wave. The dominant institution in Third Wave societies is the home, or electronic cottage, in which most people carry on their own production and consumption. For reasons which we will examine below, more people shift more of their time into prosumption. Sector A starts increasing in size relative to sector B. Because people now produce more of their own goods and services, markets become less important, since they exist to meet exchange needs in those societies where most production is for exchange.
Toffler sees the dominant process in Third Wave societies to be demarketizations including demassification as well. The norm of Third Wave societies is individuation rather than mass consumption. The social nexus is the family, and secondarily, the neighborhood.

Why will people move toward more prosumption activity? Toffler presents several arguments. First, the workweek will continue its long run decline, from 80-90 hours during the early days of the Industrial Revolution to 40 hours today to even fewer hours in the future. The scarcity of jobs will lead some companies to adopt share-the-work schemes. Furthermore, some people will volunteer to work less than 40 hours, preferring more leisure time.

Second, people will be more highly educated. They will not accept boring work as readily. Advancing technology, especially in computers and telecommunications, will tempt them to use their time in other ways.

Third, the rising cost of skilled labor - plumbers, carpenters, etc. - will drive more people to do their own work. And if they are unemployed or underemployed, they will have time to take care of these tasks. Thus, rising service cost will lead to more prosumption.

Fourth, people want more physical activity as their work becomes increasingly mental in a technologically advancing society. Those sitting at desks all day will seek physical activities, including some involving self-production.

Fifth, some people will feel that they can produce better goods and services than are available in the market, especially if manufactured goods and services decline in quality. Some groups - such as the Dutch and the Germans - have developed a high sensitivity to quality and a strong "instinct for workmanship." They will undertake projects at home that normally would be contracted for in the marketplace.

Sixth, more people will turn away from mass produced goods and seek individuation by producing their own goods and services. They will attend more courses on cooking, gardening, knitting, weaving, and painting. This prediction follows Maslow's (1954) "hierarchy of needs" which argues that as people satisfy lower order needs, they will focus increasingly on self-actualization, much of which will take the form of prosumption activity.

In advancing these points, Toffler presents sporadic rather than systematic evidence. He likes to cite miscellaneous statistical anecdotes drawn from a variety of sources. He notes, for example, that whereas ten years ago, 70% of all electric power tools were purchased by professional craftsmen, today 70% are bought by do-it-yourselfers. He notes that self-care items - do-it-yourself pregnancy kits, throat cultures etc. - have grown into a $2.5 billion industry in 1981. He cites the rapid growth of self-help societies for overcoming problems of alcoholism, drug abuse, and the consumers' turning away from professionals. He notes that more people are attending more colleges to learn more crafts and skills than ever before.

THE MARKETING CHALLENGE

If Toffler is right about a swelling wave of prosumption activity, then marketers face a challenging, if not frustrating, future. They will find fewer customers for mass-produced goods and services and less consumer interest in brands. On the other hand, alert marketers will discover new opportunities in the areas of marketing research, product, price, place, and promotion. I would like to outline some of these new opportunities.

Marketing Research

Marketers will find it increasingly hard to sell those goods and services which people can produce themselves. Therefore, marketers need to research which goods and services people are most likely to start producing themselves. If more people learn how to repair their own automobiles, garages will have less work to do. If more people hang their own wallpaper, professional wallpaper hangers will face less work.

Prosumption activities that are likely to attract consumers will have four characteristics. They would promise high cost saving, require minimal skill, consume little time and effort, and yield high personal satisfaction. One activity, for example, that satisfies many of these criteria is house painting. The person saves the high cost of a painter; finds it easy to paint well with modern paint rollers; finds that it does not involve much effort or time; and feels some satisfaction while painting and when finished painting. We would therefore predict that house painting would move more into the prosumption camp.

The other hand, auto repair is less likely to become a widespread prosumer activity. Although the potential cost savings are high, the person would have to spend considerable time learning about auto repair, expend substantial effort in making repairs, and generally not enjoy the activity very much in view of all the frustration that can occur, the dirtiness of the work, etc. Therefore, we would predict that consumers will be less drawn to auto repair.

Products and Product Designs

We would predict that people will want to play a larger role in designing or producing certain goods and services they consume. One is reminded of the homemakers who rejected a brand of cake mix that required only adding water because they wanted to add milk or fresh eggs themselves. They wanted to participate more fully in "giving birth" to the cake. We should also note that more people are buying and grinding coffee beans and brewing their own coffee instead of just adding boiling water to instant powdered coffee. Instead of moving toward task simplification, some consumers are moving toward task elaboration in the interest of achieving better quality. g/ X

In Japan, some of the "famous" scroll painters made their own brushes, mixed their own paints, and even made their own paper. These painters were thoroughgoing prosumers.

Most painters, on the other hand, buy their paints, brushes, and canvases. Manufacturers will need to study which stages in the production value-adding process people might want to perform themselves.

Modern computers will permit people to participate more in the designing the products they want. General Motors' Saturn project V4 visualizes car buyers entering a showroom, sitting down at a computer terminal and responding to questions about what they want in the way of the car's color, engine, seat material, radio, and so on (Newsweek, June 17, 1985). Their order is transmitted to the auto plant which proceeds to produce the desired car. Similarly, future home buyers will enter an architect's office, sit down at a computer terminal, specify room sizes and layout, examine the results, and modify them until satisfaction is achieved.

We can imagine further examples of consumer participation in designing manufactured goods and services. A person will enter a clothing store, stand before an electronic mirror and press appropriate buttons that will project various suits on him in different colors, style, and materials. After finding the most pleasing look, he will press another button and laser beams will cut and prepare the clothing (Newsweek, April 22, 1985). Still, in another case, people will call their travel agency, describe the kind of experience they want - climb the Himalayas, conduct the Vienna Symphony Orchestra, etc. and the agency will arrange or design it for them (Kotler, 1984).

The fact that people enjoy participating in production is evidenced in a number of situations salad bars are increasingly popular in restaurants because many people prefer to "compose" their own salads. Certain ice cream parlors allow people to make their own sundaes. The success of the "Bradley GT kit" - where a person can turn his or her Volkswagen into a sleek sports car shows the interest of some people in
producing complicated goods. The author heard about a direct mail order company that sells step-by-step blueprints for making one's own helicopter.

Instead of marketers fighting prosumers, they should look for opportunities to facilitate prosumption activities. One way to facilitate prosumption is to create better tools for prosumers to use, including better electric power tools for carpentry work, better tools for farming small plots of land, and so on. Another way is to simplify the product on process. Thus, "painting by number" kits allow "Sunday painters" to produce better looking paintings. "Adhesive wallpaper" allows more people to hang their own wallpaper.

One of the major growth markets spurred by prosumption will be the instruction market. More people will want to acquire skills for producing their own goods and services. They will attend day and evening classes in cooking, gardening, auto repairing and dozens of other subjects. "How-to-do-it" books, magazines, audio and video tapes, and computer-aided instruction will flourish. Some marketers will develop "cool lines" in which they will sell information over the phone on how to make or fix things.

Thus, prosumer-oriented marketers can seize on a number of opportunities. They need to identify the most popular prosumer activities and think through appropriate product and service responses.

Price

As prosumption activity increases, manufacturer value-adding activity will decrease. Whereas producers in Second Wave Societies continued to add new consumer benefits to an elementary offer (called "product augmentation"), the tenor of Third Wave Societies will be to pare down the number of "built-ins" (called "unbundling"). The price of goods and services will therefore fall because their content has been reduced. The only marketers who will command premiums are those who add strong benefits that are valued by consumers which consumers cannot add themselves.

Place

Sellers will have to revise their place strategies. They will carry lower inventories of finished goods because people will want to individuate their goods and with people spending more time in their electronic homes, more goods and services will have to be located reasonably nearby. We would predict a dispersion and deconcentration of retailing and a renewal of neighborhood life.

Prosumers will show preferences for certain forms of retailing. They will rent more goods to clean their rugs, repair their cars, and maintain their gardens. Car washing establishments in which people drive into bays and wash their own cars will boom. People will also drive their cars into to-it-yourself garages and rent the tools and materials to fix their cars. They will enter picture framing workshops and rent the tools and materials to make their own frames.

Promotion

Marketers will have to direct their promotion appeals to themes stressing individuation, skill-building, and productiveness. They will find it hard to sell mass consumption goods and hedonistic values.

Specialized, as opposed to mass media, will continue to grow in popularity. People will want to follow their own interests, not mass interests. They will search for others with kindred interests, finding them and communicating with them through electronic media, such as computer networks and CB radios. Marketers will have to develop more specialized messages to reach these highly segmented target markets.

HOW FAR WILL PROSUMPTION GO AND HOW FAST?

Any movement or change is always the resultant of opposing forces. We have described several forces that would lead to more prosumption activity. Among them is the growth of structural unemployment, the rising cost of labor, the desire for higher quality goods and services, the development of new technologies that enable people to participate in the design of customized goods, and a general increase in education and therefore desire for self-actualization.

At the same time, we should not underestimate the forces that will inhibit prosumption. First, threatened interest groups will use the law to prevent people from producing certain goods and services themselves. Thus, construction unions will support the enforcement of building codes to prevent people from building their own garages and doing their own electrical work and plumbing. Physicians will want to discourage people from buying self-care and self-medication products. The teachers' union will oppose families who want to take over their own children's education. The goal of professionals is to sell people on buying their services rather than performing these services for themselves (McKnight, 1977).

Second, corporate America will continue to promote the hedonistic life style. They will appeal to people's interest in status goods and easy living.

The effect of rising incomes on prosumption activity vs ambiguous. Consumers with higher incomes can buy more services they need. On the other hand, they could have more leisure time and spent it more productively.

We should recognize that few people will opt for 100% prosumption. The 100% prosumer would be a hermit living in the woods like Thoreau, producing his own drinking water, food, and clothing. Or they would model themselves on Robinson Crusoe or the Swiss Family Robinson.

We can, in fact, identify two major prosumer profiles that are found in society.

1. The Avid Hobbyist. These are people who spend most of their time producing for exchange but who fill their leisure time with one or a few dominant hobbies. The avid gardener, the versatile home repairer, and the skilled cook, describe people who are producers in two domains, their main occupation and their major hobby or hobbies.

2. The Archprosumer. These are people who practice a lifestyle of "voluntary simplicity" that is closer to nature and produce many things themselves. They grow and can their own fruits and vegetables, knit and sew their own clothing, and avoid the mass production, mass consumption society. Their themes are "small is beautiful" and "less is more."

INTERPRETING CHANGING TIME BUDGETS

If Toffler is right, prosumerism will not suddenly burst on the scene. It is already foreshadowed in the activities of some people and in some places. We would see it reflected in people's time budgets. People would spend more time producing goods and services for their own use rather than buying them in the marketplace. People would favor "make" decisions over "buy" decisions. They would walk to work rather than "taxi" to work. They would cook at home rather than eat in restaurants. They would fix their own plumbing rather than call in a plumber.

At the same time, apparent increases in prosumer activity can easily be misleading. In the first place, the person who suddenly starts cooking a lot may have found the time to do it by giving up some other prosumer activity, such as no longer doing his own gardening and hiring a
gardener instead. This means on net that he has not increased his prosumer activity; he has simply become a prosumer in one activity, and a consumer in another.

Second, many people who take up cooking (prosumers) at the same time like to eat at fine restaurants (as consumers). One activity does not exclude the other. Also, prosumers may bake their own bread but they don't want to do this all the time. They will still buy most of their bread at stores.

Third, many people take up cooking or other activities not out of individuation motives but simply to change their routine. Next week they might sew their own clothes or wash their own cars.

Fourth, people who take up prosumer activities such as cooking often buy a lot of equipment - blenders, culinets, woks. They also buy cookbooks and sign up for cooking courses. Thus more prosumption activity's often accompanied by more market purchase activity.

Fifth, an increase in the purchase of "do-it-yourself equipment," such as electric power tools, computers, etc., does not necessarily mean an increase in prosumer activity. Many of these tools are bought and not used.

**IMPLICATIONS FOR MARKETERS**

In order to learn more about prosumerism, we should study certain groups more closely. Do young archprosumers continue their lifestyle when they grow older? Do older retired people with time on their hands move toward more self-production or do they spend most of their time consuming television? Do poor people perform more prosumer activities?

In many ways, prosumers should be looked at as another market segment(s). We would want to identify those who have a strong need to produce their own goods and figure out ways in which marketers can help them meet this need.

The aim of marketers should not be to protect the exchange system. The purpose of exchange networks is to facilitate the pursuit of human satisfaction. If the market system is overextended, and if people want to meet more of their own needs, on what grounds should marketers object? The market, after all, is a human invention and it will last as long as it serves human needs. Before markets, there were other ways for goods and services to be created and distributed, including reciprocity and redistribution arrangements. Societies that move in new directions to meet human needs should not surprise us. Whether Toffler's saying that prosumerism spells the end of marketing or only a contraction in its scope, he has raised some worthwhile issues for marketers to consider.

**FIGURE 1**

**TOFFLER'S PARADIGM**

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