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# PROSUMER OF THE XXI CENTURY – NEW CHALLENGES TO COMMERCE AND MARKETING

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**Abstract.** The world of consumption changes constantly, with new trends emerging one by one. One of such trends is the phenomenon of prosumerism, which is an expression of consumers' drive to influence the products they buy. The market trend observable in that scope requires a thorough transformation of the way of communicating of manufacturers and sellers with both existing and potential clients. From the point of view of offer makers, prosumers are important because they are both the reflection and the shaping force of the market. Prosumers representing Generation C, which is subject to analysis in this article, deserve particular attention since their line of thinking and acting on the market indicates the direction in which the group they belong to may potentially evolve.

Key words: prosumer, prosumerism, marketing, Generation C

#### INTRODUCTION

Modern-day consumers see purchasing and owning goods as the way to create one's identity. They believe that what they possess acts as evidence to their social recognition and prestige. They also become susceptible to stimuli coming from their environment. Their more and more frequent desire is not only to participate in the process of consumption, but also to create and improve products and services. Moreover, they do not want to be a passive target audience of ready goods, but to take an active part in the process of creation and commercialization of products. As a result, consumers become "co-producers" of products and services.

The aim of this article is to present the essence and the manifestations of prosumerism. It includes an attempt to create a profile and to analyze the patterns of behavior of persons belonging to Generation C, playing the role of prosumers on contemporary market.

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#### SOURCE MATERIAL AND RESEARCH METHODS

The content of the article is based on a review of literature devoted to the phenomenon of prosumption. Following an assumption that the group of respondents participating actively in prosumption is Generation C, a direct study among the representatives of this group was conducted. The author's reflections include not only the traits of the said group, but concentrate also on the characteristics of this group of consumers acting as prosumers. The first step was to identify the potential and current prosumers taking part in the study. The selection of participants was based on their age, i.e. 19–33 years, and on the moment when the Internet and social media became an inseparable part of their lives.

A qualitative study was carried out – one of exploratory research type, based on FGI method (four groups in total, each consisting of seven people; location: Warsaw; time frame: 15–30 September 2015).

The objective of the conducted study was to determine the qualities of people representing Generation C on the market as prosumers. The study aimed in particular to investigate their understanding of the concept of prosumption and their attitude towards this phenomenon. An attempt was made to compile a set of "symptoms" of prosumption among them, e.g. in the scope of their communication, purchases they make, and brands they choose.

#### RESULTS AND DISCUSSION

#### Essence and determinants of prosumption

The term "prosumption" was coined as a result of combination of the words "production" and "consumption", and introduced in the late 1970s by Alvin Toffler [1980]. Toffler analyzed the history of mankind in the context of "waves" coming in succession: First Wave, also known as the agricultural wave, related to the beginnings of agriculture, Second Wave, referred to as the industrial wave, stemming from the industrial revolution of the turn of the 18th and 19th century, and Third Wave, known as the post-industrial wave, connected directly to the arrival of new technologies, making communication virtually unlimited thanks to the development of services and departure from mass production, emergence of information society and post-industrial society [Toffler 2006, Krawiec 2009, Dziedzic and Szymańska 2011, Szymańska 2012a].

Toffler wrote of a prosumer involved in production as part of the First Wave, i.e. a self-sufficient individual being both the producer and the consumer of what they produce. He also mentioned a prosumer engaged in production as part of the Third Wave, establishing cooperative relationships with producers and participating actively in the process of creation of the market offer. This is a situation where the roles of producer and consumer meet, but on different terms than in the case of agricultural society. Here, prosumption means mutual interpenetration of production and consumption until the borders between the two disappear, and consumers become producers in effect [Jung 1997].

At present, a new model of consumption seems to be coming into being, according to which clients take an active part in the process of creation of products. The sole meaning of prosumption appears to be changing as well, as it no longer involves only focusing

on clients by providing them with opportunities to select and modify the products they want, but also engaging them in the process of creation of products and services [Tapscott 2008]. In this case, prosumerism is a joint effort of both producers and consumers in creating goods and services. This results in emergence of communities of common interests and working together on new solutions [Tapscott 2010].

Source literature points to several categories of prosumers. If we base our division on the criterion of cooperation with other market participants, we can enumerate the following types of prosumers [Toffler 1980, Łaskawiec 2014]:

- prosumer participating in individual prosumption, characterized by a complete lack of cooperation with and a full independence of other market participants (prosumer as an individual takes part in the process of prosumption on their own);
- prosumer participating in intra prosumption, being a collective prosumption which takes place only within a group of prosumers (prosumer engaged in the process of co-design or co-production);
- prosumer involved in inter-prosumption occurring between a group of prosumers and a producer (cooperation of a prosumer Internet user with producers via social network services to develop new or to improve the already-existing foodstuffs or their flavors).

The consequences of the presence of prosumption on the market from producers' perspective are e.g. loss of full control over products (consumers modify the products according to their own ideas), providing clients with appropriate tools and materials, partnership (clients become partners business partners, so to speak), and sharing the effects of work – users want to see their involvement bear fruit in the form of benefits [Tapscott 2008].

Prosumption is about aspiring to individualization of a product or services. Consumers are provided by producers with a set of instruments which they can use to create an own – custom-made – product. It is important to notice that the broader the spectrum of such instruments made available by producers, the higher the level of consumers' involvement in the process of production, product individualization, creativity, and innovation [Mitrega and Witczak 2012]. This kind of regularity governs, among other, those areas that involve application of contemporary technology, e.g. IT services/products (social network services), computer software, telecommunications, or mobile devices. The end-product is a result of consumer's efforts made using the set of tools made available by a given company. Consumers do not receive a ready-made product, but are somewhat forced to get actively involved in the process of product creation instead.

To summarize, it can be concluded that prosumer is a consumer who does not want to be a mere passive recipient, but a co-creator of certain products or services. Prosumers are aware of their rights, which makes producers forced to cooperate with them and treat them as equals. According to P. Halicki, prosumers are active consumers, who "gather information about companies, brands, and expect personalized products and a possibility to influence the final shape of products, as well as an interactive type of consumption, which lets them share their insights into product perception with producers – and take part in the process of development of a given product" [Szul 2013, after Halicki 2007]. Prosumers become therefore external employees of companies, involved in the design and production of new goods, as well as in building competitive advantage through enhancing companies' innovation potential [Mróz 2010].

#### GENERATION C ON THE MARKET AS CONTEMPORARY PROSUMERS

With the arrival of the digital age, consumer groups defined behaviorally – not demographically – emerged. This differentiation is significant in that nowadays it is increasingly more difficult to divide generations linearly on the timeline, according to dates of birth. Establishing borders between linearly-and behaviorally-separated generations is crucial form the point of view of producers and sellers. In consequence, if we look at generations from a linear perspective, it often results in a stereotypical approach to marketing communication and in a mismatch between marketing messages and their target audience.

A group definable in behavioral terms is Generation C since it is easier to compile a profile for this group based on traits, attitudes, values, and lifestyle rather than to look for a common age frame. Although behavioral definition is actually more significant, it is generally agreed that Generation C are people born after 1990, who reach maturity after 2000, commence their studies, and then enter the labor market. These are people who function predominantly in virtual reality, and the world of digital media is their standard. A quality typical of this generation is openness to new technologies. Representatives of Generation C have no experience of the world without the Internet, and cannot imagine living without access to on-line reality.

Unlike earlier generations, generation C does not fit within specific time frames, but is rather characterized by the qualities surrounding and related to the letter "C". The name alone is quite telling in terms of the way this group functions and of its potential expectations. In the literature on the subject, a model representative of Generation C is described by three attributes: computerized, connected, and always clicking [Morbitzer 2012]. In a broader perspective, "C" stands for: content creation, creativity, casual collapse, and control [Hardey 2011]. Many researchers of the phenomenon search for other connotations associated with "C", pointing to: connected, communicating, content-centric, computerized, community oriented, and always clicking [Friedrich et al. 2010]. The list of attributes characterizing Generation C is still growing, which is proven by the increasing number of metaphors ascribed to the qualities typical of this generation: content, co-creation, celebrity, connected, conversation, change, collaborate, creativity, cyber collective [Pankraz 2013].

Members of this generation are always connected to the Internet, becoming a part of prosumers generating content which acts as the building block of the on-line environment. It is believed that it is exactly Generation C who is responsible for the success of social network services such as e.g. YouTube or Facebook. Technologically-advanced devices and services have become an inseparable and fundamental part of our life, just like food or clothes [Hatalska and Polak 2012]. Generation C is interested not so much in searching for information as in creating own content and changing the existing reality.

## THE ATTITUDE OF GENERATION C TO PROSUMPTION – STUDY RESULTS

The respondents taking part in the study were asked to define the idea of prosumer, and to name the qualities that differentiate prosumers from other consumers. They were also asked to specify their role in marketing communication, and especially in transmit-

ting information about brands and popularization of trends. Furthermore, the study involved a research into their attitudes towards shopping and brands.

According to the respondents, a prosumer is an active consumer, who takes advantage of technology and information, and is highly involved in what goes on in the area of commerce and services, e.g. among manufacturers, sellers, but also in other spheres of social-economic life they are interested in.

The respondents tended to stress that prosumers constitute a much diversified group, but they were also able to point to certain common qualities. Based on their answers, prosumers are open to innovation, act as points of reference for themselves, are proud to think independently, and are not afraid of experiments; they are communicators (they tell others of their experience with new products, brands, or services, and are keen on getting to know others' opinions as well). The respondents portrayed them as opinion leaders (convinced that other people, companies, and organizations want to know their thoughts and seek their suggestions), skeptical – but not cynical, because they do not take what the media and adverts say for granted, but consider them as valuable sources of information and entertainment; they tend to "get involved" and interested in "the present" and popular culture.

According to the persons questioned, in the era of media fragmentation, excess of information, and increased supply of goods and services, consumers may feel overwhelmed, which might lead to disorientation. Prosumers, in turn, are able to make the most of their abilities to search for, process, and sort information. What is more, they do not gather and filter such information for themselves only, but they share it with others. This is why they become vital points of reference for other consumers. The respondents say, however, that this is not the only quality that makes prosumers so important for the market. Prosumers are a source of knowledge about the changes and current trends on the market. Their attitudes and behaviors are usually a step ahead of other consumers, but they are willing to share their insights, views, and practice with others.

The respondents have also said that prosumers are people who have a rich and good knowledge about the latest product categories, events, or trends. They speak enthusiastically about things they find interesting. They are familiar with whole lists of new products, services, or events, and like to experience something new – and to share their stories with others.

The respondents also believe that prosumers react actively to what happens at a given time, are able to anticipate their expectations, and are quick to communicate their comments to companies, and to other consumers. This combination of quick adoption of new trends, proactivity, and sociability makes prosumers spot certain facts and phenomena, as well as influence enterprises and other consumers.

Prosumerism, according to the respondents, concerns potentially all industries, but particularly those which by definition appear as most competitive, unstable, and prone to rapid transformations. Prosumerism is to some extent a response to these considerations. The most important trait which makes prosumer so significant form the point of view of marketing is sociability in the broad sense of the word. Prosumers are able to form strong bonds with their environment, which lets them be in the know of what happens in the spheres of life they find most interesting. This makes them excellent recipients, able to spot innovation and act as opinion-makers. Prosumers tend to have broad networks

of contacts because they usually happen to be outgoing people, keen on sharing their thoughts and naturally curious about others' opinions. In this context, technology equips prosumers with a wide range of tools of on-going communication – phones, text messages, e-mail, chat, blogs, discussion forums and groups, as well as more conventional means of communication.

Prosumers find informal exchange of information (social networking) and conversations about many topics quite essential. It is no accident that the emergence of prosumerism coincided with the development of IT technology. In the world constantly flooded with data, the ability to reach the right information, to understand this information, to assess its value and to act accordingly results in substantial advantage, and prosumers appear to possess exactly this ability. This is also what gives them the opportunity to exert more control.

The rapid advancement in communication technology has made people detached from sedentary workstyle or landlines. The common access to broadband and wireless devices, as well as the relatively low costs thereof, provides individuals and smaller groups with convenience in terms of communication – something available only to large organizations some time ago. Prosumers benefit from familiarity with modern technology as well, also because it gives them greater control of where, when, and how to work.

According to the respondents, prosumers may play a huge role from the perspective of marketing communication. They are usually hungry for information, and display great potential of processing thereof. They tend to search for and devour information, while non-prosumers generally avoid information and treat it selectively. Therefore, it is very reasonable to address advertising messages to people who might be interested in them, meaning prosumers, and to formulate these messages in a way to meet their needs. Prosumers like to be a step ahead, enjoy innovation, while non-prosumers are rather inclined to stick to what they already know and are familiar with, and avoid changes.

Our respondents have said that prosumerism is significant from the point of view of all areas of marketing communication. A better understanding of prosumers' needs on a given market translates into an opportunity of effective reaching the opinion-leaders of a given group, a better sense of the language they communicate in, and early knowledge of the changes taking place within a given market or category.

The persons participating in the study have also argued that prosumers are effective in transmitting information about brands and in popularizing market trends. As a group, they constitute a powerful source of information for different types of messages, mostly because of the fact that their opinions are usually honest and genuine. Prosumers' involvement with a given brand or trend is much more authentic and has a personal dimension to it.

Prosumers explore and move through the market with great self-confidence. Most ordinary consumers feel overwhelmed with the fluctuation of the commercial reality given the thousands of brands and hundreds of thousands of products and new offers appearing on the market each year. Those more conservative of them "execute" their shopping clinging tightly to reliable and trusted brands, which they will remain faithful to until the end of their lives. Others let themselves sometimes go with the flow without any plan, taking advantage of some "discount" from time to time, or occasionally putting a "new, improved" product into their baskets. Prosumers, on the other hand, try to get the latest information about the things which are important to them – including consumer goods.

When it comes to shopping, they are rather task-oriented, and there are many reasons behind why they actually enjoy shopping; one of them is certainly the fact that shopping lets them use their innate perceptiveness.

Prosumers are active in collecting information from different sources, but they also take the experience and opinions of people similar to them into consideration. Most of all, they trust in their own judgments, and do not need any number-based evidence, which means that they are better in spotting innovation than others, usually reluctant to get off the beaten track.

Prosumers view brands as objects of their interest, as useful sources of information, that need to be checked, verified, and adapted to the image of contemporary lifestyle. Their relationships with brands are characterized by a higher level of engagement and awareness; they are based on refined views, which reach the daylight relatively soon. It means that prosumers normally select certain brands regardless of how they are viewed by others; prosumers are content with the fact that they alone consider such brands valuable. A brand may be of particular value to them also when it carries a specific message they would like to share with their environment, e.g. "I have a sharp eye", "I stand out", "I hold... valuable". In such case, prosumers choose brands deliberately on the basis of how those brands are seen by the environment, but they still do it largely on their own terms.

#### CONCLUSIONS

Prosumerism is a market trend that requires a thorough change of the way manufacturers and sellers communicate with potential clients. According to the definition, prosumerism is considered as an active participation of clients – including potential ones – in the process of creation of a given company's offer using a set of tools made available to them by such company. Prosumer is a proactive consumer – a person who takes advantage of the access to technology and information to become more engaged in what happens in their environment. Prosumers are a group of trendsetters and opinion leaders across various spheres of life.

Prosumers belonging to Generation C deserve particular attention because their line of thinking and acting on the market indicates the direction in which the group they belong to may potentially evolve. This stems from the fact that prosumers are actively involved in the "now and next", they are more orientated on future trends, while consumers are rather focused on the "here and now", as well as on the past experience. Prosumers are not only a reflection of the trends dominant in their social group, but they also help shape the future.

From the point of view of offer-makers, prosumers are important because they are both a reflection of the market, as well as the force that shapes the market. As highly-communicative individuals, they tend to grasp and read other people's thoughts quickly, and analyze them from the angle of their own experience. They are interested in innovation, collect information from various sources, try new things, and share their experience keenly. Prosumers are more engaged, sensitive, and proactive than non-prosumers, and may be regarded as an "early-warning system". What prosumers do and think now is an indicator of the future trends that reach and catch on among ordinary consumers.

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## PROSUMENT XXI WIEKU – NOWE WYZWANIA DLA HANDLU I MARKETINGU

**Streszczenie.** Świat konsumpcji nieustannie się zmienia. Pojawiają się w nim coraz to nowe trendy. Jednym z nich jest zjawisko prosumpcji, która jest wyrazem dążeń konsumentów do wpływania na to, jakie kupują produkty. Zauważalny w tym zakresie trend rynkowy wymaga gruntownej zmiany sposobów komunikowania się producentów i sprzedawców z aktualnymi i potencjalnymi klientami. Z punktu widzenia oferentów prosumenci są

ważni, ponieważ są zarówno odzwierciedleniem rynku, jak i siłą kształtującą rynek. Prosumentom należącym do generacji C, która podlegała analizie w niniejszym artykule, należy poświęcić wiele uwagi, ponieważ ich myślenie i działanie na rynku sygnalizuje kierunek, w którym dana grupa może potencjalnie ewoluować.

Słowa kluczowe: prosument, prosumeryzm, marketing, generacja C

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