Science for a good consumer policy

CECORE and ICCR - A North Rhine-Westphalian initiative

Dr. Christian Bala (Germany) | Consumer Association of North Rhine-Westphalia, Competence Centre of Consumer Research

Wolfgang Schuldzinski (Germany) | Consumer Association of North Rhine-Westphalia

DOI 10.15501/978-3-86336-918-7_1

Consumer Research on the ascendant

At the beginning of the new Millennium, the Danish consumer researcher Folke Ölander who passed away in 2013, complained about the static character of consumer research: It had no identity, missing capacities and it lacked legitimacy. But there was no reason for him to despair. Instead, he asked how "research relevant consumer policy could be intensified" (Ölander 2005, 26). His suggestion was to found a competence center for "collection and communication" to combine and connect the research activities "of many universities" (Ölander 2005, 27). Such a competence center would foster ties between science, consumer interests and policies and, if designed accordingly, could establish certain focal points and promote projects.

Precisely these strengths were one of the reasons why the Competence Center of Consumer Research North Rhine-Westphalia—CECORE NRW (Kompetenzzentrum Verbraucherforschung NRW) was founded as a cooperation project of the Ministry for Consumer Affairs (Verbraucherschutzministerium), the Ministry of Science (Wissenschaftsministerium) of the German Federal State of North Rhine-Westphalia and the Consumer Association of North Rhine-Westphalia (Verbraucherzentrale Nordrhein-Westfalen e. V.) in 2011.

To bolster consumer research's position as an interdisciplinary subject, young scientists are supported by CECORE and awareness for research activities of North Rhine-Westphalian scientists is raised on the national, european and international level. Finally, CECORE optimizes knowledge transfers through publications and communicating research results.

The Consumer Research Network NRW (*Netzwerk Verbraucherforschung NRW*) established by CECORE already has 290 members who support consumer research as a joint, inter- and transdisciplinary subject. It has succeeded in winning over scientists who may work on consumer-related topics, but are not in touch with consumer research.

Over 740 people follow CECORE on Twitter and its newsletter has 360 subscribers. Since 2011, nine workshops and one expert forum with a total of 540

participants have been conducted. The results of the workshops have been documented in seven volumes of the series "Contributions to Consumer Research" and an anthology published in cooperation with the State Center for Political Education (Bala and Müller 2015). The majority of publications were successfully published via Open Access.

Through the means provided by the Ministry of Science for CECORE, it was possible to begin expanding our capacities: From 2012 to 2017, twenty young scientists were awarded through the means of the Ministry of Science. 28 project proposals were sponsored whose findings were made publicly available via Open-Access.

But the changes to consumer research are more profound than the numbers suggest. Significant is that consumer research has gained prominence and identity since CECORE and its joints engagements spawned further initiatives: On federal level, the Consumer Research Network and the Council on Consumer Affairs (Sachverständigenrat für Verbraucherfragen) were founded. In Baden-Württemberg, the research center Consumer, Market and Politics (Verbraucher, Markt und Politik) was established and, since 2015, Austria has been promoting networking through the forum "Konsum neu denken" (see Fridrich et al. 2017). This is accompanied by a lively debate about the focus and theoretical construction of consumer research, something that is needed to ensure the quality of scientific research.

These examples show that a change occurred in the thinking of "consumer administrations" and "consumer organizations" since Ölander made his appeal. These institutions no longer merely display their past "polite interest in research" (Ölander 2005, 27). While a market for commissioned research may have existed, who, asked Ölander, "stands up for research which aims at having public exchange and debate being regarded as equally important and legitimate as research with clearly defined customers"? (Ölander 2005, 24)

Consumer research is supported by specialist departments. This is right and important. But, until now, consumer research has only been regarded as a joint

¹ http://www.verbraucherzentrale.nrw/kvfbzv.

topic of *consumer* and *research policy* in North Rhine-Westphalia where independent funding is provided. This shows that this field can grow if it is not just seen as a specialist or commissioned subject, but as one that also promotes science. The equal support of applied research and basic research by both ministries for CECORE is an important factor for the success of the project as part of the sustainability and research strategy of the state government which wants to further technical and social change processes.

These change processes are not only being debated in North Rhine-Westphalia or Germany, but by an international community of scientists: If we want to implement sustainable consumption, do we mean an efficient green economy or sufficiency strategies of post-growth societies? Do we need more privacy protection or are consumers migrating towards a post-privacy society? Is the sharing economy a socially innovative form of consumption or does it tend towards a platform economy? Does increasing social inequality require new consumer policies? Should politicians influence consumer behaviour through nudges? Do we need more experimental studies or do we need to be more practical?

These questions and the surrounding debates brought the 135 participants from 18 countries to the International Conference on Consumer Research (ICCR) in Bonn on 26 and 27 September 2016. This is the second conference of its kind since 2014 which aims to turn CECORE and the ICCR into a perpetual forum for international and interdisciplinary exchange. Minister Svenja Schulze whose Ministry of Science which supports the ICCR 2016 also hinted at this:

"It should not be taken for granted that the International Conference on Consumer Research is being held in Bonn for the second time today. After all, two years ago, this event was intended to be a one-time occurrence. But due to its success and positive feedback, we recognized early that this would not be a one-time occurrence. Therefore the issue at this stage is too relevant and debates are topical. And as we like to say in the Rhineland, 'Once is never, but what happens twice is a tradition; and what happens thrice is a custom!' (Minister Svenja Schulze on 26 September 2016 in her opening speech at the ICCR 2016)."

The ICCR provides an opportunity for empirical studies to be presented, but is also supposed to further the establishment of the theoretical foundations for consumer research advocated by Ölander. This volume collects selected contributions to the Conference initiated by the chairpersons of the individual sessions. The number, variety and quality of the contributions demonstrates the dynamic developments of consumer research over the past years.

The North Rhine-Westphalian state government wants to continue to accompany this positive development, as the Minister for Consumer Affairs, Johannes Remmel, stressed when he announced that CECORE would become a permanent institution as part of the Consumer Association of North Rhine-Westphalia:

"CECORE 'provides our state with an indispensible knowledge base for reasonable consumer and economic policy measures. Examining consumer research findings gives us an opportunity to base political action on current consumer needs more accurately than ever before. Consumer policies will move closer to the citizens and will, thereby, become more effective. ... It therefore seems reasonable to put the work of the Competence Center on a firm and permanent basis.' (Minister Johannes Remmel on 26 September 2016 in his opening speech at the ICCR 2016).

Shaping the Future

New independent, critical and top-notch consumer research is needed for consumer policies, as CECORE's partners agree. This can help shape the future. And this why the motto of the ICCR 2016 was "The 21st Century Consumer: Vulnerable, Responsible, Transparent?"

However, as a redeemed trend researcher once put it, the only future that can be studied is "the future that has already happened." (Peter Drucker as quoted in Rust 2009, 86) We know a number of social and economic transformation processes that have already started and that will shape the consumer of the

21st century—globalization, demographic change, ecological consequences of consumption, social inequality or the digital economy—, but we can only begin to anticipate what impact they will have and to what extent we may have to rethink the actions and assessments of which we have grown fond. Good consumer policies are characterized by their ability to learn.

The information-based consumer protection model will continue to be important, but its previous foundations—the guiding principle of the responsible consumer, the simple information model following the principle "value for money"—will be questioned for good reason. Consumer research has shown that we need differentiated consumer typologies and that more information is not always better information. Instead, we have to focus on the question of how to communicate information. The addition of social and ecological costs to the quality and price of a product is no recent development.

There may be no crystal balls that can show us the future and offer options for action, but we can already see the challenges ahead for consumer policies or, as mathematician and computer pioneer Alan Turing said, "We can only see a short distance ahead, but we can see plenty there that needs to be done." (Turing 1950, 60)

We only have to take a look at the newspapers to realize this. For example, electronic price tags are set to be introduced into retailing. These tags will not only be able to communicate with customers' smartphones and make purchasing suggestions, but—as with online retailing—will also help adjust prices to demand. In the past, spying on users was something only large Internet companies did. But now, your supermarket around the corner will also acquire individual shopping profiles. How will we react to this challenge? Of course, measures will be taken against the gravest violations once they are discovered. But how can consumers be protected if they freely give up the privacy they say they value? This requires us to look deeper: Why do consumers do this? What will the economic and social consequences be? How can regulations be implemented to better protect one's privacy?

As another example, we often hear voices to eliminate cash for economic and security reasons. But what would this mean for consumers? Would transactions be centralized among large companies, such as if Apple Pay, the an-

nounced uniform payment system via near field communication (NFC), were to prevail? And what would the consequences be for vulnerable consumers?

But privacy and marketing based on it are only some of the many challenges: We can already witness transformations products, distribution and consumption as the lines are blurred. The sharing economy and prosuming have acquired positive connotations and stand for a more sustainable, social and creative consumer culture. But this raises more questions than it answers: Will these forms of consumption remain niches or will they have far-reaching economic consequences, such as those feared by critics of the transportation service Uber? Will new business models destroy old structures through dumping prices? How will these transformation processes change the relationship between companies and customers? Will sharing and prosuming lead to a communization or merely to a commercialization of life?

Even only scratching the surface of transformation processes raises numerous questions for which we do not yet have answers. Nor will science always find them. But by—in addition to other focal points—investigating critically how social consumption changes can be initiated and accompanied and how social and cultural changes are viewed in practice, science has the ability to ask questions conscientiously and to not just follow a single technical-economic innovation paradigm. Or, as astrophysicist Carl Sagan said in his last interview, "Science is more than a body of knowledge. It is a way of thinking; a way of skeptically interrogating the universe with a fine understanding of human fallibility." (Sagan 1996)

This volume seeks to contribute to this. We would especially like to thank the authors, colleagues and funders who made the publication of this volume possible. We would especially like to thank or longstanding colleague Silvia Strater who not only bravely planned and implemented the ICCR 2016 by herself, but provided decisive support to the publication of this volume. A documentation of the ICCR 2016 is also online available. The session reports give you a glimpse into all keynotes and lectures.²

² http://www.verbraucherzentrale.nrw/iccr-2016.

References

- Bala, Christian, and Klaus Müller, eds. 2015. *Abschied vom Otto Normal*verbraucher: *Moderne Verbraucherforschung: Leitbilder, Information und Demokratie.* Essen: Klartext.
- Fridrich, Christian, Renate Hübner, Karl Kollmann, Michael-Burkhard Piorkowsky, and Nina Tröger, eds. 2017. *Abschied vom eindimensionalen Verbraucher*. Kritische Verbraucherforschung. Wiesbaden: Springer VS.
- Ölander, Folke. 2005. 'Die verbraucherpolitisch orientierte Forschung allerorts ein Stiefkind'. In *Verbraucherforschung in Deutschland*, edited by Verbraucherzentrale Bundesverband, 21-29. Berlin: BWV.
- Rust, Holger. 2009. *Zukunftsillusionen: Kritik der Trendforschung*. Wiesbaden: VS Verlag für Sozialwissenschaften.
- Sagan, Carl. 1996. Astronomer Carl Sagan on his book, "The Demon-Haunted World: Science As a Candle in the Dark." Interview with Charlie Rose. Aired 27 May. https://charlierose.com/videos/9094.