Ute Hélène von Reibnitz
1842 Avenue des Templiers F - 06140 Vence
Tel + 33 (0)4 93 58 25 00 / 25 08 Fax + 33 (0)4 93 58 68 30
email: reibnitz.hf@scenarios-vision.com

Scenarios On The Futures of Consumer Attitudes And Their Use Of Sustainable Products

An abstract of the paper

Nowadays and even more tomorrow consumers live in a constantly changing world which overloads them every day with more information, ideas and influences as the average person can psychologically digest.

We can observe a variety of consumer attitudes and behaviour styles; the diversity ranges from the technology minded to the smart and conscious consumer, looking for sustainable solutions.

Will the trend to sustainable products and services only be a flash light of a new age fashion or will it become the mainstream trend of the future?
How can we improve sustainable thinking and behaviour?
What are the driving factors which can change consumers' attitudes?

All these questions have one common denominator: there is no clear and easy answer. In order to find the right answers we have to apply a planning tool which helps us to explore the future consumer environments – Scenario-Techniques.

WHAT ARE SCENARIO TECHNIQUES?

The hallmark of Scenario Techniques is to create alternatives in case of uncertainty and to assemble them into highly consistent scenarios. These scenarios are descriptions of the future corporate environment and cover the so-called "edges" of the Scenario funnel (see diagram 1). Why do we have to take very contrasting future situations into account? Because nobody knows what the exact outcome of the future will be. If you are prepared for very different future situations, you will be able to deal with any scenario between the two extreme archetypes.

Scenario Techniques link these scenarios to the present company situation including existing goals/strategies, strengths/weaknesses. They help you design strategies to seize future opportunities and turn eventual threats to your favour. In order to deal efficiently with different challenges, threats and opportunities in the future, a master guideline fitting both scenario extremes should be developed.

Other features taken into account are wild cards such as technological breakthroughs in a specific area, an ecological disaster, a stock exchange crash or a sudden regional war. Scenario Techniques show you how wild cards may affect your company and how you can develop preventive measures as a form of “immunisation” against the worst effects of these events.

HOW DO SCENARIO TECHNIQUES WORK?

Scenario Techniques comprise the following eight steps (see diagram 2):

STEP 1 – Task Analysis

Analyse the subject’s structure, the existing goals and strategies as well as strengths and weaknesses. The subject under study can be a company, a Strategic Business Unit (SBU), a product family, a product, a subject outside a company or you as a person including your career and life planning.

STEP 2 – External Influence Analysis

Here, we identify external areas and influence factors as well as their interrelationship and the system dynamics.

STEP 3 – Projections

Anticipate the future development of the influence factors and create alternatives in case of uncertainties.

STEP 4 – Consistency Analysis

Assemble all alternatives according to their consistency, so as to form logical and plausible future scenario structures and select the most contrasting ones for the interpretation. Special software for scenario calculation is available.

STEP 5 – Scenario Interpretation

Describe the scenarios in an imaginative way, analyse their system dynamics and changes in the future.

STEP 6 – Consequence Analysis

Identify future opportunities and threats in both scenarios and develop action items which maximise opportunities and turn risks into opportunities.

STEP 7 – Wild Card Analysis

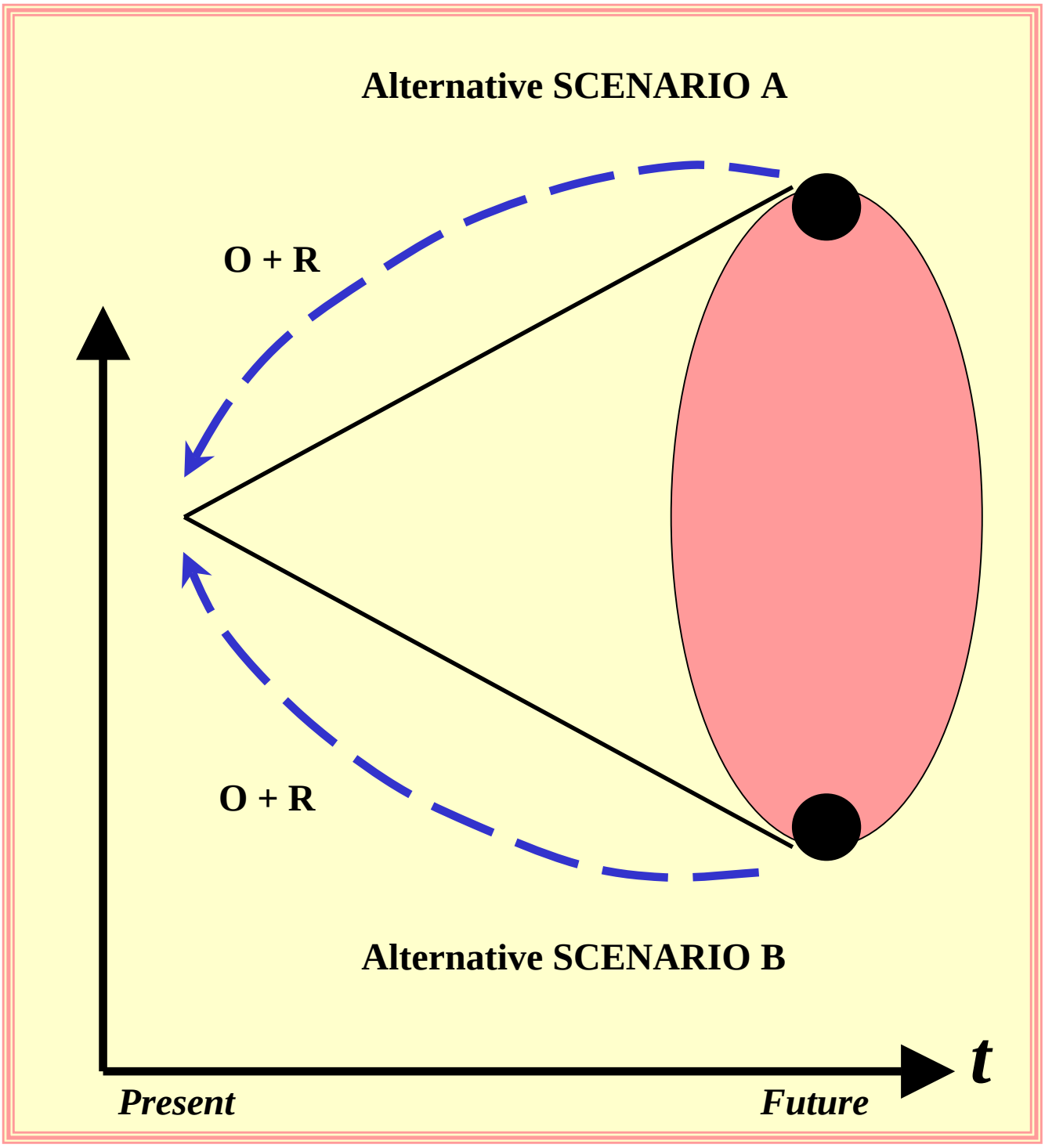
Analyse possible disruptive events (wild cards) and their effects on the subject under study, in order to develop preventive measures to reduce the worst effects of these events and to pre-define reactions.

STEP 8 – Scenario Transfer

Design a master guideline and a new, sustainable vision which can be successfully realised under both scenarios. Such a master guideline tests innovative ideas from one scenario against the second scenario, creating a resultant pool of ideas compatible with both futures!

DIAGRAM 1

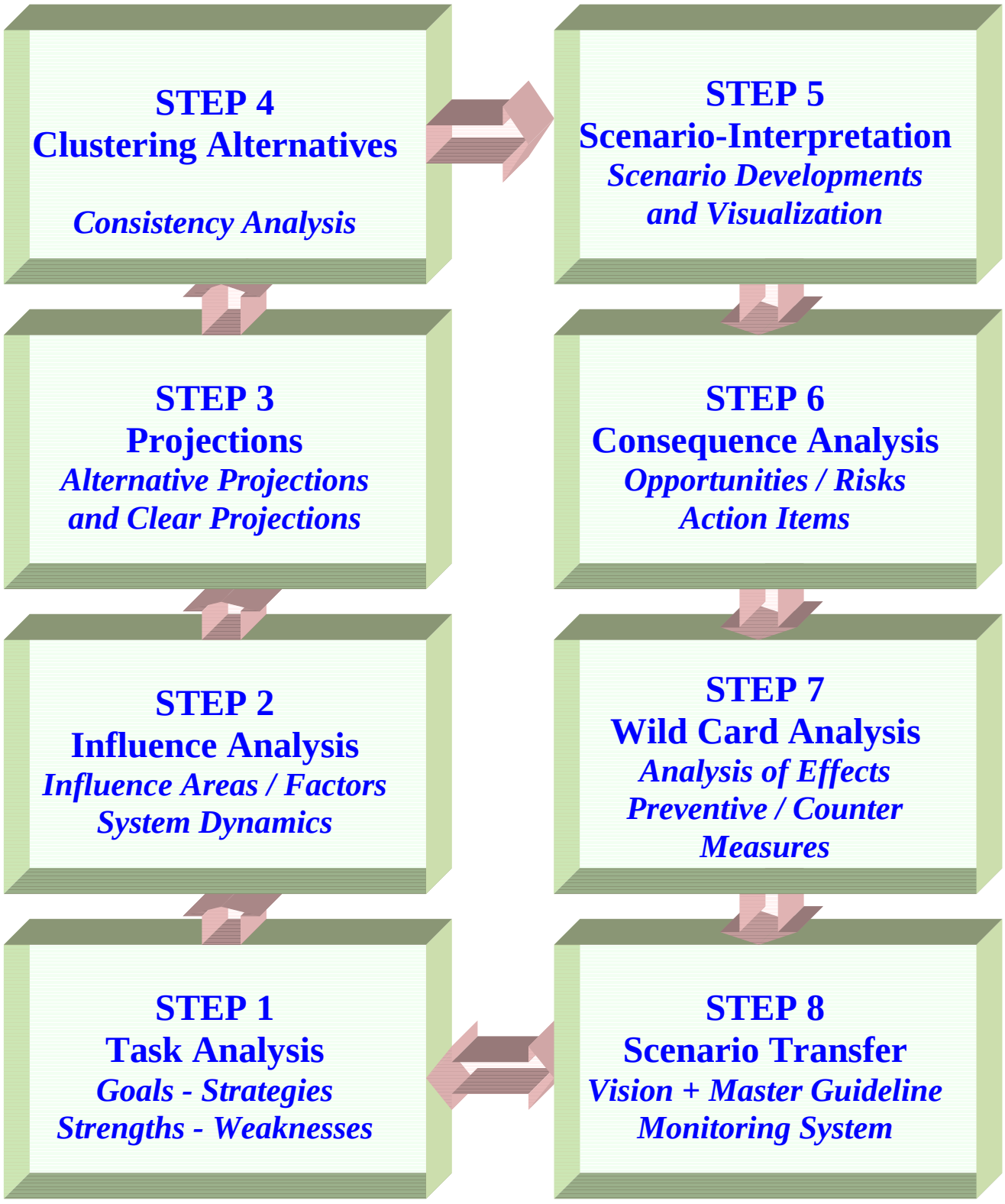
SCENARIOS TECHNIQUES
The Scenario Model



SCENARIO = visualisation of a possible future situation
O = opportunities R = risks

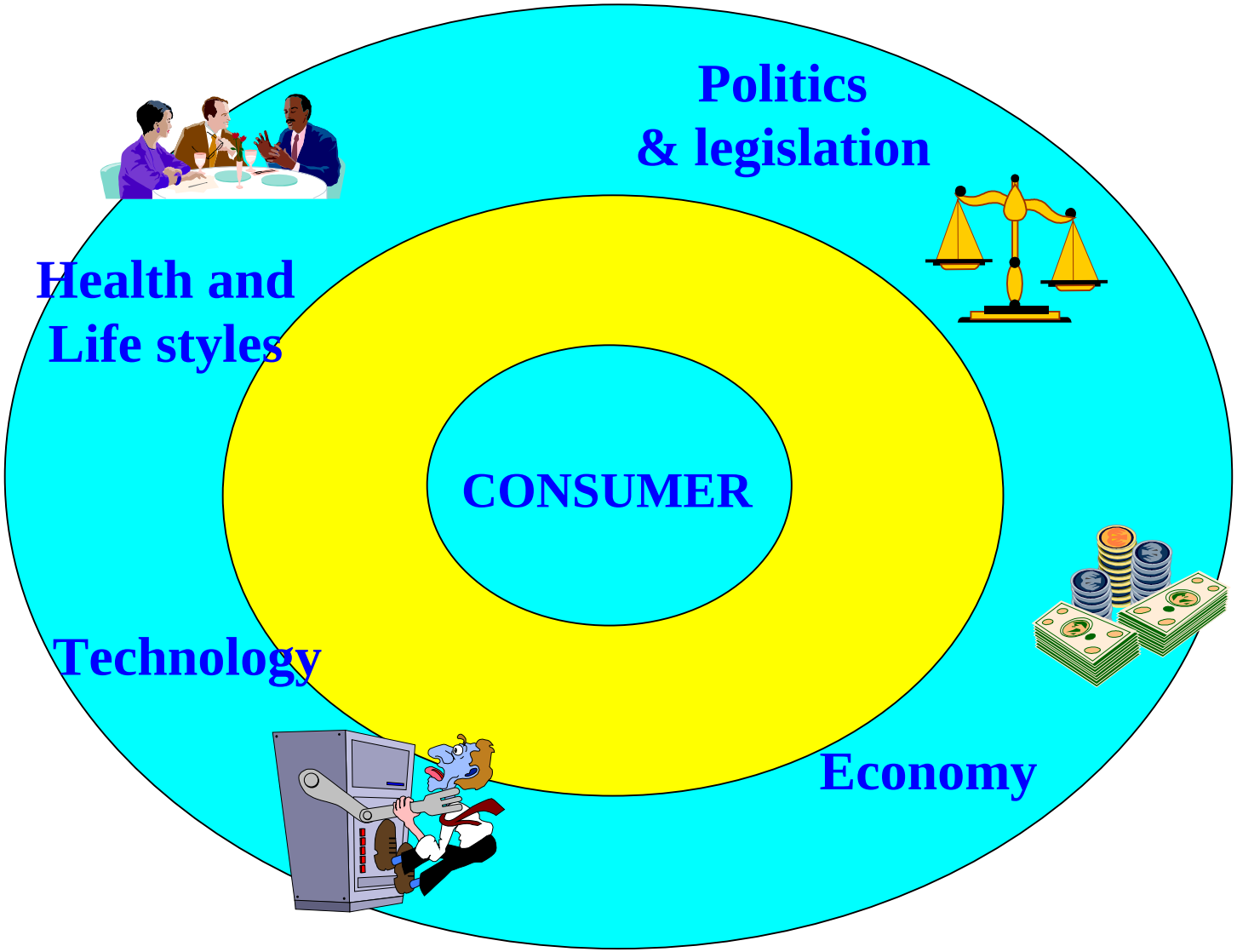
DIAGRAM 2

SCENARIO TECHNIQUES
Process of Scenario Techniques



The environment of consumer attitudes today

Consumer attitudes nowadays are submitted to many external influences, such as long lasting, continuous ones and more and more short term flash light type impacts. The first type of influence factors is relatively easy to manage – we can rely on them for a longer period. What makes our business difficult and tricky is the behaviour of those flashy influences like fashion and life style issues. All these influences can be clustered in some influence areas which will be shown on the following diagram:


Politics
& legislation
Health and
Life styles
CONSUMER
Technology
Economy

Following you find a short description of two alternative scenarios covering the "so-called edges" or extreme points of the scenario funnel in 2010.

SCENARIO A : 2010 – The Performance Society in the Brave New Virtual And Liberalised World

The United States of Europe (USE) have been successfully established; the EURO proved to be **the** panacea for the European economy. Stability and sound growth for member states convinced the ever sceptics. To make all this happen, the USE government has made major inroads into cutting back on bureaucracy and over-regulation. Most public services have been deregulated and privatised. The government is only responsible for the bare bones of governmental tasks such as police, territorial defence and legislation.

This new **lean government** means less regulation and control in all areas and the end of social security. Governance is based on the principle that **smart citizens** are responsible for their life, their well being, their social security etc. These citizens participate via direct ICT polls in community decision making, connected via the latest multimedia devices with access to any information they need.

Stability and prosperity in the USE stimulate and inspire many new ventures and so-called **life-entrepreneurs** who constantly create new services which they offer on a new "super" internet. Most of the companies of 2010 are virtual project corporations, meaning they create, on a project basis, new products, services and ventures which last as long as the project. This new type of organisation eliminates hierarchy, shakes out inflexible "dinosaurs" and welcomes constant change as a business principle. It is rather an organism than an organisation.

These **virtual corporations** are powerful networks comprising small and large, multinational companies. Performance, speed, change and **"survival of the fittest"** are key slogans in this new, highly competitive business world. All business is global, due to availability and similarity of products and services world-wide, along with similar customer needs.

How do people live in this new world? The key success factor for each individual is **performance**: Those who succeed in perfectionising their skills, their knowledge and in adjusting their capabilities to the speed of change and to accept lifelong learning are the winners. Those who are not willing or able to match these demanding performance criteria, are the losers and have to live under subsistence level (the era of social security in Europe belongs to the past). This leads to an ego-based performance society which has no room for the weaker members. We are confronted with a polarised structure of a **knowledge elite** and **"victims of speed and change".**

Everybody is responsible for his/her life, income, insurance, health care and work. Only those who are in good shape are able to succeed in a very competitive business environment. **Illness is the only luxury a life-entrepreneur can not afford**. Therefore wellness, CAF (Computer Aided Fitness for body, mind and soul), combined with early diagnostics, health monitoring systems, functional food and nutraceuticals are the key elements of lifestyle. As this society beliefs in technology as a panacea for everything, all aspects of health and lifestyle are managed and controlled by means of technology; this comprises ICT, nanotechnology, genetic engineering, new material technologies etc.

Physical mobility has been dramatically reduced due to the new ICT structure available everywhere on the planet. Instead of sending people around we move data: we live in the so-called **info-mobile society**. Children don't go to school anymore; they educate themselves wherever they are via plug-in-education programs including exams. Tests help to identify the exact curriculum which matches personal capability and future labour market needs.

The ICT scientists' dreams have come true: we live in a new, happy and brave cyber-world. Technology has revolutionised everything in business and daily life:
Smart clothes adjust to personal bio and wellness data and integrate functions such as communication (a mobile communication unit with navigation system and GPS integrated in the watch and/or the business suit), the health monitoring unit integrated is a sensor in the watch bracelet, regulates also the clothes' temperature, humidity permeability and impacts fitness of body and mind. New materials, designed in the leading R&D laboratories world-wide, have replaced the existing recycling and natural fiber materials.

Smart homes are equipped with a control unit including remote control which manages every function in a house or apartment e.g. heating, air condition, household appliances, energy consumption, telecommunication, supply, cooking and waste management. The same **smart building concept** is realised for public buildings.

Cash belongs to the past; whenever you undertake a financial transaction, it will be done by a multifunctional smart-card which integrates bio-data such as your DNA fingerprint. The vulnerability of this high tech and cyber world is evident: smart criminals or small system failures in a networked world can cause disasters with a world-wide domino effect. Therefore, many new ventures make a fortune in developing new hacker-proof and self-regulating and self-repairing ICT systems, products and services.

What about ecology and the quality of life in this new world? Two aspects have a positive impact on our natural environment:

- the info-mobile society reduces individual traffic
- the life-entrepreneurs create virtual, non-polluting products

Both effects reduce the degree of pollution. But where in the world will the products be produced? A part of traditional production is replaced by “micro processes” such as nanotechnology, biotechnology and genetic engineering. The rest of production is transferred to the new emerging countries which are keen on getting their part in the boom. Ecological aspects are not their concern. Therefore the transportation of goods around the globe increases because the companies always look for the cheapest and most attractive (less regulated) location (“production site tourism”).

SCENARIO B : 2010 – The Sustainable Society in Social Peace

The Europeans were not able to put their forces and strengths together. In the first decade a severe recession has hit the European Union and all the common tasks and unifying aspects of the past have disappeared. Neither the Union nor the nation states have been able to solve the problems; therefore **Europe has split into small regions**, sometimes linking together parts of former nation states, sometimes just dividing countries into several independent region states.

The people force the government to increase their security and the security of their natural environment, thus leading to stricter legislation, and **increases in consumer , labour and ecology protection**. The smaller region states can apply more easily ecological aspects than "Big Europe" where the common denominator usually goes down to the lowest level as only possible compromise. This has enabled a paradigm shift in some of the new region states: **Ecological principles** have gained the same weight as human rights; their application is strictly controlled and violation of ecological laws is regarded as major crime. As a result of this new ecological orientation transportation prices have to incorporate costs compensating for all possible damages to the environment in terms of pollution, land use etc. But the best would be, to prove that this new means of transportation shows a significantly better "green audit". Every **new product registration** (from cars to computers, from food to detergents, from clothes to building materials) has to undergo a **profound ecological check** for immediate, midterm and longterm impacts on human and ecological health.

The **paradigm shift to ecological principles**, firstly imposed by the electors and the government, has created a major change in the business world. Ecological guidelines are now integrated in corporate auditing, having the same significance as profit and

labour protection. This does not only hamper old industries with their traditional business and understanding (most of them had to close), but creates new business types such as "green consulting", "green auditing", "green engineering", "green lifestyle", "green transportation" etc.

This new **"green sector"** becomes the driving force for the economy. But it takes several years to compensate the reduction of workplaces in the past and to recover on a broad basis.

Industrial structures are **reorganised along the value and logistics chain** which means that suppliers, producers, assemblers etc. are located in the same industrial area and not scattered all over the globe in order to benefit from the lowest labour and production site costs and from the most liberal legislation.

An interesting phenomenon is that people get closer in hard times: several generations live together or several single parent families create a common household. Local aspects such as the well-being of the region, its inhabitants and its nature are paramount. A **new tribalism** emerges and leads to more caring for each other: we do not exclude the weaker members of society; they can still fulfil their duties in less stressing jobs like personal care, ecological restoration programmes etc.

After several ecological disasters all over the planet which destroyed in several regions the basis of life (e.g. arable land and drinking water) people learnt that they need nature but that nature does not need them. Now people in some region states apply consequently ecological aspects and change their lifestyles radically. They share cars instead of owning them. They produce and recycle their energy in closed loop systems or use renewable energy sources like plants. Food comes from private gardens without using any chemical fertiliser according the motto **"from the region – for the region"**. Health care turns to natural prevention methods like healthy food, balanced exercises for body and mind and a lifestyle focused on inner peace. In case of illness people prefer alternative medicine instead of chemical blockbusters.

ICT, new energy systems and renewable energy sources, biotechnology, new materials based on plants replacing former non biodegradable ones, alternative medicine and ecological sciences are the booming technology sectors. Technology assessment is indispensable for all technologies including their applications: here the long term impacts on people's and nature's health are profoundly analysed. The technology assessment decides about the "top or flop" of an innovation. Only so-called sustainable technologies are registered and accepted.

The ecological situation is slowly recovering from the damages of the past in those region states where sustainability is applied as new governance, business and lifestyle principle.

What are the consequences from these two scenarios for the change of consumer attitudes to sustainable products?

<u>Consequences of Scenario A</u>

<u>Consequences for Products</u>

- *Develop new **smart plant fibre clothes** with integrated*
  - *communication devices*
  - *health monitoring and regulating devices for blood pressure, pulse, stress and other bio-metric data; integrate smart self-programmable functions such as control of heating, cooling, humidity permeability etc.*

- *Develop healthy, wellness and performance stimulating **plant fibre-furniture** for the life-entrepreneur with programmable deformation: e.g. the health-chair which deforms itself permanently and stimulates neck, back and leg muscles and provides regular massage according to the body's needs*

- *Develop plant fibre materials for data-high ways, communication devices and systems e.g. for insulation, shock resistance, etc. and try to replace optical fibre in communication*

- *Develop **plant fibre filling products** for **public transportation** and for goods' **transportation systems***

- *Develop new biodegradable **packaging material** for the goods' supply and logistic chains including smart, programmable packaging material which adjusts and deforms itself according to the products' needs*

<u>Consequences for Marketing</u>

General remark: the greatest challenge under this scenario is to turn people's pure high tech orientation into the use of sustainable products. This can be done by giving plant fibre products a high-tech touch and fashionable image. Plant fibres have to become "high tech image products" with a nice side-effect of being sustainable, renewable and biodegradable.

- *Make plant fibre products a new cool "in"-product which underlines the ego and vanity of each life-entrepreneur; run the promotion of these products together with "opinion leaders" of the various target groups*

- ***Make the use of plant fibres a new fashion***

- *Demonstrate that **plant fibre clothes and furniture improve the personal performance** (better physical and mind shape leads to higher creativity and performance)*

- *Create **wellness facilities** and clubs where stress for the high performance people is reduced and the negative effects are eliminated (e.g. cold sweat smell is absorbed and transformed into creativity and performance stimulating and stress reducing fragrances by the plant fibres)*

- *Promote plant fibre products over the net and guide consumers softly to sustainable products and behaviour; **motto "plant fibres are good for your well-being and for ecology"***

- *Create **a virtual corporation of plant fibre producers, distributors, customers** and create creativity contests on innovative plant fibre products, marketing campaigns etc.*

- *Make our customers advertise plant fibre products in their social or working group via the "net"*

- *Create "multi-media-Cyber-Soaps" with stories where plant fibre products will be used by the "stars"*

Consequences Scenario B

General remark: Scenario B is already very favourable to sustainable products; therefore only a very few ideas will be outlined.

Consequences on Products

- *Use any possible application of plant fibres in products:*
  - *from transportation of people and goods to data*
  - *from clothes to furniture*
  - *from food to pharmaceuticals*
  - *from labour to leisure environment etc.*

Consequences on Marketing

General remark: As sustainable products have become a governance, lifestyle and business principle under this scenario, it is paramount to distinguish from those competitors who try to get the ecological registration and who afterwards reduce the ecological aspects in order to save costs and to make higher profits.

- *Create a new really efficient "green-label", which will be part of the registration procedure and will be controlled and monitored throughout the product or service lifetime; develop a "bio-monitor" and "bio-detector" for all products, processes and services.*

- *Establish ecological institutes which test and implement all improvement ideas from industry, consumers, R&D institutes, government agencies etc. leading to better and more sustainable products and services.*

- *Create sustainable lifestyle contests and award the winners with attractive incentives*

- *Keep the "sustainable product use" at a high level of attention (to avoid attrition and loss of interest); integrate knowledge on sustainable products and services and their use in daily life aspects like education, advertisement, business, lifestyle, leisure etc.*

Master Guideline as Synthesis of A and B Consequences

The ideas developed under scenario A and B have now to be fused into a Master Guideline which covers a broad spectrum between both scenarios. This is more than the common denominator; it is a synthesis in a dialectic way and comprises the most innovative strategies generated under both scenarios.

SUMMARY

Scenario Techniques are an indispensable tool for those who feel responsible not only for short-term success but also for sustainable prosperity. Scenario Techniques are recommended whenever the problem is complex, uncertain and has long range effects. If all these characteristics apply to your problem, then you have to abandon the traditional forecasting methods and turn to Scenario Techniques.

In this sense, keep George Bernard Shaw's phrase in mind:

„We are not made wise by the recollections of the past,
but by our responsibility for the future."