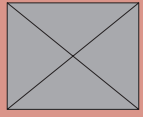


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CO-PRODUCTION IN THE DIGITAL AGE. THREATS AND OPPORTUNITIES FOR CONSUMERS AND JOBS



Who carries out what role between producers and consumers in the contemporary mass consumption model has become less clear-cut. In an increasingly digital economy, customers are playing an ever more active part in their consumer practices, and their views matter increasingly. The effects of this phenomenon extend society-wide.

Co-production, i.e. the participation of consumers in producing the goods and services they consume, is swiftly gaining ground. Consumption practices are progressing towards a model where consumers are becoming increasingly involved with the broad-scale application of the self-service model and the development of "participatory marketing" and the sharing economy. For example, 88% of French people have already used a self-service checkout in a supermarket. Almost half of them practise collaborative consumption on a regular basis. Their habits are changing apace: with the development of online money management tools, only 18% of French people go to their bank branch several times a month now, compared with 50% back in 2010.

The flourishing of these consumer practices particularly reflects consumers' search for better value for money, ways to save time and flexibility. They meet the expectations of the social fabric in terms of consumer relations which are more personalised or more meaningful in ethical, social and environmental terms. They are also a sign of the greater store that companies are setting by customers in their business model, with a view to increasing their revenue, reducing their supply risk or building customer loyalty.

Digital tools are proving instrumental in this transition, by forging ever closer ties between producers and consumers. Through the sheer scale of data they generate, they are paving the way for new forms of co-production grounded in the utilisation of consumer data –

usually without the latter's knowledge.

Co-production raises questions that concern the whole of society. Whilst it provides consumers with creativity spaces, it also poses challenges in terms of digital accessibility, distribution of the value co-produced and protection of personal data and privacy.

On the economic front, the effects of co-production are coming hand-in-hand with the effects of the digital transition. The former may well help to usher in a dynamic digital sector – an area where France boasts undeniable strengths – but also risks introducing distortions of competition. At the same time, the shift of certain tasks from employees to consumers could endanger the formers' jobs. There is disagreement over the numbers of jobs created or cut as a result. What is not in doubt is that the changing consumer trends are causing upheavals which need to be guided and monitored.

On the environmental front, the sharing economy promotes consumer methods geared more towards use than possession, but the environmental impact of which depends on individual consumer practices and needs to factor in the carbon footprint of the technologies used.

For the ESEC, these issues all justify scrutiny and action on the part of the public authorities so as to guarantee that co-production develops in the interests of consumers, jobs and growth alike.



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ACKNOWLEDGE, REGULATE AND SECURE CONSUMERS' CONTRIBUTION:

- conduct a study to assess the contribution consumers make to the production of goods and services and include in our economic activity measurement system an indicator on co-production;
- if the discussions in progress within the EU and OECD do not swiftly bear fruit, launch an impact assessment of the various options being debated to ensure that the value of consumer data is taken more effectively into account in our tax system;
- create a proper European legal status for the digital platform;
- on the subject of consumer information, ensure that the principle of loyalty enshrined in the Act for a Digital Republic takes on its full significance;
- step up the fight against data-based price discrimination practices;
- open up an online space for reporting practices at odds with the loyalty principle;
- in terms of respecting privacy, enshrine the principle of informational self-determination in law;
- set up a public comparator of digital platforms' standard terms & conditions of use and policies bearing on personal data use.

ENCOURAGE A FORM OF CO-PRODUCTION THAT IS CONDUCIVE TO GROWTH AND JOBS:

- set up a system for automatically declaring income generated by private individuals on digital platforms;
- standardise the rules by which digital and "off-line" companies must abide to avoid any distortion of competition;
- scale up the human and technical means of the public and inspection services concerned so that they can conduct relevant investigations in the digital economy sector;
- at State and regional level, bring about training and occupational retraining programmes that are tailored to the new job market taking shape as a result of the digital transition;
- allow companies to benefit from support and assistance schemes to guide their digital transition towards high-quality employment;
- at industrial sector level, perform outlook studies on the changes taking place regarding occupations and qualifications, define strategic workforce planning priorities and set up training programmes to anticipate and prepare employees for these changes;
- steer the focus of public R&D support policies towards the development of technologies that respect privacy.

GIVE PRECEDENCE TO A FORM OF CO-PRODUCTION THAT RESPECTS THE COLLECTIVE INTEREST:

- over and above existing initiatives, extend efforts aimed at acquiring a grounding in digital technology to all sections of society struggling to get to grips with the Internet;
- encourage digital skills to be learned as young as possible and equip educational institutions with the necessary resources;
- submit public services to the principle of accessibility by guaranteeing users access to local services where they can go in person;
- incorporate the environmental and social impacts of co-production in the Life Cycle Assessment (LCA) and Social Life Cycle Assessment (S-LCA);
- encourage local authorities to consider collaborative initiatives serving the general interest in terms of the environment, local economy or jobs;
- develop a public data service which guarantees citizens control over their data;
- expedite the development of "platform cooperativism";
- build on the discussions already underway on a legal definition of commons, particularly as regards the notion of public domain information, or "knowledge commons".