

# A new model of consumption in conditions of global instability - an attempt at definition and evaluation

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#### **Introduction**

Consumer demand accelerates the development of production, and changes in the consumer goods market affect social, economic and cultural phenomena, both positive and negative.

The structure of consumption determines the place of the individual in society and leads to self-expression through growing consumer aspirations.

It is a manifestation of consumerism and mainly affects rich countries, but more and more often it affects the societies of countries with lower incomes and a lower standard of living.

Establishing a relationship between the ongoing globalization process and the changing consumer requirements resulting from the increase in the level of income and the emergence of new trends in their expectations is the basis for the construction of a new consumption model.

The consequences of the globalization process are visible on the labor market, changes in the form of a new form of employment structure, extension of the scope of services and changes in consumer behavior.

Consumer hedonism appears on an increasing scale, manifested in deriving pleasure from the possession of certain goods, and these are usually luxury goods.







#### Premises for changes in the consumption model

The increase in personal income of individual consumers and households visible in the last two decades has significantly influenced the structure of consumption. It was a consequence of the general increase in the standard of living of the society, the development of production and distribution of goods and services, and general changes in the economic conditions of economic development.

The increase in the basic parameters characterizing the development of the economy translates directly into the improvement of the living conditions of the population, and the achieved higher income gives greater opportunities for consumption and an increase in the scope of financial independence.

Detailed research shows that not only the size of consumer spending is changing, but also its structure.

In the case of Poland, the share of expenditure on food decreased from 19.9% in 2008 to 17.2% in 2016, Similarly, the share of expenditure on housing, i.e. energy, gas and other fuels, decreased from 22.5% in 2008 to 21.2% in 2016.







#### Premises for changes in the consumption model

At the same time, expenditure on health care increased significantly (3.9% in 2008 and 5.5% in 2016), the use of hotel and restaurant services (2.8% in 2008 and 3.8% in 2016). .), as well as cultural and recreational purposes to a similar extent.

The trends visible on the Polish market are largely consistent with similar changes visible in other EU countries.

Therefore, it can be clearly stated that the processes of globalization shape a new picture of reality, both on the macro and micro scale.







#### The labor market in the conditions of globalization

Due to new trends and consumer requirements, there is a need to create new jobs in the field of services.

It is related to direct consumer service and the handling of specific goods, such as hotel services, tourism and leisure, and a wide range of health care. The rapid development of the IT industry and the possibility of communication using new sources is visible. The servicisation of the economy significantly changes the nature of work, labor relations and its organization. The work in the field of services is less standard and requires a more individualized adaptation to the requirements of the consumer.

When analyzing in detail the changes in the structure of the labor market over the last few years, we notice that there is a gradual shift of employment intensity from industry and agriculture to the sphere of services.







#### The visible changes in the labor market are:

- Flexible organization and the use of flexible working hours are becoming more and more common: with regard to the working day, week, year, and the entire professional career.
- Remote work, also known as telework, is becoming more and more common.
- The importance of high qualifications is growing.
- This increases interest in education.
- Educational aspirations of parents and children are growing.
- The demand for qualified foreign workers is also growing.







There is a visible feminization of employment in the area of services - the employment rate of women is much higher than that of men.

The reasons for such relationships can be seen primarily in the types of jobs performed by women and men falling within the scope of services. Many occupations, mainly in commerce, education, catering or law enforcement, are overwhelmingly dominated by women.







#### New trends in consumption - fashion or the way to crisis

Changing consumption conditions of an economic, social or cultural nature give rise to new trends in consumer behavior. The immediate causes of changes may be the desire to maintain health, the comfort of life, the desire to improve the quality of life and achieve luxury, or snobbery and individuality. Among the trends and megatrends included in the new consumption, the following stand out: greening consumption and deconsumption, as well as consumer hedonism.

The *greening of consumption* is the result of the growing environmental awareness of the society and the perception of the progressive process of environmental degradation. It mainly includes the consumption of organic food and pro-ecological behavior in the functioning of the household. Organic products are more expensive than conventional ones and therefore are intended for a narrow group of consumers who care more about their health and their family's health.







**Deconsumption** is the process of reducing consumption to a rational size. The direct stimulants of consumption may be an increase in health awareness, lowering the rank of consumption in the general system of values and treating it not as a goal in life, but as a means of life. Deconsumption is rational, conscious, responsible and ethical consumption guided by the 3Rs (Reduce, Reuse, Recycle) principle, which limits, reuses and recovers. Deconsumption promotes a slow lifestyle as opposed to the ubiquitous fast food meaning fast life in constant rush. These are two opposing models of life and consumption, i.e. Slow, healthy and rational compared to the fast, irrational and unhealthy.

**Consumer hedonism**, understood as finding pleasure and deriving pleasure from the possession of these goods, is a consequence of the increased availability of modern durable goods and is a way to emphasize the social status and define the value of the consumer by belonging to the group of owners of these goods. At the root of these behaviors are consumer imitation and snobbery

The subject of satisfaction is also the possession and use of luxury goods, emphasizing the wealth of the owner and purchased "for show".







### Summary

The changes in the living conditions of societies in developed countries that have taken place in recent decades are most often called the "consumer revolution". The main reason for this phenomenon was the rapid economic development, especially in the first thirty years after the Second World War.

On the one hand, this development brought with it - mass production of relatively cheap consumer goods, thanks to the large scale of production and constant product innovations, on the other hand - high employment and rapid growth of the population's income, which made it possible to buy manufactured goods to a greater extent.

High consumption has ceased to be the privilege of the elite and has become almost universal. Wealthy countries have entered the phase of consumer civilization, their citizens are transforming into a consumer community.

Ensuring an appropriate consumption model requires an appropriate level of services, hence the inseparability of these two economic phenomena. Thus, the consumer market will continue to change and it can be expected that the advancing globalization will have a significant impact on these changes.







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