The Three Axes of Consumer Actions: 
An Agenda for Economic Geography

by

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Abstract

In this paper we attempt to develop a conceptual framework that allows economic geographers to better incorporate the role of the consumer in shaping contemporary economies. We do so by conceptualizing three axes of consumption, which combine organizational and spatial characteristics of consumer behavior as well as the degrees and types of consumer involvement in innovation and production. We elaborate how each axis functions and shapes consumer motivations and behavior, and ultimately constitute aggregate ‘demand’ that impacts production organization and economic processes.

Key words: consumer; economic geography; organizational complexities; innovation; spatialities

1. Introduction

In this paper we focus on the role of consumers as active agents in shaping the organization of production and economic processes. Although exceptions do exist, it is fair to say that economic geographers have, in the past few decades, largely preoccupied themselves with actors within firms, industries, and regions. Research on consumers and their motivations, in contrast, has in relative terms been of marginal significance to developments within the mainstream of economic geography. Those treatments of consumers most influential within economic geography have often focused on issues around the point of purchase, for example, geographical research on retail services and environments\(^1\) or have focused upon geographical dimensions of consumption in combination with analysis of contemporary cultures and

identities. While such research areas have greatly added to economic geographical knowledge, in this paper we propose a different approach. We take a concerted look at the role of consumers as important economic actors, and as active participants in all manner of economic processes.

It is crucial for the development and relevance of economic geography that the consumer is carefully integrated into the discipline’s cast of actors and concerns economic. A relative neglect of the consumer skews our disciplines’ understanding of the affects and outcomes desirous of economic processes and development. In addition, marginalizing the consumer can lead to analytic juxtapositions of supply and demand that do not capture the complexity of today’s economy. As Hudson (2004) argues, social scientists have “tended to separate the analysis of consumption from that of production” thereby viewing consumption as a ‘necessary adjunct’ to production and have thus “explicitly or implicitly, prioritized production over consumption.” (Hudson 2004) p.2). This has meant that the economy has often been conceptualized with “dislocated categories such as production and consumption, seen as at best unrelated, at worst hermetically sealed and self-contained” (p.2).

We seek to articulate the role of the consumer in economic geography, by situating the consumer in the context of three contemporary research foci in the discipline: innovation, organizational dynamics, and local milieus. Our approach is to emphasize the need to address consumers as active participants and agents in shaping productive, innovation and market dynamics. We attempt to develop a synthetic conceptual framework that allows economic geographers to incorporate consumers and their motivational dynamics better in their analysis. Through this paper we hope to develop a clearer indication of the role of the consumer in today’s increasingly complex and globalized economy.

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2 See for instance: (Miller 1987; Nava 1991; Cook and Crang 1996; Crang 1996; Crewe and Beaverstock 1998; Goss 1999; Jackson 1999; Slater 1999; Crewe 2001; Miller 2001; Jackson 2002; Colls 2004; Jackson 2004).
2. Conceptualizing the Consumer

While the role of consumers has always been recognized (see, for example, (Veblen 1899) and his concept of ‘conspicuous consumption’, or Levitt’s suggestion that any industry which loses sight of consumers will not survive long (Levitt 1975 [1960]), consumers exact role in the economy vis-à-vis that of producers has remained ambiguous. As Jackson, et al. point out, consumption may well be a ‘chaotic conception’, as it leads to lively, yet often confused, discussion in economic geography (Jackson 2006a). Challenges in developing a framework for including the role of the consumer are two-fold; definitional challenges; and unit-of-analysis problems.

First, it would be useful to establish analytical distinctions between consumption and the consumer as objects of research. Conceptual confusion emerges in part due to the broadness of the term consumption and depending on the way it is used the primary emphasis changes from some kind of a physical amalgamation of nature, digestion, purchase, adoption, to spending. Some use the term consumption primarily to mean ‘markets’, others more specifically, ‘final demand,’ and yet others mean use or adoption of products and services generated by farms or firms. In fact, economic geographers mention consumption often, but they seldom make it a primary focus of research.

In an economic sense, consumption refers to the act of spending (versus saving or investing) and an aggregate of consumption constitutes ‘demand’ in the market. Consumers are thus conceived of as purchasers of goods and services, subject to aggregation into meso and macro phenomena such as ‘demand’. For example, Piore and Sabel’s influential work, The
Second Industrial Divide was premised upon changing demand, which altered the metrics of advantages among various existing modes of production and prompted an alleged shift from mass-production to flexible-specialization (Piore and Sabel 1984). Aside from flexibility, literature exists on how firms may develop demand responsiveness; through innovation (Porter, 1990), off-shoring (Vernon, 1966), and agility (Sheffi, 2005). Researchers in geography and related disciplines have also developed distinctions between ‘producer-driven’ versus ‘buyer-driven’ global commodity chains (Gereffi 1994; Gereffi and Korzeniewicz 1994; Gereffi, Humphrey et al. 2005) to alert us to the formative role consumers play.

However, such conceptualizations of the role of the consumer tend to compartmentalize economic actors into rather deterministic behavioral model. In such accounts, consumers’ defining behavior (their purchases) is potentially rendered predictable by virtue of their demographic, geographical and socio-economic characteristics. As innumerable studies have shown though actors develop distinctive collective and shared meanings, cultures and institutions consumers’ actions and preferences are subject to rapid and unpredictable change. In reality there is significant diversity and heterogeneity in consumers and their motivations:

“… a consumer is not just a customer or a user, because it is also a potential customer, or a former customer you've already lost. Only using the terms customer or user immediately eliminates your potential growth areas.”

(Paul McEnany, June 20063)

Thus, though notions of consumers often start with a focus on notions of consumer demand and behavior, this behavior is generally but far from always articulated around purchase. It is therefore important we emphasize how broader social and cultural contexts influence consumer practices and the importance of thinking in terms of consumers as active agents with an (actual

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3 http://heehawmarketing.typepad.com/hee_haw_marketing/2006/06/brewing_debate_.html
or potential) interest in, or experience of, particular product groups. Just as firms seldom view concentrations of consumers as unvariegated and neutral amorphous demand, in economic geography research consumers cannot be reduced to rational economic actors and simply based on their purchase decisions. We argue that economic geography could benefit from actor oriented approach to analyzing consumption.

Secondly, because consumers remain, for the most part, a black box, there is a methodological difficulty in assigning ‘units-of-analysis’. Problems lie with the research priorities between the identification of ‘consumers’ by the type of product they engage in purchase (e.g. a clothes buyer) or by the context within which they purchase (e.g. as a member of a household, social class, organization, group or sub-culture; or in shops, online, second-hand markets). Consumers’ spatiality further complicates the picture, and thus warrants a geographic conceptualization. Today’s consumers have complex and fragmented spatialities. They are often highly mobile in their actions and geographic interactions (they travel, they use the internet) and have radically different behaviour and geographies depending on what they are consuming (e.g., we may be happy to globally source music but not haircuts) and when (e.g., we source food very differently when on holidays than at home). It is difficult to ‘locate’ consumers or consumption spaces. Thus, the heterogeneous nature of individual consumers and the objects of, and contexts for, consumption makes choosing starting points in geography’s existing analytical frameworks challenging.

In the following section, we suggest how we might place consumers at the center of our analysis by using some of the established lenses of Economic Geography. To avoid addressing the consumer merely as an add-on to existing research, we advocate research that uses the
consumer as the initial lens, or starting point, through which economic processes are analyzed. This involves being open to the possibility of reverse causality from conventional research paradigms, that is, an analysis of how consumers cause, drive, and shape various types of production, economic systems, and institutions. For example, rather than understanding the consumer as a aspect of technical innovation processes of production, we propose analyzing innovation as a process driven by interactions of consumers of particular types in specific consumption spaces. In the same vein, instead of a firm- or industry-centric view, we suggest a framework that allows us to analyze how consumers spawn geography. For instance, shopping spaces are not simply outlets for commodities, but are key drivers that coordinate and determine the dynamic shapes and forms of global value chains.

3. Framing the Consumer: The Three Axes of Consumer Actions

On what type of stage do we put the consumer at the centre? Building on existing research and theory in economic geography, in the following we propose three axes upon which various actors can be placed in order to address consumption questions. We focus on the role and place of the consumer in three axes: consumers’ role in innovation and knowledge processes; consumers’ role in the organization of economic activities; how consumers’ proximity and spatialities characterize and mediate economic relations. These axes serve as key principles in understanding the consumer, and also correspond with central research areas within mainstream economic geography. By highlighting the role of active consumers in each of the axes, we hope to suggest avenues to incorporate the consumer in economic geography research.
1. **Innovation and Knowledge Axis**: is concerned with how innovation and knowledge processes are induced by actors in specific contexts, and the flows of innovation and knowledge between developers and adopters.

2. **Organizational Complexity Axis**: is concerned with how networks comprised of multiple actors are organized in different forms with accordingly different power dynamics.

3. **Spaces of Consumption Axis**: is concerned with how consumers’ economic geographies may be articulated through proximate as well as distant relations – that consumers’ role in economic processes occurs in proximate spaces as well as in spaces and places far from their everyday lives.

We conceived these three axes as interactive axes that accommodate various types of consumers, who occupy particular positions on these axes at different times. Moreover, by considering these axes as populated by various consumers engaged in interactive processes (underpinned by ever changing motivations) we emphasize the importance of dynamic, rather than static characterizations of consumers. By locating consumers on three distinct yet continuous scales, we also opt to avoid simplistic binary opposites: i.e., passive vs. active; lead user vs. late adopters. In our view, understanding the consumer as intersections of the three above-mentioned axes is also intended to discourage the widely conceived divide between producers vs. consumers, or market vs. household, as decision makers in the economy. Our ultimate objective is to develop a three dimensional understanding of the consumer through this triple axes (see Figure 1).
1. Visitors to a shopping mall [multiple actors, adopters; mostly local]
2. A firm that commissions a unique machine tool [few actors; developers; local/regional]
3. Paris’ dedicated followers of fashion [multiple actors; closer to developers; local/regional]
4. Local alternative exchange/trading networks [multiple actors, developers; local]
5. Peer-to-peer music/video file sharing networks [multiple actors; adopters; global]
6. An online community of software developers [multiple actors; developers; global]
7. Locally grown organic fruits at a farmer’s market [few actors; adopters; local/regional]
8. Military aircraft manufacturing [few actors; developers; global]
9. Avant-garde art-house films [few actors; adopters; global]

**Figure 1: Three Axes of Consumer Actions**
To expand on this three dimensional conceptualization of the consumer, we ask the following questions:

i. What roles do consumers play in inducing innovation and knowledge production?

ii. What types of organizational forms exist to mediate and control relations between consumers and producers?

iii. What types of spatialities characterize and mediate consumer-producer relations?

In the following sections, we will elaborate on each of these questions and corresponding axes, and highlight existing research and suggest research opportunities.

3.1 Active Consumers: Innovation and knowledge

Knowledge and innovation have been core concerns for economic geographers in recent years. However, the underlying concepts used in research on innovation - such as knowledge diffusion, transfer and spill-over - are typically predicated upon juxtapositions and relations between developers and adopters. Consumers have largely been ignored and relegated to the role of adopters. As Grabher notes even the most obvious demand-side actor – the customer – has been relatively neglected:
“the role of the customer in economic geography so far seems to have been confined to that of a passive recipient of products at the end of the value chain. Innovation, in particular, has largely been seen as an affair within and between firms; the chief concern has been with the producer side. The customer, the alleged king, has largely been absent from the portrayals of geographic innovation models”. ((Grabher 2008)p.254)

Contemporary consumer-focused research has begun to challenge simplistic divisions between developer and adopter. Particularly with the onset of the Internet, boundaries between production/development and consumption/adoption are increasingly ambiguous. The open-source and copy-left movements both signify that innovative offerings are not exclusively firm-driven or based on outputs that remain constant once they reach the ‘market’. Rather, such developments suggest that individuals alternate between producer and consumer in an entirely new ways.

In consumer and innovation research there is an emerging orthodoxy in the way consumer is being understood: away from passive, mass consumer to co-producer, citizen consumers, active and intelligent consumers (Trentmann 2006). Thus, we must ask ourselves what roles consumers play in inducing innovation and knowledge production. In particular, it is important for innovation studies to recognize the variety of consumers - not just users or customers - potentially important to understanding the evolution of economic innovation. The rest of this section attempts to distinguish between the active roles of both consumer developers and consumer adopters.

*Consumer as developer*
Much of the work on consumers’ direct involvement in innovation development processes has focused exclusively on users. In the business innovation literature, the role of the user has long been understood as an essential source of information in product development (von Hippel 1976; von Hippel 1977; Lundvall 1988; von Hippel 1989; Lundvall 1992; von Hippel 2001; von Hippel 2005). However, consumers are active in innovation processes in a myriad of different ways. Typically consumers’ role in development processes is primarily a time allocation; though consumers as customers or investors are hardly uncommon. There are at least four distinct examples of consumer-led innovation: sophisticated consumers; lead-users/first movers; consumer developers; consumer designers and creators.

The first type of active consumer, ‘sophisticated consumers’, was conceptualized by Porter (Porter 1990) who suggested that demand in itself, though necessary, is not crucial to the exact character of innovation. Rather the sophistication of demand, and especially of customers, can have a crucial qualitative role in long-term competitiveness. Accordingly, the locationally advantaged firm is one that is in a position to receive and react to signals from sophisticated demand, rather than simply one blessed with ‘many customers’ in the local market. If these signals are backed up by purchase this can doubly help firms. This idea resonates with other recent approaches to the dynamics of industrial systems: for instance, in Eliasson’s notion of the competence bloc the “competent customer” plays a key role (Eliasson 2000; Malmberg and Power 2005; Malmberg and Power 2006). In fact, most previous models of industrial location and competitiveness implicitly or explicitly regarded access to a large market as an important locational advantage (Malmberg and Power 2006).

There is little doubt that where products involve a high degree of customization (e.g. tailored suits, custom machine tools, systems architecture, etc.) the demands expressed by
potential clients as well as close dialogue between customer and supplier will have a significant effect on outputs. In particular, the importance of sophisticated consumers in feeding back information and product evaluation at early stages in the product development cycle are likely to impact innovation (Kline and Rosenberg 1986). There is a growing awareness that companies are increasingly involving sophisticated consumers to the extent that their involvement amounts to ‘co-development’ rather than input (Grabher 2008). Examples of co-development between expert users have been observed in areas such as windsurfing equipment (von Hippel 2001), outdoor products (Lüthje 2004), mountain bikes (Lüthje, Herstatt et al. 2005), watches (Franke and Piller 2004), rodeo kayaks (Hienerth 2006), and computer game The Sims (Prügl and Schreier 2006). In these cases the consumer may play multiple roles: end-user, business partner, and consumer.

The second type of active consumer is the ‘lead-user or first-mover’. Fashion companies carefully research and follow the stylistic innovations and new product choices of such consumers (Cox and Mowatt 2004). Trend-spotters are employed to capture such street level innovations and market research in fashion has more recently evolved into a co-development process more than an evaluation of readymade products. Paris’ high end fashion consumers – Point 3 in Figure 1 – involve many different aspects. Although typically considered adopters (especially as an aggregate) they are developers in the sense that they fund, support and influence global fashion trends by their choices, example visibility. They share the same streets (although they are both visitors and residents to the city), and they also access both local and global commodities and culture locally; while retailers access fashion developers from around the world. In addition to following the first-movers, actors such as magazine stylists, lead-users, trend-setters, and brand appropriators commonly combine and promote products in novel ways and in essence become market makers. In real estate and urban development, green-field pioneers or
gentrifiers play the role of the first-movers and drive patterns of the real estate economy. Aside from fashion and real-estate, however, geography has paid little attention to first-mover consumers in various industrialized sectors.

The third type of active consumer are ‘consumer developers’: those involved in so called bottom-up ‘user-led’ innovations. In this category the blurring of the boundaries between production and consumption is most evident. Traditionally, the role of the users in the process of innovation, commercialization and production has been largely ‘consultative’ (Gardiner and Rothwell 1985). Today, users have moved into the new realm of production. Internet peer-to-peer platforms and applications have, in some instances, allowed individuals can interact with like-minded others in a production process without fully relying on corporate entities (Moody 2001), and have begun to rival products which have otherwise required a corporate entity for production (e.g. peer-to-peer created Mozilla Firefox and Linux). For example, if we take an online community of software developers – Point 6 in Figure 1 – we can see that their relation to software innovation processes involves both consumption and development of software. Indeed considerable attention has been paid to online groupings of user-developers (von Hippel 2001) and has proved that incorporating such actors into innovation studies is important and necessary complement to the firm-centric accounts of innovation. These consumers’ role in innovation is, however, likely to be deeply affected by relations and interactions among consumers themselves and thus will exhibit particular spatialities. For example, whilst online communities may foster strong senses of collective identity and social proximity, individuals may never share the same geographical space. To manage such spatial and innovation dynamics, organizational forms will develop. The often open and (relatively) democratic organizational forms such communities rest upon will give rise to a complex set of entry/participation requirements with attend geographical
outcomes. Thus even open-access online communities involve different levels of participation and power and will over time evolve complex formal as well as informal regulatory systems and institutions (Dahlander 2007). Internet forums provide an arena for product development, product information, technical trouble-shooting and customer service (Dahlander 2007).

Those industries that thrive on fan cultures are particularly well positioned to exploit the opportunities afforded by bottom-up consumer-led innovation. In cultural industries such as video games, film and fashion, users are particularly actively involved in content origination, modification, and customization processes, aided by the presence of fans, aficionados and enthusiasts who voluntarily contribute their time. Thus, cultural industries are the prime venue for user-led innovation, as the problems of user-incentives is usually resolved. However, bottom-up innovation can have significant negative as well as positive effects on even the largest firms’ businesses and prospects (Power and Hague 2008)

The fourth type is the ‘consumer designer and creator’. In this case consumers and customers not only contribute to production but provide all the content free of charge for commercial organizations. They differ from consumer developers in that they are essentially contributing to commercial platforms that already exist and are owned by someone else. They also differ in the type of knowledge they contribute: they are essentially involved in content creation and seldom in technology or infrastructural development. This type of consumer creator has become extremely common with the advent of Web 2.0. A range of websites are now entirely based upon content generated by the consumer: e.g., social networking websites such as Myspace, Facebook, and Linked-in; consumer rating websites such as Tripadvisor; peer-to-peer file-sharing such as Kazaa and U-Tube, Trendwatching; user-generated contents such as Wikipedia; and virtual worlds such as Secondlife. In gaming, consumer generated mods
(modifications) – e.g. *Counter Strike* - can sell more than the title they are based upon – e.g. *Half-life*. In the manufacturing sector, large firms have started design competitions and open-source channels where consumers provide the firm with design solutions: e.g. Electrolux Design Lab, Peugeot’s bi-annual Concours Design Contest, Muji Awards, IKEA’s *fiffigafolket* contest.

*Consumers as Adopters*

At the other end of the scale from the developer or inventor we have the adopter. Adoption involves three layers; to critically engage with and accept products; to purchase them; and to use them. Adopters are not passive purchasers and adoption is far from simply an act akin to emulating lead-users. Adoption is not a neutral process; consumers reflexively engage with products. Consumption can be understood as a combined outcome of two types of demand, one arising out of necessities and another of wants and desires. Consumers will, it is now accepted, exhibit high degrees of cultural sensitivity to how they understand the products they consume. (Pine and Gilmore 1999) for instance suggest that consumers are increasingly seeking (and paying for) personal, memorable experiences staged on their behalf. Indeed a growing body of work has emerged that highlights industries whose products are sold almost entirely on the basis of their experiential, cultural, creative elements: “artifacts whose psychic gratification to the consumer is high relative to utilitarian purpose” (Scott 1997), 323). Research on cultural industries (Caves 2000; Hesmondhalgh 2002; Power and Scott 2004) undoubtedly brings with it a series of profound questions about the material or immaterial nature of products and therein consumers’ involvement in innovation processes aimed at product differentiation and market making. In such cases adoption is never simply a matter of the use or purchase of a purely
material utility or product and adoption will involve actors’ networked negotiation of meaning and value.

Levitt goes further in stressing the immaterial dimension of products by suggesting that there is no such thing as a commodity (Levitt 1975 [1960]; Levitt 1980; Levitt 1981). Rather he suggests products are successful and consumed due to their relation to other substitutes: that products are ultimately only consumers’ perception of one product’s difference from another. Levitt’s account suggests that since all firms’ products are (in the long-term) substitutable it is firms’ efforts to differentiate their products that determines long-run competitiveness and survival. Industries which operate under the assumption that innovation is primarily about differentiated services attuned to consumer demands and needs will survive the vagaries of fashion and technological change better than those that focus mainly on technical aspects or product categories (Levitt 1975 [1960]). Beyond business studies, writers from other disciplines have drawn attention to the aestheticization of difference (Zukin 1995) and the rise of an economy of signs and symbols (Lash and Urry 1994). In such accounts the centrality of consumers’ construction of meaning to business innovation is underlined.

Thus, consumers’ application of critical appraisal, product associations (e.g. how they associate one product with another or with a particular lifestyle), and how they style, combine and accessorize products are central to products’ value and competitiveness. In contrast to lead-consumers, the crucial importance of adopters to innovation may be primarily quantitative – the size of market they generate can make certain products viable for additional innovation and modification. The existence of large numbers of adopters then can expand or limit market opportunities by functioning as filters or gatekeepers. Some trend-setting adopters, for example, legitimize certain products and services simply through adoption, and thereby contribute to
‘market amplifying’. Innovations will never be successful if they are not implemented or adopted by the sizable demand-side actors. In this respect, the timing of adoption is critical.

3.2 Managing multiplicity and diversity: Organizational Complexity

In common with many other social sciences, economic geography has been concerned with the ways the methods, systems and organizations people develop to manage multiplicity and diversity of interests and transactions. Crucially our organization of processes reflects power relations between actors and will have definite socio-spatial outcomes. The ways in which actors organize themselves in, and are organized into, different organizational constellations has a direct bearing on all manner of economic geographical dynamics.

Economic geographers’ notions of spatial and industrial fix have often emphasized systemic and organizational practices. In particular, there are many theoretical approaches on how actors in production systems are organized - e.g. in firm-centered clusters, in project ecologies, in capitalist modes of production, in global commodity chains. A key motive behind all approaches to organizational forms is the attempt to understand how multiplicity and diversity of actors involved (in a city, in a cluster, in a value chain, etc.) amplifies the collective, regulatory and organizational challenges as well as opportunities. Below we direct attention to some types of organizational forms that exist to mediate and control relations between consumers and producers.

Direct relations between few actors
Many areas of the economy involve interactions between limited numbers of actors. Especially in business-to-business sectors it is common that both the numbers of consumers and suppliers are limited. In such cases, relations between the consumer and the producer/supplier will require a high degree of customization and relations are commonly mediated and organized through formal or quasi-formal contracts, alliances, and cooperation agreements. Producers are likely to spend significant resources serving and listening directly to the specific client; rather than, for instance, to the vague notion of demand created by the consumers and the buzz of the city. In highly niche/specialized sectors such as in military procurement, producers have little choice since there are only a very small number of purchasers. In such cases the consumer may exert considerable legal and regulatory power over the entire supply chain and process.

In other cases, producers must always go through aggregated consumer entry points to reach final consumers. For example, in sectors such as agriculture and fisheries buyers such as large wholesalers or retailers can function as oligopolists and have significant power to dictate quality, product techniques, labor relations, technological solutions, timing, logistics and the distribution of profits (Wrigley 1991; Wrigley 1992; Wrigley 1993; Wrigley and Lowe 1996; Wrigley 1997).

Thus, in economic activities where few actors are involved, demand-side actors play a prominent role in shaping market relations. In such cases where co-development or product exclusivity characterizes producer-consumer direct relations systems to ensure trust and compliance may be most common. In buyer-driven cases trust and cooperation may take second place to the exercise of unequal power.

*Organized groupings of multiple actors*
In sectors where potentially many suppliers and consumers are involved, active and highly organized consumers may prove to be powerful in dictating economic outcomes. For various reasons, consumers organize and group themselves; for example, industrial consumers form in-sourcing and purchasing associations/cooperatives. SME dominated sectors such as light manufacturing and agriculture that use relatively standardized inputs (such as metals, chemicals, fertilizers) consumers frequently self-organize in order to shift the balance of power in their favor. These purchase associations/cooperatives are often the first stage in building shared sectoral identities; and even cluster initiatives (Lundequist and Power 2002).

At the level of individual consumers, purchasing collectives have long been a feature of the economic landscape. In Japan and Western Europe, cooperative movements have been important actors in the retail sector: especially in food retailing. The internet further aids consumers’ ability to aggregate their demand and assert their preferences: for example, sites like letsbuyit.com and priceline.com allow consumers to drive down prices for certain products. Membership based purchasing groups have recently become common in niche markets, and can be organized by retailers (e.g., wholesale membership clubs), or by the consumers (e.g. quality wines purchasing clubs). These emerging groupings are likely to have additional long-term effects and may prompt creation of other types of groups (and with other motivations).

Traditional economic geographies focused on firm centric or industrial organizational forms have long neglected the role of consumer activism motivated by the desire to influence or shape corporate or capitalist imperatives. There are an enormous number of consumer groups organized to serve different purposes: e.g. lobbying for new products, better standards, more/less regulation. Increasingly ethical and environmental consumer groups are forces that even the

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4For example, in Japan, regional food co-ops have grown phenomenally since the 1970s, with an established reputation for providing safe and quality alternatives to conventional processed food. Co-ops now boast a 45 percent share in home delivery food services in Japan (Keizai 2003).
largest companies find difficult to ignore. As a reaction to the injustices often associated with mass market capitalism, an increasing number of consumers are willing to modify their consumer practices along ethical lines. Consumer activism in favor of fair trade has specific implications for the organization of production and labor systems, and for globalised supply and commodity chains.

Consumer activist organizational forms do not always aim to influence for-profit market actors; they may be designed to circumvent or step outside mainstream exchange systems. Alternative trading and exchange networks or local exchange trading systems (Leyshon, Lee et al. 2003; Williams and Paddock 2003; Hughes 2005) are often organized according to non-profit and non-market ethics. Consumer collective action is thus not always directed towards purchasing. Consumers own organizational forms may then blur the boundaries between consumer and producer at the same time as changing the market structures and dynamics.

Loose constellations of multiple actors

Multiple consumers are not necessarily organized into formal associations aimed at having a specific role in the economy. Whilst seldom organized, mass-consumer cultures, cultural affinities shared by consumers and consumer sub-cultures play active and powerful roles in the economy. Consumers commonly construct shared meanings, and articulate and organize them into very specific consumption choices and patterns (Bourdieu 1984; Bourdieu 1993). Yet, consumer cultures are not always based on wider societal cultures of class and distinction. Instead, they can be responsible for the development of highly specialized and fragmented niche markets. For example, fans and aficionados of particular cultural commodities and activities form interest based consumer groupings. Fandom includes those that are focused on specific
commercial organizations such as football teams or boy bands; or those focused on broad activity areas with no one controlling commercial organization such as hill walking, surfing, and collecting old stamps or maps. They create new markets for products that suit the members’ interests, tastes and prejudices, such as the case of video game fans creating and customizing their avatars, and trading accessories and newly created software functions via online markets.

In addition, as they develop, fan cultures tend to (re)appropriate products from other fan cultures and cultural contexts and develop particular associations: e.g. football hooligans adopting Burberry check clothing, or hip hop cultures’ constant appropriation and re-appropriation of sportswear manufacturers. Evidence also exists on the important role of demand in innovation -- “demand creates incentives for investing in innovation, and as the spillovers of ideas remain local, this generates higher polarization of innovation.” (Bottazzi and Peri 1999) P6. The larger the size of demand, the stronger the producers feel the demand-pull pressures.

As studies of firm agglomerations have clearly shown, shared meanings, cultures and institutions will have an effect on how actors organise themselves and power will be relatively diffused but nonetheless subject to particular actors and mechanisms. In the case of large agglomerations of consumers, and consumer groups, there will be a plethora of complex organisational forms and dynamics that will radically affect economic activity. The nature of the cultural and organisational institutions developed by concentrations of consumers will structure all sorts of aspects important to exchange: such as consumer-supplier relations and marketplace trust. Just as firms seldom view concentrations of consumers as neutral amorphous demand, economic geographers should attempt to better incorporate ideas of how consumers, and not just customers, organize and institutionalize the concentrations they choose for themselves.
In summary, the types of organizational structures (or lack of them) that typify economic activities are likely to be closely associated to the multiplicity of actors involved. The particular systems that bind together economic actors have implications for all manner of outcomes (innovation, competitiveness, labor relations, environmental impacts). Different organizational structures and mechanisms also allow different dispersions or concentrations of power. In some market segments it may well be that the most powerful actors are indeed consumers.

3.3. Localized milieus and consumer spatialities

In this section we suggest that it is important to recognize of the complexities of spatial scale (Macleod and Goodwin 1999) and to investigate the many types of spatialities that may characterize and mediate consumer-producer relations. We suggest that it is useful to think of consumer-producer spatialities on a scale where at one extreme spatial proximity characterizes relations and at the other spatial relations are characterized by distance. To start with economic geography has long been interested in spaces of proximity: local milieus, industrial districts, buzzing cities. This does not, however, mean we should look to simple geographical binaries such as global or local. Boschma suggests that economic geography may find it useful to conceptualize spatial proximity as constituted through five dimensions: cognitive, organizational, social, institutional and geographical proximity (Boschma 2005). Thus being close does not necessarily imply locality or co-location in a bounded area, neither does distance always involve being thousands of kilometers across the globe. The ways in which actors understand, navigate,
mediate, and construct proximity seems an obvious place for economic geographers to look for clues about consumption spatialities.

Equally distance (of many types) deeply affects our spatial reach and relations. The ways actors negotiate and understand distant relations needs nuanced addressed. In recent years economic geographers have drawn attention to the fact that far flung spaces may be linked through all sorts of pipelines (Bathelt, Malmberg et al. 2004) as well as chains (Gereffi 1994; Gereffi, Humphrey et al. 2005) Humphrey and Schmidt, 2002). Indeed the ‘reach’ of today’s consumers is such that their role and imprint can be found far from the proximate spaces that may characterize their everyday lives.

A short walk to the shops – consumers’ proximate spatialities

In contrast to the abundant research on proximity between firms, research on consumer spatialities is relatively scarce. Yet, research has shown that, at micro and meso-scales, consumption needs and desires are central to re-shaping cities and the redevelopment of districts (Jacobs 1961; Zukin 2005). Many cities and places that traditionally served as centers of production are now centers of consumption (Miles 2005), and particularly in the advanced industrialized economies, the growth in recreational travel, including shopping and local (urban as well as rural) tourism have gone someway in replacing lost manufacturing jobs. Places with multiple shopping possibilities are increasingly attractive to home buyers (Glaeser, Kolko et al. 2001), and urban geographers have examined micro-spatialities of the consumer through analyzing the impacts of localized consumption by gentrification (see (Freeman 2006). At the opposite end of the scale, escalating land prices are driving housing development into areas hours away from the place of work, changing commuting and consumption patterns. Changing
energy costs are also likely to alter travel behavior as well as residential location. Furthermore, there are a large number of as yet unanswered questions about how returns on property investments, including the current crisis in the United States, drive all sorts of consumer dynamics as well as the distribution of wealth in particular groups and particular areas. Thus, the de-industrialization and redevelopment of cities cannot be fully explained without reference to the desires and aspirations of different groups of (largely local) consumers (Zukin 1989; Zukin 1991; Zukin 1998).

Although the lifestyles and tastes that consumers crave and actively build for themselves are place specific, the preferences of the consumer in-situ is changing due to various forces. Aside from a long-term decline in work hours in advanced industrialized societies, and a corresponding growth in non-work time have led to the emerging leisure industry and a variety of consumer activities, including local urban and gastronomic tourism. In addition, ‘spending fatigue’ among consumers (Roberts, 2006) contributes to a gradual shift from homogenous to increasingly heterogeneous and fragmented demand, a trend observed at least since the 1980s. For instance, consumers seeking leisure and entertainment are increasingly oriented toward discovering the unique, distinctive, and sometimes personalized ‘experience’ in return for their time and money - often as an expression of class and ideology (Bourdieu, 1984; Chan and Goldthorpe, 2005; Katz-Gerro, 1999; Warde et al, 2002, 2007). Variety-seeking consumers alter demand for products. Variety allegedly improves international trade and economic welfare of consumers (Broda and Weinstein, 2006). Otherwise known as the love-of-variety model, Krugman (1980) argued that product differentiation will lead to gains in trade as the world economy produces a greater diversity of goods. There is producer’s rationale behind product variety as well, as acknowledged by Hotelling (1929). Hotelling discussed the presence of an
incentive among producers to develop slightly modified products to retain both economies of scale and customer familiarity to products.

Furthermore, because globalization is simultaneously a process of re-localization, consumers are increasingly in search of authenticity in the products they consume. The ‘buy-local’ movement is an attempt to eliminate the distance that has developed between producer and consumer, and an active rejection of merchandises that rely on global commodity chains. Buy-local issues may be increasingly important concerns for Western consumers’ food consumption choices (Weatherell, Tregear et al. 2003).

Online proximity in the form of virtual communities, concerned with every conceivable consumption activity or choice, are networking consumers in new ways. Such networks link consumers that are distant from one another: distant in terms of their geography but also in terms of their mobility, awareness, visibility and anonymity. Virtual communities both extend the scale and scope of existing consumer interests but may equally lead to the formation of entirely new consumption cultures, patterns and areas. The speed at which virtual networks and communities have been formed by consumers has left analysis (both by firms and academics) trailing far behind. It should be a priority for economic geographers to follow consumers’ lead into the investigation of virtual consumption practices, networks, communities, and chains.

Virtual communities need not exist online; research is beginning to show the importance of temporary and episodic proximity to economic activities. A key example of the importance of temporary proximity can be found in trade fairs and conventions. Whether it is dedicated fans gathering at themed conventions or professional buyers and opinion makers gathering at trade fairs the effect may be akin to temporary clusters (Maskell, Bathelt et al. 2006) or cyclical clusters (Power and Jansson 2008). In product areas where reputation and differentiation are key
aspects of competitiveness episodic gatherings may be crucial arenas for co-construction and negotiation of knowledge and value.

*Extended reach: footloose but far from fancy free*

Consumers are increasingly active, from a distance, in demanding, consuming and shaping products. New technologies and diminishing trade barriers means that consumers can have an almost global reach.

The intricate and multi-scalar spatialities involved in contemporary consumption are complex to theorize: not least because of the increasing complexity, scope and scale of global commodity/value chains and consumers tendency to continually extend their reaches across borders. While many attempts to theorize the cultural dimensions of globalization have been made (see, for example, (Appadurai 1998; Kirby 2004), we have yet to characterize what a global consumer is, whether they exist, and how they differ from ordinary consumers. As the opportunities afforded by globalization and new technologies have undoubtedly changed the patterns and geographies of production (Dicken 1998), our patterns and geographies of consumption have been profoundly altered by globalization and new technologies. Consumers are far from limited in their spatial reach and can access product markets and suppliers located beyond their locality both through the use of communications technologies (e.g. e-commerce) and transportation technologies (e.g. tourism, transnational communities).

In the post-mass consumer society, a profound shift is allegedly occurring in the way status is designated, expressed, and experienced. There are indications that consumers are increasingly omnivorous and characterized by openness and “respect to the cultural expression of others” and “well adapted to the global world” (Peterson and Kern, p.906; cf Kim and Drolet,
Consumers new found appetites combined with the exercise of taste as a part of expressing class distinction may explain the increasing variety of cultural festivals and performances in major urban centers (Waterman 1998; Nash 2000; Dunbar-Hall 2001; Johnson 2002; Connell and Gibson 2004)). Some speculate this new search for difference as a reflection of increasing cultural diversity within societies (Caplan and Cowen, 2004), while others attributes this trend as an outcome of increasingly popular ‘cosmopolitanism’, which is characterized by “a curiosity about and openness to all places, peoples, and cultures, as opposed to the tendencies in the previous era that involved a longing for uniformity or superiority” (Urry, 1995, p.167).

Omnivorous consumption has a number of spatial implications. For one, cultural omnivores practice the pursuit of variety in their activities, and therefore become important clientele for cultural industries and exotic art forms (Haynes, 2005; Kassabian, 2004). The rising demand for World Music, for example, is a reflection of growing numbers of consumers who value exposure to diverse cultural experiences (Connell and Gibson 2004). (Aoyama 2007) shows how ‘flamenco dance’, an art form with explicit regional roots, survives and thrives alongside globalization as it becomes appropriated by Japanese and American consumers. Such examples show that consumers are willing to pay for and seek out products that are the result of not only distant production points but distant consumption cultures. This further reinforces the need for regional economies and economic actors to establish links to export markets opened up to them by consumers cultural curiosity and passion (Power and Hallencreutz 2002).

Consumers are increasingly physically mobile. In many areas of the world consumers frequently cross borders to purchase things they cannot find at home or goods which they know to be significantly cheaper elsewhere. Phenomena such as cross border shopping – e.g. English
and Swedish cross-border booze sorties - are far from isolated and signal consumers increased ability (or willingness) to avoid high taxes and local restrictions; and to expose ‘their’ suppliers to new competitors.

Consumer mobility is not only about the occasional cross border trip. International tourism has reached the mass market, with an increasing globalization of tourism origins as well as destinations. The tourism industry, which includes accommodation, food services (restaurants, bars), transport and recreational facilities, are producing goods and services that cater to the tastes and preferences of global consumers, as well as business that specifically cater to niche tourism such as cultural and heritage tourism and eco-tourism. Globetrotting tourists’ search to consume new cultural experiences can be seen to create a series of complex global-local paradoxes (Van den Borg and Russo 1999; Dunbar-Hall 2001; Gibson and Connell 2003; Go 2004; Aoyama 2007).

Finally, the emergence of transnational communities greatly complicates the scale and scope of consumer activities. Transnational and/or diasporic communities have significant impacts on the consumption habits of the areas they encounter (e.g., see (Bhachu 2003; McEwan, Pollard et al. 2005) and are likely to be important drivers of new consumption points and districts (Shaw, Bagwell et al. 2004; Wang 2004 ; Wang and Lo Forthcoming). Emigrants and transnationals are tied in complex ways to the homes they have (temporarily or entirely) left behind. The US$167 billion emigrants and transnationals send annually in remittances (The World Bank 2005) suggests the importance of understanding how and where such flows are spent by recipients.

4. Conclusion
In this article we have emphasized the need to address consumers as active participants and agents in all manner of economic processes and phenomena. To develop a more balanced and nuanced view of economic geographies, we have suggested a multi-dimensional approach to active consumers by locating the consumer along the three key principles (axes) that characterize today’s consumers. By way of conclusion, two key points are worth re-emphasizing.

Firstly, to move the research agenda forward, a focus on agency, rather than aggregated outcomes, is crucial in assessing consumers as active participants and agents of change. Our conceptualization of the economy must change from viewing products as finished once they ship from the factory, or even once they reach storefronts. Instead, emphasis on consumers extends our view beyond the traditional commodity chains, and brings about a more dynamic perspective, in which products are understood as continually evolving, and interacting with multiple lives, uses and reuses, entries and exits from exchange systems.

Secondly, we have argued that it is necessary to think in terms of consumers and not just customers. Focusing on the consumer emphasizes the role of both direct and indirect actors and spaces; particularly the latter are often marginalized from firm-based or supply-side accounts. For instance, active agents shaping the fashion clothing industry go far beyond the customers, and include critics, peer groups, potential customers, second hand stores, shop assistants, stylists, retailers, fashion magazines and window dressers as principal actors. Taking seriously the role of consumers involves going beyond a focus on the customer base and may need to take in broader civil society debates and demands. For example, the competitiveness of a region’s biotechnology products is as much dependent on eventual consumer information and evaluations of treatment options as on product specific innovation. Actors and competitive dynamics behind health board
purchasing strategies, advertising targeted at doctors, or how brand names are built in healthcare are all relevant to the consumers that shape demand for a particular product. Recognizing consumers’ role means recognizing that actors that will never buy or use products can be crucial agents in the creation of value.

We have argued that, whilst there is research in economic geography that has attempted to draw attention to the consumer, the discipline as a whole has yet to acknowledge the scale and scope of consumers’ role in economic geographical practices. The discipline is well placed to do so, not least because economic Geography has a strong track-record of contextualizing agency in particular structures and spaces. More specifically, it has long considered production as an outcome of firms acting as both economic and socio-cultural agents, which in turn operate in particular geographic contexts. We believe that consumers and consumption can be usefully integrated into various perspectives in economic geography, and that in turn the conceptual apparatuses developed within these perspectives can help us better understand consumers’ role as critical drivers of economic transformation.
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