



WORLD EXPORT DEVELOPMENT FORUM – W·E·D·F 2008

WELCOME:

A GRAVITATIONAL SHIFT IN INFLUENCE: THE DRIVERS OF CONSUMER CONSCIENCE

The Issue:

As conscientious consumers become a larger force in the market, they exert increasing influence on suppliers. Research conducted by the marketing company BBMG shows that conscientious consumers now prize transparency, accountability, and authenticity more than ever.

Exporters in developing countries are under pressure to conform to these growing demands because, if they fail to do so, they run the risk of tarnishing their reputation and losing business.

Although the conscientious consumer demographic may still be a minority, it exerts considerable influence due to its readiness to flag unethical practices. If exporters are not in touch with the drivers of consumer conscience, no amount of trade liberalisation and favourable market access conditions would enable developing countries to penetrate the barrier.

The Proposition:

Exporters who understand consumer conscience will win business. The shift in influence does not have to mean that suppliers are left off worse than before. Rather, it can be an opportunity for gaining a competitive advantage in their target markets by establishing themselves as:

- Exporters that employ non-exploitative production systems, are non-discriminatory, exclude child or forced labour, are safe and hygienic, and provide adequate remuneration for all workers.
- Exporters of products that are less detrimental or, even better, are beneficial to the natural environment through the production and consumption stages.

The shift in influence may leave suppliers who understand conscientious consumerism with double benefits. Not only may they use their knowledge to better market themselves to premium-paying consumers, but they may also build a reputation in the eyes of the general market. This is likely to have positive spillover benefits for the entire country. In other words, other industries may benefit simply from association with ethical producers.

The starting point requires suppliers to first understand the social and economic contexts that drive conscientious consumerism. It also requires suppliers to identify how they can best achieve the ethical practices that conscientious consumers wish to bring attention to.

Focus of the debate:

The debate will address the following questions:

1. Who are the conscientious consumers and what are the social and economic contexts driving their preferences? Is there in fact, a shift in influence?
2. How can the shift in influence (however big or small it is) affect the way in which developing countries do business?
3. What needs to be done to enable exporters in developing countries to meet the demands of conscientious consumers?