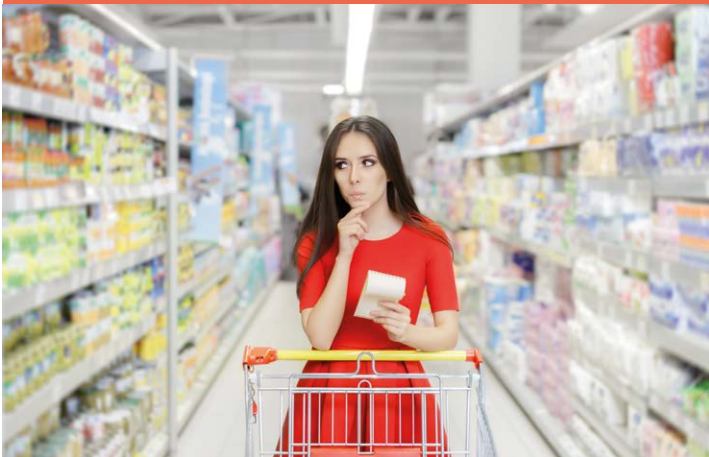


WELCOME TO THE AGE OF DECONSUMPTION

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In recent years, France has witnessed a gradual shift away from the consumer society and toward what we term the deconsumption society. This emerging trend, particularly evident in the slowing consumption of goods, results from a number of socio-cultural and economic factors: an aging population, the saturation of material needs, a rise in forced frugality, and growing questioning of the consumer society. The potential for deconsumption to take on increasing importance over the medium to long term is, however, contingent on a number of variables and choices that are currently impossible to determine, such as the extent to which large corporates decide to adopt practices rooted in the circular and functional economies.

The past two years have seen inflation in France reach unprecedented levels, with highs of 6% in 2022 and 5% in 2023, compared to just 1.6% in 2021,² in a process driven mainly by rising costs for food (12% in 2023) and energy (23% in 2022). In response, French households cut their food spending by 8% between July 2022 and July 2023.³

This drop in consumption led Alexandre Bompard, Chairman and CEO of supermarket chain Carrefour, to declare in August 2023 that France was seeing a “deconsumption tsunami.”⁴ Setting aside the exaggerations of a corporate leader anxious about falling sales, the unusual situation the country faced in 2022 and 2023 provides a useful opportunity to explain how, and why, France is witnessing a progressive shift away from the consumer society and toward what we term the deconsumption society.

Today, consumer spending represents over half of France's GDP and over 80% of household budgets, as well as being a determining feature of lifestyles and aspirations. But this has not always been the case, and the consumer society is in fact a remarkable concept. In less than a century, it has managed to impose itself in every area of developed societies, to the extent that people have forgotten that it is no more than the briefest moment in humanity's story.

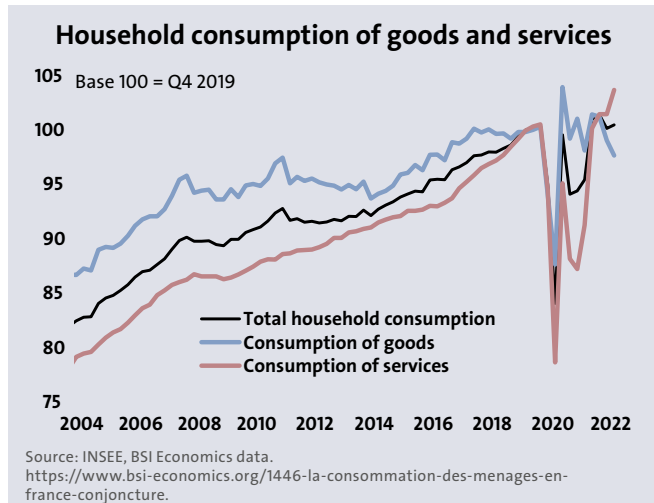
² <https://www.insee.fr/en/statistiques/7739642?sommaire=7739680>.

³ <https://www.insee.fr/en/statistiques/7663292>.

⁴ <https://www.la Tribune.fr/economie/france/inflation-le-pdg-de-carrefour-demande-un-moratoire-sur-la-loi-descrozaile-974152.html>.

¹ Futuribles is a prestigious French foresight center.

Nevertheless, consumption growth in France is slowing year by year, with maximums of no more than 1% to 2% annually, compared to 3% or even 4% in the 1970s and 1980s.



Consumption of goods seems to have peaked in 2021, with only the consumption of services returning to positive growth. A more granular analysis of changes by product category shows sometimes very steep falls over the past 10 or 20 years. For instance, French people eat less meat than 20 years ago – although meat-eating has picked up slightly over the past two years.⁵ They also buy fewer clothes,⁶ new cars,⁷ and even smartphones.⁸

Four current trends explain this slowdown in consumption in France. These trends may continue into the future and lead the country to shift lastingly to deconsumption.

1. AGING POPULATION

The oldest and most determining cause of stagnating consumption in France is its aging population. People over 65 consume 21% less than the national average, and account for 20% of the population (up 6 points on 1990). This is because aging and retirement go hand-in-hand with reduced needs, and therefore less spending on transport, clothing, household goods, food, restaurants, etc.⁹

And the population is only going to grow older in future with, in particular, a rise in the number of people aged over 75 or 80. This will automatically continue to drive down overall household expenditure in France.

France is witnessing a gradual shift away from the consumer society and toward what we term the deconsumption society

⁵ <https://www.i4ce.org/en/publication/reducing-meat-consumption-public-policies-a-long-way-from-sustainability-objectives-climate/>.

⁶ <https://www.syndex.fr/actualites/actualite/lhabillement-un-secteur-en-crise>.

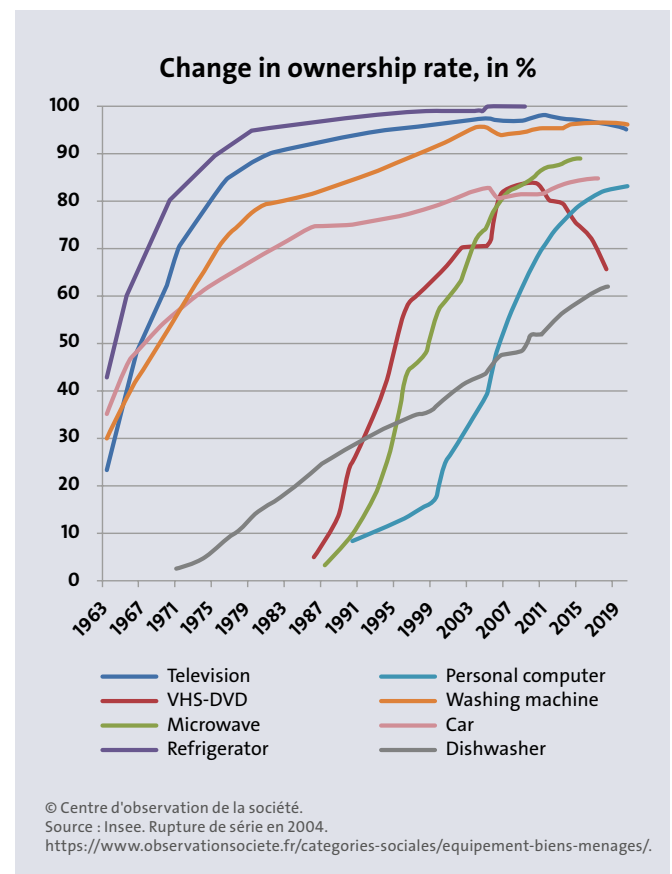
⁷ https://www.fiches-auto.fr/articles-auto/chiffres-de-l-auto/s-1202-voitures-d-occasion-vs-voitures-neuves.php#google_vignette.

⁸ <https://www.igen.fr/iphone/2021/07/les-ventes-de-smartphones-reconditionnes-continuent-de-progresser-en-france-123825>.

⁹ Perrot M., Mathé T., Hébel P. & Robineau, D. (2012). *Comment consomment les seniors ? [How do the elderly consume?]* in Cahier de recherche NC296, CREDOC.; Herpin, N., & Michel, C. (2012). *Avec le passage à la retraite, le ménage restructure ses dépenses de consommation [With retirement, households restructure their consumption]*, INSEE, France portrait social.

2. SATURATION OF MATERIAL NEEDS

The second driver behind the stagnation of household material consumption is the fact that ownership levels of consumer goods have hit their ceilings. For instance, over 9 in 10 households own a washing machine, television, fridge-freezer and cellphone, and almost as many own computers.¹⁰



In other words, French society is now saturated with goods, and the phenomenon of multiple ownership which helped shore up sales for a while no longer applies for items such as televisions and cellphones. This means the only thing now driving sales is the need for a replacement, something that can be accelerated by innovations and planned obsolescence.

3. RISE IN ENFORCED FRUGALITY

French people are also consuming less because their purchasing power continues to fall. Households have to meet their fixed (pre-engaged) expenses, primarily for housing (rent, loan repayments, etc.), bills for water and energy, phone and internet, school meals and insurance. These costs have doubled over the past 60 years and now, on average, account for a third of total household expenditure.

¹⁰ <https://www.insee.fr/fr/statistiques/3676680?sommaire=3696937> and <https://www.credoc.fr/publications/barometre-du-numerique-2019>.

For the poorest households, they account for two thirds of their total budget, meaning they have less to spend on leisure, entertainment, eating out, and so on.¹¹ For an average French household (a fairly meaningless average), housing alone represents close to 80% of pre-engaged expenditure, and 25% of household consumer expenditure. Transport expenses represent around 15% of household consumption, mostly on vehicles and fuel.

The weight of fixed expenses in household budgets has increased further since 2022 due to the spike in inflation, with food and energy rising the most sharply.

4. UNPARALLELED CRISIS FACING THE CONSUMER SOCIETY

The final factor that explains why French people are consuming less than they used to is the fact that they are increasingly critical of the accumulation of goods and its consequences on health, the climate, and the environment. These criticisms are, of course, nothing new and have been around since the 1960s. But they are now unparalleled in scope and in the proportion of consumers embracing them. Their impacts are felt in three areas.

- First, the myth of infinite natural resources that can be exploited unconditionally and without consequences is now very widely discredited by growing tensions surrounding these resources and the externalities generated by their exploitation.
- Second, for some years now research has foregrounded the idea that, once a certain level of comfort is reached, greater material consumption does not deliver boost happiness. Quite the opposite, when the quest for always more becomes an obsession and can trigger psychological issues such as anxiety and a feeling of insecurity.¹²
- Third, consumers are becoming more skeptical of the consumer society's promises. They are increasingly aware of the consequences of unbridled material consumption: environmental impacts, costs of constantly updating products, health risks surrounding the products consumed (pesticides, endocrine disrupters), etc. Changes in the vocabulary used to describe the consumer society are a clear indicator of this disillusionment: 8 in 10 French people today agree very much or somewhat with the statement that the consumer society "is a bad idea because it leads to excessive waste". Almost 3 in 10 consider the consumer society to be "manipulative".¹³ In the eyes of the French, one group of actors embodies everything that is wrong with the consumer society: big business. The CEVIPOF (Centre for Political Research at Sciences Po) political trust barometer shows that under half of French people trust big businesses, and just 4%

The oldest and most determining cause of stagnating consumption in France is its aging population

"fully trust them."¹⁴ Almost 9 in 10 people surveyed believe that businesses encourage excess consumption.¹⁵

FROM ALWAYS MORE TO ALWAYS BETTER

In response to these criticisms, a majority of consumers polled by various surveys looking at this issue declared that they try to consume "responsibly", which represents the new ideal in the quest to reconcile ecological and practical concerns.¹⁶ This translates the idea that consumers have both a responsibility for harm caused to the environment, and the power to alter their behaviors to reduce these impacts. For example, two thirds of French people declare they have changed certain of their consumer habits to reduce their impact, and 13% state that they do everything in their power to reduce the impact of their consumption habits.¹⁷ And for 60% of consumers, responsible consumption means no longer consuming unnecessary products or services.

It would appear that the idea of voluntary frugality is progressively emerging within the general discourse; a process influenced by encouragement from personalities, non-profits and even institutions such as ADEME, the French agency for ecological transition. In November 2023, it created a real buzz around a Black Friday advertising campaign it ran that featured a "de-salesperson" dissuading customers from buying new goods and encouraging them to repair those they already own to make them last longer, or to rent instead.¹⁸

A consequence of all this is that many people in France want to "live a better tomorrow in a society less focused on consumption." Almost 6 in 10 people think our economic model needs a complete rethink, abandoning the myth of infinite growth.¹⁹

Nonetheless, these declarations must be treated with a certain caution because they do not necessarily translate into changes in day-to-day practices. However, this gradual change in the representations and evocations associated with consumption may, over time, produce ways of living less centered on material consumption.

WHAT PLACE FOR CONSUMPTION IN TOMORROW'S SOCIETY?

In the future, the role of consumption will, therefore, be decided by a range of determining factors that include an aging population, saturated needs, growing awareness of the environmental impacts of consumption, and the aspirations of individual households. But this future also depends on three major unknowns.

11 <https://drees.solidarites-sante.gouv.fr/publications/les-dossiers-de-la-drees/depenses-pre-engagees-quel-poids-dans-le-budget-des-menages>.

12 See, for example, Fromm E., (1976) *To Have or to Be?* Harper & Row.

13 <https://observatoirecetelem.com/en/observatoire-cetelem-de-la-consommation/the-era-of-activist-consumers/perceptions-of-personal-and-general-circumstances-remain-stable-2>.

14 CEVIPOF, *Political Trust Barometer*, 14th Wave, February 2023.

15 Greenflex/ADEME, *Baromètre de la consommation responsable [Responsible Consumption Barometer]*, 2019 edition.

16 https://harris-interactive.fr/opinion_polls/les-zooms-de-l'observatoire-cetelem-consommation-responsable-pouvoir-dachat-des-enjeux-contradictaires/.

17 Greenflex/ADEME, *Baromètre de la consommation responsable [Responsible Consumption Barometer]*.

18 <https://www.youtube.com/watch?v=7wj1BC5wwg4>; https://www.youtube.com/watch?v=CKrUPX_F27U.

19 Greenflex/ADEME, *op. cit.*

1. HOW WILL FIXED EXPENSES EVOLVE?

The weight of fixed expenses in household budgets, discussed above, will depend both on the economic context (property prices, inflation, etc.) and choices made at the household level. Specifically, two major questions will determine the shape of the years ahead. Will French households continue to prioritize expenditure on housing, or will they make new choices to reduce these costs (smaller footprint per person, home shares, etc.)? And, faced with the seeming likelihood of lasting inflation in food and energy bills (impact of the climate crisis, geopolitical realities, etc.), just how far will households be able to cut their expenses without affecting their ability to meet their basic needs?

2. WHAT TRADEOFFS BETWEEN ALWAYS MORE AND ALWAYS BETTER?

Consumers in the future will increasingly have to juggle between their desires to consume in ways that are healthier and more sustainable on the one hand, and maintaining the attractiveness of the consumer society on the other hand. How they decide on tradeoffs between the two will depend on a wide range of factors, including their social category, age and financial margin for maneuver.

It would appear that the idea of voluntary frugality is progressively emerging within the general discourse

3. WHAT ROLES FOR PUBLIC AUTHORITIES AND BUSINESSES?

Until now, the priority for public authorities and businesses has been to drive growth by encouraging households to consume more and more. But now, just like consumers, they are starting to come up against the environmental and climate impacts of this form of consumption, as well as having to address demands from citizens and non-profits. This is forcing them to gradually alter their postures in favor of promoting more responsible forms of consumption. For the moment, as far as public authorities are concerned, putting this trend into effect is limited to a few headline

issues, such as the circular economy and single-use plastics. Specific laws have been passed to promote both of these, but they are too watered down in the view of campaigning organizations, which have been particularly critical of the target date for a total ban in France on single-use plastics: 2040. A whole range of practices can be seen in the business sector, from merely running communication programs to deep-seated changes of model, such as shifting to a functional economy approach (i.e. selling the ability to meet a need rather than a material good).

CONCLUSION

If material consumption is to become less determining for individuals and societies, this will require a re-think of the entire wealth creation system, it being understood that deconsumption does not necessarily equate to degrowth.

Other economic models, such as the functional economy or the circular economy, may become dominant. Furthermore, the loss of meaning left by the end of the consumer society should also be offset by the rise of new storytelling, new evocations capable of inspiring individuals and society as a whole. And, in all cases, these new forms of storytelling could shrink the space occupied by consumption in our lives, encouraging us to place more importance on the immaterial, interpersonal relationships, and free time.

This new storytelling must also meet a threefold challenge, just as the consumer society managed to do: find a way to reconcile individual behaviors and self-fulfillment with the overall economic, social and environmental balance of our societies. In other words, what place should consumption occupy in tomorrow's world to ensure it contributes to both individual and collective well-being?

