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CS349

RESPONSIBILITY TO CONSUMERS

WHAT ARE A COMPANY'S RESPONSIBILITIES TO ITS CUSTOMERS?

WHO ARE A COMPANY'S CUSTOMERS?

TECHNOLOGICAL REVOLUTIONS

- ▶ Major changes in technologies within a society
- ▶ Requires strong interconnectedness between technology and market
- ▶ Results in profound impact on economy and therefore society

NEOLITHIC REVOLUTION

- ▶ Began around 10000 BC in the Fertile Crescent but a worldwide phenomenon
- ▶ Transition from hunter-gatherer to agrarian societies
- ▶ Domestication of plants allowed for larger human settlements
- ▶ Larger human settlements allowed for greater skill specialization, centralized authority, concepts of property ownership, development of written languages, and art, etc...

INDUSTRIAL REVOLUTION

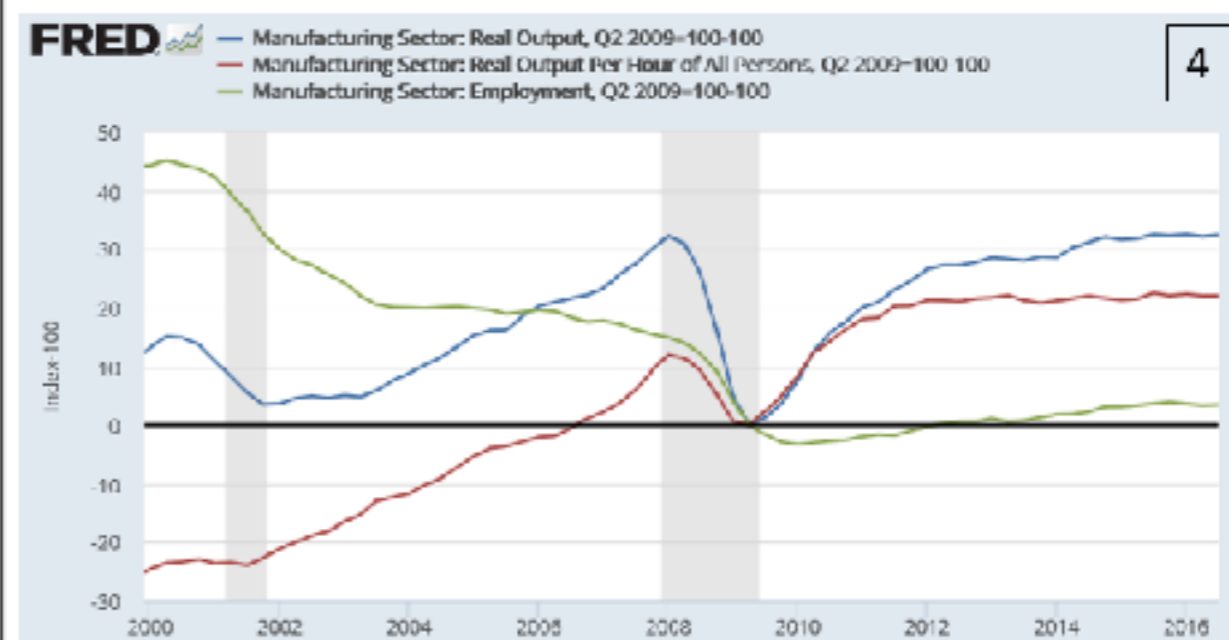
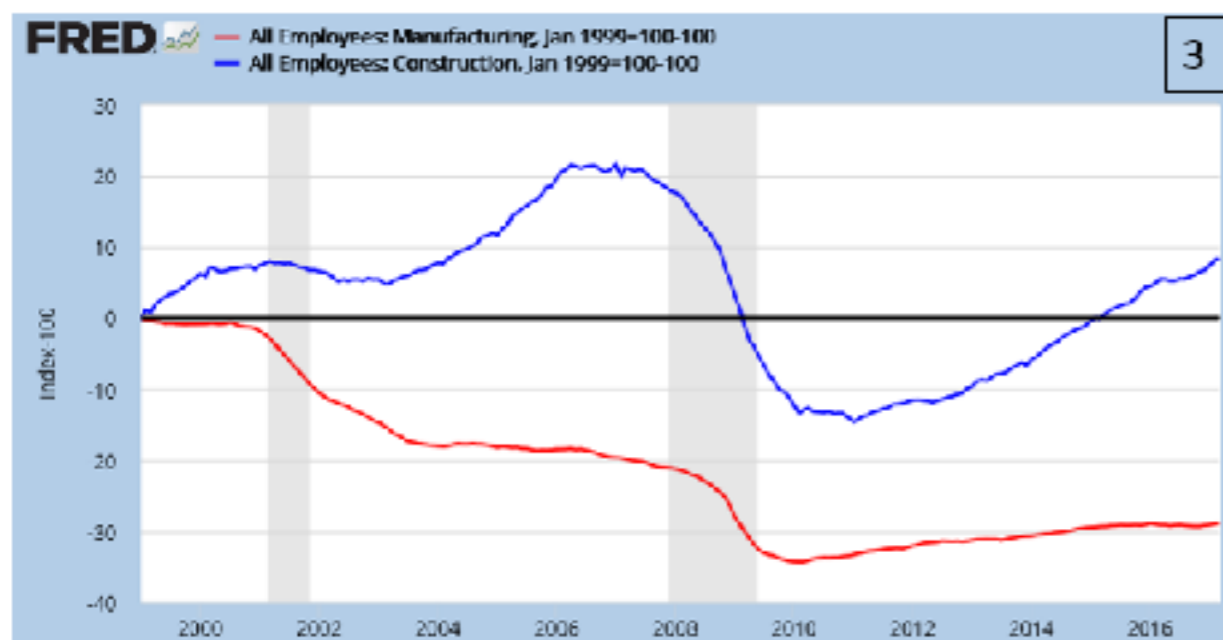
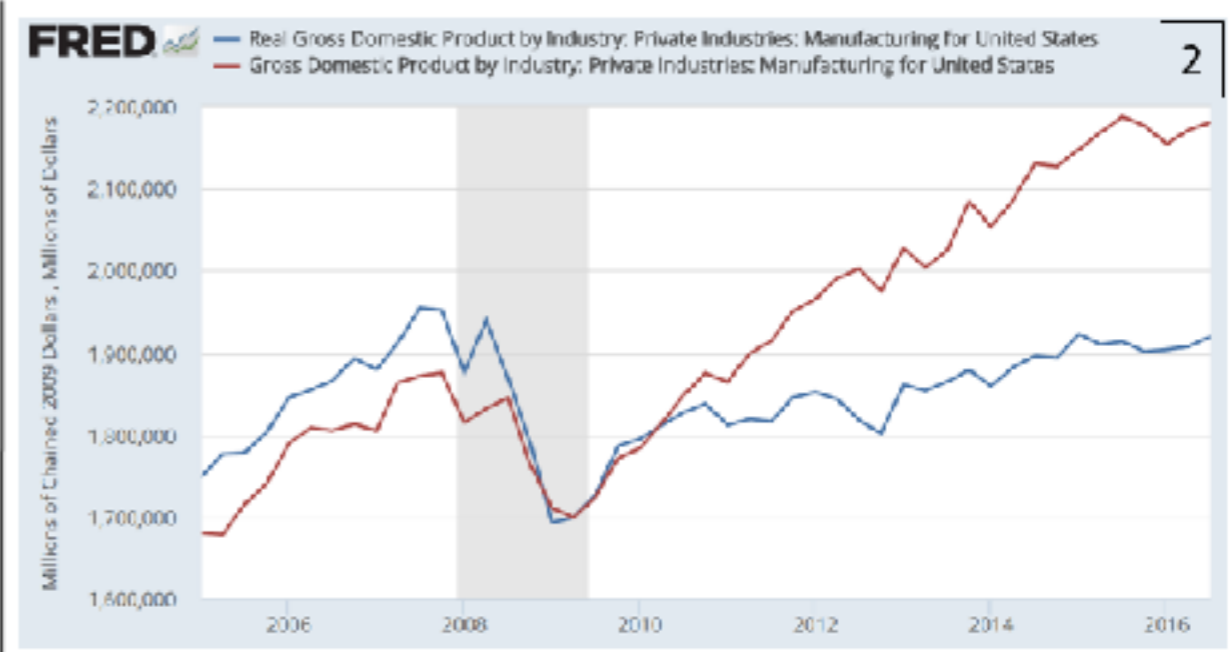
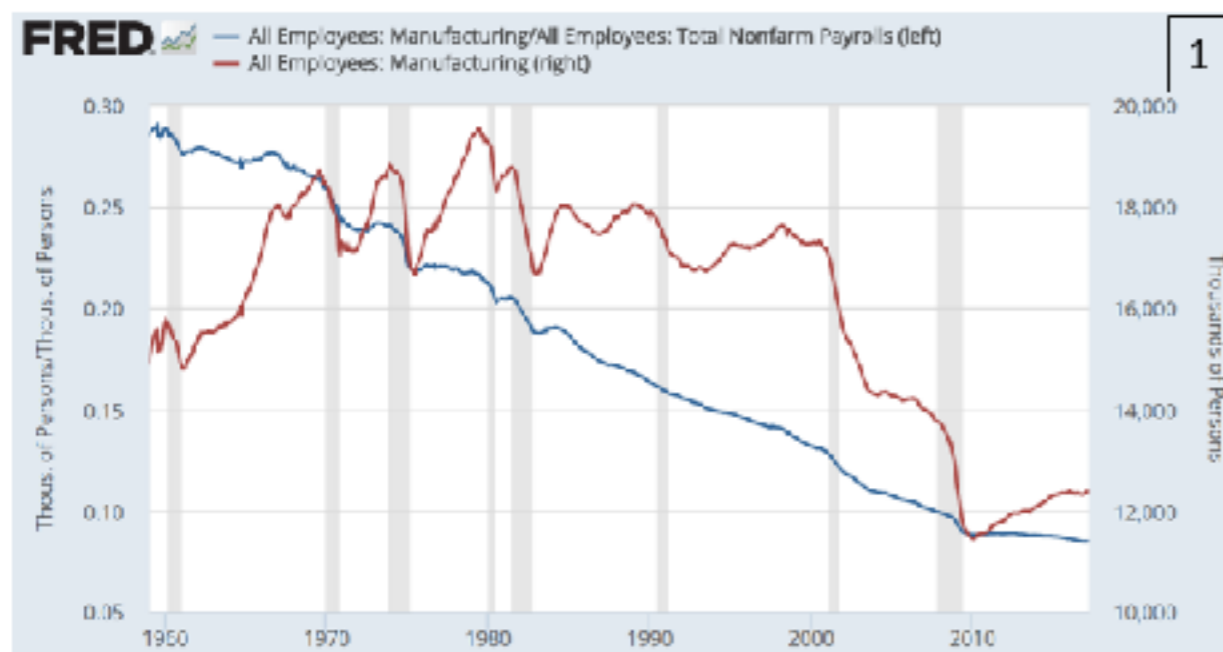
- ▶ Began in the late 1700s in Britain
- ▶ Transition from hand production to machine production led to specialized equipment, factories, and mass production
- ▶ Agrarian, rural societies in Europe and America transitioned to industrial, urban societies
- ▶ Rise of centralized banking, global trade, capitalism, and increase in literacy
- ▶ Major impacts to environment and the health of lower classes

DIGITAL REVOLUTION

- ▶ Began in 1950s when the invention of the transistor and integrated circuit allowed for electronics to replace mechanical and analogue machines
- ▶ Devices become more portable, cheaper to mass produce and accessible worldwide
- ▶ Unprecedented access to information and compute power changes modes of manufacturing, economy, communication, and society

THE OUTSOURCING OF MANUFACTURING

- ▶ US manufacturing jobs are in decline but output is not



WHERE DID THE JOBS GO?

- ▶ Automation
- ▶ Improved processes
- ▶ Streamlined supply line

RISE OF THE SERVICE ECONOMY

- ▶ Service economy built around services rather than products: finance, hospitality, retail, health services, information technology, and education
- ▶ In 1990 manufacturing was dominant sector of employment for 36 states
 - ▶ As of 2014, only dominant in 7 states
- ▶ In 2003, retail was largest source of employment in 21 states
 - ▶ During 2008 recession, 13 states transitioned from retail to health care-dominant
- ▶ Health-care and social assistance industries have doubled since 1990 and are largest sector employers in 34 states

RISE OF INFORMATION

- ▶ Information theory is the study of coding information
- ▶ Norbert Wiener (originator of the concept of cybernetics) said "information is information not matter or energy"
 - ▶ Information is fundamental to the universe
- ▶ Information can be commoditized like matter or energy
 - ▶ Information is a service
- ▶ Machine learning has made information from big data accessible to analysis

HUMAN ATTENTION AS A COMMODITY

- ▶ Advertising is nothing new
 - ▶ Goal is to convert your attention into personal spending
- ▶ In an "attention economy" your attention is being sold to advertisers...so they can advertise to you
- ▶ <https://www.youtube.com/watch?v=7gKmO0OqJaw>

WHO ARE A COMPANY'S CUSTOMERS? (REDUX)

- ▶ Other companies
- ▶ Shareholders

WHAT ABOUT NONPROFITS?

- ▶ Nonprofit status only means organization does not **earn** a profit
- ▶ Nonprofits can make a profit (selling goods or services) but profit must be put back in the organization
 - ▶ No profit-sharing or shareholders, etc
 - ▶ But often have salaried employees and management
- ▶ How much of the money goes to the cause versus operations can vary

HOW CAN WE DIRECT THIS FOR THE BETTER?



REFERENCES

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