IMPLICATIONS OF MULTIMEDIA CONVERGENCE ON CONTEMPORARY CONSUMER BEHAVIOR

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Abstract:
Converging digital technologies determine spectacular changes in the communication markets today. On the one side, converging multimedia companies strive to create innovative contexts of consumption. On the other side, consumers of the digital age strive to grasp the technological opportunities and develop a new media literacy, new communication and interaction competencies. In this paper we focus on the possible implications of the ongoing developments in multimedia environments, examine a series of interdisciplinary research issues and propose a consumer-centric view, based on the exploratory and participatory behaviors of media users that digital environments stimulate.

Key words: *multimedia convergence, consumption contexts, consumer competencies*

JEL classification: *M3, L82, L86*

1 Introduction

Multimedia convergence is both a concept and a process. The concept, especially in media research, is still in a preparadigmatic stage (Rolland, 2002). The process is often simplisticly described as being the merging of three communication industries that initially operated independently: telecommunications, information technology and the media. However, the convergence process takes place in a very distinctive manner on several levels – on the level of end devices, on the level of services (the functions required by users) and on the infrastructure level (that of computer mediated multimedia networks). On the basis of the three areas, one can conceptually define the meaning of a converged multimedia market as the place where all the multimedia services (services that include more than one type of information) destined to specific end devices are assembled, including all technologies needed to meet those functions (Pagani, 2003).

At the epicenter of this process is the Internet (especially broadband Internet) – as a universal and low-cost medium for delivering information across various channels. The Internet operationalizes a model of distributed computing that facilitates interactive multimedia many-to-many communication (Hafner, 1996). It offers a great experimental playground of networking possibility and has proven to be an incredibly malleable and productive infrastructure.

On the one side of this communication process stand the multimedia companies who strive to create a new context of experiential consumption. The ability to create meaningful customer experiences will hinge largely on how businesses create content and manage the content-context interface. It is not enough if unique and original media content (music, films, TV shows, etc.) is created. There is a separate portion of a multimedia value chain that is focused on delivering the experience to customers in various contexts. The ability to provide this service requires an understanding of the types of consumption contexts, and the distribution channels through which this consumption will take place.

On the other side, consumers of the digital age strive to develop media literacy and new communication and interaction competencies, facilitated by the extraordinary developments of converging technologies, in order to fully enjoy the socio-economic advantages of the new media experience.

2 The New Media Flow-Type Experience

As some IT visionaries assumed in the early 90s, the Internet has led to a dramatic dis-aggregation of the content, context and infrastructure in the converging industries of media, telecommunications and IT and has favourized an economy dominated by experiential consumption (Pine et al, 1999). Experiences provide consumers a way to engage physically, mentally, emotionally, socially and spiritually in the consumption of the media product or service, making the interaction meaningfully real.

"For the post-modern consumer, consumption is (…) not the end of the (central) economic cycle, but an act of production of experiences and selves or self-images…. Life is to be produced and created, in effect *constructed* through the multiple experiences in which the consumer immerses." (Firat, 1998, p.96) As a consequence, a key concept developed along with media experience is that of *immersion*. Immersion is the state of consciousness where an immersant's awareness of physical self is diminished or lost by being surrounded in an engrossing total environment – in this case, the multimedia environment.

Another concept that holds a very wide applicability in the study of multimedia consumption behaviors in converging computer-mediated environments is the concept of *flow*. Simply stated, *flow* is the "process of optimal experience" (Cszikszentmihaly, 1977). It is closely connected to another concept – that of *telepresence* (or *teleimmersion*). *Telepresence* is "a mediated experience that creates for the user a strong sense of presence" (Lombard & Ditton, 1997, p2). New media are designed to give its users a type of mediated experiences that seems truly natural, immediate, direct and real. So, telepresence is an antecedent of the flow state, a state in which irrelevant thoughts and perceptions are screened out and the consumer focuses entirely on the interaction with the multimedia environment (in his/her network navigation). The flow experience involves a merging of action and awarness, with concentration so intense that there is little attention left to consider anything else. A consumer's action in the flow state is experienced as a "unified flowing from one moment to the next, in which he is in control of his actions, and in which there is little distinction between self and environment, between stimulus and response, or between past, present and future" (Cszikszentmihaly, 1977, p. 36).

There is a great probability that the user's early flow experiences in a convergent multimedia environment are dominated by an experiential behavior. Thus, his/her early interactions may be characterized by intrinsec reasons and a nondirected, time-passing, ritualized quality. The concentration level required for the flow state excites the user and enjoys him/her. Moreover, to be immersed in virtual reality is for most of the users a new experience. Over time, ritualized use evolves into instrumental use (goal-directed use) as consumers accumulate experience navigating within the medium. Goal-directed behaviors are characterized by situational involvement and directed search, in which the user is usually concerned with a specific task-completion goal.

The key conditions for the consumer to enter a flow type media experience are: one, to focus his/her attention on the interaction, narrowing his/her focus of awareness so that irrelevant perceptions and thoughts are filtered out; the other, to perceive a balance between his/her skills and the challenges of interaction (given by the formal features of the new media).

User motivation is necessary for user engagement (involvement), sustained attention and interest, active participation, or even interested social discovery and exploration. Considerable variation in subjective experiences among different type of media users was traditionally explained by variables that indicated the autotelic (immersive) nature of the person. Some people seem predisposed to enter a flow state (called having an *autotelic personality*), but there is much research still being conducted on this theory. It has been demonstrated that people with a higher optimal stimulation level (OSL) are more likely to possess an autotelic personality trait and thus to exhibit increased curiosity-motivated, variety-seeking, risk-taking and exploratory behavior (Steenkamp & Baumgartner, 1992). The optimal stimulation theory is based on the notion that organisms need a moderate level (psychological or physiological) of stimulation in order to function effectively.

3 The media literate, savy consumer

Beyond motivations and the attention focus, consumers need superior skills in order to master the flow type media consumption experiences, and these superior skills are conventionally called *media literacy*. The new kind of literacy, necessary to survive and prosper in the digital age, encompasses: a good knowledge about what technology is, how it works, what purposes it can serve efficiently and the ability to evaluate information across a range of media; recognize when information is needed; locate, synthesize, and use information effectively; and accomplish these functions using technology, communication networks, and electronic resources. *Media literacy* is defined (UK Film Council, 2006) as a portofolio of creative and critical skills, knowledge and understanding. This portofolio is essential to every citizen in the 21st century if they are to be fully literate and enjoy the widest range of content, and the diverse range of opportunities to communicate and be creative in the digital world.

Thus, media literacy consists of several important consumer abilities. One of them is *self-direction* or the ability to independently manage time and effort during media consumption, and independently assess the quality of any outcome that results from the interactive multimedia experience. Another competency is *creativity* or the act of bringing something (whether content or functions) into existence that is genuinely new and original, whether personally (original only to the individual) or culturally (where the work adds significantly to a domain of culture as recognized by experts). A third ability, closely related to the previous two is the *willingness to take risks*, that is to make mistakes, advocate unconventional or unpopular positions, or tackle extremely challenging problems without obvious solutions, such that one's personal growth, integrity, or accomplishments are enhanced.

As technology makes the simple tasks easier, it also places a greater burden on higher-level consumer skills. Thus, media companies, along with IT&C providers, should stimulate innovative, consumer-centric contexts of consumption, which should help users to improve their skills and immerse in more complex consumption experiences.

All these media-enhanced consumer competencies and many more possible, that we are going to investigate in future research studies and our final doctoral thesis, form the foundation of a consumer-centric, decentralized view of communication and interaction practices in the digital age.

4 A Consumer-Centric View of the New Media

Every future success of new media offerings will reside in a deep understanding of the users' active and exploratory behavior and in the implication of consumer knowledge and competencies in the value creation process. In an era of pervasive media, users around the world are confidentially tracked for their opinions, preferences

and experience. The pervasive media environment evolves along with consumer conduct and we anticipate that the pervasive availability of digital technology will change not only the behavior of multimedia consumers, but also their relationship to content providers.

Users around the world have already an increasing freedom to manage their media and electronic entertainment experiences. They are able to compile, program, edit, create and share content; and, as a result, they gain more control and become more immersed in the media experiences. New media (and especially broadband Internet) facilitate instant interactivity and therefore instant gratifications. Consumers expect and demand instant information and transaction capabilities in an interactive hypermediatic environment. Moreover, they also decide the time and terms of interaction (assisted by their intelligent interfaces).

Technology keeps getting better, smaller and cheaper; everyone has at least one small device that makes phone calls, serves as voice-activated computer terminal, and connects with public workstations and the wireless networks blanketing most metropolitan areas. Users will be integral players in defining the context and content of consumption, and reward businesses that are able to respond effectively to demand.

Consumers continuously provide valuable information at the individual and community level, and are not passive recipients of information. Armed with inexpensive technological tools, they will be in fact the dynamic creators of useful and value-added content, media and commercial services. By adopting a consumer-centric model, and by co-opting the consumer in the value-creation equation, efficiences can be realized and new forms of innovation can be unleashed (Prahalad & Ramaswamy, 1999).

In this converged network, the consumer takes a number of pivotal roles (Rao, 2001). First, he can be a content provider, by creating original content, identyfing new content trends, and enabling the identification of new product and service niches. Second, the consumer takes on a role of an experience enabler, by accessing content through various interactive contexts (thus changing or influencing the context itself), and through different channels of consumption (the last frontier being smart mobile devices). Third, the consumer serves the role of demand forecaster, by providing valuable data to businesses about trends and demand patterns, and leading to the discovery of new knowledge about future areas of innovation.

5 Conclusion

The convergence of different communication technologies into a single network coordinated by computers has shaped new media market relations. Media consumption is not the end of the economic cycle, but an act of production of experiences. Media contexts are to be produced and created through the multiple experiences in which the consumers immerse. The state of immersion during network navigation is known as a *flow* type experience, in which users engage in pleasant, meaningful and challenging activities while consuming different media products (such as news or entertainment content presented in various formats and accessible on different platforms and end devices).

The convergent, pervasive media environment evolves along with consumers' behavior and we anticipate that the pervasive availability of digital technology will change not only the behavior of multimedia consumers, but also their relationship to media, telecommunications and IT providers, as they develop a set of exploratory, partcipatory and creative competencies which transform them into active market players.

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