

“Ridiculously Now”

Social and Climate Impact of On-Demand Digital Services

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BSA Virtual Conference
4 April 2024



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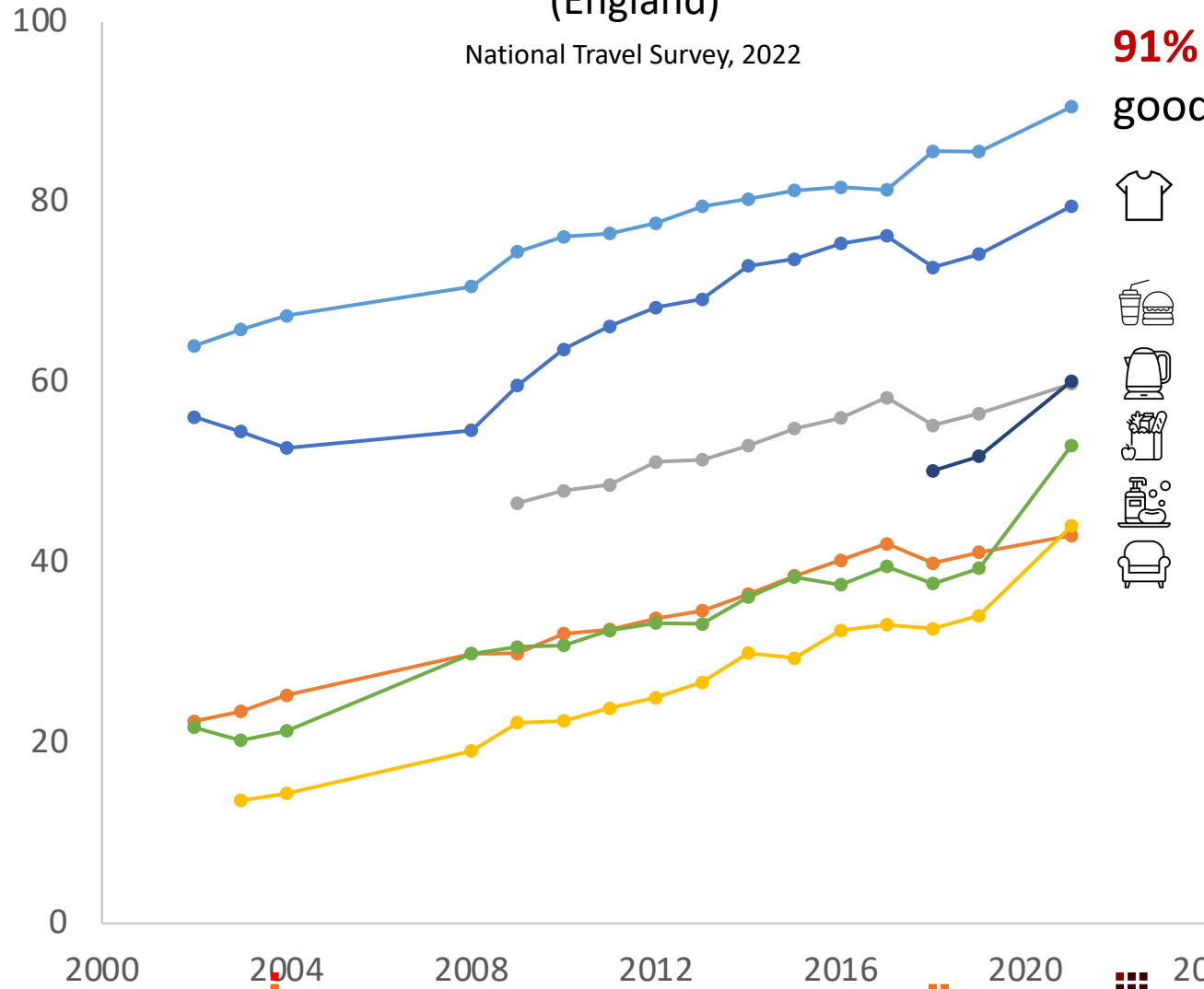


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% of households ordering goods (England)

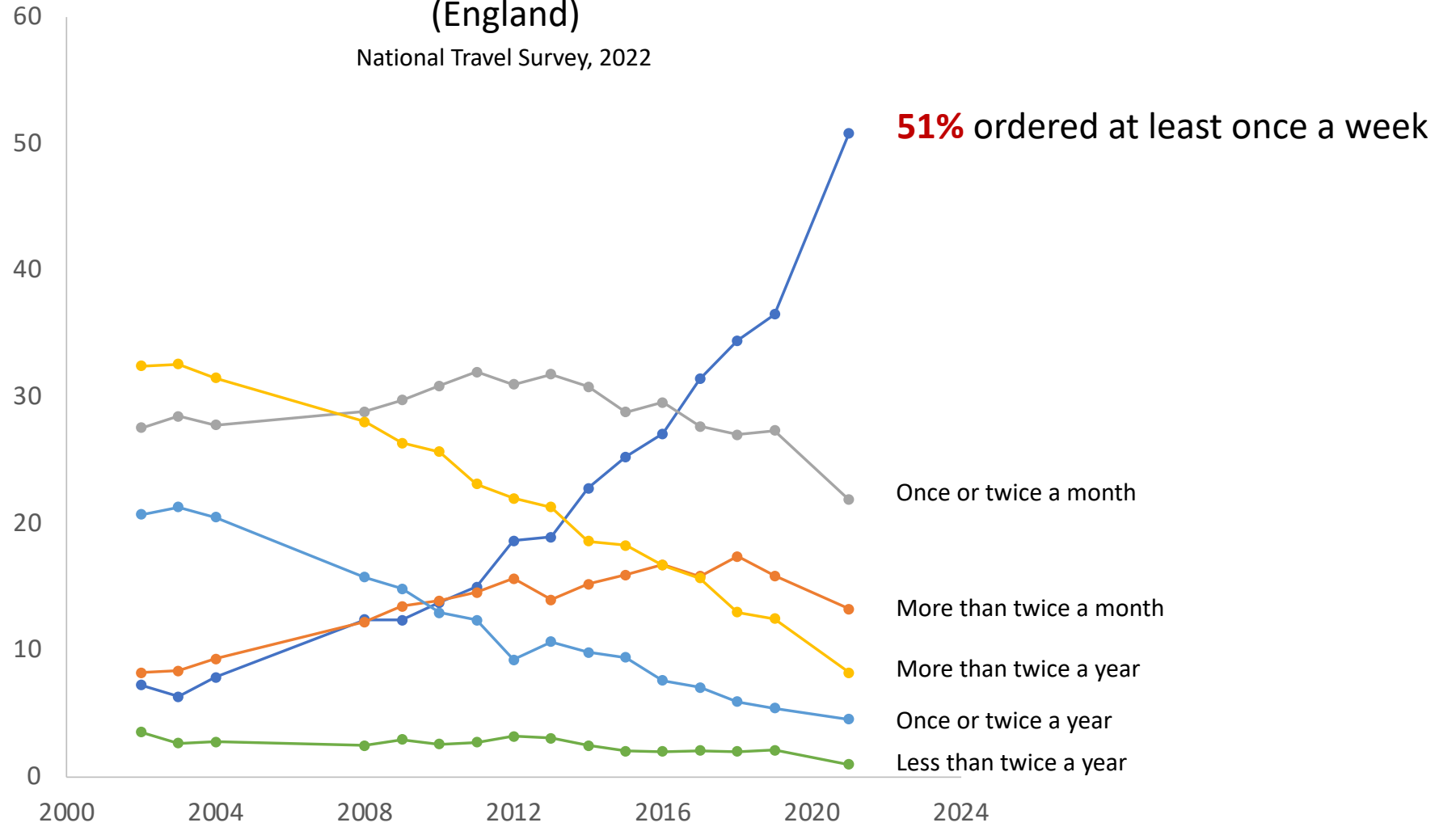
National Travel Survey, 2022

91% of households ordered goods to be delivered



How often goods are ordered (England)

National Travel Survey, 2022



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Amazon pledges parcels in an hour using drone deliveries

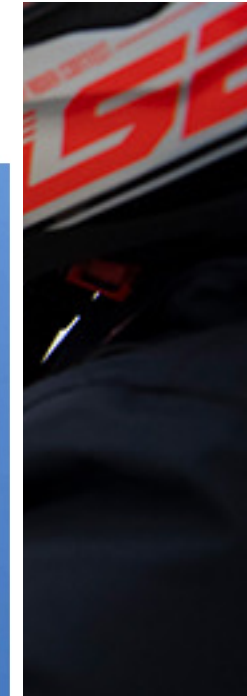
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How Amazon uses drones to deliver from the sky

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friendly couriers the very next day*. For more information [click here](#)

or next day delivery available

On-Demand Digital Services

Services that enable companies or individuals to supply products or services **immediately** at the request of the customer through **the use of online applications or platforms.**

Taylor, T. A. (2018). On-Demand Service Platforms. *Manufacturing & Service Operations Management*, 20(4), 704–720. <https://doi.org/10.1287/msom.2017.0678>
 Van Der Burg, R. J., Ahaus, K., Wortmann, H., & Huitema, G. B. (2019). Investigating the on-demand service characteristics: An empirical study. *Journal of Service Management*, 30(6), 1757–5818. <https://doi.org/10.1108/JOSM-01-2019-0025>

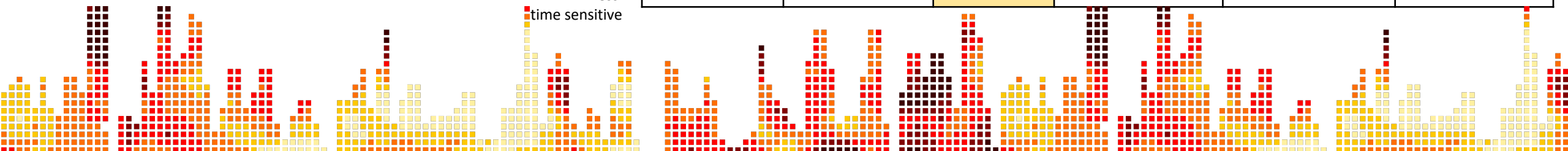
More time sensitive

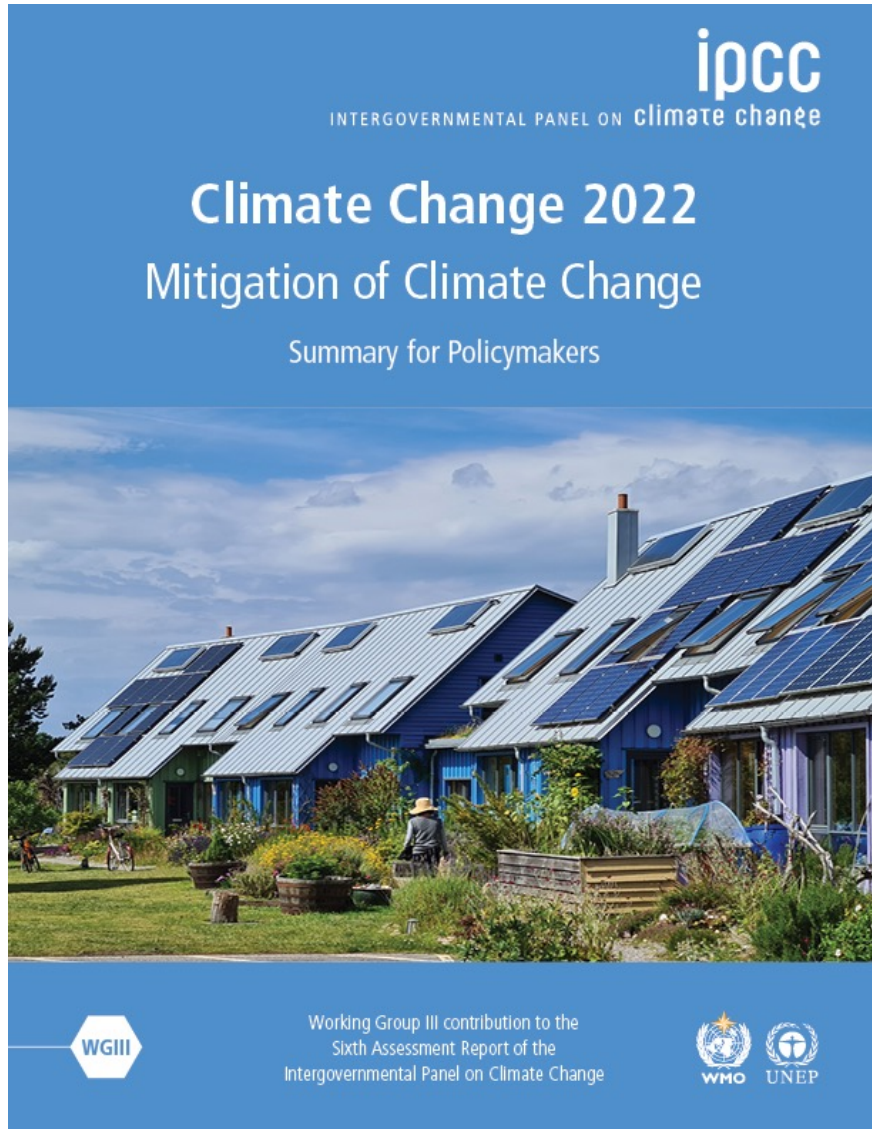


Less time sensitive



Domains	Example of Application	Themes			
		On-Demand	Sharing Economy	Dematerialisation	Subscription
Entertainment	Netflix	X		X	X
	Spotify	X		X	X
	Kindle	X		X	
Travel	Uber	X	X		
	BlaBlaCar		X		
	AirBnB		X		
Retail	Deliveroo	X			
	Getir	X			
	Amazon Prime	X			
	Hello Fresh				X
	Olio		X		





Chapter 5: Demand, Services and Social Aspects of Mitigation

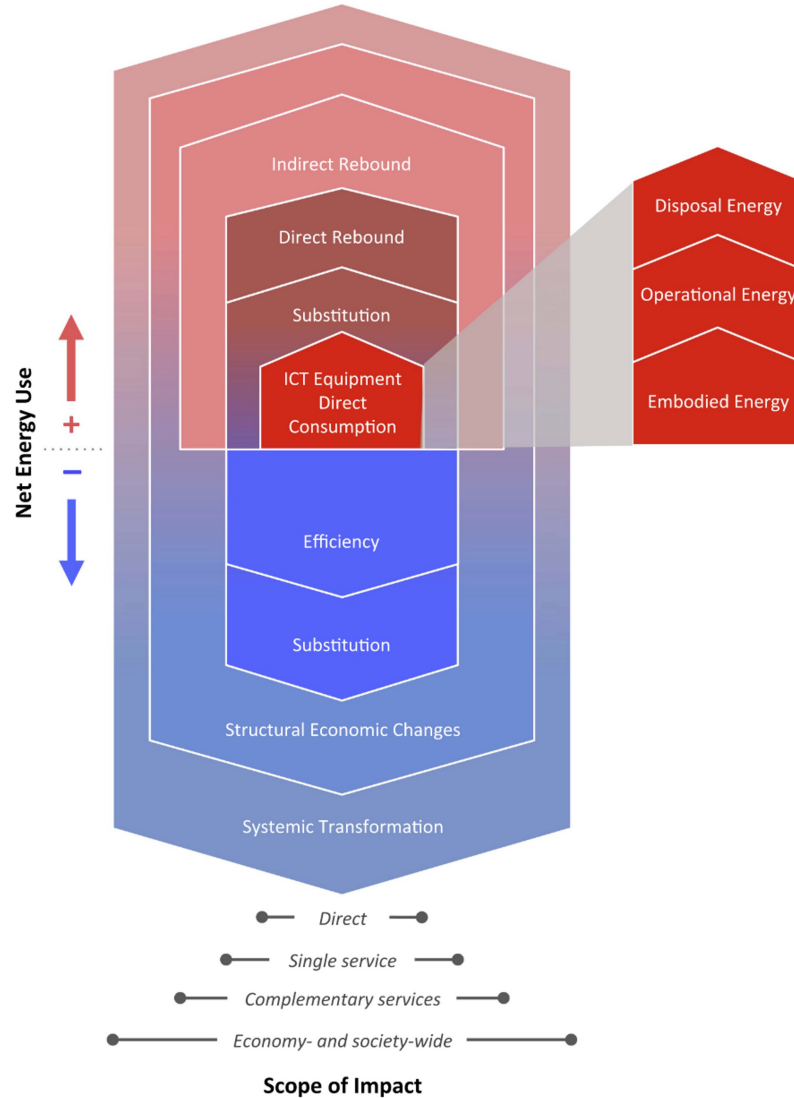
Alternative service provision systems, for example **those enabled through digitalisation**, sharing economy initiatives and circular economy initiatives, have to date **made a limited contribution to climate change mitigation** (*medium confidence*).

While **digitalisation** through specific new products and applications **holds potential for improvement** in service-level efficiencies, without public policies and regulations, it also has **the potential to increase consumption and energy use**.

Creutzig, F., Roy, J., Devine-Wright, P., Díaz-José, J., Geels, F., Grubler, A., Maizi, N., Masanet, E., Mulugetta, Y., Onyige, C. D., Perkins, P. E., Sanches-Pereira, A., & Weber, E. U. (2022). Demand, services and social aspects of mitigation. In P. R. Shukla, J. Skea, R. Slade, A. Al Khourdajie, R. van Diemen, D. McCollum, M. Pathak, S. Some, P. Vyas, R. Fradera, M. Belkacemi, A. Hasija, G. Lisboa, S. Luz, & J. Malley (Eds.), *IPCC, 2022: Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change* (pp. 503–612). Cambridge University Press. <https://doi.org/10.1017/9781009157926.007>

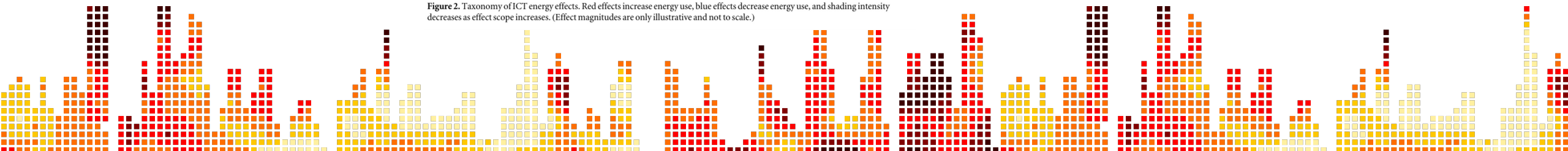
ICT Energy Effects

Horner, N. C., Shehabi, A., & Azevedo, I. L. (2016). Known unknowns: Indirect energy effects of information and communication technology. *Environmental Research Letters*, 11(10), 1–20. <https://doi.org/10.1088/1748-9326/11/10/103001>



The net impact of digitalisation on energy is highly dependent on **human behaviour.**

Figure 2. Taxonomy of ICT energy effects. Red effects increase energy use, blue effects decrease energy use, and shading intensity decreases as effect scope increases. (Effect magnitudes are only illustrative and not to scale.)



Research Questions

1. How do households domesticate on-demand digital services?
2. How do on-demand digital services shape households' expectations of needs fulfilment and consumption patterns?
3. What are the energy implications of consumption via on-demand digital services?



Sample

- **iDODDLE Living Lab:** Households in real-world conditions in their own homes but committed to trial, learn, interact and share data with the research team
- 14 households in Oxfordshire, 20 individuals interviewed

Types of Household

Single	2
Couple, no children	5
Single parent, with children	2
Couple, with children	3
Empty-nesters couples	2

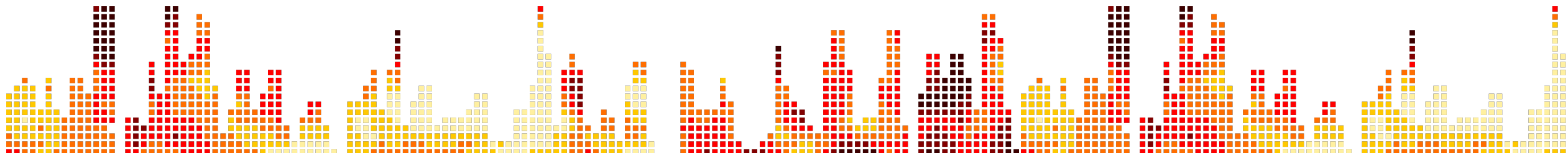
Age Group

30-39	7
40-49	3
50-59	5
60-69	2
70-79	2
80-89	1

Gender

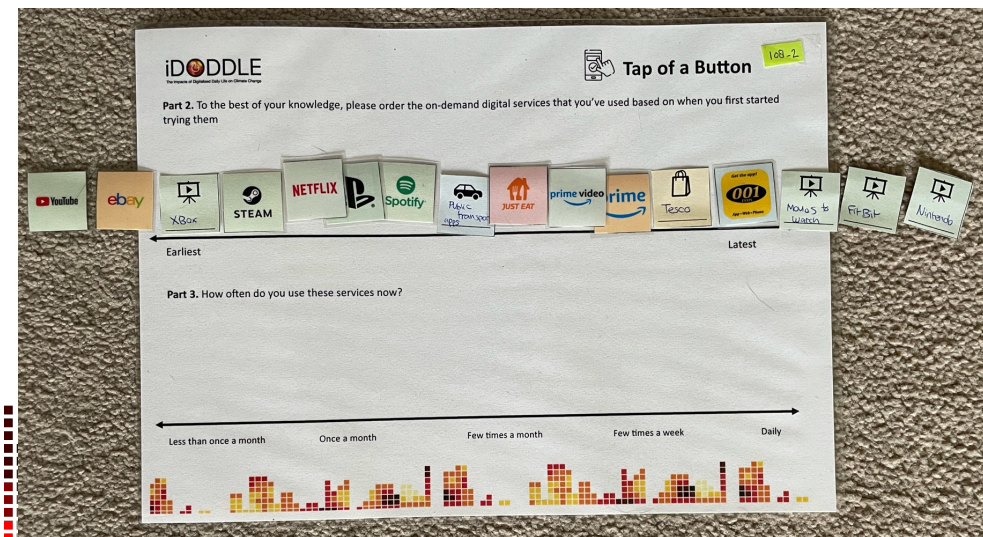
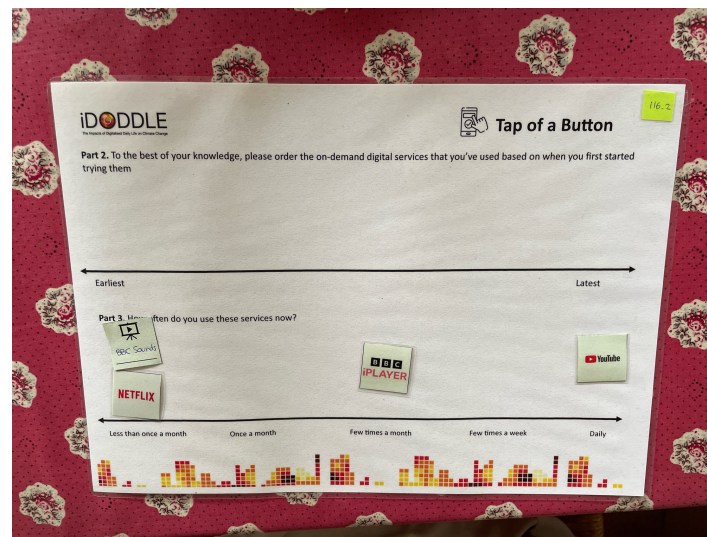
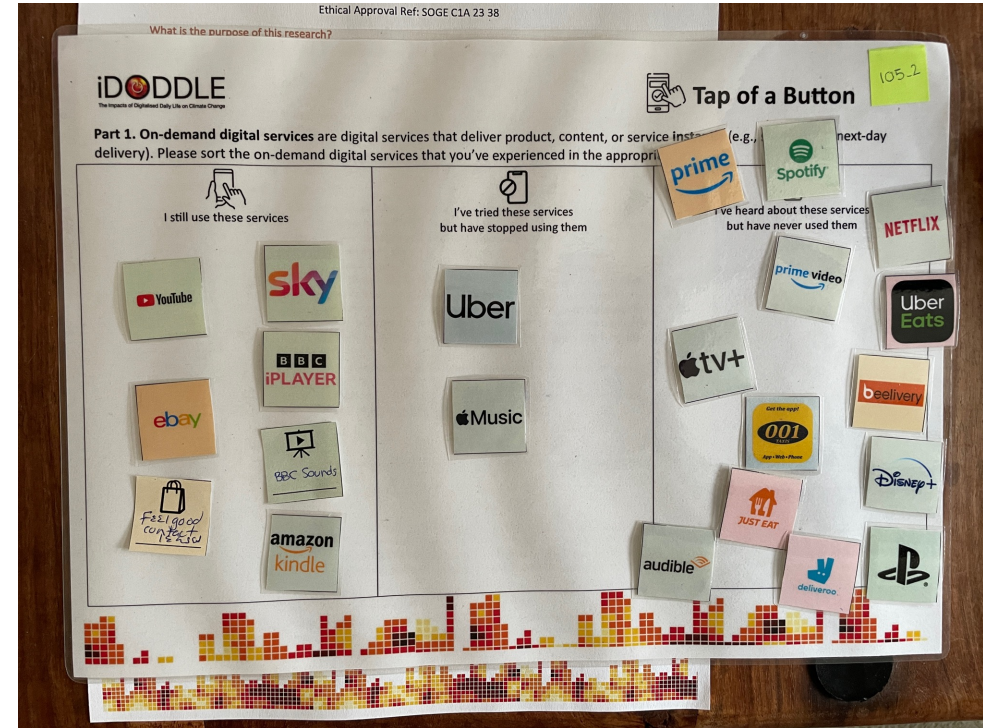
Female	11
Male	9

- Limitations: mostly urban, educated, middle- to high-income



Methods

- In-depth semi-structured interviews supported with interactive card games
 - Baseline interview and survey
 - Topical interview
- 3-month on-demand services experience



Preliminary Findings

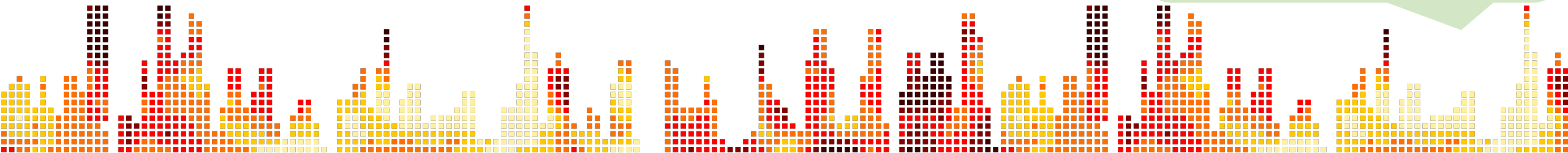
1. Domestication of ODS is a **constant negotiation** between the identities and values of the households, current life circumstances, physical constraints, and market forces. The negotiation often causes dissonance between beliefs, intentions, thoughts, and actions of households.
 - Domestication is rarely a “harmonious” process (Sorensen, 1996)
 - Domestication is never finished -- re-domestication or adapting and morphing to meet the changing needs of users, the constitution of households and workplaces (Berker et al., 2006)



Image by vectorjuice on Freepik

Amazon. I don't love that it's the Amazon. We do sometimes try and be like, let's buy less off of the Amazon, we don't really want to give Jeff Bezos more money.

It's that it's very much a situation where we do not like the company, but sometimes the convenience and the price win out over that. Or the ability to get it at all.



Domestication Pathways

Internal Factors:

- Life circumstances
- Identities
- Values
- Household composition
- Digital skills and access

External Constraints:

- Price
- Geographic and service availability

Successful

(6 households)

- Actively seeking
- Early adopter

- Online-first
- Permeates various aspects of daily lives
- Concerns around features, privacy

- Part of everyday conversation
- Identity as digitally-engaged

Precarious

(5 households)

- Word of mouth, promotion
- Wait and see
- Covid-19

- Integrated into omnichannel experience
- Concerns around scams

- Product/content rather than service
- "Can live without"

Forced

(3 households)

- Hesitant
- Late adopter
- Limitations on skills and devices

- Prefers offline alternative unless no other choice

- Feeling left behind

2. Households have higher time sensitivity for entertainment, mobility, and food delivery, but retail is gradually catching up. Households see the overarching trend of **digital services delivering products at a faster rate.**

- Convenience
- Delivery assistance
- Emergency
- Time
- Options
- “Connection to the world”

ODS take on meaning as part of the “**fabric of society**” and **fast delivery becomes the new normal.**

The perception of ODS’ pervasiveness feeds back into households’ domestication process.

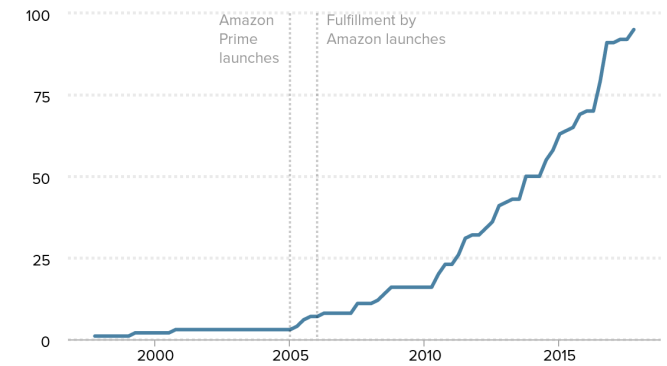


I think they used to maybe be more of a, not luxury, but like a kind of added nice thing to have. Whereas now **they are like so much part of our everyday life and how we... Yeah, learn about the world as well and share things with each other.**

Demand Pull or Market Push?

- Amazon Prime established in 2007 - “Our vision was that fast delivery should be an everyday experience—rather than an occasional indulgence, and many sceptics thought we were crazy.” (Amazon, 2018)
- Households applaud fast delivery, but say they are “willing to wait”
- Fast delivery vs cost trade-off
 - Only 3 households intend to continue post-trial, while others stop due to cost
- Convenience vs concerns about workers’ welfare, safety, environmental impact

Total number of Amazon fulfillment centers
Cumulative openings, 1997—2017



Source: Fulfillment center opening dates compiled from Avalara (“Amazon Fulfillment Center Locations,” accessed October 2017), Guided Imports (“The Complete List of Every Amazon Warehouse and Distribution Center in the World,” last updated April 2017) and MWPVL International (“Amazon Global Fulfillment Center Network,” accessed October 2017).

Economic Policy Institute

There was, I think, a little time after we stopped having Prime and I was like, oh, this is annoying now that I have to wait this long. I got this thing, I got too used to it. But you know again that recognition is like, wow, nobody needs this product in a day's time. Like, I just don't need anything that fast.

3. Households perceive that ODS **increases society's expectations of immediate gratification** and **induces consumption**.
- High users of ODS notice changes among themselves: impatience, free fast delivery as the minimum standard
 - Marketing ploys like Prime Days, minimum order for free delivery, free returns

I think, I probably have less patience... I think maybe slightly less so for like meal food delivery services, because obviously that's constrained a bit more by where you're located and what's available in the place, but, yeah, definitely. I have expectations of being able to get stuff quickly and yeah, having a big selection.

I mean a lot of this stuff is really just enabling more consumption.

In the past when I didn't have prime, I wouldn't use it that often compared to now I think. Yeah, I order something every month, sometimes more than once.



Implications on Climate

- Change in carbon emission from switching from physical to online shopping: ΔCO_2 -94% to +140%

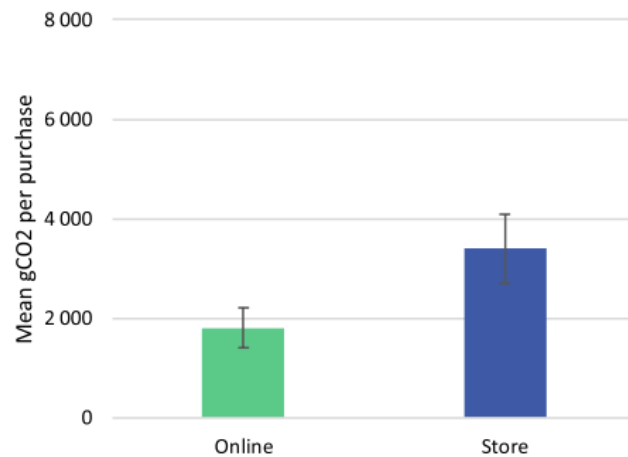
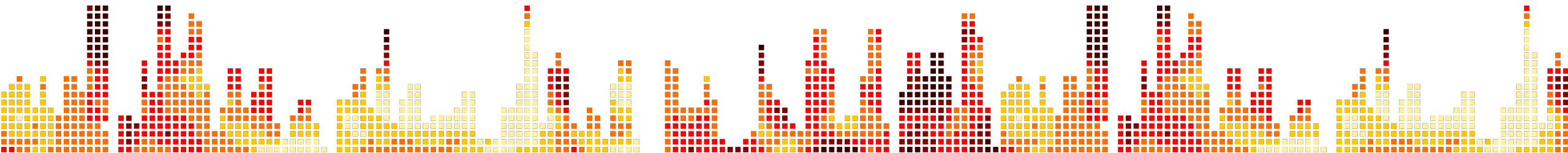


Figure 1. Carbon footprint of online and store purchases.

Key variables:

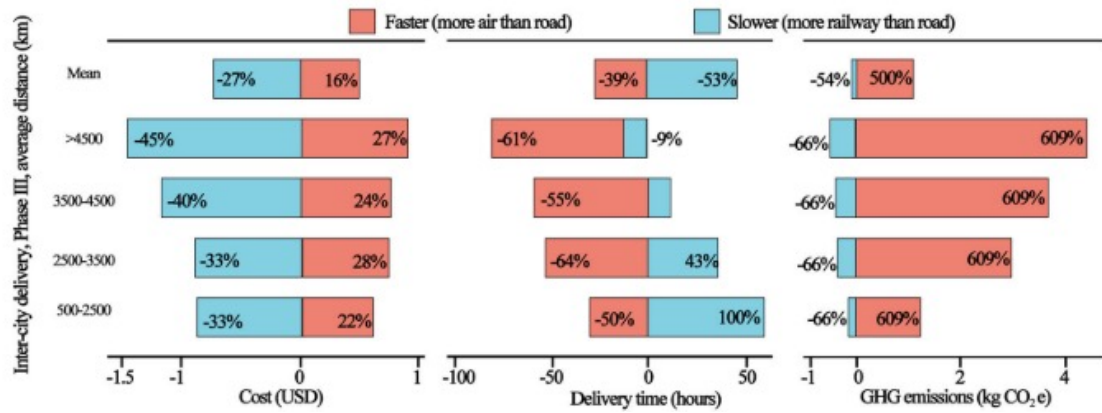
- Consumers' transport modes
- Convenience of returns
- Shopping behaviour (omnichannel shopping)
- Basket size
- Delivery failure

Buldeo Rai, H., Touami, S., & Dablanc, L. (2023). Not All E-commerce Emits Equally: Systematic Quantitative Review of Online and Store Purchases' Carbon Footprint. *Environmental Science & Technology*, 57(1), 708–718. <https://doi.org/10.1021/acs.est.2c00299>



Carbon Cost of Convenience and Speed

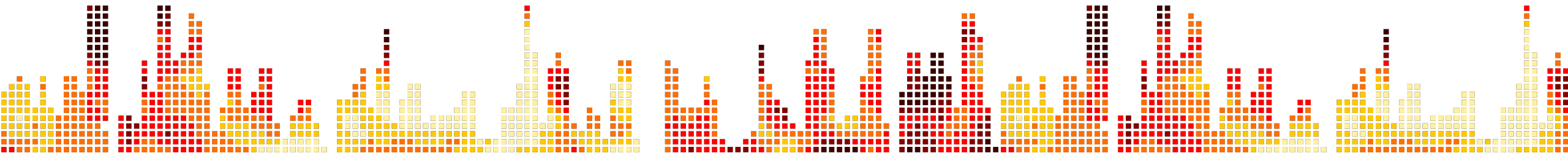
“Resource-intensive **expectations of convenience and speed of product delivery** translate into a **dangerous reliance on fossil fuels.**” (Meier, 2023)



Kang, P., Song, G., Xu, M., Miller, T. R., Wang, H., Zhang, H., Liu, G., Zhou, Y., Ren, J., Zhong, R., & Duan, H. (2021). Low-carbon pathways for the booming express delivery sector in China. *Nature Communications*, 12(1), 450–450. <https://doi.org/10.1038/s41467-020-20738-4>

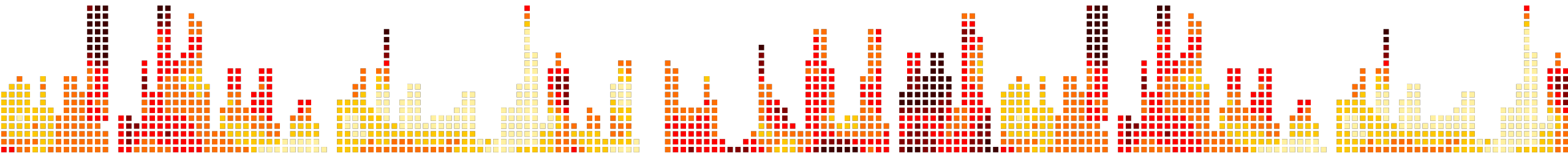
But much harder to quantify:

- Induced consumption as rebound effects
- Over-consumption and its environmental consequences (Miller, 2012; Evans, 2019)



Conclusion

- Domestication is uncertain
- The future climate impact of digitalisation depend on societal response and policy decisions now



iDODDLE

Thank you!

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