The arrival of the Internet as a mass utility, available everywhere, all the time, on smartphones and tablets, has been widely seen as a transformative moment, altering power structures, social relations, and personal presentation and participation in every domain. Changes in the organization of consumption have attracted particular attention, with
commentators noting the increasingly central role of the major Internet companies in reorganizing product promotion and purchase and in co-opting consumer labour to generate endorsements and suggestions for innovation. There is a tendency to see these developments as heralding a decisive break with the past, a perception popularized by the phrase “new media.” Against this view, we want to argue here that while digital devices are agents of change, the key movements are intensifications and extensions of processes that have been in formation since the emergence of a modern consumer society at the turn of the twentieth century. This system was constructed around intersecting innovations in popular media, as arenas of marketing and product promotion, in retail environments, as markets and spaces of encounter and purchase, and in the transition from cash to credit as the modal system of payment (Beniger, 1986; Strasser, 1989).

To fully understand the emerging organization of consumption, however, we need to situate it within the wider history and dynamics of capitalism. Digital technologies may be increasingly central to social and economic life, but “Digital Capitalism” remains capitalism, driven by the same fundamental dynamics; and Marx, we would argue, remains a productive point of departure for analysis.

Unfinished business: Marx on consumption and accumulation

By the time Marx came to draft the final section of the second volume of Capital in the 1870s, events had disproved his earlier prediction of steadily falling wages. Workers had enjoyed two decades of rising incomes, allowing increasing numbers to join the emerging ranks of the middle class and become consumers out of choice rather than simple necessity. Acknowledging this, Marx assigned the consumption of workers a “relatively decisive share” (see Harvey, 2013, p. 315) in his revised model of how the capitalist mode of production reproduces itself; but he never examined in detail how consumption was generated and managed. Because his project in Capital was to “produce a general theory of capital accumulation that has the same relevance over entirely different consumption regimes” (Harvey, 2013, p. 32–33), he treated consumption in formal and technical terms, rather than as a dimension of daily life rooted in institutions and practices that were open to transformation and change. There is, however, an important exception: the “Introduction” he wrote in August 1857, before drafting the seven untitled notebooks now known as the Grundrisse. Compiled primarily for self-clarification, this material was originally lost and waited almost a century to enter the public domain in a German edition in 1953, and a further two decades to be translated into English (Nicolaus, 1973).

The notes on consumption are tantalisingly compressed, but they suggest two important directions for our present inquiry. First, he presents consumption as the “last finish” of the production cycle, not simply in the obvious sense that by creating “the need for new production” consumption keeps the cycle in motion, but also because the moment of consumption opens a space for “the active subject.” “A house where no one lives,” he argues, “is in fact not a real house” (Marx, 1973, p. 91). It only becomes one when it is furnished and decorated and acts as an arena for social relations. Second, contrary to orthodox models that presented companies as responding to demands based on pre-existing needs, Marx argues that the production system actively constructs and manages demand by “creating ... a need felt by the consumer” (p. 92).
Before desires can be translated into purchases, however, consumers have to be able to pay the price demanded. Faced with a good whose cost exceeds their available spending power, they have two choices. They can save until they can afford it, or they can borrow. Marx tackles the question of credit in the third volume of *Capital*, but focuses on the role of “productive consumption” in assembling the inputs needed to maintain the production system rather than the “final” consumption of individuals. He concedes that “an exhaustive analysis of the credit system and the instruments which it creates for its own use lies beyond our plan” (Marx, 1974, p. 401), but his general analysis of capital as a process, of value in motion, assigns it a central role as one of the key devices that “tear down every spatial barrier to ... exchange” and “reduce to a minimum the time spent in motion from one place to another” (Marx, 1973, p. 539). Advertising lubricates this process, hastening circulation and the realization of value by stimulating desire and demand (Lebowitz, 1986). Credit similarly accelerates product turnover (Harvey, 1990, p. 229). “The entire credit system,” Marx (1973) writes, “rests on the necessity of expanding and leaping over the barrier to circulation and the sphere of exchange” (p. 416). Digital technologies are being mobilized to speed circulation not only as delivery platforms for advertisements, but also as instruments for mediating instant, credit-based purchases (Manzerolle & Kjøsen, 2012).

Marx died in 1883 just as the modern consumer system was beginning to emerge. Consequently, “[p]art of the work [he] left us to do, is to pull together a far better understanding of contemporary consumerism than we typically possess,” not as a substitute for a critical political economy of capitalism, but as “a foundational and complementary field of analysis” (Harvey, 2013, pp. 33–34). We want to suggest that one way of pursuing this project is to trace the ways the consumer system has been organized around the progressive integration of *marketing*, as a system for promoting products and massaging demand and desire; *marketplaces*, as sites of interaction with the material world of goods; and *systems of payment* built on credit.

**Toward integration: Marketing, marketplaces, and payments**

Looking across the development of the retail environments and audio-visual media since the turn of the twentieth century reveals an increasing integration of promotional messages and opportunities to purchase, both into an extended flow of entertaining and engaging experience, and into the flow of everyday social routines (see Murdock, 2013). The skating rinks and food halls in shopping malls emerged alongside the fashion shows and dances staged in department stores. Product placement in movies was supplemented by the ubiquitous sponsorship and spot advertising at the heart of commercial television. The advent of 24-hour television and the progressive extension of retail opening hours extended the “constant continuity” (Crary, 2014, p. 65) of circulation that Marx had argued was essential for the unobstructed and fluid realization of value. The arrival of cable television and the ambition to build two-way capacity intensified this process by adding “shoppability,” with experiments to allow viewers to order commodities featured in programs (McGuigan, 2012). As one channel’s slogan promised: “You see it. You want it. You click it. You’ve got it.”

This variant of the “active audience” was positioned at the end of a longer chain of initiatives designed to integrate consumers into the circuit of production. Forms
of user-generated content were already current in the 1910s when Procter and Gamble invited consumers to submit recipes and suggestions for novel uses of household products (Comor, 2014). To many early observers, television appeared to short circuit activity, but as Dallas Smythe (1977) argued in his influential formulation, far from being passive “couch potatoes,” viewers were assiduously working for capital, engaged in unpaid “self-marketing,” promoting brands to themselves and friends. The rise of self-service supermarkets reinforced the extension of labour into leisure, requiring shoppers to take on the work of selecting items, transporting them home, and with the spread of domestic refrigeration, storing them. Consumers were translated into “prosumers,” active partners in the production process (Ritzer & Jurgensen, 2010).

Viewers’ attention to ads constituted the primary product traded within the commercial television economy (Jhally & Livant, 1986), a commodity whose exchange value depended on how audiences were defined, measured, and priced (Meehan, 1984). In the era of free-to-air network broadcasting, audiences could only be mapped in general terms by size and social composition and appealed to as a collective market. The advent of cable packages allowed marketing to move to targeted and personalized appeals. The information about themselves that subscribers provided when they signed up to services—as well as other streams of marketplace data gleaned for an emergent database marketing industry—facilitated both direct mail shots and tele-marketing campaigns using post code data, and a movement toward greater individualization and addressability by name (Turow, 1997).

Responding to marketing addresses, however, depended on ability to purchase, which depended in turn on spending power. With the long post-war economic boom, increasing numbers of people were able to acquire big ticket items like refrigerators, television sets, and cars, “for the first time in their lives” (Streek, 2012, p. 29), laying the basis for a genuinely mass consumer economy (Mort, 1997). This increased consumption, partly funded by rising real wages, was supplemented by the growth of instalment (or “hire purchase”) systems of credit, requiring the capital loaned to be repaid (with interest) at regular intervals over a fixed period (Calder, 2001). Following the economic crisis of the mid-1970s, real wages fell, necessitating an increase in the volume and flexibility of the credit available for consumption. This was achieved by moving credit from an instalment to a revolving basis, and by issuing credit and store cards with generous maximum limits. Instead of paying an agreed sum each month, consumers were only required to meet a minimal payment on their debt, often a small fraction of their total liability. By reducing the gap between looking, evaluating, and buying, cards usable anywhere, at any time, ushered in a seemingly frictionless mode of payment that actively encouraged immediate responses to product appeals.

Turning to the present, we argue that the emerging digital consumer environment is defined by the intensification and acceleration of these tendencies toward the integration of marketing, marketplaces, and systems of payment. This is not simply because digital systems offer new technological possibilities. It is also because the rollout of the Internet and mobile devices has coincided with the creation of an operating environment with minimal regulation of online corporate activity (Schiller, 1999).
In the sections that follow, we focus on two key developments: ubiquitous connectivity to media and markets, and the arrival of always-on arenas of consumption. As these developments are co-constitutive, we do not treat them separately; instead, we present case studies to analyse points of intersection within our conceptual frame.

The medium is the marketplace

Marx (1973) argued that effective profit generation requires both “the production of new consumption” (p. 408), and the expansion and acceleration of circulation. In pursuit of this goal, capital imagines a consuming subject capable of ever more socially cultivated desires and gratifications. Giving expression to this surfeit of wants requires the construction of a marketplace capable of mediating more transactions more often. If, as Marx (1973) noted, a track without trains is not really a railway, then a showroom without payment processing is not really a store. The digital media environment meets this requirement by facilitating exchange and consumption at any place and at any time.

Dallas Smythe’s (1977) claims, mentioned earlier, about how audiences work for advertisers, learning social habits of consumption that contribute to capitalist relations, were difficult to substantiate before digital, two-way media facilitated electronic commerce and direct marketing. The arrival of digital platforms renders these claims both visible and traceable (Mosco, 2009). Tablets, smartphones, and television screens are not just delivery platforms for messages designed to stimulate desire; they can also become virtual storefronts in which desire can be realized through an immediate purchase (Andrejevic, 2007). They are the latest stage in the increasing integration of marketing and marketplace.

In one example, MasterCard has formed a partnership with Condé Nast publications to make the digital versions of the latter’s magazines into showrooms and shopping portals (Stout, 2013). In current trials with Wired, items featured in advertisements, articles, and the sponsored content provided by advertorials and “native advertising” are available for purchase at the touch of a screen. A successful trial may prompt Condé Nast and MasterCard to apply “shoppability” to the publisher’s other consumerist magazines, such as Vanity Fair, GQ and Vogue. While the future of ShopThis is uncertain, the general industrial logic of integrating marketing and marketplace is becoming increasingly predominant, installing Smythe’s (1977) labour of “self-marketing” as a core dimension of many interactions in mediated digital environments.

So-called social media networks are powered economically by two engines: first, by the volunteered labour of users who produce and promote content for brands and companies; and second, by the data produced as a by-product of online activities, including tweets, “likes,” and views, which marketers covet for the insights they potentially yield about friendship associations and, more importantly, behavioural patterns and affective inclinations. Marketers encourage social media users to endorse their products and document purchases in public fora by offering incentives. These might include financial remuneration, free products, or the symbolic capital of enhanced visibility and status within the attention economy of these media networks. In a further move to mobilize consumer activity, self-marketing has increasingly come to mean becoming a “brand ambassador,” or, taken to the logical extreme, involvement in platforms that “enable consumers to truly live the brand” (Martin & Todorov, 2010, pp. 63–64).
Marketing reports have been quick to claim that participating actively in the generation of value as “prosumers” gives consumers more control over media and markets than ever before (for example, see Cooperstein, 2013). As Edward Comor (2010) has pointed out, however, the fact that individuals may derive pleasure from this participation and utility from customized products does not preclude exploitation.

Prosumption may not be new, but mobile computing and Internet services have installed this logic as a central organizing principle and operationalized it on a much more extensive scale, and with greatly enhanced speed and specificity (Manzerolle, 2010). One of the key goals of the major Internet companies is to “normalize and make indispensable … a relatively unbroken engagement with illuminated screens that demand unremitting interest and response” and to ensure that the “opportunity for electronic transactions of all kinds becomes omnipresent” (Crary, 2014, p. 75). As Christian Fuchs (2010) caustically notes, this paves the way for every act to become reincorporated into the labour process.

**Ubiquitous connectivity, universal emporia**

Marx’s (1973) perception that “[c]apital by its nature drives beyond every spatial barrier” and requires “the annihilation of space by time [as] an extraordinary necessity” (p. 524) has been enthusiastically endorsed by digital marketers (see McGuigan & Manzerolle, 2014). An executive from the branding consultancy Millward Brown translates it into the conventional industry wisdom, noting that, “[s]hopping used to be confined to the store and its store hours … With mobile [devices], consumers could shop anywhere they wanted. Now the store experience can be accessed anywhere” (Bulik, 2013, n.p.). According to corporate analyst eMarketer, the ubiquitous connectivity enabled by smartphones and mobile broadband access produces “always-on consumers,” defined by a pervasive “shopping state of mind,” being “rarely more than a tap away from jumping from a physical store to a virtual store, or from one online merchant to another” (Elkin, 2013, p. 10). This increasing convergence has been facilitated by recent developments in mobile commerce, payment processing, and the ongoing integration of digital technologies into retail spaces (Turow, McGuigan, & Maris, 2015).

Amazon is now extending its reach, bringing major bricks-and-mortar retailers into its fold by exhibiting goods for them and directing customers to their websites. In the process, it collects fees from retailers and appropriates the data generated by users. PayPal, formerly owned by major online retailer eBay and now a standard-bearer for processing online payments, claiming more than 140 million customers and U.S.$6.6 billion in revenue in 2013 (Bertoni, 2014), is moving in the opposite direction: establishing its services at the point-of-sale in physical stores (Perez, 2013). By the start of 2013, 18,000 retail locations in the U.S. carried PayPal’s in-store payment systems (Rao, 2013). Expanding its mobile phone applications to create a discrete payment ecosystem, with consumers using their devices to scan items and pay directly from a PayPal account updated in real-time, it aims to import the speed and convenience of Internet shopping into physical retail spaces.

PayPal is not alone in striving toward mobile, “frictionless” payment processing. It is competing with the digital wallets operated by Google and Amazon, and the NFC-based
systems run by credit card and telecommunications firms—and now Apple. The iPhone 6 features an NFC-based mobile wallet (“Apple Pay”) supported by Visa, MasterCard, and American Express and compatible with the in-store systems of 220,000 merchants in the U.S. Facilitating online shopping as well, Apple Pay takes instant advantage of more than 800 million existing iTunes accounts, most of which are already associated with users’ credit cards (Fitchard, 2014). Recognizing that “contactless” payment speeds circulation, Apple trumpets the annihilation of “wasted moments” and “swiping and waiting” (Apple, n.d., para. 1).

Many observers expect payments to become fully digitized as consumers upload their credit and loyalty cards onto smartphones (Smith, Anderson & Rainie, 2012), and with as many as 87 percent of smartphone and tablet owners in the U.S. already using mobile devices for shopping activities (Nielsen, 2014), online and offline retailing are becoming increasingly co-constitutive.

Beyond streamlining payment and customer processing, mobile payment systems facilitate data capture, customer analytics, and personalized marketing strategies. One firm working toward this vision is Index, established by former Google Wallet executives, with the aim of helping “retailers better analyse customers’ buying habits by linking the credit card they use at registers to their e-mail address, mobile phone, and even their home computer” (Bensinger, 2014, p. B1). In this “always connected consumer lifestyle,” retailers and brands see opportunities “to capture the full path-to-purchase” (Nielsen, 2014, p.p. 3–4). As one commentator, writing in *Forbes*, notes, “[w]hoever ends up with controlling interests in this new digital ecosystem will reap billions in transaction fees, collect massive amounts of consumer data and control the type of targeted advertising that makes marketers drool” (Bertoni, 2014, p. 60).

Leading Internet firms are leveraging existing advantages to establish pivotal positions in the digital marketplace. Gartner research (2013) projects that by 2017 up to 70 percent of e-commerce sites in North America will depend on services from either Amazon or eBay (though this forecast predated PayPal’s recent independence from eBay). At the same time, hardware companies are building the (often unseen) material infrastructure for digital commerce into their products. Intel boasts that its microprocessors “enable the future of retail” (Intel, n.d.). Integrating a suite of networked in-store marketing devices, it is investing in what it calls the “Connected Store.” Its “core microarchitecture” connects various installations, including real-time digital signage, interactive point-of-sale terminals, and advanced self-service kiosks. These so-called “networked intelligent devices” are designed to deliver targeted promotional material to individual consumers and to create efficiencies by automating logistical coordination and inventory management (Intel, n.d.).

Despite these powerful control apparatuses, Intel continues to claim that in the digital age, the balance of power has shifted away from businesses, putting “the consumer in the driver’s seat” (Intel, 2012, p. 1). To counter this alleged loss of certainty and predictability, the company has introduced its “Intelligent Sales Assistant,” a Hybrid Tablet equipped with a host of marketing applications, including the capacity to allow managers and sales associates to see “where customers are congregating and for how long” (Intel, 2012, p. 3). With help from companies like Intel, retailers are em-
bedding microprocessors in everyday objects and using sensors to track all movements in commercial spaces (Andrejevic & Burdon, 2015). This data-driven marketing strategy—what some call “physical” or “interior” analytics—is an intensification of a long-standing drive for control. Efforts to direct how customers move through retail spaces date back to at least 1916 when Clarence Saunders opened his Piggly Wiggly store, the first self-service supermarket, which “was explicitly designed to process people past merchandise” (Beniger, 1986, p. 334).

Apple’s iBeacon offers another route to the intensification of control by exploiting the geo-locational sensitivity of smartphones. “Beacons,” small Bluetooth low-energy (BLE) transmitters positioned throughout a store, recognize Bluetooth-enabled smartphones, determine the customer’s exact location and deliver advertisements or coupons specific to that location. Retailers can, for example, “push” promotional information about a certain item to consumers as they approach it on the store shelf. Discussing the ShopBeacon system, recently installed to work with Apple iPhones in his stores in New York and San Francisco, Macy’s President and CEO revelled in the technology’s capacity to “find out where you are standing and how long you’ve been standing in front of the [product] … And if you haven’t [purchased it yet], I’ll send you a little note to give you encouragement to do so” (Barragan, 2014, p. B1). Various apps of this type allow retailers to recognize a specific shopper upon entry, based on a unique identifier assigned to a smartphone or a loyalty program account, and then tailor shopping experiences according to preferences stated by the customer or mined from records of shopping behaviour (Dwoskin & Bensinger, 2013).

**Conclusion**

Echoing Marx, Eric Fromm (2005) characterized the mass consumer society he saw emerging in the 1950s as one where “everything and almost everyone is for sale” (p.p. 38–39). As we have argued, this system has gathered increasing momentum and complexity since its inception at the turn of the twentieth century, but it remains one in which Marx’s insights offer an essential departure point for critical analysis.

A sceptical reading of this account, however, might argue that we have taken insufficient stock of the continuing fall-out from the 2008 financial crisis. The high levels of unemployment it has exacerbated and the austerity programs introduced in response have pitched increasing numbers of households into poverty and restricted the consumer choices of many more. Young people, previously seen as a primary consumer segment with high levels of disposable income, have been particularly hard hit. However, as with the 1973 crisis, which played a decisive role in creating the institutional and ideological market environment that allowed the major Internet companies to develop as they have, the primary response has been to encourage people to maintain their consumption by taking on more personal debt. Whether this is sustainable is an open question, but there is no doubt that strategies designed to produce consumers adapted to a digitalized world are playing a central role in corporate attempts to restore “business as usual” and ensure an uninterrupted flow of profits. As the foregoing discussion has aimed to show, ubiquitous connectivity to digital media and markets has further intensified capitalism’s expansionary and acceleratory pressures of commodification and exchange. With devices that can support shopping and purchas-
ing immediately and anywhere, consumers are now always already in a marketplace presented as the central arena of social and imaginative life.

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