Rented Future

The Dangerous Rise of Life as a Service

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Subscription Models

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Origins: Service as a Software Substitute (SaaSS)
The Breakout: Into Other Verticals

BIRCHBOX  naked wines  NETFLIX

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The Proliferation: Across the Market

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From Nice-to-Haves to Must-Haves

- Education
- Clothing
- Transport
- Daily Food

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B2B: Subscriptions All the Way Down

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Variations on the Model

- All-You-Can-Eat (Netflix, Spotify)
- Tiered Subscriptions (Shutterstock)
- All-in-One Leases (car subscriptions)
- Over-the-Top Subscriptions (Uber, Amazon Prime)

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Future Developments

- Labor as a Service
- Driverless Cars
- Connected Cities

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Post-Ownership: Life as a Service

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Life is Never a Neat Dystopia
“My generation, particularly the generation after me, they no longer own anything; they are increasingly not allowed to own anything.”

- Edward Snowden
“We are entering the era of usership over ownership. The shift to subscriptions is inevitable.”

- John Phillips, general manager EMEA, Zuora
Why companies like this model

- Easier to attract customers
- Predictable, linear revenue
- Long-term customer relationships
- Customer data, insights
- Businesses grow faster with subscriptions
Consumers want this model

- Convenience – they don’t have to spend time buying things they need
- Flexibility – many of these services offer a wide range of choice without having to pay extra for it
- Simplicity – subscriptions can help avoid needless stress and frustration around acquiring products and services
Companies are trying to do good

- Sustainability
- Access to Education
- Helping Charities

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But this model has the potential to be very harmful
The Cost Issue

• Subscriptions generally cost more than buying products outright

• If everything is on subscription, consumers spend far more and have less money to save

• No savings keeps them locked into subscriptions
A Lack of Security

- What if a subscriber loses their job or becomes unable to work?
- They lose access to their subscriptions, and there is no safety net to look after them.
- The same is true of companies.
A Threat to Small Businesses

- If everything is on subscription, companies need to be part of those subscriptions to sell their products
- Consumers lose the option to try out new products/brands
- Those companies become much harder to start and sustain
Power for Big Companies

• Companies running large-scale subscriptions have massive power over smaller brands

• Consumers become reliant on those companies, meaning they can change their policies with little resistance

• The bigger and more converged subscriptions get, the more power these companies will have

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Data Collection on Consumers

• Data collection is a key part of how subscription providers understand and meet the needs of their customers

• Consumers have no option to privacy if they use these services

• The more these services dominate, the less choice consumers will have not to use them

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Political and Ideological Reach

• If subscriptions converge, the companies running them will gain significant political and ideological power

• Social media has already been used to manipulate political opinion

• The media you consume, the food you eat and the objects you interact with all help shape your world view

• How much power will a company have if it dictates all media, entertainment, services and possessions in your life?
Where Free Software Comes In

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Creating Alternatives

• We need to make sure that accessible alternatives are available to consumers

• Businesses need to be able to access methods to connect with consumers that don’t require a subscription

• Subscriptions aren’t inherently evil, but there needs to be choice

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Helping Change the Narrative

• People don’t talk about subscription models much, because they’re generally a bit boring

• But this means that the threat of Life as a Service is being ignored

• We need to talk about this issue more!

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Building a Hybrid Future
Thank you

Illustrations: Tithi Luadthong
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