24th June 2022

Digital Transformation
Lessons from consumer worlds for public affairs
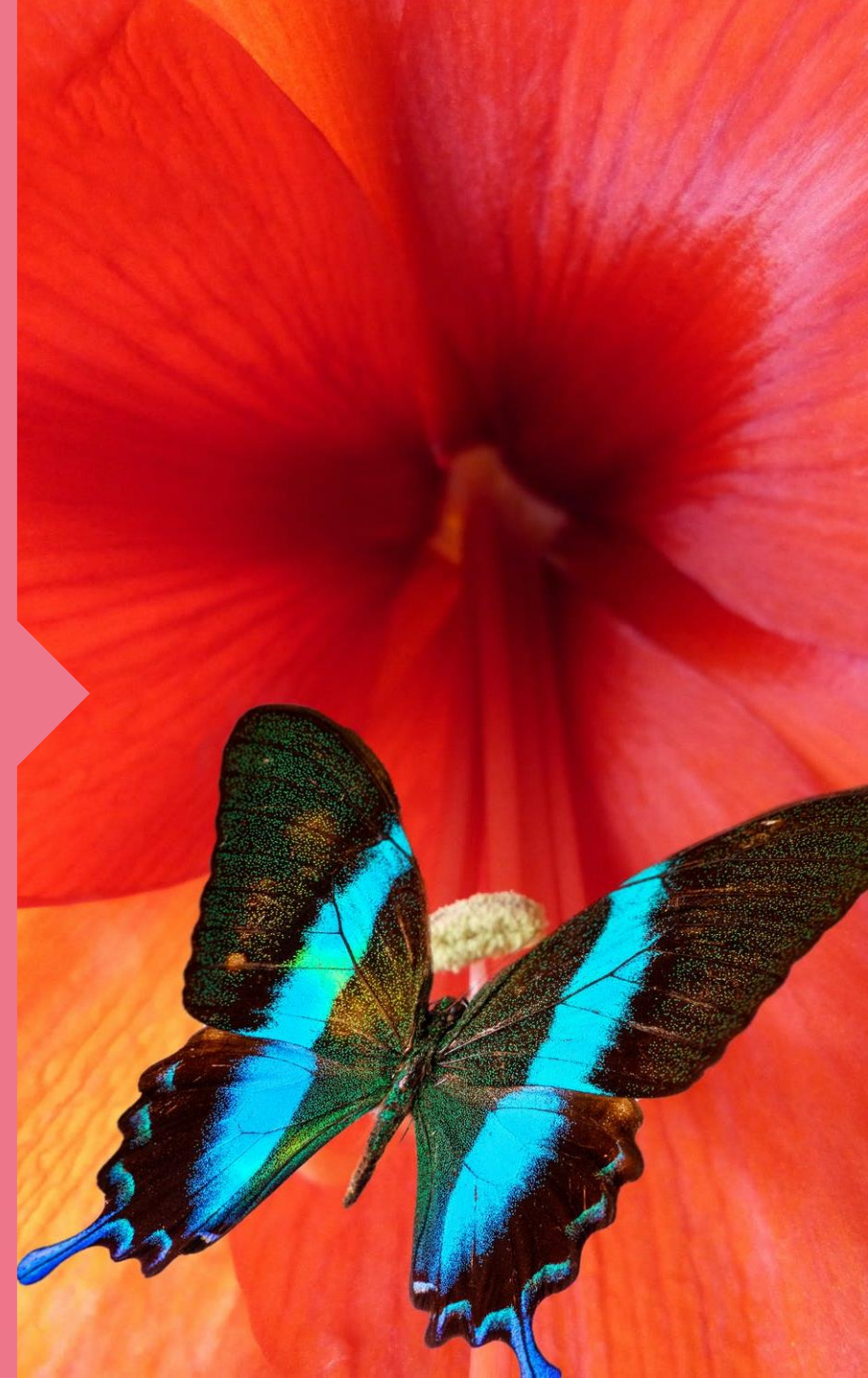
Presented to:
The European Centre for Public Affairs

Dr Mark Thorpe
Head of Thought Leadership @ Instinctif Partners.
Board Director of Truth Consulting
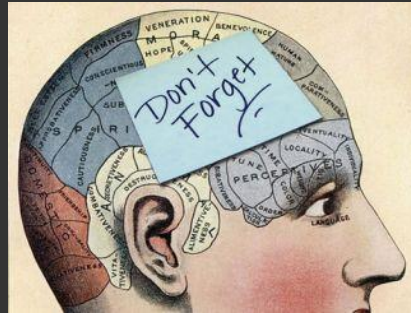
Instinctif | Truth.
PARTNERS

The focus will be on six 'Disruptions'

Mental
Obesity

The End
of Memory

Nomad
Diagnostics

Neo
Technocracy

Digital
Reflux

Nervous
Systems

Instinctif_ | Truth.
PARTNERS

The Digital Transformation in Facts - 01

- A total of **5 billion people** around the world use the internet – equivalent to 63% of the world's total population.

- The world's connected population grew by almost **200 million** in the 12 months to April 2022.

- There are now **fewer than 3 billion** people who remain "unconnected" to the internet, with the majority of these people located in Southern and Eastern Asia, and in Africa.

- **In 2020, global internet traffic was 92 times greater than in 2005** (Cisco, 2020).

Source: various

Instinctif_ | Truth.
PARTNERS

The Digital Transformation in Facts - 02

- The gigabyte equivalent of all the movies ever made will cross global IP networks every two minutes.

- In the UK, almost half of those aged over 75 now use the internet daily

- Current trends suggest that **two-thirds of the world's** population should be online by the middle of 2023.

- **92.4%** of digitally active people will use a mobile phone for some or all of their interaction (especially in the developing world)

- **4.65 billion** people use social media (almost 60% of the global population) and there are ten new social media users added every second –

Source: various

Instinctif PARTNERS | Truth.

Mental Obesity

Instinctif. Truth.

Our brains now receive over 12 million 'bits' of information per second….

….our eyes alone produce 10 million bits per second

….our ears a mere 100,000 bits

….but we are only able to consciously process less than 100 'bits' of information (per second)….

….at very best, this translates as 0.00091%

o Our ability to process information is becoming increasingly compromised

o Like physical obesity, mental obesity stems from over-consumption

o The brain uses a constant supply of energy (about 20%). This does not increase as the demands placed on it increase

o The over-consumption of stimuli is having a tangible impact on the way our brains now perform

o Poor diet & lifestyle is also feeding the obese brain

Instinctif_ | Truth.
PARTNERS

o Initially, it was thought that decreasing attention span was both the symptom and cause

o In reality, the drivers of change are more complex:

- Multiple source stimulation

- Exponential increase in visual stimuli

- Transformation in brain-tasking (e.g. cognitive multi-tasking)

- The disconnect between biological evolution and the rate of socio-technological transformation

- The 'switch-off' imperative

Take-Outs

1. This affects us as well!

2. Increasing levels of pre-conscious deletion make cut-through even more difficult

3. Immediacy and relevance are essential and messaging needs to be 'inhalable'. It becomes more and more important to follow the old media training adage and **Keep It Short and Simple** - 3 key messages, no less, each formulated as a soundbite

4. People are much less likely to 'carry' information with them (i.e. memorise) – so don't rely on memory in your communications

Instinctif_ | Truth.
PARTNERS

The End of Memory

o We have been experiencing a gradual decline in our ability to remember

o Mental obesity has been a significant driver of this decline

o The widening and deepening of digital technology has also been a driver

o We now often out-source our memory to digital devices

o The Covid-19 Pandemic has accelerated the decline in memory and brought into light important memory-degeneration stimulators:

- Isolation , stress, fatigue

- Restricted mobility

- Changing social interaction

- Increasing levels of depression and other mental health issues

- Decreasing levels of face-to-face story-telling

- Erosion of memory cues & anchors

- Reduction in spatial stimulation

All these changes have led to a shrinking hippocampus

Hippocampus is a complex brain structure embedded deep into temporal lobe. It has a major role in **learning and memory**. It is a plastic and vulnerable structure that gets damaged by a variety of stimuli. Studies have shown that it also gets affected in a variety of neurological and psychiatric disorders.

o In addition to a myriad of environmental & social factors, technology is increasingly enabling us to 'outsource' memory

o With this outsourcing of memory comes new neurological evolutions

- We become better at some cognitive tasks

- While we become weaker or de-skilled in others

o An outsourcing of memory fundamentally changes the way we engage with the world, including brands, marketing and communications

" *Nothing speeds brain atrophy more than being immobilized in the same environment: the monotony undermines our dopamine and attentional systems crucial to our brain plasticity.* "

- Norman Doige

Take-Outs

1. The rules of engagement are changing – when forgetting becomes normal, relying on memory/recall alone is folly

2. In a culture of memory degeneration (progressive amnesia), we must work harder & differently to stay relevant , have impact and be front of mind

3. We need to do a better job of making in-person meetings and events so compelling that no one will want to join online, where the risk of distractions is much greater

4. Communications that are simple, multi-touchpoint, consistent, repeated and that ignite strong visual imagery will be increasingly important

5. Since people are out-sourcing their memory to the Internet, information needs to be easier to find. Organisations should be investing more in great websites, easily searchable, with downloadable factsheets and great search engine optimisation

Instinctif_ PARTNERS | Truth.

Nomad Diagnostics

Instinctif. Truth.

- Sources of knowledge, advice and understanding are increasing exponentially

- Traditional 'anchors of authority' are being challenged across human lived experience

Data compiled by private UK healthcare provider, Benenden Health, revealed that more than 100 million health-related Google searches were placed in the UK alone in the past 12 months

Instinctif_ | Truth.
PARTNERS

- According to <u>data from NHS Digital in May 2019</u>, the free service, which can be accessed online or by telephone, has been **used just over a million times since being launched in December 2017**.

- Around 13% of all NHS 111 online journeys are reported to end with self-care advice

- There are now in excess of 350,000 health-care apps

- **More than 90,000 digital health apps were released last year** – an average of 250 per day – according to the IQVIA Institute for Human Data Science's 2021 trends report

- People increasingly follow the 'wisdom of crowds'

- As traditional sources of knowledge are weakened, the importance of crowd wisdom increases

- We also see a willingness to 'play' with unconventional sources of 'wisdom'

- Digital platforms provide the perfect tool for accessing crowd wisdom

Instinctif_ | Truth.
PARTNERS

Take-Outs

1. How do we communicate, with credibility, when traditional anchors of authority are being challenged?

2. We need to better understand what 'evidence' means in a de-centred knowledge universe

3. The way we communicate, and the channels used, need to change to reflect the shift to a 'nomad diagnostics'

4. There's a huge danger in people trusting unreliable sources of information. Investing more resources in the fight against misinformation and disinformation (think banning Russian media and websites from Europe in the context of the Ukraine war)

5. Policymakers can do much more to actively root out fake news and promote trustworthy news sources

Neo Technocracy

- **Technocracy** was a originally a concept that emerged in the 1930s and which enshrined a belief that the findings scientists and engineers should be the driving force of all aspects of society – political, economic, social

- **Neo-Technocracy**, as used here, defines a system where digital (and its associated technologies) are widely accepted as the driving force of all aspects of society. They become valorised and endemic to the way we live our lives, often without much (or any) assessment of potential consequences

Instinctif_ PARTNERS | Truth.

We may not fully recognise it, but we are now in the second Techno-digital revolution

- Acceleration of AI and a true *Internet of Things*

- Covid-driven **ramping-up of technological transformation**

- The conversion of 'Neo-Luddites' into tech adopters and online shoppers

- **Extended reality** will bring deeply experiential qualities to the online experience

- The **redeployment of digital & logistical capabilities** to feed a 'need it now' culture

- **Buy-Vision:** NBC has rolled-out shoppable TV ads that connect programs to a mobile phone app, enabling viewers to purchase what's on-screen

Take-Outs

1. The medium is often the most important part of the message in Neo-Technocracies

2. We need to better understand how the channel of communication is (or could) influence the nature of our message

3. How do we maintain relevance and cut-through in Neo-Technocracies?

4. The EU institutions are going with the flow, engaging with (or trying to engage with) EU citizens on whatever digital platform people are spending their time, whether it's Facebook, Twitter, LinkedIn, YouTube, Instagram or TikTok. Companies (except for consumer brands) and business associations are often slow to follow, at their peril because they're losing "share of voice."

Instinctif_ PARTNERS | Truth.

Digital
Reflux

Instinctif_ PARTNERS | Truth.

"When digital transformation is done right, it's like a caterpillar turning into a butterfly, but when done wrong, all you have is a really fast caterpillar."

George Westerman, MIT

Instinctif_ | Truth.

- The pandemic has not only liberated technology; it has also ignited an enlightened recognition of the value of human contact

- Even so-called 'digital natives' are now concerned that tech may be stripping-away the humanity from their lives

- Despite all the changes, and the movement away from the analogue world of old, there is still a craving for certain 'less-modern' things

Take-Outs

1. Remember that while digital is important, so too are more traditional ways of communicating

2. Physical experiences remain important, even for so-called 'digital natives'

3. Digital comms can lack emotional depth – being aware of the more transactional nature of digital comms is essential

4. We need to do a better job of making in-person meetings and events so compelling that no one will want to join online, where the risk of distractions is much greater

Nervous Systems

Instinctif_ | Truth.

o We are living in a Global Age of Nervous Systems

- **Political** – think Trump, Bolsonaro, the EU

- **Environmental** – think ocean plastic, water-table contamination, Amazonian deforestation

- **Health** – Covid-19 (and the estimated 1.7 million viruses that remain to be discovered)

- **Economic** – from the Financial Crisis to our current situation

- **Social** – the emergence & acceleration of extremism across the globe

- **Discursive** – the rise of counterfactuals as orthodoxy

Nervous Questions

o What does instability mean for the way we communicate with 'our' audiences?

o Can we play a role in creating social & moral anchors?

o How does life in a Nervous System alter consumer engagement?

o How do we measure communication success in a world of heightened unpredictability?

Take-Outs

1. With Nervous Systems comes the unexpected. Expect the unexpected

2. A Nervous System is also one in which unintended consequences multiply as a consequence of the proliferation of unanticipated events

3. Trust becomes even harder to achieve

4. Are we reaching the end of the era of **Managed Predictability?**

5. It will be important to seek strength in numbers and gain endorsements from allies who enjoy more trust than you . This could lead to multi-stakeholder coalitions ("broad churches") or third-party advocacy strategies

6. Those with an interest in reputation need to be even more sensitive to what's happening around them in real time and have processes in place to allow them to react (in real time) without days or weeks of internal deliberations and review cycles

Thank you

Please feel free to get in touch:

Mark.Thorpe@Truth.ms

Instinctif_ | Truth.
PARTNERS