We now are at a pivot point
The speed of change is mind-boggling

### Facebook Is a Must for Brands Around the World
Percentage of brands present on the following platforms (June 2014)

<table>
<thead>
<tr>
<th>Platform</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>facebook</td>
<td>100.0%</td>
</tr>
<tr>
<td>Twitter</td>
<td>96.3%</td>
</tr>
<tr>
<td>YouTube</td>
<td>94.2%</td>
</tr>
<tr>
<td>Instagram</td>
<td>90.8%</td>
</tr>
<tr>
<td>Google+</td>
<td>79.1%</td>
</tr>
<tr>
<td>Pinterest</td>
<td>75.4%</td>
</tr>
<tr>
<td>Sina Weibo</td>
<td>59.7%</td>
</tr>
<tr>
<td>WeChat</td>
<td>44.0%</td>
</tr>
<tr>
<td>Youku</td>
<td>39.5%</td>
</tr>
<tr>
<td>Tumblr</td>
<td>29.3%</td>
</tr>
</tbody>
</table>

n=382 brands
Source: L2

[Image: statista.com]
Powerful new intermediaries based on exponential technologies: SoLoMo, BigData+AI
Thinking exponentially and ‘digitally native’ becomes the key to future success

**Linear vs. Exponential**

From the book ‘Exponential Organizations’
Exponential increases in the sheer velocity of change

From the book ‘Exponential Organizations’
Don’t be mistaken just because truly intelligent technology was mostly pretty foolish until now.
Gradually then suddenly...
Dramatic (r)evolution of business models as a result of digitization, automation, virtualization, dematerialization, fragmentation and decentralization (ouch)

### Watching the Trends
2013 U.S. home entertainment revenue, by type

<table>
<thead>
<tr>
<th>Type</th>
<th>2013 sales (billions)</th>
<th>Percentage change from 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital purchases</td>
<td>$119</td>
<td></td>
</tr>
<tr>
<td>Subscription streaming</td>
<td>$3.16</td>
<td></td>
</tr>
<tr>
<td>Video-on-demand rental</td>
<td>$2.11</td>
<td></td>
</tr>
<tr>
<td>Kiosk rental</td>
<td>$1.92</td>
<td></td>
</tr>
<tr>
<td>DVD/Blu-ray sales</td>
<td>$7.78</td>
<td></td>
</tr>
<tr>
<td>Rental from stores</td>
<td>$1.04</td>
<td></td>
</tr>
<tr>
<td>Disc subscription rental</td>
<td>$1.02</td>
<td></td>
</tr>
</tbody>
</table>

Source: Digital Entertainment Group

![The network effect](https://example.com/network-effect)

**LinkedIn**
- Members, m: 400
- Market value, $bn:
  - 2009: 10
  - 2011: 30
  - 2013: 100
  - IPO

Sources: LinkedIn; Bloomberg

![B2B](https://example.com/b2b)
Dramatic impact on:
- Business Logic
- Revenue Models
- Communications
- Human Resources
- Product Development
- Customer Relationships

Mobile Social M2M IoT/IoE AI BIG DATA
Welcome to ‘HellVen’
The coming information, data and ‘knowledge’ explosion

Sense-making, relevance, filtering, curation... becomes a huge business

Figure 1 - The Knowledge Doubling Curve
Industry definitions and borders are dissolving
Industry definitions and borders are dissolving
Everything is becoming: Connected, Intelligent, Real-time, Customizable, Multi-Platform.
"Smart Grid" Street Light
- Photocell control
- 0-100% dimming
- On-demand light levels

Concealed Placement Speaker (CPS)™
- Music
- Announcements
- Alerts

Image Sensor *
- Proximity sensors
- Pedestrian counter

Digital Signage *
- Way finding
- Traffic direction
- Alert notification
- Civic information
- Revenue generation via advertising

Environmental CBRNE Sensors *
Seismic Sensors

Water Detection *

* Optional Features

styles from traditional and contemporary styles
Online-Offline convergence: all is real-life now!

THIS controls THAT

Have your house welcome you home this winter.
Various kinds of cloud-based machine intelligence will become the new normal.

Volvo's self-parking car, via Youtube
Consumers as well as businesses now have increasingly abundant choices.
Scarcity ends, abundance increases almost everywhere
Anything anytime anywhere at much lower cost
Welcome to the information, knowledge and experience society
ALWAYS CONSIDER THE UNINTENDED CONSEQUENCES

Source Flickr: http://www.flickr.com/photos/tjblackwell/5328104477/
4 key consumer / customer (e)evolutions: user control explodes, empowerment everywhere, loss of lock-in, waves of disruption
An accelerating dilemma

Increasing...  
User control  
Empowerment  
Abundance  
Transparency  
Velocity

Decreasing...  
Revenue / Unit  
ARPU  
Margin  
Independence  
Control

volatility
uncertainty
VUCA
complexity
ambiguity
Almost everything that can be digitised or automated... will be
Dramatic Evolution in Human-Machine ‘Relationships’
“Please don’t hate me, but my job is to take your job.”
“We will be surrounded by computational power. So for average people, for average users and consumers, you will be living in a world where you are essentially living in a computer, where you are surrounded by intelligence.”

reuters.com Oct 29 2013 Brian David Johnson INTEL Futurist
Soon, really immersive technologies will even more dramatically change what we can ‘see’ and ‘experience’
We will need to re-frame who we are, what we do, and how

“Successful disrupters are people who are capable of an active imagination. They begin reimagining their world by reframing the problem in a way no one had framed it before”
Malcolm Gladwell

2014: YEAR OF THE Mobile Revolution
MOBILE INTERNET USE WILL OVERTAKE DESKTOPS THIS YEAR.
“Proactively Delighting Customers earns trust, which earns more business from those customers, even in new business arenas.”
Jeff Bezos
Focus on better signals not more noise * …as marketing and advertising becomes content
Many things that are not easily digitizable will become increasingly valuable *if...
No matter what your business, strive for creating an immersive experience.
Open Letter to
Elon Musk
Automotive Visionary

Thank you for building the great American car:
The Tesla introduces fun, comfort, and advanced reliability into a phenomenal driving experience.
Please consider the following:

Safet
• Blind spot monitors, cross-traffic monitors, and sound sensors (front and rear) to detect low close objects, such as pecking space barriers
• Voice activated dialing option, that permits speaking the numbers for any phone number
• Large, most convenient touch screen "spot" for answering cell phone calls to avoid disconnecting incoming calls when not matched exactly in place

Conveniences
• Bring the cup holder forward
• Redesign the centre console "shelves" to preserve the Tesla image
• Automate the power charging cap to close if power cord is removed
• Reduce the depth of the sun visor to accommodate short drivers

Media Ads
• People are fascinated by my Tesla, and my wife's Tesla. Promotion of your cars to the general public could only have a positive effect, creating many additional enthusiastic Tesla owners.

Sincerely,
Two VERY highly satisfied Tesla owners from Southfield, New York

Elon Musk @elonmusk · Aug 23
Ad taken out in Palo Alto Daily by two Model S owners is right. Many of the suggestions will be implemented soon.
pic.twitter.com/cF43PxJDgQ
“I call this managed dissatisfaction. The traditional entertainment ecosystem is built on it, and it’s a totally artificial concept”

Reed Hastings, Netflix CEO, 4/2013 via Quartz.com
Long-term competitive advantages

Transient Advantages
In a digital society, constantly creating new values around the core is essential.
Transform your business by adding new ‘digitally native’ values around the core. Use “fail fast, fail cheap, try again” approach.

<table>
<thead>
<tr>
<th></th>
<th>Highly profitable core</th>
<th>Lower margin activities</th>
<th>Subsidized activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple</td>
<td>Hardware, especially the iPhone</td>
<td>Other hardware, iTunes, iCloud</td>
<td>OS X, iOS, iWork, iLife, iMessage</td>
</tr>
<tr>
<td>Carriers</td>
<td>Voice, SMS</td>
<td>Data</td>
<td>Devices, voicemail, directories</td>
</tr>
<tr>
<td>Facebook</td>
<td>Display ads in news feed</td>
<td>Other ad products</td>
<td>Facebook Messenger, Instagram, Whatsapp, Oculus</td>
</tr>
<tr>
<td>Google</td>
<td>Search advertising</td>
<td>Display advertising</td>
<td></td>
</tr>
<tr>
<td>Microsoft</td>
<td>Office, Windows</td>
<td>Cloud, Lumia, Xbox Surface, Bing</td>
<td></td>
</tr>
</tbody>
</table>

Source: Jackdaw Research
Return on Involvement: redefining RoI
Liquid everything: communications, media, commerce, financial, government...
Spend today
$37.60

Spend this month
$197.30

Predicted purchases
Romance Novels

Amazon Recommends
Me Before You
The Girl You Left Behind
Yes, ‘not being sold’ matters again: privacy will be a huge business!

You are not a product.

Say Ello...

I Agree

I Disagree
Pursuing humanness (allowing ‘inefficiency’)

Using technology (driving efficiency)
The future of business: algorithms and ‘humarithms’
Don’t waste your current runway to the future!
Velocity
Unorthodoxy
Collaboration
Anticipation

volatility
uncertainty
VUCA
complexity
ambiguity