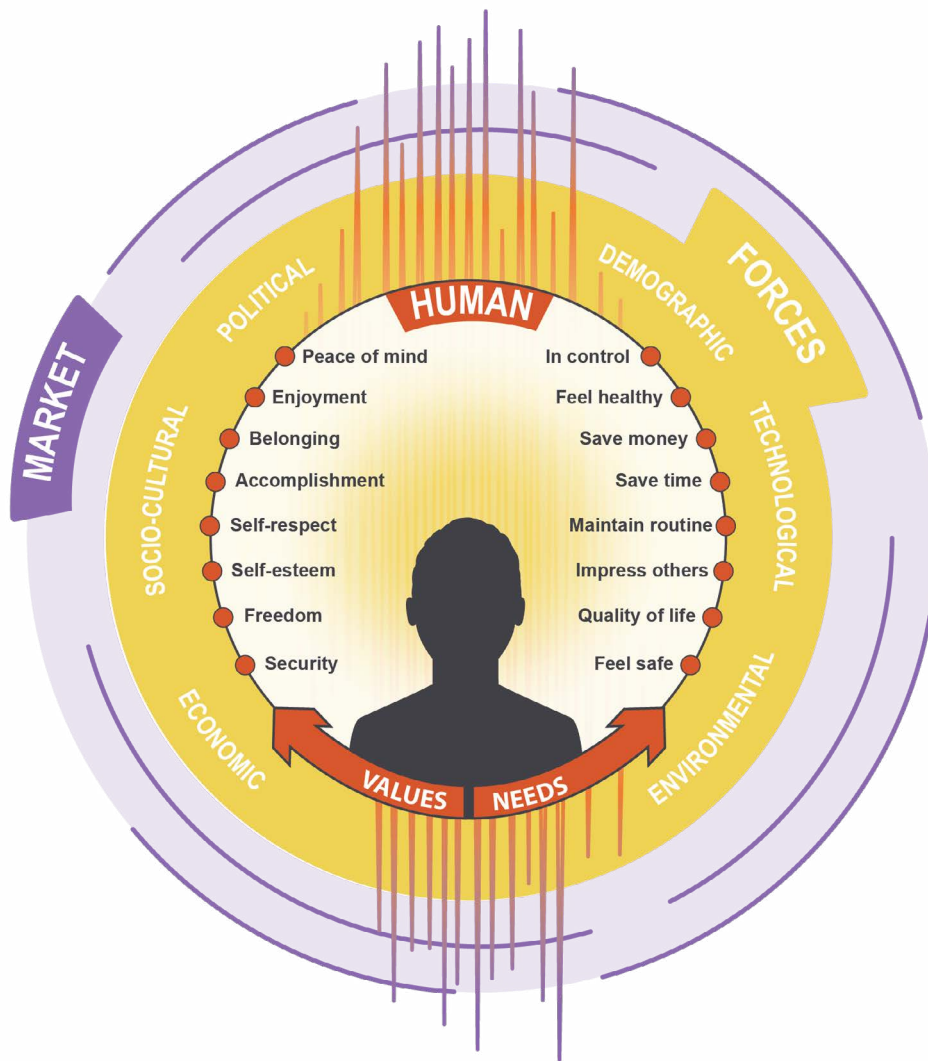


TRENDS + FORCES

Big Tech Less Dominant



Decisions are driven by human values, influenced by cultural forces and shaped in the context of the market.

HUMAN: We understand the human values that give importance to the needs people are seeking to fill through the choices they make.

FORCES: We define the specific cultural forces at play, from macro-forces that create movements and shifts, to micro-forces that influence daily habits, purchase behaviors, and individual and societal values.

MARKET: We identify the brand and category dynamics, such as trends, movements and influences, parts of the human ecosystem that rapidly change over time.



Big Tech Less Dominant



FORCES AT PLAY
socio-cultural
economic
technological



VALUES AT PLAY
power
security
tradition

Over the last decade, Silicon Valley has provided a plethora of tools and services that have become central to many people's lives. After infusions of cash, companies were told to grow first and monetize later, giving rise to the expectation of cheap, transformative services that make previously out of reach luxuries accessible and part of our daily lives (e.g. Uber, food delivery, and more).

But that's changed in recent months. With rising rates in reaction to inflation, big tech can no longer sustain spending and are discarding the "grow at all costs" mentality. Instead, they're focusing on profitability and provoking mass layoffs, falling stock prices, and lawsuits.



MONOPOLY MAYHEM

Many are keen on checking Big Tech's power. They see the collective benefit of not having one company monopolize access points to entertainment.

- We've seen this in the 2022 debacle with Taylor Swift and Ticketmaster. A botched pre-sale event flooded with bots and scalpers, which led to skyrocketing ticket prices and frustratingly long wait times, caused many to call for a breakup of the monopoly of Ticketmaster and LiveNation's 2010 merger. The Senate Judiciary Committee hearing is underway, as they explore whether the merger of Live Nation and Ticketmaster has harmed consumers by stifling the competition.
- The acquisition of Activision by Microsoft was also recently blocked by the FTC in one of the most aggressive checks of power on Big Tech.



Photo Credit: New York Times

Demonstrators outside Senate office building protesting the Ticketmaster / LiveNation monopoly.



OPTING OUT OF SOCIAL

Social media, devices, and entertainment play starring roles in how we live, which makes opting out very challenging. Actively making the decision to do what's right for you, your brand, or organization (as well as your customers) is hard, especially when it means opting out of being seen.

- Lush did just that by deciding to leave Instagram, Facebook, and TikTok last year. After a year of reflection, they have no regrets (especially considering the current dilemmas at Twitter and Meta) and feel more confident in their decision than ever.
- Other brands have also quit social media or greatly reduced their social efforts – fashion houses Bottega Veneta, Balenciaga, and Nicolas Ghesquière, women's creative director at Louis Vuitton, have all wiped their profiles clean in lieu of promoting digital magazines, physical events, and community activations like Lush.



Photo Credit: Lush

Lush unplugged from major social media platforms and invested in its print magazine.



DIGITAL FINANCIAL FRAUD

Crypto and web3 set out to bring people together under the guise of building this new financial system that connects people without the corporate middlemen. Unfortunately, it is not going as planned. There have been arrests, accusations of fraud, a destabilization of the industry, and much more. Some say these are part of the growing pains, while others are more skeptical.

- CoinDesk, the news outlet that covers the crypto industry, recently broke the story on Alameda Research that led to the demise of one of the largest crypto exchanges in the world, FTX. FTX's CEO Sam Bankman-Fried was charged with fraud that two of his former lieutenants said he orchestrated. Congress is now gearing up to regulate crypto, as it's one of the topics receiving immediate attention in the House Financial Services Committee and the Senate Banking Committee.
- Crypto currency and Web3 ecosystems are both experiencing massive amounts of fraud. Immunefi, Web3 bug bounty provider, released a report stating a loss of \$3.9 billion dollars in 2022. Yet despite the continual fraud, researchers predict that the Web3 market will grow to a staggering \$81.5 billion by 2030.



OPPORTUNITIES FOR 2023

- Evaluate emerging opportunities in tech based on risk, reputation, and your audience.
- Understand what your audience is looking for and what they are engaging in when it comes to your messaging and the platforms you use.
- Set realistic goals by “leveraging the expertise of communities and creators already active on these platforms.”



HEART
+ MIND
STRATEGIES