



# FJORD TRENDS 2016

TRENDS IMPACTING DESIGN AND INNOVATION

# WELCOME TO FJORD TRENDS 2016!

**WITH MORE THAN 750 DESIGNERS AND DEVELOPERS, THE BASE FROM WHICH WE CREATE FJORD TRENDS IS NOW THREE TIMES AS DEEP AS IN 2013.**

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Our Trends focus on issues we expect to tackle in the coming year and the impact on design, users, organizations and society. Once again, they reflect what our clients are asking for, our experiences as citizens and users, and our well-informed guesses (we hope!) on the impact of emergent technology.

Some meta themes to take note of...

## These are the new battlegrounds organizations need to understand if they hope to be leaders in the markets that are emerging in 2016.

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### **Living Services underpins everything.**

We see a continuing drive toward the goal of constantly changing services, dynamically responding to user needs and context in real time. Developments are emerging fast, both at a technology level (the rise of AI) and at the demand level (the quantified self is now a widespread liquid expectation, not just the obsession of a few).

### **Smaller, faster, flatter.**

“The pace of change will never again be as slow as it is now” said Matthew Bishop, an editor for The Economist, at the 2015 Innovation Forum. We see an acceleration of services moving toward faster delivery in smaller chunks of activity and content, enabled by APIs and the rise of platforms. The disappearance of apps into platforms is one manifestation of this; the democratization of luxury services is another. Yet just as we seek to hide things, virtual reality creates a whole new rich layer.

### **Social change through digital is unavoidable.**

Whether it's in the workplace, in the home or as a concerned citizen, the urge to design for happiness and impact is one common focus that resonates at the core of many of our trends. We also look at the nuances of a four-generation workforce and how they affect culture and innovation in corporations.

### **Design *thinking* also needs to be about design *doing*.**

We're seeing the largest companies bring the practice of design in-house. Governments are creating entire bureaus of digital engineers. And major corporations are using design thinking to create better experiences for their employees. There is plenty of evidence and momentum for using design to catalyze change. The trick is not to get stuck admiring the promise but activate the doing.

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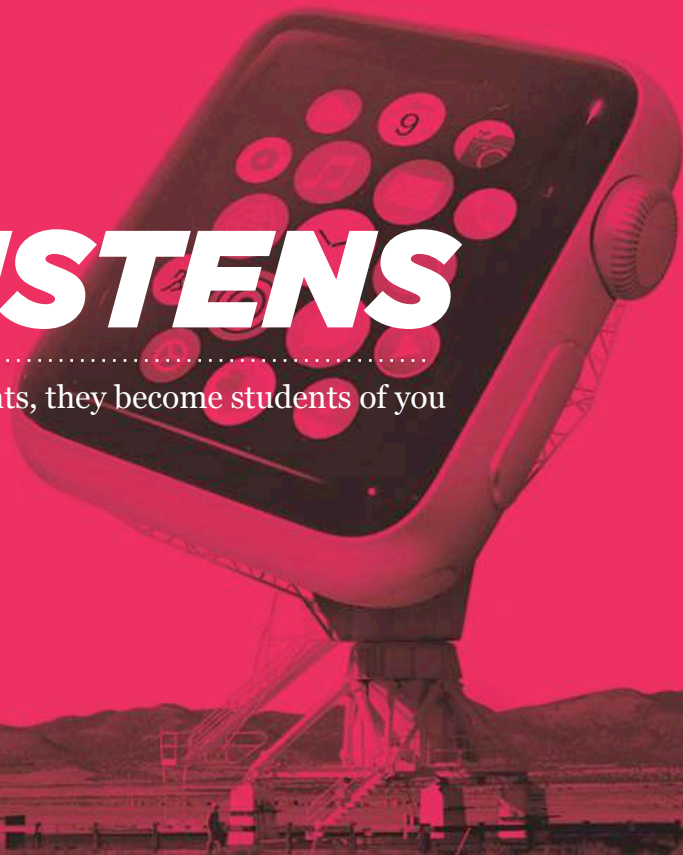
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# ***WATCH...IT LISTENS***

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The true power of wearables and nearables? Through micromoments, they become students of you



**“AS PROMISING AS VOICE TECHNOLOGY IS AS A MEANS OF CONTROLLING THE HOME, IT’S LIKELY ONLY A STEPPING STONE. THE REAL ACHIEVEMENT, INDUSTRY INSIDERS SAY, WILL BE WHEN SIRI OR ALEXA CAN LEARN YOUR PATTERNS WELL ENOUGH TO AUTOMATE THESE TASKS ALTOGETHER.”**

**– AUSTIN CARR, *FAST COMPANY***

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Today, someone is always listening. We have listening devices strapped to our wrists that encourage us to run farther or put down that extra slice of cake. Devices in our homes listen, respond and reorder. These are new, everyday interactions that make it okay for us to share data previously kept private. Whether it’s literally listening to voice commands or the streams of data we create, devices are learning from our micromoments. Listening gives Amazon insight into what we buy and how often. And it’s listening that shows insurance companies just how healthy we are.

In this ecosystem, every action can be beamed, but in return, we get effortless transactions and reactions, not to mention (sometimes) an alternative to glowing screens.

## WHAT'S GOING ON

### **Micromoments are mighty.**

Listening technology allows us to act on any impulse whenever – we can buy, learn, communicate, find, do. All of this has broken the customer journey into a plethora of real-time, intent-driven micromoments. It follows a very predictable pattern – immediate need, relevant reply, repeat – but in an unpredictable sequence. It's changing the way we consume. People go online more often, but don't spend as much time per visit.



This shift has tremendous implications for brands: Consumers are moving away from long-term immersive research, instead seeking short periods of very focused activities that need to be satisfied with bite-sized snippets. **Deliver on these micromoments or someone else will.**

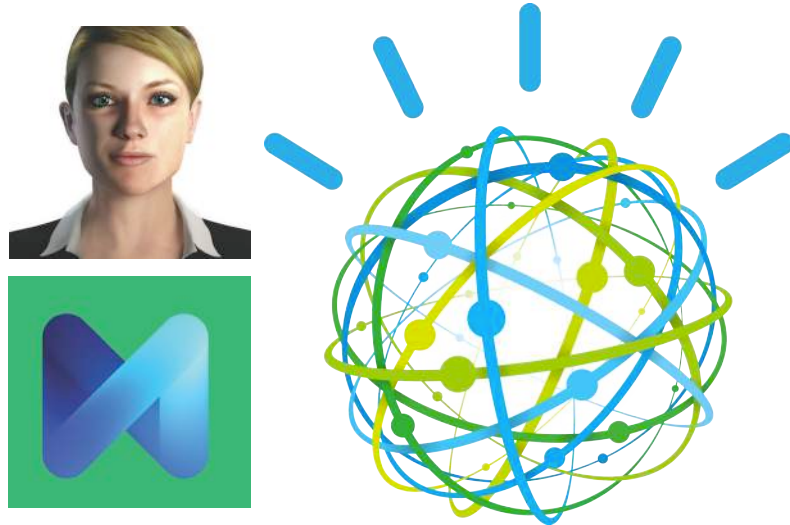
Each is an opportunity for brands to shape our habits. Changing how people continue to “feed” existing habits is just as important as creating new ones. For example, there are electronic toothbrushes that count each stroke and provide immediate reinforcement, which is beneficial for both children and cavity-ridden adults (not to mention many dentists).



## ***LOOKING FORWARD***

Being able to detect exactly how and when consumers decide to reorder a recurring product could prove to be priceless.

**Faceless services** have broken the privacy barrier. Services are inside the home in ways that have never been possible before, and they have the power to simplify our lives by automating many tasks. But taking advantage of such convenience means brands have access to every move we make. Aggregate that data, and you can get a very interesting picture of a consumer.



AI will continue to further push the boundaries of intelligence and design. IBM's Watson, which uses cognitive technology in a variety of applications from oncology to clinical trial matches, is a [technology platform](#) that uses natural language processing and machine learning to reveal insights from large amounts of unstructured data." This type of cognitive technology is the start of the next wave of digital disruption.





## ***FJORD SUGGESTS***

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### **Be first or be non-existent.**

Providing ease through shorter interactions comes at a high cost for competing brands. Early movers will have the ultimate advantage. Imagine a scenario where you ask Alexa for more yogurt, and she orders a brand you preselected. Instantly, every other brand is edged out with a single command. Not every brand should develop its own wearable, nearable or connected environment. Consider whom to partner with to distribute your service.

### **Listen and learn.**

Brands must be able to listen to the messages they are being sent, either explicitly or implicitly. At a minimum, design to show you have heard.

### **Practice “services with manners.”**

As brands continue to capture more data about customers' lives, the question of privacy and data protection looms large. Companies must consider how to best share and protect their customers' information. Read more about our view on Services with Manners next.

# WATCH...IT LISTENS: THOUGHTS FOR TAKEAWAY

Notifications have come into their own with microinteractions. Take the Apple Watch "stand up" notification; it alerts you when you've been sitting down for too long and gently reminds you to stand up. Or turn-by-turn navigation that taps you on the wrist when a turn is needed.

## The Main Idea

## Key Metric



On average, it takes 66 days for a new habit to form.

amazon

IBM

Baidu 百度

logitech

## Who's Doing It?

## Recommended Reading

### Microinteractions: Designing with Details

Dan Saffer

### Micro-Moments: Think with Google

<https://www.thinkwithgoogle.com/collections/micromoments.html>

The image features two black server racks filled with server units. Each rack has a pair of human arms extending from its sides, palms facing forward. On top of each rack is a stack of three books with a red apple resting on the top one. The background is a solid, vibrant red. The title 'SERVICES WITH MANNERS' is written in large, white, bold, italicized capital letters across the center of the image.

# ***SERVICES WITH MANNERS***

Big Data etiquette



## WHAT WE DO WITH ALL OF THE DATA WE GENERATE WILL SHAPE OUR FUTURE. BUSINESSES CAN TURN THE BIG DATA PRIVACY CRISIS INTO AN OPPORTUNITY BY IMPLEMENTING *SERVICES WITH MANNERS*.

Smart technology is offering unprecedented views into who we are and what's happening in our homes, our cars, our bodies and our loved ones' bodies. We've already begun to see Living Services positively impact healthcare, city planning, environmental footprints and more. But with this surge of opportunity comes an extraordinary level of responsibility, and the ability for organizations to leverage these vast data sets in an ethical manner is more important than ever. The success of this connected, transformed world largely hinges on how organizations choose to invest in proper, respectful data practices.

At Fjord, we call the etiquette of big data “services with manners.”



## WHAT'S GOING ON

Collection of personal data is nothing new. However, in the post-Snowden era, the public is anxiously aware that businesses and governments are doing so, and there is a pervasive Orwellian culture of distrust.

Digital trust is more important than ever. In a data economy, data protection and security is a social responsibility. Those that fail to earn trust in how they collect, store and control data will not only lose business and face possible legal ramifications; they will fail to reach their full potential.

Yet, data is a good thing. In fact, [three out of four consumers](#) say they prefer to do business with retailers who use personal information to make their shopping experience more relevant.

The good news is that organizations and policymakers have begun to reverse-engineer consumer distrust with innovative solutions. The Federal Trade Commission released a [report in January 2015 on the Internet of Things](#), which outlined a series of steps businesses can take to protect the privacy and security of personal data.

## LOOKING FORWARD

We expect better practices in business and government. Fitbit is the perfect example of this confluence. In September, the company achieved compliance with the Health Insurance Portability and Accountability Act, a U.S. law that protects personal health information. “We prioritize protecting our consumers’ privacy and keeping their data secure,” the [Fitbit CEO says](#).

The concept of “**privacy by design**” is another area that is taking shape. The notion states that privacy standards should be embedded into technology and the product design process from the get-go.



Main players like [Microsoft](#) have already implemented strong privacy programs based on the concept, and the EU’s impending General Data Protection Regulation includes privacy by design standards, which will mark [the first time](#) it has been incorporated into law.

At the heart of Living Services is the opportunity to improve our lives and world, and with that, consumers must clearly see the benefit of sharing their personal data with companies – **a quid pro quo in the form of discounts, valuable content, added convenience or personalized services.**



## FJORD SUGGESTS

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### **Act it out.**

Act out interactions as if they were **a conversation on stage**. Make your experience a human one. Imagine you were asking a stranger on the street for private information. How would you go about it in a way that would make him or her feel comfortable? Empathetic design changes the camera angle and puts you in other people's shoes.

### **Seams matter.**

Yes, seamless experiences are the goal, but be transparent about transition states. People want to know when they're getting locked into something.

### **Hire a Chief Security Officer.**

Beef up resources dedicated to data privacy and security. On a systems level, invest in new platforms and technologies equipped to handle data responsibly through the supply chain.

### **Be real. Be explicit. But also be nice.**

Remember that brands and corporations are being judged on the same principles and values as a person would. Make sure the intent of a data exchange is upfront, friendly and clear. Find etiquette allies.



# SERVICES WITH MANNERS: THOUGHTS FOR TAKEAWAY

In a connected world, where consumer data is the oxygen that breathes life into Living Services, digital trust is more important than ever. In a data economy, data protection and security isn't just a business imperative – it's a social responsibility.

The Main Idea

Key Metric



of digital users are cautious about the information they share



duolingo

fitbit



Who's Doing It?

Recommended Reading

**Accenture Reports:**  
**Digital Trust in the IOT Era**

<https://goo.gl/WfZEI2>

**Internet of Things:**  
**Privacy & Security in a Connected World**

<https://goo.gl/rzkCC7>



# ***B2WE***

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Why successful organizations will invest in employee experience

## COMPANIES MUST DESIGN AND INNOVATE FOR THEIR MOST IMPORTANT ASSET: EMPLOYEES.

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As demand grows for best-in-class experiences in our private lives, the same level of service can be expected in the workplace. Simply put, employees now expect tailored experiences, fast evolution and personal connection in their careers. As a result, we are seeing the emergence of employee experience (EX) design, where workplace processes, structure and culture are all reimaged at an organizational level. It was the fastest growing category of work at Fjord in 2015 across many industries, from banking to telecom to pharma.

**Career paths are no longer linear journeys.** Employees once started with a foot in the corporate door, paid their dues and worked their way up the proverbial ladder. Now, employees are treating their careers as a series of “tours,” using each new employer as a way to establish a self-determined path, build critical skills and grow outwards.



## WHAT'S GOING ON

Many jobs in the U.S. today are service-related. Technology has enabled skills that are easily transferable across industries. Companies are battling for top-tier talent, and the next generation. Technology has also paved the way for workers to provide services on the supply side of apps like Lyft or TaskRabbit.

During the next 10 years, a philosophical tug-of-war between four generational mindsets will be a reality. On one side, Gen X and baby boomers adhere to more traditional forms of career progression. On the other, millennials and Gen Z, who tend to be more transient, idealize jobs where social impact plays a role. These two subsets will shape the future of the companies they work for.

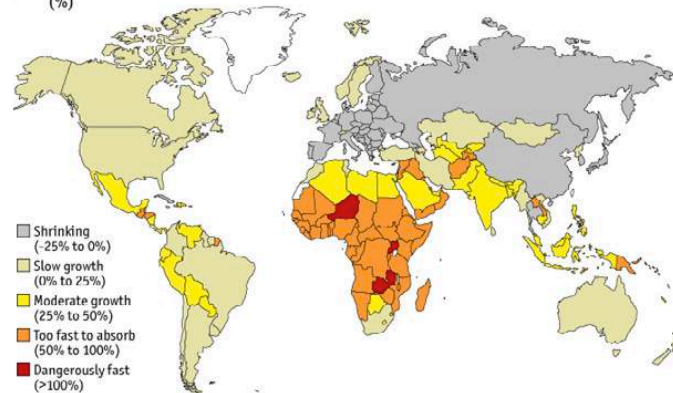
The mismatch is very visible in digital tools. The disconnect between delightful consumer-facing software and clunky workplace tools for anything from time entry to procurement or travel booking is stark for employees, and companies need to move fast to re-imagine the digital services and touchpoints that their employees use.

# LOOKING FORWARD

## Cultures of purpose

Building cultures of purpose will be a top priority of leadership in corporations, through both further experimentation with organizational models as well as the development of employee-centric tools that blend functionality and empowerment. The talent landscape is changing in emerging markets. India, South Africa and China are the most rapidly evolving digital markets, and the skilled labor surplus in those markets will be positioned to meet skilled labor shortages in the developed world.

Change in working age population (15-64), 2010-2030 (%)



Source: World Population Prospects: The 2012 Revision, Medium Variant.

India – with the world’s youngest median population at 29 years old and 12 million people joining the workforce every year – will have a skilled labor surplus of 47 million by 2025, nearly matching the projected skilled labor shortage of 56 million in the developed world. We foresee the global labor market becoming even more flat as EX matures and evolves over time.

Within the decade, AI will play a huge part in our workflow. It’s already happening in the case of Minwa, a Chinese supercomputer that can sort a million images into a thousand predefined categories with an error rate less than the typical person. With AI advances like this, we’ll be able to focus on the tasks where humans always trump AI, like creative decisions.



## ***FJORD SUGGESTS***

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### **Empower your people.**

Autonomy breeds motivation. No one wants to feel like part of the machine, nor do they want to feel that taking initiative at work is daunting because of a lack of clarity on process.

Employees tell us they want to feel inspired to work and focus on what matters to them, be essential to the success of the company and be **trusted to be thought leaders** who can make important decisions autonomously.

### **Embrace the person in your professionals.**

Who we are is as important as what we do. Employees want to feel assured, open and included. Work should be a peer experience that is an extension of their social world.

### **Reward and recognize regularly.**

Money isn't the only payoff. Being acknowledged, feeling unified and supported with the right tools are all things employees want in an ideal work environment.



# B2WE: THOUGHTS FOR TAKEAWAY

Employees are treating their careers as a series of “tours” – using each new employer as a way to establish a self-determined path, build critical skills and grow outwards. EX is an emerging discipline that will continue to grow and be a strategic investment for organizations looking to attract and retain top talent.

The Main Idea

Key Metric



86%

of U.S. jobs are service-related



PIXAR



Who's Doing It?

Recommended Reading

## 10 Principles of Organizational Democracy

<http://www.worldblu.com/democratic-design/principles.php>

## Tours of Duty: The New Employer-Employee Compact

by Reid Hoffman, Ben Casnocha and Chris Yeh  
<https://hbr.org/2013/06/tours-of-duty-the-new-employer-employee-compact>



# ***DISAPPEARING APPS***

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The atomization of services

## APPS ARE NOT ON THE BRINK OF EXTINCTION, BUT THE LANDSCAPE IN WHICH THEY OPERATE IS CHANGING IN DRAMATIC WAYS.

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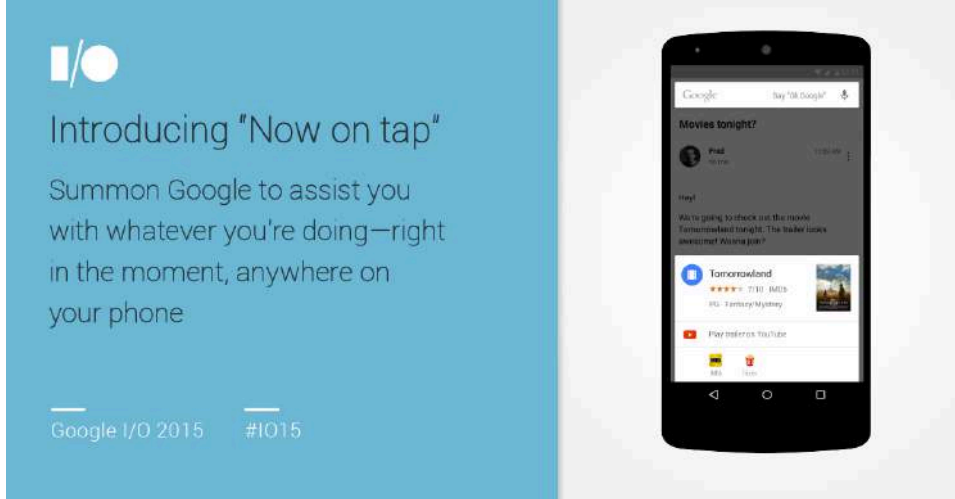
Apps have reached a tipping point, where they've shifted from being user-controlled to proactively powering a user's life. Is the dominance of standard apps about to be broken? **We are in the midst of the atomization of apps.** Atomized brands take a less rigid approach to their products and services, allowing them to be super distributed across various platforms and third-party services, while still retaining their brand identity. They operate in a world where the rules of branding and conventional business structures are fundamentally challenged and disrupted, where services appear to offer themselves intuitively to consumers according to their time, place or situation.

Atomization is widespread in music streaming apps like Spotify, which now transcends environments (think: your living room to your car to your workspace) and is delivered through various branded partnerships. The atomization of Spotify is part of a much bigger transition we're now witnessing.

## WHAT'S GOING ON

We've become app administrators – downloading, opening, closing, deleting and toggling. In response, developers have taken the best services of apps and implemented them in more natural use cases.

Services are becoming more intelligent and integrated as they are atomized. Google's new “Now on tap” feature acts as a personal assistant, examining whatever is on the screen and automatically taking relevant actions. Impressively, it “understands” information about 100 million places – not just where they are located, but when they are busy, when they are open and what you likely to need when you're there.



The act of toggling between apps may disappear. No case is stronger than WeChat, a Chinese messaging app with nearly 600 million monthly active users. Known as the “everything app,” WeChat functions beyond the traditional definition of an app or even a browser, with 10 million third-party apps hosted inside. One feature controls the lights, temperature and settings of your hotel room.

Visa is researching the commerce-connected car that pays for groceries, takeaways and fuel – literally payments (and collection) on wheels. Service or app?



## ***LOOKING FORWARD***

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The future of “app” design will be counterintuitive. Most organizations currently focus on the transaction of a service – and rationally so. However, if you focus on the interaction, or “point of x,” and make it as smooth as possible, the transaction will happen naturally. It’s about **designing for humans**, focusing on **interactions instead of transactions**.

We’ve reached a point where all the technologies and services we have created over the years can intersect and interact with each other autonomously and independent of hand-held devices. Nest is a promising “point of x” that could evolve quickly to be a home hub in rivalry with Amazon Echo. Imagine banking apps seamlessly integrated within a domestic device like this, allowing a user to pay bills, bring in a cleaning service, order groceries, share pictures and more. Cars present another environment where “point of x” thinking will trump apps.

## ***FJORD SUGGESTS***

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### **‘X’ marks your spot.**

Invest in understanding what future “points of x” will be for your user, and design around them. Partner wisely or build your own “point of x” offerings to win the service moments that matter most to users.

### **Service design tools reveal opportunities.**

Journey maps, service blueprints, touchpoint reframing: These are standard tools in the design kit these days and are becoming even more relevant as the self-contained certainty of apps dissolve.

### **Think outside the screen.**

We are moving beyond apps as “things” and into services that may or may not require human interaction to activate. We can untether ourselves from the need to design an app for everything; very often we can find better entry points for services than mobile apps. There must be incentives to motivate this shift – ease of use and fewer steps can be the driver for that.

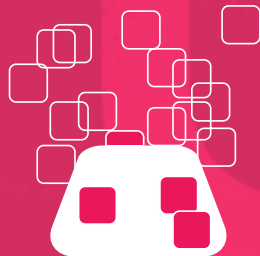


# DISAPPEARING APPS: THOUGHTS FOR TAKEAWAY

We are in the midst of the atomization of apps. Atomized brands operate in a world where the rules of branding and conventional business structures are fundamentally challenged and disrupted, where services appear intuitively to offer themselves to consumers according to their time, place or situation.

The Main Idea

Key Metric



10 million third-party apps reside within Chinese messaging app WeChat



Google



Who's Doing It?

Recommended Reading

## Design for Experience: Where Technology Meets Design and Strategy

Jinwoo Kim  
<http://goo.gl/v80e6a>

## A Eulogy for Dead Standalone Apps

<http://techcrunch.com/2015/12/09/pray-the-lord-thy-code-to-keep/>

# ***THE FLATTENING OF PRIVILEGE***

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How technology is making luxury services mainstream



**DIGITAL EXPERIENCES HAVE GRADUALLY ELEVATED OUR STANDARD OF LIVING THROUGHOUT THE 20<sup>TH</sup> AND 21<sup>ST</sup> CENTURIES. THIS OPENS THE OPPORTUNITY FOR LIVING SERVICES TO DEFINE THE NEXT GENERATION OF PRESTIGE.**

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Which is more impressive: old or new money? Technology is beginning to upend the notion of both, by opening up the luxury service market to the masses. In the past, highly tailored experiences were reserved for the very wealthy, with costs and scale being the main barrier to entry. But with digital technology enabling highly scalable yet personalized experiences, luxury is now available for the masses like never before.

Lifestyles and benefits of the very privileged are becoming suddenly mainstream, thanks to tech. We have chauffeurs drive us from point A to B. Personal assistants wait in line for us, do simple maintenance in the home or assemble furniture (TaskRabbit). Our laundry is picked up, cleaned and delivered to our door (Washio). And our favorite dishes from world-renowned restaurants are delivered to our homes (Caviar). My, how far the world has come.

## WHAT'S GOING ON

Scalable, ubiquitous computing has dramatically changed our perception of what is feasible and within the reach of our social sphere. Using analytics, intuitive visualizations, timely notifications and guidance, financial services can now act as personal advisors for mass-market customers. They analyze patterns of money-related behaviors such as income, spending, savings, and offer strategies that only an elite few could use before.

Peer-to-peer lending is sweeping both developed and developing markets. P2P organizations directly connect borrowers (who are often rejected by traditional banks) and lenders. They also manage each investor's risk exposure by helping to diversify the lending portfolio.

**Tablet Hotels®**  
Hotels for Global Nomads®

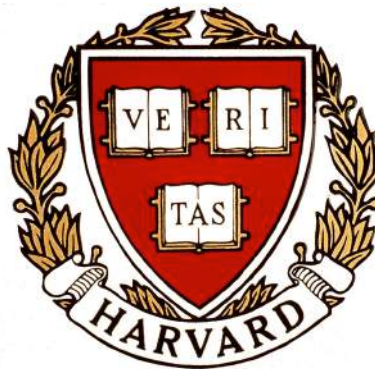


**TRUNK CLUB**  
C U S T O M



Instacart is delivering personal grocery shopping to the masses. This crowdsourced model is a mobile service that allows users to order groceries from multiple local stores and have it delivered within an hour.

Examples abound in a variety of areas like personal assistants from Facebook with M, affordable luxury getaways with Tablet Hotels, pampering with Birchbox and your own personal fashion stylist through Trunk Club.



## LOOKING FORWARD

In the future, any industry with traditional roles and privileged expertise will be challenged. Data ubiquity, E2E customer experience engineering and evolving technologies have become fuel for the democratization of services in banking, healthcare, education, shopping and more.

Prestigious education is no exception. Harvard University is one of many that are now publishing recordings of lectures online. Other digital education platforms offering valuable services include Coursera, edX, Khan Academy, Nautilus and Udacity. These are competing with leading universities by offering full educational programs in high-demand specializations.

As we see the flattening of services, expect to see the emergence of a new strand of luxury, enabled by digital and available to the only to the top of the wealth class. Think personalized technology platforms, or rather, a platinum iOS. After all, mankind is still a status-driven animal.

## ***FJORD SUGGESTS***

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### **Build multidisciplinary teams.**

Business analysts, designers, marketing, product and service managers should work hand in hand. A collaborative and diverse work environment will become an intangible asset that will help companies better aim their efforts toward understanding the users of the future.

### **Look for the platform.**

Seek to transform one-directional businesses into scalable platforms that will empower future users not just to consume services but to find solutions to their problems.

### **Redefine luxury.**

In the luxury business? What does it take to remain a true “luxury” brand in an era of digital democratization? Examine your role from the consumer perspective and ask how you can disrupt your service model now that delivering luxury can be done by anyone. In the era of liquid expectations, what exactly is luxury and high-end?

# THE FLATTENING OF PRIVILEGE: THOUGHTS FOR TAKEAWAY

In the future, any industry with traditional roles and privileged expertise will be challenged. Data ubiquity, E2E customer experience engineering and evolving technologies are the fuel of the democratization of services in banking, health care, education, shopping and more.

The Main Idea

Key Metric



Lending Club funded nearly \$2 billion  
in loans – in Spring 2015 alone.



caviar



Who's Doing It?

Recommended Reading

## How the Future of Luxury Might Help Us All Live Better Lives

[http://www.pearlfisher.com/live/perspectives/  
how-the-future-of-luxury-might-help-us-all-live-  
better-lives/](http://www.pearlfisher.com/live/perspectives/how-the-future-of-luxury-might-help-us-all-live-better-lives/)



# ***FOR THE PEOPLE***

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Approachable government design

## GOVERNMENTS ARE EMBRACING DIGITAL AND USING ITS FULL POTENTIAL TO IMPROVE HOW THEY SERVE THEIR PEOPLE.

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The entry of design into governments is coming about both as a generation of digital natives start to enter junior ministerial ranks, bringing their understanding of liquid expectations with them, and as a way of saving cost in an age (in many countries) of “austerity.” From connecting communities around a cause, addressing asymmetries of information and giving the underrepresented a voice, there has been a great leap forward in terms of how some governments are thinking about the citizen experience. This is moving from a one-size-fits-all approach to finely tuned services that are tailored to individual needs.

We’re even seeing archaic government departments step aside to allow for citizen-centric holistic solutions. This is the year when technology will be in service of the public good. And more importantly, technology will enable a new breed of citizenship.



## WHAT'S GOING ON

In the U.K., the [Government Digital Service team](#) designed, built and ran the GOV.UK “alpha” site in 10 weeks. In Washington, D.C., the U.S. Digital Service’s goal is to ship a minimum viable product within, at most, three months of a project’s initiation. Both the U.S. and U.K.’s digital government departments have published digital design guidelines that are simpler and more sophisticated than many commercial organizations have managed.

We’re also seeing a rise in private digital citizenry, where technology enables social good. In the case of the recent Syrian refugee crisis, [Berlin-based Refugees Welcome](#), described as the “[Airbnb for refugees](#),” has helped refugees from Syria, Afghanistan, Burkina Faso, Mali, Nigeria, Pakistan and Somalia.



Mobile Justice is a mobile app responding to the rising awareness of race-driven conflict with police in the U.S., resulting in the #BlackLivesMatter movement. The app has a simple feature allowing smartphone owners to send video footage directly to the American Civil Liberties Union – all with the simple shake of a phone. The ACLU then systematically reviews it for potential legal action.

New services are rising in response to the concerns around privacy. iRights, an initiative that focuses on the rights of children and young people, sets out a universal framework of digital rights, including the right to easily edit or remove all content they have created.

## LOOKING FORWARD

Instances like the U.K. announcing that providers have to keep user's web logs for 12 months make us pause and consider what would happen with a less benign administration.

Yet, technology has also paved the way for governments and the private sector to solve major challenges together. The White House brought together the U.N. Refugee Agency and Kickstarter, known for crowdfunding creative projects, to raise money for the Syrian relief effort. The weeklong partnership raised nearly \$1.8 million, which can be used to provide necessities and a place to sleep for more than 7,000 people in need.



When government is not reacting quickly enough, the private sector will deliver digital platforms. F6S is a social innovation forum for startups, advisors and investors, and enables people globally to apply to accelerators, pitch investment funds, and post or apply for jobs.

The focus of public service design will be vastly different for more established, democratic governments like the U.S. and U.K., which will focus on the quality of design output. Countries like Dubai and Singapore are making more radical statements with technology.



## FJORD SUGGESTS

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### **Plain language.**

Governments should use simple language focused on content, structure, navigation, grouping and completion. Sweden, for example, has legislation that requires all government communications to meet [plain language standards](#).

### **Be sensitive.**

Too many government services, tools and processes are opaque and cumbersome. Immigration, making a tax submission, dealing with a law suit, deciding on child care after parents have separated, adopting a child – these are very important but also anxious experiences for most. All the more critical that governments bring humanity back into their interaction with citizens.

### **Outside in design.**

Utilize a research-led approach to generate rich insights that can then be used to spark innovations. By considering the entire ecosystem, and using research to uncover insights, service design reveals an outside-in view of:

- The people in the ecosystem (citizens, intermediaries and government staff);
- The places in which the service is experienced (face to face, online, on the phone);
- The products used by everyone (software, digital tools, printed material, physical products);
- The processes that people follow; and
- The performance of the whole system.

# FOR THE PEOPLE: THOUGHTS FOR TAKEAWAY

Digital is pulling world leadership in divergent directions, yet technology has also paved the way for the private sector and governments to solve major challenges together.

The Main Idea

Key Metric



**7,000 PEOPLE IN NEED**



could be helped by the \$1.8 million raised in one week by the White House via Kickstarter



**AVAAZ.ORG**

Who's Doing It?

Recommended Reading



GOV.UK

**Digital Revolutions: Activism in the Internet Age (World Changing Series)**

Symon Hill

**Digital Government at Work: A Social Informatics Perspective**

Ian McLoughlin, Rob Wilson





16.50

# ***HEALTHY IS THE NEW WEALTHY***

The newest currency? Our health

7.50



**MEASURING OUR WELLNESS IS OPENING A NEW STREAM OF REVENUE FOR AN UNEXPECTED BENEFICIARY – INDIVIDUALS. WE LIVE IN AN ERA OF FLAT INCOMES, UNCERTAIN JOB PROSPECTS AND RISING HEALTHCARE COSTS. THE CONFLUENCE OF THESE FACTORS IS CREATING A NEW SET OF CURRENCIES THAT MAY ACTUALLY BE WORTH MONEY: HEALTH DATA.**

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There are a few key elements that caused the trend to emerge: Consumers are using health monitoring for both leisure and preventative care, technology innovation has decreased these former costs significantly, but conversely rising health costs overall have created a critical moment in the market.

Now, self-monitoring is no longer reserved for a small, tech-savvy customer segment. As the speed of innovation increases, cost of health tech has decreased; a large contingent are now priced under \$100, from the Fitbit Zip and Jawbone UP MOVE. The market for wearable health trackers is expected to grow 600 percent by 2019. It's not only about health and wellness devices becoming cheaper, but features are also commonly bundled – at no extra cost – with gadgets like smartphones (running app, step counter features) or smartwatches.



## WHAT'S GOING ON

Health is no longer a complex cost managed by a closed set of entrenched players. It is now something we can all keep track of, learn from and reward. And other industries are asking themselves – is this somewhere we can play?

In the financial services sector, John Hancock, an American insurance firm, created an Apple Watch app where customers can record their activities and earn up to a 15 percent discount on their annual premium based on healthy patterns of behavior. Cigna released a pilot program in 2014 by giving BodyMedia (acquired by Jawbone), a wearable-based body monitoring system, to thousands of employees. Results showed that employees at high risk of contracting diabetes have improved their risk profiles since the pilot was launched.



The Oscar health insurance company started supplying customers with a Misfit Flash and offered users a \$1 credit every time they hit their step goal, with rewards in Amazon vouchers of up to \$240 a year. Not only do rewards decrease premiums for customers – it also generates loyalty and commitment to the provider.

In Australia, Medibank (a health insurer) and flybuys (a loyalty program) give customers points for providing their fitness data and for making healthy decisions. The partnership explicitly suggests the use of a tracker. Notably, flybuys links a major retailer, a telco and an airline, among others.



## ***LOOKING FORWARD***

Now, data is the newest fitness accessory. But this will have the effect of turning fitness into wellness – a much bigger opportunity. The consumer market is now very comfortable with the practice and progression of self-monitoring. We’re starting to see the consumerization of healthcare. In the healthcare industry, this trend translates into a “beyond the pill” strategy.

The impact from this cocktail of self-serve devices and data is emphatic. It allows us to be proactive about preventative care and positive behavioral change, facilitate more productive and timely interactions with healthcare practitioners and also minimize avoidable and costly healthcare emergencies.

We are seeing the emergence of medical approaches like precision medicine, which tailors treatments to an individual’s lifestyle and genetic profile, saving costs and improving people’s overall quality of life. The initiative, announced by [U.S. President Barack Obama](#), hopes to enable “a new era of medicine in which researchers, providers and patients work together to develop individualized care.”

16.50

## ***FJORD SUGGESTS***

### **Imagine your products and services as wellness agents.**

What would they be? What partnerships do you need to deliver such a vision? Companies like Kaiser Permanente and Aetna are opening their platforms to third parties to enable them to build new services on top of their data connecting third-party wearables, apps, and services.

### **B2WE wellness.**

On the employer side, companies across all industries can tap into the nearly \$2 trillion in health savings that can be realized through this kind of guided behavioral change. Examples of this are data-powered companies like Vitality, Castlight Health and HealthSparq. Under the U.S. Affordable Care Act, employers can give their employees up to a 30 percent discount on insurance premiums for participating in company wellness programs.

### **Think beyond the pill.**

The emphasis is changing from product-focus to outcome-focus. Pharma companies are now taking to heart the idea that in every product there is a service waiting to get out, which means integrating a holistic service offering providing added value through digital services like telehealth, wellness programs, connected devices and smart pills. They will also have to invest in consumer-facing brand development.

### **Culture change.**

To rebuild healthcare in a sustainable way, a new mindset is needed. The customer journey has to be rebuilt from the ground moving the “point of care” (or as we might say, experience) from costly hospitals to the patient’s home and the “level of care” from specialized care to new levels of empowered self-service.

# HEALTHY IS THE NEW WEALTHY: THOUGHTS FOR TAKEAWAY

From monitoring sleep patterns, number of steps taken each day, food and alcohol intake, and other personal metrics, the 'Quantified Self' movement is ingrained.

## The Main Idea

## Key Metric



Wearables and fitness trackers are estimated to grow from 41.8 million in 2015 to 99.1 million in 2020.

JAWBONE®



BODYMEDIA®

theranos

## Who's Doing It?

## Recommended Reading

### The Quantified Self (The MIT Press Essential Knowledge series)

Gina Neff, Dawn Nafus

<http://goo.gl/c8xqyq>

### Information Privacy in the Evolving Healthcare Environment

Linda Koontz

<http://goo.gl/BhHxMK>



A composite image featuring three cats, each wearing a black VR headset. The cats are positioned in a triangular arrangement: one at the top, one at the bottom left, and one at the bottom right. The background is a solid, vibrant magenta color. The text 'VR'S DREAMS COME TRUE' is centered over the image in a large, white, bold, italicized sans-serif font. Below the title, a horizontal dotted line separates it from the tagline.

# ***VR'S DREAMS COME TRUE***

This year it's happening. Really

## NO LONGER A VISION OF THE FAR-FLUNG FUTURE, VIRTUAL REALITY WILL LIKELY MAKE ITS MAINSTREAM DEBUT IN 2016.

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Not too long ago, VR was a technology so bulky and expensive that it was relegated to military flight simulations. Fast forward to 2016, the “critical year for virtual reality,” as Sony, Oculus, and Samsung will release consumer versions of their products in the first half of the year.

Marketed as the next step for gamers, Oculus Rift and competing VR products will feature their own platforms and accessories. Believe it or not, VR is about to become a really big business.

VR will obviously offer the next dimension in gaming, but it's the unexpected applications that we at Fjord are intrigued by. From education to tourism to health, VR will begin finding its place in our work, play and homes.



## WHAT'S GOING ON

Companies are mobilizing for VR, and many consumers are poised to acquire one of the anticipated devices available in early 2016 like the [Oculus Rift](#). [Samsung](#) released its Gear VR at the end of 2015, at a low entry point of \$99, Sony plans on releasing its own VR headset in 2016, **and Microsoft has released the HoloLens to developers already.**

Companies are creating platforms for experimentation with the technology. Most notable is [Google Cardboard](#), a universally affordable system for mounting a smartphone inside a DIY cardboard headset that creates a personal VR system. The New York Times gave away over a million Google Cardboard kits to introduce the first of a series of VR films. Nokia OZO is a VR camera created specifically for professional content creators.



VR as an educational tool will also see a big lift in 2016. Google announced that schools in 12 U.S. cities and three in Canada, Denmark and Singapore will get [kits](#) outfitted with everything to take their kids on VR field trips.

For businesses, VR will likely [impact processes](#). One clear influence VR will have is on how we meet and collaborate. AltspaceVR is a means of using VR to meet and connect with others in a virtual space. Beyond enhancing how we collaborate, there will also be new ways to enhance individual productivity.



## LOOKING FORWARD



In 2016, early adopters will give VR technology a try in their homes and workplaces. New movie formats will likely emerge as well as services to create them, such as the [Oculus Story Studio](#), a team that focuses on developing new methods and techniques for VR movies. We will also keep seeing new peripherals being introduced, such as the [Oculus touch](#), [Google Cardboard's Jump camera rig](#) and [other motion-sensing devices](#) designed to enhance the VR experience.

From [virtual tourism](#) to [immersive journalism](#) to [exposure therapy](#), VR can change many industries beyond gaming. The question will not be if, but how and when VR will impact business processes and customer experiences.

In order to look into the future, sometimes you must look back. Technology like augmented reality has been in the market longer than VR. Take for instance, the Blippar app, which brings ordinary objects and posters to life with an augmented layer. QR codes are yet another precursor to the VR wave that's about to emerge. As designers, we instinctively rebel and recoil against QR's visual clutter. But in the Asia-Pacific region, QR codes work surprisingly well at a mass level. What it does well is signal to the user that an AR layer exists, albeit in an ugly manner. Will AR and VR merge to create an entirely new experience?

## FJORD SUGGESTS

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We expect that VR, regardless of the delivery method, will start to enhance and extend many industries and services. The key will be to identify VR's place in your business.

### **Try it.**

Oculus, Sony, OZO or Samsung Gear? It may be difficult to know where to start with VR, but we believe that market leaders will take the view that anywhere is better than nowhere. Google Cardboard makes it easy to obtain a low-cost initial experience with VR.

### **Resist starting a VR unit.**

Many of us know the challenges of having an organization that mirrors a device ecosystem. As new technologies such as VR emerge, resist the urge to create a specialized team only dedicated to that device. Instead, think about how the overall user or business process should be supported by the technology, and they'll work together with a unified, device-agnostic team.

### **Think beyond gaming.**

It will be crucial for businesses to understand how the technology can be used for business processes as well as customers. Will VR conference calls be more productive? Can travel be eliminated or scaled back, in favor of virtual collaboration? Can you work on-site, while staying off-site?

# VR'S DREAMS COME TRUE: THOUGHTS FOR TAKEAWAY

Companies are invested in creating or acquiring VR devices and are creating platforms for experimentation with the technology. Most notable is Google Cardboard, a universally-affordable system for mounting a smartphone inside a DIY cardboard headset that creates a personal VR system.

## The Main Idea

## Key Metric



The cost to get involved with VR today is \$20 – the average cost of a premade Google Cardboard Kit. (Or download free plans and build it yourself.)

The New York Times

NOKIA

Oculus  
storystudio

AltSpaceVR

## Who's Doing It?

## Recommended Reading

### Virtual Reality Gets Real

<http://www.theatlantic.com/magazine/archive/2015/10/virtual-reality-gets-real/403225/>

### Social or Solitary? Oculus and Sony Directors Debate the Future of VR

<http://www.wareable.com/vr/social-solitary-virtual-reality-oculus-sony>



# ***TAKING THINGS OFF THE THINKING LIST***

.....  
Simplicity wins in an era of all-you-can-choose





## “EVERYTHING WAS BETTER BACK WHEN EVERYTHING WAS WORSE.”

– DAVID SIPRESS, *THE NEW YORKER*

Thanks to the digitization of everything, we now have the most hyperreactive markets in history. However, innovation at this speed comes with an unintended consequence – **a never-ending glut of options**. From more than a million apps in the Apple Store to your grocery’s milk aisle, every aspect of our lives now requires making a choice.

It is becoming increasingly difficult for consumers to make sense of all the noise. An increased demand for decision-making takes a physical, mental and emotional toll, yet we’ve continued to demand more attention, decision-making and interactions from people throughout the day. One of the more startling revelations of recent years is that people are more likely to make poor decisions, be less satisfied, and switch off entirely when confronted with the burden of increased choice.

Hence, the desire for people to take things off the “thinking list.”





## WHAT'S GOING ON

Consider this – [the average person makes more than 200 decisions a day on food alone](#). Aldi built a successful and disruptive business model while offering significantly fewer choices than traditional supermarkets. When Proctor & Gamble cut its Head & Shoulders line from 26 products to 15, the organization saw a [10 percent increase in sales](#).

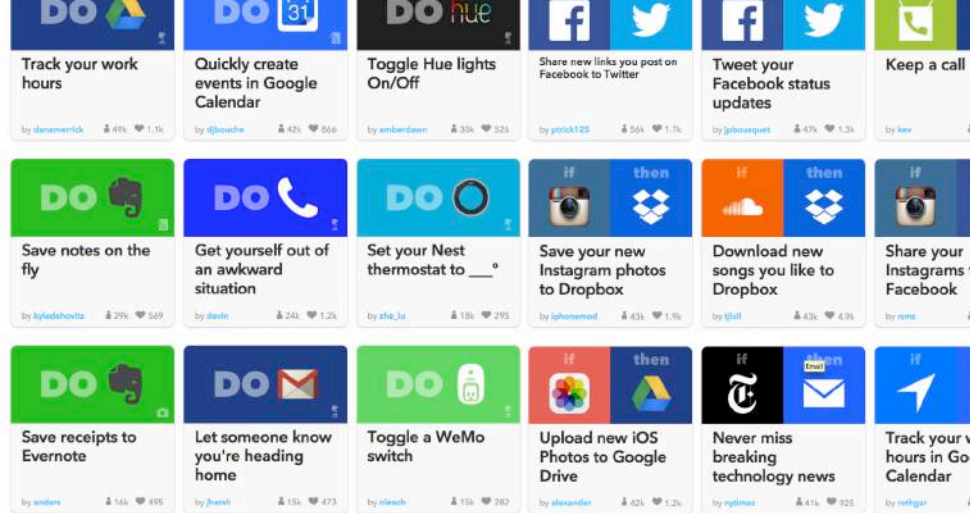
How can we find better ways to identify and deliver what people need, while reducing the thinking required to fulfil their needs and goals? A strong example is Amazon's innovative Dash Button. The first-mover brands that secure real estate in the home have effectively shortened the purchase decision funnel into a straight shot of brand loyalty.

Digitally-powered box subscriptions offer curated surprises and take the chore of choice out of the equation. The thrill of unboxing is part of the attraction, where presentation and personal touches like handwritten notes are part of the experience. These subscriptions target some of the most crowded and confusing spaces. Powell's Books deliver hand-picked books, Bitsbox teaches kids to code, and your dog gets in on the action with BarkBox. And "freemium" apps like Evernote, Spotify and Dropbox offer enhanced services over their base services with paid elite or premium memberships.

Data is the engine for these subscriptions that tick off our "thinking lists."

## LOOKING FORWARD

Services that are able to anticipate needs by not only providing personalized messages and suggested options, but automating low-maintenance decisions, will be an important step. We're already starting to see this with Google Now, while Australian startup Pocketbook prompts users of their upcoming payments and bills to avoid missed payments. For choices and decisions that require greater knowledge of a product or a clearer articulation of the consequences and outcomes of any given choice, expertise (human or digital) and well thought out design will be required.



IFTTT is a service that allows users to create custom connections between their apps and digital utilities. For instance, you can add Alexa notes automatically to Evernote. [IFTTT was valued at \\$200-plus million in 2014](#). Need further proof of the need for simplification? IFTTT users are now creating about 20 million shortcuts each day, organized across more than 170 public channels.

## FJORD SUGGESTS

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### **Remove the burden of ordering.**

Think of ways to help your consumer stop browsing. Find the things they like and don't know about. And get it right. For example, the point of a snack subscription like Graze is not to be a grocery store to order from, but a service that does the selection for you.

### **Use diverse interaction paradigms.**

Gestural, environmental or ambient interactions are able to interpret an input and provide a response that is available when needed, and not demanding when it's not. Traditional push/pull interactions typically require a user's attention, decision-making ability and learned behavior.

When engaging with customers in scenarios where they need to choose, **coach and teach them how to choose** by introducing simple or limited choices before moving progressively through complexity.

There are also other ways to simplify: **algorithms and expert curation**. We don't necessarily want a music service to clean up its music to just the most popular. Bottom line: While simplification wins, don't oversimplify and sacrifice thrill of discovery.



# TAKING THINGS OFF THE THINKING LIST: THOUGHTS FOR TAKEAWAY

Increased demands for decision-making takes a physical, mental and emotional toll, yet we've continued to demand more attention. One of the more startling revelations of recent years is that people are more likely to make poor decisions, be less satisfied, and switch off entirely when confronted with the burden of increased choice.

The Main Idea



bitsbox



mailwise

Who's Doing It?

Key Metric

Recommended Reading



The average person makes more than 200 decisions on food alone every day.

## The Culture Industry: Selected Essays on Mass Culture

Theodor Adorno

## The Life-Changing Magic of Tidying Up

Marie Kondo



# ***DESIGN FROM WITHIN***

Corporations bring design thinking in-house

**“WHEN DONE WELL, DESIGN BECOMES A CULTURAL INTERPRETER AND FACILITATOR ACROSS THE ENTIRE ORGANIZATION.”**

**– MAURO PORCINI, CHIEF DESIGN OFFICER, PEPSICO**

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The average lifespan of an S&P company has gone from 67 years in the 1920s today to just 15 years today. The pressure to innovate has never been stronger. In 2014, \$1.6 trillion was spent in R&D globally. Yet, in consumer goods, for example, research shows that more than 85 percent of the products fail.

As a result, we’ve seen corporations invest directly in business incubators and innovation labs, bringing design thinking and problem solving in-house. It’s almost become the price of entry in the consulting and financial industries, with the recent acquisitions of Adaptive Path by Capital One, Spring Studio by BBVA, and Designit by Wipro Digital. Why? Arguably it’s harder than ever to gain sustainable differentiation from technology and business-focused innovation alone. Culture – as experienced through design-led innovation – may be the best way to claim sustainable territory, because it is so much harder to copy.



## WHAT'S GOING ON

Since 2009, [six major US banks have made strategic investments in 30 fintech startups](#) ranging from emergent payment technologies, data analytics, personal finance and P2P lending. In retail, Walmart, Staples and Zappos have all gone through successful innovation initiatives. CVS Health has just opened its innovation hub in Boston, which is providing a learning framework for startups.

Corporations are finding that innovation can be extremely elusive. Fostering demands a new approach to business, where empathy is established with users, models are created to examine complex problems, and failure is tolerated, even celebrated at times. This is an approach where **design is in the doing**.



We're seeing the emergence of design-led thought leadership. eBay brought in John Maeda as a chairman of its newly formed design advisory board. The company now proudly promotes design as part of its [DNA](#). In 2012, PepsiCo hired its first Chief Design Officer, Mauro Porcini, who oversees design-led innovation across all company's brands.

MassMutual, set out to tap into the millennial market with its product offerings. The result was "Society of Grownups," a true omni-channel financial planning master's program for adults. The business platform features not only a digital and online offering focused on financial literacy but also a physical location with a classroom, check-up booth, library and café. The approach was truly disruptive, requiring a new brand and service structure.



## LOOKING FORWARD

For many companies, the journey toward design maturity carries two main challenges: process integration and scale. Integrating designers within a mature corporation is a very different matter than adding a vertical capacity. People from the leadership level will need to help spearhead initiatives of this scale.

For some companies it will make sense to integrate design throughout the organization, while others might see the value of its integration only in consumer-facing units. In the end, it will not matter “where,” but “how.” Ultimately the success formula will lie in the execution, and in such a volatile ecosystem, this will mean embracing a human-centric approach to design across the board.

It behooves us to take an existential step back and ask ourselves: As design moves in-house, what will the implications be for our very own future, as Fjord? We (and our clients) still see the strong need for non-industry-aligned partners to be nimble problem solvers and thought leaders, especially since the pace of change in today’s climate is so incredibly fast.

## ***FJORD SUGGESTS***

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### **Success looks like this.**

Consider having C-level support, pilots and MVPs use a common language for design. Drive conversations from principles and bridge organizational silos. Encourage collaboration and co-creation workshops.

### **Size doesn't really matter.**

Obviously, it depends on the business but the central number in an in-house design “swat” team seems to be around 30. The important part is having the right mix of players. Hire change agents and create the conditions for them to thrive. Make sure they are nimble at facilitation, concepting, prototyping and experimentation. Cultivate a great culture.

### **Isolation=Bad.**

Be wary of the temptation to have a totally separate design/UX team. It may be better to build small groups into the existing organization, alongside design-savvy product owners.

### **Space does matter.**

Create spaces where design can thrive and foster creativity in everyone. Make places where the walls become the workspaces and everyone sees the collective progress being made.

# DESIGN FROM WITHIN: THOUGHTS FOR TAKEAWAY

More of our clients are asking us to set up design studios in collaboration with them. We asked our studios how their clients are handling design within large organizations – in particular, the most asked question is, “Where does design sit? With the CIO, CMO or elsewhere? Or even as a separate unit?”

ebay

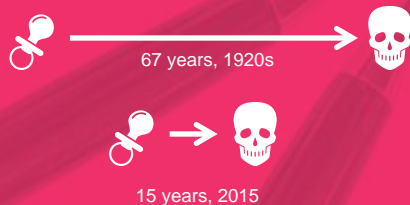
CVS  
pharmacy

Walmart

MassMutual  
FINANCIAL GROUP

## The Main Idea

## Key Metric



The lifespan of S&P companies has gone from 67 years in the 1920s to just 15 years today.

## Who's Doing It?

## Recommended Reading

### Here's Where Six Banking Giants Are Placing Their Bets On FinTech Startups

<https://www.cbinsights.com/blog/major-banks-fin-tech-startup-investment-trends/>

### Good Design Drives Shareholder Value

<http://www.dmi.org/?page=DesignDrivesValue>

## FJORD™

### About Fjord

**Fjord**, part of **Accenture Interactive**, is a design and innovation consultancy that reimagines people's relationships with the digital and physical world around them. We use the power of design to create services people love. By combining a human-centered approach with robust methodology, we work with some of the world's leading businesses to make complex systems simple and elegant. Founded in 2001, Fjord has a diverse team of more than 750 design and innovation experts in 19 studios around the world, including Atlanta, Austin, Berlin, Chicago, Helsinki, Hong Kong, Istanbul, London, Los Angeles, Madrid, Milan, New York, Paris, San Francisco, São Paulo, Seattle, Stockholm, Sydney, and Toronto. For more information visit <https://www.fjordnet.com> or follow us on Twitter [@fjord](#).

## accenture

### About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 358,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US\$31.0 billion for the fiscal year ended Aug. 31, 2015. Its home page is <https://www.accenture.com>.

## accenturedigital

### About Accenture Digital

Accenture Digital, comprised of Accenture Analytics, Accenture Interactive and Accenture Mobility, offers a comprehensive portfolio of business and technology services across digital marketing, mobility and analytics. From developing digital strategies to implementing digital technologies and running digital processes on their behalf, Accenture Digital helps clients leverage connected and mobile devices; extract insights from data using analytics; and enrich end-customer experiences and interactions, delivering tangible results from the virtual world and driving growth. Learn more about Accenture Digital at <https://www.accenture.com/us-en/digital-index.aspx>.





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