

# August 2011

**This edition covers:**

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- **The Future of Influence**
- **Social Learning**



**FUTURE  
PERSPECTIVE**



**Burson-Marsteller**  
Europe, Middle East & Africa



**Strategic Research  
and Innovation**

# HAPPYNOMICS

The sudden upsurge of interest in our emotional well-being from a variety of secular organisations – including [Action for Happiness](#) – could easily be dismissed as some kind of pie in the sky, “Big Society” clap trap, were it not for tangible proof that a happier workforce is a more productive one and that there is currently a happiness deficit in spite of our relatively affluent Western lifestyles.

### Evidence

→ [Surveys](#) in Britain and the U.S. show that people are no happier now than in the 1950s – despite massive economic growth.

→ Trust is a major determinant of happiness in a society. Levels of trust vary widely between countries. The percentage of people who say “Most people can be trusted” is only 30% of people in the U.K. and U.S., compared to 60% some 40 years ago. But in Scandinavia the level is still over 60%, and these are the happiest countries too [data pre twin terror attacks].

→ Although our genes influence about 50% of the variation in our personal happiness, our circumstances (like income and environment) affect only about 10%.

→ As much as 40% is accounted for by our daily activities and the conscious choices we make. So the good news is that our actions really can make a difference.

### Measurement

→ In an effort to measure well-being beyond per capita GDP, UK Prime Minister David Cameron has just created a [National Happiness Index](#) to provide [quarterly measures](#) of how people feel. The first results will be available in July 2012.

→ [Happiness as the new economics](#) is an appealing thought, but it is hard to imagine any major economy looking at happiness instead of money any time soon. Happiness is notoriously hard to measure, and hence data is hard to obtain. NEF (New Economics Foundation) is one organisation that has looked at well-being around the world and produced this [Happy Planet Index](#).

### Happiness can't be bought

→ Most people think that if they become successful, then they'll be happy. But [recent discoveries](#) in psychology and neuroscience show that this formula is backward: happiness fuels success, not the other way around. When we're positive, our brains are more motivated, engaged, creative, energetic, resilient, and productive.

→ If further proof were needed, after an initial period of euphoria [lottery winners](#) are found to revert to the same level of happiness they felt prior to their win.

### 7 Reasons why happiness is key to business success

1. Happy customers are keen to tell people about their positive experience
2. Unhappy customers talk to the MOST people about their negative experience
3. Happy customers are repeat customers
4. Happy customers will pay more for a great experience
5. Happy customers are loyal and flexible
6. Happy customers will drive your marketing for you
7. Happy employees are more productive, creative and loyal

## COMMUNICATIONS TAKEOUT



### THE BUSINESS OF HAPPINESS

#### ©The Futures Company

#### Consumer Futures

Understand what makes consumers happy, how much of a priority happiness is, and how it affects behaviours and customer interactions.

#### Brand Futures

Determine if happiness should be central – or simply a component part – of your brand and how this should be framed

#### Category Futures

Identify which dimensions of happiness are relevant for your category and where permissions lie

#### Company Futures

Determine the role happiness should play in your organisation's culture and its link to recruitment, motivation and retention

#### Macro Futures

Monitor how happiness is evolving and the expectations this will set for the future

#### TEST YOUR HAPPINESS:

TAKES ONE MINUTE TO COMPLETE

<http://bbc.in/q9qRkO>

### FUNNY MONEY

So we have established that money can't buy you happiness, but how will the world look as we move closer and closer to a "moneyless" society. Will the term "filthy lucre" finally be rendered redundant?

#### Mass Mirage

→ Money is going out of fashion. At least coins, notes and cheques most certainly are, only to be replaced by electronic transactions of all kinds. It has been a very long time since the numbers in your bank account had anything to do with real wealth. Currency once stood in as a token for something valuable - like gold - but modern currencies are more like a mass mirage that we can all see. As long as we all agree that a currency has value, and preferably the same value, then it all stacks up.

#### Virtual Goods

→ Due to an overall increase in consumer confidence, analysts believe the sale of virtual goods could rake in more than \$2.2bn this year and around \$12.5bn worldwide, according to ThinkEquity. That's a dramatic burst of cash compared to just two years earlier, when the virtual goods market tallied \$738mn in the U.S. and \$6.3bn worldwide.

#### Risky Business

In the UK, a 29-year-old hacker was [caught stealing the identities of two Zynga employees](#) and swiping \$12mn in the company's virtual currency. Given the potential loopholes, International regulators are now wrapping their heads around an industry that only a decade ago hardly existed.

#### Virtual Currencies

→ [Bitcoins](#) are produced without the involvement of governments or banks, thus avoiding taxes. Instead, they are generated by software and are stored in an online e-wallet, similar to cash. As of May 2011 there were 6.2mn Bitcoins in circulation and the value has rocketed to over \$6 per Bitcoin, making the total Bitcoin economy worth over \$36 million.

→ Several of Silicon Valley's tech behemoths are also battling to take control of this burgeoning market. After dabbling more than a year on tests with [its Credits system](#), [Facebook's virtual currency](#) hit its stride last September when it became, among other things, the exclusive payment method for most applications created by Zynga, the developer of a roster of games including Mafia Wars and FarmVille (the latter now boasts 65 million players). Besides online, Credits can be purchased in the form of gift cards at brick-and-mortar retailers such as Walmart, Best Buy, and Target. And they aren't just exchanged for dollars, but euros, Danish krone, and 13 other currencies.

#### Mobile Payments

→ Mobile payment transactions already total \$240bn annually, but that's just the tip of the iceberg. [Juniper Research predicts](#) that the market will grow 2 or 3 times in the next 5 years.

→ So how will we keep track in a world where everyone is spending and lending both real and virtual currencies? It seems that cellphone apps like the recently launched [Google Wallet](#) will be key. An app could let you manage any number of currencies and trade them with your friends - or even do it for you. It will be a simple case of letting the phone sort it out.

## COMMUNICATIONS TAKEOUT



### KEY DEVELOPMENTS

The world of money is opening out in a big way today:

- Facebook credits are becoming an important alternative currency
- Cash will be phased out for digital payments
- The rise of Bitcoin is important in shifting transactions out of the purvey of governments
- In many developing countries mobile phones are becoming the predominant banking platform
- Micro-payments for content could work through social media and dominant platforms such as China's QQ
- These could flow into crowdfunding for creative endeavours
- Behaviourally we are some way from micro-payments working well
- Money will inevitably shift to the cloud

**WATCH: TWO FUTURISTS DISCUSS THE FUTURE OF MONEY**

<http://bit.ly/o7vGen>

## SOCIAL MEDIA/TECHNOLOGY

### FUTURE OF INFLUENCE

From the value of virtual currency to the value of online opinion and e-reputation. Your reputation has a huge influence on your daily life as well as your private and professional future. Your image on the Internet is increasingly an asset worth preserving and developing and your opinions will soon be something you can tangibly trade.

#### Technology propelling influence

- One of the key consumer trends of this age is the power of influence globally. Influence is a majority activity in many countries around the world. More than 6 in 10 consumers globally say they complain about bad products and services, according to [Roper Reports® Worldwide data](#).
- Social networks and online ratings are facilitating this trend. Almost 4 in 10 Internet users globally have visited a social networking site or online communities. And almost 1 in 5 Internet users post ratings or reviews of products or services. And it's not just a phenomenon in developed markets like the U.S. Among the countries with the highest rates of social networking and online communities are Brazil, Argentina, Indonesia and Poland.

#### Influence as a commodity

- You can enlist fans by making reference to experiences surrounding an image, personality, brand and charisma of the influencer. Elite athletes like Olympic medallists are paid a king's ransom for endorsements. More and more often, complete strangers can gain our trust, and influence us e.g. [Tripadvisor](#).

#### Rankings/Social Scoring

→ The ability to accurately measure influence is critical. While not yet in widespread use, there are some social media analytic tools emerging that quantify the quality, rather than quantity, of online connections—and provide a score to anyone with a social media presence.

→ Online reputation and influence will become increasingly significant for consumers, brands, and marketers alike. Going forward, marketers will use social scores to find the right online influencers for their brands and categories. There are many companies offering rankings with various degrees of credibility.

→ The dominant player determining the intersection of online reputation and influence is [Klout](#), a social scoring system that assigns individuals, and some companies, a grade from one to 100 based on data points from Facebook, Twitter and LinkedIn. Instead of focusing on the typical social media popularity contest, Klout scores are founded on the new social media currency of retweets, likes, and comments.

→ Like Klout, [PeerIndex](#) calculates people's online authority not just by the number of followers they have. It also looks at a variety of factors to measure online reputation. A person can get a score of 0 to 100. This is calculated over 120 days of online activity, taking topics, audience, and activity into account. People can only get a score of over 90 if they are in the top 0.001% of the community. So there would only be 1 person with a score that high in a community of 1,000. These scores act as guidance so that in a hyper-connected world people may know who to trust.

## COMMUNICATIONS TAKEOUT



### HOW TO BE INFLUENTIAL

- **Create content that really resonates with your audience.** Specialise - become known for the subject relevant to you
- **Authentically increase the size of the community you are communicating with.** The more people in your online community, the more likely that what you are saying will resonate with some of them
- **Do not engage in mutual-follow-back schemes.** Let your audience grow organically. Be active; to drive resonance you must be constantly engaging with the people you want to be your audience
- **Interact with the people who are retweeting you** – if they are opinion leaders then they will talk about your product or service the more you engage with them. Take social media monitoring on board, this will allow you to monitor your brand and assess how influential specific bloggers or tweeters are
- **Recognise market-by-market differences**

**CALCULATE: WHAT NUMBER ARE YOU?** <http://klout.com/home>

## HR/TECHNOLOGY

### SOCIAL LEARNING

The future of learning has evolved from what was originally known as e-learning, to learning 2.0 and now “social learning”. This latest iteration makes its adoption by companies even more achievable.

#### From e-learning to learning 2.0

- The traditional approach to e-learning has been to employ the use of a Virtual Learning Environment software that is often cumbersome and expensive. It is also structured around courses, timetables and testing. Too often this approach is dictated by the needs of the institution rather than the individual learner.
- In contrast, learning 2.0 (as coined by [Stephen Downes](#)) has taken a ‘loosely joined approach’ that combines the use of discrete but complementary tools and web services – such as blogs, wikis and other social software – to support the creation of ad-hoc learning communities.

#### Edu-blogging

- [Blogging](#) is increasingly finding a home in education (both in school and university), as not only does the software remove the technical barriers to writing and publishing online - but the 'journal' format encourages students to keep a record of their thinking over time. Blogs also of course facilitate critical feedback, by letting readers add comments - which could be from teachers, peers or a wider audience. It's a short leap from there to applying this principle to the workplace.

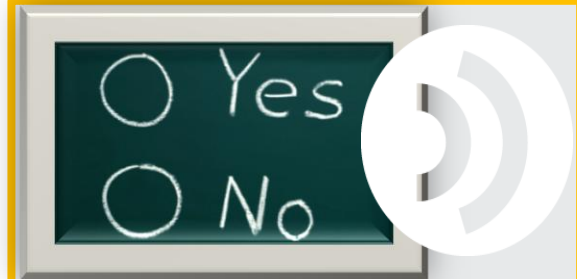
#### Podcasting

- Podcasting has become a popular technology in education, in part because it provides a way of pushing educational content to learners. For example, Stanford University has teamed up with Apple to create the [Stanford iTunes University](#) - which provides a range of digital content (some closed and some publicly accessible) that students can subscribe to using Apple's iTunes software.
- However, student-produced podcasts are the future of educational podcasting. Swap 'user-generated content' for 'learner-generated content' and you soon get the picture.
- Apple, with its strong presence in the education market, has been quick to recognize the learning potential of student podcasting. Apple is [heavily marketing](#) its iPod and associated content creation tools (iMovie, GarageBand, and iTunes) to the education sector. The podcasting section of iTunes even has a category dedicated to education.

#### Broadcast model is broken

- Today's digital generation is no longer content to accept the old broadcast model of education as passive recipients of knowledge. They're used to multi-tasking, and have learned to handle the information overload. They expect a two-way conversation. What's more, growing up digital has encouraged this generation to be active and demanding enquirers. Rather than waiting for a trusted professor to tell them what's going on, they've already used Google or Wikipedia to find out for themselves.

## COMMUNICATIONS TAKEOUT



### [SKILL SET NEEDED FOR SOCIAL LEARNING](#)

- Understand key social media and social media concepts: trust, belonging, self-confidence, self-direction, motivation, skills
- Knowledge of moderation strategies and key moderation concepts
- Knowledge of key community management strategies
- Ongoing professional development by networking outside the company through social learning

### **READ: SOCIAL LEARNING STRATEGIES CHECKLIST**

<http://bit.ly/q4YXjJ>

## CONTACT

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