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SXSW

2017: THE YEAR OF EMPATHY

2017

The Year of Empathy

Since the '60s, the world of branding has been constantly evolving. Forward-looking brands have moved away from simply plastering their product over every available media space into a role where they are mission-led, helping customers identify with them, find common cause, and feel an affinity that leads naturally to purchase.

Yet with the advance of AI, predictive intelligence, emotional computing or whichever label you choose to apply to the emergent strains of data science, we could be about to see a new tier of brand emerge – brands, which are inherently empathetic, travel with you, feel what you feel.

Alexa, through this lens, is just the tip of the iceberg. Customer care will know what you want before you do. Shopping will be replaced by automatic replenishment. Gifts will pick themselves based on social data.

So brands will no longer communicate by what they say, but in how they ARE. The implications for advertising, experience design and creativity could not be bigger.

It's easy to ignore the hipsters of SXSW for making unrealistic predictions of the future. But let's remember, 2009's 'breakout app' was Twitter, and 2015's was Meerkat, which blazed a trail for Facebook Live.

The idea of sentient brands may seem far off, but you would ignore it at your peril.

Trends

What Type of Connections DO People Want?

Much of SXSW discourse typically centers around connecting people of like-minds for the common good. Sweetgreen restaurants spoke about sustaining personal connections despite their rapid growth by keeping hands-on with their customers. And there was much interest in an Austin residential development that crowd-sourced a design rich in communal features. By staying personally connected to each other, both business and people can benefit.

Yet the sheer volume of hype about chatbots and AI presents the opposite view: the momentum of technology is to further divorce people from each other through ever deeper levels of automation. It's not just that technology threatens to take away our relationships, but that it will replace them with new fake ones. Thankfully most of the chatbot talk is still theoretical – there's little more available today than a replacement for the search box.

But the questions about personal connection have now been asked. Can we genuinely use technology to replace or improve moments where we would interact with a person? And should we even want to?

Tim Dunn

A Future without Ads?

For a century advertising has been used as a way for brands to make emotional connections with their customers. It's been an effective guise, too, but have you ever changed the television channel once an ad came up?

While ads still continue to flood the media with short-form messaging, we see their effects begin to wane. So now, brands start to look towards experiential marketing in order to maintain their brand equity. At SXSW17, a new medium for storytelling began to surface, potentiating the possibilities for Artificial Intelligence.

As Machine Learning evolves we begin to foresee the shift in the status quo. No longer will brands require traditional advertising to incite an emotional response. AI woven directly into the brand experience will take its place, creating a direct-to-brand future.

Kevin Kempis

Getting Social in Public

At SXSW, PBS Frontline previewed "After Solitary," a follow-up to their VR Solitary Confinement project. Somewhat ironic as there was much discussion at SXSW on how isolating VR itself is. Beyond VR, the notion that customers don't like detached experiences was commonly expressed.

In a year when many retail chains were closing hundreds of locations, some stores expanded. They all had one thing in common: they were turning customers into community members. Saturdays Surf and TOMS cleared away inventory to make room for coffee bars. And Poketo transformed retail space into educational workshops.

That communal feeling is why mixed reality is getting more attention. People can interact with virtual elements in the physical world – and with each other – untethered. Eventually, the unfashionable glass headsets will be replaced by contact lenses with integrated circuits.

Reality is multiplayer by default. And it looks like people want reality – whether mixed, virtualized or augmented – to remain that way.

Brian Gield

The Importance of Inclusion

SXSW dove deep into technology but there was an underlying vibration that drove the topic of human relationships. One session focused on the future of the gaming industry and how it relies on improving inclusivity. The reality is that the gaming industry, and most others, are lacking in fundamental qualities that will propel the future of business. History shows that teams not only perform better, but make better products when they are rich in diversity.

Creating a culture of inclusion is more important than ever. Today's companies must bridge the differences between men, women and cultures to best leverage their unique experiences. To quote John Maeda (Automattic), "When people write code, they encode their values into it." In order for technology to evolve adequately, it must ask who's here and are we missing anyone? Technology comes and goes but people will always stay. Create an environment of respect and you'll end up building an impressive business that can truly drive forward innovation.

Tami Miller

Blog Posts

Further reading from us:

[AI and Emotion Science](#)

[Making Sound Decisions for Immersive Experiences](#)

[Cozy with Cookies](#)

[Fraying the Cord – the Future of OTT](#)

[The Fallacy of Employee Engagement](#)

[Intimacy at Scale](#)

[Future of Conversational UI](#)

Sessions

A selection of sessions we attended:

[The Future of Direct to Consumer/OTT](#)

[Taking Back The Internet: Countering Extremism](#)

[Is VR/AR The New Storytelling... Or The Old 3D?](#)

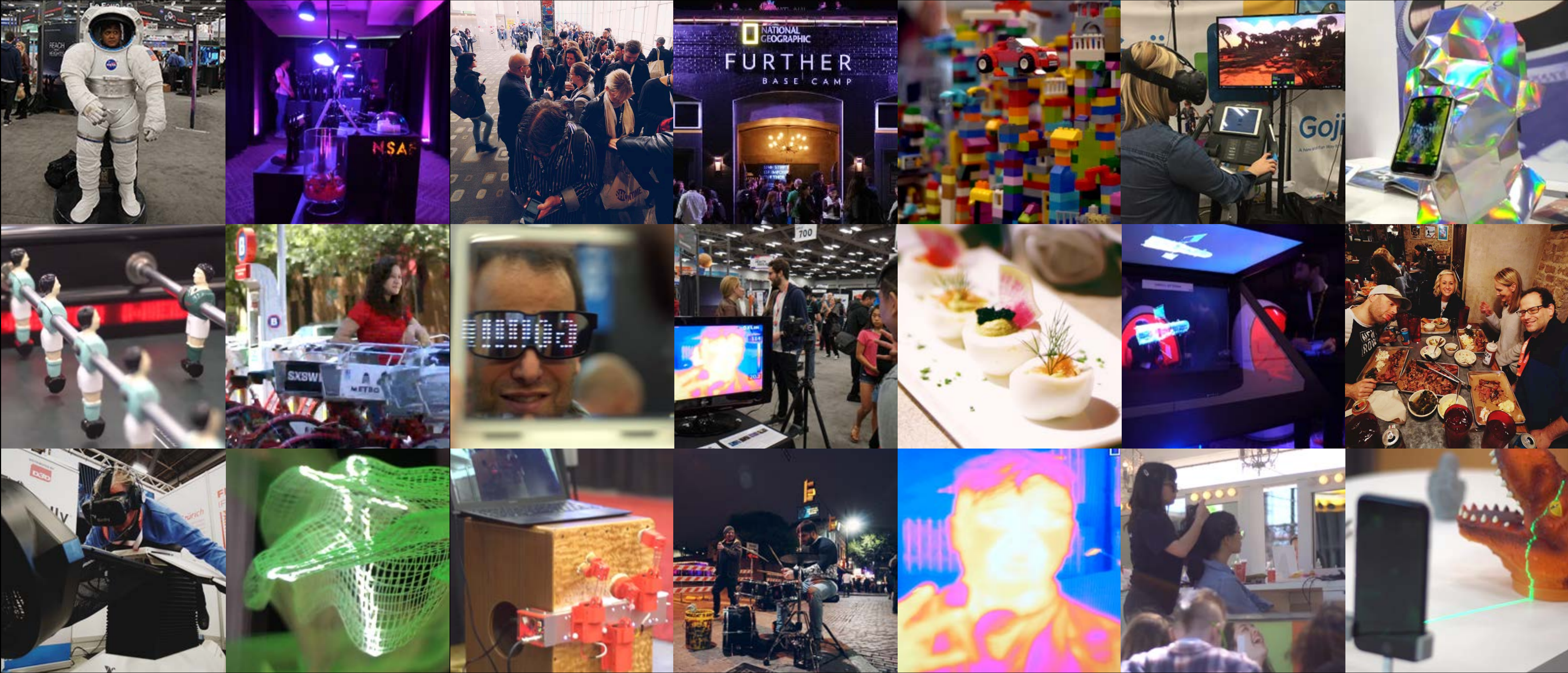
[Using Design and Tech to Create Healthy Communities](#)

[The Automated Assistant Revolution](#)

[Bye, Employee Engagement. Hi, Human Intelligence](#)

[Intimacy at Scale](#)

Other Sightings



A Healthier Society

Fighting Terrorism Through Peer Pressure

During the 'Taking Back The Internet: Countering Extremism' panel, representatives from the National Counterterrorism Center, Facebook, EdVenture Partners and It's Time: ExOut Extremism discussed an experiment which involved students from over 200 universities around the world. Its premise: to turn young people away from violent, extremist terrorist views, use other young people. **Apparently, hippies and extremists have at least one thought in common: don't trust anyone over 30.**

The U.S. government agrees that kids are better at reaching kids than if the government tried... and they're right. This is because authenticity is the key to being persuasive in digital and also because positivity is a more effective way to counter extreme views than argument. It doesn't take much to inspire young people to express their positivity – all you need to do is give them the tools to create and get out of their way.

Design + Tech = Healthier Communities

Can a radical approach combining art and science redefine our approach to creating healthy communities? At the 'Using Design and Tech to Create Healthy Communities,' panel, the head of the Fusebox music festival, the director of the Design Institute for Health, a VP of Epidemiology from Janssen Research and an Austin-based visual artist chatted about a project in which they crowdsourced ideas for a new community housing project. Health emerged as a key theme.

The epidemiologist team used their statistical and predictive models to analyze and forecast which issues might impact the new community most, while the artists used a variety of community art projects to reach out and engage the community in the health conversation. The joy of this is that the project is actually going ahead, with the first residents moving in. This holistic approach to health and social housing should greatly benefit the community.

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CORE
DETERMINANTS
OF HEALTH

Making Everyone Old Young Again

In the 'Reimagining Old Age' panel, three academics at the cutting edge of medical research posited a thesis that growing old is no longer something we have to simply accept. **Many or all of aging's attendant problems can be reversed or eliminated entirely.** Nature has built into the aging process a set of 'control knobs' that, through new medical science, we are able to start to turn. What if we replace cells that can no longer replicate with younger cells? What if we conduct plasma transfusions from younger people to older people?

Mice that have had old cells replaced with new ones not only live longer, but avoid all the signs of mental and physical aging right up until their natural death. And simple plasma transfusions from young to old mice improved pancreatic function, bone density, and muscle and brain condition. With a rapidly aging population in the west, we may have some of the answers to how we can manage the increased cost and care burdens that they will place on society.

Advancing. Our Realities

The Future of AR/VR

Are VR and AR doomed to be groundhog technologies, emerging every year, but then going back underground? At the 'Is VR/AR The New Storytelling... Or The Old 3D?', folks from Humana, National Geographic Channel and Honda R&D were on hand to proclaim that the not-ready-for-prime time technologies are not going away anytime soon. They'll simply arrive in forms you may not be expecting. For instance, the use of VR/AR in live sports and concerts will soon be commonplace in the mainstream. The areas that VR/AR work well in will take off.

In the meantime, you can wait for VR/AR to emerge from the shadows, and for costs to come down. **Or, you can find like-minded partners to build engaging, effective and somewhat affordable VR/AR content that connects with your customers.** Humana teamed up with the National Park Services to create a 360 experience that encourages people to go on hikes. Honda and Lego got in the car together to whip up an AR experience that lets kids build the cars of 2050. National Geographic formed a joint venture with 21st Century Fox to create NG VR Studio.

Will VR Theater Replace the Live Experience?

Utilizing full-scale VR for theatre productions means that in the future everyone will be able to get a front-row seat to the most popular productions. How amazing would it be to see the latest performance of Cirque, Hamilton or any other hot-ticket show, in perfect detail, from the comfort of your own living room? Amazing, right? But what effect would that have on the livelihoods of the actors, acrobats, show-bookers, lighting experts and ushers that depend on live theatre to make a living?

Viewing Cirque du Soleil in hi-def VR at SXSW was a powerful experience – equal parts creepy and awe-inspiring. **VR makes the performance more intense and much more personal.** You don't miss a detail – right down to the very last sequin on each performer's costume. But it may come at a cost. Demand for more shows executed in VR may ultimately drive the live theatre industry the way of the horse and carriage. The struggle will be in finding the perfect balance between industry and performance – granting more access to the arts for more people, while still supporting the artists that create the work.

Sound Decisions for Immersive Experiences

During the 'Human-Centered Approach to Designing VR Interfaces' session, not one word was uttered about the use of audio until an audience member questioned the panel on it. The three panelists excitedly lit up. Timoni West (Unity Labs) said, "Sound is more important than other element in VR. If you close your eyes, you should know where you are." Isaac Cohen (Cabbibo) followed that with, "Sound is a great way to make emotion." And Ken Perlin (NYU Media Research Lab) tied both thoughts together with: **"Sounds is more fundamental to our emotional engagement than vision."**

At a time when hearables have risen to prominence at CES, it's a little curious how few Interactive sessions were dedicated to the sense of hearing and audio innovation. But whether you're creating a physical game installation, a virtual reality experience or any sort of narrative production, as Mandy Mandelstein noted at the 'Designing the Future of Storytelling' session, it's important to understand that pulling things out of the real world like dialogue, effects, ambient noises and other elements of sound design makes 3D experiences, virtual or otherwise, more realistic... and more magical.

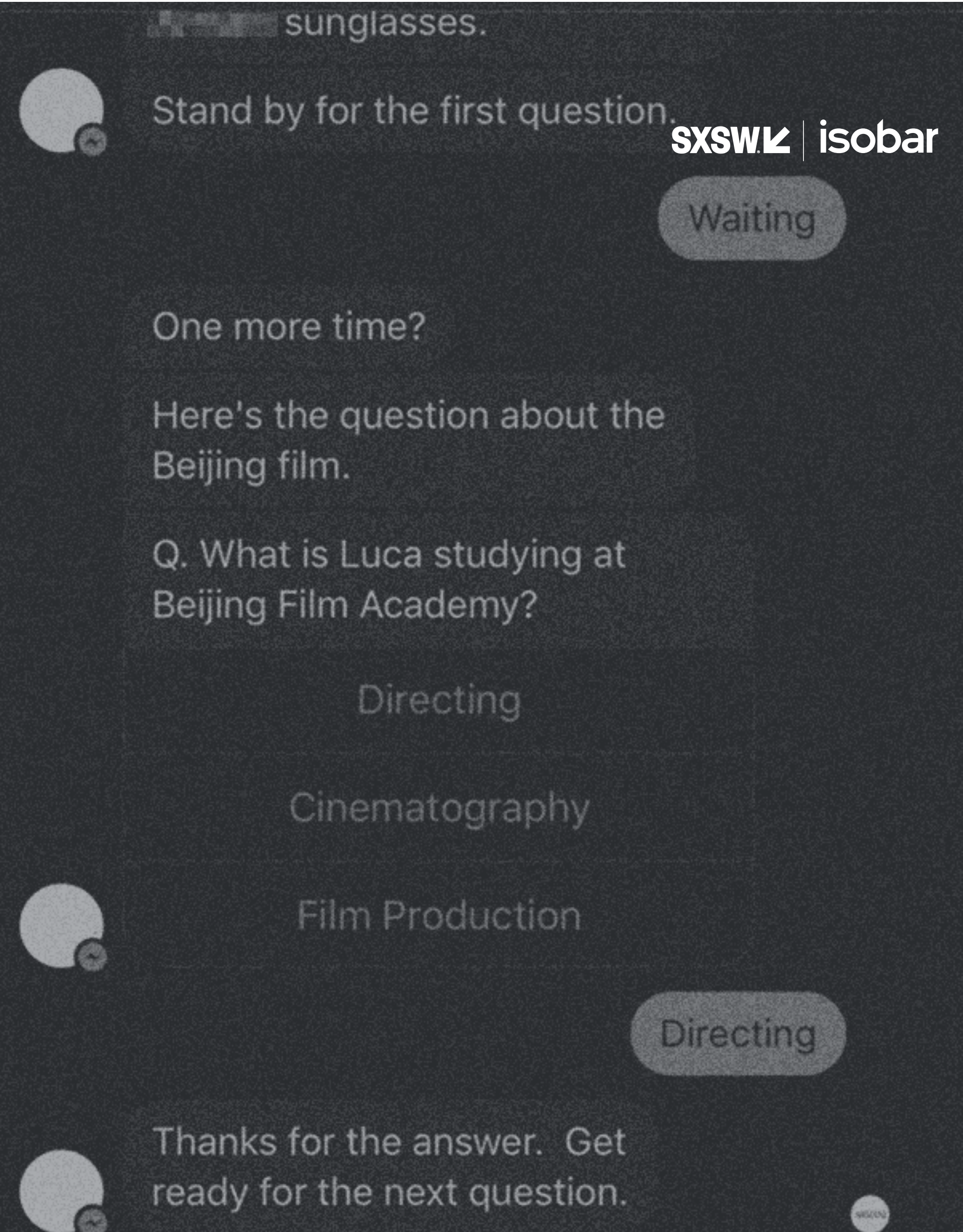
Becoming More Human

Succeeding with Chatbots in Fewer Words

At the 'The Automated Assistant Revolution,' the point was raised that a chatbot experience should be the shortest distance between a person and what they want — not interaction for the sake of it. **Chatbots are inherently conversational and should build customer empathy in conversation through service.**

When it comes to brand chatbots, a personality needs to be firmly established. When visuals cannot be used to reinforce brand, personality comes from things like vocabulary, tone of voice, use of humor and even sarcasm. If you manage to nail the personality of your automated assistant, should it be a surprise that some people will actually feel some sense of relationship with it?

The most successful organizations are the ones using AI to figure out as early as possible what the customer needs and how quickly to get it to them. The zero-click purchases that make life easier for your customers are just over the horizon. Google Home and Amazon Alexa will be empowered to buy stuff for you without asking. Obviously the question for brands is how to be on the shopping list in this reality. The best answer was utility. But if you are an undifferentiated brand in a low interest category where Amazon has a white label competitor, things may start to get very interesting very soon.



How a 3D Baby Will Save Us From Skynet

Robby the Robot, HAL 9000, Terminator T-800: Pop cinema icons responsible for both introducing us to the concept of Artificial Intelligence, and fearing the very mention of it. Today, the acceptance of machine learning and personal robotics continue to question our relationship with technology and what it means to be human. At the 'Giving a Face to AI' session, Mark Sagar (Soul Machines) explained his focus on creating an emotional bridge between people and computers. His company approaches this daunting task by by giving real-life human faces to human-computer interfaces. That's right, faces.

It's a radical idea to be sure, but not one without merit. **After all, a seemingly endless combination of micro-expressions on the human face serves to convey underlying emotion and characteristics during any given human conversation.** The example shown was Baby X, a 3D-rendered photo-real avatar with human speech and breathing patterns.

Its implications are far-reaching: from education (teaching assistants) to system interface (bureau manifestation), and all the way to entertainment (vocaloids) and cinema. As machines finally begin to take care of us – conversing with human speech and breathing patterns – we can stress less and less over it.

Adapting to Innovation

Using Technology to Transform Business Models

Whether by channel approach, new technology or neuroscience, brands are rethinking how they approach the consumer – not just in which channels or creative they use, but in the fundamental way they do it. **Neuroscience is now at the cutting edge of determining advertising** success. From testing new concepts with focus groups to measuring emotional response within specific moments of an existing TV spot, neuroscience can help advertisers drive success. Some advertisers, for instance, have determined whether or not a spot will go viral based on measuring emotional associations with the content.

Beyond television, brands are realizing they not only need a unified cross-channel creative strategy, but that customizing the creative output by platform drives greater results. A commercial that is incredibly successful on television may need to be updated to perform well on mobile or in social media. Data can lead the way, but creative input and channel understanding is more important than ever. In this constantly changing world, it is key to understand that simply adopting a new technology is not enough. **True innovation comes from maximizing technology to change your overall approach.**

Contributors



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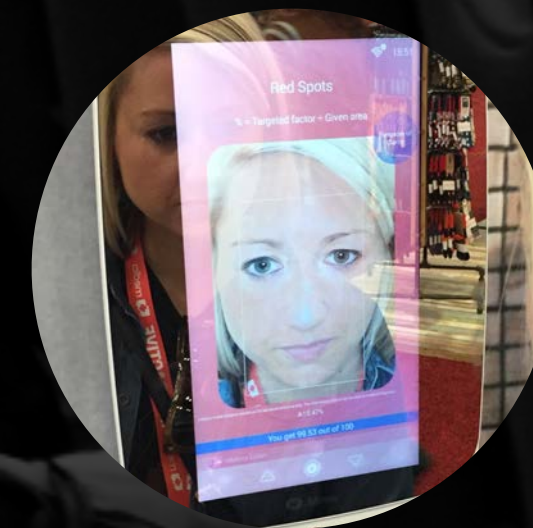
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Isobar is a global full service digital marketing agency, driven by the purpose to deliver borderless ideas enabled by technology, to transform businesses and brands. We have over 5,500 digital pioneers in over 85 locations, across more than 45 markets worldwide. Isobar has won over 250 awards in 2016, including 19 Agency of the Year titles and Asia-Pacific Digital Network of the Year for the fifth time in the past six years. Key clients include adidas, Coca-Cola, Enterprise Rent-A-Car, Google, GM, Huawei and LEGO. Isobar is part of the Dentsu Aegis Network, a wholly owned subsidiary of Dentsu Inc.

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