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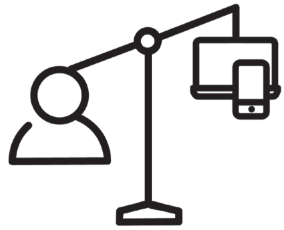
HUMAN MODE



What's the Trend?

As automation increases, people hungry for more personal and authentic experiences begin to put a premium on advice, services, and interaction involving actual humans.

Often in the course of researching this book, I will find a story so powerful that my team and I struggle with how to categorize and write about it. This year, that struggle came in the form of an initiative I only recently learned about, although it was started nearly 15 years ago. Originally developed as a project for a Danish event called the Roskilde Festival, the idea was inspired by the belief that the most transformative experience any of us can have to better understand the world is a boundary-free conversation with someone, in which we are encouraged to ask the questions we are usually afraid to ask.

In Danish, this idea was called the *menneskebiblioteket*, which roughly translated into English means the *human library*. The concept was that volunteers would sign up to be "checked out" so they could tell their stories. Anyone could *borrow* a person from the library for a 30-minute conversation. The selection of volunteers was designed to help challenge people's stereotypes. They included someone with autism, a sex worker, an obese person, someone who is deaf and blind, and a refugee.

From the beginning the idea was a hit. It inspired a permanent *Human Library* installation in Australia and events across the world from Tunis to Alabama. It is a beautifully simple idea and easy to understand why it has become so popular across the world. If you have been reading this book from start to finish, you will probably see the dilemma about where to include this story.

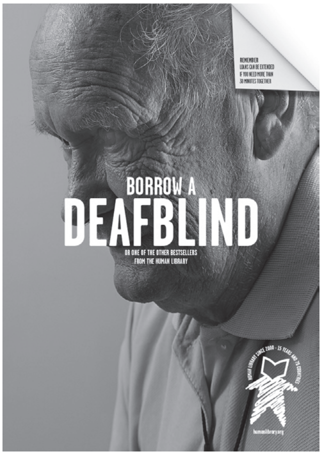


Photo: Print Ad - Human Library

Is it an example of *Truthing* because people can be encouraged through face-to-face conversations to see reality in a new way? Should it instead be part of *Virtual Empathy* because people gain empathy through these difficult yet human conversations? Does it fit in *Ungendered* since some volunteers offer to talk about being transgender or nonbinary?

These types of questions can be paralyzing when writing, but I chose to use it as the opening story for this chapter on *Human Mode* because, more than anything else, I felt it was a story about the importance of shared humanity and how sometimes amid so many options and technology and optimized media, it's nice to just be able to *choose* to interact with a real person.

It is easy to imagine how this option to interact with a real person could soon become a thing of the past in a world of increasing automation and productivity demands. This flux is particularly evident when you consider the shifts in financial services, where some estimates say robots will soon control up to $2 trillion worth of investments.[1]

Robo-Advisors Get a Human Colleague

For several years robo-advisors have been one of the most disruptive forces in finance. Given the recent corruptions and scandals, and the financial crisis, trust in the industry has declined to such a point that many investors simply don't trust these groups to act in unbiased ways on their behalf. Robo-advisors are appealing *because* they are dispassionate about financial recommendations and, as a result, can seem like a better option.

Betterment was one of the early pioneers in this space, first providing robo-advisory services back in 2010. Today the firm manages more than $10 billion in assets and over 270,000 customer accounts. Since it was founded, Betterment has been a bellwether for automation across the entire industry. Then about a year ago, Betterment made an announcement that surprised many people. They added a *human* option.

In exchange for an increased fee on assets under management, customers now can offer to a premium version of their services, which would include unlimited access to human advice from an actual financial advisor.[2] Just six months later, they added a feature to their app which allows *any* customer to send text messages to human advisors and get a response within 24 hours—at no additional charge.

The *Human Mode* is the predictable antidote to automation in many ways. As we interact with technology and see more people experiment with robots for everything from making the perfect salad[3] to vacuuming our floors,[4] the interactions we have with real people become more precious and sometimes even more desirable. The coming year will reveal a great deal about which human experiences we value the most in different contexts, and in many ways the retail sector is one of the first industries to face the challenge of striking the right balance between man versus machine.

Slow Checkouts and Smart Mirrors

In Scotland, grocery retailer Tesco wants to slow things down on purpose. While self-checkouts have been embraced as the future of the grocery store experience, and patience among consumers seems to be at an all-time low, some customers still prefer the older, slower way.

The elderly or those suffering from physical ailments or mental illnesses often find these speed-centric checkout lines frustrating and stressful. To tackle this problem, Tesco piloted a "relaxed checkout" for customers who preferred regular checkout lines manned by humans. The effort, backed by non-profit Alzheimer Scotland, garnered worldwide media attention when it was first launched in January of 2017.

For years it has seemed like automation would phase out the need for humans completely in some jobs. When Amazon launched their first retail store, people predicted it would be operated entirely without human workers. (That hasn't turned out to be the case.) ATMs introduced in the 1970s were predicted to make the human bank teller obsolete, but since the year 2000, the number of jobs for bank tellers has actually increased.[5] Smart mirrors in dressing rooms allow you to try clothes on virtually and summon new sizes and colors to try on immediately and barcode scanners are now spread out across retail locations, but the death of the retail worker's job isn't coming anytime soon. According to the US Bureau of Labor Statistics, the number of retail salespeople is projected to grow 7 percent, reaching nearly 5 million by 2024.[6] Humans stubbornly seem to prefer other humans.

Necessary Automation

Are humans always a better option? Certainly not. The fact is, there are plenty of industries and jobs that are undeniably *better* when automated. Robots can work faster, assemble things more efficiently, work throughout the night, and offer a consistency that is impossible for humans to match.

A fruit-picking startup called Abundant Robotics has built a machine which will help farmers save millions in labor costs and losses due to spoiled fruit. The company's prototype uses computers to track ripeness as well as powerful vacuums to pluck apples 24 hours a day (the most profitable orchard crop) from a tree. Baltimore-based Blueprint Robotics is using robots to manufacture pre-fabricated parts for homes that are then shipped and assembled on site. As much as 60% of a home can be built in the factory, eliminating many headaches from the on-site building process.

Yet even these innovators are not eliminating humans entirely. Blueprint Robotics still relies on skilled laborers to assemble the houses, and farmers still need people to help take the fruit that is picked to pack, ship, and deliver it.

The positive opportunity of automation is that it has the potential to free workers to focus on the most fulfilling parts of their work and rely on technology to handle the repetitive soul-draining work that is better suited to machines. While that sounds nice in theory, it can be tricky to accomplish because the lines between when robots or humans are appropriate for a task have yet to be clearly drawn.

Linguists Train Bots

One of the biggest challenges in building robots to interact with humans is training those machines on the nuances of human communication. Often the best solution is to hire more humans to help train the robots to act and think more like us. Last year Amazon posted a job description for an Australian linguist. The posting was interpreted by many as an opportunity to train the Echo voice-recognition devices, to better understand people with an Australian accent.

Australian company Appen collects data for tech companies that use machine learning; it currently employs 70 linguists and engages thousands of others as needed. The company has offices in the US, Australia, the Philippines, and last year set up an office in China.

Investigating this emerging area of specialty, *The New York Times* recently profiled five people who had jobs that involved teaching artificial intelligence entities how to understand humans better. They interviewed a travel agent, a customer care representative, and a robotics expert working with Google on technology for the self-driving car. Each shared a combination of apprehension and pride in their work helping machines become better, smarter, and more human. It is tempting to see these early bot trainers as naïve participants in a bot-created master plan to help make people obsolete.

It turns out this fear has some basis in reality.

The Rise of Pink-Collar Work

Automation is stealing some jobs. One dire estimate from accounting firm PwC recently predicted that 38% of US jobs would be at a "high risk of automation" by robots or artificial intelligence by 2030 (including 61% of financial services jobs such as those performed by PwC itself).[7]

These types of jobs are traditionally referred to as blue collar and they are overwhelmingly done by men. A recent study of the number of men and women in certain jobs found that 98% of carpenters, 97% of electricians, and 91% of motor vehicle operators were men. In contrast, 97% of preschool and kindergarten teachers, 94% of nurse practitioners, and 81% of social workers were women.[8]

Author Laurie Penny calls this second group the *pink-collar* industries. She wrote a piece in *Wired* magazine about how the job losses from automation will mostly affect men who work in tasks which are actually robotic: repetitive and lacking human interaction. The future, she argues, belongs to the people with high levels of emotional intelligence.[9] Sometimes they may even be the voices of technology who we don't see or realize are there.

The Human Side of Automated Chatbots

If there was an award for top-selling chatbots, the avatar from Brazilian e-commerce site Magazine Luiza would merit serious contention. In the first six months of 2017, their online sales have increased by 56% from the previous year, and the addition of the friendly chatbot, Lu, is getting most of the credit.[10]

Lu will chat about reviews, help you pick everything from a smartphone to a home appliance, and offer real-time tech support. She takes questions on Facebook, stars in YouTube videos, and has conducted media interviews.

Before you marvel at the technologists behind such a creation, you should also know that Magazine Luiza hires a real person to give Lu her personality. In that sense, while she is perceived as robotic, she isn't completely automated. Magazine Luiza isn't the only brand offering this type of illusory automation in its customer service.

Photo: Lu Avatar from Magazine Luiza (Brazil)

In 2016 Bloomberg reporter Ellen Huet published a report about a secret society of humans thanklessly doing the work of robots. This class of "humans pretending to be robots pretending to be humans" were quietly hired by companies who were selling the promise of automation. A concierge service called GoButler was one example Huet cited, which promised a service where you could send a text message to get "anything you want." When implementing their service, it became clear that the automation wasn't quite ready to work completely as advertised and needed to be augmented with humans on duty 24/7.

IBM anticipates that 85% of all customer interactions will be handled without a human agent by 2020. It raises an interesting question, whether you believe this prediction or dismiss it as a biased talking point intended to help them sell virtual customer service solutions to big companies.

What will the remaining customer interactions look like? One unlikely answer might come from looking at a role that technology has done well over the past decade or more to eradicate: the middleman.

Fidget Spinners and the Death of Fads

In some categories, such as mattress sales, people have been quick to agree that introducing automation and cutting out the middle man improves every aspect of their purchasing processes (a story you will read about further in Chapter 18). In other industries, the middleman's ability to add value is finally starting to gain some recognition.

When *New York Times* reporter Charles Duhigg wrote about the rise of Beanie Babies back in the 1990s, he compared it to the modern rise of the fidget spinner in 2017.[11] In the case of the Beanie Babies, the number being sold was carefully managed by its parent company, Ty, to ensure scarcity. As some animals became popular, Ty would stop making them to drive their value and demand even higher.

The underappreciated secret of Beanie Babies' success, Duhigg argues, may have been driven by this group of traveling salespeople who would meet frequently with toy-store owners. They would gather feedback and create excitement. They collected insights from the people closest to the customers to help improve their products. These salespeople were the default curators, evangelists, microinfluencers, and ambassadors. These are all terms we use today to talk about the *people* that brands need to get on their sides to make products successful.

The reason Beanie Babies' popularity endured for decades was thanks to this unsung class of humans who provided the fuel to turn what could have been a fad into something more.

The contrast between this and the decentralized rise (and decline) of the fidget spinner is clear. I remember walking through festivals with my kids this past summer and they would plead with me to stop at just about every vendor who had any of these spinners and buy at least one new one every week. Within a matter of months those fidget toys went from quirky and popular to overproduced and forgettable. Now we have a stack of them sitting unused in a drawer somewhere and no one thinks of them anymore. Fidget spinners never had human champions to create relationships, measure demand, innovate their product, and tell a story. As a result, they peaked and now the craze is over.

Photo: Fidget spinner

Shareable Humanity

Four years ago, I wrote about a trend called *Shareable Humanity* to describe why the things that people tended to share more actively on social media were usually based on personal interactions. This is the same reason why we are far more likely to post an online review about an experience with a server at a restaurant (either positive or negative) than a review solely on the food alone.

The human touch is what turns negative situations around and can turn a hater into a deeply loyal evangelist—because someone cared enough to make their bad experience into a memorably delightful one. The Internet is filled with stories like these and they all have the same common theme: there is a necessary and essential place for humans in just about every interaction. The key in an automated future will be to get better at identifying the right places for it so you don't unintentionally kill those chances for uniquely human interactions in the process.

Why It Matters

As more automation surrounds us and technology becomes better at anticipating our every need, a countertrend that we see coming is people seeking help through more human experiences rather than via efficient machines.

In many industries, cost cutting and a strategic overreliance on automation have removed the most memorable aspects from an experience and this will lead consumers to return to wish for what they once had. To some degree, this was the idea that inspired our popular *Strategic Downgrading* trend from the 2016 report. Sometimes we just prefer the older and less techie version because it is easier, kinder, and more familiar.

As this preference grows, so too will a consumer's willingness to pay a premium to interact with a real, compassionate, and skilled human being. This represents a significant opportunity for all types of businesses. Are you ready to create a *Human Mode* for your products and services? In the coming year more companies will face this question and the ones who can reinforce their brand values and find the right balance to bring back the human side of what they do will be the biggest winners.

How to Use This Trend

- ✓ **Pause before automating.** Every decision to automate a process or use more technology that involves a customer experience should ideally be value-mapped to find where in the experience chain the *Human Mode* can be used as a strategic advantage. In some cases, this may lead to the introduction of a premium product or offering. In other cases, the right strategy might be to not implement the technology in the first place.
- ✓ **Assess your humanity.** Back in 2008 when I published my first book, I started talking about how to create a more human brand with a personality. Given this has been such a constant theme in my work for more than a decade, I have built quite a few tools to help groups understand where they might need an infusion of more humanity. To help you make that call for your own business, you can visit www.nonobviousbook.com/resources to download the worksheet and take the assessment for yourself.