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HARVARD: | eat the fox

TECH MOVES

INDEX

INTRODUCING TECH MOVES 2024

TikTok users are claiming 2024 is "giving summer 2016 vibes" and we can see what they mean.

After years of rapid digitalisation, the inherent complexity of the "real world" has caught up with us. And tech loves nothing more than a problem to solve. Just look how the industry rose to the occasion when the world stood still in 2020.

But four years on, the dust has settled. And the world's problems feel more pertinent and more atomised than ever. After conservatism, efficiency and a pause for thought, 2024 certainly feels more auspicious.

Over the next 12 months, technology has the ability to both shape, and solve for, society. And the stakes have never been higher.

Long-anticipated regulations — from The Online Safety Act to The Corporate Sustainability Reporting Directive (CSRD) — will force companies to comply. People and purpose will be put on an equal weighting with profit. And lofty 2025 sustainability agendas will run headfirst into shareholder scrutiny as ESG data gets treated more like financial data.

Meanwhile, aspirational company transformations will come under interrogation for their ability to deliver real-world value, as Boards place even greater emphasis on customer success and business impact.

And after the sensationalist explosion of Gen AI in 2023, this year, we'll see a pragmatic approach arise.

AI will be evaluated for its ability to genuinely drive business benefit — not just now, but in a future where it could be subject to significant regulation.

This year also marks a watershed moment for world politics, with a combined population of almost half the world eligible to head to the polls. Both the UK and US will have general elections and the European Parliament will host its first elections since Brexit. As Nobel Peace Prize laureate Maria Ressa has put it, "We will know whether democracy lives or dies by the end of 2024."

Marketing and comms teams are, at best, the voice of the customer and the voice of culture. This year, there's an opportunity for them to enter a Brave New World of influence.

Cookies are finally being phased out. Outbound email effectiveness is declining. Traffic to publishers is diminishing.* This calls for a new set of imperatives for how and where technology brands communicate, grow and change the world around them.

So with that opportunity in mind, we've carefully curated 14 of our most provocative and important 'hot takes' on what the world of tech has in store for us. The Big Tech Moves.

Happy reading,

JESSIE BLAND
STRATEGY DIRECTOR, HARVARD AND EAT THE FOX

* 2023 Publishing Trends Report, an annual survey by Echobox

BITS AND BYTES, BALLOTS *AND* BUREAUCRACY

1. A LABOUR GOVERNMENT WOULD NUDGE TECH IN A SOCIALLY CONSCIOUS DIRECTION

After over 13 years of Conservative government, the UK could vote in a new era of Labour government in 2024. For technology businesses, that will bring a shift in priorities.

The Conservatives have presided over a period where the UK has become the biggest source of unicorns — new billion dollar technology companies — in Europe. They also brought the industry together for the world's first AI safety summit.

But we have also seen an unpredictable economic environment that has stymied the business investment that technology needs to flourish.

Keir Starmer's Labour has fought hard to jettison the negative associations of the Corbyn years and to position the party as a friend to business and an election winner. So far, there are no big audacious ideas for the technology sector — but there are some indicators on the attitudes that would determine a Labour government's approach.

While Rishi Sunak's "fireside" chat with Elon Musk at the Prime Minister's AI Summit scanned the furthest theoretical horizons of our AI future, Starmer's priorities are much more unromantic. He's stated that he wants to "speed up" the pace of regulation in the field, attempting to draw a clear line between the Tories' supposedly laissez-faire approach and a more active approach that seeks to shape the sector. But to what ends?

If there's a consistent point in the Labour party's emergent approach to technology, it's a belief in using the power of the State to nudge and sometimes steer the industry onto a path which benefits society, not just shareholders.

That doesn't just mean regulation. Labour has also spoken about an £8bn National Wealth Fund dedicated to green infrastructure, which could act as a catalyst for investment in an industry which will lean heavily on technology. Plus, a proposal for workers' "right to switch off", so employees cannot be contacted by their employer outside of working hours.

There is initial evidence that the Labour team understands at least some of the deeper obstacles facing the UK's high-potential tech industry. The current opposition has outlined plans to increase university spinouts and boost R&D budgets, increasing the pipeline of tech talent and bridging the gap between research and commercial reality.

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Technology might not be a vote-winner, but both the Conservatives and Labour clearly sees it as a growth-driver. Rishi Sunak is famously enthusiastic about emerging technologies, developing a £370m Science and Technology Framework that commits resources to AI, quantum technologies and engineering biology.

Labour wants to focus on how emerging technologies work in the here-and-now. And after a decade where technology's direction of travel has sometimes conflicted with the wider needs of society, Starmer is keen to ensure that the sector is delivering even more for the British public.

"Stakeholder capitalism" has been a buzzword for some time. A potential Labour government would herald a push towards a more responsible business environment. Where is your business standing up, and where is it vulnerable to allegations that it isn't doing its part?

What does that mean?

For marketing

Consider how your business can contribute to the vision that the government has for the tech sector — perhaps that's in green technology, perhaps that's in your connections to the world of academia.

For PR

Every incoming government has its own "themes" for the technology sector, the areas it wants to focus on. It's important to ensure your corporate story — whichever way the General Election goes — reflects the political priorities: whether that's Rishi Sunak's narrative for AI or Starmer's for CleanTech.

This year, watch out for...

2024 is the biggest year in electoral history. For our purposes, the most relevant ones are:

- **United Kingdom local elections**, taking place on 2nd May
- **United Kingdom general election**, not scheduled yet — as of writing, current Prime Minister Rishi Sunak has suggested it won't take place until the second part of the year
- **European Parliament elections**, taking place 6th to 9th June
- **United States election**, taking place on 5th November
- **India's election**, taking place between April and May

2. SAY GOODBYE TO GREENHUSHING AND GREENWASHING — AS BUSINESSES RECONCILE WITH WHAT GREEN REALLY MEANS

The corporate world has not always had the easiest relationship with sustainability. Thankfully, greenwashing — using intentionally vague language and metrics to inflate an organisation's green credentials — is now far less effective as customers, activist bodies and regulators have wised up.

But people's growing sustainability-savvy has had an unintended by-product: greenhushing. Rather than obfuscate, some businesses are simply avoiding talking about their sustainability measures altogether. And this is not just less climate-friendly businesses avoiding scrutiny; it's also common amongst green companies.

Sustainability-motivated consumers and organisations look at earnest efforts and declare "not enough", while climate change sceptics see these same efforts as lip service. Taken together, you can see how businesses have found themselves between a rock and a hot place.

But soon businesses won't have a choice. COP28 marked the first time 200 countries approved a global pact that explicitly calls for "transitioning away from fossil fuels" in a "just, orderly and equitable manner".

That political will is being translated into action: for EU businesses and those that do business with the single market, the EU's Corporate Sustainability Reporting Directive (CSRD) significantly broadens the scope of sustainability data they have to report. A phased approach determined by business size — SMEs need to report by 2027.

2.

From this year onwards, organisations need to start preparing for a scenario where a wide variety of sustainability information will be out there in the world. That means prioritising communicating specific, and verifiable, ESG action and data.

It also means contextualising sustainability, so that consumers, customers, and relevant bodies understand that progress is better than perfect when it comes to creating a greener modern world.

What does that mean?

For marketing

ESG commitments are increasingly pertinent in the RFP process. Work closely with sales teams to better understand where you need to highlight tangible, realistic measurement in enablement and self-serve materials.

For PR

A company's culture towards ESG is crucial to reputation and stakeholder perceptions. Make sure that your corporate story reflects and considers your company's ESG reporting framework/s.

This year, watch out for...

The EU's Corporate Sustainability Reporting Directive (CSRD) — in force from 1st January 2024. All large companies and listed SMEs operating in the EU must disclose their environmental impact and release periodic reports covering FY2024.

3. REGULATING AND REINVENTING WITHOUT A(I) ROADMAP

The meteoric rise of generative AI in 2023 prompted concerns over many age-old technology issues. Bias, data protection, and intellectual property rights to name a handful.

Taking these on means working out how to regulate a technology which is evolving quicker than policies can be drafted.

This is a shift from how technology regulation has been done previously.

Seeking to prevent harm before it happens, rather than waiting for harm to be done and then putting guardrails in place (see In the name of safety, online platforms tread the tightrope between profit and privacy). The danger is not only that rules can inhibit innovation or lead to unanticipated negative consequences. It's also that regulation could quickly become outdated. How do you regulate in real-time?

Major economic blocs and countries are actively identifying the risks associated with AI and machine learning to attempt to mitigate them before they happen. They're also competing to set a global regulatory blueprint which would bring them recognition as technology leaders, in turn, helping them reap the benefits of being a standard-setter or first-mover:

- The UK is attempting to position itself as the epicentre of AI safety, exemplified by the Bletchley Declaration. A global accord signed by 28 countries, including the US, China, and the European Union, it demonstrates consensus on the need for AI regulation, but doesn't bind anyone to specific actions.

- The US issued an executive order on AI safety, building upon voluntary commitments from key firms.

- China has already adopted Interim Measures for AI Management.

- The European Union has emerged at the vanguard, pioneering comprehensive legislation. The ambitious AI Act is a risk-based regulatory framework intended to set a global standard for AI regulation. Around 100 companies have expressed interest in joining the EU's AI Act, voluntarily committing to act ahead of the 2025 legal deadline.

But while all these efforts are ongoing, AI continues to evolve without these guardrails in place. Investors put more than $20 billion into generative AI technologies in 2023, four times what they spent in 2022. Global efforts to reign in AI's negative impacts rely on collaboration between governments and intergovernmental organisations, with lots of negotiation involved.

All the while, businesses are busy putting the technology to profitable, use whether it's in medical diagnostics for healthcare,

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algorithmic trading and fraud detection in financial services or inventory management in retail.

Organisations want clear AI regulation to assuage risk, but equally can't afford to wait around while competitors use it to their advantage. In 2024, expect much push-and-pull as regulators try to regulate and companies try to reinvent in real-time.

What does that mean?

For marketing

When AI is listed in every SaaS product available, it becomes table stakes not a differentiator. Make sure mentions of emerging technologies highlight the benefit for the end-user, not just the tech.

For PR

Deepfake spokespeople, AI-generated internal communications and copyright infringements. Emerging technologies create emerging reputational risks that should be reflected in issues management documents.

This year, watch out for...

The final text of the EU's AI Act will be published at some point early this year — watch this space!

4. IN THE NAME OF SAFETY, ONLINE PLATFORMS TREAD THE TIGHTROPE BETWEEN PROFIT AND PRIVACY

The "platform economy" has enjoyed over a decade of vibrant growth, fuelled by the extension of digital to every part of our lives. But over the next 12 months, online platforms will be forced to deal with the risks the online world has on real people and real society — beyond the screens.

Big Tech has been under scrutiny for years: criticised for marking its own homework or for paying lip service to content moderation. But with growing distrust of the big online platforms, and increased societal awareness of online harms, the 'World Wild Web' is set to be tamed (or at least reined in).

The UK's Online Safety Act received Royal Assent in October 2023, the EU DSA becomes applicable on 17th February, and the US' Kids Online Safety Act (KOSA) is hot on their heels. Expect the year ahead to be brimming with companies announcing changes to their platforms and algorithms.

Everyone from dating sites to gaming companies will be exploring how to enhance safety in their platforms, without (importantly) witnessing a plummet in user numbers. They'll need to balance monetisation and engaging on-platform experiences with a safety-first design that protects users' privacy.

User experience is a particular concern in this context — the modern consumer has become accustomed to smooth and instantaneous experiences with minimal viable clicks to get where they're going. But that can be hard to maintain when there are boxes to be ticked, age verification checks and Two-Factor Authentication to boot.

In the wake of 2023's public sector TikTok bans from the UK to Australia and Reddit moderators shutting down their forums in protest of a new app policy, messages of 'safety' and 'trust' will be used to reassure or assuage public opinion.

Plus, we'll likely witness a raft of innovative solutions and start-ups claiming to plug these holes: from Safety Tech to RegTech to Digital ID. A year dedicated to ensuring we better safeguard children, citizens and organisations has the potential to bring out the best within society.

4.

What does that mean?

For marketing

Whether you're an online platform or a SafetyTech company, it's time to refocus: from stories of "better" or "more seamless" online experiences to human interest stories that show triumphs for people's mental health and day-to-day lives.

For PR

The online safety narrative has been fraught with detractors and confusion. Moving forward, it will be down to the online platforms and the nascent SafetyTech and RegTech categories to show progress and shift the story from scepticism towards innovation and optimism.

THE PRESENT *AND* FUTURE OF WORK

1. THE FUTURE WORKPLACE WILL BE TECH-POWERED AND HUMAN-LED, NOT AI ARMAGEDDON

As we venture into 2024, the impact of AI on the workforce continues to grab headlines. While the media fuels worker anxiety with ominous predictions, recent studies reveal a more complex reality.

AI's growing presence has triggered concerns about job losses, discrimination, data protection, surveillance pressure and health hazards across sectors and hierarchies. However, a distinct contrast emerges between workers who actively engage with AI, especially those consulted on its implementation and provided with AI training, and those who do not.

The data suggests that, if harnessed correctly, AI holds the potential to enhance productivity and job quality. Yet, worker concerns persist, particularly regarding job stability and salaries. Reports indicate that workers in AI-adopting companies acknowledge instances of job loss due to AI, fueling worries about future employment.

1.

The 2023 EU Social Forum emphasised that AI won't destroy jobs but will transform and create new ones, underscoring the importance of a human-centric approach and soft skills.

Harvard University and Boston Consulting Group's study delved into AI's performance implications in the workplace, demonstrating a "jagged technological frontier" where AI enhances productivity and quality in certain tasks but faces limitations in others.

It appears that AI is not yet the productivity Holy Grail some business leaders hailed it to be, at least not in the sense of it completely replacing the human operator. As it stands now, it looks like the future of the workplace will be increasingly tech-powered, but for the most part still human-led.

What does that mean?

For marketing

AI is a powerful technology — but it's also the focus for a wave of hype and over-promising. Before putting AI front-and-centre in your offer and messaging, carefully consider whether you're using the term "AI" to illuminate your prospects and help them understand your offer, or whether it has the potential to mislead.

For PR

As every company positions itself as an AI company — there's potential to swing down into Gartner's famous trough of disillusionment. Remember the companies who won in the cloud in the early days — they found their unique play and proposition.

This year, watch out for...

Various generative AI products will launch in the first half of this year, including Chat GPT-4.5 and Google's Gemini Ultra.

2. MIND THE GAP: WHY COMPANIES MIGHT NEVER CLOSE THEIR DIGITAL SKILLS GAP

The digital talent epidemic continues to haunt most businesses. Some 9 in 10 UK businesses admitted a general IT and digital skills gap due to their inability to adapt to rapid technological advancements.

In 2024, it will become ever clear that modern skill gaps are not static. They are dynamic. The skills "required" keep shifting, as technological change outpaces businesses' ability to hire people who can work with the latest technologies and tools. Hiring for today's skills gap is hard, when tomorrow's might look very different.

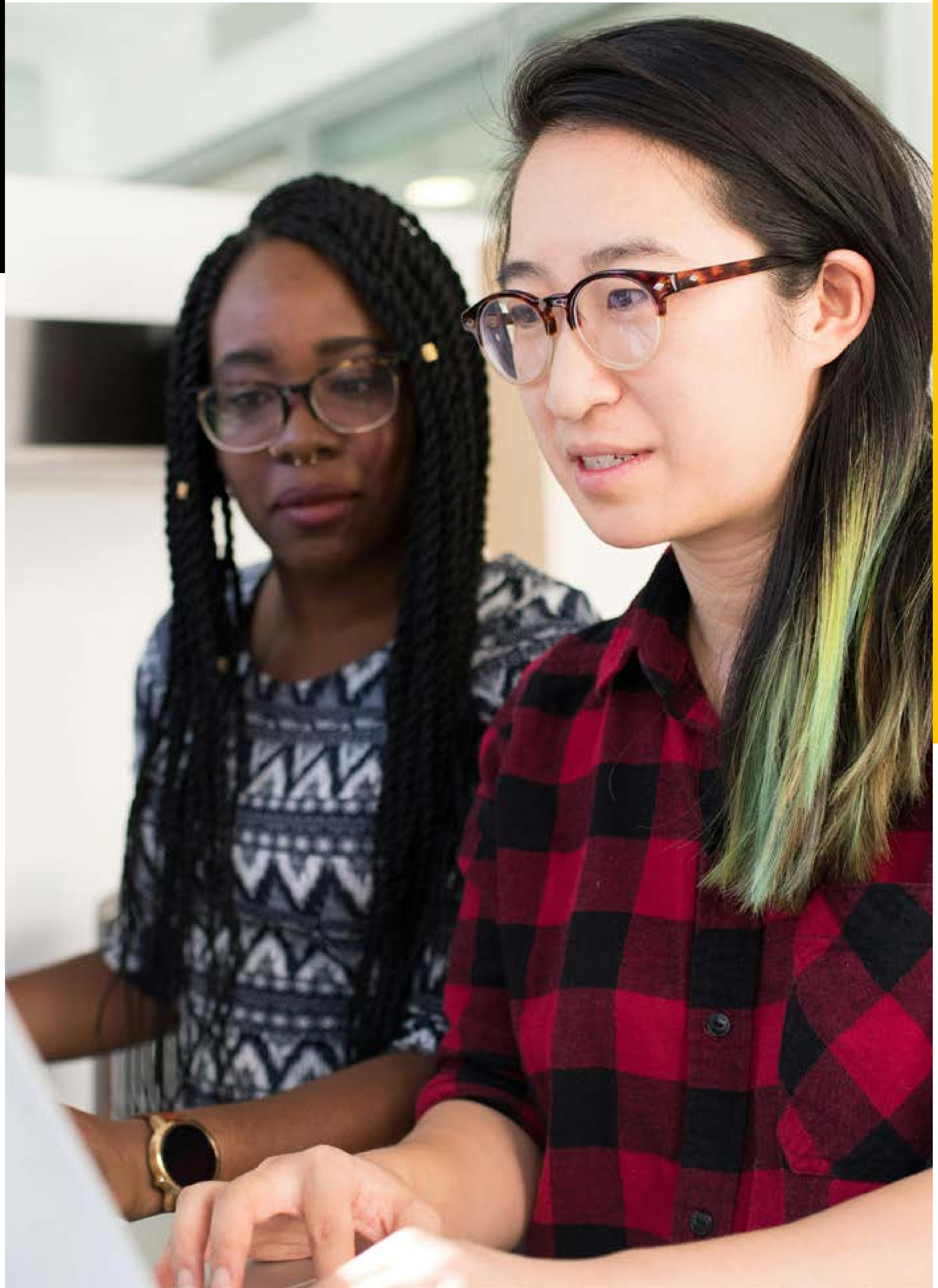
Generative AI offers an intriguing example. On the one hand, the technology has the potential to help address some troublesome digital skills gaps, for example helping software developers become more efficient by automating parts of the process.

On the other: using Generative AI is itself a skill to be learned, especially as it enters domains beyond IT. That will open up novel skills gaps in many departments: those who are AI-savvy and those who aren't.

As 2024 goes on, we expect to see organisations recognising that the skills gap will never be closed, or complete. A combination of ruthless prioritisation, continuous learning and smart outsourcing will be the answer to these eternal skill gaps.

Continuous learning has been a popular term for years — simple in theory; tough in practice. Relevance is a key issue. Only 12% of employees apply new skills learned in L&D programmes to their jobs (HBR). But AI could help savvy HR departments offer personalisation at scale, and therefore make continuous learning a key tool for taking on skill gaps in a more incremental fashion.

And finally, where there are skills gaps, there is a reason to outsource. The B2B tech market will continue to offer the specialisation that businesses can't get themselves, and in 2024 businesses will need to make smart decisions about where they're best to partner, outsource or keep in-house.



What does that mean?

For marketing

Investing in the "latest and greatest" in technology can be difficult when the pace of technological change is so fast. Remember that customer success and managed service can be just as critical to decision-making as the hardware and software itself.

For PR

PR can be a fantastic resource for attracting skilled employees — especially in tough economic times, when salaries can be limited. Find ways to publicise unexpected or unusual benefits that put L&D at their heart of your employer value proposition.

This year, watch out for...

This year, Web Summit will take place in Lisbon on 11-14th November 2024. The summit brings together the leading companies redefining the tech industry and sets the tone for the years to come.

3. GENERATION BURNOUT'S CHANGE ANXIETY VS. THE ONSLAUGHT OF TECH-ENABLED TRANSFORMATION

The pandemic brought a wave of profound transformation in every sector. Welcome: the rebirth of the modern workplace and the normalisation of hybrid working. But, at what cost?

By the end of the pandemic, the average employee had experienced 10 planned enterprise changes: from replacing legacy technology to implementing new ways of working.

Pre-pandemic, employees were far more positive about these kinds of changes than they are now. In 2022, only 38% of employees were willing to support enterprise change, a sharp decline from 74% in 2016. Many employees new to remote working found this transition very challenging, creating record 'technostress'.

Although the hybrid work model has been hailed as the 'future of work', these transformations have drained the workforce and led to widespread change anxiety.

This situation is making it more challenging for organisations with more initiatives to be put in place. Low employee engagement could endanger successful implementation before they've even begun: a potential barrier of entry for tech companies persuading prospects to shift employee-facing systems.

Managing end-users' fatigue requires a renewed focus on the "What's in it for me?". If employees are fed up with constant change, focusing solely on operational or financial benefits might not be sufficient to get adoption and ultimately drive ARR.

3.

What does that mean?

For marketing

Empathy is key when communicating to prospects who might be experiencing the symptoms of a burnt out workforce. Be cautious with bold statements, as they might be considered 'too disruptive'. Instead, refocus your attention on the people, placing employee experience as a key solution pillar of your value proposition.

For PR

The industry is saturated with 'enterprise to enterprise' stories that completely leave out the people implementing and benefiting from the solutions. Begin stories with the end-user to create human interest.

This year, watch out for...

If you're interested in learning how global business leaders navigate wellbeing in the workplace, consider signing up for The Watercooler Conference taking place on 23-24th of April 2024, or the MAD World Summit on 17th October.

AS BOLD AS *B2B*

1. WELCOME TO THE YEAR OF THE OUTCOME

If 2023 was the year of efficiency, 2024 is primed to be the year of the outcome. Following a period of high interest rates, rising inflation and stunted growth, businesses will explore ways to drive the best possible value from their partners, their supply chain and their technology stack.

There are three main forces driving this:

1. New value-driven commercial models accelerated by AI.
Recent history brought us Pay-as-you-Go (PAYG) cloud computing models and XaaS (anything-as-a-service). Services-led, cloud-enabled and consumption-driven — these services can scale up and down, providing the flexibility the modern enterprise needs.

If AI delivers on its promises of doing more with less and scaling solutions, charging based on consumption or on the service delivered will become table stakes. As a result companies will instead expect their technology providers to focus on outcomes, rather than how they have delivered the technology.

2. Growth of a co-owned approach to digital transformation (between CIOs and business leads) and models that puts the customer lifecycle at the centre.
To realise the progress companies want to see, organisations are increasingly focused on longer-term transformation that prioritises the customer lifecycle. Historically, we've witnessed a decoupling of digital transformation and the actual business. Two tracks running parallel: the business that services customers today and the transformation that will transform technology tomorrow.

But the next 12 months will firmly re-establish customer success as companies' raison d'etre. As a result, digital transformation initiatives will be increasingly co-owned by both a technical leader such as the CIO and a business-orientated C-suite partner to ensure the transformation is technically viable but also material to the business.

3. Increasing pressure to show competitive advantage.
As data becomes more central to companies' offering, their competitor sets are expanding beyond their traditional category players to encompass a wider set of data providers.

With companies finding themselves competing for fractional gains, the ability to win will be driven not by iterative product releases but how they deliver real outcomes. Expect to see a growth in "Outcome-as-a-Service" or outcome-based commercial models.

As organisational theorist, Geoffrey Moore, says, "The bigger change [...] is when both the vendor and the customer reframe Customer Success in terms of business value realisation based on achieving business outcomes enabled by the SaaS offering."

What does that mean?

For marketing

Review your view on your world: from competitors to your go-to-market. For competitors, look outside of your direct market and consider companies who talk to your audiences and compete on "mindshare". For partners, undertake an audit of how vendors are actually being selected and by whom (ISVs, TPAs etc.) and reflect that in your go-to-market plan.

For PR

Work closely with customer success teams to deprioritise stories of "bits and bytes" and locate quality, end-to-end customer stories that have a business outcome to highlight.

AS BOLD AS B2B

2. IN A SCARY WORLD, CYBERSECURITY IS A COMPETITIVE ADVANTAGE

In Tech Moves 2022, we spoke about the shift away from the "move fast and break things" mindset of the 2010s. Over the course of 2023, we have become accustomed to a world of economic uncertainty and geopolitical turbulence, a world in which businesses must carefully calculate their risks and where stability is prized.

To profitably navigate this dynamic world, businesses need to confront risk head-on. A high percentage of businesses' assets are now digital: customer data, proprietary software, algorithms, models. And these assets are at risk.

In the year ahead, hackers will tap into generative AI to develop persuasive phishing approaches on a massive scale. Of course, the "Good Guys" also have AI — and considering the unrelenting shortage of skilled cybersecurity professionals, they also have huge incentive to deploy it.

Ransomware was all the rage in 2023, with average payments hitting $1.54 million. Almost half of the victims defied government guidance and paid the ransom, indicating that we have not yet got a firm grip on cybersecurity risk.

In a threatening world roiled by disruption, the right attitude to risk is a huge asset. Managing that risk is not just a hygiene factor, where doing the minimum viable due diligence can guarantee that the organisation won't be hurt.

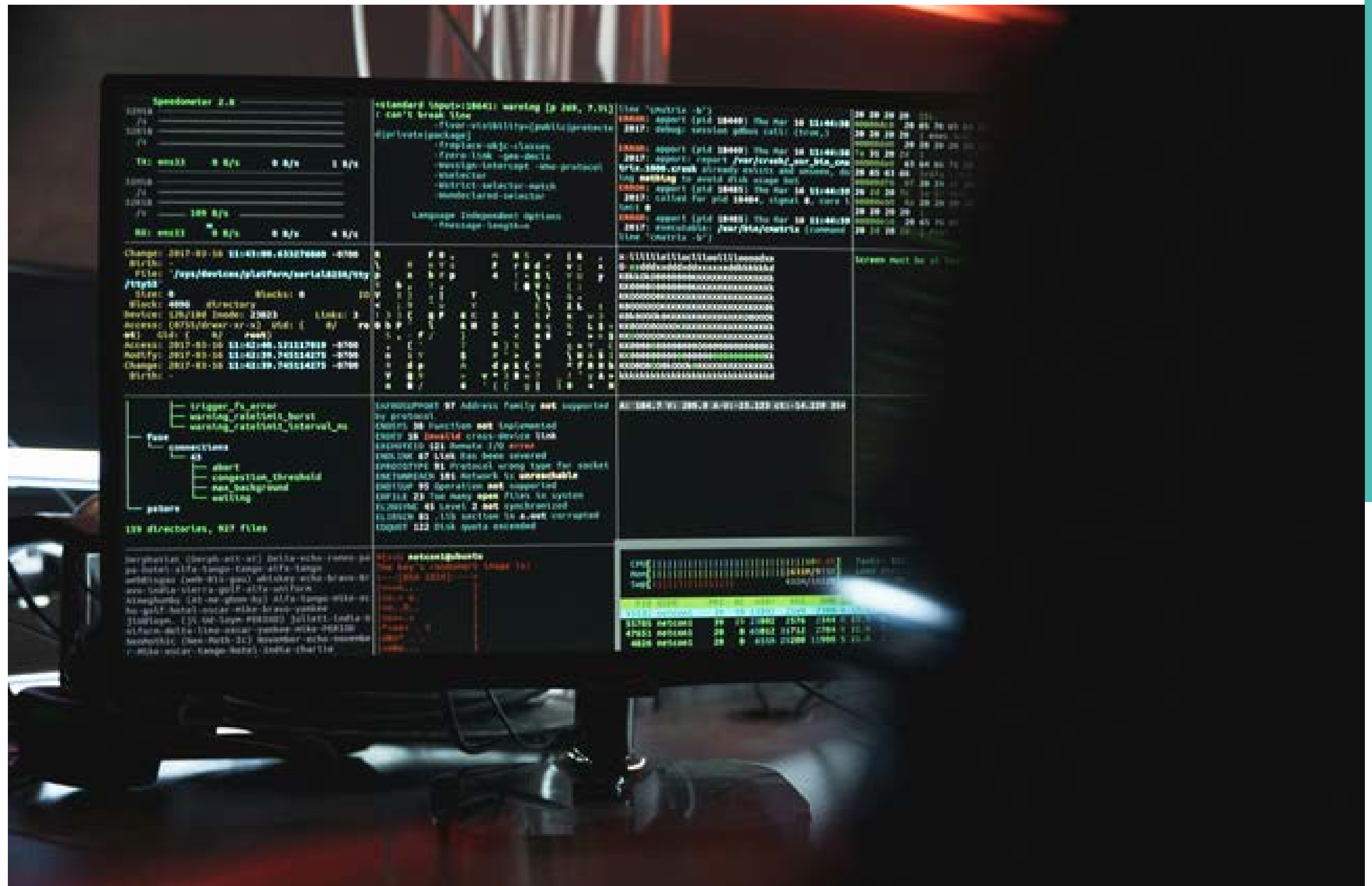
According to some estimates, the Moveit vulnerability cost businesses more than £7.9bn and had a negative impact on more than 1,000 companies. Deployed in geopolitical disputes, hackers have been cutting their teeth in cyber warfare across the world, and know how to maximise disruption by picking targets that play a key role in supply chains.

2.

Cybersecurity increasingly resembles ESG — like sustainability or regulation, external circumstances can rapidly escalate to make it a massive issue for the entire organisation. Organisations will not just lose business, but also risk their entire survival on the basis of cybersecurity issues.

And like ESG, it will soon be seen as an important criteria to measure how responsible a business is — how resilient it is to the tides and currents of a changing world.

The cybersecurity industry has been talking about how inevitable threats are for some time. Perhaps, 2024 presents the opportunity to explore the competitive advantage good cybersecurity and risk resiliency can grant modern business.



What does that mean?

For marketing

Even if you're not a cybersecurity player, it could be beneficial to put compliance and governance messages in a prominent position - especially if your audience is in risk-sensitive industries.

For PR

It's worth considering whether your existing cybersecurity messaging is landing not just with journalists but also with your audience. Can your organisation help progress the narrative from doom and gloom to one that is more positive and solutions focused?

This year, watch out for...

CYBERUK 2025, 13-15th May — the UK government's flagship cybersecurity event.

3. DON'T DO IT YOURSELF: THE ART OF THE VALUE-ADD WILL MAKE THE CHANNEL MORE COMPETITIVE AND COLOURFUL

In last year's Tech Moves, we talked about the importance of the ecosystem in unlocking business growth. This year, we expect to see that accelerate with gousto.

In 2024's still unpredictable economy, technology businesses will need to make the most of their existing investments and relationships, and ensure their go-to-market motions are driving as much value as possible. The partner ecosystem will play a key role here.

For tech businesses and vendors, this ecosystem can be a significant source of revenue. However, there will be a shift in focus as the partner ecosystem comes under a different spotlight. The question now is: how can they support tech businesses to unlock additional value?

The next 12 months will witness tech businesses and vendors embrace channel partnerships with organisations that are able to "do more". They will move away from transactional relationships to a more flexible dynamic, where partners wear multiple hats and tackle today's most pressing challenges:

- **Sales and marketing wingman:** in a competitive environment where businesses are eking out growth where they can, partners' experience deploying technology with end users is invaluable. They can help vendors understand their target markets more profoundly and shape marketing and sales strategies accordingly.

- **Compliance accomplice:** a partner that is able to take on the complex burden of compliance management. With lots of regulation coming into play, from AI to cybersecurity, this will become particularly valuable in the year ahead.

- **Skillset gap chap:** a partner that can bring its own expert team to support with customer onboarding or implementation services will be invaluable. It is very hard for tech businesses who are experiencing the IT skills gap drought first hand to offer these services if they already lack specialised personnel.

3.

As these value-added capabilities become more important, the channel will converge. The line separating managed service providers (MSPs) and value added resellers (VARs) will continue to be eroded as channel organisations all seek to take advantage of the opportunity to deepen relationships with end users and to gain more revenue for every deal.

Add in significant competition from a wider range of organisations - whereby the big consultancies increasingly stand toe to toe with GSIs - and it's becoming clear that the channel is set for a vibrant year ahead.

What does that mean?

For marketing

If you're a vendor looking to further unlock your existing partnerships, consider co-marketing opportunities by leveraging your partner's expertise in specific areas (i.e. regulation, cybersecurity) to co-create compelling messages. If you're a channel partner, make sure your marketing showcases your capacity to wear multiple hats.

For PR

When telling partner stories, emphasise how vendors and partners worked together to create extra value that they couldn't have done by themselves. The voice of the end customer is an essential component here — albeit an elusive one!

This year, watch out for...

As part of this year's London Tech Week, the Channel Partners Europe returns on the 13-14th of June 2024. Alternatively, for those based closer to the US, the Channel Partners Conference & Expo takes place in Las Vegas next 11-13th of March 2024 with a focus on Telco providers.

A *SHIFTING* CONSUMER CLIMATE

A SHIFTING CONSUMER CLIMATE

1. SOCIAL MEDIA IS FRAGMENTING: THE "SOCIAL" PART IS NOW HAPPENING SEPARATELY FROM THE "MEDIA" PART

Last year, we predicted that social media would enter "a period of flux" in 2023. And it truly lived up to that thinking, with Elon Musk's turbulent tenure at "The Artist Formerly Known As Twitter" highlighting the complexities of getting social right.

On the one hand, social media offers the capacity to reach a global audience in a way that rivals conventional broadcast media. But this conception implies a responsibility to ensure the information being shared isn't harmful or false.

On the other hand, social media is fundamentally atomised. Each individual has a different feed, which offers a personalised experience and encourages participation in niche communities. This puts the emphasis on freedom of expression, enabling the individual to have their most "individual" experience.

It's this tension between social media as the public square and social media as curated experience that makes it so compelling and complicated.

The public square is now dominated by content that can attract eyeballs en masse. Geopolitical turbulence, with the Russo-Ukraine and Israel-Hamas wars, has underlined how partisan content and outright propaganda have the upper hand when it comes to evoking the rage and righteous indignation that keep us fixated on our feeds.

Musk's libertarian approach to content moderation, which has seen X vacate its Twitter-era role as the journalists' Platform of Choice, demonstrates just how delicate the balance is between freedom of speech and trust when it comes to this public square.

As social media has become a massive money spinner, content creation has become professionalised. The Creator Economy is slated to reach $480B by 2028. With BeReal — the champion of #authentic posting — plateauing, it's increasingly clear that the feed is a place for blockbuster entertainment.

Ordinary users are eschewing the conventional "broadcast" modes of engagement which involve reaching a large audience. They're fatigued by toxicity, politicisation, and increasingly conscious of their own image and the commercial (and criminal) uses of their data.

1.

Instead, users are turning to direct messaging, groups and other ways of using social media that work for them and their interests. This often means different social media services for different purposes — Discord to connect to their gaming community, Reddit to get book recommendations, TikTok for fellow Jacob Elordi enthusiasts.

Ultimately, social media is fragmenting into personalised and private "social" and entertainment-heavy "media". That bifurcation means a better experience for users — and for savvy businesses, opportunities to reach people where they really care.

What does that mean?

For marketing

Go back to basics: how does your audience use social media? Which services serve what purpose? It's worth looking at emerging platforms and forums that might not be as public as Twitter or LinkedIn.

For PR

Traditional media is not the be all and end all of PR; it is a means to an end, which is influencing a specific group of stakeholders. Consider how your business can tap into pre-existing communities, specialist groups, and other forms of "under-the-waterline" conversations.

This year, watch out for...

On 4th February, Facebook turns 20, marking two decades of the world's favourite social media platform!

2. REUSE DOMINATES THE DEVICE DEBATES

As an industry, consumer electronics is predicated on the all-too-human love for the bright new shiny thing. But behaviour is changing: as sustainability awareness, economics and regulation work together to shift consumers from e-waste to re-use.

Globally, the sheer volume of e-waste — discarded electrical or electronic devices — is forecast to rise from around 61 million metric tonnes of waste in 2023, to just under 75 million metric tonnes by 2030.

And that isn't just any old bits of rubbish being thrown away. Consumer electronics are often composed of precious and rare metals such as lithium, tungsten and manganese. They may be outdated and replaced with a younger model, but they are valuable.

We know that our modern lifestyles are bad for the planet. But good intentions are not enough when set against the cold realities of consumer spending.

According to YouGov, 50% of people globally say that brand, features, and model are more important for them than sustainability when it comes to buying electronic goods.

Sustainability is fast rising in importance when it comes to how people make technology buying decisions — but it is not a top-three factor (yet).

One of the key drivers for changing behaviour will be simple economics. Last year we witnessed unyielding inflation, eroding the value of people's take-home pay and leaving them with less disposable income. Price is the most important factor when it comes to consumer electronics purchases, and buying electronics second-hand can enable people to enjoy the best tech without breaking the bank.

Historically, there has been a perception that buying secondhand or recycled electronics is a risky endeavour considering the sensitive nature of the products. There's even been a bit of snobbery directed towards secondhand electronics — after all, these gadgets are "meant" to be new and shiny.

But attitudes can change. Second-hand clothing was once seen as a last resort, something that elicited an "ick". Now it's the height of cool — witness the Vinted phenomenon, likely to become the Hoover of the second-hand fashion.

2.

Four in ten British consumers have purchased repurposed electronics at some point. But that doesn't excuse the fact that the UK is on course to overtake Norway and become the world's largest contributor to e-waste this year.

The EU's Waste Electrical and Electronic Equipment (WEEE) directive already gives manufacturers responsibility for the collection and safe disposal of electronic waste. But with mounting pressure for the UK to reverse its potential new title, we might well see refurbished equipment hit the mainstream, with significant consequences for OEMs and retailers.

What does that mean?

For marketing

Consider how which claims and certifications you can use that talk to products' longevity, re-usability or the modular nature of devices that allows for fixing not throwing away.

For PR

With product launches so ubiquitous, there's an opportunity for brave brands to lean into switching and re-use of their devices. Patagonia's "Don't Buy This Jacket" campaign but make it tech.

This year, watch out for...

By the time you read this, it's likely that the Apple Vision Pro will have launched (it's scheduled for February 2nd). The industry and consumer reaction to this device should offer an intriguing insight into 1) the appetite for yet another device and 2) the level of interest in wearables generally and glasses specifically.

A SHIFTING CONSUMER CLIMATE

3. GAME DEVELOPERS STRUGGLE TO "LEVEL UP" HARDWARE INNOVATION

Escapist fantasies, white knuckle combat, vast open-world explorations. The gaming industry can deliver them all — whisking away several free evenings in the process.

An incredible amount of technological innovation goes into producing these experiences, but the consoles, laptops and PCs that host gaming are increasingly outpacing the games themselves. Hardware advances are resetting consumer expectations, and software developers are sprinting just to keep up.

Whether it's Nvidia releasing AI-enhanced graphics chips, AMD's fluid motion frames, or relentless upgrades to gaming laptops, there's a huge amount of horsepower driving new prospects in gaming.

Consumers are accustomed to an on-demand experience, defined by instant access to new content courtesy of the likes of Netflix and Spotify. They're excited about the many possibilities for gaming — and impatient for the next generation of games that tap into this technology to create the most immersive and exciting experiences.

The problem is that the businesses which produce games simply can't keep up. Delayed release dates have become a norm in the industry, especially when it comes to blockbuster games: look at Hogwarts Legacy, Baldur's Gate 3's console release, and Warhammer 40,000: Space Marines 2 for some prominent examples.

The PlayStation 5, released in November 2020, famously still doesn't have enough games for many people to justify the purchase. The console packs a huge amount of power, but there are very few games out that actually tap into all of its capabilities. Grand Theft Auto 6 is perhaps the first major game to launch on the PS5 and tap into those capabilities — but that won't be out until 2025.

3.

This is indicative of a two-sided, asymmetrical industry: on one side we have systems and console developers. They are able to tap into the chip industry's relentless pace of product development and innovation, which serves an array of markets far beyond gaming.

On the other side are the games developers, who have to square a complex combination of gameplay, storytelling and technical nous to create profitable games. These two sides don't always work in synergy — and as a result, a keen gamer can invest several hundreds of pounds in a console, just to wait for a year for an exclusive game.

This year, we're already seeing indications that this could change. Some systems and console developers recognise the threat that dynamic poses to their own business. Nvidia is introducing new services on its Avatar Cloud Engine (ACE) which will enable developers to tap into AI to create more responsive and realistic non player characters (NPCs).

For the gaming industry to satisfy the demanding appetites of its audience and fulfil the huge potential of emerging technologies, systems and console developers need to find ways to give games developers a leg-up.

What does that mean?

For marketing

There's a big opportunity for gaming hardware brands to raise their profile amongst a wider audience. An "Intel Inside" style campaign for a consumer audience, would position the product as a vital component in enjoyable consumer technology experiences and potentially create bottom-up demand.

For PR

Communicators in the gaming industry are undoubtedly under huge pressure from both consumers and from their own businesses to hype up new releases. But they need to also ensure they're managing expectations from both parties, especially around release dates.

This year, watch out for...

Keep an eye peeled for a new Nintendo console due this year to further push the industry forward. And looking further ahead, we should get confirmation of the PS6 the release date — due in 2028 right now.

4. CUSTOMER DEMANDS COMPLICATE THE FINTECH-BANKING FRENEMY-SHIP

The relationship dynamics in the financial services sector continue to shift — as fintechs and banks are embracing a new narrative of "coopetition".

The fierce rivalry between fintechs and banks has never been necessary. But only recently has the financial services recognised that the two separate ways of banking both play integral roles in meeting the diverse needs of customers in a turbulent economic climate marked by high interest rates and inflation.

Last year, we saw the rapid expansion of payments, resulting in yet more choice for customers, with PSD3 announced and set to advance open banking, fintechs expanding the geographical boundaries of traditional banks and payments providers crossing into all industries from all angles.

While fintechs excel with user-friendly solutions, consumers still value the stature of a traditional bank, given their huge amount of capital and the cloud of uncertainty that hovered over fintechs in 2023. The rise of AI has also heightened the importance of robust security measures, as consumers increasingly seek clear communication about risks.

Consumers are demanding a blend of tech innovation and institutional trust. And fintechs and bank recognise that they complement each other. Partnerships are emerging as the way forward (though not always successfully, as Apple and Goldman Sachs have shown).

Fintechs can leverage the established trust of banks and banks can benefit from the UX and tech prowess of fintechs. They are no longer seen as frenemies; they can become the best of friends, offering consumers a fusion of trust and reliability with innovation and convenience.

4.

But, just as the rivalry was unrealistic, so too is such unwavering collaboration. As we enter 2024, the landscape is giving way to a more complex reality whereby the future of fintech may see a divide between those who compete with traditional financial institutions and those who support them.

Ultimately, consumers are voting with their wallets. This will force both banks and neo/challenger banks to prioritise what is actually best for consumers — and not just what makes them the most money.

Perhaps Open Banking's biggest promise is changing closed mindsets.

What does that mean?

For marketers

In a blended landscape of competition, cooperation and acquisition, marketers must be as customer-centric as possible: understanding customer needs through market research and using CRM to tailor marketing with data-driven insights, creating more personalised connections with customers.

For PR

PR professionals can help to shape a more balanced and informed narrative around this new phase of "coopetition" between fintechs and banks as they face a strategic recalibration of their roles — with transparent communication and strategic messaging around partnerships.

This year, watch out for...

Fintech Week London — 10-14th June 2024.

THANK YOU