



BUILT FOR CHANGE EPISODE 13: FJORD TRENDS 2022

AUDIO TRANSCRIPT

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BAILEY: When the founders were first pitching the business to people to help them create this thing that didn't exist, they'd say, "Yeah, people are going to pay for writing on the internet."

MUSIC

JOSH: This is Bailey Richardson, head of community at Substack. She's talking about the early days of the business which launched in 2017, when the founders—Hamish McKenzie, Chris Best, and Jairaj Sethi—were trying to get funding for a platform that would ultimately disrupt the digital publishing status quo.

BAILEY: And everyone who was hearing these pitches were like, "You're crazy. No one's going to do that."

ELISE: It was a simple idea and a crazy one. Yeah, maybe readers would pay publishers for newspapers or magazines, but even those businesses were struggling to stay afloat.

JOSH: So paying bloggers? Nobody was buying it.

BAILEY: Writing has been in decline online. There's no business model there, no viable business model. And the founder had this parlor trick where he would say, well, would you pay for your favorite writer?

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BAILEY: And would you pay them for their writing? And everyone would say, well, of course I would pay for my favorite writer.

ELISE: So Substack set out to prove that a new business model could work; one that was built to give writers independence, financial security, benefits, community, and—above all else—autonomy.

BAILEY: A couple of writers, including one named Bill Bishop, really were there kind of step-by-step with the founders, trying to figure out how they could make the right tools that could help a writer like him who had a free newsletter that he'd been writing for years with thousands of people on it, take that kind of free newsletter and turn it into a subscription business.

JOSH: Working with Bill, the founders knew they had someone with a dedicated following. So the question became: would enough of Bill's readers pay for the work they loved that they used to get for free?

BAILEY: They built the product for Bill Bishop and on his first day of moving people from his personal newsletter to the Substack platform, he was immediately making six figures that first day, having been writing this publication for years.

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BEAT

BAILEY: for free. He could then keep focusing on the newsletter and be financially rewarded and secure in doing that work.

ELISE: For Substack, it was evidence that giving writers more agency, more freedom to monetize their own work, was a model that could potentially appeal to both readers and writers



alike.

BAILEY: That was definitely a very strong use case, and a very strong data point, to prove that this model might work. There's definitely enough other people out there in the world, and all you have to do is find them, and you might be able to build a publication that allows you to write about that thing that you love and that previous models had precluded you from thinking was possible.

THEME

ELISE: I'm Elise Hu.

JOSH: And I'm Josh Klein.

ELISE: And this is Built For Change, a podcast from Accenture.

ELISE: Josh, we've talked about how much this pandemic has upended so many areas of our lives.

JOSH: Oh yeah.

ELISE: And one thing, of course, is that loss of control, loss of autonomy whether it's because we can't travel.

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ELISE: can't be together,

JOSH: Mmhm.

ELISE: or just general anxiety over what the future holds.

JOSH: Yeah, it's reshuffled everything. It seemed like everyone's choices disappeared.

ELISE: We've also seen this Great Reshuffle or The Great Resignation where a lot of people are exercising control where they can and saying, "You know what, this job isn't working for me" or "this relationship is no longer serving me," and trying something new. Substack is a business that realized there's a market for enabling and supporting people in gaining back some of that control in their lives.

JOSH: It's true. And in fact, that's what we're

going to be talking about now, some of the big trends that we're seeing there. So every year, the teams at Accenture Interactive come together to identify the top trends that are going to have a huge impact on the year to come. And that report is called Fjord Trends. So recently I got to talk with the team that put that report together, and they said that this year the trends are influenced by a re-examination of relationships exactly like you said, with work, shopping, and so much more. And that's what we're talking about today.

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END THEME

JOSH: Today, I'm delighted to be joined by two experts from Accenture to discuss this year's Fjord Trends. So here with me, we're excited to welcome back to Built for Change for the second time, Mark Curtis, the Head of Innovation and Thought Leadership at Accenture Interactive. Welcome, Mark.

MARK: Hi there, good to be with you again.

JOSH: And for the first time we're joined by Martha Cotton. Martha is the Global Co-Lead for Fjord. Welcome Martha.

MARTHA: Thank you. Great to be here.

JOSH: So, Mark, can you get us started by explaining, just for context, what are Fjord Trends?

MARK: So Fjord Trends are an annual collection of insights. We look at the input from roundabout 2000 designers who are really at the front line of understanding what humans are doing and how we need to design for them. And a lot of what Martha and I do in late summer, early fall is what I call pattern recognition, trying to make sense of all the variety of inputs and to see what are the patterns there which might provide guidance systems for how to think and act over the next.

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MARK: year to three years.

MARTHA: One of the things that I think is



amazing for me about the trends is, seeing around the world, how much we have in common. It's always really amazing what does kind of rise to the top in terms of what we're collectively feeling globally. It's both, uh, terrifying and, and really gratifying, honestly.

JOSH: It's gotta be even more relevant in the last couple of years, given the, the shared global experience.

MARK: Life is changing. There's no question about that. And because it's changing, we're having to rethink, re-examine the relationships we have.

JOSH: How's that playing out?

MARK: We're seeing people really rethinking their relationships around a number of things: around work, you know, a growing sense of agency, which is also fueling the rise of side hustles and kitchen table businesses. And that independence is putting pressure on organizations who are trying to work out how to respond to it. The second one is materialism. So, the supply chain challenges, which we're very aware of and the growing urgency to live more sustainably, really.

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MARK: making people think about and re-examine their relationship to materialism—to consumerism, in fact.

JOSH: Right... So the first trend that we're going to cover from this year's Fjord Trends report is called "Come As You Are." Martha, what is this trend?

MARTHA: This first trend, "Come As You Are," describes this fundamental shift which we see in how people are kind of seeing and thinking about and understanding their own personal agency over their lives and their choices that they make. And so we see evidence of this in multiple ways, but most profoundly in how people are thinking about work. We think it kind of explains what is now called The Great Resignation. It allows us to kind of look at the rise of the side-hustle economy, the creator economy, these other kinds of indicators that are

happening as people are essentially sort of claiming their own sense of agency. To me, it's evidence of the fact that people are unapologetic about their own complexity and demanding to be understood in, in that holistic way. This is not just about pursuing your.

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MARTHA: creative passions. This is really about your entire approach to work and careers. And how the organization that employs you accommodates your demands there.

JOSH: Right. So then if this is about more than the creator economy, how's that show up in the jobs that people already have?

MUSIC

MARTHA: We're definitely seeing this in the employer-employee relationship, a demand for, for example, more flexible work contexts. And employers are going to have to kind of figure out how to accommodate, now that people have been able to kind of bring their whole selves to work with the dogs and the babies and everything, you know, how to sustain, my now expectation as an employee that I construct my work life in a way that actually might work better for me.

JOSH: And I think a lot of businesses are struggling with how to accommodate that. I mean, what's the challenge here?

MARK: The implication of this, if we're not careful is "me" predominance over "we."

MARTHA: Yeah.

MARK: and that teamwork then becomes a lot.

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MARK: more challenging. How then do we encourage teamwork if we're all encouraging individual behavior. And there are some very real logistics behind this: which day of the week did we go in and how do we, how do we navigate that one? You know, Martha might decide that Mondays, Wednesdays, and Fridays just suit her perfectly. And I might decide possibly because I'm caring for children on



Tuesdays and Thursdays by agreement with my wife.

JOSH: Right.

MARK: And then, and then how do Martha and I collaborate as a team—then, then when we're back where we are now not having those valuable face-to-face meetings? So the negotiation of this is going to be tricky. And probably one of the things that makes it trickier is that different organizations are responding different ways.

JOSH: So too much flexibility means work is flattened into something purely transactional. Do we have a day-to-day example of what this feels like?

MARTHA: I'm looking at my computer right now, like, me and this box. Work in many places is reduced to this.

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MARTHA: acronym, EEEMP: E E E M P, which is emails, emails, emails, meetings, PowerPoint.

[LAUGHTER]

MARTHA: And again, sorry—and I'm speaking to obviously sort of a knowledge worker kind of experience. But I feel like I lived my life to try to resist the EEEMPing. But this last couple of years have really pushed me to be that. And so I, you know, yearning to kind of release myself from that cadence, I think especially what we're seeing this year in our trends is people want to show up and find meaning in their life and in their work. And if we're kind of responding to that by saying, okay, but now execute your work as a series of transactions, we're kind of not actually allowing them to fulfill that core human need. It's exciting because I think employers will need to be very creative in how they accommodate and compete for talent given the sort of the churn that's in the market right now. I think this tension will take a while, honestly, to play out.

JOSH: Right.

MARK: I think that creates

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MARK: new opportunities for organizations. We see it with an example in the UK, per a small startup, uh, who've been trialing in, in one major city in the UK basically giving local people the opportunity to create local experiences, and make money out of that. And they've been doing incredibly well as a result.

MUSIC

MARK: Because it turns out lots of people say, "Well, you know what? I can give pottery classes" or "I can teach skateboarding at the weekend," or "I can, ah, take people on a tour of the city and the haunted alleyways of the city." Or whatever it may be. And I don't think those people necessarily need training in what they're doing. This platform has come along and said, "come as you are."

END MUSIC

ELISE: I think it's great that people are feeling empowered. They're making the choices that are best for them and their lives and their careers, and just exercising that agency must feel amazing after two years of the pandemic.

JOSH: Yeah. I mean, that's the whole beauty behind "Come As You Are," is that individuals are diverse and we have diverse strengths.

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JOSH: And if you're not using that, then your company is missing out and maybe you can do it somewhere else.

ELISE: And so this is a huge opportunity, not just to change the relationship between, um, worker and manager, but also company and consumer, which is cool.

JOSH: The companies that are seizing those opportunities are the ones that are really winning. You know, it's, it's like we heard from Bailey Richardson: Substack's one of those companies that saw this opportunity in the challenge, they built a platform that quickly grew, and they started providing writers with a new way to build totally independent businesses



based on their talent. I think that that's emblematic of what we're seeing around the new economy today. Actually, let's, let's go back now, let's listen to Bailey Richardson and hear what it looked like from the inside.

MUSIC

BAILEY: Like every six months, every year, there's another round of lay offs somewhere. And great writers, incredibly talented people who, not because of the lack of talent, but because of the economics of their industry can't support

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BAILEY: their writing. A lot of journalists are increasingly losing their jobs.

JOSH: If a digital publication is relying on advertising as a sole source of revenue, it needs to reach a big audience. Clicks. And in order to earn enough money from advertisers, you need a lot of clicks. And that puts pressure on writers.

BAILEY: Another thing that we see often attracts writers to Substack is the ability to truly write about what they really want to write about. There's one writer who's watching every movie ever published in the eighties. It's a ten-year project. And I don't think he could attract probably 40,000 people a month to his publication, which is what he would need to support it through the ad model. But that kind of very specific writing he wants to do can be supported if you have a thousand people willing to support your project.

JOSH: It's a meaningful change for every stakeholder: writer, reader, and platform alike, but that's not where the challenges end, because in order to be successful, writers.

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JOSH: still need to accumulate paying subscribers.

BAILEY: We tell writers to make their best writing free. I think that's a little counterintuitive for people who are trying to make a living off their writing, but the whole value exchange on

Substack is essentially a reader having a trusted relationship with a writer and saying, "I'm going to give you my attention." You see an amazing piece, it lights your mind on fire, and then you decide, "Actually, I want to know this person more." But if you don't let someone even taste the magic, it prevents them from going on a longer journey with you in a longer relationship with you.

JOSH: In order for the writing to be valued and for readers to pay for a subscription, the relationship has to be about the human connection. If the writer can cultivate a meaningful dialogue with their readers, then they can reap the benefits. But going independent does come with some trade-offs.

BAILEY: Oftentimes writers who are maybe used to having a newsroom or a group of other writers around them maybe don't have that anymore. And the kind of phrase that I think is behind.

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BAILEY: the mission of my team is: just because you're an independent writer doesn't mean that you need to be alone. And so my team was brought in to start to build that structure around making sure writers had access to one another.

JOSH: The camaraderie of a newsroom or a publishing house is only one of the things that writers leave behind when they go independent.

MUSIC

JOSH: Substack is working to provide their writers with healthcare options, and even legal defense funds for investigative journalists.

BAILEY: Almost half of the business, focuses on everything that a writer needs outside of just a piece of software to publish their writing, to provide the most robust infrastructure and support system for independent writers, hopefully that the world's ever seen.

JOSH: When a writer comes to Substack, they may find themselves free from the strictures of a large media company, but now they're their own



business. They decide what their brand is, what they write, and what they sell it for.

BAILEY: There are many cases where our writers know more than we do about how to run their businesses. There are people who know more about.

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BAILEY: how to run a successful investment newsletter or how to run a successful fiction newsletter and how to use our product to do that, than really anyone at our company knows right now.

JOSH: But Bailey says that, when given the choice, Substack writers had a habit of undervaluing themselves.

BAILEY: In the last 20 years writing, because of the economic system supporting it, has been massively devalued, and writers have become accustomed to this. One example of how we've run into that is we set a minimum for what a writer can charge on a monthly basis when they turn on paid subscriptions. And that minimum is \$5 a month. And so many writers say, "Can I just charge \$1 a month? No one will pay for my writing." And the truth is if someone loves your writing, they will pay. And we're seeing that. That's why our business is experiencing growth. So one of the things that we spend a lot of time doing is, in some ways, trying to reverse.

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BAILEY: this long but misguided sense of writing's lack of value, and the lack of value that writers perceive around their own work.

JOSH: Keep writers independent, but provide them with support and help them to see the real value of what they do. Writers in all different genres have been successful. From food writing to serialized novels, even stock picks.

MUSIC

BAILEY: Seeing that this model could work for different types of writers and different types of writing, I think further cemented their hope that perhaps this model could keep growing. Month

over month, year over year, these writers just kept having sort of key success stories.

JOSH: Substack invites creators to come as they are. And they found business success in providing writers with a warm home to pursue independence in their work.

BAILEY: I am excited about more people feeling like they have more choice about how they want to spend their time, what they want to work on,

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BAILEY: and less risk in making those choices.

END MUSIC

ELISE: Over the last couple of years, since Substack has been around, I have actually found myself gradually subscribing to more and more individual writers and their newsletters. I feel like my Substack subscriptions really add more context to my life and my understanding. I love it.

JOSH: Yeah, I'm a big fan of models like this. The first book that I ever wrote, I released creative commons.

ELISE: Oh, cool.

JOSH: The fact that, that more people have that opportunity to use their authentic voice, to build an audience, that just seems enormously powerful.

ELISE: Well, you're kind of proving your own mettle, right? If you can drive the subscriptions, that says something about your value to readers.

JOSH: So the Substack approach is one model that allows writers to come as they are, but professionals bringing their authentic self to their workplace identity isn't the only trend that Mark and Martha explored. So let's go back to our conversation and dig into another Fjord trend.

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JOSH: how businesses and consumers are redefining their relationship to consumerism.

END MUSIC



JOSH: Let's talk about the next trend that we're going to dive in today, which is "The End of Abundance Thinking?" With a question mark. So, Mark, let's start in the past. Can you describe what the "Era of Abundance" was, just as counterpoint?

MUSIC

MARK: So the Era of Abundance is really what we've lived with at a growing and accelerating rate since the beginning of the industrial revolution. It's been the era where we gradually came to assume that we could have everything we wanted whenever we wanted, as much as we wanted. And I think that actually has accelerated with digital, particularly the whenever we wanted. We've believed deep down we can, you know, whatever happens, we can always create more. We can always find more. We can always have more. That's coming to an end.

JOSH: That sounds really dire.

[LAUGHTER]

MARK: Actually, you know, depending on your philosophical point of view.

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MARK: It's not so much dire as, if you look at it from a sustainable lens, it probably has to happen. We're now butting up against the limits of what was an abundant planet, and we're beginning to discover those limits. So we have to do a complete, you know, left-hand turn in our brains about how we think about the world. Now is a pretty good time to be doing it. You know, there are many people who would argue, we should have done it a couple of decades ago. We can still have progress, and indeed we must have progress, but we don't necessarily have to underpin that with abundance thinking.

JOSH: There's gotta be some upsides. What are they?

MARK: There's little or no evidence, in fact probably the reverse, that that abundance mentality is mentally good for people. And I don't think there is any proof that that delivers

emotional health. I should be careful on this because, there is no doubt that the world from point of view of health, much of the world and prosperity overall, is in.

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MARK: A much better place now than it was 40 years ago, and is in a much better place than it was a hundred years ago. It's about thinking about progress in a different way, where your fundamental assumption that we can rely on abundance, begins to shift.

MARTHA: I also think to me, thinking about your comment that this sounds dire, it's actually also a tremendous design challenge. There's ways to design for scarcity. You know, we do a lot of work looking at circular economies and, and these are designed systems. To me, it feels a little less dire, but I also think that's the call to action.

JOSH: Right. I mean, Everyone's heard now, you know, my, my mom the other day started asking about supply chains. You know, we've, we've heard about supply chain disruptions, uh, even the "Come As You Are" trend is causing, you know, what people are calling The Great Resignation. Where's this going from here?

MARK: Make no mistake, this is a very significant shift in the way we think about capitalism and our economies.

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MARK: It decouples innovation from the notion of new. So I think we've rather lazily assumed, many of us, that innovation was all about new, new, new. The iconic heroes of the next 50 years are going to be in the business of how do we regenerate and that's going to be a different kind of innovation altogether. So, we're going to have to think about redesigning absolutely everything. You know, the coffee cup I'm looking at at my desk now, the book, the water bottle, the phone, um, everything and ask pretty fundamental questions about: is this being designed in the right way? And whereas up until 10 years ago, we might've been saying: is it beautiful? Is it usable? Is it functional? Now to those questions have been added almost an



overriding one, which is, is this the right thing for our lives and for the planet? And looked at like that, that suggests an era of the redesign of pretty much everything.

JOSH: That's gotta change the DNA of business strategy also, right?

MARK: So we've heard about digitally native.

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MARK: companies over the last few years, and our clients have struggled sometimes with looking at the rise of digitally native companies and trying to understand, "how can we replicate this internally and change our culture?" But now we also have what I will call purpose native companies beginning to emerge. Literally two CEOs in the last five months, of startups, have told me that they sat and thought long and hard about what they wanted their purpose at work to be before they then figured out what business they wanted to start. So they're purpose native. And then the third part of this is sustainability native. So you have companies who are literally from the ground up building their business around sustainability. And that combination, that "Triple Native," is a new breed of company. And I think what we will see as larger organizations realizing that they have to compete with them and collaborate with them.

JOSH: Martha, what do you think businesses need to do to start that process?

MARTHA: Well, I mean, to Mark's point, this is a systemic.

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MARTHA: call to action. Organizations need to recognize that, especially those in consumer contexts, people are scrutinizing their purchase decisions—being purpose-driven and kind of having a responsibility towards the health of the planet. These things are real business decisions. It's not just the right thing to do. Some of these are very good, sound business decisions.

JOSH: Walk me through an example of a business that could rethink themselves, given this framing.

MARK: I had an example the other day. I have an electric vehicle and, um, I live in a rural area with a lot of potholes. So it damaged a couple of the wheels, which are super thin, um, because they want to keep them very lightweight to extend the battery. All of which sounds like a good idea until you live in the middle of nowhere.

MUSIC

MARK: and your wheels buckle because you hit a pothole just a little bit too quickly. And so I took them in and they couldn't be repaired. And so I had to pay about \$800 for two new wheels, which hurt. Um, and, and then I said.

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MARK: as he was handing me the invoice, "what happens to the old wheels?" And he said, "Oh, well, they go to landfill... and the tires too." And that infuriated me, ah, because there was a sense there that an organization had sold me something, sold me a promise of being green, but actually, uh, I was not able to fulfill on that promise. And I felt guilty about that, but I also felt, you know, cross with the, the organization that sold me the vehicle in the first place.

JOSH: Right. They broke their promise.

MARK: That's a very good comment because the question is: did they make the promise or did I make the promise in my head.

JOSH: Mmm.

MARK: that that's what I was getting? And I think over time, that will resolve itself to a place where they either explicitly or implicitly have to make that promise. Then you've got to innovate. And you innovate, you know, with-within constraints. So rather than thinking about abundance as your innovation.

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MARK: mentality, you think about constraints as your innovation mentality.

JOSH: Right.

MARTHA: And I love that comment too,



because I think, in this context of the end of abundance thinking, that the promise is changing. In the US a lot of mass retailers, and I'm thinking one in particular, is doing a lot around local. And so even though they're a mass retailer, you know, thousands of stores, each store has a part of it that features local products. People like shopping local and getting artisanal breads and cheeses and beer. It makes sense, as a brand strategy, to kind of play to this consumer need. But the promise is, residually, is:

MUSIC

MARTHA: it burned a lot less fossil fuels to get here. And I think that that's, you know, it wasn't the intent, but it is now part of the promise.

JOSH: Well, you've taken some of my anxiety around supply chain disruptions and transformed it into optimism for the future. Thank you both so much. This has been an amazing conversation.

MARK: Pleasure to be asked to do this.

MARTHA: Thank you.

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JOSH: To learn more about the Fjord Trends report and the top five trends that will be dominating business for the next few years, go to [accenture.com/built for change](https://www.accenture.com/built-for-change).

ELISE: Big thanks to Accenture's Mark Curtis and Martha Cotton.

JOSH: And to Bailey Richardson for talking to us.

ELISE: Built For Change is a podcast from Accenture.

JOSH: More episodes are coming soon. Follow, subscribe, and if you like what you hear, leave us a review.

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