HYPRLOCL TL;DR #01

Bulletin reports on hyprlocl ideas worth watching



POP QUIZ: ARE YOU PHYGITAL, OR JUST DIGITAL?

Psst! If you score 1 or more on the questions below you are #phygital - so read on :)

Is real = physical?

OR

Is reality > physical / digital?

If you answered the latter, you are #phygital. Congratulations and welcome to the future of reality as you see it :) For you, reality is not limited by physicality, it is a 'smash-up' of physical and digital – to the point that the lines between physical and digital have not just blurred, they have been blown away. This is why #phygitalpeople can pin point a clear before vs. after life with brands like Swiggy, OLA, Uber, foodpanda, BBC and Facebook in the work that we do. This is why some people even proudly declare that they "live the app-life these days". And this is why we define #phygital as a mindset for which reality is greater than just physical or digital – it is NOT just a technology / customer experience.

Q2

If you had to pick – would you say you are 'smartphone-savvy', or 'computer-savvy'?

#phygitalpeople are smartphone savvy, which is not necessarily the same thing as being computer savvy. We realized this while working with Svasti Microfinance's CRMs who were struggling to 'learn' their in-house app, because its MERP interface felt totally alien to them. They were having no such trouble using popular smartphone apps, nor in understanding the internal processes that were being digitized on Svasti's app. The problem with the app was simply that it had been designed for computer-savvy people, whereas the CRMs needed a rather more intuitive smartphone-savvy interface. Our redesign of Svasti's app mirrors its CRM's daily work-lives, including using everyday symbols and objects from their lives as its icons. Svasti's CRMs are also a perfect example of why app users in India are not the 'usual suspects' anymore. Thinking of them as just Millenials / higher SEC / 1st waves of users / users of specific apps is like living under the proverbial rock today.

Is your 1st solution for an everyday task typically an app / your smartphone?

Think about it — what do you reach for when you want to...look up info, reach your friends and family, shop, order in, call a cab, entertain yourself? If it is your smartphone or an app most often, you are #phygital. Your muscle memory has been virtualized. A popular example of this is the urban legend that people born after 1990 cannot really distinguish between physical vs. digital. They are born #phygital. A more recent example is this report on Siri and Alexa becoming your child's new best friends (and bad influences!).

Q4

Do you prefer COD?

OR

Do you prefer digital payments?

Depending on the payment method you choose most often, you could sit on either end of a spectrum of #phygital people. At one end of this spectrum are those who feel most comfortable with virtual ideas that mirror their real world (e.g., COD, shop online and try before buying, 'delivery boys'). At the other end of the spectrum are those for whom virtual solutions have transformed and even revolutionized reality (e.g., Uber / OLA to escape driving in rush hour, even to escape household curfews for Indian women). That said, some payment methods are culturally intuitive enough to spread like wildfire across the spectrum, like Tencent's Red Envelopes did in China. Whereas in India, a disruption like Demonitization was needed for mobile payments to break through the 'cash first' culture of its full spectrum.



Do you love the tracking feature on your delivery app?

AND

Do you hate 'physicality checks'?

Accenture reports that individualization will be crucial in the post digital era. Our report is that this individuation will level up anticipation, not just expectations. We are meeting them on-ground very often. Tracking features on cab and delivery apps are the most high engagement for them (even more so than the actual delivery or ride itself)! Because anticipation is, as always, an even more potent drug than the reward itself. This is why #phygitalpeople hate 'physicality checks'. Think back to when your app-cab says 'no cabs available', while you can clearly see the app screen teeming with them! Or when your delivery guy or cabbie can't find the location you have

set. You are frustrated (i.e. feeling more anger than disappointment) because they did not

match up to your anticipation. And this can lose the app your business, in-the-moment!

Q6

Has your smartphone or an app ever made you feel powerful? Or rescued you from an emergency situation? Or possibly even revolutionized your life?

#phygitalpeople are NEVER just looking for added convenience / instant gratification / better features! They want ways of multiplying their real life choices and control above all. Because #phygital at its best feels like being super-powered in the smallest of ways. Especially when it comes to niggling little things like forgotten or last minute tasks, for example, as we discovered in our investigation for the Swiggy Stores launch in early 2019. The people in its launch advertising bring this feeling of being super-powered in small ways alive for India today.



Would you describe yourself as always fluid or always on?

"I want to be like water, flowing through life" is one of the most common metaphors we hear from the app customers we are meeting in recent times. This has been one of our biggest clues that #phygital people are not 'always on' like digital people. That reeks of pressure and perspiration. #phygitalpeople want to feel always fluid instead. This is why, unlike digital people, they are not just adapting themselves to technology. They are adept at adapting technology to their lives instead. They do this in some expected ways (e.g. commutes @ Google Maps / Netflix / Google Music). They also do it in ways that are tough to stay one step ahead of — such as 'cracking' referral codes for discounts on apps, using shopping carts as shopping lists, using a 'patchwork' of shopping / delivery apps instead of being 'loyal' to one (was that supposed to read 'lol' instead?).

Q8

Would you describe yourself as 'hooked' to any apps?

Did you know that <u>dopamine</u> is released by the anticipation and <u>unpredictability</u> of <u>getting a reward – and not by the reward itself?</u> Shopping, delivery and even cab apps work in almost the same way - more proof that we are not very different from the monkeys who participated in Robert Sapolsky's experiment:) This is why 'ETA', 'surge pricing', referral deals, discounts, and even minimizing clicks are some of the biggest hooks in everyday apps. Again, these are even more powerfully habit-forming than the actual delivery / ride itself! Dopamine is the answer to why you might also be feeling 'hooked' or addicted to them.



Have you gone WhatsApp shopping yet?

If you do WhatsApp shop with your friends and family, you are a prime example of what it means to be #phygitally connected to your most powerful influencers. Fact is, that #phygitalpeople are the most powerful marketeers in the world today. Much more so than celebrities and brands. They flip the erstwhile 1-9-90 model of digital marketing on its head. Today it is the 90s who are the most influential, because they all hyper-connected to their inner circles, and to extended networks of other contacts, opinion leaders, celebrities, brands, and media as well. The community intel gathered from among them is more relevant, relatable and *personally biased* than marketeers / celebrities can ever be. Plus this WoM intel is always just a ping away - with the power to make or break a brand's customer journey today.

Q10

Have you helped a brand or movement go viral?

Silicon Valley's 'Daily Active Users' episode in Season 3 is a great reference for what happens when an innovation fails to connect beyond its early adopters. Because if hypernodes are the most powerful influencers today, the acid test of the usability of a product or phenomenon is if it goes viral among them. Cultural movements like #metoo have mushroomed across continents this way, as have the digital offerings of Indian unicorns like OLA, Swiggy, Zomato, Dunzo, et al. Millions of invisible hypernodes have viral-ed them. In rapidly transforming markets like India in particular, these growing millions of #phygitalpeople represent much more than just consumer power for brands today. They have viral power above all. What about you?



Yes, we write long reports, but you don't need too read one to know how we think;)

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