

“Social is the new capital” – Ten App Effects Force Organisations into a Radical Strategy Change

Paris, France – February 14, 2012 - A new publication from technology services provider Sogeti traces the effects of the current mobile revolution. “Social is the new capital” is the conclusion of the ten app effects presented in *The App Effect* book. The unprecedented success of smartphones, tablets and app stores has created a watershed in our information society. In 2011 the number of internet users ballooned to 2.1 billion¹, and this year smartphones and tablets will outnumber PCs, while many people are equipped 24/7 with this new sixth sense: their personal apps. Sogeti’s trend lab VINT is mapping the implications of this new post-PC era for people, corporations and society. According to their predictions, as people become fully addicted to apps by 2020, corporations need to transform to become “social businesses”.

This sixteenth Sogeti/VINT publication presents ten app effects that amplify each other to empower individuals, communities and organisations far beyond Web 2.0 levels. This results in the rise of culture clashes in which traditional systems and corporations are challenged by two important trends. First, the intensive use of social media is prompting corporations to engage in active dialog with people while, at the same time, social-network sub-cultures and countercultures such as WikiLeaks, Anonymous and other “hacktivists” are forcing them to be fully transparent.

The book addresses the following ten app effects:

1. **The blurring of industries:** the enthusiastic creation and adoption of apps intensify trans-sectoral innovation and offerings across traditional industry boundaries.
2. **Immediate response:** corporations must be sharper and respond immediately since mobile screen devices and apps are always at hand.
3. **Empowerment of digital subcultures:** thanks to a host of instantly accessible social media apps every consumer is digitally savvy and 24/7 in full control of high-impact communication and coordination means.
4. **Attacks by countercultures:** the militant approach of hacktivists such as Wikileaks and Anonymous is forcing corporations to be fully transparent.
5. **Software as gadgets:** the huge rise in simple and functional app media and tools people cherish is intensifying digital behaviour.
6. **Sensory information use:** the natural way of sensory information use extends our experience with a sixth sense.
7. **Unprecedented addiction:** people crave for access to information. This creates huge opportunities for corporations which respond to this trend effectively.
8. **Intimacy:** relationships between people and corporations become increasingly personal with all the accompanying emotions. Both business-to-consumer and business-to-business services will have to be person-to-person in the core.
9. **Dependency:** knowledge in your pocket becomes an essential attribute. People are fully dependent on the omniscient screen device as our external intelligence source.
10. **Overload and brain-freeze:** we badly need advanced filters in order to stay in control of the information tsunami that mobile screen devices and apps generate in excess of the Web.

¹ According to the web monitoring company Pingdom - <http://royal.pingdom.com/2012/01/17/internet-2011-in-numbers/>

App Addiction in the Post-PC Era

According to The Brookings Institution² smartphones will outnumber PCs this year. Smartphone installation currently is growing at about three times the rate of personal computers. Swedish analyst firm Berg Insight³ recently reported that some 98 billion mobile apps will be downloaded by 2015.

"We are on the threshold of what we call the post-PC era – in which consumers get increasingly fixated on their digital lifestyle and will be universally addicted to apps by 2020. This will offer companies great opportunities in a new economy," says Menno van Doorn, Director of Sogeti/VINT and co-author of the App Effect book together with Jaap Bloem, Sander Duivestein, and Andreas Sjöström.

Social Is the New Capital

Communication barriers are disintegrating, which closes the distance between people and corporations. We carry the self-organizing power of mobile social media in our pockets all the time. This opens up new perspectives for companies that understand that the 'App Effect' is less about building apps and more about building sincere relationships. According to *The App Effect*, corporations have to transform to become "social businesses." The authors back this claim with examples, including social banking, the emergence of social healthcare and social energy with Home and Community Energy Management Systems. This 'App Effect' is driving existing organisations and institutions to accommodate the wishes and needs of subcultures and countercultures, and move on towards a new "Digital Commons" – a free domain for new economic partnerships, a place for building new social capital.

A Worldwide Research

The App Effect is a product from Sogeti's trend lab VINT, a result of extensive worldwide research and interviews with scientists, behavioral experts and representatives from several corporations and institutions. More information on how the book evolved can be found on www.theappeffect.org, where *The App Effect* can be downloaded for the cost of a tweet. In recent years Sogeti's VINT (www.sogeti.com/vint) has been researching the social impact of the internet. Earlier publications include *Open for Business* (2006), *Me the Media* (2008), and *Don't be Evil* (2010).

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Sogeti is a leading provider of professional technology services, specializing in Application Management, Infrastructure Management, High-Tech Engineering and Testing. Working closely with its clients, Sogeti enables them to leverage technological innovation and achieve maximum results. Sogeti brings together more than 20,000 professionals in 15 countries and is present in over 100 locations in Europe, the US and India. Sogeti is a wholly-owned subsidiary of Cap Gemini S.A., listed on the Paris Stock Exchange. For more information please visit www.sogeti.com.

² http://www.brookings.edu/papers/2011/1208_mobile_broadband_west.aspx

³ <http://www.bgr.com/2011/10/07/berg-mobile-app-downloads-to-grow-57-annually-98-billion-in-2015/>